

## MEDIA RELEASE

### **Leclanché SA raises CHF 6.9 million to support growth investments**

- **Leclanché SA successfully conducts a private placement and the issuance of mandatory convertible notes to existing and new investors**
- **Additional private placement to be potentially conducted in January/February 2016**

**Yverdon-les-Bains, Switzerland, 16 December 2015** – Leclanché SA announces that its Board of Directors has decided to conduct a further capital raise for the Company to support its growth plans. The raise shall be done in two phases.

In the first phase, the share capital of Leclanché is increased in the context of a private placement following the subscription by existing and new investors of 1,894,445 new registered shares out of authorized capital. The subscription price has been set at CHF 2.40 per new registered share. This subscription price is 1.7% above the closing price on the SIX Swiss Exchange on 15 December 2015. Once issued, the new shares will be immediately freely tradable.

The first trading day and the delivery of the 1,894,445 new registered shares are planned for 23 December 2015. The new registered shares will rank equal with the existing registered shares. After closing of the capital increase 37,902,974 fully paid-up registered shares with a nominal value of CHF 1.50 each will be in issue.

In addition, investors subscribed to mandatory convertible notes amounting to CHF 2.4 million due 15 December 2016. The non-listed notes carry an annual nominal interest rate of one per cent and are mandatorily convertible into new shares of Leclanché at the conversion price of CHF 2.40 per new registered share.

In the second phase due in January/February 2016, Leclanché is aiming at a further increase of its share capital out of authorized capital to be subscribed for by existing and new investors.

Leclanché intends to use the net proceeds primarily to support growth investments in projects, in particular to manufacture, install and commission the first part of a large Grid Ancillary Services project, which was presented by the Leclanché CEO during the extraordinary shareholders' meeting on 6 October 2015. It will also use part of the proceeds to pay remaining amount to complete the M&A transaction with ads-tec GmbH announced on 13 August 2015.

In the first phase, Leclanché has secured solid backing from most of its larger shareholders as well as a new significant private equity investor, ACE & Company. Founded in 2005, ACE & Company is a global private equity group based in Geneva, Switzerland. The group has five offices globally and invests across the various stages of private equity, from business angel to buyout acquisitions, including growth capital and special situations.

Commenting on the new partnership with Leclanché, **Adam Said**, CEO and founder of ACE & Company, said: “ACE is proud to support Leclanché in its efforts to become a market leader in energy storage solutions. Energy storage is an enormous market in the making that is still underappreciated by most analysts and investors. This iconic Swiss company is the largest producer of battery cells in Europe today and has unique technologies time tested through a century of innovation in battery systems. Leclanché’s lithium-ion technologies have proven to be significantly more efficient, with longer lifecycles and higher power capacity, than its alternative technologies for large scale storage solutions. Most importantly, the new management has shown its ability to capitalize on the company’s unique resources by winning landmark projects and new financings. We are confident that the research, engineering, and technical teams at Leclanché are best able to serve the increasing demand of clients for fully integrated and specialty battery systems. We are looking forward to participating actively in the journey ahead!”

**Anil Srivastava**, CEO of Leclanché, commented: “I wish to thank all our shareholders for their continued commitment to our business and for their valuable investment; we are in particular grateful to our existing shareholders Recharge, Bruellan and Logistable for their support. I am glad to welcome ACE & Company, a recognized global private equity group as a new partner in the Leclanché. We very much look for their support to accelerate growth of Leclanché. The proceeds provide Leclanché with sufficient liquidity to fund most of its growth investments.”

We would like to further notify that Leclanché SA has become aware that 50% of its share capital and legal reserves are no longer covered by net equity. The development is due to an increase of the nominal share capital and the legal reserves as a result of the conversions of the convertible loan granted to Leclanché by Recharge A/S and the operational loss incurred by the company in the first half of year 2015. As a consequence, the Board of Directors has resolved to conduct the above mentioned private placement in lieu of the rights offering resolved at the extraordinary general meeting held on 6 October 2015. In addition, Leclanché will invite for an extraordinary general meeting as required by law (Art. 725 Sec. 1 CO). At the meeting the company will propose to set off the its losses that have been accrued over the years with capital contribution reserves. In addition, it will also propose a replenishment of the Leclanché’s authorized capital and conditional capital to support its further growth. The invitation to the extraordinary general meeting with its full agenda will be published in due course.

**For further information:**

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## **About Leclanché**

Leclanché, which is listed on the Swiss stock exchange (SIX:LECN), has a wide range of storage products for homes, small offices, large industries, electricity grids, hybridization for mass transport systems like fleet of buses, trams etc. Established in 1909 Leclanché has been a reliable partner for battery storage technologies. Founded in the tradition of Georges Leclanché, the inventor of the dry cell battery, Leclanché today has a rich portfolio of Energy Storage Systems that include Specialized Customer-specific Battery Systems to industry leading lithium-ion solutions. Through the integration of a spin-off of the German Fraunhofer Institute in 2006 the company evolved from a traditional battery producer into one of the first developers and manufacturers of lithium-ion cells in Europe. Leclanché's Storage Solutions are optimized for various applications, in particular for the integration of renewable energy, diesel fuel reduction, electricity grid-connected ancillary services, peak power shaving for heavy industries but also for heavy duty transportation in buses, trams, trains or maritime vessels. Leclanché products are characterized by a very high cycle stability (both for cells with titanate and graphite anode) and long service life. Thanks to our patented separator technology, which is a core element of lithium ion batteries, Leclanché is able to make cells with very good safety characteristics in a highly automated production process. Leclanché operates a fully automated plant for the production of large format lithium-ion cells at an annual maximum capacity of up to one million cells and is capable of running multiple chemistries through production for different cell characteristics. In addition, Leclanché offers a number of specialized battery systems through its Portable Business Unit, such as customer-specific energy storage systems for defense and medical applications. Leclanché also distributes primary and secondary batteries and accessories of other producers.

SIX Swiss Exchange: ticker symbol LECN | ISIN CH 011 030 311 9

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## **Disclaimer**

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