

## PRESS RELEASE

### Leclanché invitation to the upcoming Annual General Meeting of Shareholders

**Annual General Meeting to be held on the 26th of July 2017 in Yverdon-les-Bains.**

Yverdon-les-Bains, Switzerland, 5th of July 2017: Leclanché SA (SIX Swiss Exchange: LECN), the fully vertically integrated battery energy storage solution provider, publishes today the invitation to its Annual General Meeting of shareholders, which will take place on the 26th of July 2017 at 10:00 a.m. (doors open at 9.30 a.m.), at Y-PARC, Rue Galilée 7, CH-1400 Yverdon-les-Bains.

#### Agenda

1. Annual Report 2016, Consolidated Financial Statements 2016, Statutory Financial Statements 2016 and Compensation Report 2016 of LECLANCHÉ S.A.
2. Discharge of the Board of Directors
3. Appropriation of Profits Resulting from the Balance Sheet
4. Elections Board of Directors
5. Election of the Auditors
6. Election of the Independent Proxy
7. Set-off of Capital Contribution Reserves with Accumulated Losses
8. Creation of Authorized Share Capital
9. Creation of Conditional Share Capital
10. Vote on the compensation of the Board of Directors and the Executive Committee
11. Opting-up
- II. Documentation
- III. Participation and voting rights
- IV. Representation
- V. Language

#### I. AGENDA

Introduction by the Chairman of the Board of Directors.

#### 1. Annual Report 2016, Consolidated Financial Statements 2016, Statutory Financial Statements 2016 and Compensation Report 2016 of LECLANCHÉ S.A.

##### 1.1 Approval of the Annual Report 2016, Consolidated Financial Statements 2016 and Statutory Financial Statements 2016

**Proposal of the Board of Directors:** to approve the annual report 2016, the consolidated financial statements 2016 and the statutory financial statements 2016 of LECLANCHÉ S.A.

##### 1.2 Consultative Vote on the Compensation Report 2016

**Proposal of the Board of Directors:** to approve on a consultative basis the compensation report 2016.

**Explanation:** In line with the recommendations of the Swiss Code of Best Practice for Corporate Governance, the Board of Directors is seeking your endorsement of the compensation report 2016 on a consultative basis.

## 2. Discharge of the Board of Directors

**Proposal of the Board of Directors:** to discharge the members of the Board of Directors.

## 3. Appropriation of Profits Resulting from the Balance Sheet

Loss for the year 2016	kCHF -64,009.30
Balance brought forward from previous year	kCHF -14,940.20
Total accumulated losses	kCHF -78,949.50

**Proposal of the Board of Directors:**

Dividend for the year 2016	0.00
Transfer to the general reserve	0.00
Balance to be carried forward	kCHF -78,949.50

## 4. Elections Board of Directors

### 4.1 Re-elections to the Board of Directors

**Proposal of the Board of Directors:** to re-elect the following members, each for a term of office until the end of the next annual general meeting of shareholders:

- Mr. Jim Atack
- Mr. Stefan A. Müller
- Mr. Adam Said
- Mr. David Ishag

**Explanation:** Mr. Peter Wodtke does not stand for re-election.

### 4.2 New Elections to the Board of Directors

**Proposal of the Board of Directors:** to elect Mr. Pierre-Alain Graf, Mr. Peter H. Fletcher and Mr. Tianyi Fan as new members to the Board of Directors.

**Explanation:** Pierre-Alain Graf has been a resilient, international CEO in telecommunication businesses, power infrastructures and high tech industries. He was the CEO of Swissgrid from October 2008 to 2015 and has successfully managed the transfer of high-voltage network and the reorganization of the company. Before this role, he worked for Cisco Systems as General Manager Switzerland, at COLT Telecom Europe in London and Stockholm as well as at Credit Suisse in Zurich and London. Pierre-Alain Graf has a degree from University of Basel, the University of St. Gallen, Harvard Business School and the International Banking School in New York.

Mr. Peter H. Fletcher is the Managing Director of PHF Capital Inc., based in Canada. PHF Capital Inc. advises family offices on international investments, asset allocation and family office related issues. Mr. Fletcher has garnered over forty years of successful international

*experience that covers a broad spectrum of financial management functions in the trust and banking industry in Canada, Australia, Bermuda, Hong Kong and Switzerland. In addition to holding numerous directorships of investment funds and companies, he has served on various international governments' financial regulatory bodies and holds the professional designation of Chartered Financial Analyst. Mr. Fletcher is also founder and chair of the renowned Club B – a non-profit international investment forum for family offices. Club B is devoted to providing authoritative insight on global market trends and asset allocation through its annual events.*

*Mr. Tianyi Fan is Director of the Industry Department as part of Golden Partner Asset Management Co (Shanghai), which is a 100% subsidiary of Golden Partner Holding Co Luxembourg, whose associated and affiliated vehicles are the largest shareholders in Leclanché. Industry Department is responsible for post-investment management and added value support to the portfolio companies. Prior to this he was Director of the Research Department, undertaking project analysis and due diligence on investments, and being responsible for corporate risk control. He has been following Leclanché since Golden Partner's initial purchase of an interest in December 2015. He has also been active in trying to identify potential partners for Leclanché in the lucrative Chinese EV and stationary storage markets. Prior to working at Golden Partner, Tianyi Fan worked at Shanghai Zesheng Investment Management Ltd. where he was responsible for portfolio management, and particularly sectoral analysis. He monitored companies on the Chinese A-Share market. He has also worked at Unilever in China. Tianyi Fan has a Bachelor's Degree in Physics from Fudan University.*

#### **4.3 Election of the Chairman of the Board of Directors**

**Proposal of the Board of Directors:** to re-elect Mr. Jim Atack as Chairman of the Board of Directors for a term of office until the end of the next annual general meeting of shareholders.

#### **4.4 Elections to the Appointments and Remuneration Committee**

**Proposal of the Board of Directors:** to re-elect the following members to the Appointments and Remuneration Committee, each for the term of office until the end of the next annual general meeting of shareholders:

- Mr. Jim Atack
- Mr. Stefan A. Müller
- Mr. Adam Said

The Board of Directors intends to nominate Mr. Jim Atack as Chairman of the Appointments and Remuneration Committee, subject to his re-election as a member of the Appointments and Remuneration Committee.

#### **5. Election of the Auditors**

**Proposal of the Board of Directors:** to re-elect PricewaterhouseCoopers SA, Lausanne as auditors for the financial year 2017.

## 6. Election of the Independent Proxy

**Proposal of the Board of Directors:** to re-elect Mr. Manuel Isler, attorney-at-law, Geneva, as Independent Proxy until the end of the next annual general meeting of shareholders.

## 7. Set-off of Capital Contribution Reserves with Accumulated Losses

**Proposal of the Board of Directors:** The Board of Directors proposes to set off reserves from capital contribution (as reflected in the Company's audited balance sheet at December 31, 2016) in the amount of KCHF 10,171.5 respectively with loss carry forwards in the amount of KCHF 78,949.5.

## 8. Creation of Authorized Share Capital

**Proposal of the Board of Directors:** The Board of Directors proposes to re-increase the existing authorized share capital to an amount of CHF 36,887,781\*, to extend the exercise period of the existing authorized share capital to May 2, 2019, and to amend Article 3 quater para. 1 of the Company's Articles of Association as follows:

<i><b>Current Version</b></i>	<i><b>Proposed Version (changes underlined)</b></i>
<p><b>Article 3 quater:</b></p> <p>The board of directors is authorized to increase the share capital, at any time until May 3, 2018, by a maximum amount of CHF 20,269,188* by issuing a maximum of 13,512,792* fully paid up shares with a nominal value of CHF 1.50 each.</p> <p><i>[The rest of paragraph 1 as well as paragraphs 2, 3 and 4 remain unchanged.]</i></p>	<p><b>Article 3 quater:</b></p> <p>The board of directors is authorized to increase the share capital, at any time until <u>May 2, 2019</u>, by a maximum amount of CHF <u>36,887,781*</u> by issuing a maximum of <u>24,591,854*</u> fully paid up shares with a nominal value of CHF 1.50 each. [...]</p> <p><i>[The rest of paragraph 1 as well as paragraphs 2, 3 and 4 remain unchanged.]</i></p>

*\* the Company plans to increase its share capital between the date of this invitation and the annual general meeting of shareholders by using the authorized share capital pursuant to Article 3 quater of the Articles of Association and the conditional share capital pursuant to Article 3 quinquies of the Articles of Association. Therefore, the share capital of the Company and the number of shares outstanding may change until the annual general meeting. The Board of Directors will announce the final numbers (share capital, number of shares outstanding as well as authorized and conditional share capital) at the upcoming annual general meeting of shareholders at the latest.*

**Explanation to agenda items 8 and 9:** *In order to be able to fund investments under the company's growth plan as well as in connection with projects for customers, the Company is dependent on the flexibility of having further authorized and conditional capital.*

## 9. Creation of Conditional Share Capital

**Proposal of the Board of Directors:** The Board of Directors proposes to re-increase the existing conditional share capital to an amount of CHF 32,387,781\* and to amend Article 3 quinquies of the Company's Articles of association as follows:

<b>Current Version</b>	<b>Proposed Version (changes underlined)</b>
<p><b><u>Article 3 quinquies:</u></b></p> <p>The share capital may be increased in an amount not to exceed CHF 15,164,173.50* through the issuance of up to 10,109,449* fully paid-up shares with a nominal value of CHF 1.50 per share. [...]</p> <p><i>[The rest of paragraph 1 as well as paragraphs 2, 3, 4 and 5 remain unchanged.]</i></p>	<p><b><u>Article 3 quinquies:</u></b></p> <p>The share capital may be increased in an amount not to exceed CHF <u>32,387,781*</u> through the issuance of up to <u>21,591,854*</u> fully paid-up shares with a nominal value of CHF 1.50 per share. [...]</p> <p><i>[The rest of paragraph 1 as well as paragraphs 2, 3, 4 and 5 remain unchanged.]</i></p>

\* refer to note on agenda item 8

## 10. Vote on the compensation of the Board of Directors and the Executive Committee

### 10.1 Compensation for the Board of Directors

**Proposal of the Board of Directors:** approval of the maximum aggregate amount of compensation of the Board of Directors for the term until the 2018 Annual General Meeting of CHF 600,000.

**Explanation:** *The enclosed Annex 1 sets out further details in relation to the proposed votes on compensation amounts for the Board of Directors.*

### 10.2 Compensation for the Members of the Executive Committee

**Proposal of the Board of Directors:** approval of the maximum aggregate amount of the Executive Committee for the financial year 2018 of CHF 4,700,000.

**Explanation:** *The enclosed Annex 1 sets out further details in relation to the proposed votes on compensation amounts for the Executive Committee.*

## 11. Opting-up

This agenda item was requested by LECN Co- Invest, Commerce House, Wickhams Cay1, Road Town Tortola, BVI ("LECN Co-Invest") and ACE Energy Efficiency SPC, Cricket Square, Hutchins Drive, Grand Cayman, KY1-111, Cayman Islands ("ACE EE")

**Proposal of LECN Co-Invest and ACE EE:** LECN Co-Invest and ACE EE propose *that the shareholders approve the following motions:*

1. introduction of an opting-up increasing the threshold of 33.3% of the voting rights to 49% of the voting rights in connection with the duty to submit a mandatory offer; and
2. adoption of the following article 5 of the articles of association:

## Proposed Version

### **Article 5:**

Anyone who directly, indirectly or acting in concert with third parties acquires equity securities which, added to the equity securities already owned, exceed the threshold of 49% of the voting rights, whether exercisable or not, must make an offer to acquire all listed equity securities of Leclanché SA (art. 135 FMIA).

*Explanations provided by LECN Co-Invest and ACE EE: There is a possibility that a strategic or financial investor may wish to invest in Leclanché S.A. but on the condition that it is exempted from the mandatory public tender offer, i.e., an offer to the shareholders of Leclanché S.A. to acquire their shares to a minimum price corresponding to the higher price of (i) the market price or (ii) the highest price this investor paid for shares of the same company within the last 12 months since the offer. The purpose of the proposal is to offer to the board of directors a greater flexibility in a context of financing.*

*The Board of Directors supports this proposal.*

## II. DOCUMENTATION

Enclosed with the invitation sent to shareholders are a registration form and an instruction form which shareholders are asked to complete and return by mail to the following address if they wish to attend, or to be represented at, the shareholders' meeting: Computershare Schweiz AG, Baslerstrasse 90, Postfach, 4601 Olten, Schweiz.

The annual report 2016 which contains the consolidated financial statements, the statutory financial statements as well as the auditor's report and the compensation report 2016 are available to shareholders at the Company's headquarters. The annual report and the compensation report are also available on Leclanché's website at [www.LECLANCHÉ.com](http://www.LECLANCHÉ.com).

Leclanché SA offers its shareholders the opportunity to register on the online platform [www.ecomm-portal.com](http://www.ecomm-portal.com) (eComm). This platform allows shareholders registered in the share register to order their entrance card or to grant power of attorney and issue instructions for the exercise of voting rights to the independent proxy electronically. The personal access data to this platform are printed on the registration form. Shareholders may grant power of attorney and issue voting instructions to the independent proxy until the close of the online voting period on July 22, 2017 at 11:59 p.m.

## III. PARTICIPATION AND VOTING RIGHTS

Shareholders registered with voting rights in the share register as of July 14, 2017 at 17:00, will be authorised to participate and to vote at the shareholders' meeting. They will receive their entrance card and voting material upon returning the registration form or by contacting Computershare Schweiz AG at the address indicated above.

From July 14, 2017 at 17:00 to July 26, 2017, no entries will be made in the share register which would create a right to vote at the shareholders' meeting. Shareholders who sell part or all of their shares during this period are no longer entitled to vote to that extent. They are requested to return or to exchange their admission card and voting material.

#### **IV. REPRESENTATION**

Shareholders who do not intend to participate in the shareholders' meeting personally may be represented by another person authorized by a written proxy who does not need to be a shareholder or by the Independent Proxy. The representatives do not need to be shareholders.

Mr. Manuel Isler, attorney-at-law, c/o BMG Avocats, 8C, avenue de Champel, P.O. Box 385, CH-1211 Geneva, acts as the Independent Proxy. The registration form with the completed and signed powers of attorney should be submitted to Computershare Schweiz AG at the address indicated above.

Shareholders who wish to be represented by another person should send their registration form with the completed and signed power of attorney to the attention of Computershare Schweiz AG at the address indicated above. The admission card and the voting material will then be sent directly to the address of their designated representative.

#### **V. LANGUAGE**

The annual general meeting of shareholders will be held in English.

Yverdon-les-Bains, 5 July 2017

For the Board of Directors

The Chairman  
Jim Atack

## **A. ANNEX 1: EXPLANATIONS TO AGENDA ITEM 10**

As required by the Ordinance against Excessive Compensation in Listed Stock Corporation (OaEC) and the Articles of Association, the Board of Directors will propose for shareholders' approval:

1. the maximum aggregate amount of Board of Directors' compensation for the period until the next AGM in 2018<sup>1</sup>
2. the maximum aggregate amount of the Executive Committee's compensation for the financial year 2018<sup>2</sup>

The proposed amounts submitted for approval at this year's Annual General Meeting of Shareholders are aligned with our compensation policy.

Also, we have given you the opportunity to vote under agenda item 1.2 on a consultative basis on the compensation report 2016.

### **Explanations Concerning the Proposed Maximum Compensation Amount of the Board of Directors (Agenda Item 10.1)**

The proposed aggregate maximum compensation amount of CHF 600,000 is payable to the Board of Directors and, as an indication, consists of fixed fees.

In addition, the Company pays compulsory social security insurance contributions as required by law. No variable compensation or pension benefits are awarded to members of the Board of Directors.

### **Explanations Concerning the Proposed Maximum Compensation Amount of the Executive Committee for the Financial Year 2018 (Agenda Item 10.2)**

The Board of Directors is seeking approval for CHF 4,700,000 as the maximum aggregate amount of the Executive Committee's compensation for the financial year 2018.

In accordance with the Articles of Association, the Board of Directors submits at each year to the Annual General Meeting of Shareholders for approval the maximum compensation of the Executive Committee for the next financial year. The proposed aggregate maximum compensation amount includes the base salary, the variable short-term compensation (bonus) as well as the variable long-term compensation paid or awarded in that year.

As disclosed in the compensation report 2016, the Company paid compensation to the Executive Committee in the aggregate amount of CHF 3,259,609 in the financial year 2016. The proposed aggregate maximum compensation amount is in line with the Company's current compensation policy.

The aggregate maximum compensation amount is a budget and based on the assumption that each member of the Executive Committee will have fully achieved all the targets under the Company's variable short-term compensation plans (bonus) and all criteria under our allocation grid for the variable long-term compensation. It should not be regarded as the compensation amount that will be actually paid or awarded. The actual compensation will depend on individual performance and targets achievement.

In addition, the Company pays compulsory social security insurance contributions as required by law.

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<sup>1</sup> This amount does not include compulsory social charges contributions, estimated to amount to approximately CHF 12,500.

<sup>2</sup> This amount does not include compulsory social charges contributions, estimated to amount to approximately CHF 650,000.



## **PRESS RELEASE**

### **Documentation**

Shareholders registered with voting rights in the share register of the Company as of the 10th of July will be authorised to participate and vote at the Annual General Meeting. The detailed agenda concerning the Annual General Meeting can be downloaded on the Company's web site: [www.leclanche.com/investor-relations](http://www.leclanche.com/investor-relations).

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### **Shareholder, Analyst and Investor contacts:**

E-Mail: [invest.leclanche@leclanche.com](mailto:invest.leclanche@leclanche.com)

Tel.: +41 (0) 24 424 65 00

### **About Leclanché**

Leclanché is one of the world's leading fully vertically integrated energy storage solution providers. It delivers a wide range of energy storage solutions for homes, small offices, large industries, electricity grids, as well as hybridization for mass transport systems such as bus fleets and ferries. Established in 1909, Leclanché has been a trusted provider of battery energy storage solutions for over 100 years. Founded in the tradition of Georges Leclanché, the inventor of the dry cell battery, Leclanché today has a rich portfolio of Battery Energy Storage Systems (BESS) that include bespoke battery systems from industry leading lithium-ion solutions.

Leclanché is listed on the Swiss stock exchange, and is the only listed pure-play energy storage company in the world.

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

### **Disclaimer**

This press release contains certain forward-looking statements relating to Leclanché's business, which can be identified by terminology such as "strategic", "proposes", "to introduce", "will", "planned", "expected", "commitment", "expects", "set", "preparing", "plans", "estimates", "aims", "would", "potential", "awaiting", "estimated", "proposal", or similar expressions, or by expressed or implied discussions regarding the ramp up of Leclanché's production capacity, potential applications for existing products, or regarding potential future revenues from any such products, or potential future sales or earnings of Leclanché or any of its business units.

You should not place undue reliance on these statements. Such forward-looking statements reflect the current views of Leclanché regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no guarantee that Leclanché's products will achieve any particular revenue levels. Nor can there be any guarantee that Leclanché, or any of the business units, will achieve any particular financial results.

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