
Press Release

Leclanché: agenda for the upcoming Extraordinary General Shareholders Meeting

- **Extraordinary shareholders meeting to be held on 26 August 2013 in Yverdon-les-Bains**
- **Shareholders will be asked to approve a number of resolutions in connection with the recently announced medium term financing of the company and its restructuring**
- **Election of two new board members**

Yverdon-les-Bains, Switzerland, 2 August 2013 - Leclanché S.A. (SIX Swiss Exchange: LECN), specialized in the production of large-format lithium-ion cells and energy storage solutions, published today the agenda of its extraordinary general meeting of shareholders, which will take place on 26 August 2013 in Yverdon-les-Bains at 11h00. Linked with the recently announced CHF17 million medium term financing of the company, the agenda sets out a number of resolutions in the context of the restructuring and turnaround of the company.

The board of directors proposes to cancel (except for the opting-up provision approved under sub-item 6.17) all resolutions adopted under agenda item 6 (i.e., sub-items 6.1–6.7) at the annual general meeting of 10 April 2013 with retroactive effect. These resolutions were proposed on the basis of granting the Company as much flexibility as possible to find new investors in a private placement of shares. They did however not result in any meaningful options to the Company at this time.

The board of directors is of the view that the rearranged restructuring concept with Precept Fund Management SPC on behalf of Precept Fund Segregated Portfolio (“Precept”) and Bruellan Corporate Action Governance Fund (“Bruellan Fund”) provides the only viable funding option available to the Company. Given the current situation of the Company and the fact that Precept has indicated its strong interest to further develop Leclanché as a listed company, the board of directors has come to the conclusion that the rearranged restructuring concept with Precept and Bruellan Fund as core shareholders is from an operational and financial point of view in the interest of the Company and its constituents and will form the basis for a successful future of the Company.

The board of directors believes that the restructuring measures it proposes are urgently needed in order to maintain the financing of the Company and to successfully perform its financial restructuring. It is a condition to Precept’s Convertible Loan that all the proposals of the board of directors under agenda items 1–7 be approved. The Company has already drawn an initial amount of CHF 4,700,000 under the Convertible Loan. Precept has agreed to convert this initial amount (including accumulated interest) into shares of the Company after the extraordinary general meeting. If a proposal is rejected Precept is entitled to terminate and to demand repayment of the Convertible Loan.

Accordingly, the board of directors proposes shareholders to approve as well the following resolutions :

- (i) a reduction of the share capital of the company of CHF 16,271,119.05 by way of par value reduction from currently CHF 5 to CHF 2.11 per share
- (ii) an ordinary capital increase (tranche A) of CHF 9,710,720.07 through the issuance of 4,602,237 new registered shares with a nominal value of CHF 2.11 in favor of Bruellan in connection with the conversion of the Bruellan loan
- (iii) an ordinary capital increase (tranche B) of CHF 6,630,432.35 through the issuance of 3,142,385 new registered shares with a nominal value of CHF 2.11 to Precept in connection with the conversion of the First Draw Down
- (iv) the creation of conditional share capital and authorized share capital in the maximum amount of CHF 12,457,433.67 and 14,075,360.57, respectively, in order to enable the Company to issue new shares if and to the extent Precept makes further conversions under the Loan Agreement
- (v) an opting out provision which exempts an acquirer of shares to make a mandatory public tender offer pursuant to article 32 of the Federal Act on Stock Exchanges and Securities Trading
- (vi) the election of Mr. Bryan Urban and Mr. Jim Atack to the Board of Directors, each for a term of three years (see biography below).

Bruellan and Precept as new core shareholders

Bruellan Fund has communicated to the Company that it has agreed to the conversion of its loan into equity in order to support the restructuring process of the Company and not for the purpose of exercising control over the Company. Upon conversion of its EUR 5,000,000 Original Loan (including accumulated interest and fee), Bruellan Fund (which is currently not a shareholder of the Company) is expected to own 34.4% of the issued share capital of the Company.

Precept's current intention with regard to the Company is to be an anchor investor to foster its successful turnaround, which presently targets a break-even at EBITDA level by 2015. It has signed the agreement regarding the Convertible Loan with the Company to provide the funding necessary to support this and currently intends to convert the entire Convertible Loan into shares as soon as practically possible, thereby becoming the major shareholder of the Company and ensuring continuity and stability in the Company's shareholder and financial base during the turnaround process.

Following the successful completion of the turnaround, although it is Precept's present intention to remain a long term shareholder of the Company to ensure stability, Precept will consider all possible options including remaining the major shareholder of the Company, reducing its participation in the Company gradually over time, or disposing of its entire participation in the Company.

Upon conversion of the initial CHF 4,700,000 drawn by the Company under the Convertible Loan (including accumulated interest), Precept (which is currently not a shareholder of the Company) is expected to own 23.5% of the issued share capital of the Company. If Precept were to convert the entire Convertible Loan (together with accumulated interest and fee) at its final maturity date (end of June 2016 provided it is not extended) and assuming the loan were fully drawn down at inception, it would hold 54.3% of the issued share capital of the Company. At that time, assuming Bruellan Fund's shareholding remained constant, Bruellan Fund would then hold 20.6% of the issued share capital of the Company.

On July 19, 2013, Bruellan Fund and Precept each submitted a request to the Swiss takeover board that an exemption is granted to them in connection with the Restructuring Plan. Depending on the

outcome of the decision of the Swiss takeover board the board of directors of the Company reserves the right to withdraw the proposed introduction of an opting-out clause (if decision is rendered prior to the extraordinary general meeting) or to propose to a subsequent general meeting to remove the opting-out clause adopted by this extraordinary general meeting (if decision is rendered after the extraordinary general meeting).

Election of two new board members

The board of directors proposes the election of two representatives of Precept as new board members, Bryan Urban and Jim Attack.

Bryan Urban, US citizen, was born in 1964. He has over 20 years of energy development, finance and operational experience covering a broad array power generation and energy infrastructure assets in the Americas and Asia/Pacific. Mr. Urban is also the Managing Partner at Silveron Capital Partners (he founded in 2006) where he heads up a boutique investment banking and advisory team specializing in financing and M&A transactions for power and alternative energy companies. Mr. Urban's energy finance experience covers a broad array of deal structures and capital sources in both debt and equity. He has many years of hands-on development and operational experience as the CFO of Panda Energy International, an independent power company active throughout the world. Early in his career Mr. Urban spent five years with Arthur Andersen where he was involved with both audit engagements and M&A transactions. He is a CPA and earned a Bachelor of Science from Indiana University.

Jim Attack, British citizen, was born in 1950. He recently retired as director of strategic development of Petrofac Plc., a UK international oil services company. For six years, up to August 2006, he was the managing director of the Petrofac Facilities Management subsidiary, worldwide, establishing it as the sole Service Operator of North Sea platforms and terminals. He was also engaged in the successful rehabilitation of the Ramform Banff FPSO. Mr. Attack's prior experience spans some seventeen years of oil and gas field production and development projects with BP in the North Sea, Onshore UK, and Alaska. He has a long history throughout his career of troubleshooting and optimizing operational aspects of production facilities, and developing workable strategies to successfully implement optimization plans. Mr. Attack holds degrees in Civil Engineering (Loughborough University of Technology, B.Sc Hons.) and Offshore Structures (Massachusetts Institute of Technology, M.Sc).

Documentation

Shareholders registered with voting rights in the share register of the Company as of 22 August, 2013 will be authorised to participate and vote at the shareholders' meeting.

The agenda concerning the extraordinary annual general meeting of Shareholders can be downloaded at the Company's web site: http://www.leclanche.eu/img/EGM_Agenda_Leclanche_ENG.pdf

About Leclanché

Leclanché's strategy is to become one of the leading lithium-ion cell producers and solution providers for renewable energy storage systems in Europe. Its strategic priorities are stationary home electrical energy storage applications and expansion into the stationary industrial and grid electricity storage markets. Through participation in research consortia focusing on hybrid and E-mobility applications, Leclanché is positioned to take advantage of new market opportunities.

Through a unique, patented ceramic separator technology and focus on lithium-titanate technology, Leclanché manufactures large-format lithium-ion cells, optimized for safety and cycle-life, in a fully

automated production process. The newly installed production line will have an annual capacity of one million cells or 76 MWh.

Leclanché was founded in 1909 in Yverdon-les-Bains. Through the integration of a spin-off from the Fraunhofer-Gesellschaft in 2006, the company evolved from a traditional battery manufacturer to become a leading developer and manufacturer of lithium-ion cells in Europe. Leclanché currently employs 120 staff and is listed on the SIX Swiss Exchange (LECN). The company has its headquarters in Yverdon-les-Bains (Switzerland) and production facilities in Willstätt (Germany).

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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.