
Press Release

Leclanché Shareholders Approve All Board Proposals at Extraordinary General Meeting

- **Shareholders approve all the resolutions relating to the CHF17 million medium term financing of the company announced recently in connection with the restructuring and turnaround of the company**
- **Election of two new board members**
- **With its funding secured, Leclanché will now be able to proceed with the execution of its turnaround plan**

Yverdon-les-Bains, Switzerland, 26 August 2013 – Leclanché S.A. (SIX Swiss Exchange: LECN), specializing in the production of large-format lithium-ion cells and energy storage solutions, announced today that its shareholders approved all the proposals of the Board of Directors at its 2013 extraordinary general meeting held today in Yverdon-les-Bains. Shareholders approved all the resolutions relating to the CHF17 million financing of the company announced recently in connection with the restructuring and turnaround of the company. Shareholders also approved the election of, two new board members nominated by Precept, Jim Atack and Bryan Urban for a period of three years.

"We sincerely thank our shareholders for approving all proposed resolutions, as this means that the funding of the company is now secured," commented the Interim Chairman of the board Stefan A. Müller. *"This marks a new beginning for Leclanché – with this funding we can now proceed with the execution of our turnaround plan and position the company to take advantage of the upcoming market opportunities."*

Mr Muller added: *"The speed issue at our production plant has been identified, corrected and successfully tested. The solution is now in the validation phase and is expected to be resolved by the end of 2013. The launch dates for our stationary products have already been communicated – first Quarter, 2014 for the home storage system and H1 2014 for the industrial storage system. With a successful product launch and continued execution of our turnaround plan our target is to achieve a break even at the EBITDA level by 2015. The company's goal is to be among the first movers in Europe in the stationary storage market – home and industrial – provided it successfully launches its stationary products in 2014 and pursues its product road map."*

The Board will shortly proceed to implement the capital increase and file the necessary registrations in the commercial register.

Summary of the approved resolutions

Shareholders of Leclanché S.A. approved:

- the cancellation of all resolutions adopted at the annual general meeting of 10 April 2013 with retroactive effect under agenda item 6 (i.e., sub-items 6.1–6.7), except for the opting up provision approved under sub-item 6.17.

- 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 CHF2.11 per share
- 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
- 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
- the creation of conditional share capital and authorized share capital in the maximum amount of CHF 12,457,433.67 and CHF 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 and allow for the issue of warrants to Talisman Infrastructure International Ltd., or other advisers or agents of the Company
- the election of Mr. Bryan Urban and Mr. Jim Atack to the Board of Directors, each for a term of three years
- The consequential amendments to the Articles of Association:

Bruellan and Precept as new core shareholders

The approval of shareholders at today's extraordinary general meeting will in particular allow Precept Fund Segregated Portfolio ("Precept") to convert the initial draw down of CHF 4,700,000 under its facility and Bruellan Corporate Action Governance Fund ("Bruellan") to convert its EUR 5,000,000 Loan into shares of Leclanché SA. Upon conversion of their loans, Precept and Bruellan will respectively own 23.5% and 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 support its turnaround, which presently targets a break-even at EBITDA level by 2015, subject to a successful launch of its stationary products and the continued implementation of the turnaround plan. If Precept were to convert all of the Convertible Loan at maturity, it would hold 54.3% and at that point, Bruellan would hold 20.6% of the issued share capital of the Company

On July 9, 2013, Leclanché announced it had it signed a Senior Secured Convertible Loan Agreement for CHF17 million ("Loan Agreement") maturing in June 2016 from Precept Fund Management SPC on behalf of Precept Fund Segregated Portfolio ("Precept" or "Lender"). This financing was secured after a long and difficult fund raising effort.

Both Bruellan and Precept received on August 14, 2013, an exemption from the Swiss takeover board to make a mandatory public tender offer pursuant to article 32 of the Federal Act on Stock Exchanges and Securities Trading. This exemption was granted in connection with the Restructuring Plan of Leclanché.

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.