

PRESS RELEASE

Leclanché announces its full year 2018 results, record revenue growth and strong order book for 2019 and beyond

- Record revenues in 22 years, representing over 2.7 times 2017 revenues
- EBITDA loss as a percentage of revenues reduced by more than half
- Exceeded milestone of 100 MWh in commercial operation in the stationary business
- Strong order book for 2019 and 2020 to deliver higher margin and recurring revenue streams
- Solid outlook for the e-Transport business
- New growth capital injection of CHF 35 million for working capital purpose
- Strengthening of the balance sheet with an agreement to convert CHF 35.9 million of debt into equity
- Leclanché goes green: 110 years of heritage for a sustainable future
- Annual Report 2018 published today

Key figures

<i>(in million CHF)</i>	FY 2018	FY 2017	FY 2016	FY 2015
Revenue	48.7	18.0	28.5	18.2
EBITDA	-39.1	-31.8	-28.4	-26.0
<i>EBITDA as % of Revenues</i>	-80%	-177%	-100%	-143%

YVERDON LES BAINS, Switzerland, 5 April 2019: Leclanché SA (SIX: LECN), one of the world's leading energy storage solution companies, today announced its results for the full year ending 31 December 2018.

Consolidated revenues for fiscal year 2018 were CHF 49 million, up from CHF 18 million in 2017, a 22 year record and more than 2.7 times 2017 revenues.

The EBITDA loss for the year amounts to CHF (39.1) million compared to a loss of CHF (31.8) million the previous year. As a percentage of revenue, EBITDA loss has more than halved compared to 2017.

The organisation has continued to scale this year with the addition of nearly 100 personnel in order to attain critical size. Operational expenditure is now stabilising and is on track to be in line with industry norms in 2020. This, along with a higher utilisation rate and reduced scrap rates in production underpins the Company's long-term competitiveness and profitability.

In 2018, Leclanché secured purchase orders of more than 75 MWh or CHF 42 million in the e-Transport Business, which will be delivered in 2019 and 2020. Leclanché achieved European market

share leadership in the fast-growing e-Marine business and gained leading Commercial Vehicle customers.

Funding Update

The Company has secured an additional debt facility and completed a further restructuring of its balance sheet. All current debt maturities have been extended to 31 December 2020 and FEFAM¹, Leclanché's largest shareholder, has agreed to convert CHF 35.9 million of its debt by the end of June 2019.

In addition to the CHF 75 million secured in June 2018, Golden Partner related parties have agreed to provide Leclanché with a CHF 35 million working capital financing facility with an agreed draw down schedule. This brings the total growth funding raised to date to CHF 200 million.

Anil Srivastava, CEO of Leclanché, said: *"I am pleased to report that the Company has met and exceeded its financial guideline given during the Shareholder meeting last December. 2018 has been a momentous year and our accomplishments are a validation of the growth strategy that was set by the Company in 2015. We enter 2019 with a solid order book and awarded projects of more than CHF 60 million, which will deliver higher margin and recurring revenue streams. Of this, the new and fast-growing e-Transport Solutions business accounts for 70% or CHF 42 million of confirmed orders.*

The opportunity for Leclanché is now. Leclanché is clearly positioned as a world leading energy storage solutions provider, based on 100% ownership of all key technologies. The Company's operating model is focused on a high margin systems and software business, in a market growing at 37% CAGR, supported by high revenue Stationary Solutions projects and high margin e-Transport Solutions generating recurring revenues.

We made a strategic entry in India, expected to be one of the world's largest EV markets, through an exclusive joint venture (JV) with Exide Industries Limited. Under this agreement, the JV shall receive a perpetual license for all relevant Leclanché technologies used in India for a fee. Selection by Exide Industries, and the significant IP license fee to Leclanché, represents a major industrial endorsement of our technologies and provides a boost to the underlying enterprise value of the Company.

In the Stationary Solutions business, we exceeded an important milestone of 100 MWh of stationary storage projects installed and operating around the world, including landmark replicable projects, which increase the integration of renewables into our grids and reduce curtailment. These include the 20 MW/ 19.5 MWh Marengo project in the PJM market in North America, one of the highest performing projects in the PJM, and the 22 MW/ 34.8 MWh Cremzow storage plant in Germany completed in partnership with Enel Green Power and ENERTRAG."

This week, the Company unveiled its new visual identity, which reflects both the Company's innovative evolution as a key player in the sustainable energy transition, and the depth of the legacy of 110 years of Swiss technological history, quality and precision, and German engineering. Now including a green gradation, the Leclanché logo expresses the Company's mission and the exciting growth opportunities across the segments in which it has established itself: Stationary Storage Solutions, e-Transport Solutions and Specialty Battery Systems.

¹ FEFAM means: AM INVESTMENT SCA, SICAV-SIF - Liquid Assets Sub-Fund, together with FINEXIS EQUITY FUND - Renewable Energy Sub-Fund, FINEXIS EQUITY FUND - Multi Asset Strategy Sub-Fund, FINEXIS EQUITY FUND - E Money Strategies Sub-Fund (also called Energy Storage Invest) and, all these funds being in aggregate the main shareholder of Leclanché, hereunder referred to as "FEFAM".

Financial Results

For further details, please refer to the full 2018 annual report which is accessible on the Company's web site: <https://www.leclanche.com/investor-relations/financial-reports/>

Business Highlights

- **100 MWh of stationary storage projects around the world**

Leclanché met a significant milestone in December 2018 when it reached 100 MWh of stationary storage projects around the world, including landmark replicable projects accelerating the integration of renewables in the grid. For details of completed projects please visit our website at <https://www.leclanche.com/stationary-solutions/>.

- **Nexcharge: Joint Venture with Exide Industries Limited, India**

In June 2018, Leclanché made a strategic entry in India by forming a joint venture with Exide Industries to build lithium-ion batteries and energy storage solutions to power the growth of India's Electric Vehicle (EV) market, expected to be one of world's largest markets for EV.

Nexcharge's manufacturing facility is being built on a greenfield site outside the city of Gandhinagar, in the state of Gujarat in India. The plant for the production of modules and battery packs is expected to be in operation by end June 2019. The objective is to have a 3 million cell per year line by 2021, increasing overall capacity over 2020-2021. Total site capacity will reach approximately 1.5 GWh/year.

- **Willstätt factory**

CHF 10 million has been committed to significantly increase cell production in order to meet the fast growing order book. Factory utilisation is set to increase from delivering 400K cells in 2019 to 900K cells in 2020, thanks to the recurring supply agreements in the e-Transport Solutions and Robotics businesses. Combined volumes with Nexcharge are expected to reach more than 2 GWh/ year starting end of 2020.

- **German Consortium**

In January 2019, the German Government announced an investment of EUR 500 million towards a research programme and for setting up a pilot line for large-scale lithium-ion cell manufacturing. Leclanché is the largest lithium cell producer within a Consortium of companies who will participate in this initiative. Our objective is to accelerate progress towards the creation of a competitive European battery industry. Subsequently, Leclanché GmbH has filed a notification of interest with the German Federal Ministry for Economic Affairs and Energy under the European Union programme called Important Projects of Common European Interest (IPCEI) along with leading European partners including Solvay, Umicore, CS Additive, PEC, Manz, and SGL Carbon. The partnership structure would cover R&D and production with sites in Poland, Belgium, France, Italy and Germany.

- **Acquisition of an Energy Management Software (EMS) suite from Integrated Dynamics Inc. (IDI)**

In August 2018, Leclanché completed the acquisition from IDI of its advanced EMS. The system has been successfully installed in several projects. The Company has added personnel to its EMS leadership team in Anderson, IN for accelerating the product development and projects implementation.

Organisation

- Stefan Louis who was previously Executive Vice President for e-Transport Solutions has been appointed CEO of Nexcharge, Leclanché's JV in India with Exide Industries.
- Philip Broad, who joined the Company in August 2018, was appointed Executive Vice President for e-Transport Solutions in March 2019, replacing Stefan Louis.
- Our leadership team is as follows:

Name	Position
Anil Srivastava	Chief Executive Officer
Hubert Angleys	Chief Financial Officer and Chief Operating Officer
Pierre Blanc	Chief Technology and Industrial Officer
Fabrizio Marzolini	Executive Vice President, Specialty Battery Solutions
Bryan Urban	Executive Vice President, Stationary Solutions
Philip Broad	Executive Vice President, e-Transport Solutions

- **Board members**

In December 2018, Stefan A. Müller was appointed Chairman of the Board, replacing Jim Atack. Axel Joachim Maschka joined the Board of Directors.

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About Leclanché

Headquartered in Switzerland, Leclanché SA (SIX: LECN) is a leading provider of high quality energy storage solutions designed to accelerate our progress towards a clean energy future. Leclanché's history and heritage is rooted in over 100 years of battery and energy storage innovation and the Company is a trusted provider of energy storage solutions globally. This coupled with the Company's culture of German engineering and Swiss precision and quality, continues to make Leclanché the partner of choice for both disruptors, established companies and governments who are pioneering positive changes in how energy is produced, distributed and consumed around the world. The energy transition is being driven primarily by changes in the management of our electricity networks and the electrification of transport, and these two end markets form the backbone of our strategy and business model. Leclanché is at the heart of the convergence of the electrification of transport and the changes in the distribution network. Leclanché is the only listed pure play energy storage Company in the world, organised along three business units: stationary storage solutions, e-Transport solutions and Specialty Battery Systems. Leclanché is listed on the Swiss Stock Exchange.

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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