PRESS RELEASE

Leclanché announces:

Invitation to the upcoming Extraordinary General Meeting of Shareholders to be held on 24th October 2019 in Yverdon-les-Bains

Yverdon-les-Bains, Switzerland, October 3rd, 2019 – Leclanché SA (SIX Swiss Exchange: LECN), one of the world's leading energy storage solutions companies, publishes today the invitation to an Extraordinary General Meeting (EGM) of shareholders, which will take place on **24th October 2019 at 9.00 a.m.** (doors open at 8.30 a.m.) at **Grand Hôtel & Centre Thermal**, Avenue des Bains 22, 1400 Yverdon-les-Bains, Switzerland.

The EGM follows last week's announcement of half-year results which revealed that Leclanché's combined order book now exceeds CHF 100 million and that the Company continues to restructure its balance sheet. As part of this restructuring, our largest shareholder FEFAM[1] has committed to convert an additional CHF 17.4 million of its debt into equity, subject to approval by a majority of shareholders at the EGM.

In addition, the shareholders will be asked to vote in favour of the reduction of Leclanché's par value per share at the EGM, allowing Leclanché to strengthen its balance sheet further. We will also ask shareholders for their support in creating new shares in order to meet the upcoming capital needs of the Company.

Anil Srivastava, CEO of Leclanché, said: *"We are very grateful to FEFAM for its continued support of the Company. Its agreement to convert an additional CHF 17.4 million of its debt will reduce Leclanché's indebtedness by the same amount. Following the strategic business unit reorganisation announced on 26th September 2019, this in turn will put the Company in a good position to attract new investors, especially after all the positive commercial developments we have shared with the market over the past few weeks."*

[1] FEFAM means: AM INVESTMENT SCA, SICAV-SIF - Illiquid 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".

EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

The shareholders are invited to attend the extraordinary general meeting of shareholders of LECLANCHÉ S.A. (the "**Company**") **on 24 October 2019 at 9:00** (doors open at 8:30), at Grand Hôtel & Centre Thermal, Avenue des Bains 22, 1400 Yverdon-les-Bains, Switzerland.

I. AGENDA

Introduction by the Chairman of the Board of Directors.

1. Financial Restructuring Measures

1.1 Overview of Financial Restructuring and Proposed Measures

Since the Company was as per 30 June 2019 and still is in a capital loss situation (*Kapitalverlust; perte de capital*) according to art. 725 para. 1 Swiss Code of Obligations ("**CO**"), the Board of Directors proposes further financial restructuring steps. The Board of Directors has evaluated different options and developed a financial restructuring proposal to improve the financial situation of the Company. This proposal includes:

(i) a reduction of the Company's share capital by reduction of the nominal value; and

(ii) a conversion of existing debt into equity in an amount not to exceed CHF 17,400,000.00 through an ordinary capital increase (together, the "**Restructuring Plan**").

The Board of Directors is of the view that given the Company's status, these measures are necessary to cure the capital loss situation according to art. 725 para. 1 CO, to stabilize the balance sheet and to improve the ability of the Company to raise capital and funding from investors.

The Board of Directors notes that these measures will immediately address the Company's balance sheet issue and will not directly provide the additional funding or capital which is required to support the Company's growth plan.

The background of the restructuring measures is as follows:

To fund the Company's operations and investments, several financing agreements (the "**Financing Agreements**") have been entered into with the Finexis Equity Fund SCA ("**FEF**") and certain of its sub-funds and affiliated companies (together, "**FEFAM**[2]") in the past years. According to the Financing Agreements, most of which are convertible loans or contain conversion features, the Company is currently indebted to FEFAM with an aggregate amount of approx. CHF 34.9 million (the "**FEFAM Debt**").

In recent years, the Company has also implemented different financing and financial restructuring measures to improve its financial status and liquidity situation, including a conversion of FEFAM debt in the amount of CHF 54,691,996.50 into equity in December 2018 and a conversion of FEFAM debt in the amount of CHF 35,961,917.35 into equity in May 2019. However, the Company is still in a capital loss situation according to art. 725 para. 1 CO in an amount of approx. CHF 94.20 million (status as of 30 September 2019). The Company's accumulated losses as per 30 September 2019 amount to approx. CHF 199.81 million. Given that the Company currently still incurs losses, it would fall back into a capital loss situation in the near future, if no measures are taken.

In order to address this situation, the Board of Directors proposes to remedy the negative equity accrued of losses (*Unterbilanz; bilan déficitaire*) of the Company caused by accumulated losses by reducing the Company's share capital by an amount not exceeding the amount of accumulated losses as per 30 September 2019 through a reduction of the nominal value of each share from CHF 1.50 to CHF 0.10 (the "**Capital Reduction**"). FEFAM has agreed to vote in favour of the Capital Reduction.

Besides the Capital Reduction, the Board of Directors proposes to simultaneously increase the Company's share capital (the "**Capital Increase**") and has agreed in principle with FEFAM on the conversion of a portion of the FEFAM Debt in a maximum aggregate amount of CHF 17,400,000.00[2] (the "**Debt**") at 85% of the Volume Weighted Average Price (VWAP) calculated over the 60 days preceding the 10th trading day (i.e. 10 October 2019; the "**Cut-Off Date**") before the date of the 2019 extraordinary general meeting (the "**Issue Price**"). Accordingly, the Debt to be converted in connection with the Debt-to-Equity-Conversion will be converted into a maximum aggregate number of 174,000,000[2] registered shares of the Company with a par value of CHF 0.10 each, subject to fulfilment of the requirements pursuant to Swiss law and approval by the shareholders' meeting of the Company (the "**Debt-to-Equity-Conversion**"). In order to implement the Debt-to-Equity-Conversion, the pre-emptive rights of shareholders will have to be excluded in connection with the required Capital Increase, which requires shareholders' approval with a qualified majority.

The following legal entities belonging to FEFAM are parties to the Financing Agreements and shall be part of the proposed Debt-to-Equity-Conversion (the "**Creditors**"), and they have committed to convert the below amounts into equity:

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[2] Since the exact Issue Price – and, as a consequence, the exact number of shares issued to FEFAM and the exact amount of contributions to be made – cannot be calculated at the date of this invitation, this invitation provides for maximum amounts and numbers of shares which are calculated on the basis of an Issue Price of CHF 0.10 because the conversion price will in no event be lower than the nominal value of CHF 0.10. However, the amounts and numbers marked with [2] will have to be adjusted based on the exact amounts and numbers of shares calculated as per the Cut-off Date, which will be communicated at the extraordinary shareholders meeting.

2. Finexis Equity Fund SCA – Renewable Energy Sub-Fund ("**FEF-RE**") will convert claims of maximum CHF 5,540,000.00 of FEF-RE against the Company under to a funding agreement with the Company dated 5 June 2019 (the "**Funding Agreement**");
3. Finexis Equity Fund SCA – E-Money Strategies Sub-Fund ("**FEF-EM**") will convert claims of maximum CHF 11,860,000.00 of FEF-EM against the Company under to a funding agreement with the Company dated 5 June 2019 (the "**Funding Agreement**").

The Debt-to-Equity-Conversion is intended to improve the financial status of the Company and its balance sheet position.

Further explanations about the proposed Capital Reduction and the Debt-to-Equity-Conversion can be found in the respective proposals of agenda items 1.2 and 1.3.

1.2 Capital Reduction through Nominal Value Reduction

Proposal of the Board of Directors: The Board of Directors proposes to reduce the share capital by way of a nominal value reduction and use the reduction amount of CHF 196,945,291.20 to remedy the negative equity accrued of losses (*Unterbilanz; bilan déficitaire*) as follows:

1. The share capital shall be reduced from CHF 211,012,812.00 by the amount of CHF 196,945,291.20 to CHF 14,067,520.80
2. The capital reduction shall be implemented by reducing the nominal value of all outstanding 140,675,208 registered shares from currently CHF 1.50 per share to CHF 0.10 per share
3. The reduction amount of CHF 196,945,291.20 shall be used to remedy the negative equity accrued of losses in the same amount (*Unterbilanz; bilan déficitaire*)
4. The special report of the auditor required by law is available. It confirms that all claims are fully covered despite the share capital reduction
5. The Articles of Association of the Company will be amended as follows:

Current Versions	*Proposed Versions (changes underlined)*
<u>Article 3: Capital-actions</u> The share capital amounts to CHF 211,012,812.00, divided into 140,675,208 fully paid-in registered shares with a par value of CHF 1.50 each. *[Paragraphs 2 and 3 remain unchanged.]*	<u>Article 3: Capital-actions</u> The share capital amounts to CHF <u>14,067,520.80</u>, divided into 140,675,208 fully paid-in registered shares with a par value of CHF <u>0.10</u> each. *[Paragraphs 2 and 3 remain unchanged.]*

Article 3 quater: The Board of Directors is authorized to increase the share capital, at any time until May 8, 2021, by a maximum amount of CHF 60,511,905.00 by issuing a maximum of 40,341,270 fully paid up shares with a nominal value of CHF 1.50 each. [...] *[The rest of paragraph 1 as well as paragraphs 2, 3 and 4 remain unchanged.]*	Article 3 quater: The Board of Directors is authorized to increase the share capital, at any time until May 8, 2021, by a maximum amount of CHF 4,034,127.00 by issuing a maximum of 40,341,270 fully paid up shares with a nominal value of CHF 0.10 each. [...] *[The rest of paragraph 1 as well as paragraphs 2, 3 and 4 remain unchanged.]*
Article 3 ter: The share capital may be increased in an amount not to exceed CHF 9,000,000.00 through the issuance of up to 6,000,000 fully paid registered shares with a nominal value of CHF 1.50 per share by the issuance of new shares to employees of the Company and group companies. [...] *[The rest of paragraph 1 and paragraph 2 remain unchanged.]*	Article 3 ter: The share capital may be increased in an amount not to exceed CHF 600,000 through the issuance of up to 6,000,000 fully paid registered shares with a nominal value of CHF 0.10 per share by the issuance of new shares to employees of the Company and group companies. [...] *[The rest of paragraph 1 and paragraph 2 remain unchanged.]*
Current Versions	*Proposed Versions (changes underlined)*
Article 3 quinquies: The share capital may be increased in an amount not to exceed CHF 56,011,905.00 through the issuance of up to 37,341,270 fully paid-up shares with a nominal value of CHF 1.50 per share. [...] *[The rest of paragraph 1 as well as paragraphs 2, 3, 4 and 5 remain unchanged.]*	Article 3 quinquies: The share capital may be increased in an amount not to exceed CHF 3,734,127.00 through the issuance of up to 37,341,270 fully paid-up shares with a nominal value of CHF 0.10 per share. [...] *[The rest of paragraph 1 as well as paragraphs 2, 3, 4 and 5 remain unchanged.]*

***Explanation**: 50% of the Company's share capital and legal reserves (including capital contribution reserves) are no longer covered by net equity in the sense of art. 725 para. 1 CO ("capital loss"). In order to address the capital loss situation, the Board of Directors proposes to reduce the share capital of the Company through a nominal value reduction and use the reduction amount to remedy the negative equity accrued of losses (Unterbilanz; bilan déficitaire).*

1.3 Ordinary Capital Increase for Debt-to-Equity-Conversion

Proposal of the Board of Directors: The Board of Directors proposes to increase the Company's share capital in an amount not to exceed CHF 17,400,000.00[2] from CHF 14,067,520.80 to

CHF 31,467,520.80[2] by way of an ordinary capital increase subject to completion and registration of the Capital Reduction as per agenda item 1.2 as follows:

1. Entire nominal amount by which the share capital is to be increased (subject to and after the Capital Reduction): maximum amount of CHF 17,400,000.00[2]
2. Amount of contributions to be made: maximum amount of CHF 17,400,000.00[2]
3. Number, nominal value and type of new shares: maximum of 174,000,000[2] registered shares at a nominal value of CHF 0.10 each
4. Preferential rights of individual categories: none
5. Issue amount: 85% of the Volume Weighted Average Price (VWAP) calculated over the 60 days preceding the 10th trading day before the date of the extraordinary general meeting 2019 for a maximum of 174,000,000[2] registered shares
6. Start of eligibility of dividends: entry date of the capital increase in the Commercial Register
7. Type of contribution: maximum amount of CHF 17,400,000.00[2] by way of set-off against claims for a maximum of 174,000,000[2] fully paid-up registered shares at an issue price of 85% of the VWAP calculated over the 60 days preceding the 10th trading day before the date of the extraordinary general meeting 2019 (but in no event less than CHF 0.10)
8. Special benefits: none
9. Restriction on transferability: as per the Articles of Association
10. Pre-emptive rights: the entire nominal increase of a maximum of CHF 17,400,000.00[2] will be subscribed by the Creditors, which is why the pre-emptive rights of shareholders for all newly issued shares in the maximum amount of 174,000,000[2] are excluded

Explanation: *50% of the Company's share capital and legal reserves (including capital contribution reserves) are no longer covered by net equity in the sense of art. 725 para. 1 CO ("capital loss"). For improving the financial status of the Company and its balance sheet position, the Debt-to-Equity-Conversion is proposed. In order to implement the Debt-to-Equity Conversion and to issue the required number of new shares to the Creditors, it is necessary to increase the Company's share capital in the maximum amount of CHF 17,400,000.00[2], thereby excluding the pre-emptive rights of shareholders.*

2. Partial amendment of the Articles of Association / Creation of authorized share capital (Art. 3quater)

Proposal of the Board of Directors: The Board of Directors proposes to increase the existing authorized share capital and to amend Article 3quater of the Company's Articles of Association subject to completion and registration of the (i) Capital Reduction according to agenda item 1.2 and (ii) the Debt-to-Equity Conversion according to agenda item 1.3 as follows:

Current Version	Proposed Version (changes underlined)
Article 3 quater : The board of directors is authorized to increase the share capital, at any time until May 8, 2021, by a maximum amount of CHF 4,034,127.00 by issuing a maximum of 40,341,270 fully paid up shares with a nominal value of CHF 0.10 each. [...] *[The rest of paragraph 1 as well as paragraphs 2, 3 and 4 remain unchanged.]*	Article 3 quater : The board of directors is authorized to increase the share capital, at any time until May 8, 2021, by a maximum amount of CHF 7,669,260.70[3] by issuing a maximum of 76,692,607[3] fully paid up shares with a nominal value of CHF 0.10 each. [...] *[The rest of paragraph 1 as well as paragraphs 2, 3 and 4 remain unchanged.]*

Explanation*: The provisions regarding the authorized share capital (article 3^{quater}) and conditional share capital (article 3ter and 3^{quinquies}) enable the Board of Directors to obtain funding for the Company and raise capital in an efficient, flexible and expeditious manner under specified circumstances and within a clear framework. In order to fully benefit from this flexibility, the Board of Directors proposes to increase the authorized share capital.*

3. Partial amendment of the Articles of Association / Creation of conditional share capital (Art. 3^{quinquies})

Proposal of the Board of Directors: The Board of Directors proposes to increase the existing conditional share capital and to amend Article 3^{quinquies} of the Company's Articles of Association subject to completion and registration of the (i) Capital Reduction according to agenda item 1.2 and (ii) the Debt-to-Equity Conversion according to agenda item 1.3 as follows:

Current Version	Proposed Version (changes underlined)
Article 3 quinquies: The share capital may be increased in an amount not to exceed CHF 3,734,127.00 through the issuance of up to 37,341,270 fully paid-up shares with a nominal value of CHF 0.10 per share. [...] *[The rest of paragraph 1 as well as paragraphs 2, 3, 4 and 5 remain unchanged.]*	Article 3 quinquies: The share capital may be increased in an amount not to exceed CHF 4,234,127.00[3] through the issuance of up to 42,341,270[3] fully paid-up shares with a nominal value of CHF 0.10 per share. [...] *[The rest of paragraph 1 as well as paragraphs 2, 3, 4 and 5 remain unchanged.]*

Explanation: *The provisions regarding the authorized share capital (article 3^{quater}) and conditional share capital (article 3ter and 3^{quinquies}) enable the Board of Directors to obtain funding for the Company and raise capital in an efficient, flexible and expeditious manner under specified circumstances and within a clear framework. In order to fully benefit from this flexibility, the Board of Directors proposes to increase the conditional share capital. The exact amount of*

[3]Subject to completion and registration of the capital reduction according to agenda item 1.2 and completion and registration of the debt-to-equity conversion according to agenda item 1.3

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conditional capital proposed under this agenda item 3 will be determined following definitive calculation of the Issue Price as per the Cut-off Date in connection with agenda item 1.3. In any event, the amount of conditional capital proposed to be created under this agenda item 3 will, together with the shares issued in connection with the Capital Increase resolved under agenda item 1.3, not exceed 10% of the aggregate of the shares already listed and conditional capital formally listed at SIX Swiss Exchange.

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 extraordinary shareholders' meeting: areg.ch ag, Fabrikstrasse 10, 4614 Hägendorf, Switzerland.

Electronic remote votes by proxy and voting instructions to the independent proxy (netVote): shareholders may participate in the votes by giving instructions to the independent proxy electronically via www.netvote.ch/leclanche. The required login information will be sent to shareholders together with the written documents for the extraordinary general meeting. Changes to the electronically transferred instructions can be made until Monday 21 October 2019, 11:59 am (CET).

III. Participation and voting rights

Shareholders registered with voting rights in the share register as of 17 October 2019 at 17:00, will be authorised to participate and to vote at the extraordinary shareholders' meeting. They will receive their entrance card and voting material upon returning the registration form or by contacting areg.ch ag at the address indicated above.

From 17 October 2019 at 17:00 to 24 October 2019, no entries will be made in the share register which would create a right to vote at the extraordinary 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 personally in the shareholders' meeting may be represented by another person authorized by a written proxy who does not need to be a shareholder or by the Independent Proxy.

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 areg.ch 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 areg.ch 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 extraordinary general meeting of shareholders will be held in English (live translation in French and German).

Yverdon-les-Bains, 3 October 2019

For the Board of Directors

The Chairman
Stefan A. Müller

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About Leclanché

Headquartered in Switzerland, Leclanché SA 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 batteries systems. Leclanché is listed on the Swiss Stock Exchange (SIX: LECN).

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

Disclaimer

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