

Invitation to the upcoming Annual General Meeting of Shareholders to be held on 30th June 2021 at 9:00 a.m. Swiss time

- *Leclanché SA convenes its Annual Ordinary General Meeting on 30th June 2021*
- *The Board of Directors proposes the conversion of CHF 29.7 million of debt owed to SEFAM and Golden Partner into shares of the Company in order to strengthen the balance sheet*

YVERDON-LES-BAINS, Switzerland, 9th June, 2021 – Leclanché SA (SIX: LECN), one of the world's leading energy storage companies, is convening its Annual Ordinary General Meeting on 30th June 2021 at 9:00 a.m. Swiss time.

Important information regarding COVID-19 – Personal Attendance at the Annual General Meeting not allowed

The Swiss Federal Government has prohibited private and public events and gatherings of people to pre-vent the further spreading of the Coronavirus disease (COVID-19). In accordance with Art. 8 of the Federal Act on the Statutory Principles for Federal Council Ordinances on Combating the COVID-19 Epidemic (COVID-19 Act, SR 818.102) and Art. 27 of the Ordinance 3 on Measures to Combat the Coronavirus (COVID-19) (COVID-19 Ordinance 3, SR 818.101.24), the Board of Directors has therefore decided that the shareholders of LECLANCHE SA may exercise their rights at the Annual General Meeting on 30 June 2021 exclusively through the independent representative. Personal attendance of shareholders or shareholders' representatives other than the independent representative is not permitted. This measure makes it possible to hold the Annual General Meeting despite the current situation. Please refer to the invitation under section "Representation" for information on how to authorize and instruct the independent representative.

The shareholders are invited to join the live webcast of the Annual General Meeting of shareholders on 30 June 2021 at 9:00 am Swiss time in English, French or German. Questions can be submitted in writing during the webcast through an online tool and will be answered at the end of the meeting. Further rights (including voting rights) may be exercised exclusively through the independent representative prior to the Annual General Meeting (see section "Representation" below). The link to the webcast is as follows:

<https://www.leclanche.com/2021-annual-general-meeting/>

Among the decisions submitted for shareholder approval, the Board of Directors proposes the conversion of CHF 29.7 million of debt contracted with SEFAM¹ and Golden Partner ("GP") into equity. This restructuring measure, negotiated with SEFAM and GP, will strengthen the balance sheet and drive continued investment interest in the Company during a period of strong growth in Leclanché's order book in the fast-growing e-Transport sector.

¹ SEFAM means: AM INVESTMENT SCA, SICAV-SIF - Illiquid Assets Sub-Fund and AM INVESTMENT SCA, SICAV-SIF – R&D Sub-Fund, together with STRATEGIC EQUITY FUND - Renewable Energy Sub-Fund, STRATEGIC EQUITY FUND - Multi Asset Strategy Sub-Fund, STRATEGIC 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 "SEFAM".



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I. **Agenda**

1. Annual Report 2020, Consolidated Financial Statements 2020, Statutory Financial Statements 2020 and Compensation Report 2020 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 Representative
7. Partial amendment of the Articles of Association / Modification of the authorized share capital (Art. 3quater)
8. Partial amendment of the Articles of Association / Creation of Conditional Share Capital (Art. 3quinquies)
9. Debt to Equity Conversion
10. Set-off of Accumulated Losses with Capital Contribution Reserves
11. Vote on the compensation of the Board of Directors and the Executive Committee

II. **Annual Report**

III. **Participation and voting rights**

IV. **Representation**

V. **Voting Instruction**



I. **Agenda**

Introduction by the Chairman of the Board of Directors.

1. **Annual Report 2020, Consolidated Financial Statements 2020, Statutory Financial Statements 2020 and Compensation Report 2020 of LECLANCHE SA**

1.1 **Approval of the Annual Report 2020, Consolidated Financial Statements 2020 and Statutory Financial Statements 2020 of LECLANCHE SA**

Proposal of the Board of Directors: to approve the Annual Report 2020, the Consolidated Financial Statements 2020 and the Statutory Financial Statements 2020 of LECLANCHE SA.

1.2 **Consultative Vote on the Compensation Report 2020**

Proposal of the Board of Directors: to approve on a consultative basis the Compensation Report 2020.

***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 2020 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 Losses Resulting from the Balance Sheet**

| | |
|---|---------------------------|
| Loss for the year 2020 | CHF -79,137,532.79 |
| Loss carried forward from previous year | CHF -17,525,909.79 |
| Total accumulated losses | CHF -96,663,442.58 |

Proposal of the Board of Directors:

| | |
|-------------------------------|--------------------|
| Dividend for the year 2020 | 0.00 |
| Balance to be carried forward | CHF -96,663,442.58 |

4. **Elections Board of Directors**

4.1 **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. Stefan A. Müller
- Mr. Toi Wai David Suen
- Mr. Axel Joachim Maschka
- Mr. Lluís M. Fargas Mas
- Mr. Bénédicte Fontanet**



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- Mr. Tianyi Fan**
- Mr. Christophe Manset**

** Mr. Bénédic Fontanet, Mr. Tianyi Fan and Mr. Christophe Manset are proposed for re-election at the request of SEFAM, the controlling shareholder of the Company.

4.2 Election of the Chairman of the Board of Directors

Proposal of the Board of Directors: to re-elect Mr. Stefan A. Müller as Chairman of the Board of Directors for a term of office until the end of the next Annual General Meeting of shareholders.

4.3 Elections to the Appointments and Remuneration Committee

Proposal of the Board of Directors: to elect the following members to the Appointments and Remuneration Committee, each for a term of office until the end of the next Annual General Meeting of shareholders:

- Mr. Lluís M. Fargas Mas
- Mr. Toi Wai David Suen
- Mr. Tianyi Fan

The Board of Directors intends to nominate Mr. Lluís M. Fargas Mas 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, Pully as auditors for the financial year 2021.

6. Election of the Independent Representative

Proposal of the Board of Directors: To re-elect Me. Manuel Isler, attorney-at-law, Geneva, as Independent Representative until the end of the next Annual General Meeting of shareholders.

7. Partial amendment of the Articles of Association / Modification of the authorized share capital (Art. 3^{quater})

Proposal of the Board of Directors: Following the expiry of Article 3^{quater} on 8 May 2021, the Board of Directors proposes to adopt a new Article 3^{quater} by setting the deadline for exercising the authorisation granted to the Board of Directors to increase the share capital until 30 June 2023 (authorised share capital), and setting the authorised share capital at a maximum of 60,000,000 shares and, in consequence, to amend Article 3^{quater} of the Articles of Association as follows:



| Current Version | Proposed Version (changes underlined) |
|---|--|
| <p>Article 3 quater :</p> <p>The Board of Directors is authorized to increase the share capital, at any time until 8 May 2021, by a maximum amount of CHF 1,704,364.10 by issuing a maximum of 17,043,641 fully paid-up shares with a nominal value of CHF 0.10 each. [...]</p> <p><i>[The rest of paragraph 1 as well as paragraphs 2, 3 and 4 remain unchanged.]</i></p> | <p>Article 3 quater :</p> <p>The Board of Directors is authorized to increase the share capital, at any time until <u>30 June 2023</u>, by a maximum amount of <u>CHF 6,000,000.00</u> by issuing a maximum of <u>60,000,000</u> fully paid-up shares with a nominal value of CHF 0.10 each. [...]</p> <p><i>[The rest of paragraph 1 as well as paragraphs 2, 3 and 4 remain unchanged.]</i></p> |

Explanation: The provisions regarding the authorized share capital (article 3^{quater}) 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 adopt a new Article 3^{quater}, thereby on the one hand increasing the authorization to a maximum number of 60,000,000 registered shares and to extend the period of validity of the authorization granted to the Board of Directors by two years, in order to keep the flexibility. Indeed, the Board has mandated a leading New York based Investment Bank, which is running a structured process to raise growth capital to support the Company’s business plan through to 2023. The Company needs to inject new growth capital by late Q3 and early Q4 2021 to continue to deliver its high growth business plan already communicated. This approval shall enable the Board to quickly secure the funding from the investors being arranged by the Investment Bank. An alternate process, that is to call an Extraordinary General Meeting (“EGM”) to seek the creation of new shares, will take several weeks and will add further costs to the Company.

8. Partial amendment of the Articles of Association / Creation of Conditional Share Capital (Art. 3quinquies)

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 as follows:

| Current Version | Proposed Version (changes underlined) |
|--|--|
| <p>Article 3 quinquies:</p> <p>The share capital may be increased in an amount not to exceed CHF 3,366,925.80 through the issuance of up to 33,669,258 fully paid-up shares with a nominal value of CHF 0.10 per share. [...]</p> <p><i>[The rest of paragraph 1 as well as paragraphs 2, 3, 4 and 5 remain unchanged.]</i></p> | <p>Article 3 quinquies:</p> <p>The share capital may be increased in an amount not to exceed <u>CHF 6,000,000.00</u> through the issuance of up to <u>60,000,000</u> fully paid-up shares with a nominal value of CHF 0.10 per share. [...]</p> <p><i>[The rest of paragraph 1 as well as paragraphs 2, 3, 4 and 5 remain unchanged.]</i></p> |



***Explanation:** The provisions regarding the authorized share capital (article 3^{quater}) and conditional share capital (article 3^{ter} 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. Indeed, the Board has mandated a leading New York based Investment Bank, which is running a structured process to raise growth capital to support the Company's business plan through to 2023. The Company needs to inject new growth capital by late Q3 and early Q4 2021 to continue to deliver its high growth business plan already communicated. This approval shall enable the Board to quickly secure the funding from the investors being arranged by the Investment Bank. An alternate process, that is to call EGM to seek the creation of new shares, will take several weeks and will add further costs to the Company.*

9. Debt to Equity Conversion

9.1 Overview

As per 31 December 2020, the Company was and still is over-indebted according to art. 725 para. 2 Swiss Code of Obligations ("CO"). With effect on 30 March 2021, debt owed to SEFAM in the aggregate amount of approx. CHF 33,782,814 was converted into equity, which improved the financial situation temporarily. As a further financial restructuring measure, the Board of Directors proposes a conversion of existing debt in the amount of CHF 29,682,612.00 into equity through an ordinary capital increase.

In order to address this situation, the Board of Directors has agreed in principle with SEFAM and Golden Partner ("GP") to convert a portion of the debt owed to SEFAM and GP in the aggregate amount of CHF 29,682,612.00 ("**SEFAM and GP Debt**") into a maximum of 296'826'120² 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 subject to approval of 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 SEFAM and GP are parties to the relevant 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:

² The debt to be converted in connection with the Debt-to-Equity-Conversion is convertible at 85% of the Volume Weighted Average Price (VWAP) calculated over the 60 days preceding the 10th trading day before the date of the conversion. Accordingly, the exact conversion price – and, as a consequence, the exact number of shares issued to SEFAM and GP and the exact amount of contributions to be made – cannot be calculated at the date of this invitation. However, because the conversion price will in no event be lower than the nominal value of CHF 0.10, this invitation provides for maximum amounts and numbers which are calculated on the basis of a conversion price of CHF 0.10. The amounts and numbers marked with ² will have to be adjusted based on the exact amounts and numbers.



- AM Investment SCA SICAV-SIF – Illiquid Assets Sub-Fund ("AM") will convert claims of CHF 10,500,000.00 against the Company under a loan agreement with the Company dated 4 September 2020, as amended from time to time (the "**eTransport Bridge Loan**");
- Golden Partner Holding Co S.à r.l. will convert claims of CHF 10,700,000.00 against the Company under a loan agreement dated 4 February 2021, as amended from time to time (the "**Trading Finance Loan 2021**");
- Golden Partner SA will convert claims of maximum CHF 2,145,000.00 against the Company under an existing loan agreement dated 18 February 2021, as amended from time to time (the "**GP-LSA Loan Agreement Nice & Green Proceeds**").
- Golden Partner SA will convert claims of maximum CHF 6,337,612.00 against the Company pursuant to the terms of a facilitation agreement dated 24 March 2021 (the "**GP Facilitation Agreement**").

The SEFAM and GP Debt to be converted in connection with the Debt-to-Equity-Conversion is convertible at 85% of the Volume Weighted Average Price (VWAP) calculated over the 60 days preceding the 10th trading day before the date of the conversion (and in any case not lower than CHF 0.10).

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

If approved by the Annual General Meeting 2021, the Board of Directors will have to implement the Debt-to-Equity-Conversion within three months after the shareholders' meeting. The implementation requires meeting SIX Swiss Exchange's requirements with respect to listing of new shares.

9.2 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 the maximum amount of CHF 29,682,612.00², to bring it from CHF 29,967,882.90 to a maximum of CHF 59,650,494.90² by way of an ordinary capital increase as follows:

1. Entire maximum nominal amount by which the share capital is to be increased: CHF 29,682,612.00²
2. Amount of contributions to be made: CHF 29,682,612.00
3. Number, nominal value and type of new shares: a maximum of 296,826,120² 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 conversion (and in any case not lower than CHF 0.10) for a maximum of 296,826,120² registered shares
6. Start of eligibility of dividends: Entry date of the capital increase in the Commercial Register



7. Type of contribution: CHF 29,682,612.00 by way of set-off against claims for a maximum of 296,826,120² fully paid-up registered shares at an issue price of 85% of the Volume Weighted Average Price (VWAP) calculated over the 60 days preceding the 10th trading day before the date of the conversion (and in any case not lower 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 CHF 29,682,612.00² 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 296,826,120² are excluded.

Explanation: *The Company has a negative equity and is over-indebted in the sense of art. 725 para. 2 CO. 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 29,682,612.00², thereby excluding the pre-emptive rights of shareholders.*

Given the Company's situation, the need to obtain a proportionate underwriting commitment from all shareholders and the reluctance of financial institutions supporting the Company in this exercise to attract new investors, the Board of Directors concluded that organizing a rights issue open to all shareholders was and still is not a viable option.

10. Set-off of Accumulated Losses with Capital Contribution Reserves

Proposal of the Board of Directors: The Board of Directors proposes to set-off accumulated losses and the loss of year 2020 in the total amount of CHF 55,164,817.49 with capital contribution reserves.

Explanation: *The Board of Directors proposes to set-off accumulated losses with capital contribution reserves, thereby partly eliminating the existing loss of capital.*

11. Vote on the compensation of the Board of Directors and the Executive Committee

11.1 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 2022 Annual General Meeting of CHF 600,000.00. This amount is identical to that of prior year.

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

11.2 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 2022 of CHF 4,700,000.00. This amount is identical to that approved for financial year 2021.

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



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II. Annual Report

The Annual Report 2020 which contains the Consolidated Financial Statements, the Statutory Financial Statements as well as the Auditor's Report and the Compensation Report 2020 are available to shareholders at the Company's headquarters. The Annual Report and the Compensation Report are also available on Leclanché's website at <https://www.leclanche.com/investor-relations/financial-reports/>.

III. Participation and voting rights

Shareholders registered with voting rights in the share register as of 21 June 2021 at 17:00 Swiss time, will be authorised to vote at the shareholders' meeting.

From 21 June 2021 at 17:00 Swiss time to 30 June 2021, 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.

IV. Representation

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders are not permitted to attend the Annual General Meeting in person. Shareholder voting rights can only be exercised by the Independent Representative.

Me. Manuel Isler, attorney-at-law, c/o BMG Avocats, 8C, avenue de Champel, P.O. Box 385, CH-1211 Geneva, acts as the Independent Representative. The proxy form with the completed and signed powers of attorney should be submitted to areg.ch ag at the address indicated in paragraph V. below.

V. Voting Instruction

The enclosed proxy form may be used as power of attorney to the Independent Representative and for voting instructions. Both have to be returned by enclosed envelope not later than Friday 25 June 2021 to areg.ch ag, Fabrikstrasse 10, 4614 Hägendorf, Switzerland. To the extent the shareholder does not provide specific instructions to the Independent Representative, he instructs the Independent Representative to vote his shares in favour of the proposals of the Board of Directors with respect to the items listed on the agenda. The same shall apply for additional or alternative proposals to the agenda items included in this invitation and for new agenda items.

Alternatively, shareholders have the possibility to cast their votes by issuing electronic proxies and voting instructions to the Independent Representative via Netvote: www.netvote.ch/leclanche. Shareholders may provide or change any voting instructions which they have communicated electronically until but not later than Monday 28 June 2021 at 11:59 am Swiss time.

For more information, write to info@leclanche.com or visit www.leclanche.com.



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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

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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