

## **MINUTES OF ANNUAL GENERAL MEETING OF SHAREHOLDERS OF LECLANCHÉ S.A. (CHE-105.950.820)**

Wednesday 30 June 2021 at 9:04 am CET

Webcast – Avenue des Sciences 11, CH-1400 Yverdon-les-Bains

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The Chairman of the Board of Directors, Mr. Stefan A. Müller, opened the meeting at 9:04 am CET, welcomed all shareholders and other attendees participating to this General Meeting.

The Chairman explained that the unprecedented circumstances caused by the Coronavirus are the reason why this Annual General Meeting is taking a form similar to the previous year: an Annual General Meeting without the physical presence of any shareholder.

He added that in accordance with Art. 8 of the Federal Act on the Statutory Principles for Federal Council Ordinances on Combating the COVID-19 Epidemic and Art. 27 of the Ordinance 3 on Measures to Combat the Coronavirus, the Board of Directors has decided that the shareholders of Leclanché S.A. will be able to exercise their rights at the Annual General Meeting of 30 June 2021 exclusively through the Independent Representative. This measure made it possible to hold the Annual General Meeting despite the current situation of Covid-19.

As a result, the Chairman clarified that there are only a limited number of people in the meeting room today and that the guidelines of the Federal Office of Public Health have been followed, in particular with regard to social distancing measures.

He introduced the persons physically present in the room: Mr. Anil Srivastava, Chief Executive Officer; Mr. Hubert Angleys, Chief Financial Officer, Ms. Corinne Pointet, partner at PricewaterhouseCoopers SA audit, Maître Manuel Isler, attorney-at-law, the Independent Representative of the shareholders, Maître Gabriel Cottier, notary public, who will notarise some of the resolutions of today's meeting and Mr. Jean-François Stenger, Secretary.

Present in another room from the Board of Directors were: Mr. Bénédicte Fontanet and Mr. Lluís M. Fargas Mas. Present over the phone from the Board of Directors were: Mr. Toi Wai David Suen, Mr. Axel Joachim Maschka, Mr. Tianyi Fan and Mr. Christophe Manset.

The formal part of the ordinary General Meeting was divided into two parts:

- Mr. Anil Srivastava provided the shareholders with an overview of the past business year and upcoming outlooks, and Mr. Hubert Angleys provided some explanations on the Financial Statements and Annual Report of 2020.
- Agenda items 1 – 11 have been addressed by the Chairman as per the Annual General Meeting (“AGM”) agenda.

The Chairman added that the shareholders have the opportunity to address their questions in writing during the meeting through the webcast. Questions will be answered orally during a 45-minute Q&A session at the end of the AGM. The shareholders had also the possibility to ask again their questions by email at [info@leclanche.com](mailto:info@leclanche.com).

The Chairman added that there will be a 30-minute break between the end of the formal AGM and the Q&A session to notarize agenda items 7, 8 and 9.2.

The Chairman asked Mr. Srivastava to proceed.

### **Part 1: Business update**

Mr. Anil Srivastava presented the business achievements and challenges and the upcoming outlooks of the Company. Mr. Hubert Angleys presented the 2020 financial statements (**Attachment 1**) and provided detailed background information on various aspects of the annual report.

The Chairman thanked Mr. Anil Srivastava and Mr. Hubert Angleys for their presentations. The Chairman also thanked Leclanché team for the work performed during the past years and Leclanché's majority shareholders for their continuous support.

The Chairman also reminded the shareholders that they have the possibility to raise questions in writing during this AGM that will be answered during the Q&A session that will take place 30 minutes after the official part of this AGM.

### **Part 2: Official part as per published agenda**

The Chairman took back the chair.

The Chairman appointed Mr. Jean-François Stenger, Leclanché SA, as Secretary to keep the minutes of the AGM.

He then stated that due to the exceptional circumstances of the Covid-19, shareholders were not allowed to attend the AGM in person. Shareholders' voting rights should only be exercised through the Independent Representative.

Me. Manuel Isler, attorney-at-law, acted as the Independent Representative and presented the results of each agenda item of the General Meeting. Me. Isler announced the results of the votes according to voting instructions provided by all shareholders duly registered at today's AGM.

The Chairman stated that the AGM was called according to the Articles of Association, and the statutory provisions, by a publication in the Swiss Official Gazette of Commerce on 9 June 2021 and by letter to all shareholders registered in the share register at close of play on 21 June 2021.

The Chairman also noted that the 2020 Annual Report and the Reports of the Auditors and Group Auditors as well as the Company's 2020 Compensation Report had been available for inspection since 9 June 2021 at the registered office of the Company and are also accessible on the Company's website.

The Chairman noted that the current share capital of the Company amounted to CHF 29,967,882.90, divided into 299,678,829 fully paid-up registered shares, with a nominal value of CHF 0.10 each.

The representation was as follows:

- The Independent Proxy, pursuant to article 689c of the Swiss Code of Obligations, was representing 237,350,313 shares;
- In total, there were 237,350,313 share votes represented with an aggregate nominal value of CHF 23,735,031.30, which corresponded to 79.20% of the total share capital.

The Chairman noted that the proposals to be resolved under agenda items 7, 8 and 9.2 require a qualified majority of two third of the share votes represented, i.e. 158,233,542 share votes and CHF 15,823,354.20 of nominal value, and other items require a relative majority of the share votes cast.

The Chairman reconfirmed that the shareholders have the opportunity to address their questions in writing during each agenda item during the meeting through the webcast, and questions will be answered orally during the Q&A session.

On the basis of all these statements, the Chairman declared the ordinary AGM duly constituted and authorized to validly resolve on all agenda items.

The AGM proceeded to the items listed in the published agenda.

## **1. Annual Report 2020, Consolidated Financial Statements 2020, Statutory Financial Statements 2020, and Compensation Report 2020 of Leclanché S.A.**

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

The Board of Directors proposed to approve the Annual Report 2020, the Consolidated Financial Statements 2020, and the Statutory Financial Statements 2020.

The Chairman noted that the Financial Statements had been addressed in detail by Mr. Srivastava and Mr. Angleys, and that there was nothing more to add. He asked the Auditor, Ms. Corinne Pointet, whether she wished to address the meeting; the Auditor declined.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 1.1.

The proposal of the Board of Directors was approved with the required majority, with 231,477,515 votes "yes", 176,243 votes "no" and 5,696,555 abstentions.

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

The Board of Directors proposed to approve the Compensation Report 2020 on a consultative basis.

The Company's Compensation Report had been made available to shareholders together with the Annual Report 2020. In accordance with best practices, the Board of Directors decided to submit the Compensation Report 2020 to a consultative vote (on a non-binding basis).

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 1.2.

The proposal of the Board of Directors was approved with the required majority, with 229,565,452 votes "yes", 1,944,316 votes "no" and 5,840,545 abstentions.

## **2. Discharge of the Board of Directors**

The Board of Directors proposed to grant discharge to all members of the Board of Directors.

The Chairman noted that the members of the Board of Directors as well as persons who in any way participated in a managerial capacity would have no voting rights.

The Chairman proposed to vote on the discharge of the Board of Directors.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 2.

The proposal of the Board of Directors was approved with the required majority, with 230,859,348 votes "yes", 677,806 votes "no" and 5,805,069 abstentions.

## **3. Appropriation of Profits Resulting from the Balance Sheet**

The Board of Directors proposed to appropriate the loss of the year 2020 for CHF -79,137,532.79 with the balance brought forward from previous years, amounting at CHF -17,525,909.79. The balance to be carried forward will amount to CHF -96,663,442.58.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 3.

The proposal of the Board of Directors was approved with the required majority, with 231,379,978 votes "yes", 219,181 votes "no" and 5,751,154 abstentions.

## **4. Elections Board of Directors**

### **4.1 Re-elections to the Board of Directors**

The Board of Directors proposed to elect individually Board members (Mr. Stefan A. Müller, Mr. Toi Wai David Suen, Mr. Axel Joachim Maschka, Mr. Lluís M. Fargas Mas, Mr. Bénédicte Fontanet, Mr. Tianyi Fan and Mr. Christophe Manset, each until the end of the next AGM of shareholders.

Mr. Bénédict Fontanet, Mr. Tianyi Fan and Mr. Christophe Manset have been proposed for re-election at the request of SEFAM<sup>1</sup>, the controlling shareholder of the Company.

#### **4.1.1 Mr. Stefan A. Müller**

The Chairman opened the discussion about the re-election of Mr. Stefan A. Müller (himself) to the Board of Directors until the end of the next AGM of shareholders.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 4.1.1.

Mr. Stefan A. Müller was elected with the required majority, with 230,867,295 votes "yes", 638,634 votes "no" and 5,844,384 abstentions.

The Chairman thanked the shareholders for their trust.

#### **4.1.2 Mr. Toi Wai David Suen**

The Chairman opened the discussion about the re-election of Mr. Toi Wai David Suen to the Board of Directors until the end of the next AGM of shareholders.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 4.1.2.

Mr. Toi Wai David Suen was elected with the required majority, with 230,482,465 votes "yes", 1,129,825 votes "no" and 5,738,023 abstentions.

The Chairman congratulated Mr. Suen.

#### **4.1.3 Mr. Axel Joachim Maschka**

The Chairman opened the discussion about the re-election of Mr. Axel Joachim Maschka to the Board of Directors until the end of the next AGM of shareholders.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 4.1.3.

Mr. Axel Joachim Maschka was elected with the required majority, with 230,418,902 votes "yes", 1,186,857 votes "no" and 5,744,554 abstentions.

The Chairman congratulated Mr. Maschka.

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<sup>1</sup> 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".

#### **4.1.4 Mr. Lluís M. Fargas Mas**

The Chairman opened the discussion about the re-election of Mr. Lluís M. Fargas Mas to the Board of Directors until the end of the next AGM of shareholders.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 4.1.4.

Mr. Lluís M. Fargas Mas was elected with the required majority, with 230,857,507 votes "yes", 747,752 votes "no" and 5,745,054 abstentions.

The Chairman congratulated Mr. Fargas Mas.

#### **4.1.5 Mr. Bénédicte Fontanet**

The Chairman opened the discussion about the re-election of Mr. Bénédicte Fontanet to the Board of Directors, at the request of SEFAM, until the end of the next AGM of shareholders.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 4.1.5.

Mr. Bénédicte Fontanet was elected with the required majority, with 230,506,960 votes "yes", 1,100,927 votes "no" and 5,742,426 abstentions.

The Chairman congratulated Mr. Fontanet.

#### **4.1.6 Mr. Tianyi Fan**

The Chairman opened the discussion about the re-election of Mr. Tianyi Fan to the Board of Directors, at the request of SEFAM, until the end of the next AGM of shareholders.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 4.1.6.

Mr. Tianyi Fan was elected with the required majority, with 230,498,861 votes "yes", 1,108,729 votes "no" and 5,742,723 abstentions.

The Chairman congratulated Mr. Fan.

#### **4.1.7 Mr. Christophe Manset**

The Chairman opened the discussion about the re-election of Mr. Christophe Manset to the Board of Directors, at the request of SEFAM, until the end of the next AGM of shareholders.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 4.1.7.

Mr. Christophe Manset was elected with the required majority, with 230,533,746 votes "yes", 1,076,641 votes "no" and 5,739,926 abstentions.

The Chairman congratulated Mr. Manset.

#### **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 until the end of the next AGM of shareholders.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 4.2.

Mr. Müller was elected as Chairman of the Board of Directors with the required majority, with 230,777,291 votes "yes", 726,366 votes "no" and 5,846,656 abstentions.

The Chairman thanked the shareholders.

#### **4.3 Elections to the Appointments and Remuneration Committee**

Proposal of the Board of Directors: to re-elect Mr. Lluís M. Fargas Mas, Mr. Toi Wai David Suen and Mr. Tianyi Fan to the Appointments and Remuneration Committee, each until the end of the next AGM of shareholders.

##### **4.3.1 Mr. Lluís M. Fargas Mas**

The Chairman opened the discussion about the election of Mr. Mr. Lluís M. Fargas Mas to the Appointments and Remuneration Committee.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 4.3.1.

Mr. Fargas was elected to the Appointments and Remuneration Committee with the required majority, with 230,792,991 votes "yes", 791,956 votes "no" and 5,765,366 abstentions.

##### **4.3.2 Mr. Toi Wai David Suen**

The Chairman opened the discussion about the election of Mr. Toi Wai David Suen to the Appointments and Remuneration Committee.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 4.3.2.

Mr. Suen was elected to the Appointments and Remuneration Committee with the required majority, with 230,408,215 votes "yes", 1,163,553 votes "no" and 5,778,545 abstentions.

#### **4.3.3 Mr. Tianyi Fan**

The Chairman opened the discussion about the election of Mr. Tianyi Fan to the Appointments and Remuneration Committee.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 4.3.3.

Mr. Fan was elected to the Appointments and Remuneration Committee with the required majority, with 230,425,505 votes "yes", 1,146,263 votes "no" and 5,778,545 abstentions.

### **5. Election of the Auditors**

Proposal of the Board of Directors: to re-elect PricewaterhouseCoopers SA, Lausanne, as Auditors for the financial year 2021.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 5.

The proposal of the Board of Directors was approved with the required majority, with 231,465,897 votes "yes", 170,021 votes "no" and 5,714,395 abstentions.

The Chairman congratulated the Auditors.

### **6. Election of the Independent Proxy**

Proposal of the Board of Directors: to re-elect Mr. Manuel Isler, attorney-at-law, c/o BMG Avocats, 8C, avenue de Champel, P.O. Box 385, CH-1211 Geneva, as Independent Proxy until the end of the next AGM of shareholders.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 6.

The proposal of the Board of Directors was approved with the required majority, with 231,615,928 votes "yes", 99,150 votes "no" and 5,635,235 abstentions.

### **7. Partial amendment of the Articles of Association / Modification of the authorized share capital (Art.3quater)**

Following the expiry of Article 3<sup>quater</sup> on 8 May 2021, the Board of Directors proposed to adopt a new Article 3<sup>quater</sup> 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<sup>quater</sup> of the Articles of Association accordingly.



The Chairman explained that the provisions regarding the authorized share capital (article 3<sup>quater</sup>) 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 proposed to adopt a new Article 3<sup>quater</sup>, 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 of Directors 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 urgently needs new growth capital in the up-coming weeks and months in order to be able to fund its operations and to pursue an adjusted business plan. Despite this situation, the Board of Directors and Leclanché Management believe that Leclanché is still a going concern. This approval shall enable the Board to quickly secure funding from investors which may be gained and arranged by the Investment Bank through fundraising efforts in the form of private placements. An alternate process, that is to call an Extraordinary General Meeting ("EGM") to seek the creation of new shares for such equity-fundraising efforts in an ordinary capital increase, would take several weeks, would add further costs and imposes a more complex process on the Company. Finally, a public fundraising (e.g. a rights issue) does currently not seem to be available to Leclanché, given its current position and the prevailing market conditions.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 7.

The proposal of the Board of Directors was approved with the required majority, with 230,315,412 votes "yes", 1,321,158 votes "no" and 5,713,743 abstentions.

#### **8. Partial amendment of the Articles of Association / Creation of Conditional Share Capital (Art. 3<sup>quinquies</sup>)**

The Board of Directors proposed to increase the existing conditional share capital in an amount not to exceed CHF 6,000,000.00 through the issuance of up to 60,000,000 fully paid-up shares with a nominal value of CHF 0.10 and to amend Article 3<sup>quinquies</sup> of the Company's Articles of association accordingly.

The Chairman stated that the provisions regarding the authorized share capital (article 3<sup>quater</sup>) and conditional share capital (article 3<sup>ter</sup> and 3<sup>quinquies</sup>) 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 proposed to increase the conditional share capital. Indeed, the Board of Directors 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 urgently needs new growth capital in the up-coming weeks and months in order to be able to fund its operations and to pursue an adjusted business plan. Despite this situation, the Board of Directors and Leclanché Management believe that Leclanché is still a going concern. This approval shall also enable the Board of Directors to quickly secure funding from investors (e.g. in the form of convertible instruments like convertibles notes or loans), which may be gained and arranged by the Investment Bank.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 8.

The proposal of the Board of Directors was rejected with the required majority, with 227,299,763 votes "no", 4,314,307 votes "yes" and 5,736,243 abstentions.

## **9. Financial Restructuring Measures**

### **9.1 Overview of Financial Restructuring and Proposed Measures**

The Chairman first stated that agenda item 9.1 did not require a vote. He gave an overview of Financial Restructuring and Proposed Measures.

As per 31 December 2020, the Company was and still is over-indebted according to art. 725 para. 2 Swiss Code of Obligations. With effect on 30 March 2021, debt owed to SEFAM in the aggregate amount of approx. CHF 33,782,814.00 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 to convert a portion of the debt owed to SEFAM and Golden Partner in the aggregate amount of CHF 29,682,612.00, into a maximum of 296,826,120 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.

In order to implement the described 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 Golden Partner are parties to the relevant financing agreements and shall be part of the proposed debt-to-equity-conversion, and they have committed to convert the below amounts into equity:

- AM Investment SCA SICAV-SIF – Illiquid Assets Sub-Fund 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 so-called 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 so-called 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 so-called 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 so-called GP Facilitation Agreement.

The SEFAM and Golden Partner Debt in the aggregate amount of CHF 29,682,612.00 to be converted in connection with the proposed debt-to-equity-conversion is convertible at 85% of the Volume Weighted Average Price (VWAP) calculated over the 60 days preceding the 10<sup>th</sup> trading day before the date of the conversion (and in any case not lower than CHF 0.10). Accordingly, the exact conversion price – and, as a consequence, the exact number of shares issued to SEFAM and Golden Partner and the exact amount of contributions to be made – cannot be calculated at the date of this AGM. However, because the conversion price will in no event be lower than the nominal value of CHF 0.10, the AGM provides for maximum amounts and numbers, which are calculated on the basis of a conversion price of CHF 0.10. The amounts and numbers presented as a “maximum” will be adjusted based on the exact amounts and numbers.

The proposed debt-to-equity-conversion is intended to improve the financial status of the Company and its balance sheet position.

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

The Chairman proceeded to the next agenda item.

## **9.2 Ordinary Capital Increase for Debt-to-Equity-Conversion**

The Board of Directors proposed to increase the Company's share capital in the maximum amount of CHF 29,682,612.00, to bring it from CHF 29,967,882.90 to a maximum of CHF 59,650,494.90 by way of an ordinary capital increase as follows:

1. Entire maximum nominal amount by which the share capital is to be increased: CHF 29,682,612.00
2. Amount of contributions to be made: CHF 29,682,612.00
3. Number, nominal value and type of new shares: a maximum of 296,826,120 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 10<sup>th</sup> trading day before the date of the conversion (and in any case not lower than CHF 0.10) for a maximum of 296,826,120 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 296,826,120 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 10<sup>th</sup> 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 a maximum of CHF 29,682,612.00 will be subscribed by the previously mentioned creditors, which is why the pre-emptive rights of shareholders for all newly issued shares in the maximum number of 296,826,120 are excluded. As per the Trade Register request, the Board of Directors clarified that the newly issued shares shall be fully paid-up.

The Chairman explained that 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 described 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 previously mentioned creditors, it is necessary to increase the Company's share capital in the maximum amount of CHF 29,682,612.00, 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.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 9.2.

The proposal of the Board of Directors was approved with the required majority, with 230,830,676 votes "yes", 782,954 votes "no" and 5,736,683 abstentions.

The Chairman asked Maître Cottier to notarize the resolution. Maître Cottier confirmed.

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

The Board of Directors proposed 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.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 10.

The proposal of the Board of Directors was approved with the required majority, with 230,831,091 votes "yes", 774,104 votes "no" and 5,745,118 abstentions.

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

The Chairman stated that the proposed approvals of the compensation of the Board of Directors until the next Annual General Meeting and the Executive Management compensation for the financial year 2020 were set out in more detail in the invitation to this AGM and further explained in the Annex to the invitation.

### **11.1 Compensation for the Board of Directors**

The Board of Directors proposed to approve the maximum aggregate amount of compensation of the Board of Directors, of CHF 600,000, for the term until the 2022 AGM,

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 11.1.

The proposal of the Board of Directors was approved with the required majority, with 229,941,566 votes "yes", 1,309,918 votes "no" and 6,098,829 abstentions.

### **11.2 Compensation for the Members of the Executive Committee**

The Board of Directors proposed to approve the maximum aggregate amount of compensation of the Executive Committee, for the financial year 2022 of CHF 4,700,000. This amount is identical to that approved for financial year 2021.

Due to the exceptional circumstances of the Coronavirus pandemic, shareholders' voting rights are only exercised through the Independent Representative. Consequently, the Chairman handed over to Me. Manuel Isler, attorney-at-law to announce results on the votes related to agenda item 11.2.

The proposal of the Board of Directors was approved with the required majority, with 229,052,976 votes "yes", 2,181,513 votes "no" and 6,115,824 abstentions.

The Chairman stated that all items on the agenda had been dealt with. This meant the official part of this AGM was finished.

The Chairman concluded the AGM and thanked the shareholders for their participation and then closed the meeting at 11:40 am CET.

The Chairman:



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**Mr. Stefan A. Müller**

The Secretary:



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**Mr. Jean-François Stenger**