

Welcome to the **Annual General Meeting** of Leclanché S.A. Shareholders

26th June 2023

The meeting will start at 10:30 AM (CET).



01 2022 Financial Summary

02 Business Operations Update

03 Going Forward: 2023 & Beyond

Increase in EBITDA loss reflects higher material costs, investment in organisational capability, and higher operating cost behind carve out of E-Mobility

Over-indebtedness situation has been cured with the support of the Company's largest shareholder SEF-LUX¹

For further details, please see the [2022 Annual Report](#) and the [2022 Management Report](#) on the company's website*.

¹ SEF-LUX refers to: Strategic Equity Fund SCA Sicav RAIF – Renewable Energy, Strategic Equity Fund SCA Sicav RAIF – E-Money, Strategic Equity Fund SCA Sicav RAIF – Multi Asset Strategy, Golden Partner Private Equity FOF, AM Investment S.C.A. SICAV - FIS - R&D Sub-Fund, AM Investment S.C.A. SICAV - FIS - Liquid Assets Sub-Fund, AM Investment S.C.A. SICAV - FIS – Illiquid Assets Sub-Fund collectively are in aggregate the main shareholder of Leclanché, hereunder referred to as "SEF-LUX". Pure Capital S.A. being the beneficial owner as per the reporting platform of SIX Exchange Regulation AG's Disclosure Office - Date of publication of the most recent notification: 10 January 2023.

2022 Financial Results Consolidated

Income down 9% from CHF 21.8 M in 2021. Revenue in second half of 2022 increased 44% compared to first of the year.

EBITDA Loss CHF (57.5) M compared to CHF (44.9) M in 2021

Net loss CHF (85.6) M compared to CHF (80) M in 2021

Profit and Loss (in KCHF)

	2022	2021
Revenue from contracts with customers	17,967	18,926
Other income	1,930	2,872
Total income	19,897	21,798
Raw materials and consumables used	-18,919	-17,600
Personnel costs	-36,622	-35,265
Other operating expenses	-15,986	-13,829
Net impairment losses on financial and contract assets	-1,286	-12,026
Depreciation, amortisation and impairment expenses	-12,847	-6,528
Operating Loss	-65,763	-63,451
<i>EBITDA Loss</i>	<i>-57,538</i>	<i>-44,897</i>
Finance costs	-29,123	-16,453
Finance income	9,744	919
Share of net loss of joint ventures and associates	-	-613
accounted for using the equity method	-	-
Loss before tax for the period	-85,143	-79,599
Income tax	-410	-376
Loss for the period of the Group	-85,553	-79,975

EBITDA to Loss Bridge (in KCHF)

	2022	2021
EBITDA	-57,538	-44,897
<i>EBITDA reportable segment</i>	<i>-45,928</i>	<i>-36,726</i>
<i>Corporate costs</i>	<i>-11,611</i>	<i>-8,171</i>
Depreciation and amortisation	-6,939	-6,528
Net impairment losses on financial and contract assets	-1,286	-12,026
Finance income	9,744	919
Finance costs	-29,123	-16,453
Share of net loss of associates	-	-613
accounted for using the equity method	-	-613
Income tax	-410	-376
Loss for the period	-85,553	-79,975

2022 Financial Results Consolidated

Continuous financial support from SEF-LUX, Leclanché's majority shareholder.

Balance sheet restructuring including Debt-to-Equity conversion CHF 41.3 M in November 2022, and a commitment to convert an additional CHF 66.7 M in June 2023.

Provide an additional financing in 2023 through new credit facilities. To date, CHF 26 M has already been provided.

Balance Sheet (in KCHF) : 31 December 2022

	31/12/2022	31/12/2021
ASSETS		
Non-current assets	59,611	57,733
Current assets	31,213	31,946
TOTAL ASSETS	90,823	89,680
EQUITY AND LIABILITIES		
Share capital	44,482	33,520
Reserve	33,801	53,336
Accumulated losses	-132,366	-112,824
TOTAL EQUITY	-54,083	-25,968
Convertible Loans	35,202	-
Loans	36,321	48,203
Trade and other payables	33,710	35,518
Other Liabilities	39,674	31,927
TOTAL LIABILITIES	144,906	115,648
TOTAL EQUITY AND LIABILITIES	90,823	89,680

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Leclanché is at the Heart of the Energy Transition



Leclanché E-Mobility

Electrification of vehicles in the medium & heavy transport sectors

We develop & design our own cells, modules, integrated battery packs & racks for electric vehicles and vessels of all sizes, with intelligent interfaces to charging infrastructure.



Leclanché Stationary Storage Solutions

Renewable energy integration & Microgrids

We deliver Energy Storage Systems that reliably add intermittent solar and wind energy in the electricity network as dispatchable power on an as needed basis.



Specialty Battery Systems (SBS)

Electrification of niche applications

Low-voltage portable battery packs for defense, medical and other industrial machines.

Leclanché At-a-Glance

Key Figures



1909

Founded



350+

Employees



170+

Customers



50+

Electrochemists
& Engineers

Markets Addressed

E-Mobility



E-MOBILITY

Stationary



STATIONARY
SOLUTIONS

Specialty



SPECIALTY BATTERY
SYSTEMS

Sustainability



- **100%** renewable electricity used at **all production sites**
- Unique **water-based** electrode binding manufacturing process
- **>90%** of cell materials are **recyclable** and **recoverable**
- Systematic **reduction of CO₂ emissions** in all operations
- Circular Economy concept ready for new EU Batteries Directive

Process & Quality Certifications



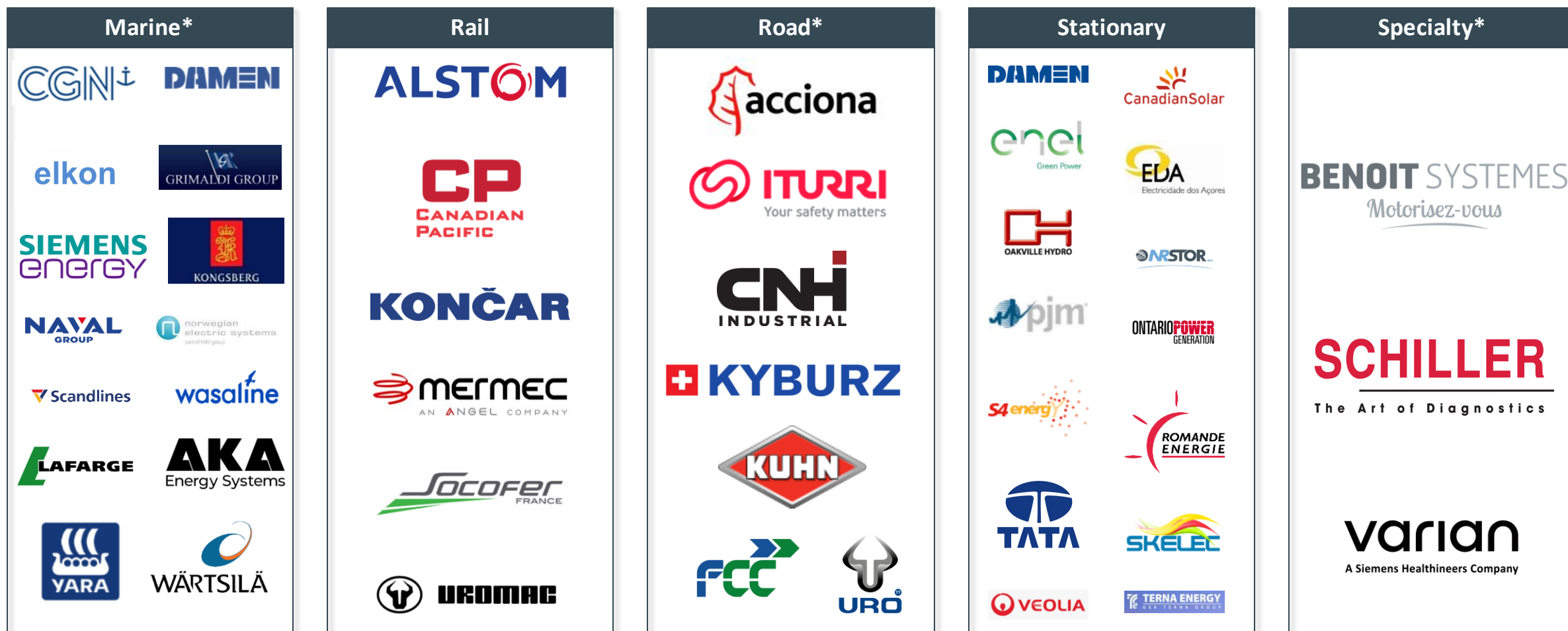
State of the Business: key updates

- 1 Strong order book & pipeline enables future growth
- 2 Continuous technological innovation
- 3 Partnerships with industry leaders to expand our global presence
- 4 Prudent management of risks



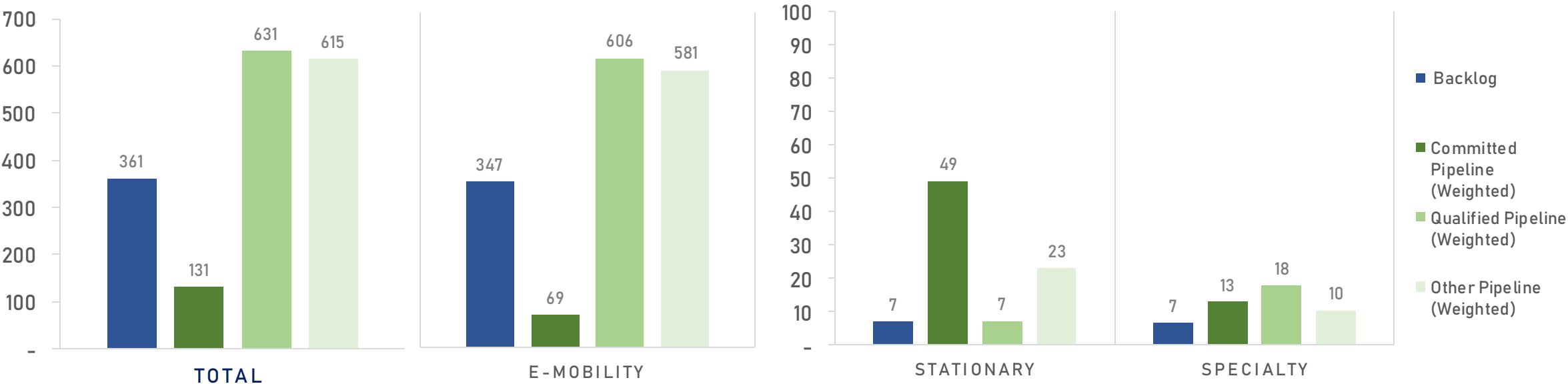
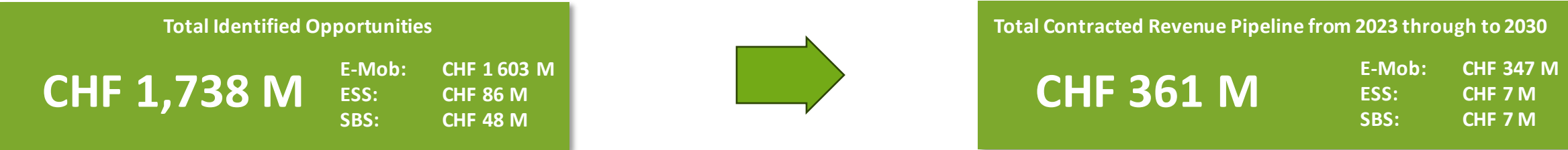
Trusted Customer Partnerships Based on Comprehensive Offers Through Core Product Lines

A mixture of new, existing & Long-term Strategic Partnerships with Leading OEM Customers



Robust Growth Founded on CHF 361 M of Contracted Revenue

The product pipeline is bolstered by established key customer relationships



CHF 347 M contracted revenue with a strong increase in market share for fleet transport

- Leclanché e-Marine has completed 17 vessel projects to date and currently has 20 projects ongoing with total energy of 65 MWh.
- Leclanché e-Rail has repeat orders from major rolling stock OEMs and new orders from leading rail maintenance companies.
- These projects use a combination of customer specific and generic battery packs all with Leclanché's class leading cell, modules and pack designs.



 **Scandlines**

Scandlines
RoPax Ferry
System energy: 10 MWh



 **MERMEC**
AN ANGEL COMPANY

MERMEC S.p.A
Measurement Train
Project energy: up to 3 MWh

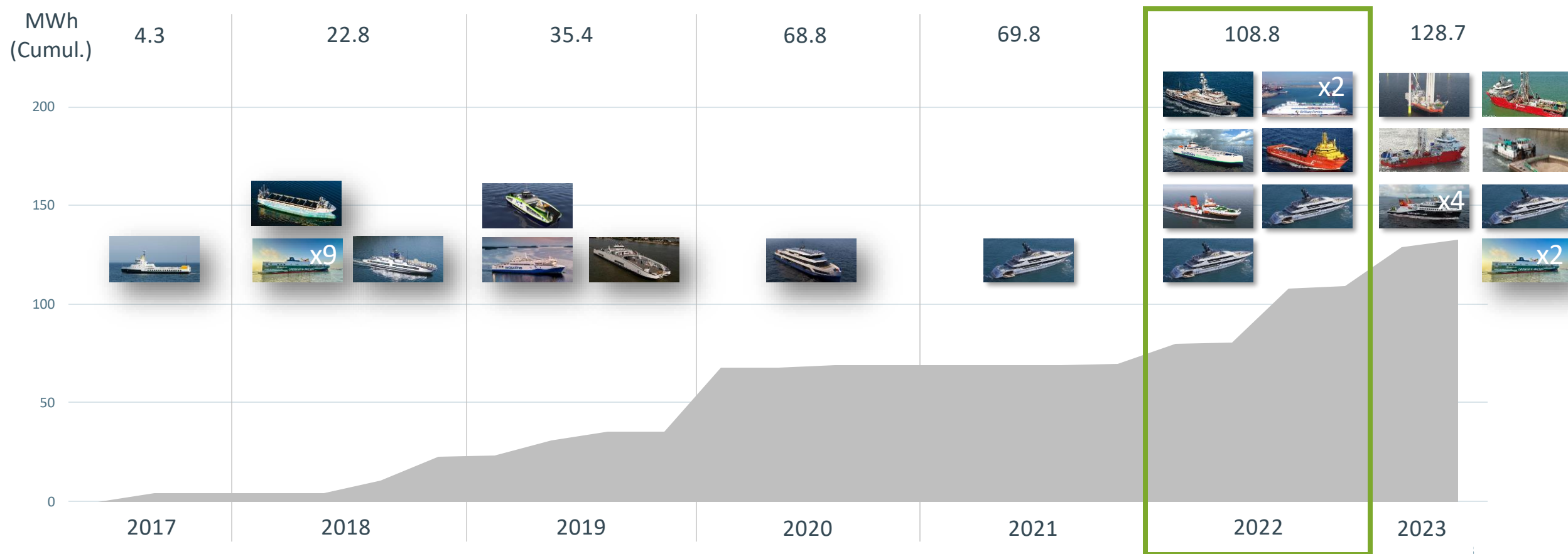



URO

Urovesa
Truck
System energy: 156kWh

Marine Projects

2022: Orders for 8 new projects with total energy of 39 MWh and a contracted revenue of CHF 27.7M with 11 additional projects year to date in 2023 underlying continuous growth.

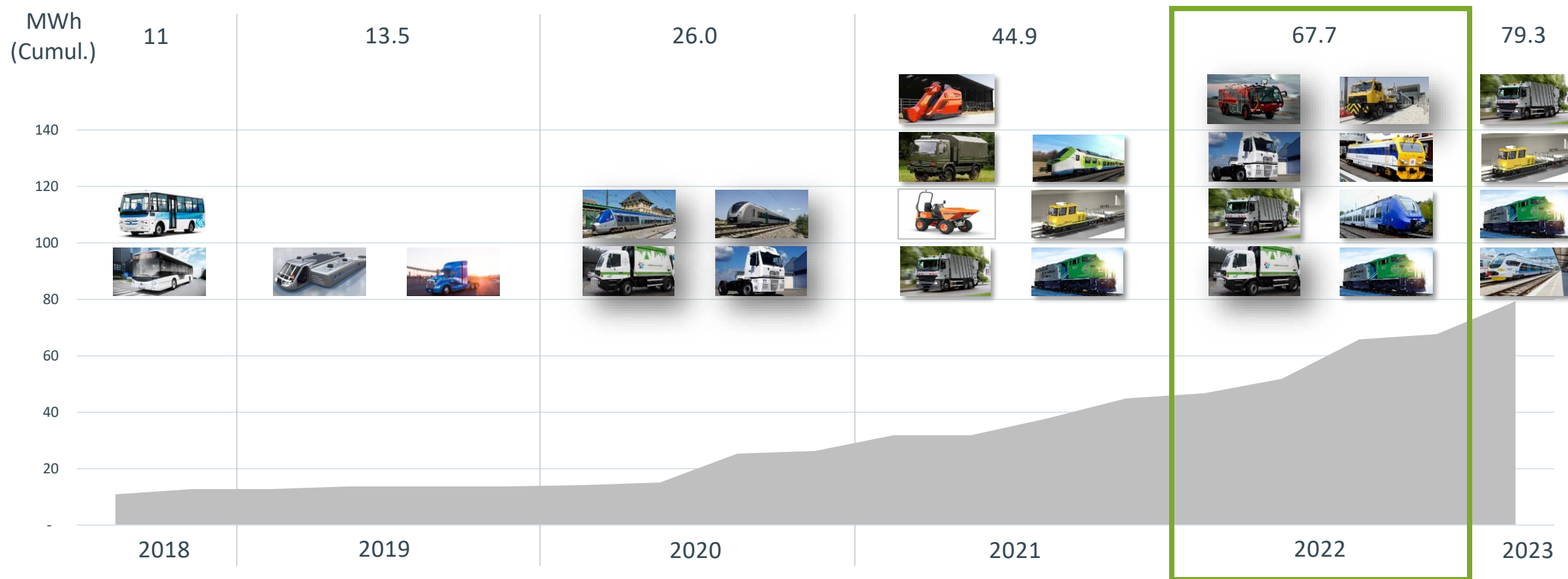


Commercial Vehicle & Rail Projects

Continuous series of rail sector projects won by Leclanché:

- 2020: 10.6 MWh, 2021: 11.3 MWh, 2022: 9.6 MWh, 2023 (H1): 7.8 MWh

2022: Orders for 17 projects with total energy of 23 MWh and a contracted revenue of CHF 13.4M.



Stationary Order Book

CHF 7 M Order Book and CHF 80 M pipeline ensures long-term growth in a rapidly expanding global market

- Leclanché Stationary has completed 21 Energy Storage projects to date and currently has 5 projects in execution
- Strong team of storage industry experts with complete integration expertise across a broad-range of Stationary applications
- Leclanché has two proprietary technology solutions developed in-house that will be deployed worldwide (LeBlock & Leclanché EMS)
- Development of version 2.0 of LeBlock for improved safety and more suitable to specific high-growth applications such as the microgrid and genset hybridisation marketplaces



DAMEN

Damen Shipyards*

Millhaven/Kingston, Canada
Load displacement & vessel charging
System energy: 6 + 10 MWh



Confidential
Partner

Major TSO*

Crete, Greece
Solar + storage
System energy: 2.6 MWh



Olmatic GmbH

Sembach, Germany
Frequency regulation
System energy: 12 MWh
(Pending building permit)


OLMATIC

Specialty Order Book

CHF 7 M Order Book and CHF 41 M pipeline ensures long-term growth

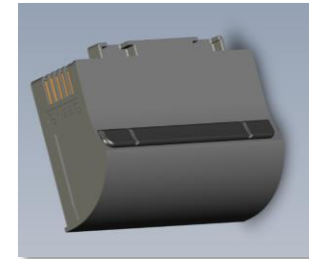
- New European customer acquisition in Defence and Medical sectors
- Strong collaboration and repeat orders from existing customers such as Linde and Armasuisse
- Expansion of our market to other European countries
- Proven competitive cost base underpins profitability
- Positive gross margin further enhanced by higher value-added contracts in Defence and Medical sectors
- Transition year with several new batteries moving into serial production



BENOIT SYSTEMES
Motorisez-vous



SCHILLER
The Art of Diagnostics



Confidential
Partner



Confidential
Partner



Confidential
Partner

Continuous Cell Innovation in E-Mobility

New “Flame Retardant” cells

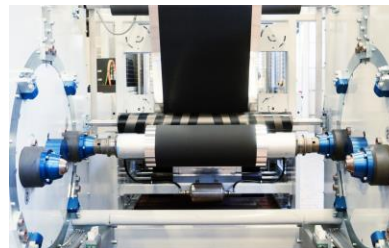
Non-flammable electrolyte additive provides enhanced cell safety



- Close to 80% reduction of risk of fire with no impact on cell performance
- Independent nail penetration tests confirm significantly lowered risk of thermal events with fire
- Non-flammable electrolyte additive provides enhanced cell safety option for rail, truck and bus markets

Water-based production of the high-capacity NMCA cathodes

First manufacturer worldwide to process high nickel content materials in an aqueous process



- 20% more energy density with similar size, weight and performance level
- Reduction of cobalt content of electrodes from 20 to only 5 percent
- Cathode manufactured using an environmentally friendly water-based binder process instead of toxic solvents

New XNO cell chemistry

XNO has nearly 50% higher energy density than LTO while maintaining long life and rapid charging.



- Ideal for vehicles or vessels that need to be rapidly charged to minimise down-time.
- XNO offers the option of radically downsizing the battery size for charging purposes
- High-energy density, fast charging and superior intrinsic safety levels

Collaboration with Cummins



On the 29th of March this year, Leclanché E-Mobility announced a Memorandum of Understanding (MOU) with global power and technology leader, Cummins Inc. It will enable both companies to offer customers a range of hybrid, battery-only and fuel cell hybrid packaged solutions in marine and rail applications.

This collaboration represents a significant step forward in providing customers with a broader portfolio of integrated power solutions and will enable Leclanché to strengthen its position in these markets.

- Network in 190 countries, 600 distributors and approx. 7,200 dealers
- Currently employs 70,000+ people globally with revenues of \$28bn
- Expanding Leclanché's reach across the globe and emerging in the North American market



The Board and Management of the company have taken measures to refocus activities and build on existing markets and technologies. Implementation of better control and reporting systems, higher digitalisation and a leaner structure all being put in place to improve the performance of the company.

Building on growth in e-mobility market

- Focusing on our core markets Railway and Marine, with some selective projects in road transport
- Partner with customers and suppliers to expand beyond our existing markets in a second phase

Refocusing of the Stationary Business

- Putting the emphasis on product delivery, such as LeBlock and lower-level EMS
- Moving away from the EPC (Engineering Procurement Construction) and BOO (Build Own Operate) Models.
- Renegotiating and re-positioning legacy projects

Future of the Specialty Business

- Looking for the best structure to enable a solid growth of the unit in its niche markets
- Investigating close alignment with partners to create synergies

Sustainability and Environmental Impact

Leclanché is ready for the implementation of the new EU battery regulation focusing on creating a circular economy for batteries

- Participation in development of the new European Battery Directive regarding circular economy
- Environmental impact analysis as requested by the new EU battery directive nearing completion
- Strategic partnership with recyclers to recycle production scrap and batteries at end of life
- Circular economy concept '6R' created for compliance with the new battery directive



90% of the cell content in our batteries are recyclable and recoverable



100% renewable electricity used in cell, module and pack production processes

New EU Battery directive

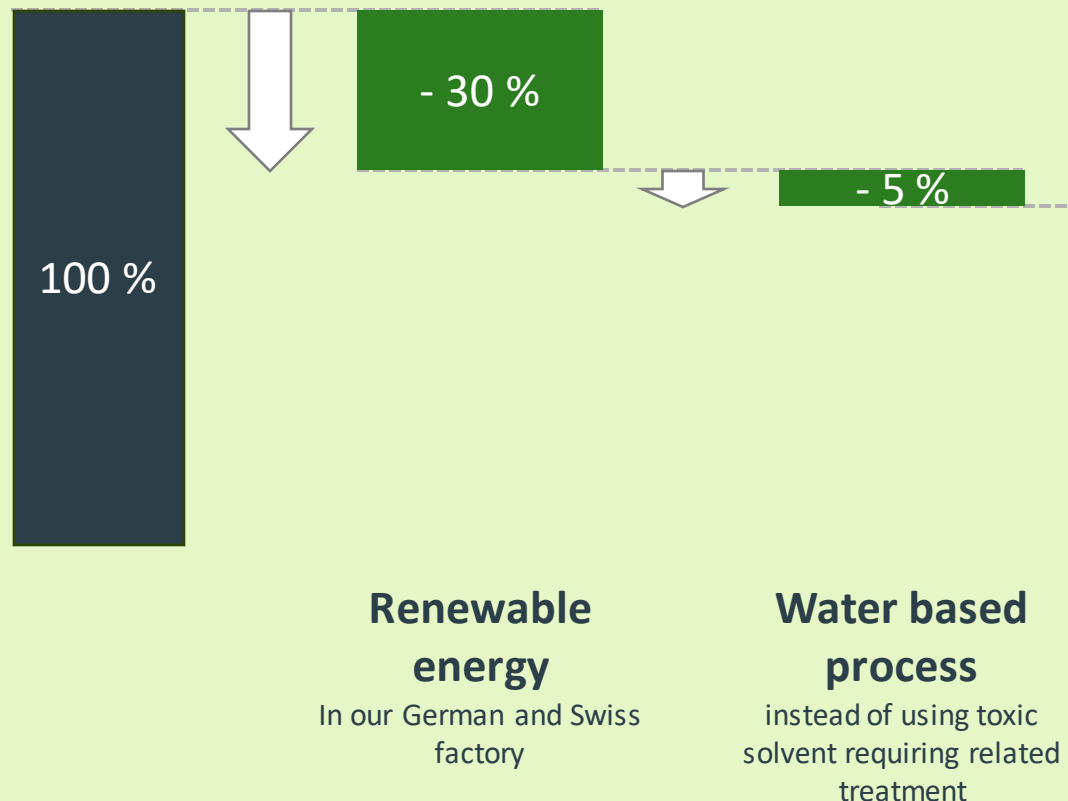
- New EU battery regulation voted in June 2023
- Carbon footprint declaration will be mandatory from 2024 for EV and 2025 for heavy mobility
- Carbon footprint will become a key criteria of selection for our customers
- To proactively address this requirement, Leclanché participates at the EU level in defining the calculation method.



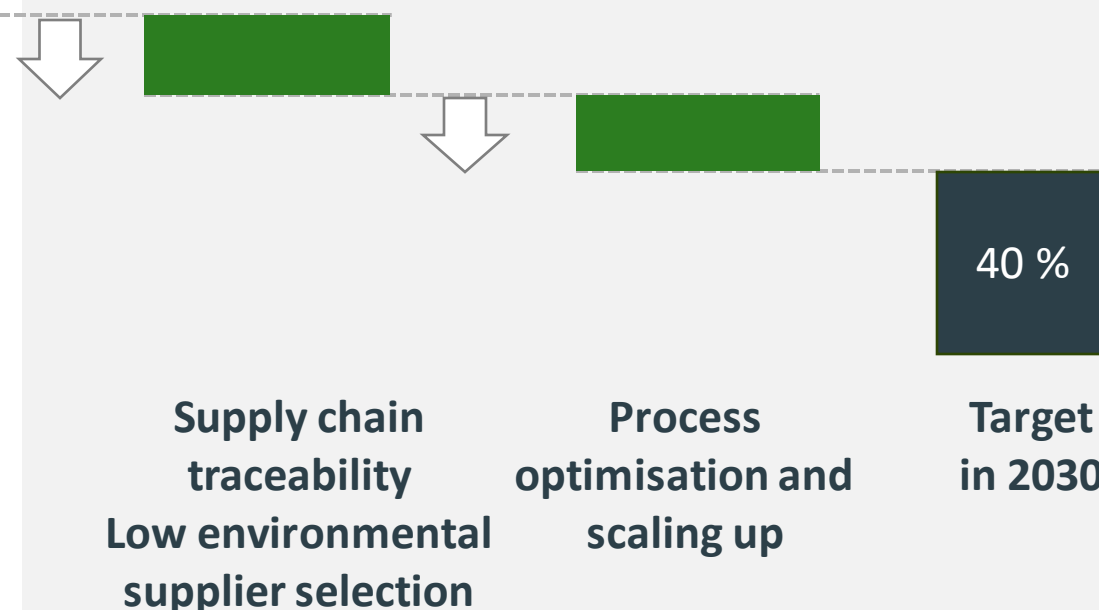
Product
Environmental
Footprint

Committed to Low Environmental Battery Footprint

Preliminary carbon footprint benchmark based on first draft of the Product Environmental Footprint rules



Potential of reduction identified



Preliminary calculation based on first data available in June 2023. Tendency based on an average product as defined in the PEFCR draft to be validated when final methodology and dataset will be available

Enhancing Leclanché's Global Visibility

Trade Shows (2022-23)

- Trade shows specific to each industry sector
- Increasing the brand awareness of Leclanché
- Used for launching of new products
- Effective way of attracting new customers
- *Electric & Hybrid Marine Supplier of the year 2023*



20 trade shows



Across 9 countries



EES, Munich



ESNA, Long Beach



InnoTrans, Berlin



EHM, Amsterdam



SMM, Hamburg



Tag Der Scheine, Saarbrücken

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Key drivers for our business over the coming year

- Growing pipeline through strategic partnerships and strong customer growth
- Continue to invest in product development and create value for customers/shareholders
- Cost optimisation through lean initiatives
- Company core values and continue building Leclanché culture
- Employee engagement and communication
- Secure means to grow capacity to meet our future needs
- Continue to digitalise and automate our company at every level
- Drive the business with sustainability at the forefront

Thank you for your attention

For any questions contact:
info@leclanche.com



Annual General Meeting of Leclanché S.A. Shareholders

The break will end in

20.00

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type: ▾



Breaktime for PowerPoint by Flow Simulation Ltd.

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This presentation contains non-IFRS measures (including certain ratios and key performance indicators, such as MWh, or megawatt hour, which means a unit of energy equal to 1MW of power being applied continuously for one hour, which the Company uses to illustrate its overall production as demonstrated through the electrical energy storage capacity of its battery systems). These measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of the Company’s results as reported under IFRS.

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