

Ad hoc announcement pursuant to Art. 53 LR

Leclanché and Pinnacle Advance Strategic Partnership – Milestone Reached with Successful Completion of Due Diligence

- *Pinnacle International Venture Capital Limited (Pinnacle) completes legal, financial and technical due diligence review of Leclanché to its satisfaction.*
- *The parties will work to address the due diligence items list identified by Pinnacle within a 6 months' timeframe.*
- *As a next step, Pinnacle will undertake a comprehensive engineering review to optimise resource deployment and strategic alignment, while both parties collaborate to secure a restructuring exemption from the Swiss Takeover Board.*
- *Pinnacle intends to provide funding as previously announced through the Joint Venture (JV) for Leclanché's ongoing business and an expansion of up to 2 GWh/yr of Leclanché's production facility in Willstätt and an amount yet to be established for a new up to 2 GWh/yr production facility in the Middle East. The final investment amount and detailed investment structure are subject to final agreement by the parties. Pinnacle may propose some changes based on the outcome of the engineering review and the outcome of an agreed workplan relating to several aspects of Leclanché and its operations.*
- *The strategic partnership includes a 50/50 JV to which battery production is destined for heavy duty applications in road, marine and railway segments.*
- *As part of a contribution in kind, Pinnacle will transfer 50% of the JV shares to Leclanché in exchange for newly issued Leclanché shares, representing up to approximately 40% of the Company's equity. Additionally, Pinnacle has the option to acquire up to 30% of Leclanché shares from the majority shareholder, SEF-LUX, for a total consideration of CHF 240 million, potentially increasing its total shareholding to 70%.*
- *The parties remain committed to concluding the necessary engineering review and finalising the agreements thereafter. They are also aligning on transitional measures, such as bridge financing, to ensure sustained momentum and seamless progress toward their shared goals.*
- *In the meantime, Leclanché will actively work on a bridge financing to sustain the Company's operations until the JV funding is initiated.*

YVERDON-LES-BAINS, Switzerland, 7th February, 2025 – [Leclanché SA](#) (SIX: LECN), a global leader in energy storage solutions, specialised in heavy duty batteries for Marine and Rail customers, is pleased to announce that Pinnacle International Capital Limited has completed the legal, financial and technical due diligence of the Leclanché group to its satisfaction, thereby fulfilling a key condition on the way to the implementation of the strategic partnership.

As a next step in the transaction, Pinnacle will conduct an engineering review. The engineering review aims to optimise the agreed business plan and investment. At the same time, Leclanché will be working through an agreed workplan to address the due diligence items that were identified, with the goal of improving the starting point for the strategic partnership and the investment by Pinnacle.

Through this transformative strategic partnership, Pinnacle's investment will help unlock the strategic growth funding required to support Leclanché's ongoing operations and the expansion of its production



facility in Willstätt to a capacity of up to 2 GWh/yr, and an amount to be determined for the establishment of a new 2 GWh/yr production facility in the Middle East. This partnership represents a pivotal milestone in Leclanché's pursuit of sustainable growth and profitability.

The signing of a binding term sheet between Leclanché, Pinnacle and SEF-LUX¹ was first announced in June 2024. Shortly after, the term sheet was replaced by a framework agreement. According to the framework agreement, the strategic partnership includes a 50/50 JV between Leclanché and Pinnacle which will oversee mass battery production.

The JV includes the construction of two state-of-the-art up to 2 GWh/yr production facilities—one in Europe, expanding the existing site in Willstätt, Germany, and one in the Middle East. These advanced facilities will significantly enhance the manufacturing capacity available to Leclanché, ensuring Leclanché can meet surging regional demand in the battery market while fulfilling its robust order pipeline.

Strategic Partnership Milestones

The JV proposal initially envisioned up to CHF 360 million in funding for Leclanché's ongoing business which included an expansion of Leclanché's Willstätt production facility by up to 2 GWh/yr, as well as the construction of a new 2 GWh/yr production facility in the Middle East. The parties have agreed that the financial deployment structure, the final investment amount and timing of the deployment of funding are to be agreed based on the outcome of the engineering review and the agreed workplan.

In a contribution in kind, Pinnacle will contribute 50% of the JV shares into Leclanché and receive newly issued Leclanché shares amounting up to approximately 40% as consideration.

Furthermore, Pinnacle has the option to acquire up to 30% from the majority shareholder SEF-LUX for a consideration of up to CHF 240 million, bringing its total shareholding up to 70% of Leclanché.

The JV will lead to the establishment of two advanced up to 2 GWh/yr battery production facilities: one in Europe, utilising Leclanché's existing infrastructure in Germany, and the other in the Middle East, aimed at meeting the growing demand in regional battery markets. The JV will finance the operational needs and expansion of the battery plants.

The JV will be managed by Leclanché's current leadership team, ensuring continuity and leveraging their expertise. Both, Leclanché and Pinnacle, are committed to building state-of-the-art facilities to address the rapidly evolving energy storage needs across Europe and the Middle East. Leclanché is working towards the implementation of a bridge financing in the form of debt and/or equity to cover the needs of the Company until Pinnacle's funding is made available through the JV.

The strategic partnership provides a clear pathway for Leclanché to execute its business plan, while Pinnacle's investment underscores its commitment to supporting the green energy transition on a global scale.

¹ SEF-LUX refers to: Strategic Equity Fund - Renewable Energy, Luxembourg, AM Investment SCA SICAV RAIF - Global Growth, Sub-Fund, Luxembourg, collectively are in aggregate the main shareholder of Leclanché, hereunder referred to as "SEF-LUX".



The parties remain committed to finalising agreements and initiating funding within 6 months. This represents a significant milestone in achieving the shared strategic objectives of the collaboration. Regular updates will be provided to shareholders to ensure they remain informed about key developments and progress throughout this important endeavour.

Leadership Comments

Lex Bentner, Chairman of the Board of Directors, Leclanché, said: *"We are proud to announce the completion of a further milestone of this transformative deal, marking an exciting new chapter. We extend our heartfelt gratitude to the majority shareholder for their unwavering support over the years and their invaluable contributions to the Company's success. The transaction underscores our confidence in the Company's promising future, as we look forward to collaborating with Pinnacle and building on past achievements."*

Pierre Blanc, CEO of Leclanché, added: *"We are delighted to announce the completion of the due diligence process and to move further with the transaction. A successful strategic partnership will position Leclanché for accelerated growth, providing the financial resources and capacity needed to scale our operations globally. Our goal is to leverage this partnership to achieve our vision of becoming a global leader in sustainable energy solutions."*



About Leclanché

Leclanché is a world leading provider of low-carbon footprint energy storage solutions based on lithium-ion cell technology. Established in 1909 in Yverdon-les-Bains, Switzerland, Leclanché's history and heritage is rooted in battery and energy storage innovation. The Company's Swiss culture for precision and quality, together with its production facilities in Germany, make Leclanché the partner of choice for companies seeking the very best in battery performance and who are pioneering positive changes in how energy is produced, distributed and consumed around the world. Leclanché is organised into three business units: energy storage solutions, e-Mobility solutions and specialty battery systems. The Company currently employs over 350 people with representative offices in eight countries around the world. Leclanché is listed on the Swiss Stock Exchange (SIX: LECN). SIX Swiss Exchange: ticker symbol LECN | ISIN CH 011 030 311 9

About Pinnacle International Capital

Pinnacle International Capital is a global private equity firm specialising in real estate developments and buyout investments. Pinnacle works across the globe in developed and emerging markets and in a variety of sectors including energy, technology, and real estate. Pinnacle is committed to achieving long-term sustainable growth in its investments, with a well-established team possessing vast investment expertise and a proven track record of identifying and capitalising on investment opportunities. Pinnacle focuses on investments that drive innovation and growth in sectors essential to the green energy transition, fostering a sustainable future.

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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