Press Releases

Leclanché announces strong growth in 2020 and new funding facilities to support its 2021 positive trajectory

• 2020 Revenue is expected to be 45% more than 2019 reaching CHF 23 million, despite the slowdown due to the ongoing pandemic
• 2021 revenues are expected to nearly double over 2020 to CHF 38 to CHF 44 million
• CHF 59.6 million of new funding agreement facilitated by SEFAM to support its strong growth trajectory in 2021 and beyond
• SEFAM has agreed to convert CHF 33.8 million of loan into Leclanché equity
• Outlook for 2021 encouraging despite adverse global situation

YVERDON-LES-BAINS, Switzerland, 30th March 2021 – Leclanché SA (SIX: LECN), one of the world's leading energy storage companies, today announced new funding facilities to allow the Company to match its solid order book and product delivery for 2021. Outlook for the coming year is positive, with concrete signs of growing interest from customers in Leclanché's innovative technology, both in the Stationary Storage and the e-Transport businesses.

SEFAM, Leclanché's majority shareholder, has agreed to provide Leclanché with an aggregate financing of CHF 59.6 million in the form of several loan facilities. This additional financing from a long-time supportive shareholder of Leclanché consists of the following instruments:

- Three convertible loans for a total amount of CHF 26.7 million to be disbursed according to an agreed upon monthly schedule;
- A convertible facility of no less than CHF 32.9 million granted by SEFAM and its related parties. Depending on the circumstances, namely the possibility to trade a certain number of their Leclanché shares, such amount might be higher.
- In addition, SEFAM has undertaken to convert CHF 33.8 million of the loans it has granted to Leclanché in order to address the over-indebtedness in Company's balance sheet. This conversion is expected to take place by March 31st, 2021.

"We are proud to accompany the Company in its growth journey. We are excited about the Company's strong offering in the energy transition markets helping the goal of reducing greenhouse gas emissions. We are encouraged by the recent commercial contracts signed with renowned companies worldwide. We believe that, thanks to the financing we have put in place with SEFAM, 2021 will be a pivotal year for Leclanché." **said Marc Lefebvre on behalf of the Board of Directors of SEFAM.**

Anil Srivastava, CEO of Leclanché stated: *"We are thankful to SEFAM for their continuous support to Leclanché's growth plan. The Company has compelling and competitive products and solutions for the booming electric vehicle and energy storage markets. The large and patient investment made by the current shareholders is now leading to very strong interest from customers. The Company is receiving strong investor interest as well.*

In e-Transport Solutions Business Unit, thanks to the industry leading Leclanché technologies covering full value chain of Lithium Cells, Battery Modules, Battery Management Systems, and Certified Battery Packs- the Company now has reference Customers in all its target Fleet Electric Vehicle market sectors. This strong customer endorsement of our technologies has propelled us into partnership discussions with some of the recently announced large-scale Automotive ventures in Europe."

Company's market guidance: robust growth in orders, delivery, and margin

Despite the continuing effects of the coronavirus pandemic, which have been delaying some projects, Leclanché is expecting a positive outcome for 2021.

In the Stationary Storage Business, continuing delivery of the St. Kitts and Nevis project and additional new stationary projects in fast EV charging applications will deliver turnover growth and positive margin.

In the e-Marine sector, Leclanché-powered vessels are being put into operation with more scheduled in the coming months. The first of the nine hybrid ferries is already commissioned by Grimaldi, and the autonomous 100% all-electric commercial container vessel, Yara Birkeland, has been accepted by Yara in Norway. Additional information on operation of these marine vessels shall follow soon.

In the e-Train sector, with the receipt of the first purchase orders from Bombardier, the commercial phase of the global deal announced in October 2019 has started. We expect to deliver battery packs worth CHF 100 million over five years under this agreement. The recent merger of Alstom and Bombardier is expected to have a positive impact on Leclanché's position in the train market, as they together hold a significant market share.

In the e-Commercial vehicles sector, the Company is very pleased to announce that a major specialized trucks manufacturer has selected Leclanché battery packs for electrification of its new range of electric trucks. We will be soon in a position to provide more detailed information on this significant agreement.

The Company's estimates CHF 38 million to 44 million in revenues in 2021, with positive gross margin. Based on the ongoing action plan to reduce the Cost-of-Goods-Sold, and signed Customer contracts, framework agreements, and robust pipeline of opportunities- the Company expects to reach EBITDA breakeven in the second half of the year 2023 when it reaches a turnover of CHF 175 million to CHF 200 million.

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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