

PRESS RELEASE

Exide Industries, India and Leclanché SA launch Nexcharge

Mumbai, June 2018



Exide Industries, India's largest manufacturer of batteries, and Leclanché, a world-leading provider of high-quality energy storage solutions, announce the launch of a new joint venture to build lithium-ion batteries and energy storage solutions to power the growth of India's electric vehicle market.

- **Exclusive joint venture (JV) agreement signed on 27 June 2018 to address India's transition to green energy and clean transportation**
- **Well-timed JV ideally positioned to be a leading provider to emerging multi GWh storage markets for electric vehicles and grid-connected applications in India**

Mumbai, India - Yverdon, Switzerland, 27 June 2018. Exide Industries Ltd, India's largest manufacturer of lead acid storage batteries and power storage solutions provider (BSE: 500086), and Leclanché SA (SIX: LECN), one of the world's leading energy storage solution companies, headquartered in Switzerland, announced today a joint venture to build lithium-ion batteries and provide energy storage systems for India's electric vehicle market and grid-based applications.

With all the major cities in the world suffering from record-breaking pollution levels, there is an urgent need for radical new ways to power transport. Countries are working to find alternative solutions to reduce harmful NOx emissions, which are damaging to human health and the environment.

As part of the JV, Leclanché will provide access to its knowhow and intellectual property for lithium-ion cells, modules and battery management systems and Exide Industries will leverage its extensive sales network and brand equity. As a result of this unique combination, the JV is ideally positioned to be a leading provider of storage solutions for electric vehicles and energy storage applications in India and will also contribute to developing solutions to increase the amount of renewable energy that is used and reduce India's dependence on fossil fuels.

The JV's production plant will be based in Gujarat. Exide Industries, who is committed to setting up large-scale manufacturing of lithium-ion batteries, will be the majority shareholder and

Leclanché will be the strategic minority shareholder of the JV. A module and battery pack assembly line is expected to be operational by Q2 of 2019 and a lithium-ion cell production plant is expected to be in operation by mid-2020. In the intervening period, cells will be sourced from Leclanché's plant in Willstätt, Germany.

The JV will focus on e-transport, stationary energy storage systems and speciality storage markets. In e-transport, the target segment is fleet vehicles including e-buses, e-wheelers and e-rickshaws.



Gautam Chatterjee, CEO of Exide Industries, said: “Leclanché SA is the perfect partner for us in India. The Company brings superior technology, modules and battery management systems, as well as immediate access to engineering resources to build market-ready products.

“This ideally complements our leading position in the lead acid storage battery market in India and will allow us to take the lead in the lithium-ion battery industry, which is expected to grow significantly in the next few years.

“Efforts to develop alternate state-of-the-art technologies such as lithium-ion batteries and energy storage solutions are an important step in tackling the environmental challenges.”

Anil Srivastava, CEO of Leclanché, said: “It is a huge honour that Leclanché has been chosen by Exide Industries, India's largest battery manufacturer, to partner them in their quest to help India achieve its zero emissions goals and reduce the country's dependence on fossil fuel.

“Exide's selection of Leclanché as its partner of choice is a testament to Leclanché's deep knowhow and IP, and a significant endorsement of our world-leading cell and energy storage technologies, which are the product of our strong heritage and a decade of investment in lithium-ion R&D and production.

“In a region that is expected to be one of the world’s largest and fastest growing markets for electric vehicles, the JV shall provide Leclanché with giga-scale procurement volumes, which will help reduce costs, and increase recurring annuity revenues, generating recurring stable revenue growth for the Company.

“This is an important milestone in our stated growth strategy and further evidence that the opportunity for Leclanché is now. We look forward to working with Exide Industries in delivering the best that Leclanché has to offer: superior cell technologies, IP and knowhow that combines high quality German engineering and Swiss precision with deep experience in the design and implementation of battery storage solutions.”

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