



Life Energy Motion

[Translation of the German/French version of the statement of the Board of Directors]

Statement of the Board of Directors of LEM HOLDING SA on the declaration of the validity of the general opting out clause for all current and future shareholders of LEM HOLDING SA

1. Introduction and background

The Board of Directors of LEM HOLDING SA («LEM») has been invited by the Takeover Board to issue a statement according to Article 61 para. 3 let. a of the Ordinance of the Takeover Board on Public Takeover Offers (Takeover Ordinance, «TOO») on the declaration of the validity of the general opting out clause for all current and future shareholders of LEM.

This statement is part of a request submitted to the Takeover Board on behalf of a group of shareholders comprised of Werner O. Weber and Ueli Wampfler (the «Group of Shareholders») to have the general opting out clause declared valid for all current and future shareholders of LEM (the «Request»).

To the knowledge of the Board of Directors, the main facts relating to the Request can be summarized as follows:

- On June 25, 2010, the general meeting of LEM adopted, following a motion by shareholder Werner O. Weber, an opting out clause in the form of a new Article 6ter (currently Article 8) of the company's articles of association. Despite the recommendation of the Board of Directors to reject the adoption of such an opting out clause, the shareholders approved this motion with a majority of 71% of the voting rights represented (including the votes of the applicants) and 52% of the voting rights represented (excluding the votes of Mr Werner O. Weber).
- At the ordinary general meeting of June 25, 2010, the circumstances and consequences of the motion to introduce the opting out clause were communicated in a clear and transparent manner, the potential effects of such a clause on LEM and its shareholders were clarified and the shareholders had the opportunity to discuss these issues in depth.
- On June 7, 2011 (date of publication), Messrs Werner O. Weber and Ueli Wampfler announced the formation of a group of shareholders, representing 32.3% of the voting rights (31.65% in shares and 0.65% in call options, i.e. 364,000 shares and 7,500 call options).
- On August 31, 2011, the Group of Shareholders requested from the Takeover Board to declare that the obligation to make a public takeover offer does not apply due to the opting out clause approved by the general meeting of LEM on June 25, 2010. The Takeover Board approved this request by decision of September 22, 2011.





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- On December 6, 2011, the Group of Shareholders acquired additional LEM equity securities, increasing its voting rights to 33.34%. Subsequently, the Group of Shareholders further increased its participation. According to the disclosure notice, the Group of Shareholders held 50.013% of the voting rights on March 21, 2018.
- The shareholder structure of LEM in recent years has been characterized by a high degree of stability, in particular thanks to the loyal presence for many years of certain major shareholders, which has been an essential factor for the continued, successful and independent development of LEM, in the best interest of the company and its shareholders.
- The Board of Directors wishes to ensure that the acquisition of shares of the company remains attractive to both institutional and private investors. For this reason, it has attached great importance to equal treatment of LEM shareholders and shareholder democracy in the past and intends to continue to do so in the future.

2. Position of the Board of Directors

The shareholders of LEM, informed of the consequences of the opting out clause and despite the negative recommendation of the Board of Directors, adopted the opting out clause in Article 6ter (currently Article 8) of the articles of association of LEM by a majority of the voting rights represented (both with and without the votes of Mr Werner O. Weber). In view of the above, as well as the benefits for LEM from a stable shareholder structure, the Board of Directors is of the opinion – as it has already indicated in its statement of October 6, 2011 – that the opting out clause of Article 6ter (currently Article 8) of the articles of association of LEM has been validly adopted by the general meeting. Consequently, all of the shareholders of LEM are to be exempt from the obligation to make a public takeover offer if the threshold of 33 ⅓% of voting rights in LEM is exceeded.

3. Conflicts of interest

The Board of Directors of LEM comprises of Andreas Hürlimann, Chairman, Ilan Cohen, François Gabella, Ulrich C. Looser, Ueli Wampfler and Werner C. Weber, all non-executive members of the Board of Directors. François Gabella was the CEO of the LEM group until 2018.

As Messrs Ueli Wampfler and Werner C. Weber are concerned by the procedure, they recused themselves and abstained from participating in the discussions and voting in connection with the Board of Directors' statement, as expressed here.

No other member of the Board of Directors is affected by a conflict of interest in connection with this matter.

Therefore, the Board of Directors issues this statement as an expression of the opinion of all voting members of the Board of Directors.





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4. Decision of the Takeover Board

On October 25, 2019, the Takeover Board made the following decision in relation to the facts summarized in section 1 above:

«The Takeover Board decides:

1. It is declared that the opting out clause contained in Article 8 of the articles of association of LEM Holding SA applies to any shareholder or group of shareholders who exceeds the threshold of 33 ⅓% of the voting rights of LEM Holding SA.
2. The Board of Directors of LEM Holding SA shall publish the dispositive part of this decision, its statement and notice of the time limit and conditions by which a qualified shareholder may file an objection against the decision of the Takeover Board no later than 3 trading days following notification of this decision.
3. This decision will be published on the website of the Takeover Board on the day of publication of the statement of the Board of Directors of LEM Holding SA referred to in section 2 of the dispositive part of this decision.
4. The fee payable by Werner O. Weber and Ulrich (Ueli) Wampfler, jointly and severally, amounts to CHF 30,000.»

5. Shareholders' right of objection

A shareholder providing evidence of holding at least 3% of the voting rights in LEM, irrespective of whether they are exercisable or not (a qualified shareholder, Art. 56 TOO) who has not yet participated in the proceedings may, in accordance with Art. 58 TOO, file an objection with the Takeover Board against the decision of the Takeover Board mentioned in section 4 above.

The objection must be filed with the Takeover Board in writing (Stockerstrasse 54, 8002 Zurich), e-mail (counsel@takeover.ch) or fax (+41 (0)44 283 17 40) within five trading days after the publication of this Board of Directors' statement. The time limit starts on the first trading day after the publication of this statement. The objection must contain a formal request and a summary of the legal grounds, as well as proof of the holding in accordance with Art. 56 TOO.

Fribourg, October 30, 2019

On behalf of the Board of Directors: Andreas Hürlimann, Chairman

