

PRESS RELEASE

New Delhi, 13th February 2020

VELCAN HOLDINGS: LAND ACQUISITION PROCEDURE STOPPED BY LAND OWNERS IN INDIA

Following the section 11 notification on 26th September 2019 (see PR dated 30th September 2019), the District Administration had notified on 2nd December 2019 the land survey to be conducted in order to mark land boundaries on the ground and establish the final list of land owners, which is the basis of the financial allocations under the future rehabilitation plan and land compensations.

The survey was scheduled between 10th February and 14th March 2020, to be conducted by District Administration. On 10th February's several land owners have physically prevented the District administration to start the survey and claimed notably the immediate payment of benefits and that land disputes should be settled in court separately.

Following this incident, the District Administration has suspended the survey until further notice and constituted a special committee of Government officials, for the purpose of handling the land survey. A first meeting has been convened, between the local land owners and the committee, on 24th February 2020.

During the previous section (#11) of the procedure the land owners had formally given their consent to the land acquisition and thereby to move forward with the procedure. The Land Survey is the first step towards a possible resolution of the land disputes, and the Company hopes the process can resume soon.

The land acquisition procedure is under the exclusive Government purview, and not under the control of VELCAN Holdings. The Group will continue to follow-up closely the developments of this procedure.

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About Velcan:

Velcan Holdings is a Luxemburg headquartered investment holding company founded in 2005, operating as an independent power producer in emerging countries and managing a global portfolio of financial assets.

The company owns and operates a 15MW hydro power plant in Brazil that it developed and built in 2009. The company is developing a cascade of hydropower concessions located in India and totalling 571 MW.



Hydropower concessions provide long periods of cash generation but their development outcome is uncertain and many years are needed to bring these projects to maturity in emerging countries: it involves field studies in remote places, obtaining the necessary authorizations and permits, and land acquisition in political and regulatory environments that can be unstable or heavily hampering. Meanwhile Velcan Holdings actively manages its treasury, investing in listed and unlisted financial instruments.

Velcan Holdings' headquarters are in Luxemburg, with administrative and financial offices in Singapore and Mauritius. The team dedicated to the development of the Indian hydropower cascade is based in New Delhi and at the project site (Arunachal Pradesh). The team dedicated to the Rodeio Bonito plant is based in Sao Paulo and Chapeco (Santa Catarina State).

The company was launched more than 10 years ago by its reference shareholder LHP SA, owned by Velcan Holdings' management team.

Velcan Holdings is listed on Euro MTF (Luxembourg). Ticker VLCN/ISIN FR0010245803.

Velcan Holdings never performed any Public Offer as understood under the European regulation n°2017/1129.

Disclaimer

This press release contains prospective information about the potential of the projects in progress and/or of the projects of which the development has begun. This information constitutes objectives attached to projects and shall not be construed as direct or indirect net income forecast of the concerned year. Reader's attention is also drawn on the fact that the performance of these objectives depends on future circumstances and that it could be affected and/or delayed by risks, known or unknown, uncertainties, and various factors of any nature, notably related to economic, commercial or regulatory conjuncture, which occurrence could be likely to have a negative impact on future activity and performances of the Group.

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