

VELCAN

PRESS RELEASE

Luxemburg, 22nd February 2018

VELCAN: SHARE BUYBACK PROGRAMME

In compliance with articles 241-1 and 242-2 of the *Autorité des Marchés Financiers* regulations, this document describes the share buyback programme authorized by the Shareholder's general meeting dated 28th June 2017, of which the implementation has been decided by the Board of Directors.

1. Date of the Shareholders' General Meeting which has authorized the buyback programme

The Company's authorization to buy back its own shares was given by the Shareholders' General Meeting of June 28th, 2017 (8th resolution). It is implemented by decision of the Board of Directors dated 14th February 2018

2. Break-up by objectives of the shares held as of date

As of date, the Company holds 337 069 own shares, representing 5.10% of the share capital, of which the break-up by objective is the following:

Share cancellation	159 819
Delivery of shares towards the exercise of securities giving access to the capital	27 250
Coverage of option plans or free shares grant plans to employees and management	150 000
Liquidity contract	-
Delivery of shares as part of external growth deals	-

3. Programme objectives

The purpose of the buyback programme is to buy back shares of the Company from minority shareholders wishing to sell them at current market conditions, but not finding sufficient liquidity, in view of their cancellation.



4. Maximum share of the capital, maximum number of shares, characteristics of shares to be acquired, maximum acquisition price and other terms

In compliance with the limits voted by the 8th resolution of the Shareholder's General Meeting of June 28th, 2017, the buyback program will be implemented under the following conditions:

- the maximum number of shares that the Company may hold as a result of acquisitions shall not exceed the limit of 10% (ten percent) of the shares composing the share capital;
- taking into account the 337,069 shares currently held by the Company and representing 5.1% of the capital, the Company may acquire, as of date, a maximum number of 323,475 shares representing 4.9% of the share capital;
- the acquisition price per share will be equal to the market price on the day of the acquisition, including in the case of block transactions that may be carried out in the market or over the counter;
- the maximum purchase price per share is nine euros and fifty cents (EUR 9.5), excluding acquisition costs;
- in view of the above, the maximum total amount that the company may allocate to the buyback of its own shares shall not exceed Euros 3,073,014.00 excluding acquisition costs;
- the Company's shares are ordinary shares, all of the same class, listed on the Euronext Growth Paris market (ISIN FR0010245803);
- the acquisitions will be carried out by an independent investment services provider who will be entrusted with the task of implementing the buyback programme, in the name and on behalf of the Company, according to market conditions and taking care not to disturb the latter.

5. Duration of the programme

18 months from February 22nd, 2018, in accordance with the authorization given at the Shareholder's General Meeting of June 28th, 2017, i.e. no later than August 22nd, 2019.

6. Other information

- Liquidity contract : there is no ongoing liquidity contract as of the date of this descriptive;
- The Company will not use derivative products as part of this programme;

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About Velcan:

Velcan is a Luxembourg 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 one 15MW hydro power plant in Brazil that it developed and built in 2009. Its major power project under development is a cascade of hydropower concessions located in India and totalling 571 MW. The Group also has a smaller project of 18MW in Indonesia.

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 actively manages its treasury, investing in listed financial instruments and private equity deals.

Velcan's headquarters are in Luxembourg, 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 company was launched more than 10 years ago by its reference shareholder Luxembourg Hydro Power SA, owned by Velcan's management team.

Velcan is listed on the Paris Euronext Growth Stock Market (Euronext Growth/Ticker ALVEL/ISIN FR0010245803).

Velcan never performed any Public Offer as understood under Directive 2003/71/CE of the European Parliament and Council.

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.

This announcement does not constitute a public offering ("offre au public") nor an invitation to the public or to any qualified investor in connection with any offering. This announcement is not an offer of securities in the United States of America or in any other jurisdiction/country.

