

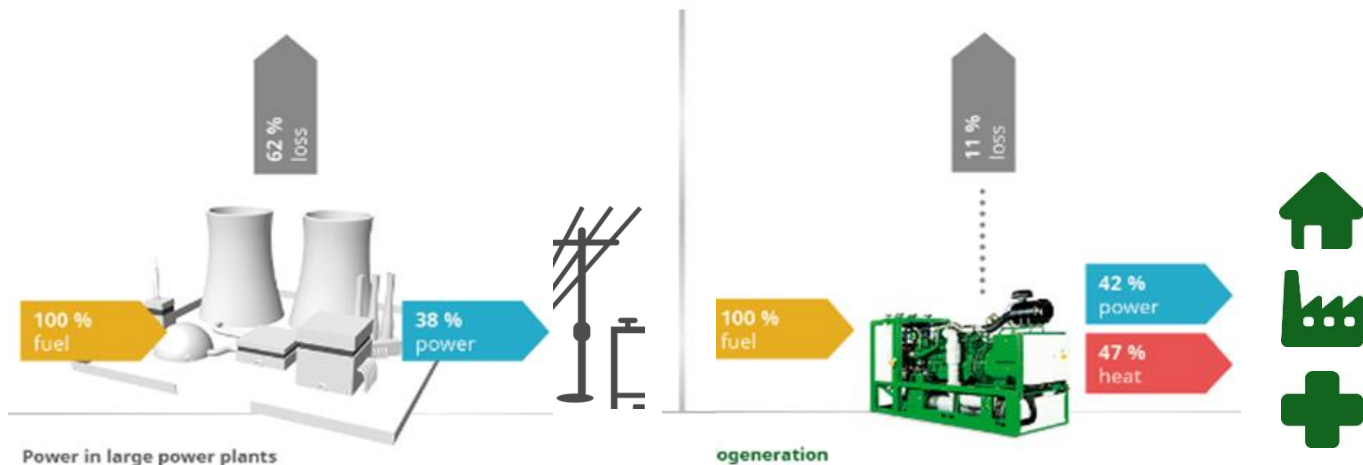


2G. Company Presentation.

2G. Cogeneration.

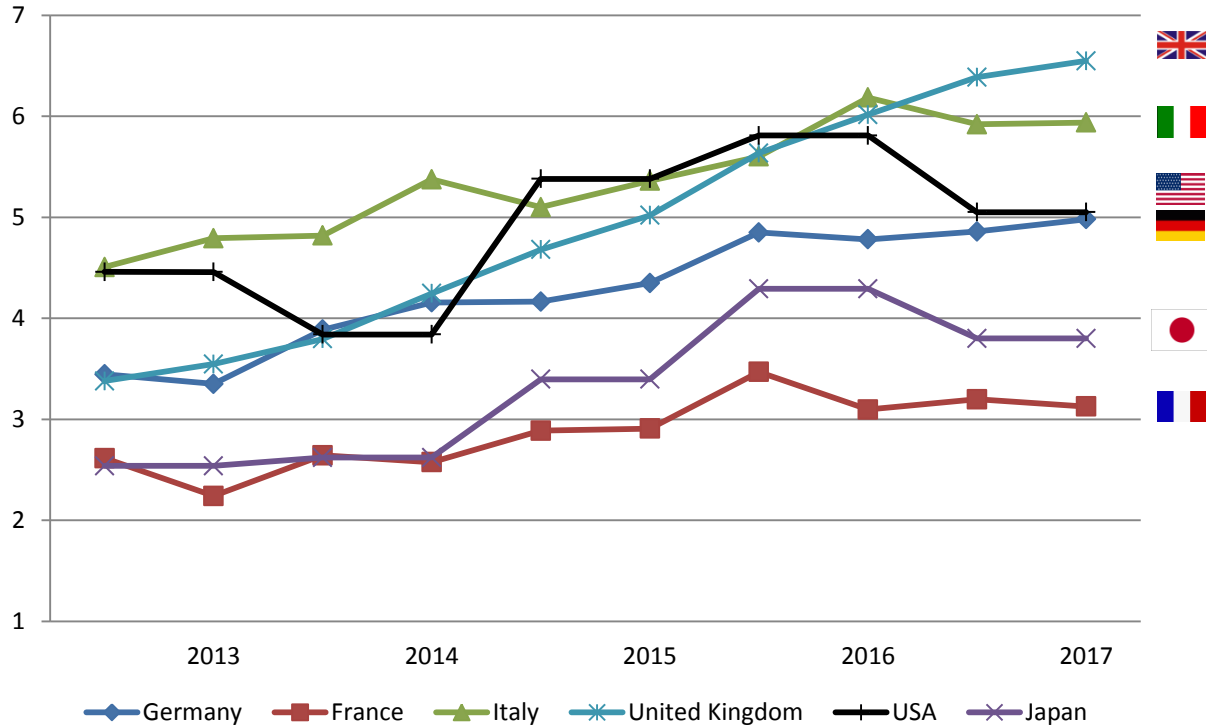
Deutsches Eigenkapitalforum
Frankfurt, 26./27. November 2018

Distributed vs. centralized power generation.



- Primary energy savings up to 40 %
- up to 60 % CO₂/ NO_x-savings when using natural gas; almost CO₂/NO_x neutral when using renewable fuels

Economical. Electricity - vs. Gas price.



Source: German Federal Statistical Office, Energy price trend data



Versatile.

Fields of application.



Schools and universities



Residential buildings



Industrial companies



Sewage plants



Hospitals



Retirement homes



Food



Landfills



Swimming pools



Hotels



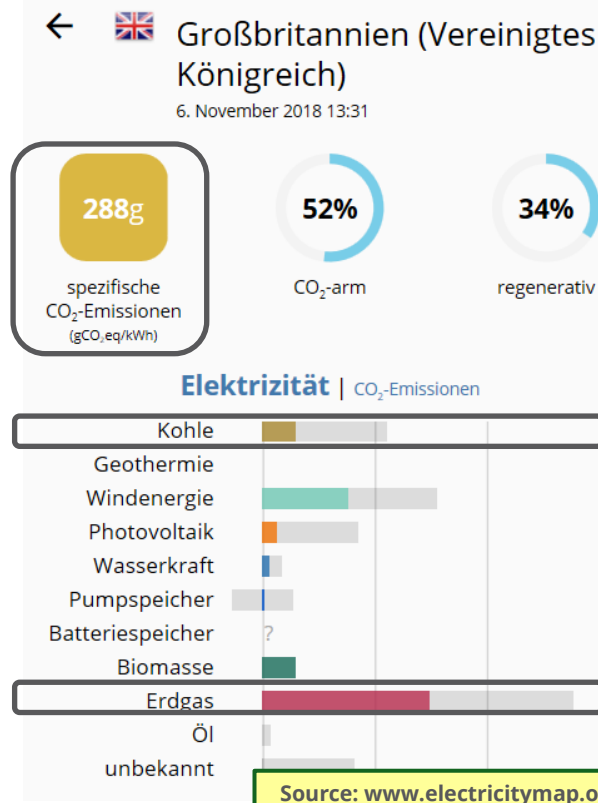
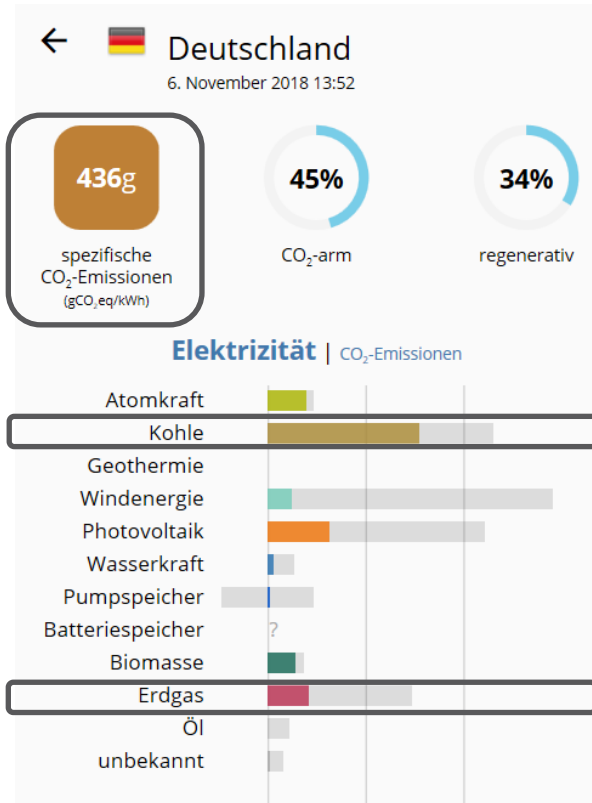
Utilities



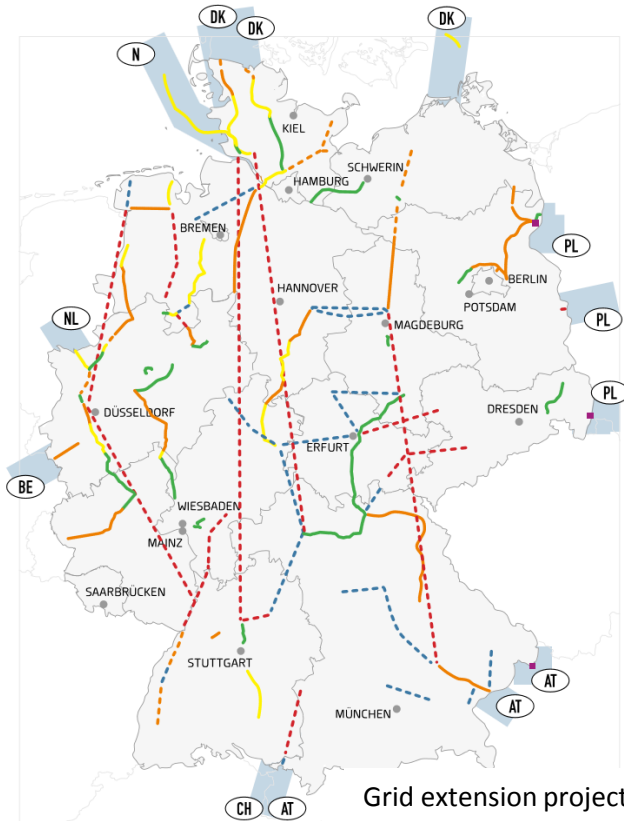
Biogas plants

Eco-friendly.

Comparison of CO2 emissions in Germany and UK.



Decentral. Energy production at the place of use.

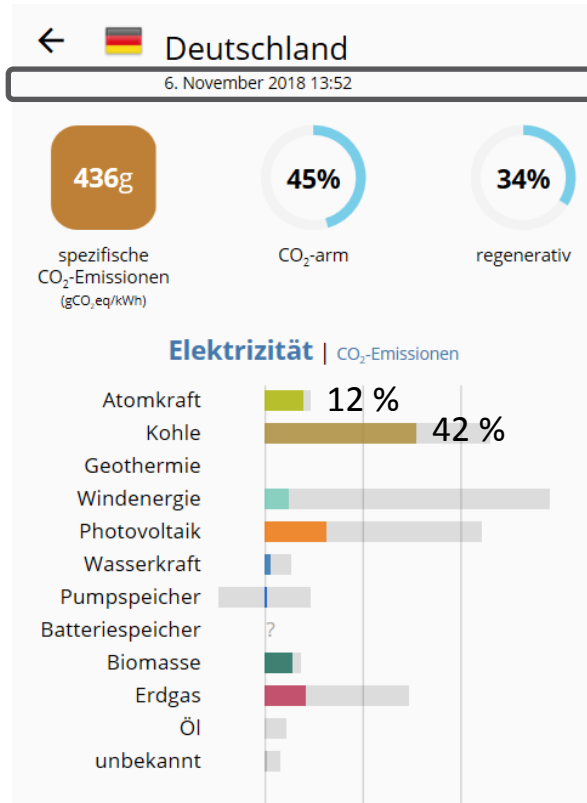


Grid extension projects in Germany as of 30/06/2018

- Construction of transmission grids does not keep pace with expansion of green electricity generation (only 12% of total 7,700 km already built)
- Costs of „North-South“ grid (for underground cabling): 8,000,000 € / km
- volatile green electricity can only secure 10 % of total output so far
- **Decentralised and connected CHP plants enable the functionality of virtual, large-scale power plants through their rapid availability, reliability and high flexibility.**

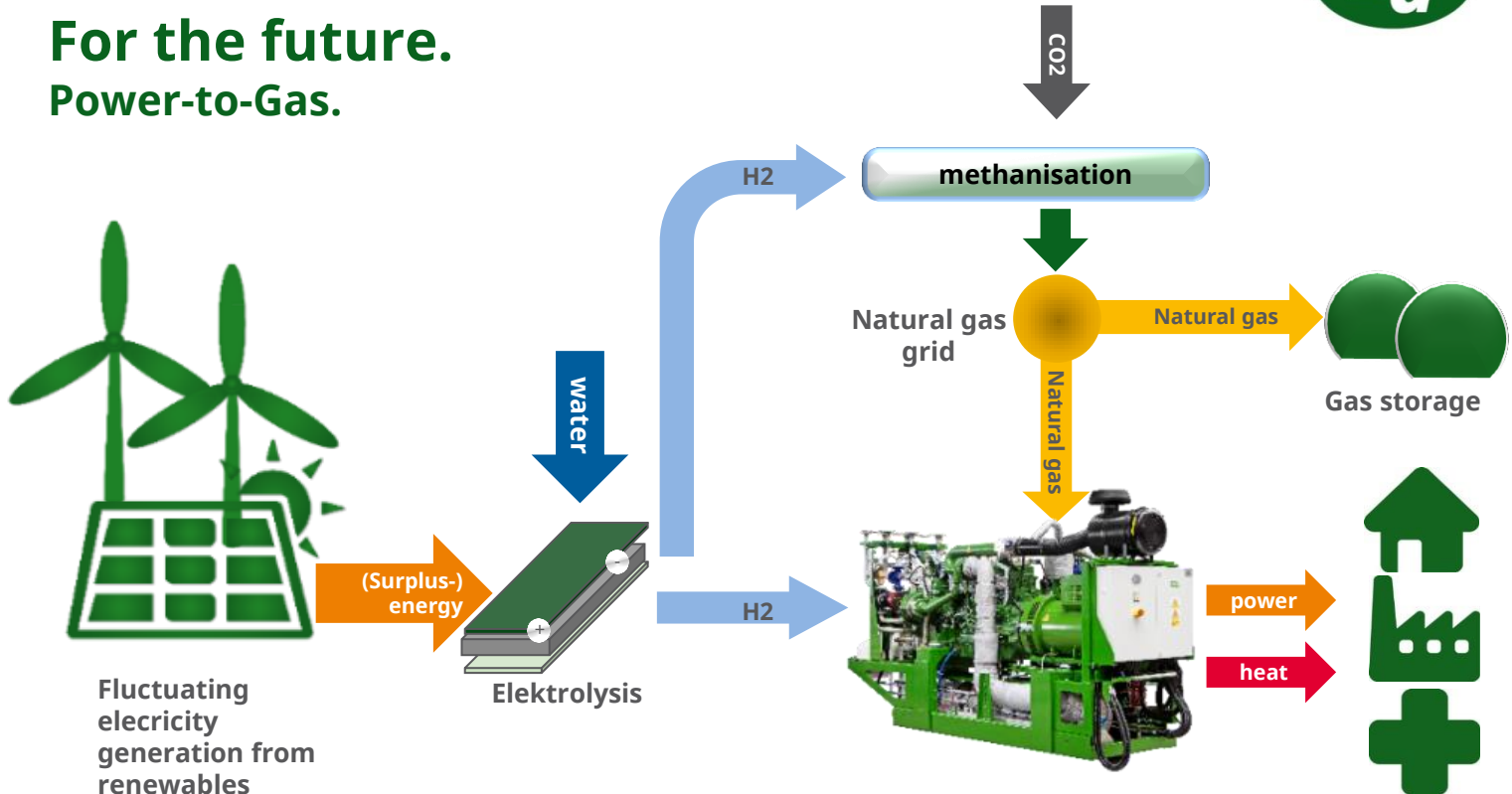
Flexible.

Combined heat and power contributes to security of supply.

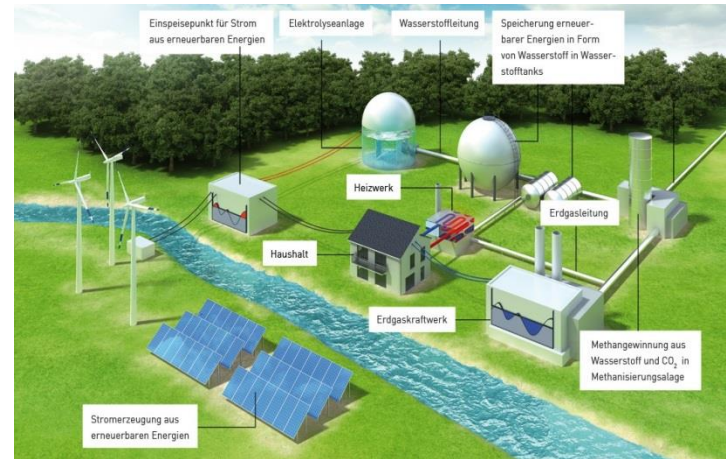


- Conventional energy producers still account for more than 50 % of generation capacity
 - cost-intensive emergency interventions in the electricity grid are necessary to ensure security of supply (1.2 billion euros total cost in 2017 – passed on to the consumers)
 - Grid reserve calls on 145 days
 - individual overload measures on 353 days
- **CHP plants provide demand-oriented balancing and control energy within a few seconds !**

For the future. Power-to-Gas.



Efficiency of Power-to-Gas.



Pumped-storage plant: 65 % - 68 %

vs.

Electricity → Hydrogen → CHP: > 60%
Electricity → Methane → CHP: > 50 %



Key facts.

- Founded 1995 - Headquarters in Heek in North West of Germany
- Among leading providers of gas driven CHP plants
- Solution provider:
(development, project engineering, production, service, financing)
- Product range: 20 – 2,000 kW electrical power
- Net sales 2017: 189.4 Mio. Euro;
Ø 10 % annual sales growth since 2013
- 6 international subsidiaries ((USA, UK, F, I, E, Pol)
- Listed at the German stock market since 2007
- 600 employees worldwide
- More than 5,000 CHP plants in 49 countries worldwide

Portfolio.

Product Group	Power Range	Type of fuel
g-box.	20 to 50 kW	Natural Gas / Liquid Gas
patruus.	50 to 400 kW	Natural Gas / Biogas/ Landfill and Sewage Gas
aura.	100 to 150 kW	Natural Gas
agenitor.	75 to 450 kW	Natural Gas / Biogas/ Landfill and Sewage Gas
avus.	500 to 2.000 kW	Natural Gas / Biogas/ Landfill and Sewage Gas



2G – Leading Gas Engine Technology.

- R&D-subsidiary 2G Drives GmbH with 40 engineers and technicians
- R&D goals: Increases in efficiency, extension of maintenance intervals, digital control, development of new applications
- Achievements 2017 / 2018:
 - Development of a gas mixing system for a continuous operation of CHP plants with different gas types
 - Development of new product line „aura“ with low emission values and high thermal efficiency
 - Proprietary development to convert waste heat into electricity taken to the pre-series stage in 2017 (ORC-process)
 - Construction of a pure hydrogen-driven CHP plant in 2018



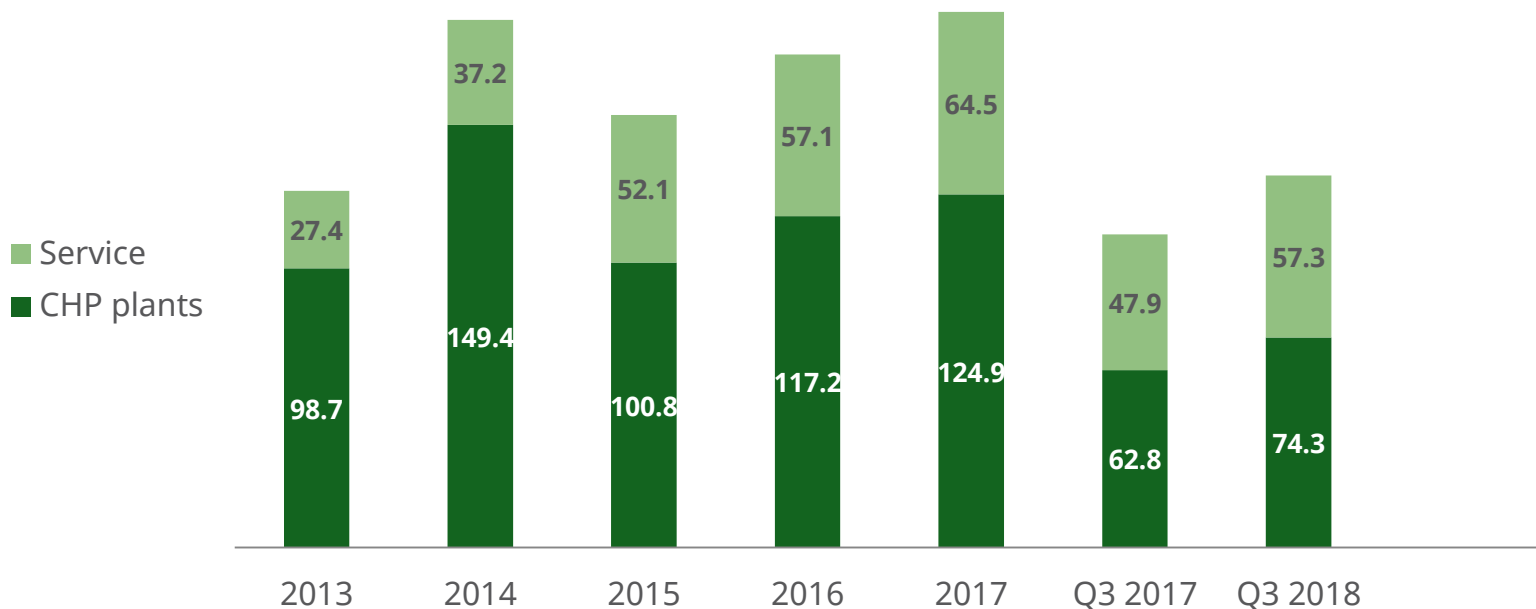
Key figures.

in TEUR	2017	2016	2015	2014	2013
Net sales	189,404	174,299	152,884	186,605	126,130
Total operating revenue	190,494	183,622	154,713	189,556	137,510
EBIT	7,333	5,649	4,772	11,287	3,117
<i>Margin</i>	3.9 %	3.2 %	3.1 %	6.1 %	2.5 %
Materials intensity	66.6 %	70.1 %	65.0 %	70.7 %	70.5 %
Labour intensity	17.2 %	16.3 %	18.9 %	13.4 %	15.6 %
Equity ratio	47.9 %	47.5 %	54.9 %	56.2 %	53.2 %
Operative Cashflow	12,845	6,382	2,061	8,262	4,442
Net debt	-9,728	-3,910	-4,214	-5,250	-2,878

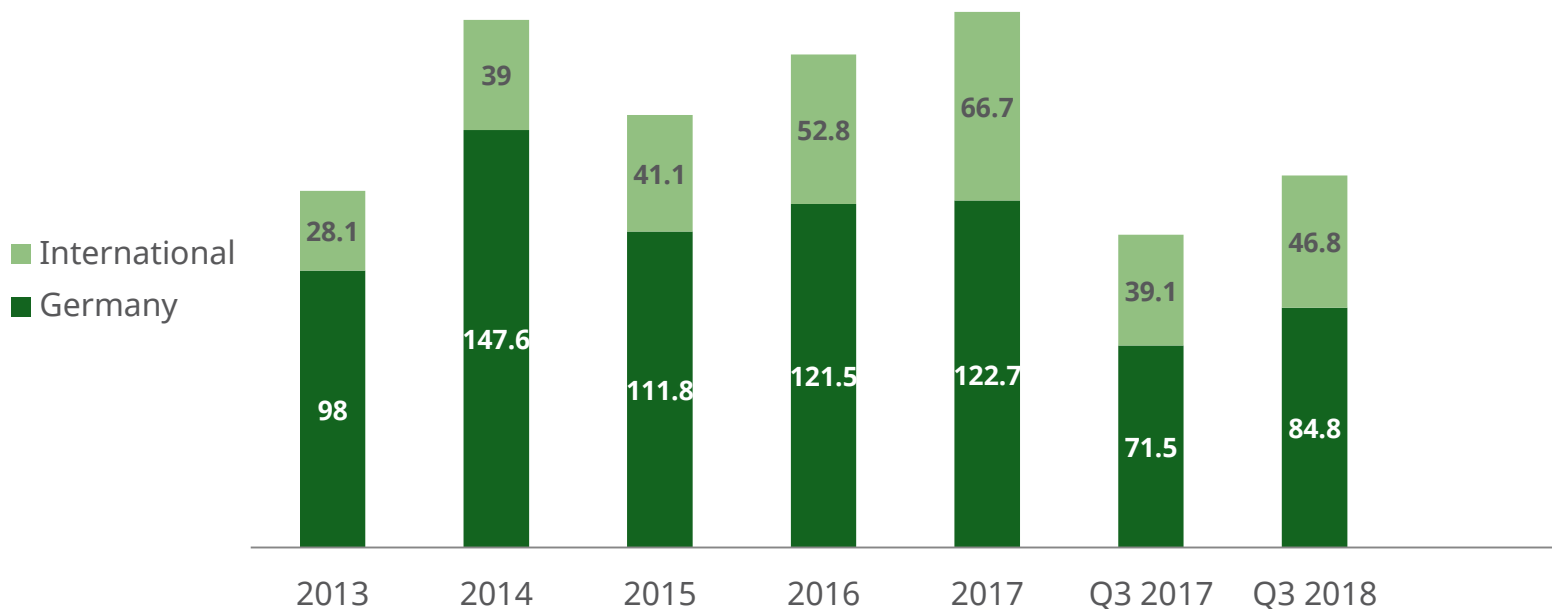
Order intake as of 30/09/2018.

in Mio. Euro (as of 30/09)	2018	2017	2016	2015	2014
Germany	85.0	65.0	59.1	52.5	107.2
Abroad	45.2	38.2	31.0	30.7	17.0
Total	130.3	103.2	90.1	83.2	124.2
<i>supplied countries</i>	24	23	17	16	15

Sales development.



Sales development.



References.

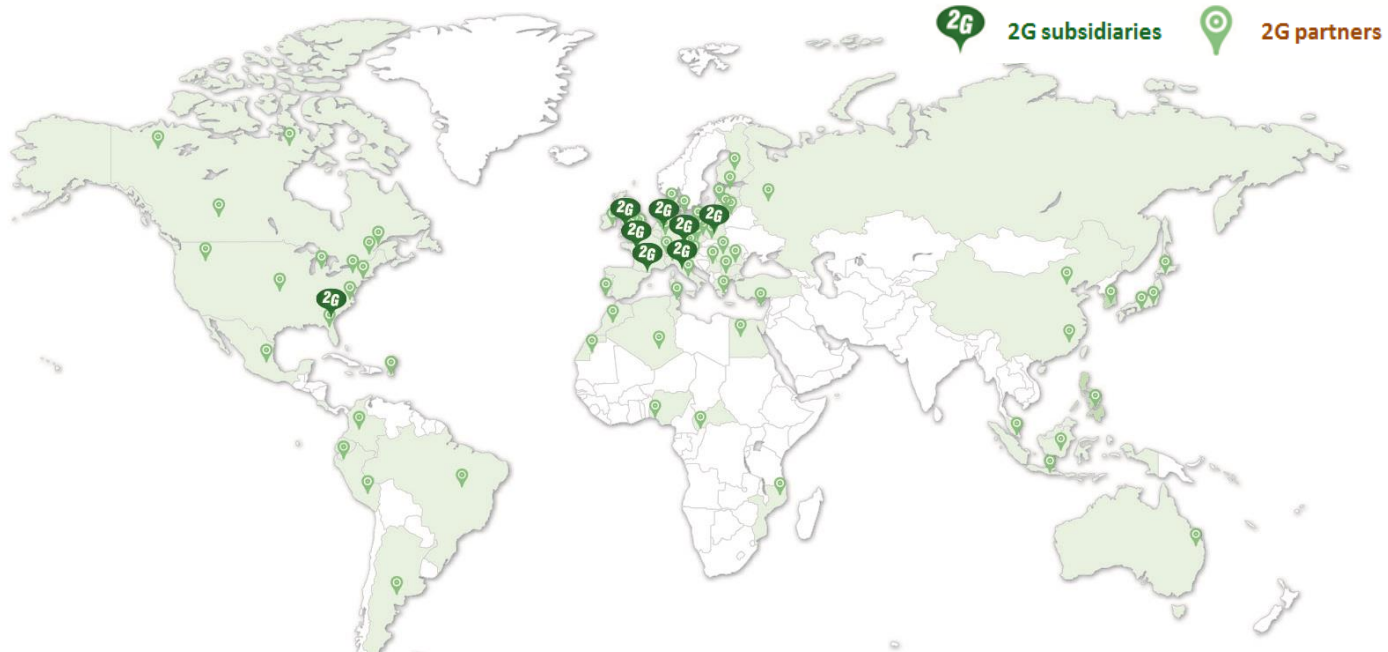
national	international
 <p>Kempinski Hotel Berchtesgaden BAVARIAN ALPS</p>    <p>GASAG Fühl die Energie</p>        <p>VORWEG GEHEN</p>       <p>axel springer print management</p> 	        <p>THREE RIVERS LANDFILL</p>   <p>Fuji Electric</p> <p>Scottish Water Always serving Scotland</p>



Three drivers of organic growth and increasing profitability.

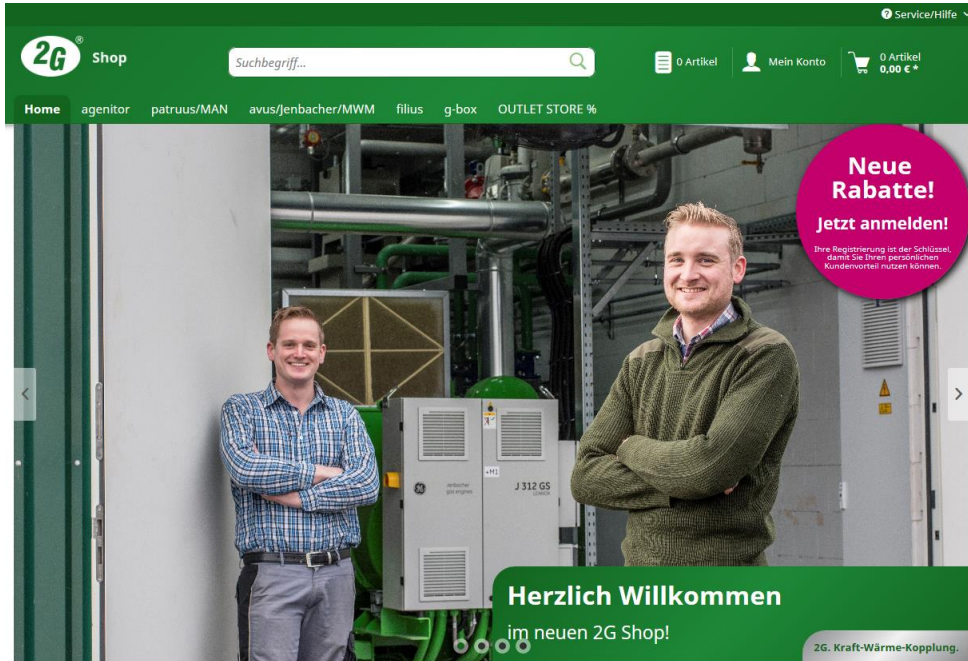
- Continuing **internationalisation** of sales markets by partner concept and subsidiaries
- **Digitalisation** as value and growth driver
- Cost reductions and efficiency improvements in production, service and procurement by project „**Lead to Lean**“

Internationalisation.



- export share of CHP systems in 2017: 42 %; CHP plants sold in 49 countries of the world
- order intake abroad Q3 2018 YTD: + 18 %; Ø annual growth: 27 %
- Natural gas as a bridge to emission-free energy production

Digitalisation.



Willkommen im neuen Online-Shop für Ersatzteile und Zubehör!

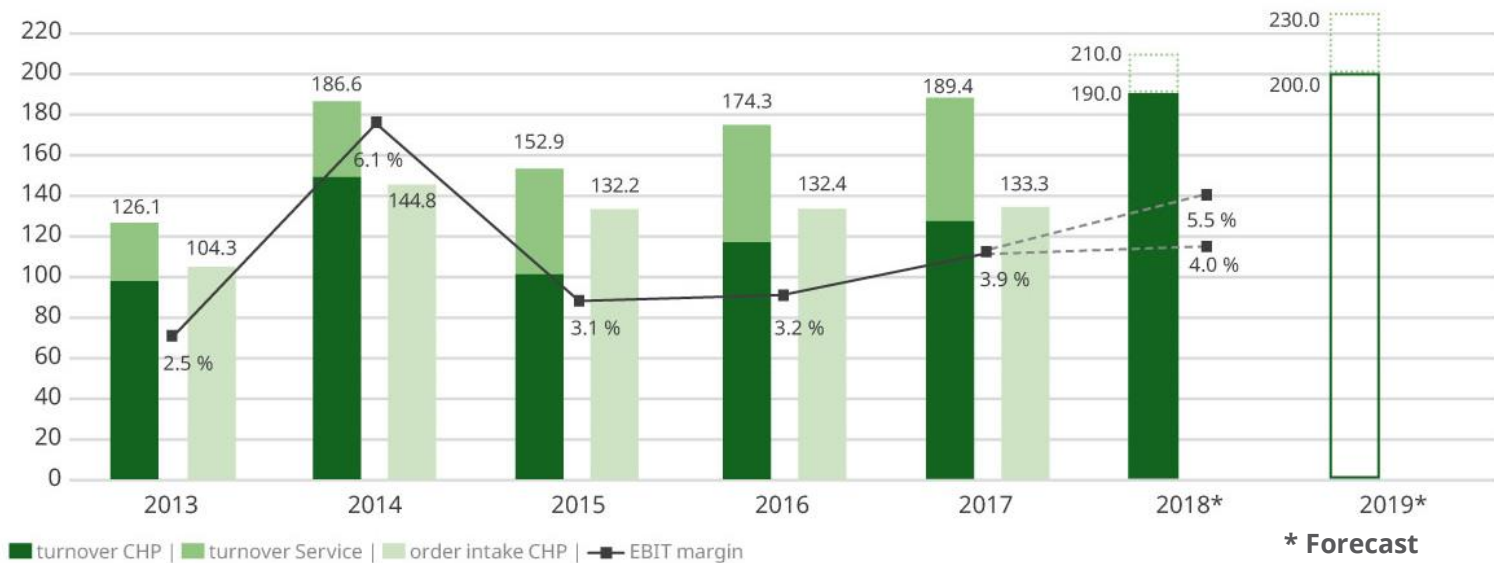
- Launch of 2G Online-Shop in 2018
- My.2-g.com: 12 digital tools for transparent and efficient plant management
- 70% of fault messages are triggered “online” without physical intervention



Lead to Lean.

- **Net sales of 300 Mio. Euro possible without additional Capex**
- **Increasing efficiency in service through reorganisation and digitalisation**
- **Cost savings through improved purchasing process for engines and engine components: approx. EUR 1 million in 2018**

Development of turnover, order intake and EBIT.

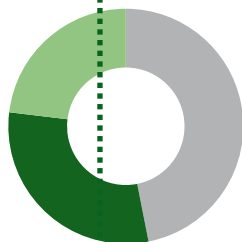


2G share.

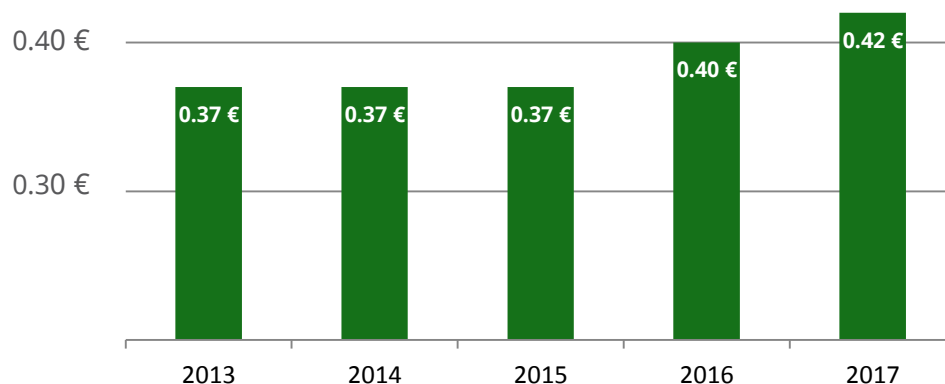
Shareholder structure 2G Energy AG

Ludger
Gausling
(23,3 %)

Christian
Grotholt
(30,0 %)



Dividends for FY 2013 -2017

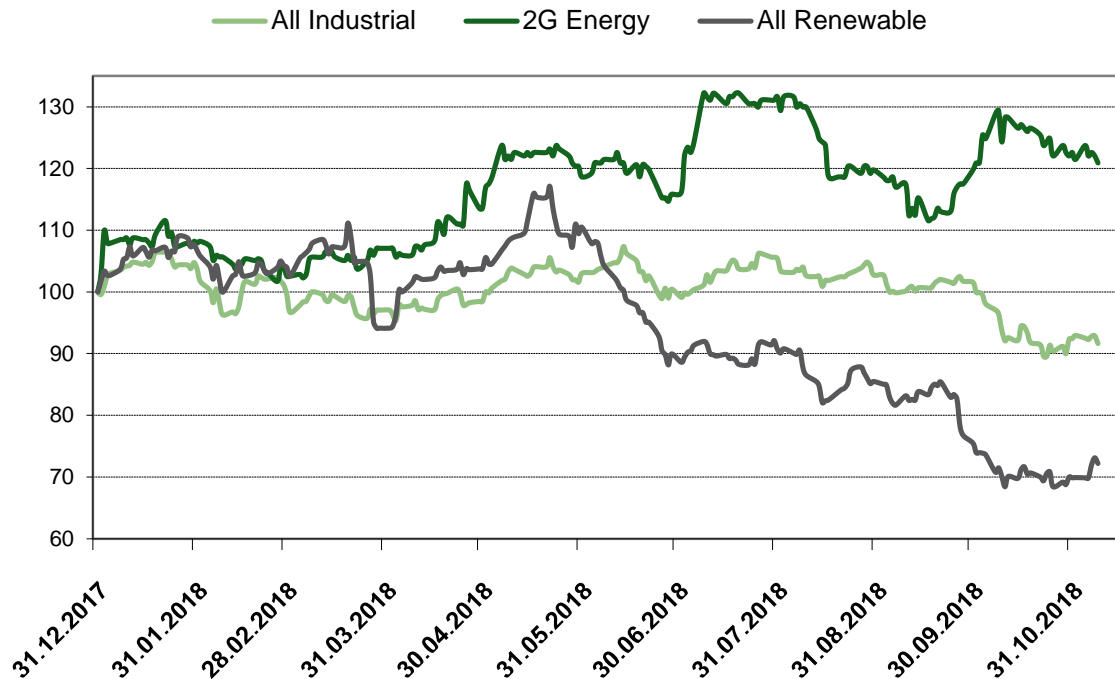


Analysts	Recommendation		Date	Upside potential*
SMC Research	29.60	Buy	01/10/2018	+ 46.5 %
First Berlin	29.00	Buy	02/10/2018	+ 43.6 %
Equinet	23.50	Accumulate	30/04/2018	+ 16.3 %

* in comparison to share price as of
22/11/2018: 20.20 €

2G share.

Performance of 2G share 2018 in %
(indexed as of 01/01/2018).





2G – Investment Case.

- Increasing profitability with mid-term goal of double-digit EBIT margin
- Around 10 % organic sales growth per year
- Strong balance sheet:
 - Equity ratio of almost 50%
 - Net Cash of 14 Mio. Euro as of 30/06/2018, strong cash flows from service business
- Turnover of 300 Mio. Euro achievable without additional CAPEX
- Increasing diversification of sales revenues:
 - Service business accounts for one third of group revenues
 - Foreign business is growing continuously
- Market share in Germany steadily increased to around 25 %
- Competitive advantage through R&D

Thank you for your attention!



In the 20 to 2,000 kW performance range, 2G aims to become a fully globalized provider of gas operated CHP systems and solutions.



2G subsidiaries



2G partners



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Financial Calendar

December 04-05, 2018	Midcap Event, Geneva
April 11, 2019	Preliminary results as of December 31, 2018; Outlook 2019
May 10, 2019	Publication of consolidated financial statements as of December 31, 2018
May 13-14, 2019	Frühjahrskonferenz, Frankfurt
June 25, 2019	Ordinary AGM, Ahaus

Consolidated balance sheet as of 31/12/2017

	31/12/2017	31/12/2016	31/12/2015	31/12/2014	31/12/2013
A. Fixed assets					
I. Intangible fixed assets					
1. Purchased concessions, industrial property rights and similar rights and assets, and licenses to such rights and assets	656.384	784.501	792.774	769.967	645.877
2. Goodwill	4.051.858	4.620.897	4.959.167	4.546.203	4.909.668
3. Prepayments rendered	7.533	24.976	41.905	73.965	0
II. Tangible fixed assets					
1. Land, land rights and buildings, including buildings on third-party land	8.078.428	8.695.113	8.883.877	8.794.212	9.016.307
2. Plant and machinery	1.142.610	1.264.810	1.373.795	1.222.878	1.074.026
3. Other factory and office equipment	10.723.451	8.615.587	7.402.808	6.557.667	5.413.618
4. Prepayments rendered and plant under construction	787.296	619.457	10.659	332.548	318.824
III. Financial fixed assets					
Other participating interests	10.000	10.000	10.000	10.000	10.000
	25.457.559	24.635.340	23.474.985	22.691.421	21.927.469
B. Current assets					
I. Inventories					
1. Raw materials and supplies	31.404.344	30.446.606	24.064.791	23.519.341	20.423.723
2. Work-in-progress	30.400.090	33.341.019	26.276.422	26.414.612	23.518.522
3. Finished goods and merchandise	887.019	1.115.659	1.133.840	923.738	901.966
4. Prepayments rendered	2.448.481	2.021.179	1.640.314	635.712	941.287
5. Prepayments received for orders	-21.173.864	-23.544.590	-20.866.891	-20.336.407	-17.710.741
II. Receivables and other assets					
1. Trade receivables	27.881.500	29.239.394	24.631.377	21.983.846	23.075.946
2. Other assets	851.053	2.527.227	4.006.108	2.934.148	3.484.051
III. Cash in hand, bank balances	16.117.059	10.199.770	10.149.731	11.862.713	10.445.376
	88.815.680	85.346.265	71.035.692	68.706.496	65.354.634
C. Prepayments and accrued income	550.227	437.258	380.836	339.390	344.753
D. Deferred tax assets	1.434.820	969.980	963.428	879.953	1.002.415
	116.258.285	111.388.843	95.854.941	92.617.260	88.629.271

Consolidated balance sheet as of 31/12/2017

	31/12/2017	31/12/2016	31/12/2015	31/12/2014	31/12/2013
A. Equity					
I. Subscribed share capital	4.430.000	4.430.000	4.430.000	4.430.000	4.430.000
II. Capital reserve	11.235.300	11.235.300	11.235.300	11.235.300	11.235.300
III. Other retained earnings	40.299.580	0	0	0	0
IV. Consolidated net income	178.736	37.243.643	37.085.300	35.947.762	31.092.159
V. Minority interests	572.562	656.447	499.050	772.769	384.077
VI. Equity difference from currency translation	-1.005.336	-649.470	-602.681	-316.729	10.825
	55.710.843	52.915.920	52.646.968	52.069.102	47.152.362
B. Provisions					
1. Tax provisions	2.685.679	952.260	998.459	918.776	119.692
2. Other provisions	12.827.281	11.512.919	10.698.960	10.272.513	9.889.744
	15.512.960	12.465.179	11.697.419	11.191.289	10.009.436
C. Liabilities					
1. Bank borrowings	6.363.971	6.276.666	5.913.451	6.144.210	7.232.351
2. Prepayments received for orders	23.347.060	25.746.843	14.786.643	12.833.896	11.325.961
3. Trade payables	10.091.988	6.786.438	5.387.209	5.616.962	7.529.864
4. Other liabilities	5.231.463	7.197.797	5.423.251	4.699.642	5.335.309
	45.034.482	46.007.744	31.510.554	29.356.869	31.467.473
	116.258.285	111.388.843	95.854.941	92.617.260	88.629.271

Consolidated balance sheet as of 31/12/2017

	01/01/2017 to 31/12/2017 EUR	01/01/2016 to 31/12/2016 EUR	01/01/2015 to 31/12/2015 EUR	01/01/2014 to 31/12/2014 EUR	01/01/2013 to 31/12/2013 EUR
1. Net sales	189.404.149	174.298.903	152.883.663	186.605.118	126.129.692
2. Increase / decrease in work-in-progress and finished goods	-2.307.390	7.064.598	71.912	2.874.473	11.272.170
3. Other own work capitalised	3.397.241	2.258.188	1.757.696	76.042	108.307
4. Other operating income	1.302.582	1.412.999	3.284.036	3.204.070	1.682.311
5. Cost of materials					
a) Costs of raw materials and supplies, and for purchased merchandise	100.693.430	100.214.540	81.789.422	107.636.868	81.003.861
b) Costs of purchased services	26.128.728	28.418.513	18.831.604	26.335.216	15.935.287
6. Personnel costs					
a) Wages and salaries	27.351.282	24.832.943	24.109.167	20.808.897	17.573.542
b) Social security, pension and other benefits	5.319.021	5.118.184	5.205.624	4.649.560	3.897.888
7. Depreciation and amortization applied to tangible and intangible fixed assets	3.783.377	3.587.245	3.298.519	2.744.674	2.407.117
8. Other operating expenses	20.954.732	18.900.590	19.902.184	19.069.486	15.494.053
9. Other interest and similar income	48.308	68.247	79.322	59.030	85.113
10. Interest and similar expenses	417.450	436.284	364.088	402.327	398.173
11. Taxes on income	2.040.589	1.699.129	1.884.865	4.060.362	1.775.343
12. Profit after taxes	5.156.281	1.895.505	2.691.354	6.956.175	1.129.829
13. Other taxes	233.492	111.434	88.436	72.780	101.064
14. Consolidated net profit/loss for the year	4.922.789	1.784.071	2.602.918	6.883.395	1.028.766
15. Share of net profit/loss attributable to other shareholders	83.885	13.371	173.720	-388.692	-134.482
16. Consolidated net profit/loss	5.006.674	1.797.443	2.776.638	6.494.703	894.284
17. Retained earnings	37.243.643	37.085.300	35.947.762	31.092.159	31.836.975
18. Dividend payment	-1.772.000	-1.639.100	-1.639.100	-1.639.100	-1.639.100
19. Allocation to other retained earnings	-40.299.580	0	-1.639.100	-1.639.100	-1.639.100
20. Consolidated net retained earnings	178.736	37.243.643	37.085.300	35.947.762	29.453.059