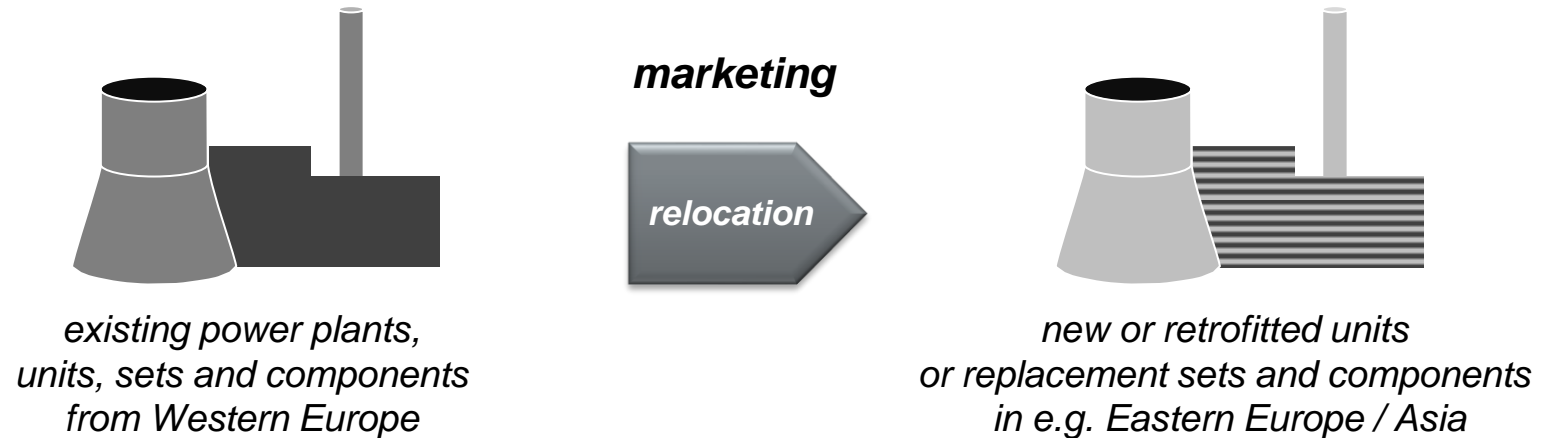


Our answers to Frequently Asked Questions about troveo



Q1 - 2019

Which role does troveo play in the business of second-hand power plants ?



We at troveo act on behalf of our clients as intermediary or broker for used power plants and components.

We normally do not buy or sell equipment ourselves. Additionally, we offer a wide range of consulting and engineering services to our clients.

Purchase requests for power plants and equipment are in most cases free of charge; and even sales offers are without charge until a successful sales deal has been concluded

Which equipment for sale can I get marketed by troveo ?

troveo is specialised in used power plant technology, for the time being with a focus on thermal power generation. As a result, entire power plants or units can be offered as well as individual assemblies and surplus equipment using the following 20 categories:

- coal yard, coal feeding, slag & ash removal systems
- natural gas / light fuel oil supply systems
- combustion air supply systems, fans, shutoff devices
- air pre-heaters
- firing systems, coal mills, burners
- steam generators, boilers
- steam turbines
- gas turbines
- exhaust gas system, flue gas system
- generators, alternators
- water-steam cycle systems, economisers, condensers
- flue gas cleaning systems
- high pressure valves
- heavy duty pumps
- auxiliary and ancillary systems (supply, treatment and disposal systems)
- electrical systems, switchboards, electric actuators
- transformers
- control and communication systems
- maintenance and repair equipment and tools
- power generating sets

How do I get support in marketing and advertising my own used power plant / my entire generation unit ?

1. actively contact the troveo team with a short description of the plant or unit in question
2. provide troveo with the technical and marketing related information, i.e.
 - submit the technical details and photos as well as the expected sales price, ideally structured and completed as pre-predefined by troveo, or
 - otherwise pay troveo an effort based service fee for the extended on-site troveo evaluation of an entire unit
3. and, in parallel, agree with troveo's non-exclusive promotion or exclusive marketing terms, i.e.

for a non-binding, non-exclusive, initial marketing test:

Issue a written confirmation of the selling interest and a formal admission by the owner (or broker) to use and publish the data and photos provided to troveo. Further, we need to know the initial publication period and – ideally – the expected sales price.

or, for the commencement of sales negotiations, before the release of the contact details of any pre-qualified, potential buyer:

Enter into the troveo marketing agreement, in case of several units and equipment ideally in the form of a framework agreement, with rights and obligations, a defined, initial marketing period and with obligatory service fees agreed in case of successfully concluded sales deals

How do I get my used power plant equipment promoted and advertised by troveo ?

You have the choice between two options:

Option 1 – contact us directly

- provide us with the technical details and photos as well as the expected sales price, ideally structured and completed using the troveo template, or
- otherwise pay troveo an effort based service fee for the compilation and structuring of your equipment data
- and in parallel agree with troveo's non-exclusive promotion or exclusive marketing terms, i.e. for a non-binding, non-exclusive, initial marketing test or, before releasing to you the contact details of any pre-qualified, potential buyer, a troveo marketing agreement

How do I get my used power plant equipment promoted and advertised by troveo ?

or:

Option 2) – use our online form sheet for immediate offering of your used equipment
[available as of March 2019]

- get ready the technical details (e.g. category, quantity, year of manufacture, main characteristics, expected sales price, duration of the offer)
- use the form sheet on our web site to enter the technical specifications as well as your contact details (incl. your e-mail address)
- at the same time give us and our partners your formal admission to use and publish the information and photos provided by you
- confirm the received e-mail to launch the entered offer and to reconfirm your admission to troveo to use and publish the data provided by you
- in case the non-binding test was successful and troveo was able to pre-qualify prospective buyers, conclude the fully-fledged marketing agreement with one of the troveo companies prior to the announcement of these prospective buyers to you

What shall I do if I can offer something suitable for a wanted plant, unit or equipment someone else is looking for ?

- get in contact with the troveo team and state the related PUR number, if available
- provide the troveo team in writing further with my contact details and further technical and price information of my sales object

(ideally by using the questionnaire made available to me by troveo)

- before getting the details of any prospective buyer, complete the actual marketing contract with various rights and obligations and the determination of a success bonus for troveo

What do I have to do if I am interested to buy used power plants or equipment currently on offer at troveo ?

- actively contact the troveo team; please name the respective SEL-number, if available
- confirm to us in writing your legal identity, your contact details and provide us with a basic description of the investment project, for which the used equipment is aimed for
(our troveo questionnaire for potential buyers will guide you through this)
- before getting the identity and contact details of the seller, sign a confidentiality and customer protection agreement with troveo

How do I get troveo to assist me in the search of any other used plants and equipment ?

Such a search will be free of charge for you.

You have the choice between these two options:

Option 1 - Actively contact our troveo team

- confirm to us in writing your legal identity, your contact details, the duration of your search, and provide us with a basic description of what you are looking for (our troveo questionnaire for potential buyers will guide you through this)

Option 2 - Enter you search request yourself using our web page [available as of March 2019]

- use the online form sheet to enter a general, short description of what you are looking for as well as your contact details (incl. your e-mail address)
- answer our further questions and suggestion received per e-mail, if any

In any case, before we will provide you with the contact details of any interested seller, we will ask you to sign a confidentiality and customer protection agreement with troveo.

How do I get advise and/or technical support by the troveo experts ?

- contact the troveo team and express your request for advice and support
- the troveo team will provide you with an offer that suits your needs

E.g. for sellers, we offer specialised services such as

- support to sales forecasting and development of sales strategies as well as commercial assessment of plant assemblies, equipment packages and single equipment using our well established "troveo evaluation scheme"
- calculation of loss in value over time
- supporting or implementation of auctions and selling of spare part stocks
- development of dismantling and decommissioning concepts, and ongoing support in implementation of such projects
- development of marketing concepts for land and buildings

What is the troveo evaluation ?

The troveo evaluation combines technical and commercial aspects and is applied to both, entire units and 20 individual categories of power plant equipment such as gas and steam turbines, alternators, transformers, large pumps and valves, small and medium size boilers as well as major parts of the auxiliary and auxiliary systems including flue gas cleaning systems.

This experience has enabled the troveo team to provide clients with a realistic and fair market value of the used equipment. Our evaluation involves relevant criteria such as the technical specification, current condition, age, operation / maintenance history, overall market demand and a consideration of dismantling / shipping / re-assembling.

For sellers, we additionally assess the present scrap value for reasons of comparison or completeness.

How can I use the results of the troveo-evaluation ?

Our valuation results have been used by our clients as follows:

- **Asset Management:** Assisting in more effective decision making of whether to sell, scrap or invest in equipment based on a realistic value of the asset in question
- **Marketing:** Calculating a justifiable market value to derive an appropriate initial asking or offering price
- **Selling:** Support in negotiating an appropriate price for a final sales contract
- **Financing:** Calculating and documenting a realistic market value to increase the chance of successfully financing or re-financing with a financial institution
- **Time-value Compensation:** Assessing a market value to enable compensation claims in case of delayed shut-downs due to grid stabilisation requirements and obligatory reserve capacity provisions

How does the troveo team enter into partnerships with others intermediaries or cooperate with agents ?

- our team aims at cooperating with as many other brokers or agents as possible, as long as these directly represent either the seller or the buyer
- prerequisite for such a cooperation is the provision of information on the partner's identity and on the plants or equipment to be sold or looked for

(ideally, the partner fills out and returns to troveo the contact form sheet and the technical questionnaire provided to him)

- a subsequent prerequisite for such a cooperation will be a general agreement of the type and nature of the cooperation (be it as equal partners or as subcontracted agents); part of such an agreement will be the provision of information on the relationship with the intended buyer or seller, the partner is representing

Who is behind troveo?

In the **troveo** joint venture, we have combined – at equal shares – the expertise of the two German companies **SPRINT! Energy Consulting** and **VPC**:



Business activities:

engineering and service company for power plants

Turnover:

55 Mio. Euro

Employees:

750 permanent in total
(260 in Germany)

Subsidiaries:

- Encotec Energy (India) Pvt. Ltd.
- VPC East d.o.o., Serbia
- VPC Turkey (in foundation)



Business activities:

consulting services for utility companies and for international investors

Turnover:

< 0.5 Mio. Euro

Employees:

3 permanent
+ 20 associated fee lancers

International Network:

several sales agents

Certifications¹⁾

ISO 9001, ISO 14001, OHSAS 18001, KTA 1401, SCC, DAkkS accreditation

1) obtained by VPC GmbH



How to get in contact with the troveo team?

The **troveo** team offers a wide range of expertise and knowledge which meets your requirements in marketing as well as in relocating used power plants.

A team of experts: **troveo!**

Your **troveo** contacts are:



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