

Fact Sheet on Heinrich Schmidt and EHG GmbH

Heinrich Schmidt (68)

Founder, CEO and majority owner of EHG Energie Handel GmbH, Hannover, Germany

Master of Business Administration and Economics - Specialisation: "Energy Markets", Ruhr University, Bochum (Germany)

Heinrich Schmidt has been active in the energy industry for 50 years. For 35 years he has held management positions with focus on marketing, sales, trading and supply in national and international markets of the petroleum business.

In addition, he has been engaged for 15 years in electricity and natural gas markets.

For ELF-Aquitaine he built up a main portion of petroleum activities in Germany, in close relations to the French Paris headquarters.

For VEBA OEL AG he was responsible for the strategic development of the ARAL service station network (downstream). ARAL has the biggest market share and most economic distribution network in Germany.

Heinrich Schmidt managed a sales volume of approx. 15 million metric tonnes p.a. in his function as director of marketing at VEBA OEL AG and was a member of the Joint Ventures Steering committee within the close cooperation between VEBA OEL and the oil producer PDVSA (Pretroleos de Venezuela). *Note: this is where Heinrich worked together with Gerd Escher*

In the German oil market he became a member of the Executive Board of the Association of the German Petroleum Industry – as an advocate of the important gasoil-heating-market.

After reunification of Germany in 1989 he built up the new supply chain for all oil products in the eastern part of Germany and integrated the largest refinery (PCK) with capacity of more than million metric tonnes p.a.

In a subsidiary of VEBA AG he was also responsible for New Supply Concepts for electric power plants and solved this issues successfully.

EHG GmbH, Hannover

In 1998, when VEBA AG (the biggest German utility company at the time and owner of VEBA OEL AG) decided to sell off its oil business (ultimately to BP) Heinrich Schmidt founded EHG Energy as an independent oil trading company.

Shortly afterwards the EU opened up the European market for Electricity and Natural Gas to new suppliers.

EHG Energy (oil and electricity) set up NEW erneuerbare energien, Magdeburg (renewable energies and natural gas) as a 100% subsidiary of EHG in 2009

Together, EHG and NEW offer a full line of energy products and supply successfully thousands of commercial and industrial consumers around Germany and neighbouring countries.

The two companies have 18 employees. The company is well financed with no debt.

EHG is now looking to expand internationally. Specifically, the natural gas business shows good opportunities for additional sales volume and to provide competitive supply from new sources (besides the Russian Gazprom which is affected by increasing political crisis, heightened by the Ukraine conflict).

Therefore, in July 2014 PGU Energy Inc. N.Y. was established as a separate entity in order to export oil products and natural gas as LNG mainly to Western Europe and offering also oil products supply within the US-market. The company is 100 % owned by Heinrich Schmidt.

Both activities should be based on the the back of close partnerships with independent exploration companies in USA by opening the marketing systems of EHG/NEW and related suppliers, to be active in the full chain btw. Production and consumption.

The overall aim: to build E H G - N E W – P G U into a major independent energy group.