

ZhongDe Waste Technology AG



Conference Call
Full Year Results 2008
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→ **Safe Waste Disposal Solutions...for Generations to Come**

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Agenda



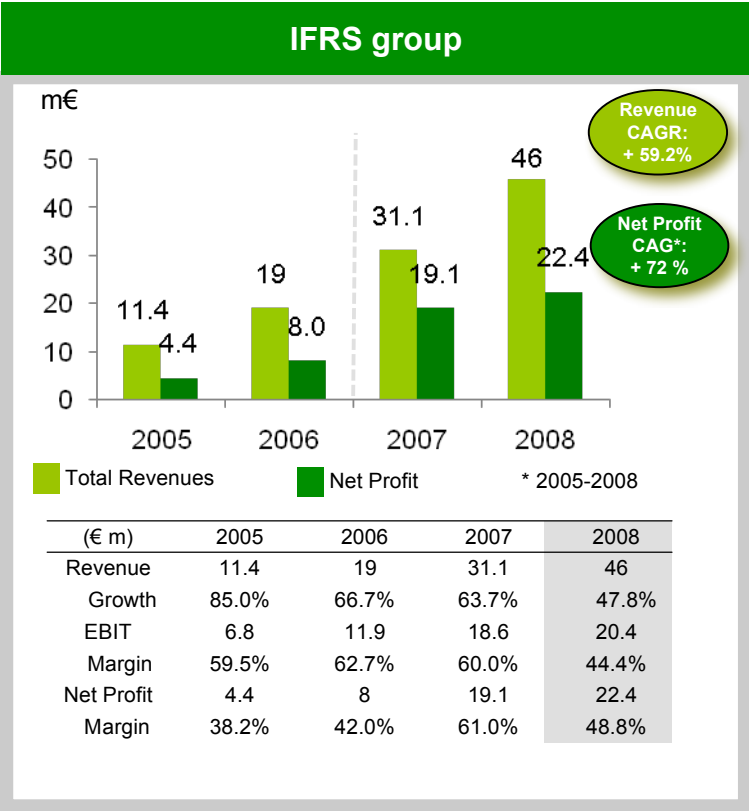
1. About ZhongDe
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3. Chinese Waste Disposal Market
4. Strategy & Outlook



About ZhongDe

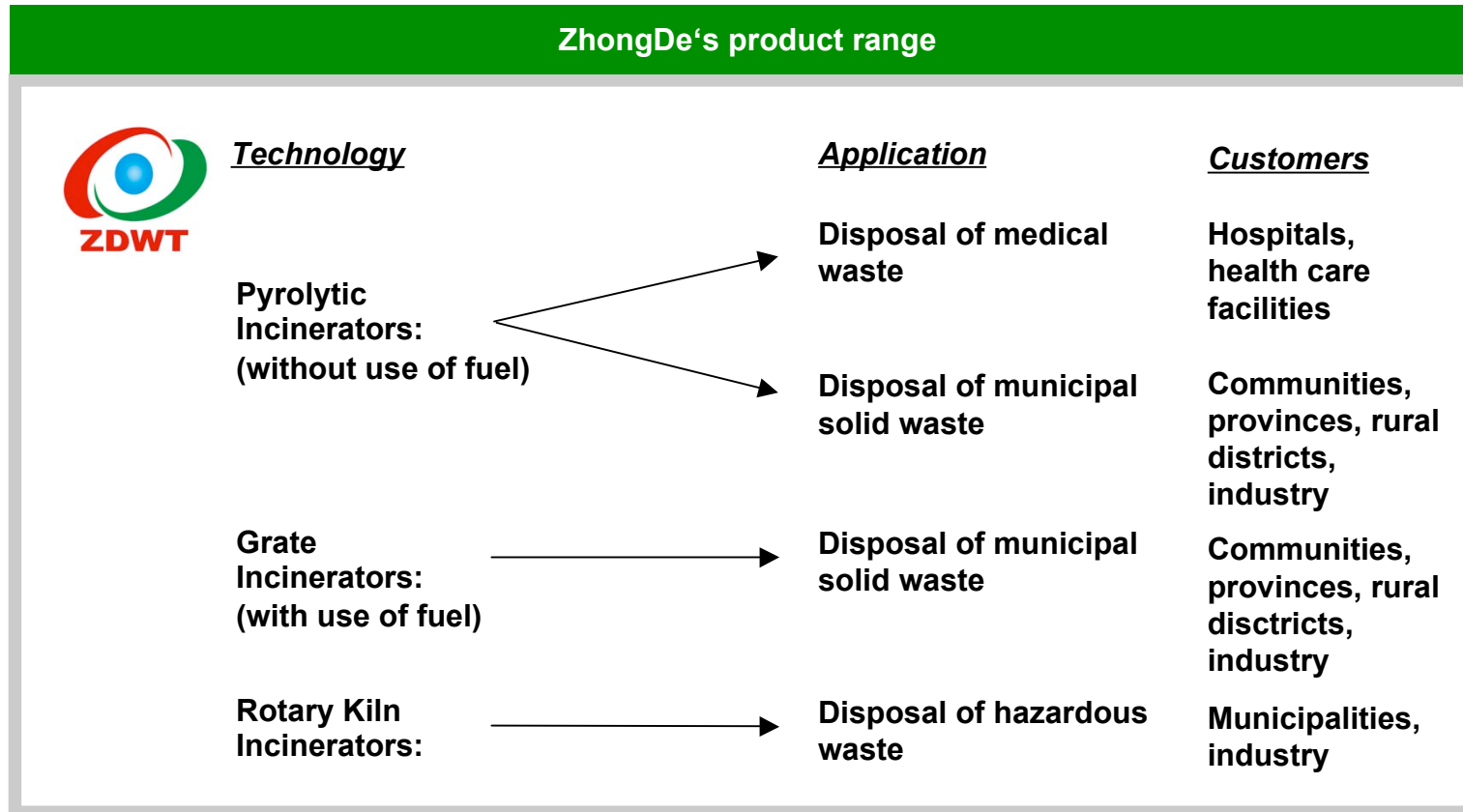
Li Zhong (Investor Relations)

Fast growing and highly profitable supplier of solid waste incinerators



- ### Company overview
- One of the leading suppliers of solid waste incinerators in China with a proven and well-adapted technology
 - 3 main business segments:
 - Medical Waste Incinerator
 - Municipal Waste Incinerator
 - Engineering, Procurement and Construction Projects (EPC Projects)
 - More than 200 incinerators installed since foundation
 - Production facilities based in Fuzhou with more than 300 employees in total

Current product range fits to the customers' needs



→ Each incinerator is customized in terms of technology to the customers' needs, waste characteristics and daily disposal capacity

Highlights of financial year 2008



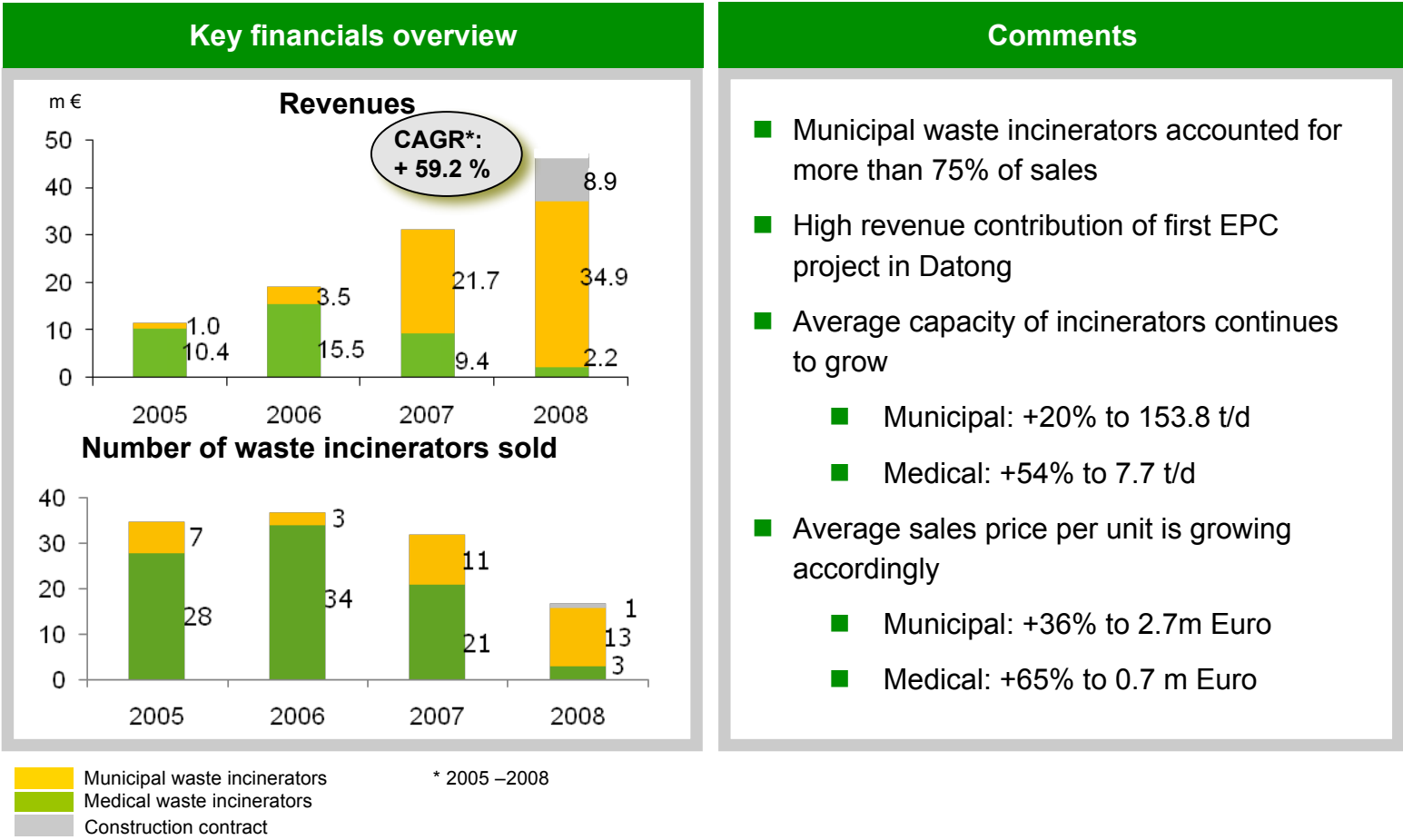
- Continued high growth and high profitability
 - Revenue +48%
 - Net profit margin 49%
 - Dividend of 0.15 Euro per share proposed
- Shift of strategic focus to the large and mid-sized waste incinerator market
- Expansion of value chain into the operation of waste incineration plants in order to generate recurring revenues
- 4 contracts and 2 LOIs signed with Chinese municipalities for larger scale BOT – Build, Operate and Transfer – projects
- Cooperation agreement with Veolia Environmental Services China



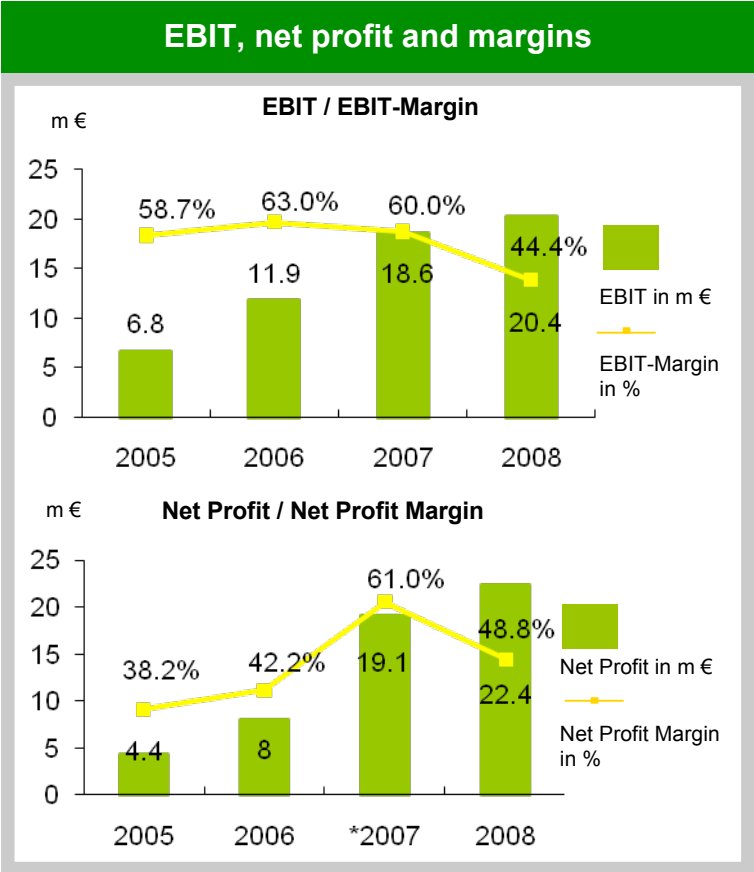
Financial Results 2008

William Jinhua Wang (CFO)

Highly profitable business with clear trend towards larger-scale incinerators for municipal solid waste

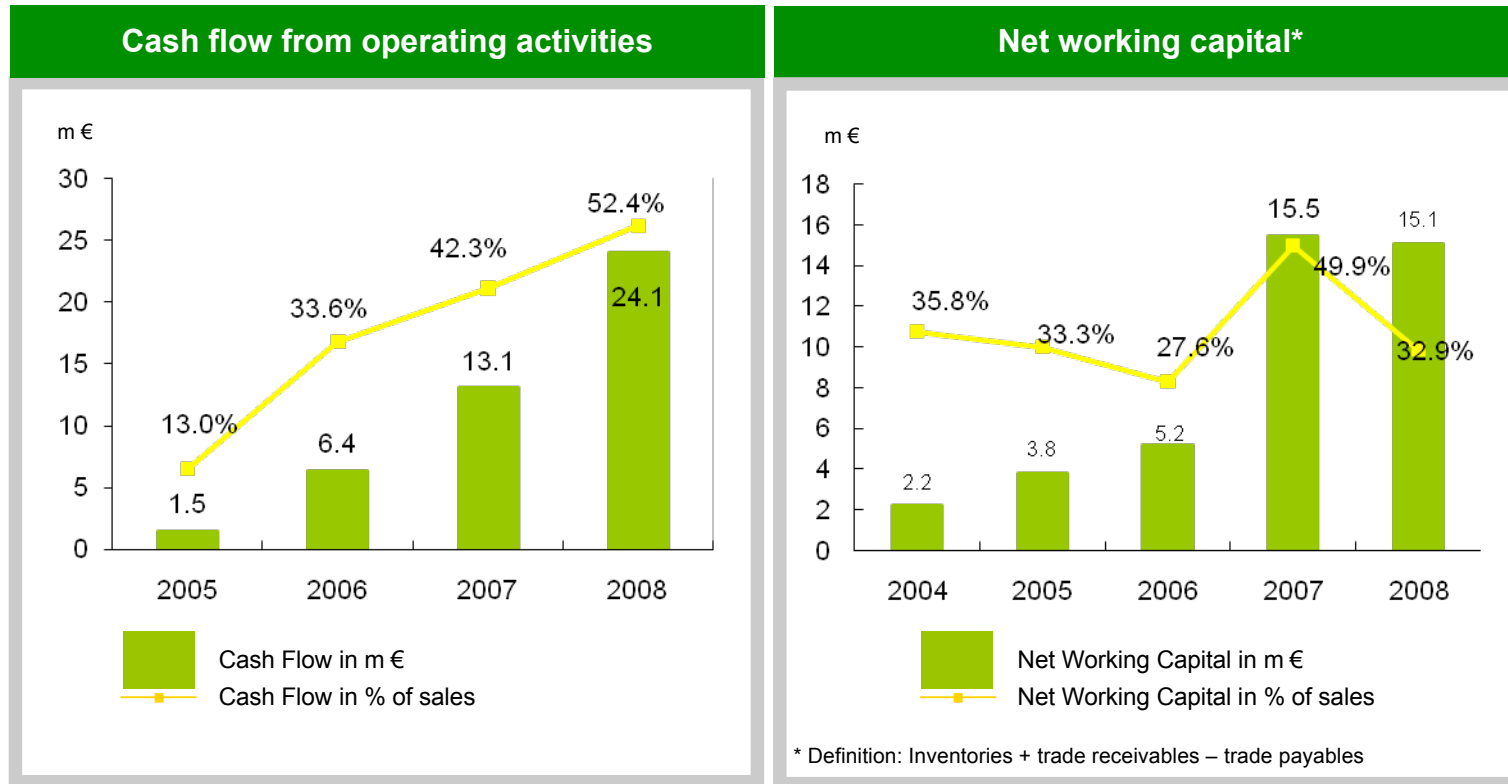


Highly profitable business with slightly lower margins due to investments in future growth

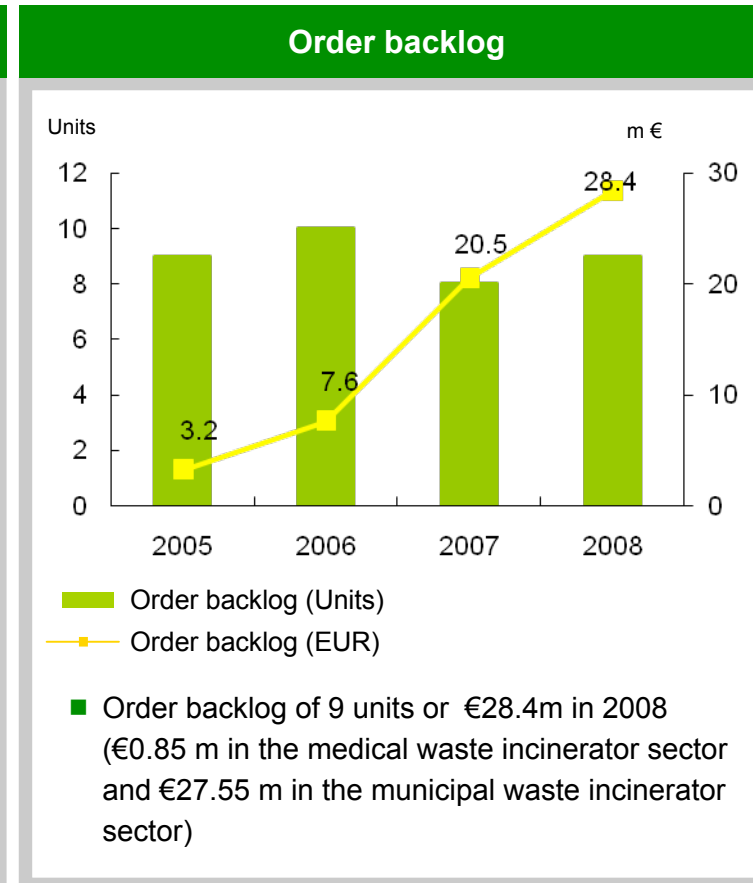
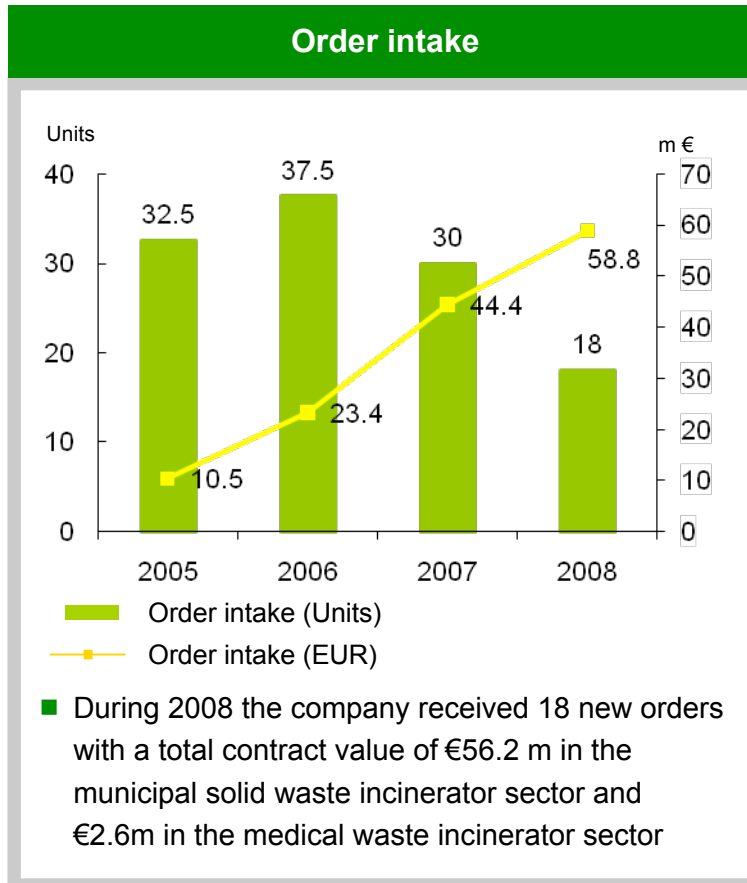


- ### Comments
- Operating margins at high levels
 - Negative impact of larger projects with gross margin at 58.9%
 - Strong increase of R&D expenses (+85%)
 - Build up of workforce to 308 employees (+44%)
 - Increase of Other operating expenses in context of stock exchange listing

Highly attractive cash flow to finance organic growth



Strong order book allows sustained growth of the business





Chinese Waste Disposal Market

Li Zhong (Investor Relations)

Waste incineration - Key element of an integrated waste management solution in China



Dumps

Landfill



- Predominant disposal method in China
- Risk of leakage and toxic emissions
- No hazard-free disposal

Incineration

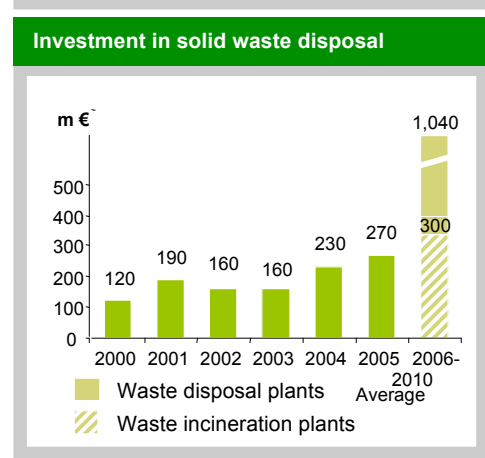
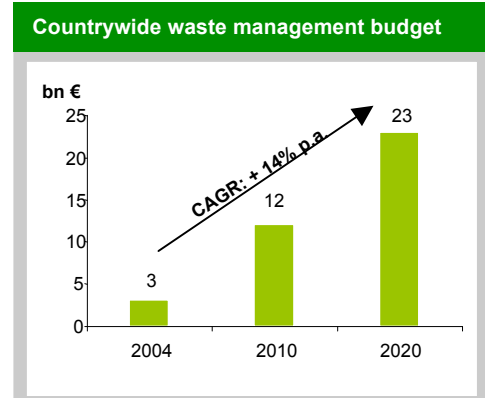


- Lower space requirements
- Low environmental impact
- By-products: Electricity / hot water / steam / bricks
- Key element of an integrated waste management solution in China

Investment in Solid Waste Disposal is expected to reach 1 billion Euro annually



- Growing amount of municipal solid waste generated by the expanding population in urban areas and fast economic development
- Shortage and inadequacies of existing waste-disposal facilities and landfill sites is leading to rampant open dumping in the city outskirts
- Determination of the Chinese Government to improve municipal solid-waste management before the showcase 2010 World EXPO in Shanghai
- Some provinces in China have issued a series of favorable policies to encourage investment in incinerators
- As waste-to-energy process, incineration is a high value added waste recovery technology



Strategy & Outlook

Li Zhong (Investor Relations)



Main Elements of growth strategy

- Focus on the large and mid-sized waste incinerator market
- Expand market position and technological expertise
- Increase recurring revenues with BOT projects
- Increase production capacity and geographical coverage within China
- Partner with international companies for large scale projects

Outlook for 2009 and 2010 remains strongly positive

- 1 The market for waste disposal is also under the influence of the financial crisis but continues to be buoyant
- 2 Increasing contribution of revenue from larger projects (such as the DaTong project)
- 3 Strong order backlog and several LOI, e.g. Jilin Provincial government
- 4 The strategic cooperation agreement with Genesis Energy Holdings Limited gives us access to new clients
- 5 ZDWT had a good start in the 2009
- 6 Sound balance sheet (equity ratio >90%)

A large, solid green arrow pointing from the list of factors on the left towards the resulting benefits on the right.

Increased revenues

Attractive profit margins

Stable cash flows

Appendix / Reference Projects

Contracted BOT projects



Xihua project



→ Implementation of new profitable BOT projects secures future income streams and high profitability

Contracted BOT projects



Feicheng project



→ Implementation of new profitable BOT projects secures future income streams and high profitability

Enhanced production capacity and geographical coverage



New production facilities are under construction in Beijing as part of the Company's long-term capacity expansion programme.

→ Increase in production capacity and higher geographical coverage will enable ZhongDe to fully benefit from China's growing waste market and continue to generate outstanding growth

DaTong project



→ DaTong project is ZhongDe's first major project to also include electricity generation on a large scale

DaTong project



DaTong project



ZhongDe Group has been commissioned to design, manufacture and construct a waste incinerator plant with a maximum capacity of 1,500 tonnes per day with 30 MW electricity generators. The project is expected to end in 2009 and will already contribute to 2008 revenues and earnings on a »percentage of completion« basis. Infrastructure development is now well underway. The total contract amounts to approximately € 30 million.

→ DaTong project is ZhongDe's first major project to also include electricity generation on a large scale

Zhucheng project



Zhucheng project



The waste incineration plant with electricity generation in Zhucheng has the daily capacity of 500 tons. The total contract volume amounts to approx. EUR 30 million. ZhongDe expects the project to be completed by the end of 2010. The Zhucheng project will contribute to the revenues and earnings of 2009 and 2010. This is a milestone in the development of ZhongDe's technology and products.

→ Zhucheng project is another large engineering, procurement and construction project (EPC) after the DaTong project.