

ZhongDe Waste Technology AG



Conference Call Q3 Results 2011

November 30, 2011

William Wang (Executive Director & CFO)

→ Safe Waste Disposal Solutions...for Generations to Come

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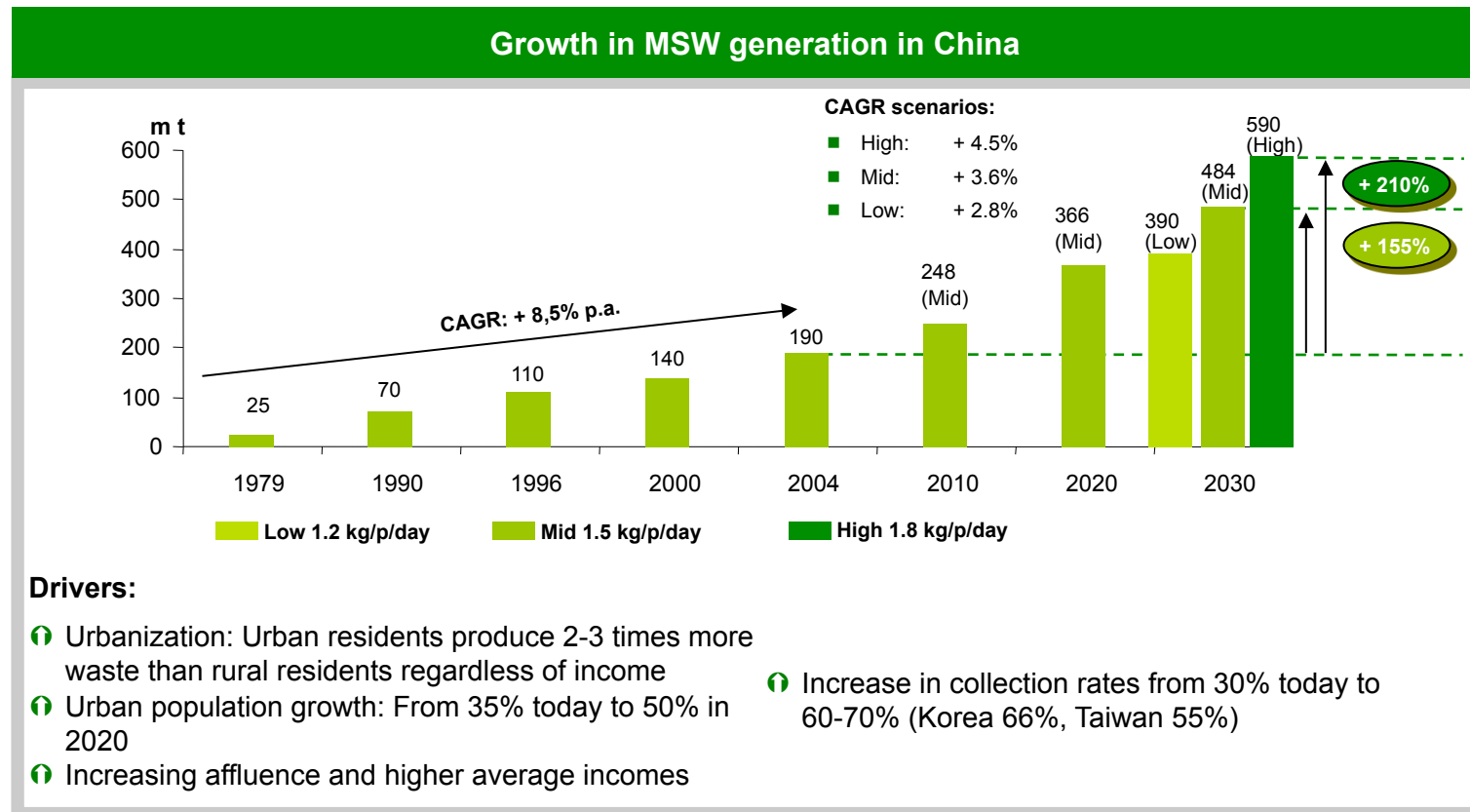


Economic and Political Environment

- National economy maintained its steady and rapid development. The GDP growth of China is 9.4 % in the third quarter of 2011.
- Due to the Chinese government's stimulus policies supporting the energy-from-waste industry, further new participants are expected to enter the market.

→ China is still the engine and the hope of the world economy

Energy from Waste (EfW) Industry



Source: Worldbank, 2005, SEPA

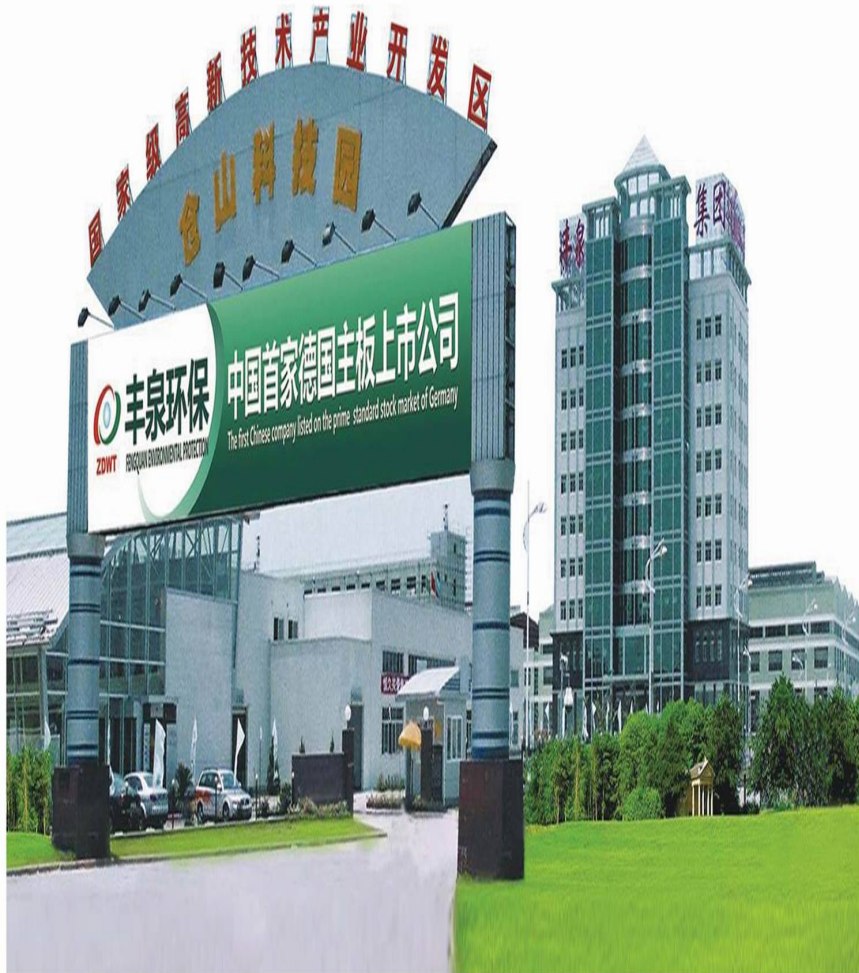
→ **China surpassed the US as the world's largest MSW generator at an unprecedented growth rate**

Stimulating Policies



- During the 11th five-year plan period, the investment for solid waste treatment reached RMB 210 billion, with an average annual growth rate of 18.5%.
- Chinese Academy for Environmental Planning estimated that during the 12th Five-year plan period, the investment for solid waste industry will amount to RMB 800 billion, quadrupling 11th five-year plan period
- In 12th Five-year Program Planning, there is an item states to establish new waste disposal fee system and to moderately increase the fee and financial subsidy level.

ZhongDe at a Glance



Company Overview

- Foundation & Capital: 1996, 13 million shares
- Owner: Mr. Chen Zefeng (50.8%) + International Investors
- Focus on Chinese Energy-from-Waste Market
- ZhongDe Waste Technology AG designs, constructs, invests and operates EfW plants, which generate electricity from disposal of solid municipal and industrial (including hazardous) waste.
- IPO: 2007 German Prime Standard ("ZEF")
- Website : www.zhongde-ag.de
- Address : Frankfurt am Main, Germany
Beijing (Headquarter in China)
Fuzhou (manufacturing in China)

ZhongDe's Management Team



Mr. Chen Zefeng , Chairman and CEO

- Founder of the company, MBA from Tsinghua University
- Over 10 years experience in environmental protection industry
- Award Winner “Contribution to Chinese environment protection” in 2005
- Deputy Director China National Association of Environmental Protection Industry (CAEPI)
- Member of the People’s Congress of Fujian Province



Mr. William Jihua Wang , Executive Director & CFO

- Graduated from Fudan University with B.A. in international economics and from Steinbeis University Berlin, with MBA
- Deputy General Manager (Finance) for China’s largest commercial real estate company (Wanda Group)
- CFO for Beijing Lining Sports Co. Ltd (listed in HK Stock Exchange)
- More than 20 years senior management position in finance, accounting, controlling, investment and strategy in multi-national companies, such as AIG, Johnson & Johnson (Financial Controller, Chief Representative in China, etc.)
- Awards Winner “Outstanding CFO of China in 2010” &” Creative Finance”

→ Experienced and highly-skilled management team well positioned to drive growth of company



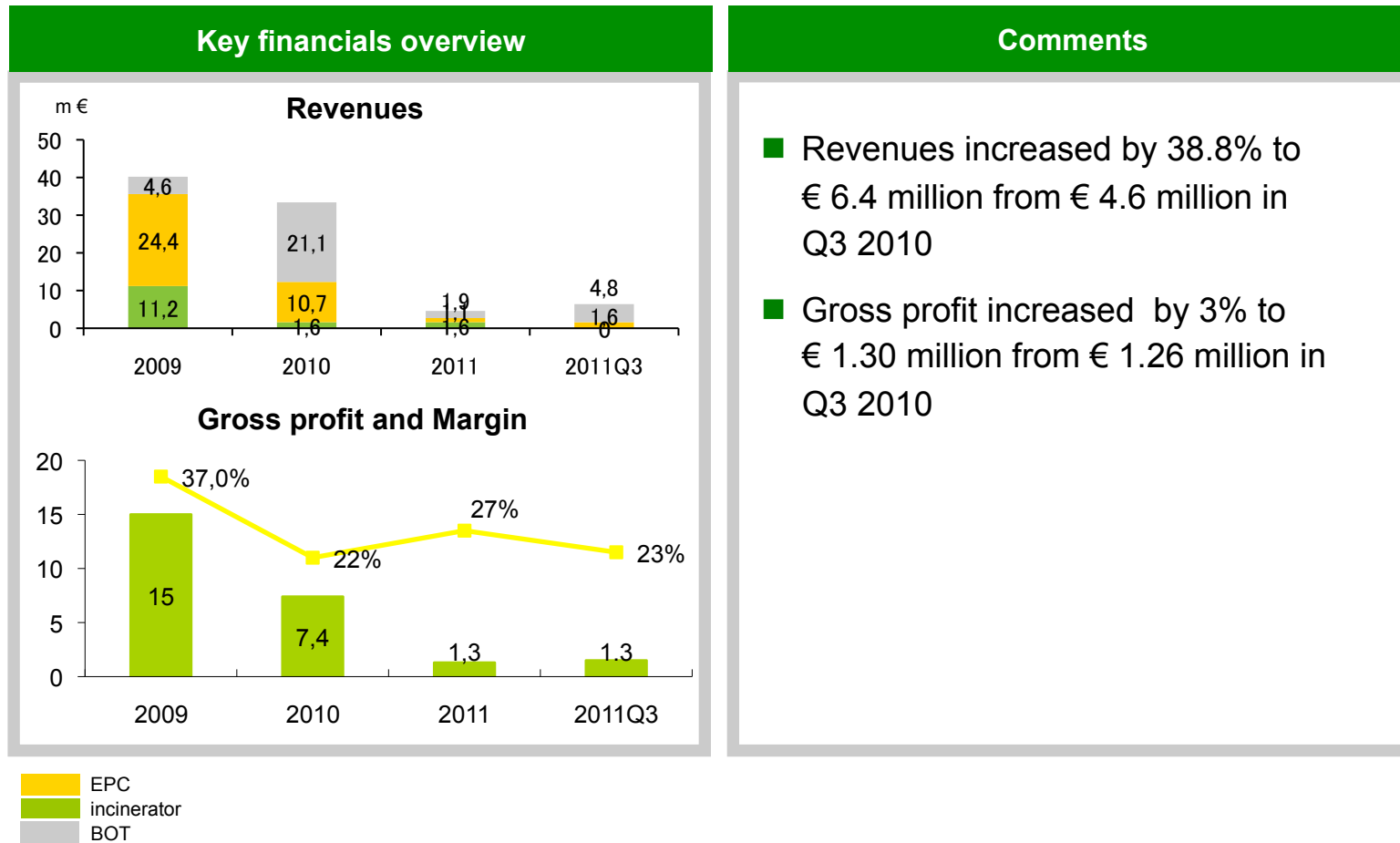
ZhongDe's Strategic Milestones

- **Company's Strategy Transition**
Changed focus from a manufacturer of small-size waste incinerators, to an investor, constructor and operator of large-size energy-from-waste projects since 2009.
- **“Standardization” of Project Management**
Standardization of project management for each project scattered throughout the country.
- **“Internationalization”**
A breakthrough will be expected on the international market.
- **“Professionalization” and stable R&D team**
ZhongDe cooperated with the department of thermal engineering of TsingHua to jointly cultivate postdoctoral scientific research talents.

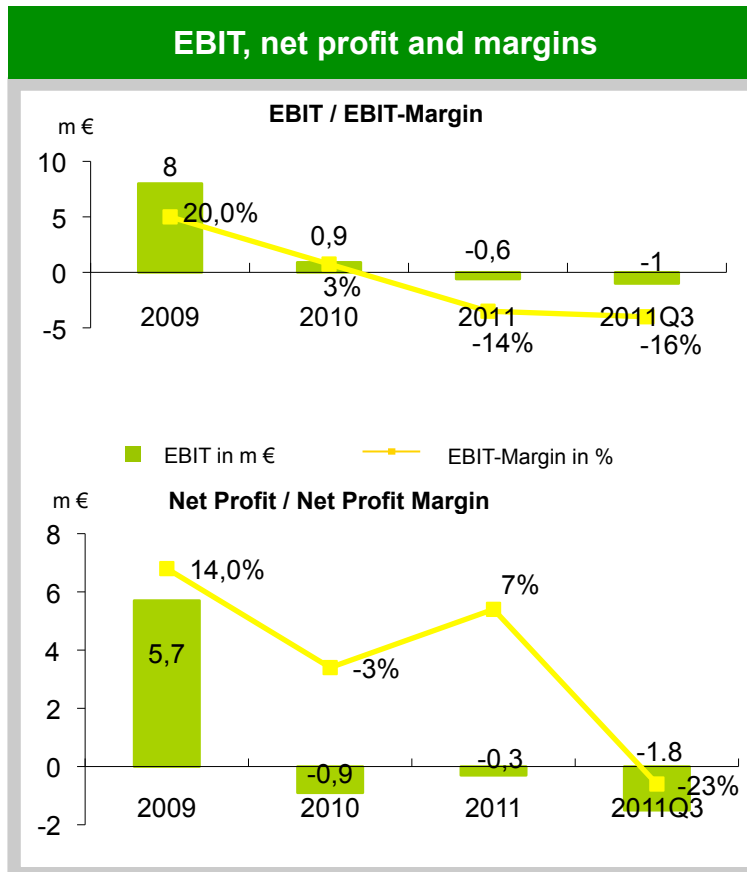
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Q3 2011 results better than Q3 2010



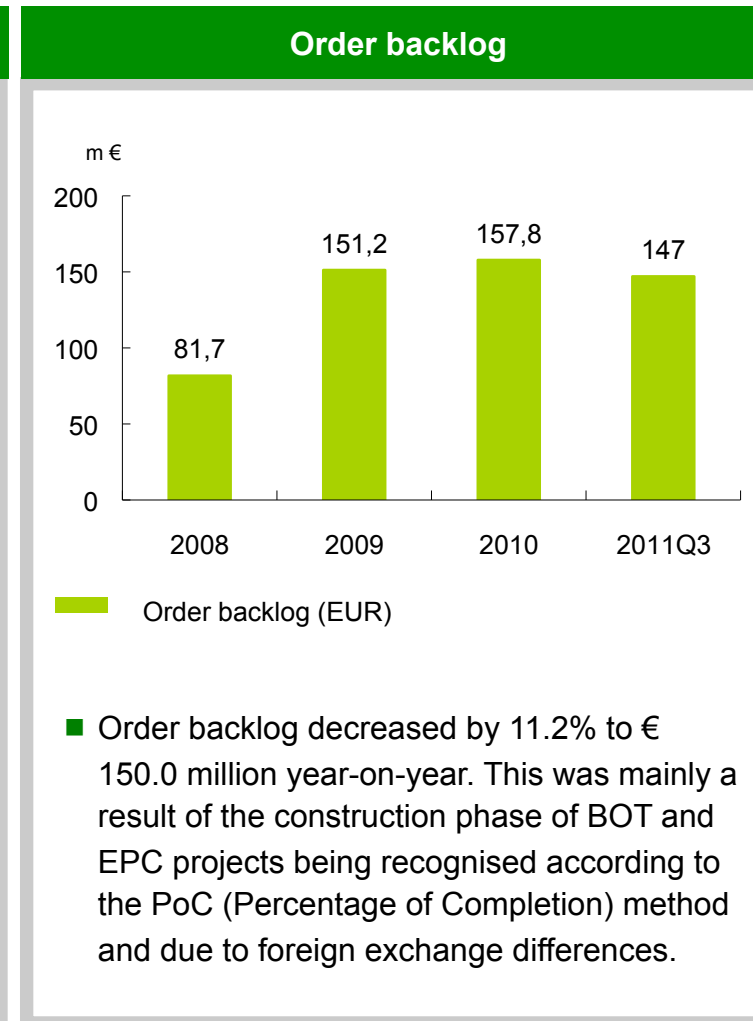
Stimulating policy of China needs some time to become fully effective



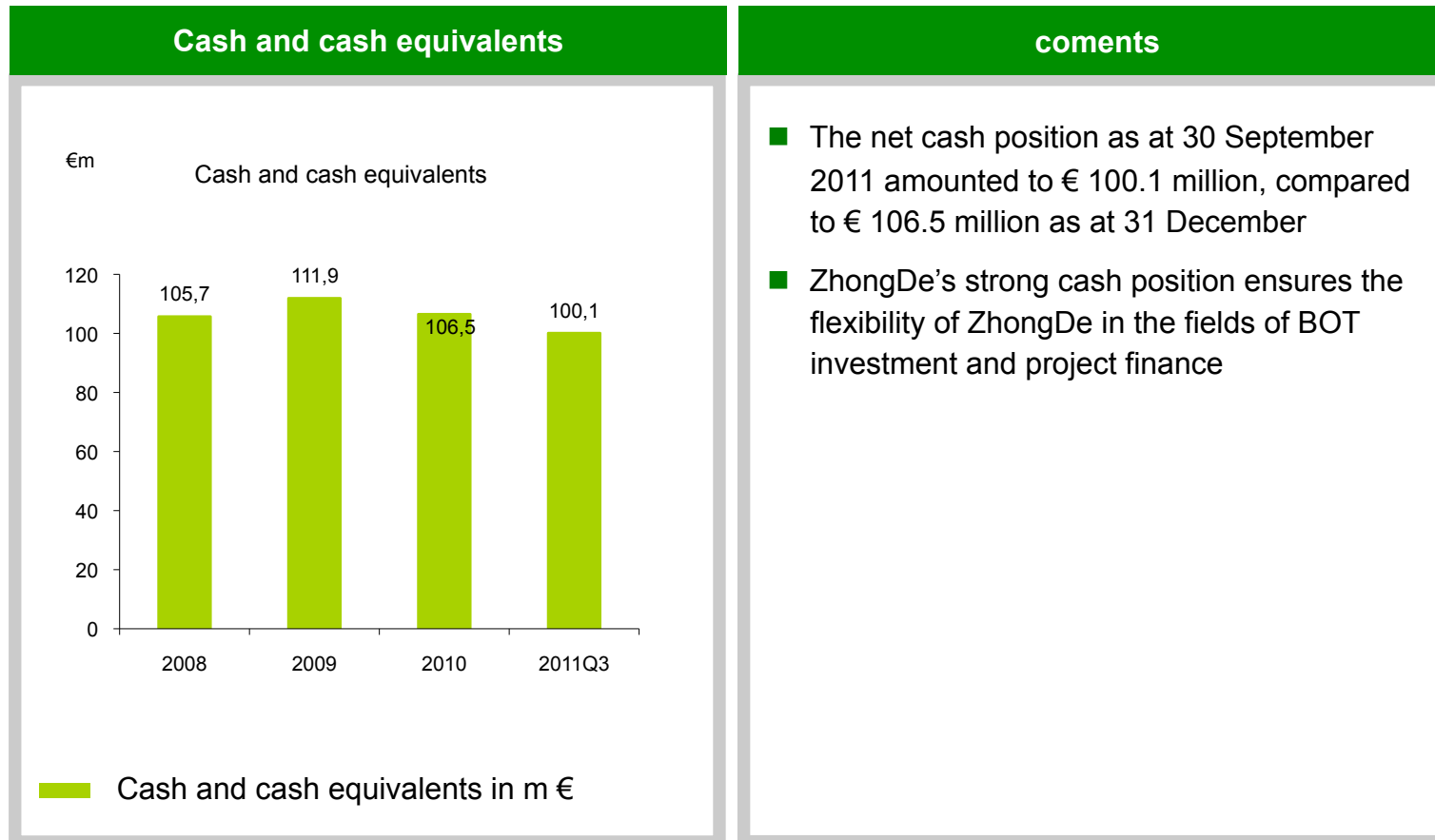
Comments

- Earnings before interest and tax (EBIT) declined by k€ 570 to € -1,2 m (Q3 2010: k€ -627)
- Net profit amounted to € -1,8 m in Q3 2011
- The main reason for net loss:
The increased selling and distribution expenses and the higher administrative expenses.

Four New Project Contracts are in ZhongDe's Approval Phase



Strong cash position secures the revenue increase



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Construction progress of current energy-from-waste projects



EPC	As of September 30, 2011 Percentage of Completion	Expected completion time
Dingzhou	15.7%	End of 2012
Zhucheng	43.9%	End of 2012
Zhaodong	Preliminary preparation stage	End of 2013
Shouguang	Preliminary preparation stage	End of 2013

BOT	As of September 30 2011 Percentage of Completion	Expected completion time
Feicheng	Trial Operation	-
Zhoukou	78.4 %	Middle of 2012
Kunming	22.0 %	End of 2012
Xianning	18.4 %	End of 2012

Feicheng Project under trial operation



Feicheng Project under trial operation



Projects under Construction (Zhoukou BOT)



Projects under Construction (Zhoukou BOT)

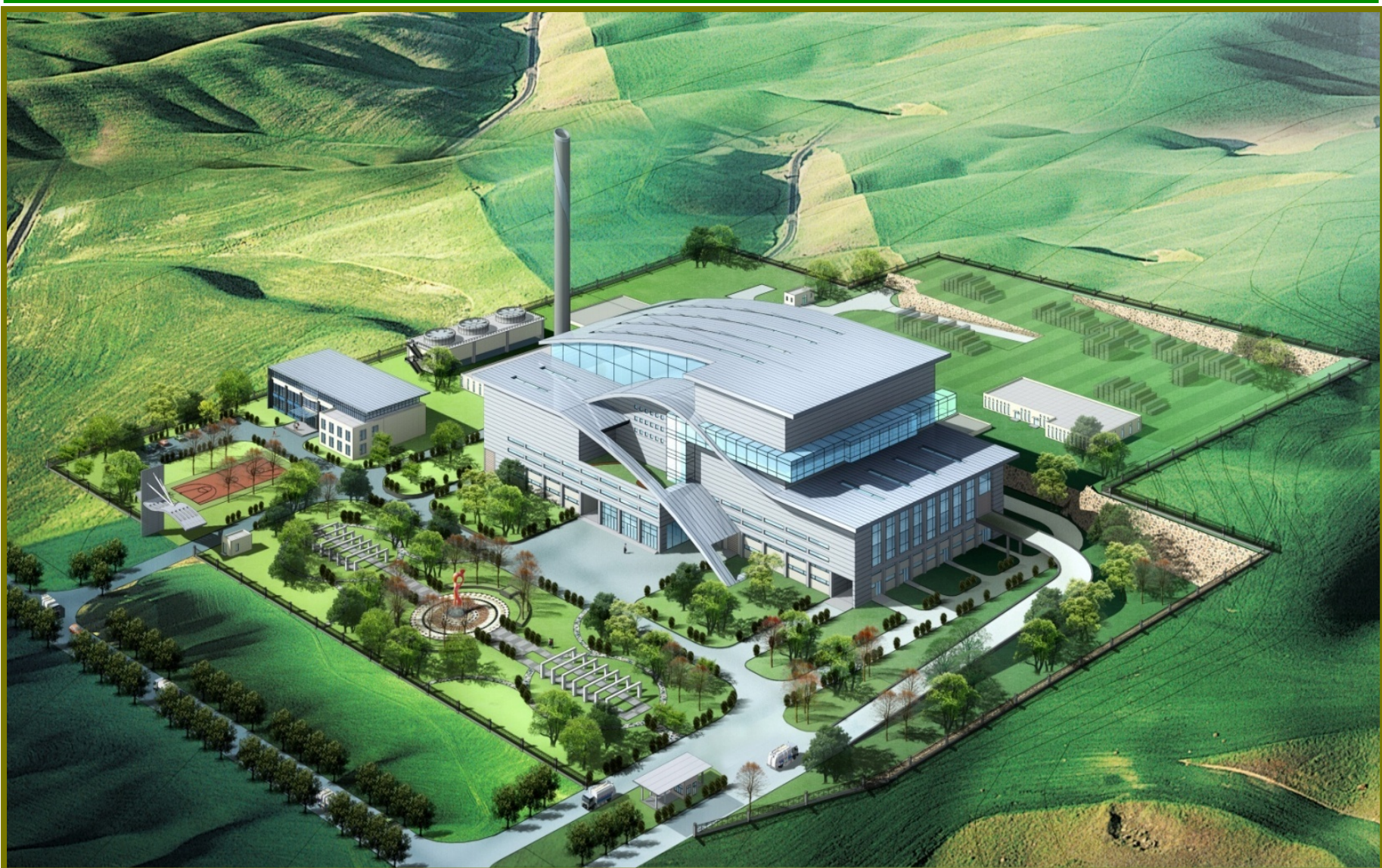


周口市丰泉垃圾无害化处理中心

Projects under Construction (Kunming BOT)



Projects under Construction (Kunming BOT)



Projects under Construction (Xianning BOT)



Projects under Construction (Xianning BOT)



咸宁市丰泉垃圾焚烧发电厂鸟瞰图



Projects under Construction (Zhucheng EPC)



Projects under Construction (Zhucheng EPC)



Projects under Construction (Dingzhou EPC)



定州市生活垃圾焚烧发电
烟囱 2011年04月

Projects under Construction (Dingzhou EPC)



Outlook and Investment Highlights



- China is still the growth engine of the world economy
- High growth potential for EfW industry in domestic and international market
- Smooth strategic transition and standardization progress
- Standard gross profit margin of EPC and BOT(construction period): 20-25%
- Growth of revenue and profit ensured by strong cash and order positions
- Guideline: Revenues and profits in 2011 may be a slightly less than those in 2010



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