

ZhongDe Waste Technology AG

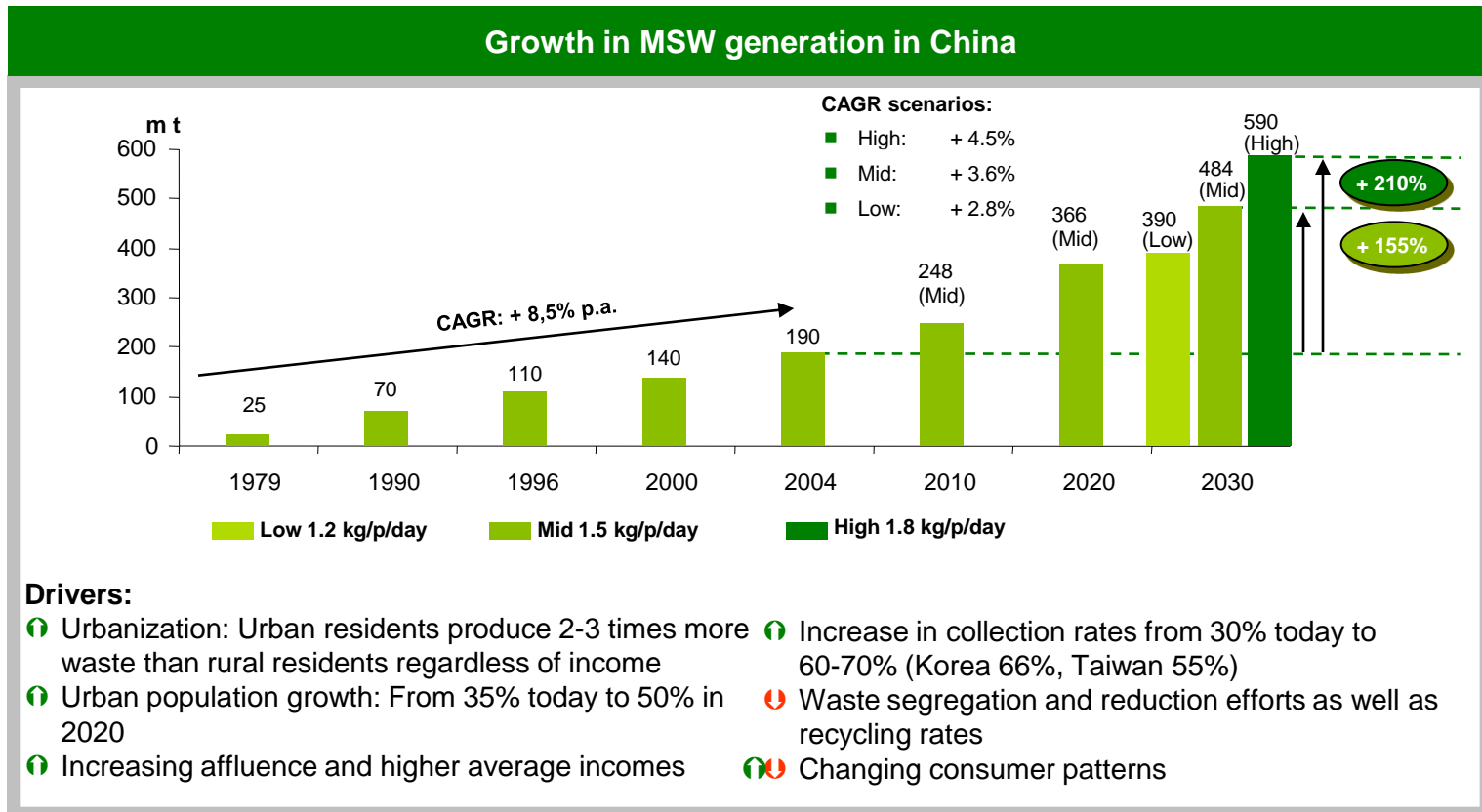


Presentation

Ü **Safe Waste Disposal Solutions...for Generations to Come**

1. Energy-from-Waste Industry
2. Stimulating Policies
3. About ZhongDe
4. Outlook and Investment Highlight
5. Appendix

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

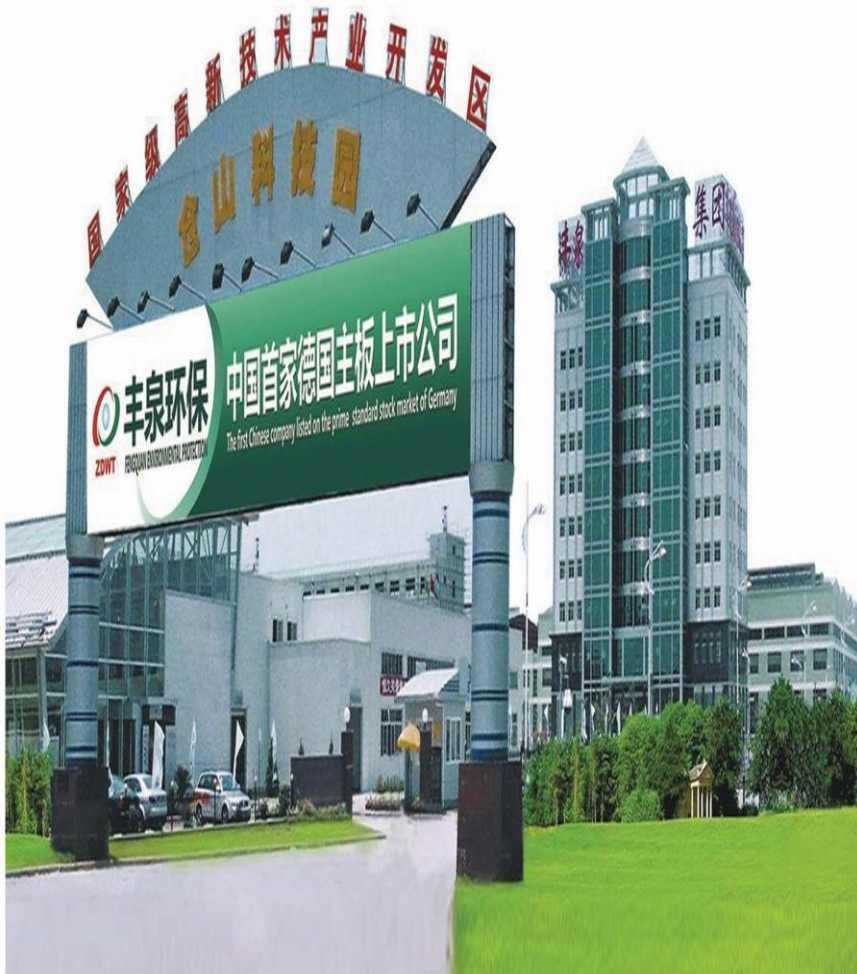


- During the 11th five-year plan period, the investment for solid waste treatment reached RMB 210 billion, with average annual growth rate of 18.5%.
- Chinese Academy for Environmental Planning estimated that during the 12th Five-year plan period, the investment for solid waste industry will amount to 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.



In Q2 2011 the Central Government of China (State Council with 15 Ministries) announced a strong stimulating policy for municipal waste treatment

- Support the construction of Energy-from-Waste plants in China
- Accelerate the approval processes of EfW projects
- Ensure land supply
- Establish new charge system of municipal waste disposal
- Encourages public and private investments through preferential taxation
- Improve innovation ability



Company Overview

- Foundation & Capital: 1996 13 million shares
- Owner: Mr. Chen Zefeng (50.8%) +
International Institutions
- 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
Beijing (Headquarter of China)
Fuzhou (manufacture)



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 Jiu Hua 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.)
- Award Winner “Outstanding CFO of China in 2010”

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

➤ **Company Strategy transition**

Focus from small-sized waste incinerators manufacturer, to be investor, constructor and operator of large-sized energy-from-waste projects since 2009

➤ **“Standardization” of project management**

Concentrating standardization of project management each project scattered throughout the country.

➤ **“Internationalization”**

A breakthrough will be expected on the international market

➤ **“Professionalization” and stable R&D team**

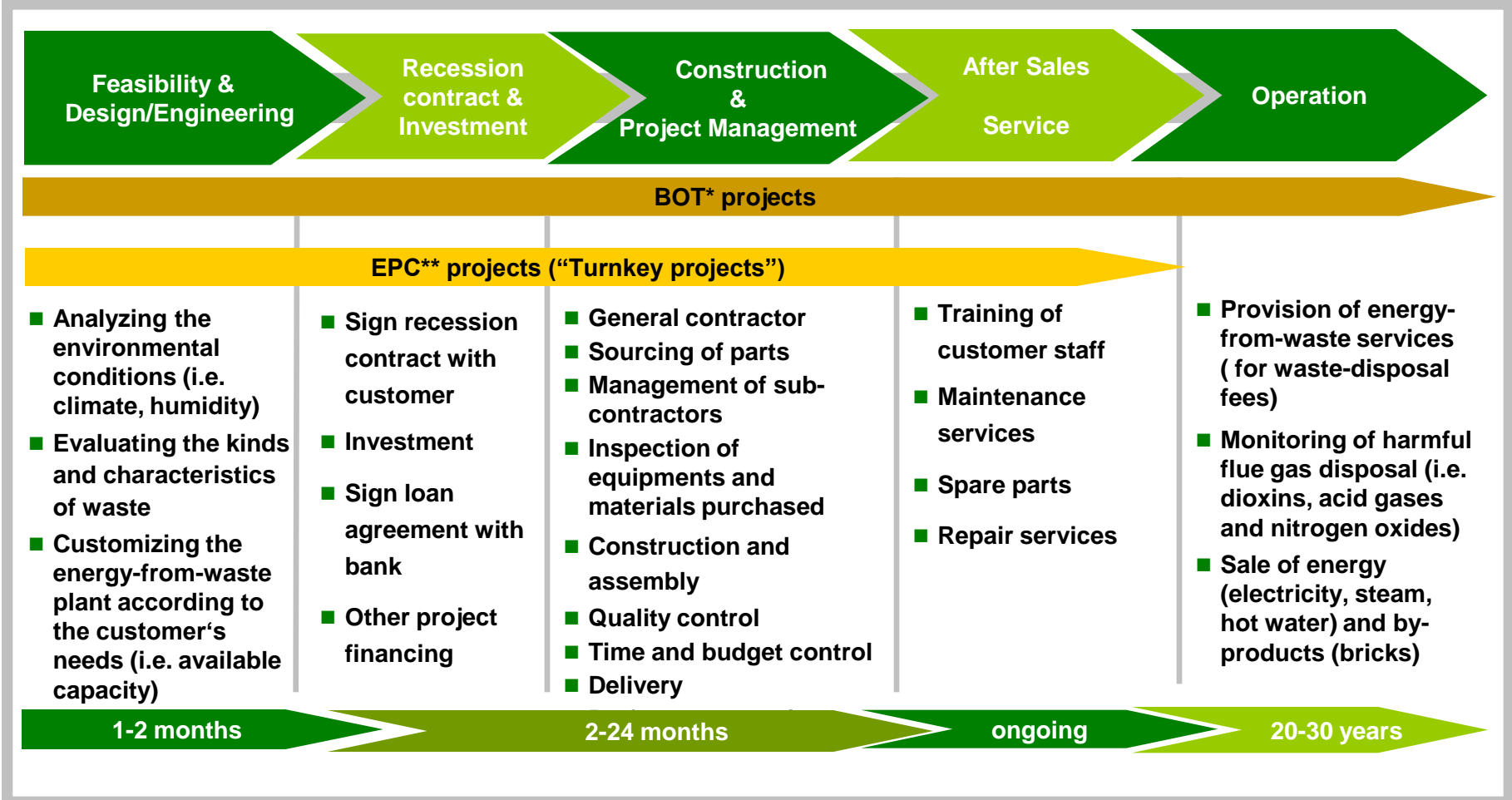
ZhongDe cooperated with department of thermal engineering of TsingHua to jointly cultivate postdoctoral scientific research talents

Business Model

= European Technology + China Price + Global Service



Investor (BOT) / general contractor (EPC) / operator of energy-from-waste plants



*Build-Operate-Transfer

**Engineering-Procurement-Construction

Financial Highlight(Large scale energy-from-waste project)

EPC	As of 31 March 31 2011 Percentage of Completion	Expected completion time
Dingzhou	12%	End of 2012
Zhucheng	34%	End of 2011
Zhaodong	Preliminary preparation stage	End of 2013
Shouguang	Preliminary preparation stage	End of 2013

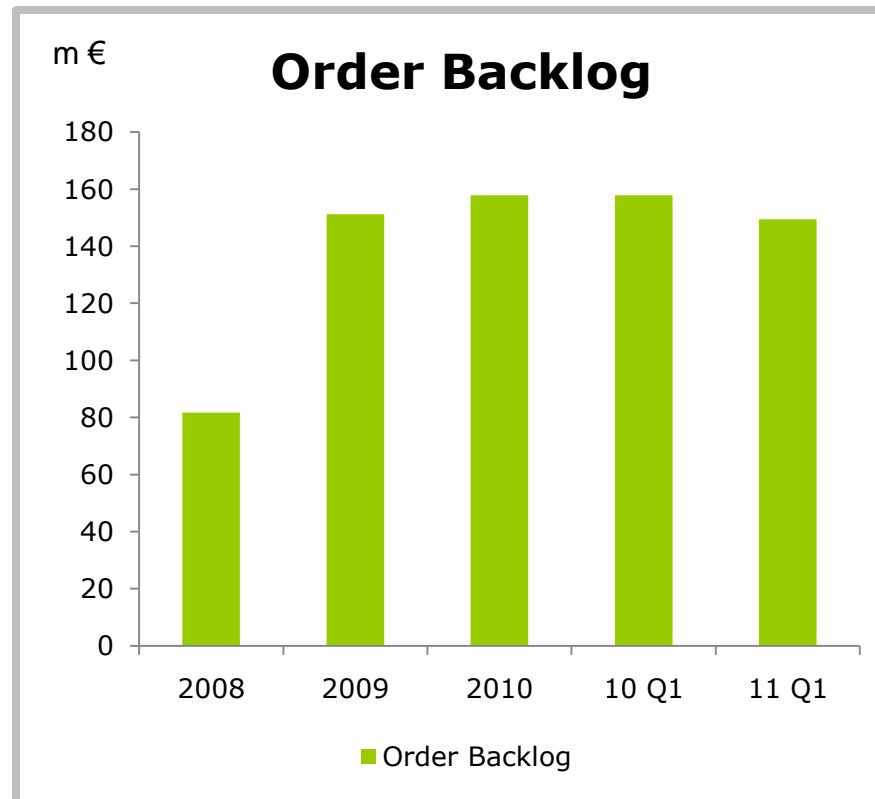
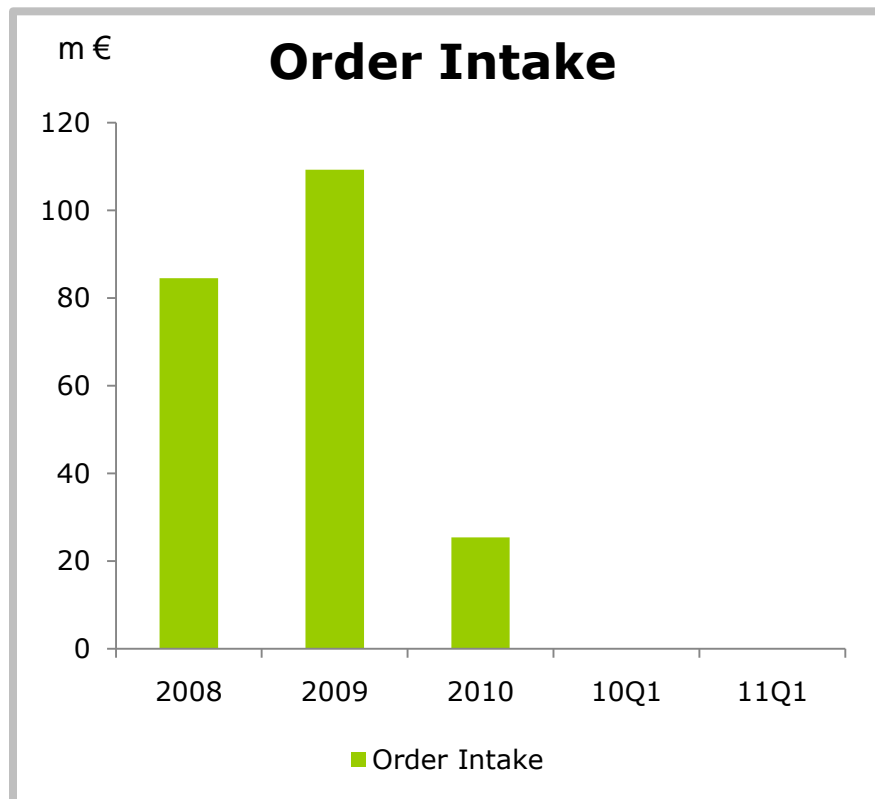
BOT	As of March 31 2011 Percentage of Completion	Expected completion time
Feicheng	Trial Operation	-
Zhoukou	60%	End of 2011
Kunming	18 %	End of 2012
Xianning	13 %	End of 2012

Financial Highlight

Q1 results show positive trend as following:

- Revenues decreased from € 3.7 million to € 2.4 million
- Gross profit margin increased from 13 % to 23 %
- Gross profit kept € 0.5 million, the same result as Q1 2010
- The net profit improved by 30% from € -2.0 million to € -1.4 million due to the reduction of the expenses and income tax
- The earnings per share increased 30% from € -0.16 to € -0.11 due to the net profit increase and the shares buyback

Financial Highlight



The emission tests of Feicheng Plant show our technical capacities





■ Datong project regarded as green plant in China

- Visited by many central and local government officials, clients and cooperation partners from home and abroad
- Each environmental index have reached the national standard, some index have reached EU standard





**CCTV(Central China TV) broadcasted 45 minutes
Special Report for Datong Project in Oct 2010**



Outlook and Investment Highlight

- 1 A high growth potential for energy-from-waste market in domestic and international market , especially after the strong stimulating policy
- 2 Strategy transition and Standardization progress smoothly
- 3 The standard gross profit margin is 25% of EPC and BOT(construction period)
- 4 The completion 5 projects in 2011 in 2012 bring more revenues and profits
- 5 Strong cash and order positions ensure the growth of the revenue and profit
- 6 Technical ability and professional management creates shareholder value

Appendix- Disclaimer

This presentation was prepared by ZhongDe Waste Technology AG solely for use at the Management presentation held in connection with the contemplated offering of shares of ZhongDe Waste Technology AG. It is furnished to you solely for your information, should not be treated as giving investment advice and may not be copied, distributed or otherwise made available to any other person by any recipient.

The facts and information contained herein are as up to date as is reasonably possible and are subject to revision in the future. Neither ZhongDe Waste Technology AG nor any of its directors, officers, employees or advisors nor any other person makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this presentation. Neither ZhongDe Waste Technology AG nor any of its directors, officers, employees and advisors nor any other person shall have any liability whatsoever for losses howsoever arising, directly or indirectly, from any use of this presentation.

Whilst all reasonable care has been taken to ensure that the facts stated herein are accurate and that the opinions contained herein are fair and reasonable, this document is selective in nature and is intended to provide an introduction to, and overview of, the business of ZhongDe Waste Technology AG. Any opinions expressed in this document are subject to change without notice and neither ZhongDe Waste Technology AG nor any other person is under any obligation to update or keep current the information contained herein. In addition, institutions mentioned in this document, their affiliates, agents, directors, partners and employees may make purchases and/or sales as principal or agent or may act as market maker or provide investment banking or other services. Where any information and statistics are quoted from any external source, such information or statistics should not be interpreted as having been adopted or endorsed by ZhongDe Waste Technology AG as being accurate.

This presentation contains forward-looking statements, which involve risks uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These forward-looking statements reflect ZhongDe Waste Technology AG's current expectations and projections about future events and may be identified by words such as "expectation" or "target" or "forecast" and similar expressions, or by their context. These forward-looking statements are made on the basis of current knowledge and assumptions. Various factors could cause actual future results, performance or events to differ materially from those described in these forward-looking statements. No obligation is assumed to update any forward-looking statements. In relation to the proposed offering of shares of ZhongDe Waste Technology AG, this presentation does not constitute an offer or invitation to subscribe for, or purchase, any shares of ZhongDe Waste Technology AG and neither this document nor anything contained herein shall form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

The information contained herein shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities referred to herein in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any such jurisdiction. Any offer of shares will be made solely by means of, and on the basis of, a securities prospectus which has been approved by the German Federal Financial Supervisory Authority (BaFin).

The securities referred to herein have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold in the United States or to U.S. persons unless the securities are registered under the Securities Act, or an exemption from the registration requirements of the Securities Act is available. There is no intention to register any portion of the offering in the United States or to conduct a public offering of securities in the United States. Neither this document nor any copy of it may be taken or transmitted into the United States, its territories or possessions or distributed directly or indirectly in the United States. The distribution of this document in other jurisdictions may also be restricted by law, and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

This communication does not constitute an offer of securities to the public in the United Kingdom. No prospectus has been or will be registered in the United Kingdom in respect of the securities referred to in this communication. This communication is directed only at persons (I) who are outside the United Kingdom or (II) who have professional experience in matters relating to investments falling within article 19(5) ("investment professionals") of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order") or (III) who fall within article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Order (all such persons together being referred to as "Relevant Persons"). Any person who is not a Relevant Person must not act or rely on this communication or any of its contents. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.