



ZhongDe Waste Technology AG

Results H1 2014

August 28, 2014



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Current status of the projects



BOT projects	As at 30 June 2014 Percentage of Completion	Date of completion
Zhoukou (500T)	89.5%	2014
Kunming (700T)	74.7%	2015
Xianning (600T)	93.0%	2014
Lanzhou (2,000 T)	1.0%	2018

EPC projects	As at 30 June 2014 Percentage of Completion	Date of completion
Dingzhou (600T)	24.3%	2015
Zhucheng (500T)	68.3%	2015
Wuhai (1,000T)	Preliminary preparation stage	2017

Q2 and H1 2014 results not satisfactory but slightly improved



- Summary Q2 results:
 - Revenues increased by more than 150% to € 3.49 million (€ 1.31 million in Q2 2013)
 - EBIT came slightly up to € -1.42 million (Q2 2013: € -1.57 million)
 - Net result amounted to € -2.17 million, which corresponds to a reduction by about 24% (Q2 2013: € -1.74 million)

- Summary H1 results:
 - Revenues increased significantly by 78.8% to € 4.56 million (€ 2.55 million in H1 2013)
 - EBIT improved slightly to € -2.79 million (€ -2.84 million in H1 2013)
 - Nevertheless, net result was reduced to € -4.43 million (€ -3.26 million in H1 2013)

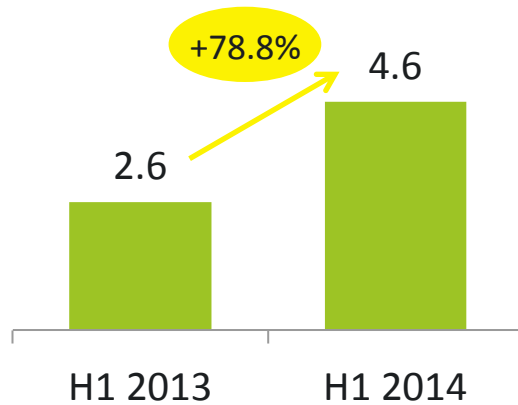
- No order intake and decrease of order backlog by 12.2% to € 218.26 million in H1 2014

- Cash position remains solid with € 88.55 million as of 30 June 2014 and ensures ZhongDe's flexibility with regard to BOT investment and project finance

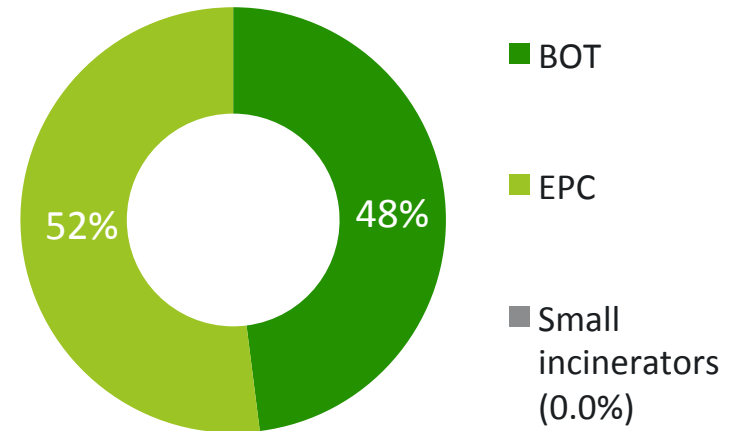
Revenues increased in line with project progress



Revenues (€ million)



Revenue by segment (H1 2014)

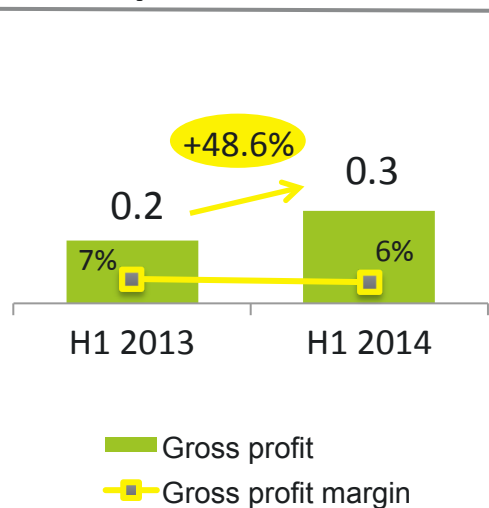


- In H1 2014, total revenues increased by 78.8% to € 4.56 million (€ 2.55 million in H1 2013)
- EPC projects accounted for about 52% of total revenues, BOT for about 48%

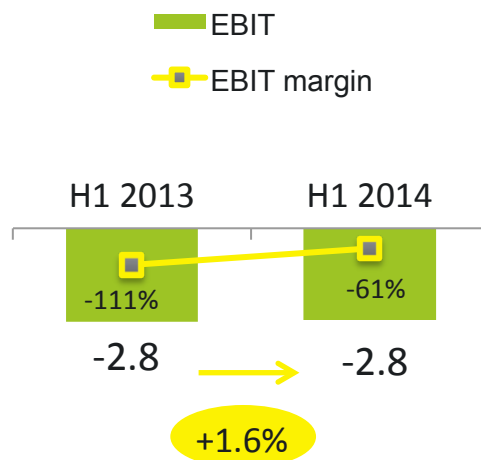
EBIT slightly improved but earnings situation still not satisfactory



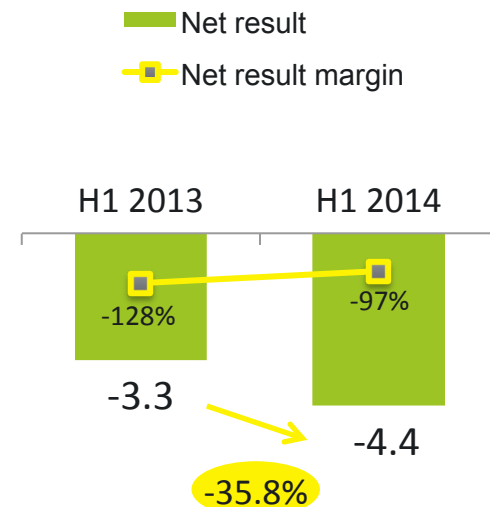
Gross profit (EUR million)



EBIT (EUR million)



Net result (EUR million)

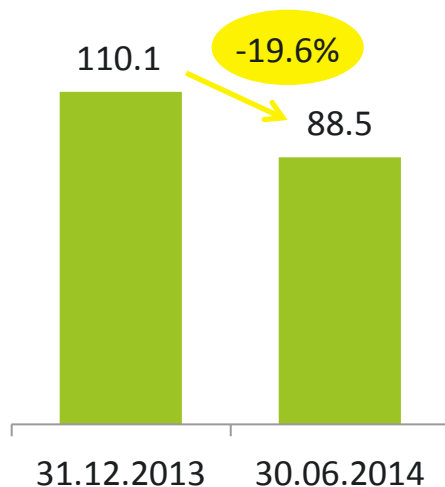


- Gross profit increased by 48.6% to € 0.26 million (€ 0.18 million in H1 2013)
- EBIT slightly improved to € -2.79 million (€ -2.84 million in H1 2013)
- Net loss increased to € -4.43 million (€ -3.26 million in H1 2013)

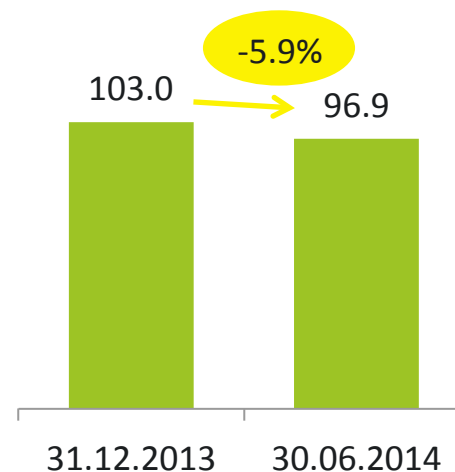
Strong cash position and equity ratio ensures flexibility for future investments



Cash and cash equivalents (EUR million)



Equity (EUR million)

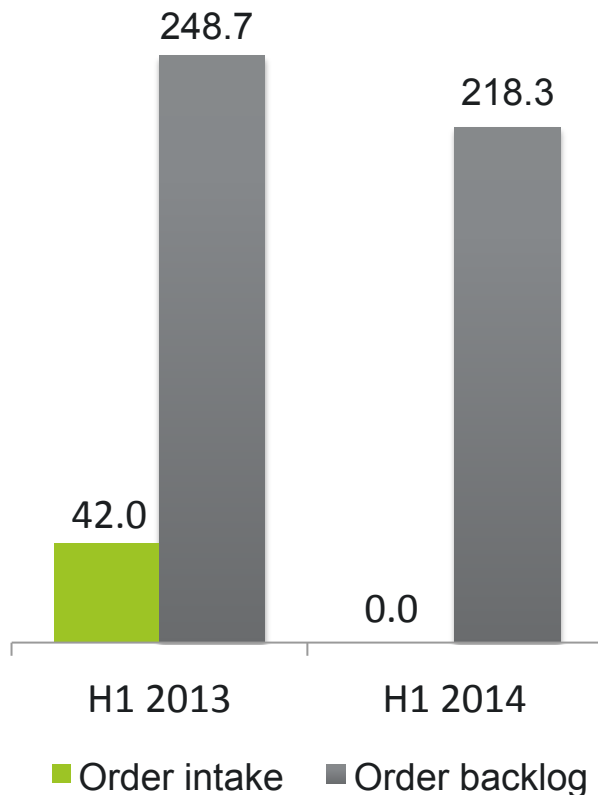


- As at 30 June 2014, cash and cash equivalents decreased by 19.6% to € 88.5 m (€ 110.1 m as at 31 Dec 2013)
- Besides the regular cash outflow for BOT construction and company's operation, the reduction was also caused by € 3.0 million of the principal repayment of the two loans from Huarong Leasing
- Net cash amounted to € 19.5 million (after deducting € 69.0 million of loan volume) resulting in € 1.50 net cash per share
- Shareholders' equity decreased by 5.9% to € 96.9 million (€ 103.0 million as at 31 Dec 2013) mainly due to foreign currency translation and the negative result for the first half year of 2014

Strong order position for future growth



Order situation (EUR million)



- In H1 2014, order intake of 0 million
- Still high level of order backlog of € 218.3 million in H1 2014 (€ 248.7 million in H1 2013)
- The proportion of small-size incinerators accounted for 1.9%, EPC projects accounted for 34.9%, and BOT projects for 63.2% of total order backlog in H1 2014

Financial outlook remains unchanged



- Continuous favorable economic and political environment for eco-friendly waste-disposal solutions in China
- Growing demand for energy-from-waste plants in China and throughout Asia due to increasing industrialization and urbanization
- Completion of two BOT projects (Zhoukou, Xianning) in 2014, and completion of one BOT project (Kunming) and two EPC projects (Dingzhou and Zhucheng) in 2015
- Start of the construction phase of both projects, Lanzhou BOT and Wuhai EPC, in 2014
- Management Board evaluates all opportunities favorable to the group on a regular basis, which refer to the acquisition of new BOT or EPC contracts as well as to the potential sale of several or all BOT projects
- Although 2014 will continue to be a transition period, a growth in revenues, improved operating results – although still leading to a loss – and a stabilized cash position are expected by the Management Board for 2014

**Thank you very much for your attention,
we are looking forward to your questions!**



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Financial calendar and IR contact



Financial calendar 2014

November 24-26, 2014

German Equity Forum
2014, Frankfurt am Main

November 28, 2014

Publication of
Q3/9M results

Investor Relations contact

ZhongDe Waste Technology AG

William Wang (CFO)

Email: william.jw@zhongdetech.com

Kirchhoff Consult AG

Nicole Schüttforth, Senior Consultant

T.: +49 40 60 91 86 0

F.: +49 40 60 91 86 60

Email: nicole.schuetforth@kirchhoff.de

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