

ZhongDe Waste Technology AG



Analyst Conference
German Equity Forum 2015
Frankfurt am Main, 23th November

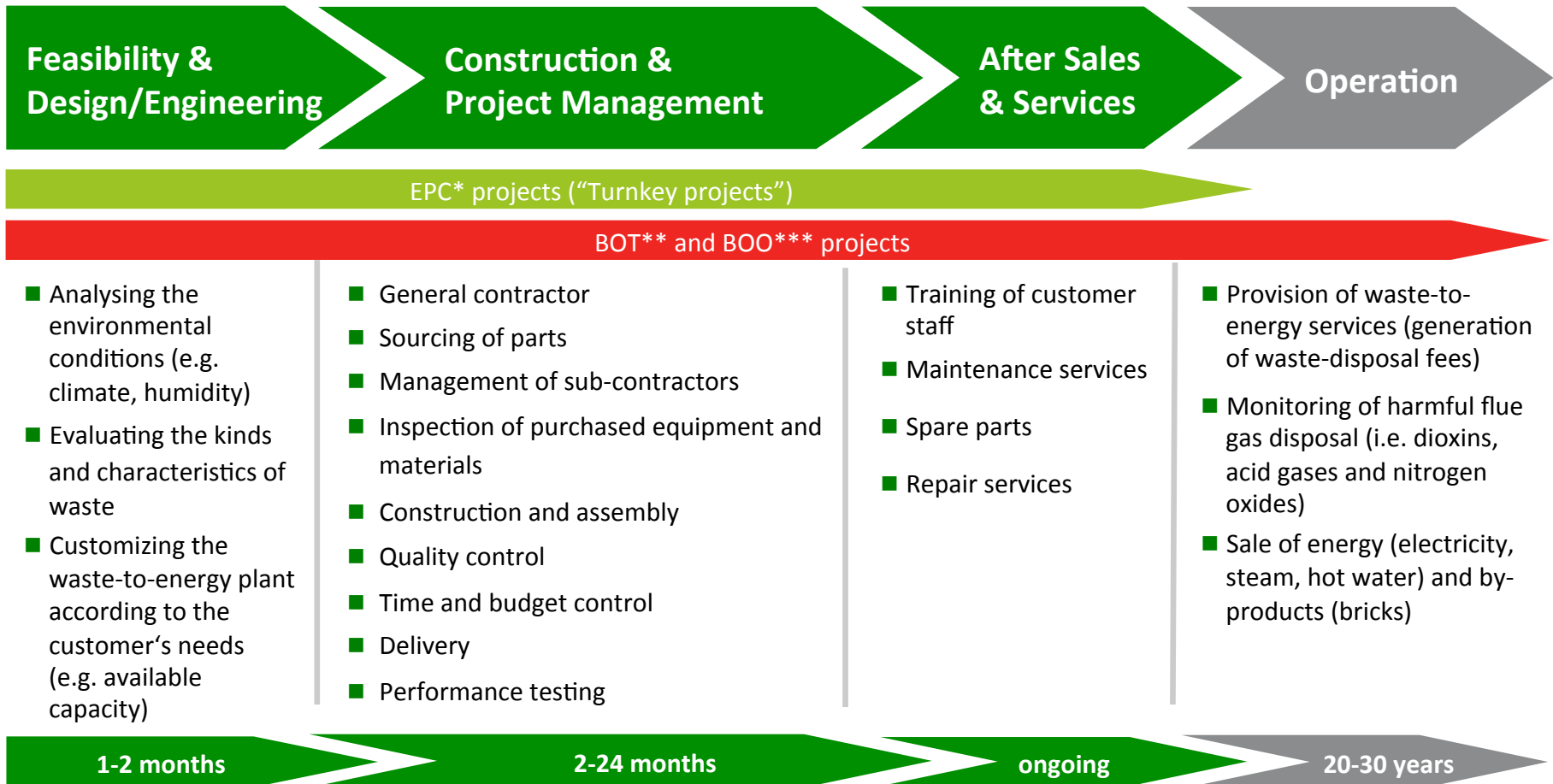
Clean Technology for the Future



Introduction – ZhongDe’s business model



Design and development of waste-to-energy process solutions



* Engineering-Procurement-Construction

**Build-Operate-Transfer

***Build-Operate-Own

Several external and internal factors led to project delays and suspensions in the second half of 2015



BOT projects (daily capacity)	Percentage of completion as of Sep 30, 2015	Expected completion
Zhoukou (500T)	89.4%	2015 -> 2016
Kunming (700T)	85.3%	2016 -> 2017
Xianning (600T)	96.9%	2015 -> 2016
Lanzhou (2,000 T)	24.2%	2018

EPC projects (daily capacity)	Percentage of completion as of Sep 30, 2015	Expected completion
Dingzhou (600T)	48.8%	2015 -> tba after restart
Zhucheng (500T)	70.2%	2015 -> 2016
Wuhai (1,000T)	Ready for construction (0.0%)	2017 -> tba after restart

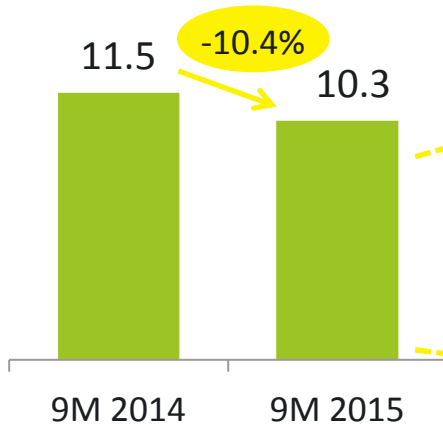
Construction of BOT project in Lanzhou progressing well



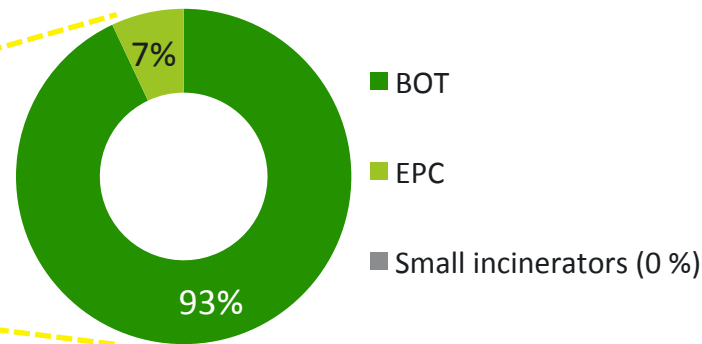
Revenue decrease in 9M 2015 due to slower project progress



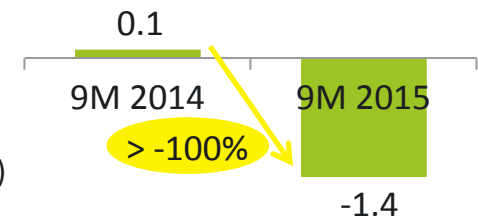
Revenues (€ million)



Revenue by segment (9M 2015)



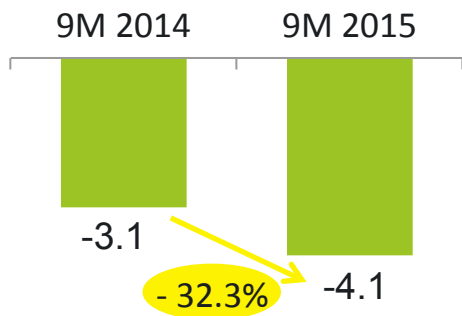
Gross profit (€ million)



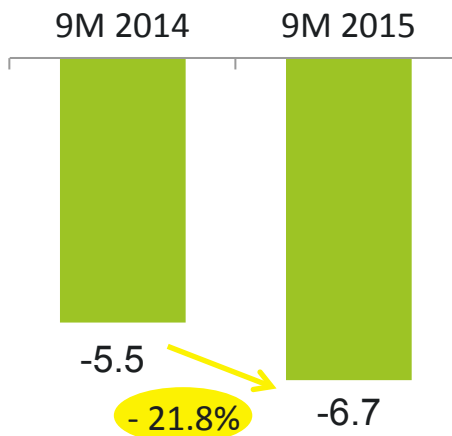
- Revenue decrease due to the slow progress of the projects since Q2 2015
- BOT projects with a portion of 93% main group revenue contributor
- Percentage-of-completion of BOT projects, that are accounted for the zero-profit-method, is not reflected in gross profit
- Gross profit decrease mainly due to the fact that inventories relating to the incinerator segment amounting to € 0.9 million had to be written off

EBIT and net result went down accordingly

EBIT (€ million)



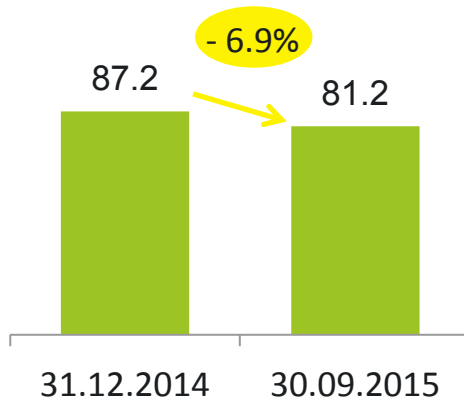
Net result (€ million)



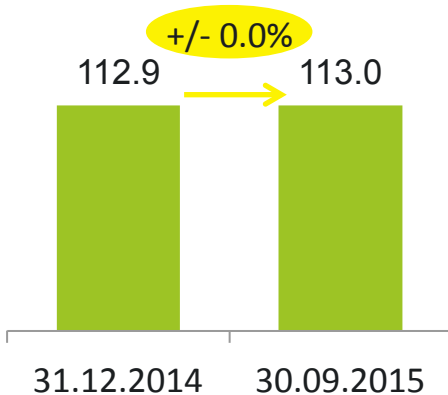
- EBIT came down to € -4.1 million
- The effect of an improved financial result (+ € 0.7 million) was offset by higher tax expenses (+ € 1.0 million)
- Accordingly net result decreased by 20% to € -6.7

Existing funds planned to be invested in budgeted projects

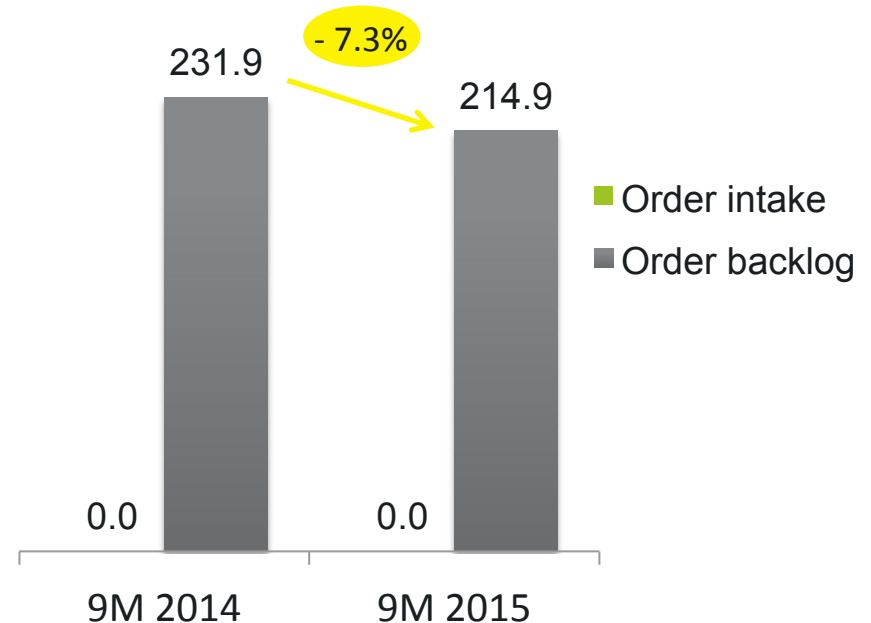
Cash and cash equivalents (€ million)



Equity (€ million)



Order situation (€ million)



- Stable equity position
- Foreign exchange gains have significantly contributed to the development of cash, equity and order situation

Strategic and financial outlook

Strategic milestones

- Focus on improving project management capacities for large-size waste-to-energy projects
- Expected project completion in 2016:
 - 2 BOT projects: Zhoukou, Xianning
 - 1 EPC projects: Zhucheng
- Confident to sign new contracts in 2016 due to increasing demand for wte-plants with lower off-gas emission
- Strengthen focus on EPC projects, since profits can be generated quicker
- All strategic opportunities are evaluated on a regular basis by ZhongDe's Management Board

Financial guidance 2015

- Second half of 2015 remains a transition period
- Total group sales and operating profit below the 2014 levels due to unexpected project delays caused by external and internal factors, that in general are difficult to predict

**Thank you very much for
your attention!**

Clean Technology for the Future





Appendix

Financial calendar / Investor Relations contact

IR events 2015/16*

November 27, 2015	9M/Q3 report 2015
April 29, 2016	Annual report 2015
May 27, 2016	Q1 report 2016
June 28, 2016	Annual General Meeting
August 29, 2016	Half-year report 2016
November 2016	German Equity Forum
November 28, 2016	9M/Q3 report 2016

IR contact

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* All dates are provisional and may be subject to change.

Positive market environment and strong political support for the waste-to-energy industry



In July 2014, the Chinese National Development and Reform Commission released the National Key Promotion of Low-Carbon Technologies Directory:

- 34 kinds of low-carbon technologies included, inter alia WTE technology
- Total investment of RMB 26 billion in WTE technology (Rank 3 of all technologies)
- Targets:
 - 30% of municipal waste treatment with WTE technology in the next 5 years
 - Daily processing capacity of 100,000 tons or above
 - Carbon emission reduction equalling to be 7.65 million tons of carbon dioxide per year
- More than 300 waste-to-energy facilities expected with daily capacity of 300,000 tons as at the end of 2015
- Market volume prospect of waste-to-energy industry in China: about RMB 200 billion

Well-experienced management team



Zefeng Chen, CEO

- Founder and main shareholder of the company (50.8%)
- More than 17 years of experience in the environmental protection industry
- Deputy Director China National Association of Environmental Protection Industry (CAEPI)
- Member of the People's Congress of Fujian Province
- MBA at Tsinghua University



William Jiuhua Wang, CFO

- Deputy General Finance Manager for China's largest commercial real estate company, the Wanda Group
- CFO for Beijing Lining Sports Co. Ltd (listed at Hong Kong Stock Exchange)
- Senior Management positions in finance, accounting, controlling, investment and strategy in several "Fortune 500" multinational companies, e.g. AIG, Johnson & Johnson
- B.A. in International Economics at Fudan University, MBA at Steinbeis University Berlin
- Award of Outstanding CFO 2010 in China

Supervisory Board with strong dedication to Corporate Governance



Gerrit Kaufhold // Chairman of the Supervisory Board



- Auditor and tax consultant
- Since 2005 at Dr. Schmitz & Partner / HRG Hansische Revisions-Gesellschaft mbH, Hamburg
- Senior Management positions at Deutsche Bank, Arthur Andersen and Esche Schümann Commichau

Prof. Dr. Bernd Neukirchen // Deputy Chairman of the Supervisory Board



- Experienced process engineer & 35 years of professional experience in waste management
- Prior Senior Management positions at special waste treatment plants, e.g. at Gesellschaft zur Beseitigung von Sondermüll in Bayern mbH (GSB, Bavarian hazardous waste management company) and led several subsidiary companies of STEAG AG

Frank Feng-Chang-Chang // Member of the Supervisory Board



- Non-Executive Director of Yamada Green Resources Ltd., Singapore
- Senior Partner and Head of International Services at Grant Thornton Zhonghua CPAs and BDO Shanghai Zhonghua CPAs

Projects under construction (Zhoukou BOT)



Projects under construction (Xianning BOT)



Projects under construction (Dingzhou EPC)



Projects under construction (Zhucheng EPC)



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