

Q3

3rd Quarterly Report 2015



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1 KEY FIGURES

Operational Data

in k€	Q3 2015	Q3 2014 ¹⁾	Change	9M 2015	9M 2014 ¹⁾	Change
Order intake	0	0	0.0%	0	0	0.0%
Order backlog ²⁾	214,855	231,897	-7.3%	214,855	231,897	-7.3%
Revenues	2,221	6,949	-68.0%	10,321	11,510	-10.3%
Gross profit	-269	549	<-100.0%	-1,401	701	<-100.0%
Gross profit margin	-12%	8%	-20 pp	-14%	6%	-20 pp
Cost of sales	-2,490	-6,400	+61.1%	-11,722	-10,809	-8.4%
EBITDA	-817	97	<-100.0%	-2,800	-2,068	-35.4%
EBITDA margin	-37%	1%	-38 pp	-27%	-18%	-9 pp
EBIT	-1,348	-272	<-100.0%	-4,082	-3,064	-33.2%
EBIT margin	-61%	-4%	-57 pp	-40%	-27%	-13 pp
Net result	-2,438	-1,046	<-100.0%	-6,671	-5,471	-21.9%
Net result margin	-110%	-15%	-95 pp	-65%	-48%	-17 pp
Earnings per share (in €) ³⁾	-0.19	-0.08	<-100.0%	-0.53	-0.43	-21.9%

¹⁾ Reclassified.

²⁾ Based on exchange rate at the end of the period.

³⁾ Calculated on the basis of 12,600,000 shares.

Cash Flow Data

in k€	Q3 2015	Q3 2014	Change	9M 2015	9M 2014	Change
Cash flow used in operating activities	-18,549	-6,364	<-100.0%	-23,886	-25,286	+5.5%
Cash flow used in (-) / generated from (+) investing activities	-53	18	<-100.0%	-74	1,191	<-100.0%
Cash flow generated from (+) / used in (-) financing activities	15,554	-1,152	>+100.0%	12,608	-3,255	>+100.0%

Balance Sheet Data

in k€	30 Sep. 2015	31 Dec. 2014	Change
Total assets	259,538	249,292	+4.1%
Non-current assets	119,968	108,647	+10.4%
Net working capital ¹⁾	63,088	70,379	-10.4%
Cash and cash equivalents	81,187	87,205	-6.9%
Long-term liabilities	70,098	66,127	+6.0%
Shareholders' equity	112,958	112,899	+0.1%
Headcount (as at 30 September)	366	371	-1.3%

¹⁾ Current assets less current liabilities

2 SHARE PERFORMANCE



Share price loss in the first half-year could only be partly recovered

All in all, ZhongDe’s share price experienced a significant decrease during the first half of the year 2015. In January, the share price increased strongly and reached a peak of € 3.10 on 27 January. Afterwards it declined to a level of around € 2.70 and remained relatively stable between February and mid-March. In April, a strong downward trend followed, reaching an interim year-low of € 1.98. On 30 June, the share closed at € 1.70 and therewith 32 % below the year-end price of 2014. This negative trend continued until 21 July with a XETRA closing price of € 1.59 – the lowest level of the year. The weak development was followed by a recovery trend, which brought the share price up to € 2.47 as of 4 August. Unfortunately, this was a short-term movement. The share price decreased again to € 1.65 as of 24 August. The publication of the relatively good half-year results might have triggered the next strong upwards movement to € 2.15 as of 15 September. Until 9 November the share remained above the two Euro mark. On 13 November it quoted at € 1.90 corresponding to a market capitalisation of € 24.7 million and herewith 24 % below year-end 2014.

Meanwhile ZhongDe share’s benchmark indices DAX and SDAX developed positively with a performance of +9.2 % and +20.5 % during the course of the year.

Key share indicators 1 January – 13 November, 2015

(in €)

Share price	
30 Sep	2.10
High: 27 Jan	3.10
Low: 21 Jul	1.59
Earnings per share	-0.53
Market capitalisation (as of 13 Nov, 2015)	24.7 million

3 INTERIM GROUP MANAGEMENT REPORT

Macroeconomic-Environment

In the first three quarters of 2015, the overall performance of the national economy of China was stable and moving in a positive direction, although on a lower level compared to 2014. According to the preliminary estimation, the gross domestic product (GDP) of China in the first three quarters of this year was 48,777.4 billion yuan, a year-on-year increase of 6.9 percent at comparable prices. Specifically, the year-on-year growth was 7.0 percent for the first quarter, 7.0 percent for the second quarter and 6.9 percent for the third quarter, which is the first time to be lower than 7% in the past 20 years.

In the first three quarters of 2015, the investment in fixed assets (excluding rural households) was 39,453.1 billion yuan, a nominal year-on-year growth of 10.3 percent. The total value of imports and exports in the first three quarters of 2015 was 17,869.8 billion yuan, a year-on-year decrease of 7.9 percent. The total value of exports was 10,236.5 billion yuan, dropped by 1.8 percent; and that of imports was 7,633.4 billion yuan, down by 15.1 percent. The trade surplus was 2,603.1 billion yuan. The total retail sales of consumer goods reached 21,608.0 billion yuan, a nominal year-on-year increase of 10.5 percent. Consumer price remained generally stable. In the first three quarters of 2015, the consumer price went up by 1.4 percent year-on-year. Residents' income kept fast growth. In the first three quarters of 2015, the national per capita disposable income was 16,367 yuan, a nominal growth of 9.2 percent year-on-year. The investment, trade surplus and consumption remained as the major engine of the economy growth.

Meanwhile, however, the GDP growth is accompanied by a clear focus on the environment and combating air pollution. Accordingly the energy conservation and the consumption reduction continuously improved. In the first three quarters, the energy consumption per unit of GDP decreased by 5.7 percent year-on-year.

The lower GDP development rate in China and the uncertainty of the world economy have an influence on many industries in China. It also reduced the tax income of Chinese government leading to an increase of the debts of local governments. Accordingly many projects in China are suspended and delayed.

Sector Trend

The energy-from-waste industry still benefits from the stimulating environmental protection policies and the efforts to improve environment protection in China. The new environment protection law that took effect as of 1 January 2015 marks a turning point in the country's approach to environmental protection.

According to 2015-2020 Market Outlook and Investment Strategy Planning Analysis Report for Urban Environmental Industry in China, published by Qianzhou Industry Institute, the revenue from environmental protection industry reached RMB 112.1 billion in the first half year of 2015, with year-and-year growth of 8.6%. It is expected that the environmental protection market volume in the

next few years will reach RMB 8-10 trillion, and the environmental protection industry will gradually become the new growth points for the Chinese economy.

Based on more input in environment protection industry, China shows its confidence about the efficacy of its new environmental protection law. Beijing made a bold commitment to reduce its greenhouse gas emissions per unit of GDP by 60 – 65% from 2005 levels under a plan submitted to the United Nations ahead of crucial climate changes talks in Paris. Furthermore, in November, President of China and President of France announced a joint statement to work together to reach a milestone international agreement to reduce greenhouse gas emissions in Paris at the end of November.

Results of Operations

in k€	Q3 2015	Q3 2014 ¹⁾	Change	9M 2015	9M 2014 ¹⁾	Change
Revenues	2,221	6,949	-68.0%	10,321	11,510	-10.3%
Cost of sales	-2,490	-6,400	-61.1%	-11,722	-10,809	+8.4%
Gross profit	-269	549	<-100.0%	-1,401	701	<-100.0%
Other operating income	1,031	1,603	-35.7%	2,399	2,100	+14.2%
Selling and distribution expenses	-376	-791	-52.5%	-490	-1,011	-51.5%
Administrative expenses	-1,335	-1,235	+8.1%	-3,663	-3,696	-0.9%
Research and development expenses	-38	-40	-5.0%	-116	-122	-4.9%
Other operating expenses	-361	-358	+0.8%	-811	-1,036	-21.7%
Loss from operations	-1,348	-272	<-100.0%	-4,082	-3,064	-33.2%
Finance income	81	801	-89.9%	2,130	2,316	-8.0%
Finance costs	-1,041	-1,268	-17.9%	-3,088	-4,057	-23.9%
Loss before income tax	-2,308	-739	<-100.0%	-5,040	-4,805	-4.9%
Income tax expenses	-130	-307	-57.7%	-1,631	-666	>+100.0%
Loss for the period	-2,438	-1,046	<-100.0%	-6,671	-5,471	-21.9%

¹⁾ Reclassified.

During the third quarter of 2015, the revenues reached € 2.2 million, representing a decrease of 68.0 % compared to the same period in 2014. All revenues were contributed by the progress in the BOT-projects (during the third quarter of 2014 € 3.1 million were contributed by BOT projects and € 3.9 million by EPC projects). In the nine month period which ended 30 September 2015, the revenues reached € 10.3 million, representing a decrease of 10.3 % compared to the same period in 2014 due to the slow progress of the projects since Q2 2015.

The gross profit for Q3 2015 amounted to € -0.3 million compared to € 0.5 million for Q3 2014. In the nine month period which ended 30 September 2015 gross profit amounted to € -1.4 million compared to € 0.7 million in the same period in 2014. The decrease was mainly due to the fact that inventories relating to the incinerator segment amounting to € 0.9 million had to be written off during 2015 and due to the decrease of the gross profit resulting from EPC projects by € 1.0 million.

Mainly due to the release of bad debt allowances amounting to € 0.3 million in 2014 the other operating income decreased to € 1.0 million in Q3 2015 compared to € 1.6 million for Q3 2014. In the nine month period which ended 30 September 2015, the other operating income increased to € 2.4 million compared to € 2.1 million for the nine month period which ended 30 September 2014 due to higher trial run proceeds in 2015

Selling and distribution expenses for Q3 2015 amounted to € 0.4 million compared to € 0.8 million in the same period of 2014. The decrease mainly follows from additional allowances for doubtful accounts in Feicheng during Q3 2014. In the nine month period which ended 30 September 2015 selling and distribution expenses decreased by € 0.5 million from € 1.0 million in the nine month period which ended 30 September 2014 to € 0.5 million.

Accordingly EBITDA decreased to € -0.8 million in Q3 2015 compared to € 0.1 million in Q3 2014. In

the nine month period which ended 30 September 2015 EBITDA went down to € -2.8 million from € -2.1 million in the same period 2014.

In Q3 2015 EBIT went down to € -1.3 million compared to € -0.3 million in Q3 2014. In the nine month period which ended 30 September 2015 EBIT went down to € -4.1 million compared to € -3.1 million in the same period 2014.

The financial result for Q3 2015 amounted to € -1.0 million compared to € -0.5 million in Q3 2014 due to the delay of the BOT projects in Zhoukou, Xianning and Kunming which led to lower finance income resulting from BOT receivables. The increase of BOT receivables and intangible assets, which resulted mainly from the project progress achieved in 2014 and 2015, led to an improvement of the financial result by € 0.8 million in the nine month period which ended 30 September 2015. This effect was offset by the increase of income tax expenses from € 0.7 million in nine month 2014 to € 1.6 million in nine month 2015 due to an increase of current income tax expense of € 0.5 million and an increase of deferred income tax expense of € 0.4 million.

Net loss increased to € -2.4 million compared to € -1.0 million in Q3 2014. In the nine month period which ended 30 September 2015, net loss increased to € -6.7 million compared to € -5.5 million in the nine month period which ended 30 September 2014.

in k€	30 Sep. 2015	31 Dec. 2014	Change
Current liquidity ratio ¹⁾	1.8	2.0	-8.8%
Equity ratio ²⁾	43.5%	45.3%	-2 pp
Net working capital ³⁾	63,088	70,379	-10.4%
Cash and cash equivalents	81,187	87,205	-6.9%
Current assets	139,570	140,645	-0.8%
Non-current assets	119,968	108,647	+10.4%
Total assets	259,538	249,292	+4.1%
Current liabilities	76,482	70,266	+8.8%
Long-term liabilities	70,098	66,127	+6.0%
Shareholders' equity	112,958	112,899	+0.1%

¹⁾ Current asset / current liabilities

²⁾ Equity / total assets

³⁾ Current assets less current liabilities

Despite the negative result of the nine month period ended 30 September 2015, shareholders' equity increased by 0.1 % to € 113.0 million until 30 September 2015 compared to 31 December 2014 due to foreign currency translation effect. As total assets increased by 4.1 %, compared to 31 December 2014, ZhongDe's equity ratio went down from 45.3% as at 31 December 2014 to 43.5 % as at 30 September 2015.

The cash position as at 30 September 2015 amounted to € 81.2 million, compared to € 87.2 million as at 31 December 2014 (-6.9 %).

The management is engaged to secure the cash position of ZhongDe, for example by obtaining more loans to finance the construction of the Lanzhou waste-to-energy project, the biggest one in China.

Current status of energy-from-waste projects

(as of 30 September 2015)

EPC projects under construction	Zhucheng	Dingzhou	Wuhai
Daily capacity (tons/day)	500	600	1,000
PoC as at 30 Sep. 2015	70.2%	48.8%	0.0%
PoC as at 31 Dec. 2014	70.1%	47.0%	0.0%
Estimated time of completion	2016	unknown ¹⁾	unknown ¹⁾

¹⁾ To be determined after restart.

BOT projects under construction	Xianning	Zhoukou	Kunming	Lanzhou	Feicheng
Daily capacity (tons/day)	600	500	700	2,000	200
Average annual power generation capacity (MW·h)	> 60	> 50	> 70	>200	none
PoC as at 30 Sep. 2015	96.9%	89.4%	85.3%	24.2%	in operation
PoC as at 31 Dec. 2014	95.1%	89.2%	82.1%	18.1%	in operation
Estimated time of completion	2016	2016	2017	2018	in operation

EPC Projects

Zhucheng EPC project

At the end of Q3 2015, the percentage of completion of the project in Zhucheng remains at 70.2 % (30 June 2015: 70.2 %).

As part of the acceptance process, the progress of the construction performed by subcontractors needs to be confirmed for the quantity and quality by the cost control department of ZhongDe. Only after the confirmation from both sides the works are accepted and revenues realized accordingly. This process is time consuming and delayed. Accordingly the percentage of completion of the project did not increase in Q3. Currently it is planned to finalise the negotiations with major subcontractors until year-end and accordingly to realise the referring revenues.

The remaining work relates to the following:

- **Civil construction**
The ending works for the building complex decoration; The green landscape engineering.
- **Installation**
The debugging works for gas treatment system; ash handling system; environmental acceptance work.

As it is not secure that agreements with all subcontractors can be settled and/or acceptance by the customer has been rendered until year-end, the completion date of the project has been postponed to 2016.

Dingzhou EPC project

At the end of Q3 2015, the percentage of completion of the project in Dingzhou is 48.8 % (30 June 2015: 48.8 %).

Since April 2015 the construction at Dingzhou is on hold. The suspension of construction work was initiated by the customer. The restart of the construction is dependent on the order from the customer.

The remaining work relates to the following:

- **Civil construction**

The rendering works for the main factory, road construction, decoration works for the complex building, pumping house, oil pump room and weight bridge room; the construction works for ash treatment system, outer casing for main factory; construction works for leachate treatment system.

- **Installation**

Outdoor pipeline construction; installation works for ignition oil pipeline, dosing system, sampling system; oil circulation for steam turbine generator; auxiliary equipment installation for boiler, steam turbine generator; gas purification system installation; complex water pumping room and oil pumping room equipment installation; instrument points and lighting installations for boiler body; plate cabinet installations for electronic equipment room; installation works for leachate and ash treatment equipment.

Considering the current situation, it is unclear when the work on the project will be resumed. Only after then it will be possible to estimate the probable completion date of the project.

Wuhai EPC Projects

At the end of Q2 2015, the percentage of completion of the project in Wuhai remains at 0.0 % (30 June 2015: 0.0 %).

The start of the construction work in Wuhai is delayed although preparatory works have been finished already. The customer is currently not prepared to continue with the project, as the financing has to be settled.

Considering the actual situation, it is unclear when the work on the project will be resumed. Only after then it will be possible to estimate the probable completion date of the project.

BOT Projects

Zhoukou BOT project

At the end of Q3 2015, the percentage of completion of the project in Zhoukou remains at 89.4 % (30 June 2015: 89.4 %).

The construction works for main and subsidiary engineering have been wholly completed. Boiler, steam generator unit and its auxiliary equipment have been put into the normal operation. The project is in trial operation.

The remaining work relates to the following:

The acceptance works for environment protection.

As it is unclear whether the acceptance by the customer will be rendered until yearend after the final remaining works have been performed the expected date of completion of Zhoukou is postponed to 2016.

Kunming BOT project

At the end of Q3 2015, the percentage of completion of the project in Kunming is 85.3 % (30 June, 2015: 85.1 %).

The percentage of completion of the project increased slightly. The construction works for emergency discharge tank, as well as for the waste water disposal on-line have been completed. The debugging works for boiler hydraulic station and leachate system, the overhauling for waste crane have been completed. Defect elimination works for the boiler have also been completed.

The Kunming project has entered the trial operation.

The remaining work relates to the following:

- **Civil works**

The construction works for factory road; ending works for civil construction of main factory; decoration works for building complex and main factory; greening landscape; construction works for fire protection engineering.

- **Installation**

Overhauling works for gas equipment system, the turning gear for steam turbine generator.

Due to the slow progress and the experience of the delays during the acceptance process, the estimated completion date for the project is postponed to 2017.

Xianning BOT project

At the end of Q3 2015, the percentage of completion of the project in Xianning is 96.9 % (30 June 2015: 95.7 %).

The percentage of completion of the project increased slightly. The project is in trial operation. As part of the acceptance process, Zhongde is working on adjustments and defect elimination according to the requirements from government .

The remaining work relates to the following:

- **Civil construction**

Ending improvement for decoration of complex building; ending improvement works for fire protection engineering.

- **Installation**

Defect elimination for gas purification system, boiler equipment; environmental acceptance work.

Under the given circumstances the estimated completion date for the project is postponed to 2016.

Lanzhou BOT Project

At the end of Q3 2015, the percentage of completion at Lanzhou is 24.2 % (30 June 2015: 22.8 %).

The following works have been completed:

The structures for the main controlling building and steam turbine room have been capped. The construction works for the weightbridge have been completed. The painting for the chimney has been completed. The complex water pumping house has been capped and the masonry has been completed. The greening landscape before the factory has been completed. The installation for #1 waste heat boiler has been completed and the hydrostatic test has been completed; erection for #2 boiler steel structure has been completed.

The next steps of work relate to the following:

- **Civil Construction:**

The installation for the scaffold and model of waste pool; the construction for water collection pool; excavation for the main transformer; the masonry works for the auxiliary building; fence wall construction; the construction for the oil pumping house; road construction for the whole factory; rainwater pipeline construction; office building decoration; anticorrosion and insulation for the internal steel stack; clear water reservoir inflowing; foundation construction for boiler and steam turbine auxiliary, as well as for the chemical water equipment.

- **Installation:**

#1 boiler construction and seal welding; water cooling installation for #2 boiler with 40% completed; super-heater installation for #2 boiler with 18% completed; gas purification system installation for #1 boiler with 92% completed; filter steel erection for #2 boiler; air flue installation for #1 boiler.

The Lanzhou project is still expected to be completed in 2018.

Order Development

in k€	BOT				EPC			Incinerators		Total
	Zhoukou	Xianning	Kunming	Lanzhou	Zhucheng	Dingzhou	Wuhai	Xiangyin	Zhejiang	
Order Backlog as at 1 Jan. 2015	3,415	3,295	7,567	117,584	9,770	17,997	49,662	1,554	1,645	212,489
Order intake in 9M 2015	0	0	0	0	0	0	0	0	0	0
Revenues in 9M 2015	59	602	1,305	7,594	27	663	0	0	0	10,250
Currency translation differences	200	205	470	7,024	571	1,064	2,896	91	95	12,616
Order Backlog as at 30 Sep. 2015	3,556	2,898	6,732	117,014	10,314	18,398	52,558	1,645	1,740	214,855

During the third quarter of 2015 no new order intake was recorded. However order backlog increased by 1.1 % to € 214.9 million in Q3 2015 compared to 31 December 2014 due to foreign currency translation differences.

Business Segments Overview

in k€	Q3 2015	Q3 2014 ¹⁾	Change	9M 2015	9M 2014 ¹⁾	Change
BOT						
Revenues (thereof as PoC k€ 9,560 in 9M 2015 / k€ 5,212 in 9M 2014)	2,223	3,085	-27.9%	9,631	5,271	+82.7%
Gross profit	-173	-198	+12.6%	-649	-478	-35.8%
EPC						
Revenues (PoC)	-2	3,864	<-100.0%	690	6,239	-88.9%
Gross profit	-1	747	<-100.0%	135	1,179	-88.5%
Small and medium sized incinerators						
Revenues	0	0	0.0%	0	0	0.0%
Gross profit	-95	0	<-100.0%	-887	0	<-100.0%
Total Revenues	2,221	6,949	-68.0%	10,321	11,510	-10.3%
Total Gross Profit	-269	549	<-100.0%	-1,401	701	<-100.0%

¹⁾ Reclassified.

BOT projects

In Q3 2015, the current four BOT projects contributed with € 2.2 million to consolidated revenues (€ 3.1 million in Q3 2014).

EPC projects

Two EPC projects contributed no revenues in Q3 2015 (€ 3.9 million in Q3 2014).

Incinerators

In Q3 2015 as well as Q3 2014, no small and medium sized incinerators were sold, because within its strategy the Group is focussed on large-size energy-from-waste projects. As this segment is expected to contribute revenues to the Group in the next years, it is still disclosed in the table above. In Q3 2015 inventories relating to the incinerators amounting to € 0.1 million (Q3 2014: nil) were written off.

Net Worth

in k€	30 Sep. 2015	31 Dec. 2014	Change
Non-current assets	119,968	108,647	+10.4%
Current assets	139,570	140,645	-0.8%
Equity	112,958	112,899	+0.1%
Liabilities	146,580	136,393	+7.5%
Balance sheet total	259,538	249,292	+4.1%

The balance sheet total amounted to € 259.5 million as of 30 September 2015 increasing by 4.1 % compared to 31 December 2014, while equity went up by € 0.1 million or 0.1 % to € 113.0 million. Consequently the Company's equity ratio decreased to 43.5 % as at 30 September 2015 from 45.3 % as at 31 December 2014.

Cash Flow

in k€	Q3 2015	Q3 2014	Change	9M 2015	9M 2014	Change
Cash flow used in operating activities	-18,549	-6,364	<-100.0%	-23,886	-25,286	+5.5%
Cash flow used in (-) / generated from (+) investing activities	-53	18	<-100.0%	-74	1,191	<-100.0%
Cash flow generated from (+) / used in (-) financing activities	15,554	-1,152	>+100.0%	12,608	-3,255	>+100.0%

The cash flow from financing activities turned into positive in Q3 2015 due to an additional borrowing amounting to € 10.6 million granted by the Bank of Lanzhou and due to subsidy payments of the customer of the BOT project in Lanzhou (€ 5.7 million).

Cash Position

Cash and cash equivalents amounted to € 81.2 million as at 30 September 2015, a decrease of 6.9 % compared to € 87.2 million as at 31 December 2014. Disregarding the change of the EUR/RMB exchange rate at 30 September 2015, cash and cash equivalents decreased by € 11.3 million compared to year-end 2014.

The company's cash represents an amount of € 6.3 (Q3 2014: € 6.9) cash per share and € -0.2 (Q3 2014: € 1.2) net cash per share (total cash amount minus the loan amount as at 30 September 2015 divided by the amount of shares). The existing funds are planned to be invested in budgeted projects such as the BOT project in Lanzhou, and EPC projects in Dingzhou and Wuhai. In addition, they are expected to serve to finance further business activities. Generally cash transfers from China are restricted as they require a formal approval from the State Administration of Foreign Exchange ("SAFE").

Financing

As at 30 September 2015, the company's total loans amounted to € 84.2 million compared to € 73.6 million as at 31 December 2014. The increase of € 10.6 million is due to a short-term borrowing granted by the Bank of Lanzhou amounting to € 10.3 million. The decrease of the exchange rate between Euro and the RMB from 7.5358 at 31 December 2014 to 7.1206 at 30 September 2015 leading to the appreciation of the Chinese currency and an increase of € 4.4 million, which is offset by the repayments of current loans amounting to € 4.1 million in accordance with the Company's repayment plan. Two loans granted by the Huarong Financial Leasing Ltd have been fully repaid in Q1 2015.

Project	Financial Institution	Total loan amount	Total loan amount	Effective interest rate	Term	Balance as at	Balance as at
		in EUR	in RMB			in EUR	in RMB
Lanzhou	Bank of China	28,087,521	200,000,000	8.30%	1	28,087,521	200,000,000
Lanzhou	Bank of Lanzhou	11,235,008	80,000,000	7.92%	1	10,332,778	73,575,580
Kunming	China Merchants Bank	25,278,769	180,000,000	7.33%	7	24,071,005	171,400,000
Xianning	Bank of China	16,571,637	118,000,000	7.57%	6	13,060,697	93,000,000
Zhoukou	China Merchants Bank	14,043,760	100,000,000	7.06%	5	8,680,903	61,813,240
						84,232,905	599,788,820

Opportunities and Risks

For the information on opportunities and risks, please refer to our Risk Report in the Group Management Report as at 31 December 2014. There were no significant changes in opportunities and risks compared to 31 December 2014. Please note that these expectations are subject to uncertainty

even if currently we do not have any information as to any other developments. At present, due to the slow progress of the projects the management board is evaluating the risks and opportunities from the current projects and analysing the strategic options.

Outlook

In the nine month period ended 30 September 2015, Zhongde's revenue and other operating income decreased compared to 2014, mainly due to the suspension of the EPC project in Dingzhou. Mainly due to the fact that inventories relating to the incinerator segment amounting to € 0.9 million had to be written off during 2015 gross profit turned into negative in the nine month period ended 30 September 2015. Consequently, EBIT and net profit decreased, compared to the nine month period ended 30 September 2014.

ZhongDe AG has decided to convert its EUR 50.1 million shareholder loan for Chung Hua Environmental Protection Assets (Holdings) Group Ltd., Hongkong (Chung Hua), into its equity in Chung Hua, at the end of June 2015. Chung Hua achieved a capital increase by allotment and issuance of 1,000,000 ordinary shares to ZhongDe, at an issue price of EUR 50.1 (or HKD 434.57) per Loan Capitalisation Share. The capital increase was registered at the Hong Kong authorities as at 30 July 2015. The capital increase has no impact on the consolidated financial statements of ZhongDe Waste Technology AG.

For coming Q4, 2015 we expect that the construction progress of Zhucheng EPC project and Lanzhou BOT project, and the trial run of the BOT projects (Zhoukou, Xianning and Kunming) will continue to contribute to ZhongDe's revenues. After the end of the trial runs the projects will receive the final approval from the referring customers, which marks the finalization of the projects.

However, the completion dates of Zhoukou and Xianning BOT projects are expected to be delayed until 2016 and Kunming is expected to be delayed until 2017. The EPC-projects in Zhucheng, Dingzhou and Wuhai are also delayed. Zhucheng is assumed to be finalized in 2016 and Dingzhou and Wuhai are postponed until the referring customers signal that construction can be resumed.

The construction progress of Lanzhou BOT project, the biggest project in China, is developing according to plan and its completion date is assumed not to be changed (2018).

Due to the current delays and the suspension of the EPC-projects in Dingzhou and Wuhai we expect that the revenues, and the operating result will decrease compared to 2014. We will try our best to improve ZhongDe Group's revenue and profitability in 2015 and to balance the cash position of the Group.

Regarding the future development of the company the management board evaluates all strategic opportunities on a regular basis.

4 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2015

4.1 Condensed Nine-Month Consolidated Statement of Profit or Loss and Comprehensive Income

in k€	Q3 2015	Q3 2014 ¹⁾	9M 2015	9M 2014 ¹⁾
Revenues	2,221	6,949	10,321	11,510
Cost of sales	-2,490	-6,400	-11,722	-10,809
Gross profit	-269	549	-1,401	701
Other operating income	1,031	1,603	2,399	2,100
Selling and distribution expenses	-376	-791	-490	-1,011
Administrative expenses	-1,335	-1,235	-3,663	-3,696
Research and development expenses	-38	-40	-116	-122
Other operating expenses	-361	-358	-811	-1,036
Loss from operations	-1,348	-272	-4,082	-3,064
Finance income	81	801	2,130	2,316
Finance costs	-1,041	-1,268	-3,088	-4,057
Loss before income tax	-2,308	-739	-5,040	-4,805
Income tax expenses	-130	-307	-1,631	-666
Loss for the period	-2,438	-1,046	-6,671	-5,471
Items that may be reclassified subsequently to profit or loss:				
Foreign exchange differences	-70	-138	317	-252
Items that will not be reclassified subsequently to profit or loss:				
Foreign exchange differences	-2,950	9,467	6,413	7,978
Other comprehensive income	-3,020	9,329	6,730	7,726
Total comprehensive income	-5,458	8,283	59	2,255
Loss attributable to owners of the parent	-2,438	-1,046	-6,671	-5,471
Total comprehensive income attributable to owners of the parent	-5,458	8,283	59	2,255
Earnings per share (in €) (diluted and undiluted)	-0.19	-0.08	-0.53	-0.43
Weighted average shares outstanding (diluted and undiluted)	12,600,000	12,600,000	12,600,000	12,600,000

¹⁾ Restated.

4.2 Condensed Interim Consolidated Statement of Financial Position

as at 30 September 2015

in k€	30 Sep. 2015	31 Dec. 2014	30 Sep. 2014
Assets			
<i>Non-current assets</i>			
Intangible assets	27,333	23,219	7,918
Property, plant and equipment	439	442	467
Receivables from BOT	91,804	84,103	70,422
Deferred tax assets	392	883	0
	119,968	108,647	78,807
<i>Current assets</i>			
Inventories	3,232	3,474	4,465
Trade receivables	1,586	1,747	1,114
Other receivables and prepayments	53,370	42,746	45,283
Amounts due from related parties and companies	15	14	14
Other financial assets	180	5,459	5,230
Cash and cash equivalents	81,187	87,205	89,245
	139,570	140,645	145,351
Total Assets	259,538	249,292	224,158
Liabilities and Equity			
<i>Capital and Reserves</i>			
Issued capital	13,000	13,000	13,000
Own shares	-4,608	-4,608	-4,608
Capital reserves	62,914	62,914	62,914
Chinese statutory reserves	8,459	8,459	8,062
Retained earnings	-6,782	-111	-4,234
Foreign currency translation reserve	39,975	33,245	30,075
Total Equity	112,958	112,899	105,209
Liabilities			
<i>Long-term liabilities</i>			
Long-term loans	68,283	64,695	65,189
Deferred tax liabilities	1,815	1,432	1,269
	70,098	66,127	66,458
<i>Current liabilities</i>			
Trade payables	30,453	31,774	12,785
Other payables and prepayments	25,241	25,192	27,172
Provisions	4,241	3,709	3,599
Amounts due to related parties and companies	63	8	7
Tax liabilities	534	662	89
Other financial liabilities	15,950	8,921	8,839
	76,482	70,266	52,491
Total Liabilities	146,580	136,393	118,949
Total Liabilities and Equity	259,538	249,292	224,158

4.3 Condensed Nine-Month Consolidated Statement of Cash Flows

for the period from 1 January to 30 September 2015

in k€	9M 2015	9M 2014
Loss before income tax	-5,040	-4,805
Adjustments for:		
Amortization of intangible assets	1,179	886
Allowance for doubtful trade debts	39	400
Depreciation of property, plant and equipment	103	110
Write-off of inventories	887	0
Interest income / exchange gains	-2,130	-2,316
Interest expense / exchange losses	3,088	4,058
Operating cash flows before working capital changes	-1,874	-1,667
Working capital changes:		
<i>(-) Increase) / (+) decrease in:</i>		
Inventories	-432	-526
Trade receivables	230	-711
Other receivables and prepayments	-2,330	-65
Amounts due from related parties	0	7
PoC receivables from BOT projects	-9,631	-5,271
<i>(+) Increase) / (-) decrease in:</i>		
Trade payables	-3,243	-7,717
Other payables, provisions and accruals	-1,428	-5,008
Amounts due to related parties	57	6
Cash used in operations	-18,651	-20,952
Interest received	288	401
Interest paid	-4,618	-4,499
Income tax paid	-905	-236
Net cash used in operating activities	-23,886	-25,286
Cash flow from investing activities		
Proceeds from disposal of consolidated companies	0	1,197
Proceeds from disposal of intangible assets	0	25
Purchase of property, plant, equipment and intangible assets	-74	-31
Cash flow used in (-) / generated from (+) investing activities	-74	1,191
Cash flow from financing activities		
Increase in borrowings	10,565	0
Repayments of loans	-4,099	-4,497
Cash repayments of financial assets (BOT projects)	6,142	1,242
Cash flow generated from (+) / used in (-) financing activities	12,608	-3,255
Net decrease before income tax	-11,352	-27,350
Cash and cash equivalents at beginning of period	87,205	110,076
Foreign exchange differences	5,334	6,519
Cash and cash equivalents at end of period	81,187	89,245

4.4 Condensed Nine-Month Consolidated Statement of Changes in Equity

for the period from 1 January to 30 September 2015

in k€	Number of shares outstanding	Share capital AG	Own shares	Capital reserves	Chinese statutory reserves	Retained earnings	Foreign currency translation reserve (other comprehensive income)	Total equity
Balance as at 1 Jan. 2014	12,600,000	13,000	-4,608	62,914	8,062	1,237	22,349	102,954
Total comprehensive income for the period	0	0	0	0	0	-5,471	7,726	2,255
Balance as at 30 Sep. 2014	12,600,000	13,000	-4,608	62,914	8,062	-4,234	30,075	105,209
Total comprehensive income for the period	0	0	0	0	0	4,520	3,170	7,690
Appropriation of current year's income	0	0	0	0	397	-397	0	0
Balance as at 1 Jan. 2015	12,600,000	13,000	-4,608	62,914	8,459	-111	33,245	112,899
Total comprehensive income for the period	0	0	0	0	0	-6,671	6,730	59
Balance as at 30 Sep. 2015	12,600,000	13,000	-4,608	62,914	8,459	-6,782	39,975	112,958

4.5 Selected Notes to the Condensed Interim Consolidated Financial Statements

Business of the ZhongDe Group

The ZhongDe Group designs, manufactures and installs incinerators for the disposal of solid medical, municipal (mixed household refuse) and industrial (including hazardous) waste. This involves a variety of incineration techniques: grate, pyrolytic and rotary kiln incineration as well as fluidized bed combustion. The ZhongDe Group waste incinerators are designed primarily for dedicated operators responsible for the disposal of medical waste produced by hospitals and the health industry, and also for small and medium-sized municipalities in developed areas of the People's Republic. Furthermore, as a general contractor of EPC projects, the ZhongDe Group is responsible for the design, engineering, procurement, construction and installation of waste incinerators with a power generation with the above mentioned techniques (energy-from-waste). In addition to the above EPC-role, the ZhongDe Group also produces and operates the energy-from-waste plants as an investor in BOT projects. The work and services required in connection with EPC and BOT projects are not carried out by the ZhongDe Group itself but by Chinese subcontractors.

General

ZhongDe Waste Technology AG ("the Company" or "ZhongDe AG") is the parent company of the ZhongDe Group. The condensed interim consolidated financial statements for the period 1 January to 30 September comprise all subsidiaries of ZhongDe Waste Technology AG. These subsidiaries are located in the People's Republic of China (PRC), except for the interim holding company Chung Hua Environmental Protection Assets (Holdings) Group Ltd., which is located in Hong Kong.

Basis of preparation

The condensed nine-month consolidated financial statements of the ZhongDe Group are prepared for the period ended 30 September 2015 with comparative financial statements as at 31 December 2014 and 30 September 2014.

The condensed nine-month consolidated financial statements were prepared in accordance with Section 37w German Securities Trading Act (WpHG), the International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB), its interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC) for condensed interim financial information effective within the European Union and the additional requirements of German commercial law pursuant to sec. 315a (1) of the German Commercial Code (HGB). Accordingly, these condensed nine-month consolidated financial statements do not include all of the information required in annual consolidated financial statements by IFRS.

With regard to the preparation of the condensed interim consolidated financial statements, in accordance with IAS 34 “Interim Financial Reporting”, the Management Board is required to make estimates and judgments which influence the application of accounting policies within the Company and the reporting of assets and liabilities as well as income and expenses. Actual amounts may differ from these estimates. The condensed six-month consolidated financial statements have been reviewed. In the opinion of ZhongDe Waste Technology AG’s Management Board, the condensed half year consolidated financial statements for the period ended 30 September 2015 include all adjustments of a normal and recurring nature considered necessary for a fair presentation of results for interim periods.

Results of the period ended 30 September 2015 are not necessarily indicative for future results.

The condensed nine-month consolidated financial statements for the nine month period from 1 January to 30 September 2015 are drawn up in Euro. Amounts are stated in thousands of Euros (k€) except where otherwise indicated. Due to the change of the average EUR/RMB relation for the period from 1 January to 30 September from 8.3544 in 2014 to 6.9641 in 2015 the statement of comprehensive income for the period from 1 January 2015 to 30 September 2015 are materially affected by foreign currency translation effects.

The financial statements of the individual consolidated companies are prepared as of the closing date for the Group financial statements. The condensed nine-months consolidated financial statements of ZhongDe AG and subsidiaries for the period from 1 January to 30 September 2015 were authorised for issue in accordance with a resolution of the Management Board on 23 November 2015.

Significant accounting policies

The accounting policies applied by the Group in the condensed interim consolidated financial statements generally correspond to the methods applied by ZhongDe Waste Technology AG in its consolidated financial statements for the year ending 31 December 2014. For further details, please refer to the consolidated financial statements available on the Company’s website: www.zhongde-ag.com.

Non-recurring expenses that are incurred during the reporting period have been allocated as they would be at year-end.

In accordance with IFRIC 12 “Service Concession Arrangements”, revenue relating to construction services under a service concession arrangement (BOT) is recognised based on the percentage of completion of the work. Revenue relating to operation services is recognised in accordance with IAS 18.

According to the general practice, income from trial runs for the period from 1 January 2014 to 30 September 2014 was accounted in cost of sales. However after the IFRS-IC has put this issue on its agenda, the current technical discussion tends to prefer an accounting of trial runs in income insofar trial run revenues exceed trial run costs. As this accounting method results in more relevant information on the entity's performance, the former method of accounting for trial runs was changed and net income from trial runs has been disclosed under other operating income since Q4 2014. Prior year's figures were reclassified accordingly. The change of the accounting method did not have any impact on the comprehensive income.

	Before restatement 9M 2014		Reclassification	Restated 9M 2014	
	in k€	in %		in k€	in %
Revenues	11,510	100.0	0	11,510	100.0
Cost of sales	-9,107	-79.0	-1,702	-10,809	-93.8
Gross profit	2,403	21.0	-1,702	701	6.2
Other operating income	398	3.4	1,702	2,100	18.2
Selling and distribution expenses	-1,011	-8.8	0	-1,011	-8.8
Administrative expenses	-3,696	-32.1	0	-3,696	-32.1
Research and development expenses	-122	-1.1	0	-122	-1.1
Other operating expenses	-1,036	-9.0	0	-1,036	-9.0
Loss from operations	-3,064	-26.6	0	-3,064	-26.6
Finance income	2,316	20.1	0	2,316	20.1
Finance costs	-4,057	-35.2	0	-4,057	-35.2
Loss before income tax	-4,805	-41.7	0	-4,805	-41.7
Income tax expenses	-666	-5.8	0	-666	-5.8
Loss for the period	-5,471	-47.5	0	-5,471	-47.5

	Before restatement Q3 2014		Reclassification	Restated Q3 2014	
	in k€	in %		in k€	in %
Revenues	6,949	100.0	0	6,949	100.0
Cost of sales	-4,809	-69.1	-1,591	-6,400	-92.0
Gross profit	2,140	30.9	-1,591	549	8.0
Other operating income	12	0.1	1,591	1,603	23.1
Selling and distribution expenses	-791	-11.4	0	-791	-11.4
Administrative expenses	-1,235	-17.8	0	-1,235	-17.8
Research and development expenses	-40	-0.6	0	-40	-0.6
Other operating expenses	-358	-5.2	0	-358	-5.2
Loss from operations	-272	-4.0	0	-272	-3.9
Finance income	801	11.5	0	801	11.5
Finance costs	-1,268	-18.2	0	-1,268	-18.2
Loss before income tax	-739	-10.7	0	-739	-10.6
Income tax expenses	-307	-4.4	0	-307	-4.4
Loss for the period	-1,046	-15.1	0	-1,046	-15.0

Standards, amendments and interpretations to existing standards applied for the first time in the reporting period

The Group had to apply the following new standards, amendments to existing standards or new interpretations for the first time:

- Annual Improvements to IFRSs 2011 – 2013 Cycle
- IFRIC 21 – Levies

Published but not yet applied standards, amendments and interpretations

At the time of the preparation of the group condensed interim consolidated financial statements, the following standards and interpretations of the IASB as well as their changes and revisions had either not been endorsed by the European Union or were not compulsorily applicable in the first three quarters of 2015, and were therefore not applied by the ZhongDe Group:

- Amendments to IAS 1: Disclosure Initiative
- Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to IAS 16 and IAS 41: Bearer Plants
- Amendments to IAS 19: Employee Contributions
- Amendments to IAS 27: Equity Method in Separate Financial Statements
- IFRS 9 – Financial Instruments
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception
- Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations
- IFRS 14 – Regulatory Deferral Accounts
- IFRS 15 – Revenue from Contracts with Customers
- Annual Improvements to IFRSs 2010 – 2012 Cycle
- Annual Improvements to IFRSs 2012 – 2014 Cycle

Aside from additional or modified disclosure requirements ZhongDe Group currently expects from the first-time application of these standards, interpretations and amendments only marginal effect on the consolidated financial statements. The potential impact of the first-time application of IFRS 15 is currently analysed.

Segment analysis and information

A. Business segments

The Group's operating activities are divided into three business segments: incinerators, which include municipal waste incinerators and medical waste incinerators, EPC (engineering, procurement and construction) projects, and BOT (build – operate – transfer) projects.

In the third quarter of 2015 only the BOT projects contributed to gross profit and the recovery of the

small and medium sized incinerator market is not in sight.

B. Business by region

The Group is principally engaged in the design and manufacturing of various incinerators, BOT- and EPC-projects in the PRC, where all of its customers are based. In addition, all assets attributable to the Group's operating activities are likewise located in the PRC. As such, no geographical segment analysis is necessary.

C. Allocation basis

Revenues and the cost of sales of the services rendered in generating revenues are directly attributable to the business segments. Income and expenses which are not directly attributable to a business segment are recognised separately as unallocated income and expenses. Inter-segmental revenues are eliminated on consolidation.

The following table presents revenues and results regarding the Group's business segments for the first nine months of 2015:

in k€	BOT projects		EPC projects		Incinerators		Group	
	9M 2015	9M 2014 ¹⁾	9M 2015	9M 2014 ¹⁾	9M 2015	9M 2014 ¹⁾	9M 2015	9M 2014 ¹⁾
Revenues	9,631	5,271	690	6,239	0	0	10,321	11,510
Intercompany revenues	0	0	0	0	0	0	0	0
Total revenue for reportable segments	9,631	5,271	690	6,239	0	0	10,321	11,510
Total gross profit from reportable segments	-649	-478	135	1,179	-887	0	-1,401	701
Order intake	0	0	0	0	0	0	0	0
Order backlog	130,200	147,975	81,270	79,475	3,385	4,447	214,855	231,897

¹⁾ Restated.

Functional and presentation currency

Development of exchange rates (€ / foreign currency rate)	ISO code	Average rate		Ending rate		
		9M 2015	9M 2014	30 Sep. 2015	31 Dec. 2014	30 Sep. 2014
Chinese Yuan	CNY	6.9641	8.3544	7.1206	7.5358	7.7262
Hong Kong Dollar	HKD	8.6397	10.5067	8.6824	9.4170	9.7440

The functional currency of the consolidated subsidiaries and ZhongDe Waste Technology AG is the RMB.

Related Party Information

The following transactions took place between the Group and the related parties during the nine-month period from 1 January to 30 September 2015:

in k€	9M 2015	9M 2014
Related parties		
Rental, water and electricity fee	84	100

The transactions with related parties were based on market prices.

Receivables from and liabilities to related companies as a result of related party transactions are disclosed in the table below:

in k€	30 Sep. 2015	30 Sep. 2014
Due from related parties		
Other receivables	15	14
	15	14
Allowance for doubtful trade debts	0	0
	15	14
Due to related parties		
Other payables	63	7
	63	7

Subsequent Events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorization of the condensed consolidated financial statements.

Frankfurt/Main, 23 November 2015

ZhongDe Waste Technology AG



Zefeng Chen
Chairman of the
Management Board (CEO)



William Jiu Hua Wang
Executive Director of the
Management Board (CFO)

5 REVIEW REPORT

To ZhongDe Waste Technology AG, Frankfurt/Main

We have reviewed the condensed interim consolidated financial statements –comprising the condensed statement of financial position, the condensed statement of profit or loss and other comprehensive income for the period, the condensed statement of changes in equity, the condensed statement of cash flows and selected explanatory notes – and the interim group management report of ZhongDe Waste Technology AG, Frankfurt/Main, for the period from 1 January 2015 to 30 September 2015 which form part of the quarterly financial reporting in accordance with section §37x Abs. 3 in conjunction with § 37w Abs. 2 WpHG German Securities Trading Act (Wertpapierhandelsgesetz – WpHG). The preparation of the condensed interim consolidated financial statements in accordance with those IFRS applicable to interim financial reporting as adopted by the EU, and of the interim group management report in accordance with the requirements of the German Securities Trading Act applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material aspects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, and that the interim group management report has not been prepared, in material aspects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to believe that the condensed interim consolidated financial statements of ZhongDe Waste Technology AG, Frankfurt/Main, have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the regulations of the German Securities Trading Act applicable to interim group management reports.

Hamburg, 24 November 2015

Warth & Klein Grant Thornton AG
Wirtschaftsprüfungsgesellschaft

Clemens	von Oertzen
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

6 CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This interim report contains certain forward-looking statements. These statements may be identified by words such as “expects”, “looks forward to”, “anticipates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “will”, or words of similar meaning. Such statements are based on current assumptions, expectations and forecasts on future sector trends, on future legal and commercial developments, and on the future development of the ZhongDe Group. These assumptions, expectations and forecasts are no guarantee of future performance and are subject to change at any time, and are thus subject to certain risks and uncertainties. A variety of factors, many of which are beyond the ZhongDe Group’s control, affect its operations, performance, business strategy and results and could cause the actual results, performance or achievements of the ZhongDe Group to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

For us, particular uncertainties arise, among others, from: changes in general economic and business conditions, changes in the regulatory environment, the introduction of competing products or technologies by other companies, changes in business strategy, our analysis of the potential impact of such matters on our financial statements, as well as various other factors. More detailed information about our risk factors and key factors affecting our results and operations is contained in ZhongDe’s Group Management Report 2014, which is available on the ZhongDe website: www.zhongdetech.com. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the relevant forward-looking statement as expected, anticipated, intended, planned, believed, sought, estimated or projected. ZhongDe does not intend or assume any obligation to update or revise these forward-looking statements in the light of developments which differ from those anticipated, unless otherwise required by law.

The English translation of this interim report is for convenience purposes only. The German version of this interim report is binding for legal purposes.

7 ABOUT ZHONGDE WASTE TECHNOLOGY AG



ZhongDe Waste Technology AG is listed on the Frankfurt Stock Exchange (German securities identification number WKN ZDWT01, ISIN DE000ZDWT018, ticker symbol ZEF).

ZhongDe Waste Technology is a waste-to-energy company that designs, invests in, constructs and operates waste-to-energy plants, which generate electricity through the disposal of solid municipal, industrial (including hazardous) and medical waste. Since 1996, ZhongDe Group has completed approximately 200 waste disposal projects in about 13 provinces in China. ZhongDe is one of the most well-known players in the field of energy-from-waste EPC and BOT projects in China. As a general contractor of EPC projects, ZhongDe is responsible for the design, procurement, construction and installation of energy-from-waste plants applying different technologies, such as grate, fluidized bed, pyrolytic or rotary kiln. As an investor in BOT projects, ZhongDe also operates energy-from-waste plants.

The registered office of ZhongDe Waste Technology AG is located in Frankfurt/Main, Germany. The Chinese headquarter is located in Beijing, China. ZhongDe's production facility is in Fuzhou, China.

8 FINANCIAL CALENDAR AND CONTACT INFORMATION

Financial calendar 2016*

Date	Event
29 April 2016	Publication of Annual Report 2015
27 May 2016	Interim report on the first quarter of 2016
28 June 2016	Annual General Meeting
29 August 2016	Interim report on the first half of 2016
November 2016	German Equity Forum of Deutsche Börse, Frankfurt/Main
28 November 2016	Interim report on the third quarter of 2016

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

Contact Information

This interim report, recent publications, and additional information are all available on the internet at: www.zhongde-ag.com and www.zhongde-ag.de.

ZhongDe Waste Technology AG

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