

**ZhongDe Waste Technology AG
Hamburg**

ISIN DE000ZDWT018 / WKN ZDWT01
ISIN DE000ZDWT026 / WKN ZDWT02 (Lock-up-Shares)

Invitation to the Annual General Meeting

We herewith invite our shareholders to the Annual General Meeting

which takes place

on Tuesday, July 22, 2008, 10:00 CEST

at the Hamburg Chamber of Commerce, Albert-Schäfer-Saal (Meeting Room 124)
Adolphsplatz 1,
20457 Hamburg

Agenda

- 1. Presentation of the adopted Annual Financial Statements of ZhongDe Waste Technology AG and of the approved Consolidated Financial Statements for the fiscal year 2007, of the Management Report of ZhongDe Waste Technology AG and of the Group Management Report for the fiscal year 2007, of the Supervisory Board Report, of the Proposal of the management board of appropriation of retained earnings as well as of the Explicatory Report of the Management Board on the information required pursuant to sec. 289 para. 4, sec. 315 para 4 of the German Commercial Code (HGB) for the fiscal year 2007**

The aforementioned documents are available for inspection at the company's office at Stadthausbrücke 1-3, 20355 Hamburg and at the General Meeting. Furthermore, they may be inspected on the company's website at www.zhongdetech.de. On request all shareholders receive without delay a free copy of these documents.

- 2. Resolution on the appropriation of retained earnings of ZhongDe Waste Technology AG for the fiscal year 2007**

The Management Board and Supervisory Board propose to resolve on the appropriation of retained earnings of the fiscal year of 2007 as follows:

Payment of a dividend of EUR 0.15 per no-par-value share entitled to dividend.

Retained earnings:	EUR	3,486,204.03
Total dividend:	EUR	1,950,000.00
Amount in surplus reserve:	EUR	0.00
Carried forward to new account:	EUR	1,536,204.03

The aforementioned dividend and the amount carried forward to new account are based on the share capital amounting to EUR 13,000,000.00 divided into 13,000,000 bearer shares no par value as at the day of the invitation to the Annual General Meeting. If the number of shares entitled to a dividend decreases or increases until the Annual General Meeting, the proposal on the appropriation of retained earnings will be amended accordingly regarding the amount of total dividend and the amount carried forward to new account, with the payment per bearer share remaining unchanged.

3. Resolution on the ratification of the actions of the Management Board for the fiscal year 2007

The Management Board and the Supervisory Board propose the ratification of the actions of the Management Board members for the fiscal year 2007.

4. Resolution on the ratification of the actions of the Supervisory Board for the fiscal year 2007

The Management Board and Supervisory Board propose the ratification of the actions of the Supervisory Board members for the fiscal year 2007.

5. Appointment of the Auditor and the Group Auditor for the Annual Financial Statement and the Consolidated Financial Statements for the fiscal year 2008

The Supervisory Board proposes to appoint BDO Deutsche Warentreuhand AG Wirtschaftsprüfungsgesellschaft, Hamburg, as Auditor of the Annual Financial Statement and the Consolidated Financial Statements for the fiscal year 2008.

6. Remuneration of the members of the first Supervisory Board

The Management Board and the Supervisory Board propose the ratification of the remuneration of the actions of the members of the first Supervisory Board from the day of their appointment until the end of this Annual General Meeting as follows:

The basic remuneration for each member of the Supervisory Board amounts to EUR 12,500.00 per calendar year. If a member of the Supervisory Board acts less than one calendar year, remuneration shall be paid pro rata temporis. In addition to the basic

remuneration, each member of the Supervisory Board receives an attendance fee amounting to EUR 2,500.00 per attendance at a Regular Meeting of the Supervisory Board. The Chairman of the Supervisory Board receives four times the basic remuneration; the deputy chairman receives twice the basic remuneration. Additionally, the members of the Supervisory Board are compensated for expenditures and disbursements resulting from the exercise of their duties; they are paid the value added tax if and to the extent to which they are entitled to charge the value added tax.

7. Election of the Members of the Supervisory Board

Pursuant to sec. 96 para. 1 of the German Stock Corporation Act (AktG) the Supervisory Board comprises members representing the shareholders only. The term of office of the three Members of the First Supervisory Board terminates with effect from the end of the Annual General Meeting 2008 resolving upon the ratification of actions of the Management and Supervisory Board for the fiscal year of 2007.

The Annual Meeting is not bound by election proposals.

The Supervisory Board proposes the election of

1. Mr. Hans-Joachim Zwarg, freelance consultant, resident of Sierksdorf.

At the time of the invitation to the Annual General Meeting Mr. Zwarg is member of the following statutory Supervisory Boards and comparable domestic or foreign supervisory committees respectively:

- Member of the Supervisory Board of Hanse Yachts AG
- Chairman of the Supervisory Board of Asian Bamboo AG

Pursuant to no. 5.4.3 of German Corporate Governance Codex it is pointed out that, in case he has been elected as Member of the Supervisory Board, Mr. Hans-Joachim Zwarg shall be proposed for election as Chairman of the Supervisory Board.

2. Mr. Joachim Ronge, freelance merchant, resident of Münster,

At the time of the invitation to the Annual General Meeting Mr. Ronge does not serve as member of another statutory Supervisory Boards or comparable domestic or foreign supervisory committees respectively.

3. Mr. Quan Hao, Engineer for Environmental Technologies and Director of the Chinese Society for Life Sciences, resident of Beijing, China.

At the time of the invitation to the Annual General Meeting Mr. Quan Hao does not serve as member of another statutory Supervisory Boards or comparable domestic or foreign supervisory committees respectively.

The term of office of the new Members of the Supervisory Board starts with effect from the end of this Annual General Meeting and terminates with effect from the end of the Annual General Meeting resolving upon the ratification of actions of the Management and Supervisory Board for the fiscal year of 2012.

8. Compensation of the Members of the Supervisory Board

The Management Board and the Supervisory Board propose the compensation of the Members of the Supervisory Board as from the ending of this General Meeting as follows:

- a) The basic compensation for each Member of the Supervisory Board amounts to EUR 15,000.00 per calendar year. If a Member of the Supervisory Board acts less than one calendar year, the basic compensation shall be paid on a temporary basis.
- b) The chairman of the Supervisory Board receives four times the basic compensation; the deputy chairman receives three times the basic compensation.
- c) Additionally, the Members of the Supervisory Board receive an annual performance-related compensation based on success of the Company in the amount of EUR 100.00 per EUR 0.01 of earnings per share as disclosed in the current consolidated financial statements, if and to the extent to exceeding a minimum amount of EUR 2.00. The cap for the performance-related compensation is an amount of earnings per share of EUR 3.50. If a Member of the Supervisory Board acts less than one calendar year, the performance-related compensation shall be paid on a temporary basis.
- d) The basic compensation is due and payable on 31 December of each business year. The performance-related compensation is due and payable after the close of the annual shareholders' meeting ratifying the acts of the Supervisory Board for the fiscal year ended before the meeting.

9. Resolution on the authorization to purchase and use the Company's treasury shares

The Management Board and Supervisory Board propose to adopt the following resolution:

"The Company is authorized to repurchase treasury shares in ZhongDe Waste Technology AG. The Company may repurchase treasury shares representing up to EUR 1,300,000.00 of the share capital. This authorization can be exercised in whole or in instalments, once or several times. It is valid until December 31, 2009.

At discretion of the Management Board, the repurchase may be effected on the open market or by means of a public offer or a public invitation to all shareholders. If the shares are repurchased on the open market, the countervalue per share paid by the Company (excluding incidental costs) may not be more than 10% higher or lower than the price at the Frankfurt Stock Exchange, Frankfurt am Main ("**Frankfurt Stock Exchange**") determined on the day of trading by the opening auction in the Xetra trading system (or a comparable successor system).

If the shares are repurchased by means of a public offer or invitation to all shareholders, the purchase price (excluding incidental costs) must not be more than 20% higher or lower than the price at the Frankfurt Stock Exchange determined on the fourth until the tenth day of trading by the opening auction in the Xetra trading system (or a comparably e successor system) before the publication of the offer. The volume of the offer can be limited. If the total subscriptions exceed this volume, acceptations shall be considered proportionally. The Company can provide for preferred consideration of up to 100 shares per shareholder.

Besides offering the shares on the open market or by means of a public offer the Management Board is authorized to use the treasury shares repurchased in accordance with this authorization upon approval of the Supervisory Board as follows:

- The shares may be offered to third parties as consideration within the scope of company mergers or for the direct or indirect acquisition of companies, parts of companies or participations in companies. In this case the shareholders shall be excluded from subscription of treasury shares.
- The shares may be sold for cash under exclusion of the shareholders' subscription rights, if they are sold at a price which is not significantly lower than the stock market price of same-category Company shares at the time of the sale. The amount of shares that have been purchased under exclusion of the shareholders' subscription rights pursuant to sec. 186 para 3 sent. 4 AktG may not exceed the computed proportion of 10% of the share capital, in total EUR 1,300,000.00; this limit is reduced to the proportional amount of the share capital falling upon shares, that have been issued during the duration of this authorization, due to other authorizations or shares that have been issued according to sec. 186 para 3 sent. 4 AktG under exclusion of the shareholders' subscription rights.
- The shares may also be used to discharge conversion or subscription rights or conversion privileges in respect of convertible bonds under exclusion of the shareholders' subscription rights. The amount of shares transferred on grounds of this authorization may not exceed a proportional amount of 10% of the share capital, if such shares are used to discharge conversion or subscription rights or conversion privileges, that have been issued pursuant to sec. 186 para 3 sent. 4 AktG analogically. This limit is reduced to the proportional amount of the share capital falling upon shares, that have been issued during the duration of

this authorization or due to other authorizations or shares that have been issued according to sec. 186 para 3 sent. 4 AktG excluding shareholders' subscription rights.

- The shares may be redeemed and cancelled without a further resolution of the Annual General Meeting on the redemption or the cancellation.

Abovementioned authorizations concerning the use of treasury shares can be exercised once or several times, in whole or in instalments, individually or altogether."

10. Resolution on the authorization to make use of equity derivatives within the scope of purchasing the Company's treasury shares pursuant to sec. 71 para. 1 no. 8 AktG

In addition to the authorization to purchase the Company's treasury shares under agenda item 9, the company shall be authorized to purchase treasury shares by means of equity derivatives.

The Management Board and Supervisory Board propose to adopt the following resolution:

"The authorization given in agenda item 9 also extends to the purchase of treasury shares by means of put options or call options. Aside from the procedures described above, the Management Board is authorized to purchase treasury shares by means of call options or put options. The Management Board is authorized to sell options, which oblige the Company to purchase treasury shares upon exercise (put options); furthermore, the Management Board is authorized to buy options, which entitle the Company to purchase treasury shares upon exercise (call options) and to purchase treasury shares by combining put options and call options."

Share purchases by means of put options, call options or purchases combining such options are limited to an amount of treasury shares representing up to EUR 650,000.00 of the share capital. The option may only allow for the purchase of treasury shares by December 31, 2009 the latest.

The purchase of treasury shares may only take place, if the conditions of the option ensure, that the shares which are used to discharge the options have been obtained in accordance with the Equal Treatment Principle.

Treasury shares may only be purchased by exercise of options, if the purchase price per share paid by the Company (excluding incidental costs) is not more than 10% higher or lower than the price at the Frankfurt Stock Exchange determined on the day of trading by the opening auction in the Xetra trading system (or a comparably e successor system). The award paid for call options and the award charged for put options may not diverge more than 5% from a theoretical market price ascertained by generally accepted methods of financial mathematics.

Counterpart of transactions involving options can only be banks or companies according to sec. 53 para. 1 Satz 1 or sec. 53b para. 1 sent. 1 or para. 7 of the German Credit Services Act (KWG) ("**Financial Institutions**"). Shareholders of the Company cannot be counterpart of transactions involving such options.

Concerning the use of treasury shares, which have been obtained by means of equity derivatives, agenda item 9 applies.“

Report of the Management Board pursuant to sec. 71 para. 1 no. 8, sec. 186 para 4 sent. 2 AktG concerning Agenda Items 9 and 10

Pursuant to sec. 71 para. 1 no. 8, sec. 186 para 4 sent. 2 AktG the Executive Board gives a written report; as this report is part of this invitation, it is also available for inspection at the Annual General Meeting, at www.zhongdetech.de and, from the day of the invitation, at the company's office at Stadthausbrücke 1-3, 20355 Hamburg during normal business hours. On request all shareholders receive without delay a free copy of these documents.

Agenda Item 9 contains the proposal to authorize the Company, to repurchase up to 1,300,000 treasury shares of ZhongDe Waste Technology AG until December 31, 2009, representing up to 10% of the share capital on the day of the Annual General Meeting amounting up EUR 1,300,000.00 and to use such shares accordingly to this authorization.

Furthermore, Agenda Item 10 contains the proposal to authorize the Company to repurchase treasury shares by means of equity derivatives by December 31, 2009 the latest. Share purchases by means of equity derivatives are limited to 650,000 treasury shares representing up to 5% of the share capital at the day of the Annual General Meeting. Statutory requirements are adhered to independent thereof which way treasury shares are purchased.

Treasury shares can be purchased on the open market or by means of a public offer or a public invitation to tender. The Equal Treatment Principle is observed.

The repurchase of treasury shares representing up to 5% of the share capital may also be effected by means of equity derivatives. Thereby the Company is provided the opportunity to realize a buy-back most adequately. The Company can benefit from selling put options, purchasing call options or purchasing treasury shares by means of a combination of put options and call options instead of purchasing treasury shares directly. The repurchase by means of equity derivatives serves to complete the existing possibilities of repurchasing treasury shares, only. Options may only allow for the purchase of treasury shares by December 31, 2009 the latest. Thus it is ensured, that the term of the authorization resolved upon under Agenda Item 9 will not be exceeded.

By selling put options the buyer obtains the right to sell shares to the Company at the price agreed upon in the option (strike price). The Company receives an award for granting an option. The award meets the theoretical market price ascertained by generally accepted methods of financial mathematics accepting an absolute aberration of up to 5%, particularly taking into account the following parameters: Strike price, duration of the option and volatility of the ZhongDe Waste Technology AG-share ("**ZhongDe-Share**"). Upon exercise of the option by the option holder, the consideration paid by the Company for the purchase of the shares is reduced by the award paid by the option-holder. A reasonable holder of a put option will only exercise this option, if the market price of the ZhongDe-Share is below the strike price. The Company benefits from buy-backs by means of put options as liquidity does not decrease until the exercise of the option although the strike price is already fixed at the time of the option transaction. Buy-backs by means of put options can only be effected if the holder exercises his option. If the option holder does not exercise the option because the market price is higher than the strike price the Company indeed does not acquire treasury shares; however, the company pockets the award paid by the option holder.

Through the acquisition of a call option the Company is, against payment, entitled to purchase treasury shares from the vendor of the option at a price fixed in the call option agreement (strike price). The Company benefits from the exercise of the call option, if the market price of the ZhongDe-Share exceeds the strike price at the moment of exercise. The Company can protect itself against rising market prices while purchasing only as many shares as effectively required at a later date. As the strike price does not have to be paid until the exercise of the option, the Company benefits from the acquisition of call options with respect to liquidity, too.

The consideration paid by the Company for the purchase of treasury shares by means of equity derivatives consists of the strike price, the option award and acquisition costs. At the day of exercise the strike price can be above or below the market price of the ZhongDe-Share. The strike price (excluding acquisition costs) may not be more than 10% higher or lower than the price at the Frankfurt Stock Exchange determined on the day of trading by the opening auction in the Xetra trading system (or a comparable successor system). The award paid for call options and the award charged for put options may not diverge more than 5% from a theoretical market price of the option ascertained by generally accepted methods of financial mathematics. Hereby it is guaranteed, that the amount paid respectively charged by the Company for the acquisition of treasury shares is adequate and at arms length; furthermore, shareholders of the Company cannot be discriminated against by means of buy-backs using equity derivatives. Compliance with the Equal Treatment principle is guaranteed by the requirements that the counterpart of option transactions may only be financial institutions and that the shares which are used to discharge the options must have been obtained – especially such shares that have been obtained on the market - in accordance of the Equal Treatment Principle. For this reason it is justified to bar shareholders from entering into option transactions with the Company.

The authorization to repurchase treasury shares aims at enabling the Company to offer treasury shares as consideration within the scope of company mergers or for the direct or indirect acquisition of companies, parts of companies or participations in companies. Due to competition in the Company's market environment and economical development it has become necessary for the Company to be able to conduct mergers or acquire companies or participations in companies by means of equity derivatives. The exclusion of pre-emption rights aims at giving the Company room to make use of opportunities of mergers and acquisition of companies or company participations quickly and flexibly, without having to use the authorised capital against contribution in kind or carrying out a capital increase against contribution in kind. When fixing the valuation ratio the Management Board will consider the shareholders' interests adequately. The amount of treasury shares offered as consideration will be determined in respect of the market price of ZhongDe-Shares. The amount of consideration is not tied in with market prices in order not to question negotiation results on grounds of fluctuations in the market price.

Respecting the requirements of sec. 186 para. 3 sent. 4 AktG, the Company shall be able to sell treasury shares, excluding the shareholders' pre-emption rights, by other channels than the open market or by means of a public offer. The proposed way of selling treasury shares serves to simplify procurement of funds and thus provides for an adequate equity base. This authorization of the Management Board to sell shares is limited, as the amount of shares may not exceed 10% of the share capital as at the date of the resolution, taking into account all authorizations pursuant to sec. 186, para. 3. sent. 4 AktG. Thus, the 10%-limit is complied with in respect of all authorizations permitting the exclusion of shareholders' pre-emption rights pursuant to sec. 186 para. 3 sent. 4 AktG. As – concerning the selling of treasury shares under exclusion of the shareholders' pre-emption rights pursuant to sec. 71 para 1 no. 8 sent. 5 AktG in connection with sec. 186 para. 3 sent. 4 AktG – the authorization is limited and as the selling price respectively purchase price may not be significantly lower than the market price, shareholders' interests concerning property and voting rights are considered adequately. The selling price respectively purchase price is deemed to be significantly below the market price, if it is more than 5% below the price at the Frankfurt Stock Exchange determined on the day of trading by the opening auction in the Xetra trading system (or a comparable successor system).

The authorization to sell treasury shares shall also enable the Company to use treasury shares and authorised shares to discharge convertible bonds under exclusion of the shareholders' pre-emption rights. With this authorization the Company may discharge conversion or pre-emption rights or conversion privileges in respect of convertible bonds when necessary, without having to increase the share capital in use of contingent or authorised capital.

Furthermore, the Company shall be able to redeem shares without further resolution of the Annual General Meeting.

Before using the authorization to repurchase and to use treasury shares under exclusion of the shareholders' pre-emption rights the Management Board will examine

on a case-by-case basis cautiously. The Management Board will only use this authorization, if this is beneficial for the company respectively its shareholders and if it is proportional.

The Management Board shall notify the shareholders of each utilization of the authorizations granted under Agenda Item 9 and/or 10 in the following Annual General Meeting.

11. Resolution on the suspension of the authorised capital pursuant to sec. 4 para. 4 of the Articles of Association, on the creation of a new authorised capital with authorization to exclude pre-emption rights and on the amendment of the Articles of Association

Pursuant to sec. 4 para 4 of the Articles of Association the Management Board is authorised to increase the share capital of the Company with consent of the supervisory board until May 4, 2012, once or several times by up to EUR 5,000,000.00 issuing up to 5,000,000 new bearer shares no par value in consideration of contributions in cash or in kind ("Authorised Capital 2007"). For reasons of the initial public offering the share capital was increased by EUR 3,000,000.00 from EUR 10,000,000.00 to EUR 13,000,000.00, the Authorized Capital 2007 amounting to EUR 2,000,000.00 at the moment. In order to enable the Company to react quickly to a change in market conditions without interfering with the stock price, the Management Board shall be authorized to increase the share capital until July 22, 2013 of up to 50% of the current share capital by issuing new bearer shares no par value.

The Management Board and the Supervisory Board propose that the following resolution be passed:

- a) The Authorised Capital 2007, that is the authorization of the Management Board to increase the share capital of the Company upon approval of the Supervisory Board once or several times until May 4, 2012, by up to EUR 5,000,000.00 issuing up to 5,000,000 new bearer shares no par value in consideration of contributions in cash or in kind, is suspended effective from the entry of the resolutions of the General Meeting concerning the Authorised Capital 2008 according to Agenda Item 11. lit. b) and the amendment of the Articles of Association according to Agenda Item 11. lit. c) in the commercial register.
- b) The Management Board is authorised to increase the share capital of the Company with consent of the Supervisory Board until July 22, 2013, once or several times by up to a total of EUR 6,500,000.00 issuing up to a total of 6,500,000 new bearer shares no par value in consideration of contributions in cash or in kind (the "**Authorised Capital 2008**"). In each case ordinary shares and/or preference shares may be issued. The Management Board is authorised to provide that the subscription right of the shareholders is excluded upon approval of the Supervisory Board in the following cases:

- if a capital increase of the share capital for contribution in kind is carried out to enable the Company to acquire companies, parts of companies or participations in companies or to acquire other contributions in kind, provided the acquisition is in the interest of the Company;
- for fractional amounts;
- if shares are issued in consideration of contributions in cash not exceeding the computed proportion of 10% of the share capital; the shares must be sold at an issue price which is not significantly lower (in terms of sec. 203 para 1 and 2, sec. 186 para. 3 sent. 4 AktG) than the stock market price of same-category Company shares at the day when the issue price is finally fixed by the Management Board;
- to list shares of the Company or certificates representing shares in the Company on domestic or foreign stock exchanges, where shares in the Company or certificates, representing such shares in the Company are not yet listed;
- to grant pre-emption rights to the holders of convertible bonds or participation rights granting conversion rights or option rights to an extent they would be entitled to in case of execution of their conversion right respectively option right;
- for granting shares to the Members of the Management Board, members of the management of affiliated companies in terms of sec. 15 AktG, executive managers of the Company or affiliated companies or to employees of the Company or employees of affiliated companies in connection with employees' participation programs.

A capital increase under exclusion of subscription rights may not exceed 10 % of the share capital existing at the time when this authorisation is made use of, if such capital increase serves for the realisation of an employees' participation program.

The Management Board shall decide upon approval of the Supervisory Board on the rights to, and the conditions of issue of the shares.

c) Sec. 4 para 4 of the Articles of Association will be amended as follows:

"The Management Board is authorised to increase the share capital of the Company with the consent of the Supervisory Board until July 22, 2013, once or several times by up to a total of EUR 6,500,000.00 issuing up to a total of 6,500,000 new bearer shares no par value in consideration of contributions in

cash or in kind representing EUR 1.00 of the share capital ("Authorised Capital 2008"). In each case ordinary shares and/or preference shares may be issued. The Management Board is authorised to provide that the subscription right of the shareholders is excluded upon approval of the Supervisory Board in the following cases:

- if a capital increase of the share capital for contribution in kind is carried out to enable the Company to acquire companies, parts of companies or participations in companies or to acquire other contributions in kind, provided the acquisition is in the interest of the Company;
- for fractional amounts;
- if shares are issued in consideration of contributions in cash not exceeding the computed proportion of 10% of the share capital; the shares must be sold at an issue price which is not significantly lower (in terms of sec. 203 para 1 and 2, sec. 186 para. 3 sent. 4 AktG) than the stock market price of same- category Company shares at the day when the issue price is finally fixed by the Management Board;
- to list shares of the Company or certificates representing shares in the Company on domestic or foreign stock exchanges, where shares in the Company or certificates, representing such shares in the Company are not yet listed;
- to grant pre-emption rights to the holders of convertible bonds or participation rights granting conversion rights or option rights to an extent they would be entitled to in case of execution of their conversion right respectively option right;
- for granting shares to the Members of the Management Board, members of the management of affiliated companies in terms of sec. 15 AktG, executive managers of the Company or affiliated companies or to employees of the Company or employees of affiliated companies in connection with employees' participation programs.

A capital increase under exclusion of subscription rights may not exceed 10 % of the share capital existing at the time when this authorisation is made use of, if such capital increase serves for the realisation of an employees' participation program.

The Management Board shall decide upon approval of the Supervisory Board on the rights to, and the conditions of issue of the shares."

Report of the Management Board regarding the exclusion of the subscription rights according to sec. 203 para. 1 and 2, sec. 186 para. 4 and 2 AktG.

Considering agenda item no.11, the Management Board and the supervisory board propose to overrule the present authorized capital ("**Authorized Capital 2007**") in sec. 4 para. 4 of the articles of association and to replace it by a new authorized capital, which relates to 50 % the current share capital of the company for a period until the 22 June 2013 ("**Authorized Capital 2008**").

Pursuant to sec .203 para. 1 and 2, sec 186 para. 4 sentence 2 AktG, the Management Board reports on the exclusion of the subscription rights. This report is part of this invitation, it is also available for inspection at the Annual General Meeting, at www.zhongdetech.de and, from the day of the invitation, at the company's office at Stadthausbrücke 1-3, 20355 Hamburg during normal business hours. On request all shareholders receive without delay a free copy of these documents.

- (1) Suspension of the approved Share Capital 2007 and creation of the Share Capital 2008

The current authorised capital in sec 4, para. 4 provides for less than 50% of the company's share capital as authorized capital. The Management Board opines that the Company shall make use of the opportunity to increase the authorized capital from currently EUR 2,000,000.00 to EUR 6,500,000.00. This would subsequently give the Company a more flexible position to react faster and considerably to changing market conditions. Simultaneously the term of the authorization of the Management Board is extended by one more year.

Due to the new authorized capital 2008 of up to EUR 6,500,000.00 and the term of the authorization until 22 July, 2008 the Company will make use of the Company's economic possibilities efficiently.

- (2) Exclusion of pre-emption rights

The authorization to exclude pre-emption rights is intended to enable the Company to acquire companies, parts of companies or participations in companies or to acquire other contributions in kind without losing liquidity. The Company acts in a very competitive environment; the Company as well as its shareholders take stock in the Company being able to react quickly and flexibly to changes in the market environment. This includes the possibility to acquire companies, parts of companies or participations in companies as well as gaining strategic or other investors. In particular cases it will be in the interest of the Company as well as in the interest of its shareholders that the Company is able to acquire companies, parts of companies or participations in companies as well as to gain new investors quickly. It is not unusual that attractive acquisition opportunities can only be realised, if the Company can offer shares including voting rights in consideration. To use such opportunities the Company must be able to offer treasury shares as consideration quickly. The proposed authorization to exclude the pre-emption right is intended to enable the Company to use transaction opportunities quickly and flexibly. Indeed, the exclusion of pre-emption rights would lead to a dilution of the proportional amount of holding and of voting power. On the other hand side the aim of enabling the Company to react

quickly and flexibly could not be achieved, if the shareholders were left their pre-emption right.

At present there are no acquisition-plans to make use of the authorization. If there will be opportunities to acquire companies, parts of companies or participations in companies arise, the Management Board will examine carefully before making use of the authorisation for such purposes. It will only make use of the authorization to exclude subscription rights if the transaction, especially the issue of new shares under exclusion of the shareholders' subscription rights, is in the obvious interest of the Company. The Supervisory Board will only approve if these requirements are met.

Furthermore, the pre-emption right shall only be excluded for fractional amounts. As the exclusion of pre-emption rights does only extend to fractional amounts, dilution-effects are marginal. Thus, the exclusion of pre-emption rights is considered to be substantially justified and adequate by both, the Management Board as well as the Supervisory Board.

The exercise of the authorisation to increase the share capital to the exclusion of subscription rights can be reasonable and necessary in order to offer the shares in the Company publicly at a stock exchange where the shares of the company are not listed to date. In this event the exclusion of pre-emption rights can be necessary to give foreign investors the opportunity to subscribe shares in the company.

Furthermore there shall be the possibility to exclude the subscription rights in the event of a capital increase by an authorised capital, if the requirements according to section 186 para. 3 Sentence 4 AktG (German Stock Corporation Act) are fulfilled. These requirements are particularly met, if the capital increase does not exceed a volume of 10% of the share capital and the issue price of the new shares does not fall below substantially under the issuance price of the new shares. The opportunity to exclude the subscription rights shall empower the Management Board and the Supervisory Board to practice advantageous conditions at the capital markets in order to sustain the equity capital of the company.

Finally, the authorised capital shall be used to the exclusion of subscription rights, in order to acquire shares in the Company to provide shares for employee share option programs. Thus the flexibility of the company shall be increased, particularly to win high potential executives at short notice. In such event the volume of the capital increase by utilization of authorized capital is limited to 10% of the existing share capital of the company.

Management Board and Supervisory Board consider the exclusion of subscription rights in above mentioned cases as justified and adequate taking into account the above mentioned facts and in consideration of the interest of the company on one side and the interest of the share holders on the other side.

(3) Report of the Management Board of the utilization of the Authorised Capital 2008

The Management Board will report all shareholders of each single utilization of the authorized capital at the next ordinary general shareholders meeting.

Share capital and voting rights

The share capital of the Company is EUR 13,000,000.00, divided into 13,000,000 bearer shares no par value, each share representing EUR 1.00 of the share capital. The total amount of voting rights is 13,000,000. The information given above applies to date of publishing in the German Electronic Federal Gazette.

Participation in the General Meeting

To be entitled to attend the Annual General Meeting and to exercise their voting rights stockholders must register with the Company at the following address in either German or English and submit a written record of share ownership in either German or English. To confirm share ownership a written record issued by their depository bank in either German or English is sufficient. This record shall refer to the beginning of July 1, 2008, 00:00 CEST. The registration and the record confirming the share ownership must reach the Company no later than by the end of July 15, 2008, 24:00 CEST at:

ZhongDE Waste Technology AG
c/o Sal. Oppenheim jr. & Cie. KGaA
Untermainanlage 1
60329 Frankfurt am Main.

Shareholders, who have duly registered for the general shareholders' meeting and who have duly submitted a written record of share ownership, are provided with admission tickets.

Proxy Voting

Shareholders may exercise their voting rights through a proxy, for example a bank or a shareholder' association. If shareholders do not vote through the official Company proxy, the authorization has to be in writing. Shareholders will be sent an authorization form together with the admission ticket and on request.

Shareholders are offered the opportunity to vote through an official Company proxy, who is exclusively bound to the shareholders' instructions. The Company has nominated

Mr. Ingo Janssen, Hamburg

as official Company proxy. The official Company proxy can be authorised and instructed in writing, per fax or email. The authorization must be by means of the authorization form sent with the admission ticket. The official Company proxy may delegate authority. The voting right must be exercised according to the shareholders' instruction only. The authorization is invalid in respect to agenda items to that the authorization does not extend. If the authorization is unclear or contradictory in respect of a certain agenda item, the official Company proxy will abstain from voting.

The authorization to vote and the instruction must reach

ZhongDe Waste Technology AG
c/o UBJ. GmbH
Kapstadtring 10
22297 Hamburg
Fax: +49 – 40 – 63675423
E-Mail: hv@ubj.de

not later than by the end of July 18, 2008 (24:00 CEST). Shareholders are not released from registering and confirming share ownership in due time.

Shareholder Motions and election proposals

Motions and election proposals pursuant sec. 126 AktG and sec. 127 AktG must be sent to

ZhongDe Waste Technology AG
- Management Board –
address: Stadthausbrücke 1-3, 20355 Hamburg
or
by fax to: +49 (0) 40 37644 500
or
by email to: hv@zhongdetech.de

exclusively.

Motions and election proposals that have reached the Company in due form no later than by the end of July 7, 2008 (24:00 CEST) at the aforementioned address will be published on the Company's website at www.zhongdetech.de immediately.

Hamburg, July 2008
ZhongDe Waste Technology AG
Management Board

This version of the invitation to the annual general shareholders' meeting of ZhongDe Waste Technology AG, prepared for the convenience of English-speaking shareholders, is merely a translation of the German original version. The German original version shall be authoritative and final.