



ZhongDe Waste Technology AG

Compliance Statement 4 July 2008

ZhongDe Waste Technology AG complies with the recommendations of the German Corporate Governance Code as amended on 14 June 2007 with the following variations:

As the members of the Management Board of ZhongDe Waste Technology AG have service agreements solely with the Chinese operational Company Fujian FengQuan Environmental Protection Equipment Ltd. but no service agreements with the company, the recommendations under section 4.2.2 and section 4.2.3 of the German Corporate Governance Code do not apply.

As there exists no stock option plan with the company, the recommendation under section 4.2.5 para. 2 of the German Corporate Governance Code does not apply.

As the Company's supervisory board comprises only three members and no committees exist, the recommendations under section 5.2 para. 2, section 5.3.1 and section 5.3.2 do not apply.

As the Company's Supervisory Board now only receives a fixed compensation, the Company deviates from the recommendation under section 5.4.7 para. 2 of the German Corporate Governance Code.

As the D&O insurance contracts for the members of the Management Board and the Supervisory Board of the company do not provide for a deductible, the company deviates from the recommendation under section 3.8 para. 2 of the German Corporate Governance Code.

In its first fiscal year after the Company's IPO, the Company will presumably not precisely meet the 45 day timeline as recommended under section 7.1.2 sentence 2 of the German Corporate Governance Code. However, the Company aims to meet this deadline in the near future.

Hamburg, 4 July 2008

ZhongDe Waste Technology AG
Management Board
Supervisory Board