



Supplement No. 1

dated 28 June 2007

according to Section 16, paragraph 1 of the Securities Prospectus Act
(*Wertpapierprospektgesetz*)

to the Prospectus dated 20 June 2007 of

ZhongDe Waste Technology AG, Hamburg

with regard to the initial public offering of

up to 4,185,264 ordinary bearer shares (subject to an over-allotment option of up to 545,904 ordinary bearer shares) of ZhongDe Waste Technology AG (the "Company") consisting of

up to 3,000,000 no par value ordinary bearer shares from the capital increase against cash contributions from the authorized capital (*genehmigtes Kapital*) pursuant to a resolution of the Management Board (*Vorstand*) expected to be resolved on 4 July 2007 with the approval of the Supervisory Board (*Aufsichtsrat*) expected on the same day (the "**New Shares**")

and

up to 639,360 no par value ordinary bearer shares (the "**Existing Shares**") offered by 9998 Holding Ltd., Deloitte Group Ltd., Dragonup Enterprises Ltd., Synergy Investment Group Ltd. and Linch Investments Ltd. (collectively the "**Selling Shareholders**")

and

up to 545,904 additional shares (the "**Greenshoe Shares**" and together with the New Shares and the Existing Shares, the "**Offer Shares**") granted to Sal. Oppenheim by Mr. Chen Zefeng, 9998 Holding Ltd., Deloitte Group Ltd., Dragonup Enterprises Ltd., Synergy Investment Group Ltd. and Linch Investments Ltd. (the "**Existing Shareholders**") by means of a securities loan for a potential over-allotment

each no par value ordinary bearer share having a notional amount of the share capital of EUR 1.00 and each vested with full dividend rights for the entire short financial year 2007

as well as

for the admission to trading on the regulated market (*Geregelter Markt*) of the Frankfurt Stock Exchange and the subsector of the official market with additional obligations arising from admission (*Prime Standard*)

of 10,000,000 no par value ordinary bearer shares (current share capital)

and

up to 3,000,000 no par value ordinary bearer shares from the capital increase against cash contributions from the authorized capital (*genehmigtes Kapital*) pursuant to a resolution of the Management Board (*Vorstand*) expected to be resolved on 4 July 2007 with the approval of the Supervisory Board (*Aufsichtsrat*) expected on the same day.

Wertpapierkennnummer (WKN): ZDWT01 and ZDWT02

International Securities Identification Number (ISIN): DE000ZDWT018 and DE000ZDWT026

Common Code: 030736010 and 030735994

Global Coordinator, Sole Bookrunner and Joint Lead Manager

Sal. Oppenheim jr. & Cie.

Kommanditgesellschaft auf Aktien

Joint Lead Manager

BOCI Asia Limited

Co-Lead Manager

CLSA Asia-Pacific Markets

Selling Agents

Bayerische Landesbank

comdirect bank AG

DAB bank AG

The Company and the Existing Shareholders have determined together with the Underwriters the following details with regard to the initial public offering of ZhongDe Waste Technology AG:

The price range within which purchase orders may be submitted is between

EUR 23.00 and EUR 26.00 per Offer Share.

The offer period commences on 29 June 2007 and ends on 4 July 2007.

Based on the above terms, the prospectus dated 20 June 2007 (the "**Prospectus**") is supplemented and amended as follows:

- The first paragraph of the section "Summary — Summary of the Offering — Offer Period" on page 7 is deleted and replaced by the following sentence:

"The offer period commences on 29 June 2007 and ends on 4 July 2007."

- The first paragraph of the section "Summary — Summary of the Offering — Price Range and Offer Price" on page 7 et seq. is deleted and replaced by the following sentence:

"The price range within which purchase orders may be submitted is between EUR 23.00 and EUR 26.00 per Offer Share."

- The first sentence of the section "Summary — Summary of the Offering — Admission to Trading and Listing" on page 9 is deleted and replaced by the following sentence:

"An application for admission of all of the shares of the Company — including the New Shares — to trading on the regulated market (Geregelter Markt) (Prime Standard) of the Frankfurt Stock Exchange was filed on 26 June 2007 and admission is expected no later than 5 July 2007.

- The second sentence of the section "Summary — Summary of the Offering — Costs of the Offering for the Company" on page 10 is deleted and replaced by the following sentence:

"Based on the price range, the Company estimates the total costs it will incur (including commissions for the Underwriters) to amount between TEUR 5,230 and TEUR 5,635."

- The first paragraph of the section "Zusammenfassung — Zusammenfassung des Angebots — Angebotsfrist" on page 25 is deleted and replaced by the following sentence:

"Die Angebotsfrist beginnt am 29. Juni 2007 und endet am 4. Juli 2007."

- The first paragraph of the section "Zusammenfassung — Zusammenfassung des Angebots — Preisspanne und Platzierungspreis" on page 25 et seq. is deleted and replaced by the following sentence:

"Die Preisspanne, innerhalb derer Kaufangebote abgegeben werden können, beträgt EUR 23,00 bis EUR 26,00 pro Angebotsaktie."

- The first sentence of the section "Zusammenfassung — Zusammenfassung des Angebots — Zulassung zum Börsenhandel und Börsennotierung" on page 27 is deleted and replaced by the following sentence:

"Die Zulassung sämtlicher Aktien der Gesellschaft einschließlich der Neuen Aktien zum Geregelter Markt (Prime Standard) an der Frankfurter Wertpapierbörse wurde am 26. Juni 2007 beantragt und die Zulassung wird voraussichtlich am 5. Juli 2007 erfolgen.

- The second sentence of the section "Zusammenfassung — Zusammenfassung des Angebots — Die Kosten des Börsengangs für die Gesellschaft" on page 29 is deleted and replaced by the following sentence:

"Auf Basis der festgelegten Preisspanne schätzt die Gesellschaft, dass sich die von ihr zu tragenden Kosten (einschließlich der Provisionen für

die Konsortialbanken) auf insgesamt zwischen ca. TEUR 5.230 und TEUR 5.635 belaufen werden."

- The second paragraph of the section "The Offering — Subject Matter of the Offering" on page 58 is deleted and replaced by the following paragraph:

"The offering consists of up to 4,185,264 no par value ordinary bearer shares (*Inhaber-Stückaktien*) of ZhongDe Waste Technology AG, each ordinary bearer share having a notional amount of the share capital of EUR 1.00 and each vested with full dividend rights for the entire short financial year 2007, consisting of:"

- The first paragraph of the section "The Offering — Price Range, Offer Period, Offer Price, and Allotment" on page 59 is deleted and replaced by the following sentence:

"The price range within which purchase orders may be submitted is between EUR 23.00 and EUR 26.00 per Offer Share."

- The first four sentences of the second paragraph of the section "The Offering — Price Range, Offer Period, Offer Price, and Allotment" on page 59 are deleted and replaced by the following two sentences:

"The offering will be denominated in Euros. The offer period, within which investors will have the possibility to place purchase orders for the shares, commences on 29 June 2007 and ends on 4 July 2007."

- The second sentence of the second paragraph on page 60 of the section "The Offering — Price Range, Offer Period, Offer Price, and Allotment" is deleted and replaced by the following sentence:

"The basis for the bookbuilding process will be the price range between EUR 23.00 and EUR 26.00 per Offer Share."

- The first sentence on page 64 of the section "The Offering — Admission to Trading and Listing of Shares" is deleted and replaced by the following sentence:

"The application for the admission of the entire current share capital of the Company as well as the New Shares for trading on the regulated market (*Geregelter Markt*) (*Prime Standard*) of the Frankfurt Stock Exchange was filed on 26 June 2007."

- The second paragraph on page 65 of the section "The Offering — Reasons for the Offering, Use of Proceeds, Costs and Interests of Third Parties Involved in the Offering — Use of Proceeds and Costs" is deleted and replaced by the following sentence:

"Based on the price range and assuming full placement of the Offer Shares, the Company estimates that the total costs it will incur (including commissions of the Underwriters) will be between approximately TEUR 5,230 and TEUR 5,635. Accordingly, the Company estimates the total net proceeds to be between approximately TEUR 89,898 and TEUR 101,902 and the net proceeds of the Company to be between approximately TEUR 63,770 and TEUR 72,365."

- The first paragraph of the section "Capitalization and Indebtedness" on page 68 and the table on the same page is deleted and restated as follows:

"The data presented in the following table shows the reported combined and consolidated capitalization of ZhongDe Group as well as its combined and consolidated capitalization adjusted on the basis of the expected proceeds from the offering as of 31 March 2007. The adjusted figures were calculated on the basis of an assumed offer price based on the average of the price range and after deducting the total estimated costs of the offering

incurred by the Company assuming full placement of all offer shares. All figures shown in the table below are unaudited and have been prepared in accordance with IFRS.

	<u>As of 31 March 2007</u>	
	<u>Reported¹</u>	<u>Adjusted²</u>
	(unaudited) (TEUR)	
Cash and Cash Equivalents	10,103	78,177
Current Term Financial Liabilities	7,798	7,798
thereof secured	0	0
thereof guaranteed	0	0
thereof unsecured / unguaranteed	7,798	7,798
Non-Current Financial Liabilities	0	0
Contingent Liabilities	—	—
Shareholder's Equity		
share capital	2,775	2,775
capital surplus	1,765	69,833
retained earnings	8,384	8,384
foreign exchange differences	(35)	(35)
Total	12,889	80,957

1 Unaudited as of 31 March 2007 based on ZhongDe Group's combined consolidated interim financial statements.

2 Adjusted on the basis of an assumed offer price based on the average of the price range and after deducting the total estimated costs of the offering incurred by the Company and assuming full placement of the Offer Shares.

- The second and the third paragraph of the section "Dilution" on page 69 are deleted and replaced by the following paragraph:

"Assuming that all 3,000,000 New Shares in the Company are placed and based on the price range per offered share between EUR 23.00 and EUR 26.00, the gross issue proceeds obtained by the Company are between EUR 69 million and EUR 78 million. If the offer price were to correspond to the midpoint of the price range at EUR 24.50 per Offer Share, the Company would obtain net proceeds of approximately EUR 68.1 million. If the Company had obtained this amount as at 31 December 2006, the book value of shareholders' equity at that time would have been about EUR 76.9 million or around EUR 5.91 per share (based on the increased number of shares after the offering of 3,000,000 New Shares). Consequently, under the above-mentioned assumptions, the offering would lead to a direct increase in the book value of shareholders' equity of about EUR 5.03 per share for the Existing Shareholders and a direct dilution of about EUR 18.59 per share for the purchasers of the Offer Shares and, thus, investors who acquire shares at the midpoint of the price range at EUR 24.50 per Offer Share are diluted by about 75.9 %."

Printed copies of the Prospectus as well as this Supplement No. 1 to the Prospectus can be obtained free of charge from ZhongDe Waste Technology AG, Stadthausbrücke 1-3, 20355 Hamburg, Germany as well as from Sal. Oppenheim jr. & Cie. KGaA, Untermainanlage 1, 60329 Frankfurt, Germany, (facsimile: +49-69-71345169) as well as from the other Underwriters.

Pursuant to Sec. 16, paragraph 3 of the German Securities Prospectus Act, investors who have placed orders to purchase or subscribe for Offer Shares prior to the publication of this Supplement No. 1 can withdraw such orders within two working days after the publication of this Supplement No. 1 if no fulfilment has occurred yet.

The withdrawal does not need to contain a statement of reasons and must be made declared in textual form to the institution with which the investor has placed the order to purchase the Offer Shares. In order to meet the above-mentioned deadline, the timely dispatch of the withdrawal notice is sufficient.

Instead of withdrawing their purchase orders, investors may also amend the purchase orders submitted prior to publication of this Supplement No. 1 or place new limited or unlimited purchase orders.

Signatures

Hamburg and Frankfurt/Main, 28 June 2007

ZhongDe Waste Technology AG
signed Mr. Chen Zefeng
Chairman of the Management Board
(*Vorstandsvorsitzender*)

ZhongDe Waste Technology AG
signed Mrs. Lin Na
Member of the Management Board
(*Vorstand*)

Sal. Oppenheim jr. & Cie.
Kommanditgesellschaft auf Aktien
signed Dirk Weyerhäuser

Sal. Oppenheim jr. & Cie.
Kommanditgesellschaft auf Aktien
signed Matthias Wycisk

BOCI
Asia Limited
signed per procuration
Dirk Weyerhäuser

BOCI
Asia Limited
signed per procuration
Matthias Wycisk

CLSA Limited
signed per procuration
Dirk Weyerhäuser

CLSA Limited
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