

## Explanations to the shareholders' rights of ZhongDe Waste Technology AG

in accordance with

§ 122 para. 2, § 126 para. 1, § 127, § 131 para. 1 AktG (German Stock Corporation Act)

in view of the Annual General Meeting 2011

### **1. Motions to add items to the Agenda pursuant to § 122 para. 2 AktG (German Stock Corporation Act)**

According to § 122 para. 2 AktG (German Stock Corporation Act), shareholders holding, individually or collectively, a minimum of 5% of the share capital or the proportionate amount of EUR 500,000.00 can submit a motion to add items to the Agenda and have them published. Each new item must be substantiated or have a draft resolution attached. Those shareholders must provide evidence that they have held the shares required for the aforesaid quorum for at least three months prior to the date of the general meeting and that they retain these shares until the date when the decision on the motion is made (cf. § 142 para. 2 (2) in conjunction with § 122 para. 1 (3), para. 2 (1) AktG – German Stock Corporation Act). The motion must be submitted in writing to the Executive Board and must be received by the Company at the latest by **28 May 2011, 24:00 hours CEST** at the following address:

ZhongDe Waste Technology AG  
- Vorstand -  
Herriotstraße 1 in 60528 Frankfurt

Addenda to the Agenda which have to be published will, unless they have already been published through this convocation, be published in the electronic Federal Gazette, immediately after receipt of the respective motion, and will be submitted to such media for the purpose of disclosure which can be expected to distribute information within the European Community. Such addenda will also be made available on the website at [www.zhongde-ag.de](http://www.zhongde-ag.de).

### **2. Countermotions and nominations pursuant to §§ 126 para. 1, 127 AktG (German Stock Corporation Act)**

Shareholders may submit countermotions to draft resolutions proposed by the Executive Board and the Supervisory Board regarding specific items of the

Agenda or make nominations for elections to the Supervisory Board or for the appointment of auditors (“election proposals”), in accordance with § 126 para 1 and § 127 AktG (German Stock Corporation Act). Countermotions must include substantiations, where election proposals do not require to be substantiated. Countermotions and election proposals have to be submitted in writing, via e-mail or telefax exclusively at the following address:

ZhongDe Waste Technology AG  
- Vorstand -  
Herriotstraße 1 in 60528 Frankfurt  
or  
Telefax: +49 69 677 33 200  
or  
per e-mail: hv@zhongde-ag.de

We will publish countermotions and election proposals including the name of the shareholder, the substantiation as well as any comment by management on the Company’s website at [www.zhongde-ag.de](http://www.zhongde-ag.de), provided that they are received by **13 June 2011, 24:00 hours CEST** at the latest at the aforementioned address. Eventually, statements of the board will also be made available at that internet address. In the cases as more specifically set forth in § 126 para. 2 (1) AktG (German Stock Corporation Act), the Company is not obliged to make a countermotion publicly available.

Apart from the cases as set forth in § 126 para. 2 (1) AktG (German Stock Corporation Act), the Executive Board is also not obliged to make election proposals publicly available if they do not contain the content as required under § 124 para. 3 (4) AktG (German Stock Corporation Act), i.e. name, exercised profession and residence of the nominated auditor or supervisory board member and § 125 para. 1 AktG (German Stock Corporation Act), i.e. memberships in other mandatory supervisory bodies).

A countermotion or election proposal can be made in the Annual General Meeting even if it has not been submitted to the Company within the time frame as set forth in § 126 para. 1 AktG (German Stock Corporation Act). Vice versa, a countermotion or election proposal having already been timely submitted to the Company has to be explicitly made again in the Annual General Meeting, even if it has been publicly made available in advance.

**3. Information right pursuant to § 131 para. 1 AktG (German Stock Corporation Act)**

At the General Meeting any shareholder or shareholder's representative is entitled to request information from the Executive Board on issues relating to the Company and the Company's legal and business relations to associated companies, insofar as the information is necessary for the proper assessment of an item of the Agenda. The information request has to be made in German language. The requested information must be a substantial requirement for reasonably evaluating an Agenda Item, from the perspective of a reasonable shareholder being aware of the relationships of the Company on the basis of publicly available information. Since the consolidated Annual Financial Statements and Management's Report on the Group will be presented at the Annual general meeting 2011, the obligation to provide information also extends to the state of the Group. Matters of the Company's affiliated are also subject to the information right to the extent they have substantial relevance and can therefore be regarded as matters of the Company.

The Executive Board may refrain from answering certain questions for reasons stated in § 131 para. 3 AktG (German Stock Corporation Act).

The information right can be exercised in the Annual General Meeting without being required a prior announcement or any other notification.