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## GLOSSARY OF TECHNICAL TERMS

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*This glossary of technical terms contains explanations of certain terms used in this prospectus as they relate to us and as they are used in this prospectus in connection with our business or us. These terms and their meanings may not always correspond to standard industry meaning or usage of these terms.*

“ash”	grains in flue gas generated during the combustion of fuel; according to the existing hazardous waste treatment standards in the PRC, ash is required to be buried in safety landfills
“BOD”	Biochemical oxygen demand, a widely accepted indication of the organic quality of water to determine the amount of dissolved oxygen required for biodegradation of organisms
“BOO”	Build — Own — Operate; a business model in which an enterprise undertakes the financing, design, construction, operations and maintenance of infrastructure facilities which are owned by such enterprise
“BOT”	Build — Operate — Transfer; a business model in which the proprietor grants to a contracted enterprise the rights to undertake the financing, design, construction, operations and maintenance of infrastructure facilities by concession agreement, which enterprise can charge a fee during the concession period to cover its costs of investment, operations and maintenance as well as reasonable returns, and, upon expiration of the concession period, the relevant facilities will be transferred back to the proprietor
“BT”	Build — Transfer; a business model in which the proprietor grants to a contracted enterprise the rights to undertake the financing, design and construction. Upon the completion of the construction, the contracted enterprise will transfer the completed project to and recover its investment from the proprietor the requirements of the contract
“circulated fluidized bed”	placed in the center of folding bed, the garbage will be sent through the hot sand bed (600-700°C), where it will be embrittled due to the loss of water when being burned in the hot sand, and be dispersed to the fluidized beds on the left and right side of the folding bed. Embrittled and fragile garbage inside the fluidized bed will then be burned easily after being smashed to pieces by the hot sand. Meanwhile, non-flammables in the garbage will be transported with the sand to the two sides of the incinerator and be discharged out of the incinerator through the non-flammables discharge opening

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“COD”	Chemical oxygen demand, a common indication used to indirectly measure the amount of organic compounds in water
“compost”	formation of humus soil-like material to be used as fertilizer or to be used for the improvement of soil under the biochemical reaction brought by the action of microorganisms on waste and organics in feces
“dioxin”	dioxin, or p-dioxin, is a colorless, odorless and highly toxic fat soluble substance, i.e. hydrocarbon with chlorine generated during the process of combustion
“EPC”	engineering, procurement and construction; a business model in which providers undertake the engineering, procurement and construction works of the project. Generally, the general subcontractors will be accountable to the project owner for the quality, progress and costs of the project
“grate incinerator”	under the combustion supported by substantial oxygen, waste, after being dried, burned and incinerated, is burned effectively while being stirred in the grate incinerator
“kg”	kilogram
“kWh”	kilowatt-hour. One kilowatt hour is the amount of energy that would be produced by a generator producing one thousand watts for one hour
“landfill”	a common waste treatment method. As it is an easy method which requires little investment and is able to process all types of waste, it is widely adopted by other countries from waste landfill to sanitary landfill
“leachate”	highly concentrated organic waste water seeped out from waste dump which has the following characteristics: (1) complex composition which is harmful; (2) high concentration of COD and BOD; (3) high heavy metal content; (4) high ammonia and nitrogen content; (5) high chromaticity with odor; (6) disproportion of organisms’ nutrition content; (7) high variation of water quality
“multiple drive expeller grate waste incinerator”	our triple drive expeller grate waste incinerator, an improvised version of the tradition Martin grate incinerator for which our Group was granted an invention patent and which was selected by the PRC Ministry of Construction as a core technology to promote

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“municipal solid waste”	household waste, sanitary waste, business waste and municipal waste from the day-to-day operations in a city or a town, the components of which primarily include slag, cooking residue, peel, plastic, fallen leaves, fabrics, lumber, glass, porcelain, leather and paper as well as a small amount of batteries and medical packaging materials such as aluminum, SP composite membranes/bags and rubber
“MWh”	megawatt-hour, one thousand kilowatt-hours
“slag”	melts comprised mainly of oxide generated during combustion
“SW” or “solid waste”	municipal solid waste, industrial solid waste and agricultural solid waste. According to the treatment categories, solid waste could be subdivided into medical waste, construction waste, industrial waste and household waste
“waste incineration”	oxidative decomposition of inflammable solid waste with the chemical reaction of oxygen through incineration of the inflammables of the waste in the incinerator for detoxication, recovery of energy and the generation of by-products
“WTE”	WTE or waste-to-energy mainly includes incineration power generation in which waste with higher burning value will be burned at high temperature where the heat energy generated during burning will be transformed to high temperature steam to initiate the rotation of turbines for power generation