## **GLOSSARY OF TECHNICAL TERMS**

This glossary contains explanations of certain terms used in this prospectus in connection with our business. These terms and their meanings may not correspond to standard industry meaning or usage.

"automotive manufacturers"	automotive manufacturing companies that produce and sell whole vehicles
"controlled burn rate (CBR)"	a method of improving fuel economy by increasing or decreasing the rate which the fuel burns, by way of changing the inlet gas flow and the strength of cylinder swirl and tumble according to changes of working conditions
"DOHC"	double overhead camshaft (also known as dual overhead camshaft) valve-train layout, which is characterized by two camshafts located within the cylinder head, one operating the intake valves and one operating the exhaust valves
"electronic throttle control (ETC)"	an automobile technology which severs the mechanical link between the accelerator pedal and the throttle
"exhaust gas recirculation (EGR)"	a technique used to improve the fuel efficiency of gasoline engines and to reduce the nitrogen oxide (NOx) emission reduction of diesel engines. EGR works by recirculating a portion of an engine's exhaust gas back to the engine cylinders
"Fuel Consumption Limits"	Passenger Vehicle or Commercial Vehicle Fuel Consumption Limits* (《乘用車或商用車燃料消耗量限值》)
"independent branded engine supplier"	manufacturers that are able to supply unaffiliated automotive manufacturers with engines that retain an independent brand from the manufactured vehicle
"kW"	kilowatt, a unit of power
"L"	liter(s)
"LCVs" or "light commercial vehicles"	light commercial vehicles that are mainly used for carrying passengers or commercial goods, including small truck, light-duty truck and small bus
"light-duty"	with reference to vehicles, displacement or engines, means designed for the purpose of withstanding comparatively moderate loads, use or stress
"light-duty trucks"	trucks with a gross total vehicle weight ranging from 1.8 to 6.0 tonnes
"light-duty vehicles"	vehicles with maximum total mass of 3.5 tonnes or below
"minibuses"	passenger vehicles that are generally equipped with small engines of 1.0L displacement and less

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"MPVs" or "multi-purpose vehicles"	multi-purpose vehicles (MPVs) are mainly for personal use with three-row designs for maximum passenger carriers
"National Emission Limits"	Limits and Measurement Methods for Emissions from Light- Duty Vehicles (China Phase III, China Phase IV) (GB18352- 2005)*(《輕型汽車污染物排放限值及測量方法 — 中國III、IV階段》)
"National III" and "National IV"	China Phase III and China Phase IV under the National Emission Limits
"National V"	Limits and Measurement Methods for Emissions from Light- Duty Vehicles (China Phase V)* (《輕型汽車污染物排放限值及測量方法 — 中國第五階段》)
"Nm"	Newton meter, a unit of torque
"OEM"	Original Equipment Manufacturer, manufacturer of products or components that are purchased by a company and retailed under that purchasing company's brand name, and in this prospectus, particularly referring to automotive OEM
"Phase II" and "Phase III"	Phase II under the Commercial Vehicle Fuel Consumption Limits, and Phase II or Phase III under the Passenger Vehicle Fuel Consumption Limits
"powertrain"	a system that usually consists of several parts including engine, transmission, axle and others parts, which generates power and delivers it to the wheels and drives the moving of a motor vehicle
"PVs" or "passenger vehicles"	passenger vehicles which are mainly used for transporting passengers with maximum nine passengers
"rpm"	revolutions per minute, a measure of the frequency of rotation
"sedans"	passenger vehicles in a two-box or three-box configurations, principal volumes articulated in separate compartments for engine, passenger and cargo
"small buses"	small buses are mainly for commercial use with a vehicle length up to seven meters and over seven seats
"small trucks"	trucks with a gross vehicle weight of up to 1.8 tonnes
"SUVs" or "sport utility vehicles"	sport utility vehicle (SUV) is a kind of PV usually built on light-truck chassis and equipped with four-wheel drive
"variable value timing-intelligent (VVT)"	a technology that varies the timing of the intake valves by adjusting the relationship between the camshaft drive (belt, scissor-gear or chain) and intake camshaft. Engine oil pressure is applied to an actuator to adjust the camshaft position. Adjustments in the overlap time between the exhaust valve closing and intake valve opening result in improved engine efficiency