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## DEFINITIONS

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**In this prospectus, unless the context otherwise requires, the following terms shall have the meanings set out below.**

“Ace Manufacturing”	Ace Manufacturing Holding Limited, a company incorporated in Hong Kong on January 16, 2012 and our wholly-owned subsidiary
“Andebao”	Anyang Andebao Automobile Sales & Services Co., Ltd. (安陽安德寶汽車銷售服務有限公司), a company established in the PRC on October 12, 2011 and our wholly-owned subsidiary
“Application Form(s)”	<b>white</b> Application Form(s), <b>yellow</b> Application Form(s) and <b>green</b> Application Form(s) or, where the context so requires, any of them
“Articles” or “Articles of Association”	the articles of association of our Company (as amended from time to time), adopted on May 20, 2013, a summary of which is set out in Appendix III to this prospectus
“Beijing Haojun”	Beijing Haojunhang Automobile Sales & Services Co., Ltd. (北京豪駿行汽車銷售服務有限公司), a company established in the PRC on March 21, 2013 and our wholly-owned subsidiary
“Biandebao”	Kaifeng Biandebao Automobile Sales & Services Co., Ltd. (開封汴德寶汽車銷售服務有限公司), a company established in the PRC on March 26, 2012 and our wholly-owned subsidiary
“BMW China”	BMW Brilliance Automotive Ltd. (華晨寶馬汽車有限公司) and BMW China Automotive Trading Ltd. (寶馬(中國)汽車貿易有限公司), one of our major suppliers
“Board” or “Board of Directors”	the board of directors of our Company
“business day”	any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for business
“BVI”	the British Virgin Islands
“CAGR”	compound annual growth rate
“Cayman Companies Law” or “Companies Law”	the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Clearing Participant”	a person admitted to participate in CCASS as a direct participant or a general clearing participant

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“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant
“Central China Region”	Henan Province, Hunan Province and Hubei Province
“China” or “the PRC”	the People’s Republic of China excluding, for the purpose of this prospectus, Hong Kong, Macau and Taiwan
“CICC”	China International Capital Corporation Hong Kong Securities Limited
“Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended or supplemented from time to time
“Company” or “our Company”	China Harmony Auto Holding Limited, a company incorporated in the Cayman Islands with limited liability on September 24, 2012, and, except where the context otherwise requires, all of its subsidiaries, or where the context refers to the time before it became the holding company of its present subsidiaries, its present subsidiaries
“Controlling Shareholders”	Mr. Feng and Eagle Seeker
“Crystalline Prestige”	Crystalline Prestige Investments Limited, a company incorporated in the BVI on September 26, 2012 and our wholly-owned subsidiary
“CSRC”	China Securities Regulatory Commission (中國證券業監督管理委員會)
“Daoable Future”	Daoable Future Limited, a company incorporated in Hong Kong on August 2, 2011 and our wholly-owned subsidiary
“Deed of Non-Competition”	a deed of non-competition entered into by Mr. Feng and Eagle Seeker dated May 20, 2013 regarding non-competition undertakings given by Mr. Feng and Eagle Seeker in favor of our Company
“Director(s)”	the director(s) of our Company
“Eagle Seeker”	Eagle Seeker Company Limited, a company incorporated in the BVI on December 16, 2011 and wholly-owned by Mr. Feng
“EIT”	enterprise income tax

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“EIT Law”	the PRC Enterprise Income Tax Law
“EIT Rules”	the Regulation on the Implementation of the PRC Enterprise Income Tax Law
“Encumbrance”	any mortgage, charge, pledge, lien, claim or other security interest or any option, restriction, right of first refusal, right of pre-emption or other third party claim, right, interest or preference or any other encumbrance of any kind
“Financial Investors”	Grandsun, LC Fund V, LC Parallel Fund V, MCP Asia, MCPC II and Yushang
“GDP”	gross domestic product
“Global Offering”	the Hong Kong Public Offering and the International Offering
“Goldman Sachs”	Goldman Sachs (Asia) L.L.C.
“Grandsun”	Grandsun International Investment Limited, a company incorporated in the BVI on April 28, 2004, being one of our Financial Investors
“Green Application Form(s)”	the application form(s) to be completed by the HK eIPO White Form Service Provider
“Group”, “our Group”, “we”, “our” or “us”	our Company and our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries (or before such associated companies of our Company), the business operated by such subsidiaries or their predecessors (as the case may be)
“Guangdebao”	Guangzhou Guangdebao Automobile Sales & Services Co., Ltd. (廣州市廣德寶汽車銷售服務有限公司), a company established in the PRC on May 14, 2012 and our wholly-owned subsidiary
“Handebao”	Wuhan Handebao Automobile Sales & Services Co., Ltd. (武漢漢德寶汽車銷售服務有限公司), a company established in the PRC on July 19, 2012 and our wholly-owned subsidiary
“Henan Hedebao”	Henan Hedebao Automobile Services Co., Ltd. (河南和德寶汽車服務有限公司), a company established in the PRC on July 27, 2011 and our wholly-owned subsidiary
“Henan Yingzhiyi”	Henan Yingzhiyi Automobile Sales & Services Co., Ltd. (河南英之翼汽車銷售有限公司), a company established in the PRC on May 21, 2012 and our wholly-owned subsidiary
“Hexie Auto”	Henan Hexie Automobile Trading Co., Ltd. (河南和諧汽車貿易有限公司), a company established in the PRC on November 10, 2011 and our wholly-owned subsidiary

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“Hexie Industrial Group”	Henan Hexie Industrial Group Co., Ltd. (河南和諧實業集團有限公司) (formerly known as Henan Hexie Times Investment Co., Ltd.), a company established in the PRC on July 3, 2008 and beneficially wholly-owned by Mr. Feng
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HK eIPO White Form”	the application for Hong Kong Offer Shares to be issued in the applicant’s own name by submitting applications online through the designated website of HK eIPO White Form at <b>www.hkeipo.hk</b>
“HK eIPO White Form Service Provider”	the <b>HK eIPO White Form</b> service provider designated by our Company, as specified on the designated website of the <b>HK eIPO White Form</b> at <b>www.hkeipo.hk</b>
“HKFRS”	Hong Kong Financial Reporting Standards issued by the HKICPA, which includes HKAS
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Nominees”	HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Offer Shares”	the 27,513,000 Shares being initially offered for subscription in the Hong Kong Public Offering, subject to reallocation
“Hong Kong Public Offering”	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong
“Hong Kong Share Registrar”	Tricor Investor Services Limited
“Hong Kong Underwriters”	the underwriters of the Hong Kong Public Offering listed in the section headed “Underwriting – Hong Kong Underwriters” in this prospectus
“Hong Kong Underwriting Agreement”	the underwriting agreement dated May 30, 2013, relating to the Hong Kong Public Offering and entered into by the Joint Bookrunners, the Hong Kong Underwriters, the Controlling Shareholders and our Company
“Huacheng Auto”	Zhengzhou Huacheng Automobile Sales & Services Co., Ltd. (鄭州華誠汽車銷售服務有限公司), a company established in the PRC on September 30, 2011 and our wholly-owned subsidiary
“Huadebao”	Beijing Huadebao Automobile Sales & Services Co., Ltd. (北京市華德寶汽車銷售服務有限公司), a company established in the PRC on July 19, 2010 and our wholly-owned subsidiary

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“International Offer Shares”	the 247,613,000 Shares being initially offered in the International Offering together with, where relevant, any additional Shares which may be issued by our Company pursuant to the exercise of the Over-allotment Option, subject to reallocation
“International Offering”	the offer of the International Offer Shares at the Offer Price outside the United States in offshore transactions in accordance with Regulation S and in the United States to QIBs only in reliance on Rule 144A or any other available exemption from registration under the U.S. Securities Act
“International Purchase Agreement”	the international purchase agreement relating to the International Offering, which is expected to be entered into by the Joint Bookrunners, the International Underwriters, the Controlling Shareholders and our Company on or about June 6, 2013
“International Underwriters”	the group of underwriters, led by the Joint Bookrunners, that is expected to enter into the International Purchase Agreement to underwrite the International Offering
“Joint Bookrunners”, “Joint Lead Managers” or “Joint Sponsors”	Goldman Sachs and CICC
“Latest Practicable Date”	May 24, 2013, being the latest practicable date prior to the printing of this prospectus for the purpose of ascertaining certain information contained in this prospectus
“LC Fund V”	LC Fund V, L.P., a limited partnership registered in the Cayman Islands on April 19, 2011 and having the same general partner as LC Parallel Fund V, being one of our Financial Investors
“LC Parallel Fund V”	LC Parallel Fund V, L.P., a limited partnership registered in the Cayman Islands on May 23, 2011 and having the same general partner as LC Fund V, being one of our Financial Investors
“LC Gloricar”	LC Gloricar Investment Limited, a company incorporated in the BVI on August 29, 2011 and our wholly-owned subsidiary
“Legend Capital”	LC Fund V and LC Parallel Fund V
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Date”	the date, expected to be on or about June 13, 2013, on which the Shares are listed on the Stock Exchange and from which dealings in the Shares are permitted to commence on the Stock Exchange

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“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
“Luohe Luodebao”	Luohe Luodebao Automobile Sales & Services Co., Ltd. (漯河潔德寶汽車銷售服務有限公司), a company established in the PRC on April 17, 2013 and our wholly-owned subsidiary
“Luoyang Luhe”	Luoyang Luhe Automobile Sales & Services Co., Ltd., a company established in the PRC on June 26, 2012 and our wholly-owned subsidiary
“Magic Frontier”	Magic Frontier Limited, a company incorporated in the BVI on December 20, 2011
“MCP Asia”	MCP Asia (Candlenut) Holdings Limited, a limited partnership registered in the state of Delaware of the United States of America on July 22, 2009 and one of the limited partners of LC Fund V, being one of our Financial Investors
“MCPC II”	MCPC II (Candlenut) Holdings Limited, a limited partnership registered in the state of Delaware of the United States of America on July 29, 2010, being one of our Financial Investors
“MOFCOM”	Ministry of Commerce of the PRC (中華人民共和國商務部) or its predecessor, the Ministry of Foreign Trade and Economic Cooperation of the PRC (中華人民共和國對外經濟貿易部)
“Morgan Creek Funds”	MCP Asia and MCPC II
“Mr. Feng”	Mr. Feng Changge, an executive Director and one of our Controlling Shareholders
“Ms. Ma”	Ms. Ma Lintao, an executive Director and the wife of Mr. Feng
“Offer Price”	the final offer price per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%)
“Offer Shares”	the Hong Kong Offer Shares and the International Offer Shares together with, where relevant, any additional Shares which may be issued by our Company pursuant to the exercise of the Over-allotment Option
“Over-allotment Option”	the option expected to be granted by our Company to the International Underwriters, exercisable by the Joint Bookrunners (on behalf of the International Underwriters), pursuant to which our Company may be required to allot and issue up to an aggregate of 41,268,500 Shares at the Offer Price to, among other things, cover over-allocations in the International Offering, if any

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“PBOC”	People’s Bank of China (中國人民銀行)
“PRC Government” or “State”	the central government of the PRC, including all political subdivisions (including provincial, municipal and other regional or local government entities) and its organs or, as the context requires, any of them
“Pre-Listing Reorganization”	the final phase of the Reorganization as contemplated under the IPO Reorganization Agreement, details of which are set out in the section headed “Our History and Reorganization – Pre-Listing Reorganization”
“Price Determination Date”	the date, expected to be on or about June 6, 2013, on which the Offer Price will be determined and, in any event, not later than June 11, 2013
“QIB”	a qualified institutional buyer within the meaning of Rule 144A
“Regulation S”	Regulation S under the U.S. Securities Act
“Reorganization”	the reorganization of the Group in preparation of the Listing, details of which are set out in the section headed “Our History and Reorganization – Our Reorganization” in this prospectus
“RMB”	Renminbi, the lawful currency of the PRC
“RSU Award”	a restricted share unit award granted to a participant under the RSU Scheme
“RSU Scheme”	the restricted share unit scheme conditionally adopted pursuant to a resolution of our shareholders dated May 20, 2013, the principal terms of which are summarized in the section headed “Statutory and General Information – Restricted Share Unit Scheme” in Appendix IV to this prospectus
“Rule 144A”	Rule 144A under the U.S. Securities Act
“SAFE”	State Administration of Foreign Exchange of the PRC (中華人民共和國外匯管理局)
“SAIC”	State Administration of Industry and Commerce of the PRC (中華人民共和國國家工商行政管理總局)
“SAT”	State Administration of Taxation of the PRC (中華人民共和國國家稅務總局)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time

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“Shangdebaojun”	Shanghai Shangdebaojun Automobile Sales & Services Co., Ltd. (上海上德寶駿汽車銷售服務有限公司), a company established in the PRC on November 10, 2011 and our 90% owned subsidiary
“Shareholder(s)”	holder(s) of Shares
“Shares”	ordinary shares in the capital of our Company with nominal value of HK\$0.01 each
“Shenyang Shendebao”	Shenyang Shendebao Automobile Sales & Services Co., Ltd. (瀋陽瀋德寶汽車銷售服務有限公司), a company established in the PRC on February 25, 2013 and our wholly-owned subsidiary
“Shenyang Shenzhiyi”	Shenyang Shenzhiyi Automobile Sales & Services Co., Ltd. (瀋陽瀋之翼汽車銷售服務有限公司), a company established in the PRC on February 1, 2013 and our wholly-owned subsidiary
“Sole Global Coordinator”	Goldman Sachs
“Stabilization Manager”	Goldman Sachs International
“State Council”	the PRC State Council (中華人民共和國國務院)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Success Intergrow”	Success Intergrow Company Limited, a company incorporated in the Cayman Islands on December 19, 2011
“Suzhou Yijun”	Suzhou Yijun Automobile Sales & Services Co., Ltd. (蘇州意駿汽車銷售服務有限公司), a company established in the PRC on October 24, 2012 and our wholly-owned subsidiary
“Track Record Period”	the three financial years of our Company ended December 31, 2010, 2011 and 2012
“Underwriters”	the Hong Kong Underwriters and the International Underwriters
“Underwriting Agreements”	the Hong Kong Underwriting Agreement and the International Purchase Agreement
“U.S.” or “United States”	the United States of America
“U.S. Securities Act”	the United States Securities Act of 1933, as amended from time to time
“Wandebao”	Nanyang Wandebao Automobile Sales & Services Co., Ltd. (南陽宛德寶汽車銷售服務有限公司), a company established in the PRC on December 8, 2010 and our wholly-owned subsidiary



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“ <b>White</b> Application Form(s)”	the application form(s) for use by the public who require such Hong Kong Offer Shares to be issued in the applicants’ own names
“Wuhan Huazheng”	Wuhan Huazheng Automobile Sales & Services Co., Ltd. (武漢華鄭汽車銷售服務有限公司), a company established in the PRC on July 9, 2012 and our wholly-owned subsidiary
“Xi’an Huadu”	Xi’an Huadu Automobile Sales & Services Co., Ltd. (西安華都汽車銷售服務有限公司), a company established in the PRC on April 20, 2012 and our wholly-owned subsidiary
“Xiamen Lexus”	Xiamen Yuanda Lexus Automobile Sales & Services Co., Ltd. (廈門遠達雷克薩斯汽車銷售服務有限公司), a company established in the PRC on December 22, 2011 and our wholly-owned subsidiary
“Xindebao”	Xinxiang City Xindebao Automobile Services Co., Ltd. (新鄉市新德寶汽車服務有限公司), a company established in the PRC on April 24, 2009 and our wholly-owned subsidiary
“Xinxiang Dongxin”	Xinxiang Dongxin Automobile Co., Ltd. (新鄉東新汽車有限責任公司), a company established in the PRC on December 13, 2010 in which we acquired 40% of the equity interests on September 29, 2012
“Xinxiang Hedebao”	Xinxiang Hedebao Automobile Sales & Services Co., Ltd. (新鄉和德寶汽車銷售服務有限公司), a company established in the PRC on November 19, 2012 and our 51% owned subsidiary
“ <b>Yellow</b> Application Form(s)”	the application form(s) for use by the public who require such Hong Kong Offer Shares to be deposited directly into CCASS
“Yichang Lushun”	Yichang Lushun Automobile Sales & Services Co., Ltd. (宜昌路順汽車銷售服務有限公司), a company established in the PRC on April 17, 2012 and our 65% owned subsidiary
“Yongda Hexie”	Zhengzhou Yongda Hexie Automobile Sales & Services Co., Ltd. (鄭州永達和諧汽車銷售服務有限公司), a company established in the PRC on December 26, 2011 in which we own 30% of the equity interests
“Yuanda Investment”	Henan Yuanda Investment Co., Ltd. (河南遠達投資有限公司), a company incorporated in the PRC on November 12, 2002 and 90% beneficially owned by Mr. Feng
“Yuanda Lexus”	Zhengzhou Yuanda Lexus Automobile Sales & Services Co., Ltd. (鄭州遠達雷克薩斯汽車銷售服務有限公司), a company incorporated in the PRC on October 19, 2006 and our wholly-owned subsidiary

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“Yudebao”	Luoyang Yudebao Automobile Sales & Services Co., Ltd. (洛陽豫德寶汽車銷售服務有限公司), a company established in the PRC on May 8, 2009 and our wholly-owned subsidiary
“Yushang”	Yushang Limited, a company incorporated in the BVI on September 3, 2010, being one of our Financial Investors
“Zhengdebao”	Zhengzhou Zhengdebao Automobile Sales & Services Co., Ltd. (鄭州鄭德寶汽車銷售服務有限公司), a company established in the PRC on July 24, 2009 and our wholly-owned subsidiary
“Zhengzhou Huading”	Zhengzhou Huading Automobile Sales & Services Co., Ltd. (鄭州華鼎汽車銷售服務有限公司), a company established in the PRC on May 4, 2012 and our wholly-owned subsidiary
“Zhongdebao”	Henan Zhongdebao Automobile Sales Service Co., Ltd. (河南中德寶汽車銷售服務有限公司), a company established in the PRC on March 4, 2005 and our wholly-owned subsidiary

*In this prospectus, the terms “associate”, “connected person”, “connected transaction”, “controlling shareholder”, “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.*

*If there is any inconsistency between the Chinese names of the entities or enterprises established in the PRC mentioned in this prospectus and their English translations, the Chinese names shall prevail. The English translations of the Chinese names of such PRC entities are provided for identification purposes only.*