GLOSSARY OF TECHNICAL TERMS

This glossary contains explanations of certain technical terms used in this prospectus in connection with our Company and its business. Such terminology and meanings may not correspond to standard industry meanings or usages of those terms.

"AC"	alternating current, an electric current whose direction reverses cyclically
"air compressor"	a mechanical device for compressing and pressurizing air and improving air pressure concurrently
"alternator"	an electromechanical device that converts mechanical energy to electrical energy in the form of alternating current
"bogie"	a framework which carries the wheels attached to a coach, freight wagon or locomotive
"BT"	Build-Transfer, a business model in which the contractor provides financing for construction of a given project and transfers such project back to the owner upon completion and such owner will pay the contractor for the construction expenditures, financing costs and return on project in installments pursuant to the relevant agreements
"converter"	an electric device to change voltage, frequency, phase number and other capacity or characteristics of a power system. Different types of converters include rectifiers (AC—DC), inverters (DC—AC), AC converters and DC converters
"coupler"	a mechanism for connecting rolling stock in a train
	direct current, being electricity which flows in one direction through the conductor
"diesel engine"	an internal combustion engine that uses the heat of compression to initiate ignition and burn the fuel that has been injected into the combustion chamber
"diesel locomotive"	a locomotive powered by diesel engine
"DMU"	multiple units powered by diesel engine

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"electric locomotive"	a locomotive powered by electricity drawn from a power grid
"electrified railway(s)"	railway equipped with power supply system of traction
"EMU"	multiple units powered by electricity drawn from a power grid
"EPC"	engineering, procurement and construction, a business model under which the contractor undertakes the design, procurement, construction and testing and is responsible for the project's quality
"freight wagon"	a rail vehicle primarily used for carrying goods. Freight wagons can also be used for railway construction and bridge construction
"high-speed MUs"	MUs with a maximum operating speed over 200 km/h (inclusive)
"high-speed train"	a train with a maximum operating speed over 200 km/h (inclusive)
"hp"	horse power
"IGBT"	a fast switching, high efficient three-terminal power semiconductor device primarily used as an electronic switch or in certain recently-developed devices
"km"	kilometer
"kW"	kilowatt
"LNG"	liquefied natural gas
"locomotive"	a driving vehicle that mobilizes passenger coaches and freight wagons but does not carry passengers or freight (also known as the head of a train)
"metro car"	a single train unit that can be arranged into a subway train and operated on subway lines, including powered vehicles and non-powered trailers
"MUs" or "multiple units"	a fixed arrangement of cars which are equipped with driving coaches, non-powered trailers, and occasionally, controlling coaches

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"passenger coach"	a car designed for the conveyance of passengers by rail and the provision of service, which is primarily used by a passenger train
"rail vehicles"	includes locomotives, passenger coaches, freight wagons, MUs, railway engineering vehicles and special purpose vehicles
"rapid transit system"	urban mass rapid transit system, including subways and light rails
"rapid transit vehicles"	urban mass rapid transit equipment, including metro cars, light rail cars, inter-city railcars and trams
"rolling stock"	refers to all types of rail vehicles and rapid transit vehicles, including without limitation locomotives, passenger coaches, freight wagons, MUs, light rail vehicles and metro cars
"sq.m."	square meter
"traction motor"	an electric motor providing the primary rotational torque of a machine, usually for conversion into linear motion. It is used in rail vehicles such as electric multiple units and electric locomotives