
DEFINITIONS

In this prospectus, unless the context otherwise requires, the following terms have the following meanings. Certain other terms are explained in the “Technical Glossary” in this prospectus.

| | |
|---|---|
| “Accountants’ Report” | the Accountants’ Report included in Appendix I to this prospectus |
| “Aotecar Casting” | Nanjing Aotecar Changheng Casting Co., Ltd. (南京奥特佳長恒鑄造有限公司), a company established in the PRC on 4 December 2008 which is owned as to 51% by Aotecar Nanjing and 49% by Changheng Casting and is principally engaged in the manufacture of assembly parts for our compressor production |
| “Aotecar Hong Kong” | Aotecar Refrigerating (Hong Kong) Limited (奧特佳冷機(香港)有限公司) (formerly known as Wealth Gear Limited (富昕有限公司)), a company incorporated in Hong Kong on 30 October 2007 wholly-owned by Aotecar International and is engaged in investment holding |
| “Aotecar International” | Aotecar International Holdings Limited (奧特佳國際控股有限公司), a company incorporated in the BVI on 16 January 2007 wholly-owned by our Company and is engaged in investment holding |
| “Aotecar Nanjing” | Nanjing Aotecar Refrigerating Co., Ltd. (南京奥特佳冷機有限公司), a company established in the PRC on 16 May 2000 wholly-owned by Aotecar Hong Kong and is principally engaged in the manufacture and sales of automobile air-conditioning compressors |
| “Aotecar Xiangyun” | Nanjing Aotecar Xiangyun Refrigerating Co., Ltd. (南京奥特佳祥雲冷機有限公司), a company established in the PRC on 27 June 2008 wholly-owned by Aotecar Hong Kong and is principally engaged in the manufacture and sales of automobile air-conditioning compressors |
| “Application Form(s)” | white, yellow and/or green application form(s), or where the context so requires, any of them which is used in relation to the Public Offering |
| “Articles of Association” or “Articles” | the articles of association of the Company as amended from time to time |
| “associates” | has the meaning ascribed to it in the Listing Rules |
| “Board of Directors” or “Board” | the board of Directors |

DEFINITIONS

| | |
|--------------------------------------|---|
| “Business Day” | a 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 |
| “Capitalisation Issue” | the issue of 699,985,263 Shares upon capitalisation of an amount of HK\$6,999,852.63 standing to the credit of the share premium account of our Company referred to in “History, Development and Reorganisation” of this prospectus |
| “CAGR” | compound annual growth rate |
| “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 clearing participant and general clearing participant |
| “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 or a CCASS Custodian Participant or a CCASS Investor Participant |
| “CDH Auto” | CDH Auto Limited, a company incorporated in the BVI on 29 May 2008 wholly-owned by CDH China Fund III, L.P. and is engaged in investment holding. Mr. Wang Zhenyu, our Director, is a director of CDH Auto |
| “CDH Cool” | CDH Cool Limited, a company incorporated in the BVI on 9 January 2007 wholly-owned by CDH China Growth Capital Fund II, L.P. and is engaged in investment holding. Mr. Wang Zhenyu, our Director, is a director of CDH Cool |
| “Changheng Casting” | Nanjing Changheng Casting Co., Ltd. (南京長恆鑄造有限公司), a company established in the PRC on 1 March 2002, which holds 49% of Aotecar Casting and is owned as to 70% by Nanjing Jida Information Technology Services Centre (南京吉大信息技術服務中心), a sole proprietorship enterprise (個人獨資企業) established in the PRC which is owned by Mr. Wu Peirong, and 30% by Ms. Lu Manling, and is |

DEFINITIONS

| | |
|-------------------------------------|---|
| | principally engaged in the manufacture and sale of alloy casting and R&D of relevant machinery products |
| “CIMB” | CIMB Securities (HK) Limited, a licensed corporation for carrying out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO |
| “CITIC Capital China” | CITIC Capital China Limited (formerly known as Total Rise Investments Limited), an exempted company incorporated in the Cayman Islands with limited liability on 18 April 2007 wholly-owned by CITIC Capital China Fund I and is engaged in investment holding and is a Controlling Shareholder of our Company |
| “CITIC Capital China Fund I” | CITIC Capital China Partners, L.P. (formerly known as CITIC China Partners L.P.), an exempted limited partnership registered under the laws of Cayman Islands on 30 June 2005, a private equity fund focusing on private equity investments in China with limited partners mainly comprised of international institutional investors, and is a Controlling Shareholder of our Company |
| “Companies Law” | the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands |
| “Companies Ordinance” | the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time |
| “Company”, “our Company” | China Auto System Technologies Limited (中國汽車系統技術有限公司) (formerly known as China Greenway System Technologies Limited (中國綠源系統技術有限公司)), an exempted company incorporated in the Cayman Islands with limited liability on 25 May 2010 under the Companies Law and is engaged in investment holding |
| “connected person” | has the meaning ascribed to it in the Listing Rules |
| “Controlling Shareholders” | has the meaning ascribed to it in the Listing Rules, and in this prospectus unless the context otherwise requires, refers to CITIC Capital China and CITIC Capital China Fund I |
| “CUAS” | China United Air Systems Limited (中國聯合空調系統有限公司) (formerly known as Fulljoy Enterprises Limited (富昕企業有限公司)), a company incorporated in the BVI on |

DEFINITIONS

| | |
|--|---|
| | 8 January 2008 which is owned as to 10% by Fang Brothers, 51.43% by CITIC Capital China, 12.43% by CDH Cool and 26.14% by CDH Auto and is engaged in investment holding |
| “Danyang Yongyue” | Nanjing Jiangning Danyang Yongyue Casting Manufacturer (南京市江寧區丹陽勇躍鑄造廠), a company established in the PRC and is principally engaged in the manufacture and sale of aluminium casting, auto parts and power accessories |
| “Director(s)” | director(s) of our Company |
| “Fang Brothers” | Fang Brothers (China) Limited (肇豐(中國)有限公司) (formerly known as Fang Brothers Investments Limited (肇豐投資有限公司)), a company incorporated in Hong Kong on 18 November 1993 wholly-owned by Fang Brothers Holdings and is engaged in investment holding. Mr. Kenneth Fang and Mr. Gao Chunhe, our Directors, are directors of Fang Brothers |
| “Fang Brothers Holdings” | Fang Brothers Holdings Limited (肇豐集團有限公司) (formerly known as KF Enterprise Limited (凱豐企業有限公司)), a company incorporated in the BVI on 4 January 2008 which is owned as to 50% by Mr. Kenneth Fang and 50% by his family members and is engaged in investment holding. Mr. Kenneth Fang, our Director, is a director of Fang Brothers Holdings |
| “GDP” | gross domestic products |
| “GEM” | the Growth Enterprise Market of the Stock Exchange |
| “Global Offering” | the Public Offering and the International Offering |
| “Goldman Sachs” | Goldman Sachs (Asia) L.L.C., a licensed corporation for carrying out type 1 (dealing in securities), type 4 (advising on securities), type 5 (advising on futures contracts), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) regulated activities under the SFO |
| “Green Application Forms” | the Application Form(s) to be completed by the HK eIPO White Form Service Provider designated by our Company |
| “Group”, “our Group”, “we”, “us” or “our” | our Company and its subsidiaries or, where the context so requires, in respect of the period prior to our Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were the subsidiaries of our Company at that time. For the avoidance of doubt, for the period prior to 29 December 2007, “Group”, “our Group”, “we”, “us” or “our” represents Aotecar Nanjing only |

DEFINITIONS

| | |
|--|---|
| “ Hengxi Chongwen Land ” | one parcel of land located at No.9 Chongwen Road, Hengxi Street, Jiangning District, Nanjing, Jiangsu Province, the PRC |
| “ Hengxi Chongwen Lease ” | the lease agreement dated 29 March 2010 entered into between Aotecar Casting as lessee and Nanjing Danyang Automotive Leaf Spring Factory (南京丹陽汽車板簧廠), an enterprise established under the laws of the PRC on 1 January 1994 and an independent third party, as lessor in respect of the Hengxi Chongwen Land and the Hengxi Chongwen Premises |
| “ Hengxi Chongwen Premises ” | comprises a primary factory building, a power room, an ancillary building and an open ground with a gross floor area of 2,574 sq.m., 127.5 sq.m. and 826 sq.m. and a site area of 5,890 sq.m., respectively, and steel structures with a gross floor area of approximately 2,200 sq.m. on the open ground, situated on the Hengxi Chongwen Land |
| “ Hengxi Lands ” | two parcels of lands located at No.11 Ningyang Street, Danyang Community, Hengxi Street, Jiangning District, Nanjing, Jiangsu Province, the PRC |
| “ Hengxi Lease ” | the lease agreement dated 25 December 2008 entered into between Aotecar Casting as lessee and Changheng Casting as lessor in respect of the Hengxi Lands and the Hengxi Leased Factory |
| “ Hengxi Leased Factory ” | one of the two factory buildings located on the Hengxi Lands that is leased by Aotecar Casting from Changheng Casting |
| “ Hengxi Owned Factory ” | one of the two factory buildings located on the Hengxi Lands that was acquired by Aotecar Casting from Changheng Casting and is owned by Aotecar Casting |
| “ Hengxi Properties ” | the Hengxi Owned Factory, the Hengxi Leased Factory and the Hengxi Workshop |
| “ Hengxi Workshop ” | workshop located on the Hengxi Lands that was built and is occupied by Aotecar Casting |
| “ HK\$ ” or “ HK dollar ” | Hong Kong dollars, the lawful currency of Hong Kong |
| “ HK eIPO White Form ” | the application for Public Offering Shares to be issued in the applicant’s own name by submitting applications online through the designated website of HK eIPO White Form at www.hkeipo.hk |
| “ HK eIPO White Form Service Provider ” | the HK eIPO White Form service provider designated by our Company, as specified on the designated website at www.hkeipo.hk |

DEFINITIONS

| | |
|---|--|
| “HKICPA” | Hong Kong Institute of Certified Public Accountants |
| “HKSCC” | Hong Kong Securities Clearing Company Limited |
| “HKSCC Nominees” | HKSCC Nominees Limited, a wholly-owned subsidiary of HKSCC |
| “Hong Kong” or “HK” | the Hong Kong Special Administrative Region of the PRC |
| “Hong Kong Share Registrar” | Tricor Investor Services Limited, the Hong Kong branch share registrar of our Company |
| “IFRSs” | International Financial Reporting Standards |
| “independent third party(ies)” | a person(s) or company(ies) who/which is or are independent of and not connected with our Company and our connected persons |
| “International Offering” | the conditional placing of the International Offering Shares by the International Underwriters on behalf of our Company at the Offer Price outside the United States (including to professional, institutional and corporate investors and excluding retail investors in Hong Kong) in reliance on Regulation S as further described in “Structure and Conditions of the Global Offering” in this prospectus |
| “International Offering Shares” | the 270,000,000 new Shares being offered by our Company for subscription under the International Offering subject to adjustment and together, where relevant, with any additional Shares which may fall to be issued pursuant to the exercise of the Over-allotment Option as further described in “Structure and Conditions of the Global Offering” in this prospectus |
| “International Underwriters” | the several underwriters of the International Offering |
| “International Underwriting Agreement” | the conditional underwriting agreement expected to be entered into on or about the Price Determination Date, between our Company, Mr. Qian, CITIC Capital China, Goldman Sachs and the International Underwriters in respect of the International Offering, particulars of which are set forth in “Underwriting” in this prospectus |
| “JPY” | Japanese yen, the lawful currency of Japan |
| “Latest Practicable Date” | 8 April 2011, being the latest practicable date prior to the printing of this prospectus for the purpose of ascertaining certain information contained in this prospectus |

DEFINITIONS

| | |
|--|--|
| “Listing” | the listing of the Shares on the Main Board |
| “Listing Date” | the date expected to be on or about 29 April 2011, on which dealings in the Shares first commence on the Stock Exchange |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time |
| “Main Board” | the stock market operated by the Stock Exchange prior to the establishment of the GEM (excluding the options market) and which continues to be operated by the Stock Exchange in parallel with GEM |
| “Memorandum of Association” or “Memorandum” | the memorandum of association of the Company (as amended from time to time) |
| “MOFCOM” or “MOFTEC” | The PRC Ministry of Commerce (中華人民共和國商務部), or its predecessor, the Ministry of Foreign Trade and Economic Cooperation (中華人民共和國對外貿易經濟合作部) |
| “Mr. Fang” or “Mr. Kenneth Fang” | Mr. Fang Kenneth Hung, a non-executive Director |
| “Mr. Qian” | Mr. Qian Yonggui, an executive Director and our chief executive officer |
| “NPC” | National People’s Congress of the PRC |
| “New EIT Law” | Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法), as promulgated on 16 March 2007 and effective from 1 January 2008 |
| “New Production Base” | our production base located at the industrial complex, Moling Street Industrial Zone, Jiangning District, Nanjing, Jiangsu Province, the PRC, and operated by Aotecar Xiangyun |
| “Nanjing Baiye” | Nanjing Baiye Labour Service Company Limited (南京百業勞務經紀有限公司), a company established in the PRC and is principally engaged in providing services as a labour service agent for labour service transfer and management and for labour security as well as employment training |
| “Nanjing Yunhai” | Nanjing Yunhai Special Metals Co., Ltd. (南京雲海特種金屬股份有限公司), a company listed on Shenzhen Stock Exchange (Stock Code: 002182), and an independent third party |

DEFINITIONS

| | |
|--------------------------------|--|
| “Offer Price” | the final HK dollar price per Offer Share (exclusive of brokerage, SFC transaction levy and Stock Exchange trading fee) at which the Offer Shares are to be subscribed for and issued pursuant to the Public Offering, to be determined as further described in “Structure and Conditions of the Global Offering – Pricing and allocation” of this prospectus |
| “Offer Shares” | the Public Offering Shares and the International Offering Shares, together with any additional Shares allotted and issued pursuant to the exercise of the Over-allotment Option |
| “Old Production Base” | our production base located at No. 103 Daming Road, Qinhuai District, Nanjing, Jiangsu Province, the PRC and occupied by Aotecar Nanjing |
| “Over-allotment Option” | the option to be granted by our Company to the Sole Global Coordinator, exercisable in whole or in part on one or more occasions by the Sole Global Coordinator, on behalf of the International Underwriters, at any time from the Price Determination Date up to 30 days after the last day for the lodging of applications under the Public Offering to require our Company to issue and allot up to 45,000,000 additional Shares, representing in aggregate 15% of the initial number of Offer Shares, at the Offer Price |
| “Ourview Consultancy” | Beijing Ourview Consultancy Company Limited (北京奧爾威諮詢有限公司), a company established in the PRC on 15 September 2004 which is an independent third party and is one of the PRC consultancy firms specialising in market research relating to automobile parts and automobile electronics products in the PRC |
| “Ourview Report” | Analysis Report on Industry Development of Automobile Air-conditioning Compressor Industry in the PRC (中國汽車空調壓縮機行業發展分析報告) dated 13 March 2011 issued by Ourview Consultancy and commissioned by us |
| “PBOC” | the People’s Bank of China (中國人民銀行), the central bank of the PRC |
| “PRC” or “China” | the People’s Republic of China. Except where the context requires, geographical references in this prospectus to the PRC or China exclude Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan |
| “PRC Legal Advisers” | Chen & Co. Law Firm, our legal advisers as to PRC laws |

DEFINITIONS

| | |
|---|---|
| “Pre-IPO Share Options” | options granted to eligible persons under the Pre-IPO Share Option Scheme |
| “Pre-IPO Share Option Scheme” | the share option scheme conditionally adopted by our Company by way of written resolutions of our Shareholders dated 20 September 2010, the principal terms of which are summarised in “Share Option Schemes – Summary of the terms of the Pre-IPO Share Option Scheme” in Appendix VI to this prospectus |
| “Price Determination Date” | the date, expected to be on or around 20 April 2011, on which the Offer Price is fixed for the purposes of the Global Offering, and in any event no later than 27 April 2011 |
| “Public Offering” | the offer of the Public Offering Shares by our Company for subscription by members of the public in Hong Kong (subject to adjustment as described in “Structure and Conditions of the Global Offering” in this prospectus) for cash at the Offer Price, payable in full on application and subject to the terms and conditions described in this prospectus and the Application Forms |
| “Public Offering Shares” | the 30,000,000 new Shares offered by us for subscription under the Public Offering, representing 10% of the initial number of the Offer Shares subject to adjustment as described in “Structure and Conditions of the Global Offering” in this prospectus |
| “Public Offering Underwriters” | the underwriters of the Public Offering listed in “Underwriting – Underwriters – Public Offering Underwriters” in this prospectus |
| “Public Offering Underwriting Agreement” | the underwriting agreement dated 14 April 2011 relating to the Public Offering entered into between our Company, Mr. Qian, CITIC Capital China, Goldman Sachs, CIMB and the other Public Offering Underwriters |
| “R&D” | research and development |
| “Regulation S” | Regulation S under the US Securities Act |
| “Reorganisation” | the corporate reorganisation effected in anticipation of the Listing which is more particularly described in “History, Development and Reorganisation” of this prospectus |
| “RMB” or “Renminbi” | Renminbi, the lawful currency of the PRC |

DEFINITIONS

| | |
|---|--|
| “SAFE” | the PRC State Administration of Foreign Exchange (中國國家外匯管理局), the PRC Government agency responsible for matters relating to foreign exchange administration |
| “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, supplemented or otherwise modified from time to time |
| “Share Option Scheme” | the share option scheme conditionally adopted by our Company pursuant to written resolutions passed by our Shareholders on 11 April 2011, a summary of the principal terms of which is set out in “Share Option Schemes – Summary of the terms of the Share Option Scheme” in Appendix VI to this prospectus |
| “Share Option Schemes” | the Pre-IPO Share Option Scheme and the Share Option Scheme |
| “Share(s)” | ordinary share(s) of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Shenyin Wanguo” | Shenyin Wanguo Capital (H.K.) Limited (申銀萬國融資(香港)有限公司), a licensed corporation for carrying out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO |
| “Social Insurance” | contribution for various funds in the PRC, including pension insurance, medical insurance, unemployment insurance, occupational injuries insurance, maternity insurance |
| “Sole Global Coordinator”, “Sole Bookrunner” or “Lead Manager” | Goldman Sachs |
| “Sponsor” or “Co-Lead Manager” | CIMB |
| “sq.m.” | square metre(s) |
| “Stabilising Manager” | Goldman Sachs |
| “Standing Committee” | Standing Committee of the NPC |
| “State” or “PRC Government” | the central government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities) and their instrumentalities or, where the context requires, any of them |
| “State Council” | State Council of the PRC (中華人民共和國國務院) |
| “Stock Borrowing Agreement” | a securities lending agreement to be entered into on or around the Price Determination Date between the Stabilising Manager and CITIC Capital China |

DEFINITIONS

| | |
|-------------------------------|--|
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “substantial shareholder” | has the meaning ascribed to it in the Listing Rules |
| “Takeovers Code” | the Hong Kong Code on Takeovers and Mergers and Share Repurchases (as amended from time to time) |
| “Track Record Period” | the period comprising the three financial years ended 31 December 2010 (i.e., the three years ended 31 December 2008, 2009 and 2010) |
| “Underwriters” | the Public Offering Underwriters and the International Underwriters |
| “Underwriting Agreements” | the Public Offering Underwriting Agreement and the International Underwriting Agreement |
| “United States” or “US” | the United States of America, including its territories and possessions |
| “US Securities Act” | the US Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder |
| “US\$”, “USD” or “US dollars” | United States dollars, the lawful currency of the United States |
| “WFOE” | wholly foreign-owned enterprise established in the PRC |
| “Xiezhong Hong Kong” | Xiezhong Auto-Airconditioner (Hong Kong) Limited (協眾汽車空調(香港)有限公司), a company incorporated in Hong Kong on 21 May 2008 wholly-owned by Xiezhong International and is engaged in investment holding |
| “Xiezhong International” | Xiezhong International Holdings Limited (協眾國際控股有限公司), a company incorporated in the BVI on 14 May 2008 which is owned as to 60% by CUAS and 40% by Sunrise International Investment Management Inc. and is engaged in investment holding |
| “Xiezhong Nanjing” | Nanjing Xiezhong Auto-Airconditioner (Group) Co., Ltd. (南京協眾汽車空調集團有限公司), a company established in the PRC on 15 April 2002 wholly-owned by Xiezhong Hong Kong and is principally engaged in the manufacture and sale of automobile air-conditioning systems and accessories in the PRC |

Any discrepancies in any table between the total shown and the sum of the amounts listed are due to rounding.

DEFINITIONS

For ease of reference, the names of companies and entities established in China have been included in this prospectus in English by way of translation if such Chinese entities do not have an English names as part of their legal names, and if there is any inconsistency between the Chinese names of the Chinese entities mentioned in this prospectus and their English translations, the Chinese version shall prevail.

Unless expressly stated or the context requires otherwise, all data in this prospectus is as at the date of this prospectus.

Unless the context requires otherwise, translation of US\$ into HK\$ and RMB into HK\$ is made in this prospectus for illustration purpose only, at the rates of US\$1.00 = HK\$7.78 and RMB1.00 = HK\$1.18.

No representation is made that any amount in US\$, HK\$ or RMB could have been or could be converted at the above rate or at any other rate or at all.

Certain amounts and percentage figures included in this prospectus have been subject to rounding adjustments whether expressed in words or in Arabic numerals. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

Unless otherwise specified, all references to any shareholdings in our Company assume no exercise of the Over-allotment Option.