
GLOSSARY

This glossary contains certain technical terms used in this prospectus in connection with our Company. Such terms and their meanings may not correspond to standard industry definitions or usage.

“denier” or “linear density”	represents the weight in gram per 9,000 meters of a yarn, which directly affects the hand feel of the textile produced. The higher the denier number, the coarser the textile, and the lower the denier number, the finer the textile
“denier per filament” or “dpf”	a fraction calculated by dividing the yard denier by the filaments counts in the yarn. The lower the dpf, the more comfortable the textile
“differentiated polyester filament yarns”	a term recognized by the textile and polyester filament yarn industries, which means polyester filament yarns with special properties and functionalities, achieved through diversifying the chemical components of the filament or through changing the shape or linear density of the filament. They are less commonly produced and consumed in the market than regular polyester filament yarns and typically have higher prices than regular polyester filament yarn
“DMT”	dimethyl terephthalate, an organic compound which is used in the production of polyester
“DTY”	drawn textured yarn, a type of polyester filament yarn which has, among other qualities, good resistance to abrasion and elasticity. It is typically used to produce high-end sportswear, sport shoes and home furnishing textiles
“FDY”	fully draw yarn, a type of polyester filament yarn which has, among other qualities, good fabric strength. It is typically used to produce high-end undergarments, high-end sportswear and home furnishing textile
“filament count”	represents the number of filaments composing a polyester filament yarn, which directly affects the softness of the textile produced. The higher the filament count, the softer the textile feels
“Gwh”	gigawatt hour, a unit used to measure energy which is equivalent to 1,000,000 Kwh
“Kwh”	kilowatt hour, a unit used to measure the amount of energy generated in an hour

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“MEG”	mono ethylene glycol, an organic compound which is used as a main raw material in producing polyester
“PET”	polyethylene terephthalate, an organic compound which is used in producing polyester filament yarns and other products such as plastic containers and bottles
“PET chips”	particles of dried polyester melt
“polyester filament yarns”	polyester filament yarns are synthetic yarns formed through the spinning process or spinning and texturing process by using PET chips or polyester melt made through the polymerizing process. When used in the description of our business, operations or productions, the term refers to all of the polyester filament yarns produced by us, including all DTY, FDY, POY and PET chips
“polyester melt”	polymer in molten form, which is to be used for spinning
“polymerizing process”	the process of producing polyester melt through combining PTA and MEG, our main raw materials, under high temperature and high pressure
“POY”	partially oriented yarn, a type of polyester filament yarn which is typically used to produce DTY
“PSF”	Polyester staple fiber, a type of polyester fiber formed through the drawing and cutting process by using PET chips or polyester melt made through the polymerizing process. It is produced in predetermined lengths which makes it easier to blend with other fibers such as cotton. It looks similar to cotton and is typically used for fiber fillings in pillows and sofas, and is also used as a raw material in spinning to make spun yarns
“PTA”	purified terephthalic acid, an organic compound which is used as a main raw material in producing polyester
“regular polyester filament yarn”	a term recognized by the textile and polyester filament yarn industries, which means polyester filament yarn directly spun from polymerizing melt without adding any extra chemical component or changing the shape or linear density of the filament. It is more commonly consumed in the market than differentiated polyester filament yarn
“spin finish oil”	an oil-based material which is used in the finishing process of chemical fiber yarn as a lubricant and softening agent
“spinning” or “spinning process”	in the context of polyester filament yarn production, refers to the process of extrusion of polyester melt and solidification of filaments

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“spinnerette”	the component of a spinning machine which is a metal nozzle having fine holes on it through which polyester melt is forced to form polyester filaments which are further drawn and combined into polyester filament yarn
“texturing process”	a process used to produce DTY from POY, which gives DTY a fluffy appearance and gives it the properties of both natural fiber and synthetic fiber
“ton”	metric ton(s)
“tpa”	ton(s) per annum