

GLOSSARY

Technical Terms

This glossary contains explanations of certain terms used in this prospectus in connection with the Company and its business. The terminology and their meanings may not correspond to standard industry meanings or usage of those terms.

“air-jet looms”	a shuttleless loom that employs a jet of air to carry the filling yarn through the shed
“CAGR”	compound annual growth rate
“Four Points System”	a standard of the American Society of Testing and Materials to measure the quality of fabrics
“grey fabrics”	also known as gray fabrics or greige fabric. Grey fabrics are fabrics taken directly from the loom without any additional finishing operations
“shuttle”	a boat-shaped device used to carry the filling yarn back and forth through the shed in the weaving process
“spandex”	also known as elastane, an artificial fibre in which produced by a long-chain synthetic polymer comprised of at least 85% of a segmented polyurethane
“spindle”	a rod or pin on textile machinery for holding bobbins. The spindle is then rotated at high speed and a bobbin placed on the spindles receives the yarn
“Uster Statistics”	Uster Statistics are served as the platform for yarn product specifications in commercial transactions. Samples are collected from all major textile industry segments from different countries including PRC for these reference figures. Uster Statistics are commonly accepted by the manufacturers, merchants, and processors of yarns as the benchmark to the quality of yarn products. Yarn with quality of 25-5% of the Uster Statistics is highly demanded in the international market