

OVERVIEW

On July 5, 2011, Wison Holding and the Pre-IPO Investors, namely BOCOM, Credit Suisse, UOB, Gold Prosperity, Sun-Rising, Huadian, Huaneng Invesco WLR, Sincere, Hao Peng, Stone Capital and Feixl entered into eight separate Subscription Agreements. Pursuant to the Subscription Agreements, Wison Holding agreed to issue the Bonds to each Pre-IPO Investor, respectively. The consideration for the Bonds (as defined below) was paid on July 6, 2011. The gross proceeds of US\$95 million from the investment were used to fund the discharge or repayment of certain payables and loans owed by the Wison Holding group of companies (which are not within our Group) to members of our Group and to fund the payment of fees and expenses due and payable under or in connection with the investment. Wison Holding subsequently redeemed the Bonds issued to Huadian on June 20, 2012 and Huaneng Invesco WLR, Credit Suisse and UOB on June 25, 2012, respectively. See “—Redemption of the Bonds issued to Huadian, Huaneng Invesco WLR, Credit Suisse and UOB by Wison Holding” below for further details. On September 20, 2012, the Bonds held by the Remaining Pre-IPO Investors were exchanged into our Shares pursuant to the terms and conditions of the Bonds and the Remaining Pre-IPO Investors became our Shareholders.

BACKGROUND OF THE INVESTORS

BOCOM International Holdings Company Limited is a company incorporated in Hong Kong and a wholly owned subsidiary of Bank of Communications Co., Ltd. (交通銀行股份有限公司), whose H shares are listed on the Main Board of the Stock Exchange (stock code: 3328). BOCOM is principally engaged in investment holding, proprietary trading, and direct investments. BOCOM’s subsidiaries include, among others, BOCOM International (Asia) Limited, BOCOM International Securities Limited and BOCOM International Asset Management Limited. These subsidiaries are principally engaged in investment banking, securities brokerage and asset management business, respectively. BOCOM International Holdings Company Limited is an Independent Third Party.

Credit Suisse AG, Singapore Branch is the Singapore branch of Credit Suisse AG which is an international financial services firm incorporated in Switzerland. Credit Suisse AG, Singapore Branch was registered in Singapore on March 8, 1973 and its registered office is at 1 Raffles Link, #03-01 One Raffles Link, Singapore, 039393. The business of Credit Suisse AG, Singapore Branch includes private banking and investment banking. Credit Suisse AG Singapore Branch is an Independent Third Party.

UOB was incorporated in Singapore on August 6, 1935 as The United Chinese Bank Limited. UOB catered mainly to the Fujian community in its early years. The change of name was effected in 1965. Through a series of acquisitions, UOB is now a leading bank in Asia. Besides Far Eastern Bank in Singapore, UOB’s major banking subsidiaries in the region are United Overseas Bank (Malaysia), United Overseas Bank (Thai), PT Bank UOB Buana and United Overseas Bank (China). Today, the UOB Group has a network of over 500 offices in 19 countries and territories in Asia Pacific, Western Europe and North America. UOB is an Independent Third Party.

Gold Prosperity is a company incorporated in the BVI with limited liability on May 30, 2011 and is an Independent Third Party and a wholly owned subsidiary of BOCOM International China Fund L.P., whose general partner is BOCOM International China Fund

G.P., a wholly owned subsidiary of BOCOM International Holdings Company Limited, which in turn is a wholly owned subsidiary of Bank of Communications Co., Ltd.

Sun-Rising is a company incorporated under the laws of Hong Kong with limited liability on September 17, 2010. Sun-Rising is owned by 11 individuals, all of whom are Independent Third Parties, as to 57.2% by Zhou Shilin, 0.6% by Ma Ying, 1.3% by Zhao Xiaowu, 2.7% by Xiang Rongbo, 7.8% by Liu Weidong, 3.2% by Liu Hong, 3.9% by Zheng Lan, 3.7% by He Jing, 6.3% by Sun Yuping, 4.1% by Zou Hong and 9.1% by Yang Shiyong.

Huadian is a company incorporated under the laws of Hong Kong with limited liability on June 14, 2006 and is an Independent Third Party and a wholly owned subsidiary of China Huadian Corporation (中國華電集團公司), a wholly state-owned enterprise established in the PRC and one of the five largest state-owned power generation enterprises in the PRC.

Huaneng Invesco WLR is a company incorporated under the laws of Hong Kong with limited liability on December 1, 2010 and is an Independent Third Party wholly owned by WLR China Energy Infrastructure Fund L.P. WLR China Energy Infrastructure Fund L.P. is an investment fund established in the Cayman Islands as an exempted limited partnership and its primary objective is to generate capital appreciation and yield, through equity-related investments in energy infrastructure and related businesses such as clean and renewable energy, clean energy technology, energy distribution and services primarily located in China.

Sincere is a company incorporated under the laws of Hong Kong with limited liability on December 5, 2003. Sincere is wholly-owned by New Huadu Industrial Group Co., Ltd. (新華都實業集團股份有限公司), which is a private company and an Independent Third Party.

Hao Peng is a company incorporated in the BVI with limited liability on October 29, 2010. Hao Peng is owned by Zhang Fengying as to 20%, Wang Gengyu as to 20% and Huada Investment Limited as to 60%, which is wholly owned by Cheung Wing Hon, who are all Independent Third Parties.

Stone Capital is a company incorporated in the BVI with limited liability on June 26, 2009. Stone Capital is wholly owned by Stone (Hong Kong) International Co., Limited (磐石(香港)國際有限公司), an Independent Third Party.

Feixl is a company incorporated in the BVI with limited liability on June 2, 2011. Feixl is owned as to 50% by Qiu Fei and as to 50% by Pan Xiaoli, both of whom are Independent Third Parties.

The investment by the Pre-IPO Investors into our Group is an investment with the primary goal to enhance our Company's shareholder profile and growth prospects. In particular, BOCOM, Credit Suisse and UOB are leading international investment and advisory firms. Our Directors believe that the benefits of bringing in BOCOM, Credit Suisse and UOB as investors are that they provide assistance to our Company in key aspects of our management and operations, including corporate governance and business relationship development. In relation to our business relationship development, the global network of BOCOM, Credit Suisse and UOB and the diverse and significant number of portfolio companies they manage means that our Company is able to leverage from the contacts that

BOCOM, Credit Suisse and UOB have, and in particular, the fact that they are able to introduce to our Company, senior executives at global organizations that have the potential to do business with our Company.

PRE-IPO INVESTMENT

On July 5, 2011, Wison Holding as the issuer and the Pre-IPO Investors as the subscribers entered into the Subscription Agreements with Wison Investment, our Company, Wison Technology, Wison Energy (HK), and Wison Singapore as guarantors. Pursuant to the Subscription Agreements, Wison Holding agreed to issue the Bonds as follows:

	Subscriber(s)	Description
1	<ul style="list-style-type: none"> ● BOCOM; ● Credit Suisse; ● UOB; and ● Gold Prosperity 	US\$50,000,000 zero coupon secured exchangeable bonds due 2013 (Note: As to US\$27,000,000 subscribed by BOCOM, US\$10,000,000 subscribed by Credit Suisse, US\$8,000,000 subscribed by UOB and US\$5,000,000 subscribed by Gold Prosperity.)
2	Sun-Rising	US\$13,000,000 zero coupon secured exchangeable bonds due 2013
3	Huadian	US\$5,000,000 zero coupon secured exchangeable bonds due 2013
4	Huaneng Invesco WLR	US\$10,000,000 zero coupon secured exchangeable bonds due 2013
5	Sincere	US\$5,000,000 zero coupon secured exchangeable bonds due 2013
6	Hao Peng	US\$5,000,000 zero coupon secured exchangeable bonds due 2013
7	Stone Capital	US\$3,000,000 zero coupon secured exchangeable bonds due 2013
8	Feixl	US\$4,000,000 zero coupon secured exchangeable bonds due 2013

On July 5, 2011, in connection with the Subscription Agreements, the Pre-IPO Investors also entered into eight separate majority shareholder undertakings with Wison Holding, our Company, Wison Investment and Mr. Hua (the “**Majority Shareholder Undertakings**”).

Closing of the Subscription Agreements took place on July 6, 2011. Please refer to the table below for the shareholding of each Pre-IPO Investor upon Listing:

Name of Pre-IPO Investor	Number of Shares held upon Listing	Cost per Share paid by each Pre-IPO Investor (HK\$) ⁽¹⁾	Respective discount to the Offer Price ⁽²⁾ (%)	Approximate percentage of shareholding of our Company's issued share capital after Capitalization Issue but immediately before completion of Global Offering (%)	Approximate percentage of shareholding of our Company's issued share capital upon Listing (%)
BOCOM	95,040,000	2.21	29.94	2.70	2.38
Gold Prosperity	17,600,000	2.21	29.94	0.50	0.44
Sun-Rising	52,000,000 ⁽³⁾	1.95	38.35	1.59	1.30 ⁽³⁾
Sincere	17,600,000	2.21	29.94	0.50	0.44
Hao Peng	17,600,000	2.21	29.94	0.50	0.44
Stone Capital	10,560,000	2.21	29.94	0.30	0.26
Feixl	14,080,000	2.21	29.94	0.40	0.35

Notes:

(1) Converted from U.S. dollars into HK dollars at the rate of US\$1 = HK\$7.7930.

(2) Assuming an Offer Price of HK\$3.16 per Share (being the mid-point of the indicative Offer Price range of HK\$2.79 to HK\$3.53 per Share).

(3) After the Sun-Rising Adjustment.

PRINCIPAL TERMS OF THE BONDS

The principal terms and conditions of the Bonds are as follows:

Issue price:	100% of the principal amount of the Bonds.
Interest:	Zero coupon.
Settlement and payment:	July 6, 2011.
Maturity Date:	January 6, 2013.
Exchange Ratio ¹ :	The Bonds are exchangeable for Shares held by Wison Investment. The number of Shares to be issued on exchange of the Bonds will be

1 The Exchange Ratio is different for Sun-Rising, which is:

$$\text{initial Exchange Ratio} = \frac{\text{principal amount of Bond(s) to be exchanged in (US\$)}}{\text{US\$1,000,000,000}} \times 1.2195$$

In the event that the number of Shares held by Sun-Rising immediately after the Qualifying IPO divided by the total number of Shares issued and outstanding immediately after the Qualifying IPO (excluding any shares that maybe issued for the purposes of the Over-allotment Option) (the "Exchanged Share Ratio") is not equal to:

$$\frac{\text{principal amount of Bonds to be exchanged in (US\$)}}{\text{US\$1,000,000,000}}$$

(the "IPO Exchange Ratio"), the number of Shares held by the Bondholders shall be adjusted such that the Exchanged Share Ratio shall be equal to the IPO Exchange Ratio by transferring Shares in the Company to Sun-Rising or Wison Investment (as the case may be) at nil consideration within two Business Days after the Lock-up Period Expiry Date (as defined in the Majority Shareholder Undertaking i.e. (if there is a Lock-up Period (as defined in the Majority Shareholder Undertaking i.e. the period (if any) following the Listing during which Sun-Rising is prohibited from trading Shares)) the date of expiry of the Lock-up Period or (if there is no Lock-up Period) the date that is 16 Business Days after the date of the Qualifying IPO) (the "Sun-Rising Adjustment").

determined by multiplying the total number of Shares in our Company immediately prior to the exchange date (being five Business Days prior to the listing hearing by the Stock Exchange (the “**Exchange Date**”)) on a fully diluted basis by the Exchange Ratio (as defined below), subject to the adjusted Exchange Ratio as detailed below.

The initial Exchange Ratio shall be calculated in accordance with the following formula:

$$\text{initial Exchange Ratio} = \frac{\text{principal amount of Bond(s) to be exchanged (in US\$)}}{\text{US\$1,000,000,000}}$$

If the consolidated audited after-tax net profit of Wison Engineering for the year ended December 31, 2010 (the “**2010 Actual Net Profit**”), as audited by the Approved Audit Firm (being any one of Deloitte, Ernst & Young, KPMG and PricewaterhouseCoopers), is (or the equivalent thereof in RMB is) less than RMB600,000,000, the Exchange Ratio shall be reset in accordance with the following formula:

$$\text{adjusted Exchange Ratio} = \frac{\text{Exchange Ratio (immediately prior to such adjustment)} \times \text{RMB 600,000,000}}{\text{2010 Actual Net Profit}}$$

The 2010 Actual Net Profit was RMB639,781,556.24 and hence the share conversion ratio shall not be based on the adjusted Exchange Ratio.

Mandatory
Exchange Date:

The day immediately preceding the date being four Business Days prior to the Listing hearing or such other day as the Stock Exchange may agree or direct.

Upon the giving by Wison Holding of a mandatory exchange notice (“**Mandatory Exchange Notice**”), each Holder must, by the date falling not later than two Business Days before the Mandatory Exchange Date as notified by Wison Holding in such Mandatory Exchange Notice, complete, execute and deposit at its own expense during normal business hours at the specified office of any exchange agent an exchange notice (the “**Exchange Notice**”) in duplicate in the form (for the time being current) obtainable from the specified office of each agent, together with the relevant certificate and any amounts required to be paid by that Holder. An Exchange Notice once delivered shall be irrevocable and may not be withdrawn unless Wison Holding consents in writing to such withdrawal.

Status of the
Bonds:

The Bonds constitute direct, unconditional, secured and unsubordinated obligations of our Company, as one of the guarantors, and shall rank (a) senior to the share capital of our Company from time to time, and (b) at least *pari passu* with all other present and future unsecured and unsubordinated obligations of our Company, save for such obligations as may be preferred by mandatory provisions of law.

Transferability: The Bonds may be transferred by delivery of the certificate issued in respect of those Bonds, with the form of transfer on the back duly completed and signed by the holder or his attorney duly authorized in writing, to the specified office of Bank of Communications Trustee Limited (the “**Registrar**”) or any transfer agent at the times specified below:

- (a) at all times after the date falling 40 Business Days from the Issue Date (being July 6, 2011) (the “**initial 40-day restriction period**”), provided that the foregoing permission under this paragraph (a) shall cease to apply for so long as the submission of any listing application form for equity securities and debt securities (Form A1) (the “**A1-filing**”) has been successfully made to the Stock Exchange and has not been withdrawn, rejected or terminated;
- (b) at all times after December 31, 2011 (the “**long-stop date**”) (unless extended with the agreement of the Holders as described below, in which case the date shall be March 31, 2012);
- (c) for so long as any Event of Default (as defined below) has occurred and is continuing; and
- (d) at any time after an A-1 filing has been successfully made to the Stock Exchange, provided that the Stock Exchange shall have (i) confirmed that such transfer will not have an adverse impact on the proposed Listing or the timing thereof, or (ii) failed to respond to any request for such confirmation within 10 Business Days from the date a request for such confirmation is made to the Stock Exchange.

In the event that Listing does not occur by December 31, 2011, Wison Holding shall provide evidence satisfactory to the Holders, not less than five Business Days prior to December 31, 2011, that the Listing is still scheduled to occur and/or our Company is still actively pursuing the Listing (including, without limitation, evidence of payment of listing fees to extend the listing application beyond six months from the date of A-1 listing application and that the Stock Exchange is vetting such listing application) to seek approval from the Holders to extend the long-stop date to March 31, 2012.

No transfer of title to a Bond will be valid or effective unless and until entered on the register of the Bonds.

Exchanged Shares: *Maturity:*

January 6, 2013

Redemption:

Unless previously redeemed, exchanged or purchased and cancelled, Wison Holding will redeem each Bond at the redemption amount (being $1+(20\% \times 1.5) \times \text{US}\$100,000$) (the “**Redemption Amount**”) for each principal amount of US\$100,000 on January 6, 2013.

Default redemption events:

For so long as any Bonds remain outstanding, the Holders may give notice to Wison Holding and to the Guarantors to declare that the Bonds are, and they shall accordingly become, immediately due and repayable at the Redemption Amount if an Event of Default (as defined below) has occurred, provided that, in case such Events of Default do not constitute a material Event of Default, the Holders shall not be entitled to direct the security trustee to exercise any or all of its rights, remedies, powers or discretions in relation to the Security (as defined below).

If a material Event of Default occurs after a notice is delivered to Wison Holding and the Guarantors, the Holders shall be entitled to revoke all or any part of such notice and deliver other notices to Wison Holding. The Holders shall be entitled to direct the security trustee to exercise any or all of its rights, remedies, powers or discretions immediately or at any other time that it sees fit.

Key events of default:

- (a) Any Obligor (namely, Wison Investment, Wison Holding, Wison Technology, Wison Energy (HK), Wison Singapore, our Company, Wison Offshore & Marine or Wison Chemical) does not pay on the due date any amount pursuant to an Issue Document (as defined in the Subscription Agreements) at the place at and in the currency in which it is expressed to be payable unless:
 - (i) its failure to pay is caused by administrative or technical error; and
 - (ii) payment is made within two Business Days of its due date;
- (b) any representation or statement made or deemed to be made by any Obligor in any or all of the Issue Documents or any other document delivered by or on behalf of any Obligor under or in connection with any Issue Document (as defined in the Subscription Agreements) is or proves to have been incorrect or misleading in any material respect when made or deemed to be made;

- (c) Wison Holding, Wison Investment or any member of our Group is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
- (d) the consolidated fair value of the assets of (i) Wison Investment and its subsidiaries, or (ii) our Group is less than their consolidated liabilities (taking into account contingent and prospective liabilities);
- (e) the fair market value of Wison Investment, Wison Energy (HK) or any member of our Group which is incorporated in the PRC is less than its liabilities (taking into account contingent and prospective liabilities);
- (f) a moratorium is declared in respect of any indebtedness of Wison Holding, Wison Investment or any member of our Group;
- (g) any corporate action, legal proceedings or other procedure or step is taken in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of Wison Holding, Wison Investment or any member of our Group;
 - (ii) a composition, compromise, assignment or arrangement with any creditor of any member of Wison Holding, Wison Investment or any member of our Group;
 - (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, judicial manager, compulsory or interim manager or other similar officer in respect of any member of our Group or any of the assets of any member of Wison Holding, Wison Investment or any member of our Group; or
 - (iv) enforcement of any security over any assets of Wison Holding, Wison Investment or any member of our Group,
or any analogous procedure or step is taken in any jurisdiction;
- (h) any Guarantor incorporated in Singapore is declared by the Singapore Minister of Finance to be a company to which Part IX of the Companies Act, Chapter 50 of Singapore applies;
- (i) any expropriation, attachment, sequestration, distress or execution affects any asset or assets of Wison Holding, Wison Investment or any member of our Group;

- (j) Wison Holding, Wison Investment or any member of our Group fails to comply with or pay any sum due from it under any final judgment or order made or given by any court of competent jurisdiction;
- (k)
 - (i) Mr. Hua does not or ceases to beneficially own, directly or indirectly, 100% of the shares (of each class) of and equity interests in Wison Holding, free and clear of any security; or exercise, or is not or ceases to be entitled to exercise, management control over Wison Holding;
 - (ii) Wison Holding does not or ceases to beneficially own, directly or indirectly, 100% of the shares (of each class) of and equity interests in Wison Investment, free and clear of any security (other than Transaction Security); or exercise, or is not or ceases to be entitled to exercise, management control over Wison Investment;
 - (iii) at any time prior to the occurrence of the Listing, Wison Investment does not or ceases to directly legally and beneficially own 100% of the shares (of each class) of and equity interests in our Company free and clear of any security (other than Transaction Security), provided that any reduction in such shareholding percentage which occurs as a result of the exchange of any Bonds for the shares in our Company in accordance with the terms of the Issue Documents, any other New EB Document (as defined in the Subscription Agreements) or the Additional EB Documents (as defined in the Subscription Agreements) shall not constitute an Event of Default if Wison Investment continues to directly legally and beneficially own (immediately after such exchange) at least 88% of the shares (of each class) of and equity interests in our Company; or exercise, or is not or ceases to be entitled to exercise, management control over our Company;
 - (iv) our Company does not or ceases to beneficially own 100% of the shares (of each class) of and equity interests in each of our wholly owned Subsidiaries; or beneficially own at least 75% of the equity interests in Wison Engineering; or exercise, or is not or ceases to be entitled to exercise, management control over any such wholly owned Subsidiary or Wison Engineering;
- (l) the net profit of Wison Engineering after taxation (as determined from the audited unconsolidated financial statements of Wison Engineering delivered to the trustee) for the financial year ended December 31, 2011 is less than (or the equivalent thereof in RMB is less than) RMB700,000,000. The net profit of Wison Engineering after taxation for the financial year ended December 31, 2011 exceeded RMB700,000,000;

- (m) any member of our Group ceases to carry on or suspends all or a substantial part of its business;
- (n) any investigation, litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a material adverse effect have been commenced, or are pending, against any member of our Group;
- (o) any event or circumstance occurs (including, without limitation, an act by Wison Holding, Wison Investment or any of their respective subsidiaries) which the Bond holders reasonably believe might have a material adverse effect;
- (p) the aggregate value of new contracts entered into by Wison Engineering with any client (which is not Wison Holding, Wison Investment or a member of our Group) in connection with the supply of any engineering, procurement and/or construction services:
 - (i) during the period starting from January 1, 2011 and ending on June 30, 2011 is less than (or the equivalent thereof in RMB is less than) RMB5,000,000,000; or
 - (ii) during the period starting from January 1, 2011 and ending on December 31, 2011 is less than (or the equivalent thereof in RMB is less than) RMB10,000,000,000.

For the purpose of testing compliance with the above, any such new contract shall only be taken into account if it has not been terminated, rescinded, superseded or cancelled as at (A) the end of the applicable period and (B) the date of the certificate (with respect to such period) delivered to Bank of Communications Trustee Limited and it is entered into by Wison Engineering on arm's length commercial terms and for genuine commercial purpose(s), and if, after the date of such new contract, the value thereof is reduced for any reason, only the current value of such new contract (as at the date of such certificate) shall be taken into account.

Our Directors confirmed that the aggregate value of new contracts entered into by Wison Engineering in connection with the supply of any engineering, procurement and/or construction services for the period from January 1, 2011 to June 30, 2011 was not less than RMB5 billion and for the period from January 1, 2011 to December 31, 2011 was not less than RMB10 billion; and

- (q) the related party transactions are not terminated within the date falling three months after July 6, 2011.

Our Group has not been notified of any of the key events of default by the relevant parties.

SECURITY

In connection with the issuance of the Bonds and the term loan facility granted under the Facility Agreement, the following debentures, charges and mortgages were provided in favor of the Holders and the Lenders (the “**Security**”):

- (a) a composite charge over accounts entered into by each of Wison Holding, Wison Investment, the Company, Wison Technology, Wison Energy (HK), Wison Offshore & Marine and Wison Chemical on July 6, 2011 pursuant to which, among other things, each of Wison Holding, Wison Investment, our Company, Wison Technology, Wison Energy (HK), Wison Offshore & Marine and Wison Chemical grants security over certain bank accounts in respect of the proceeds of the issuance of the Bonds and the funds advanced under the Facility Agreement for the benefit of the Holders and the Lenders;
- (b) an assignment of loans entered into by, among others, Wison Holding, Wison Offshore & Marine and Wison Chemical on July 6, 2011 pursuant to which, among other things, Wison Holding grants security over certain intercompany loans for the benefit of the Holders and the Lenders;
- (c) a share mortgage entered into by Wison Holding on July 6, 2011 pursuant to which, among other things, Wison Holding grants security for the benefit of the Holders and the Lenders over all of its shares in Wison Investment;
- (d) a debenture entered into by Wison Investment on July 6, 2011 pursuant to which, among other things, Wison Investment grants security for the benefit of the Holders and the Lenders over all of its assets and undertakings;
- (e) a share mortgage entered into by Wison Investment on July 6, 2011 pursuant to which, among other things, Wison Investment grants security for the benefit of the Holders and the Lenders over all of its shares in our Company;
- (f) a debenture entered into by our Company on July 6, 2011 pursuant to which, among other things, our Company grants security for the benefit of the Holders and the Lenders over all of its assets and undertakings;
- (g) a share mortgage entered into by our Company on July 6, 2011 pursuant to which, among other things, our Company grants security for the benefit of the Holders and the Lenders over all of its shares in Wison Technology;
- (h) a debenture entered into by Wison Technology on July 6, 2011 pursuant to which, among other things, Wison Technology grants security for the benefit of the Holders and the Lenders over all of its assets and undertakings;
- (i) a share charge entered into by Wison Technology on July 6, 2011 pursuant to which, among other things, Wison Technology grants security for the benefit of the Holders and the Lenders over all of its shares in Wison Energy (HK);
- (j) a debenture entered into by Wison Energy (HK) on September 1, 2011 pursuant to which, among other things, Wison Energy (HK) grants security for the benefit of

the Holders and the Lenders over all of its assets and undertakings (other than the shares and/or equity interests in Wison Engineering and Wison Yangzhou);

- (k) a share charge entered into by Wison Energy (HK) on July 6, 2011 pursuant to which, among other things, Wison Energy (HK) grants security for the benefit of the Holders and the Lenders over all of its shares in Wison Singapore; and
- (l) a debenture entered into by Wison Singapore on July 6, 2011 pursuant to which, among other things, Wison Singapore grants security for the benefit of the Holders and the Lenders over all of its assets and undertakings.

The Security will be released, among other events, at the time immediately prior to the Listing.

RIGHTS GRANTED TO THE RESPECTIVE INVESTORS UNDER THE MAJORITY SHAREHOLDER UNDERTAKINGS AND THE SUBSCRIPTION AGREEMENTS

Under the Majority Shareholder Undertakings and the Subscription Agreements, the Pre-IPO Investors are entitled to the following specific rights, all of which shall cease to have any effect immediately before the completion of the Listing. Pursuant to a letter dated December 3 2012, the Remaining Pre-IPO Investors agreed without any consideration to terminate the Majority Shareholder Undertakings if the Listing occurs on or before December 31, 2012.

(a) Observer

This specific right is available to BOCOM, Credit Suisse, UOB, Gold Prosperity, Sun-Rising and Huadian. BOCOM, Credit Suisse, UOB, Gold Prosperity, Sun-Rising and Huadian have the right, prior to the completion of the Listing, to appoint, and we agree to ensure the appointment of, an observer to our Board (the “**Observer**”). The Observer:

- (i) has the right to attend all meetings of our Board and any committees of our Board;
- (ii) is given all the information that Directors receive at the same time as they receive it (including notice of meetings);
- (iii) has the right to pass any such information to the Holders; and
- (iv) is entitled to attend and speak at meetings of our Board and any committees of our Board (it being acknowledged that the Observer shall not be entitled to vote, nor shall the Observer be, or be regarded as, an officer of our Company, nor shall the Observer be counted in the quorum of any meeting of our Board or committee of our Board).

(b) Pre-emption rights

Our Company will not, and it will procure that no other member of our Group will, allot, issue or grant any right to subscribe for, or to convert securities into, Shares or equity share capital of any member of our Group unless the Pre-IPO Investors are offered in the first instance, on the same terms, a pro rata participation in the allotment, issue or grant in the

same proportion of the total allotment, issue or grant as the Pre-IPO Investors' notional shareholding in our Company bears to the entire issued share capital of our Company immediately prior to such allotment, issue or grant. Such pre-emption rights cease to apply with effect from the Listing Date.

(c) Information rights

The Pre-IPO Investors, as opposed to any individual Shareholder, shall be entitled to inspect, as soon as the same become available but in any event within 90 days after the end of each of its financial years, an annual budget of each of our Company, Wison Technology, Wison Energy (HK), Wison Singapore and any member of our Group that is incorporated in the PRC, for the next financial year.

The Pre-IPO Investors also have the right to:

- (i) within 30 days after June 30, 2011 and December 31, 2011, respectively, a certificate signed by the chief financial officer or a director of Wison Engineering:
 - (A) setting out the aggregate value of new contracts which shall be taken into account to determine whether the requirement set out in client contracts of Events of Default in respect of the six-month period ending on June 30, 2011 or the 12-month period ending on December 31, 2011 (as applicable) has been satisfied;
 - (B) certifying that, as at the last day of such period and the date of such certificate, such new contracts have not been terminated, rescinded, superseded or cancelled, and the value thereof has not been reduced; and
 - (C) certifying that, each of such new contracts was entered into by Wison Engineering on arm's length commercial terms and for genuine commercial purpose(s);
- (ii) all documents dispatched by Wison Holding, Wison Investment or any member of our Group to their respective shareholders (or any class of them) or all or a substantial number or portion of its creditors generally at the same time as they are dispatched;
- (iii) promptly upon becoming aware of them, the details of any investigation, litigation, arbitration or administrative proceedings which are current, threatened or pending against Wison Holding, Wison Investment or any member of our Group which, if adversely determined, are reasonably likely to have a material adverse effect or which would involve a liability, or a potential or alleged liability, exceeding (or the equivalent thereof in RMB exceeding) RMB20,000,000;
- (iv) promptly, such further information regarding the financial condition, business and operations of Wison Holding, Wison Investment or any member of our Group, as any Bonds holders (through the trustee) may reasonably request; and
- (v) promptly, notice of any change in authorized signatories of any Obligors.

Lock-up arrangement

Pursuant to the Majority Shareholder Undertakings, the Pre-IPO Investors agreed that they will not transfer any Shares for 180 days following the date of the Qualifying IPO if an underwriter of the Qualifying IPO or the Stock Exchange prohibits them from doing so. The Underwriters have confirmed that they will not so prohibit BOCOM and Gold Prosperity and have notified each of Sun-Rising, Sincere, Hao Peng, Stone Capital and Feixl (all of which have acknowledged such notification) that they are required to comply with such prohibition.

Pursuant to a letter dated December 3, 2012, the Remaining Pre-IPO Investors agreed without any consideration to (i) refrain from exercising their rights under the Majority Shareholder Undertakings (all of which cease to have any effect immediately before the completion of the Listing) from the date of that letter until December 31, 2012; and (ii) deem the Listing to be a Qualifying IPO.

PUT OPTIONS**(a) First put option if Listing does not occur:**

Wison Holding irrevocably granted to each Holder an option to sell, and to require Wison Holding to buy, all but not some only of the Shares held by such Holder.

Exercise of first put option

If, before our Company passes the Listing hearing, a Holder exchanges any of the Bonds held by it into Shares, and the Listing is not completed within four months of mandatory exchange of the Bonds, each Holder may at any time thereafter (but no later than ten Business Days thereafter) exercise the first put option by delivering to Wison Holding a put option notice (the **"Put Option Notice"**) (the **"Put Option"**). The Put Option Notice must specify the completion date, which must be a Business Day not less than two Business Days after the date on which the Put Option Notice was deemed to be received by Wison Holding. For the avoidance of doubt, each Holder has an independent right to exercise, or refrain from exercising, its put option.

Each Holder (by delivering a Put Option Notice) agrees to sell and Wison Holding agrees to buy the Shares held by such Holder and each right attaching to such Shares at the relevant completion date, including, without limitation, the right to receive any dividend, distribution or return of capital declared, paid or made in respect of the relevant Shares in respect of periods starting on or after the relevant completion date. As full and final settlement of consideration in exchange for the relevant Shares to be transferred pursuant to the exercise of the Put Option, Wison Holding shall issue, or procure the issuance to the relevant Holder, new exchangeable bonds with an aggregate principal amount equal to the principal amount of the Bonds that had been exchanged into such Shares and on the same terms and conditions as the Bonds with the same Security. Once given, a Put Option Notice may not be revoked without the consent in writing of Wison Holding.

If the Put Option Notice is terminated by the Holder as a result of a default by Wison Holding, Wison Holding shall immediately pay to the relevant Holder such Holder's aggregate amount of subscription price (the **"Investment Amount"**) with an annual rate of return (**"Annual Rate of Return"**) (as at the relevant date of determination, being the date of payment) of 25% on the Investment Amount.

(b) Second put option if annual rate of return is not met

Conditional upon the occurrence of the Listing, Wison Holding irrevocably granted to each Holder an option to: (i) sell, and to require Wison Holding to buy, all but not some only of the Shares held by such Holder at the “Option Price” in accordance with “Exercise of Second Put Option” below; or (ii) if a Holder chooses to retain the Shares held by such Holder, require Wison Holding to pay the Top-up Prices in accordance with the formula as stated in “Exercise of Second Put Option” below (the “**Second Put Option**”), where:

- Option Price = Such Holder’s Investment Amount plus additional amount that would provide such Holder with an Annual Rate of Return of 25% on such Holder’s Investment Amount
- Top-up Price = Option Price - (P x N)

“P” = the average closing price per Share quoted on the Stock Exchange for the 15 consecutive trading days preceding the Lock-up Period Expiry Date, provided that, in the event that there is less than 15 consecutive trading days preceding the Lock-up Period Expiry Date, “P” equals the average closing price per Share quoted on the Stock Exchange for all of the trading days preceding the Lock-up Period Expiry Date; and

“N” = the number of Shares held by such Holder.

For the avoidance of doubt, each Holder’s right to exercise the Second Put Option shall expire on the 21st Business Day after the Lock-up Period Expiry Date (i.e. the date of expiry of the Lock-up Period (being the period (if any) following the Listing during which any Holder is prohibited from trading Shares).

Exercise of Second Put Option

After the occurrence of the Listing, if (as at the Lock-up Period Expiry Date) the Annual Rate of Return on a Holder’s Investment Amount is less than 25%, such Holder may, within 20 Business Days of the Lock-up Period Expiry Date (“**Second Put Option Period**”), exercise the Second Put Option by delivering to Wison Holding a Second Put Option Notice. The Second Put Option Notice must specify the closing date which must be a Business Day falling no later than the date that is 30 Business Days after the Lock-up Period Expiry Date. For the avoidance of doubt, each Holder has an independent right to exercise, or refrain from exercising, its Second Put Option. Once given, a Second Put Option Notice may not be revoked without the consent in writing of Wison Holding.

For the purposes of the Second Put Option, the Annual Rate of Return on the Investment Amount for purposes of determining whether or not it is less than 25% shall be calculated in accordance with the following formula:

$$((P \times N - I) / I) \times (360 / D) \times 100\%$$

Where:

“P” = the average closing price per Share quoted on the Stock Exchange for the 15 consecutive trading days preceding the Lock-up Period Expiry Date, provided that,

in the event that there is less than 15 consecutive trading days preceding the Lock-up Period Expiry Date, “P” equals the average closing price per Share quoted on the Stock Exchange for all of the trading days preceding the Lock-up Period Expiry Date;

“N” = the number of Shares held by such Holder;

“I” = the Investment Amount of such Holder; and

“D” = the number of days from the Issue Date to the Lock-up Period Expiry Date.

Alternatively, if a Holder elects in its Second Put Option Notice to retain its Shares, at the relevant closing date, Wison Holding shall pay the Top-up Price (as defined above) to the relevant Holder or as the relevant Holder directs in writing in immediately available funds by electronic transfer for same day value without any condition, restriction, set-off, deduction or withholding.

In other words, the above mechanism will provide an annual rate of return of 25% to the Holder.

Other than those Pre-IPO Investors whose Bonds have been redeemed, the Second Put Options of the Pre-IPO Investors have been terminated without any consideration on June 1, 2012. See “Termination of the Second Put Option” below for further details.

(c) Third put option if Listing does not occur

Wison Holding irrevocably granted to each Holder an option to sell, and to require Wison Holding to buy, all but not some only of the Shares held by such Holder (the “**Third Put Option**”).

Exercise of Third Put Option

Each Holder may, within 20 Business Days before the Maturity Date (as defined above), exercise the Third Put Option by delivering to Wison Holding a Third Put Option Notice. For the avoidance of doubt, each Holder has an independent right to exercise, or refrain from exercising, its Third Put Option.

Each Holder (by delivering a Third Put Option Notice) agrees to sell and Wison Holding agrees to buy the Shares held by such Holder and each right attaching to such Shares at the settlement date, including, without limitation, the right to receive any dividend, distribution or return of capital declared, paid or made in respect of the relevant Shares in respect of periods starting on or after the settlement date. On the settlement date, each Holder will be deemed to represent and warrant to Wison Holding that it has not created any encumbrance over or in respect of the Shares held by such Holder. Once given, a Third Put Option Notice may not be revoked without the consent in writing of Wison Holding.

On the settlement date, Wison Holding shall pay to the relevant Holder $[1+(20\% \times 1.5)] \times$ putting shareholder’s Investment Amount. All Third Put Option Notices provided to Wison Holding shall be deemed to be automatically revoked if the Listing occurs before the Maturity Date (as defined above) and, accordingly, each Holder’s right to exercise the Third Put Option will automatically terminate.

Pursuant to five letters of commitment dated December 8, 2012 executed by each of Sun-Rising, Sincere, Hao Peng, Feixl and Stone Capital in favor of Wison Holding, each of Sun-Rising, Sincere, Hao Peng, Feixl and Stone Capital committed irrevocably that it has not exercised, and will not exercise, the Put Option and the Third Put Option before December 31, 2013. Pursuant to a letter of commitment dated December 11, 2012 executed by BOCOM, BOCOM committed irrevocably that it has not exercised, and will not exercise, the Put Option and the Third Put Option before December 31, 2013. The Obligors agreed in the above-mentioned letter that (i) BOCOM shall be entitled to exercise the Third Put Option on the terms of the Majority Shareholder Undertaking from December 31, 2013; (ii) pursuant to the exercise of the Third Put Option, Wison Holding shall pay to BOCOM an amount calculated by reference to the formula: “[1+(20% x 2.5)] x BOCOM’s Investment Amount”; and (iii) the rights of BOCOM under the Majority Shareholder Undertaking will continue to be secured by the transaction security as defined under the intercreditor deed dated July 6, 2011 entered into by, among others, the Obligors and BOCOM.

LOCK-UP

(a) Lock-up on the part of Mr. Hua, Wison Holding, our Company and Wison Investment

Save with the prior written consent of all of the Holders, Mr. Hua, Wison Holding, our Company and Wison Investment shall not (and they shall procure that their respective Affiliates shall not), within a period from the issue date (i.e. July 6, 2011) until 180 days after the Listing, sell, assign, encumber, transfer or otherwise dispose of, or agree or undertake to do the same (“**Transfer**”), any shares in Wison Holding, Wison Investment, our Company or any Subsidiaries or any interest therein or any legal or beneficial interest in any such share, save, among others:

- (a) that Wison Investment may Transfer a number of Shares, being not more than 20% of the total number of Shares in issue on the date of the Majority Shareholder Undertaking, to a transferee who holds such Shares on trust for a family trust, provided always that:
 - (i) in the event that the transferee ceases to be the trustee of a family trust, Wison Investment and Mr. Hua shall procure that the transferee shall forthwith transfer all of the transferee’s Shares back to Wison Investment; and
 - (ii) it shall be a condition of the Transfer to any such transferee that Wison Investment be granted the exclusive right to exercise votes in respect of each Share Transferred by it to such transferee; and
- (b) for any Transfer of shares in any Subsidiaries or any interest therein or any legal or beneficial interest in any such share that occurs after the Listing.

(b) Lock-up on the part of Holders

Pursuant to the Majority Shareholder Undertakings, the Pre-IPO Investors agreed that they will not transfer any Shares for 180 days following the date of the Qualifying IPO if an underwriter of the Qualifying IPO or the Stock Exchange prohibits them from doing so. The

Underwriters have confirmed that they will not so prohibit BOCOM and Gold Prosperity and have notified each of Sun-Rising, Sincere, Hao Peng, Stone Capital and Feixl (all of which have acknowledged such notification) that they are required to comply with such prohibition.

ANTI-DILUTION

Our Company shall not issue (upon the Listing) new Shares (excluding any Shares to be issued as a result of the exercise of any over-allotment option) greater than 18% of the total equity of our Company (calculated on a post-issue basis, excluding any Shares to be issued as a result of the exercise of any over-allotment option) unless Wison Holding and Wison Investment procure the issue or delivery to each Holder of such additional number of Shares that would result in such Holder having the same percentage shareholding in our Company that such Holder would have had our Company only issued (upon the Listing) a number of shares equal to 18% of the total equity of our Company (calculated on a post-issue basis, excluding any Shares to be issued as a result of the exercise of any over-allotment option).

The transfer of an additional number of Shares to the Pre-IPO Investors under the anti-dilution right shall be at nil consideration. All the transfers will be settled prior to the Listing. Wison Holding will continue to be the Controlling Shareholder after the exercise of the anti-dilution rights.

REDEMPTION OF THE BONDS ISSUED TO HUADIAN, HUANENG INVESCO WLR, CREDIT SUISSE AND UOB BY WISON HOLDING

On March 23, 2012, Wison Holding, our Company, Wison Investment, Mr. Hua and Huadian entered into a redemption agreement (the “**Huadian Redemption Agreement**”), pursuant to which Wison Holding agreed to redeem the Bonds previously issued to Huadian by the date (“**Huadian Redemption Date**”) which is the earlier of (i) the fifth day after Wison Holding has issued a written notice to Huadian to redeem the Bonds held by Huadian, (ii) June 30, 2012 and (iii) four Business Days prior to the hearing before the Listing Committee, completion of which took place on June 20, 2012. The redemption price is the aggregate of (a) the principal amount of the Bonds issued to and held by Huadian and (b) the interest accrued from July 6, 2011 to the Huadian Redemption Date on the outstanding principal amount of the Bonds issued to and held by Huadian at a simple interest rate of 20% per annum, being US\$5,961,643.84.

On June 4, 2012, Wison Holding, our Company, Wison Investment, Mr. Hua and Huaneng Invesco WLR entered into a redemption agreement (the “**Huaneng Invesco WLR Redemption Agreement**”), pursuant to which Wison Holding agreed to redeem the Bonds previously issued to Huaneng Invesco WLR by the date (“**Huaneng Invesco WLR Redemption Date**”) which is the earlier of (i) the fifth Business Day after Wison Holding has issued a written notice to Huaneng Invesco WLR to redeem the Bonds held by Huaneng Invesco WLR and (ii) July 6, 2012, completion of which took place on June 25, 2012. The redemption price is the aggregate of (a) the principal amount of the Bonds issued to and held by Huaneng Invesco WLR and (b) the interest accrued from July 6, 2011 to the Huaneng Invesco WLR Redemption Date on the outstanding principal amount of the Bonds issued to and held by Huaneng Invesco WLR at a simple interest rate of 20% per annum, being US\$11,977,777.78.

On June 4, 2012, Wison Holding, our Company, Wison Investment, Mr. Hua and Credit Suisse entered into a redemption agreement (the “**Credit Suisse Redemption Agreement**”), pursuant to which Wison Holding agreed to redeem the Bonds previously issued to Credit Suisse by the date (“**Credit Suisse Redemption Date**”) which is the earlier of (i) the fifth Business Day after Wison Holding has issued a written notice to Credit Suisse to redeem the Bonds held by Credit Suisse and (ii) July 6, 2012, completion of which took place on June 25, 2012. The redemption price is the aggregate of (a) the principal amount of the Bonds issued to and held by Credit Suisse and (b) the interest accrued from July 6, 2011 to the Credit Suisse Redemption Date on the outstanding principal amount of the Bonds issued to and held by Credit Suisse at a simple interest rate of 20% per annum, being US\$11,977,777.78.

On June 4, 2012, Wison Holding, our Company, Wison Investment, Mr. Hua and UOB entered into a redemption agreement (the “**UOB Redemption Agreement**”), pursuant to which Wison Holding agreed to redeem the Bonds previously issued to UOB by the date (“**UOB Redemption Date**”) which is the earlier of (i) the fifth Business Day after Wison Holding has issued a written notice to UOB to redeem the Bonds held by UOB and (ii) July 6, 2012, completion of which took place on June 25, 2012. The redemption price is the aggregate of (a) the principal amount of the Bonds issued to and held by UOB and (b) the interest accrued from July 6, 2011 to the UOB Redemption Date on the outstanding principal amount of the Bonds issued to and held by UOB at a simple interest rate of 20% per annum, being US\$9,582,222.22.

TERMINATION OF THE SECOND PUT OPTION

We undertook to terminate the Second Put Option in order to comply with the “Interim Guidance on Pre-IPO Investments Pending Consultation on Possible Listing Rule Amendments” issued by the Listing Committee on October 13, 2010 (reproduced as HKEx Guidance Letter HKEx-GL29-12 on January 16, 2012) (the “**Interim Guidance**”). On June 1, 2012, Wison Holding, our Company, Wison Investment and Mr. Hua reached an agreement with the Pre-IPO Investors (other than those whose Bonds have been redeemed) to terminate the Second Put Option, pursuant to which the Pre-IPO Investors irrevocably (i) agreed that the Second Put Option and any or all of their rights and interests under the Second Put Option be terminated without any consideration and confirmed that there is no other agreement between (a) Wison Holding, our Company, Wison Investment or Mr. Hua or any of their respective affiliates and (b) the Bond holders in respect of such termination and (ii) agreed that Wison Holding, our Company, Wison Investment and Mr. Hua be released and forever discharged from any obligations whatsoever in respect of the Second Put Option under the terms and conditions set out in the Majority Shareholder Undertakings.

Save as disclosed above, there is no other arrangement in relation to the Pre-IPO Investment. The Company has confirmed that the arrangement in relation to the Pre-IPO Investment described in this Appendix IV complies with the Interim Guidance.