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WISON ENGINEERING SERVICES CO. LTD.

惠生工程技術服務有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2236)

**SUPPLEMENTAL ANNOUNCEMENT
PURSUANT TO RULE 14.36 OF THE LISTING RULES IN RELATION TO
DISCLOSEABLE TRANSACTION
ESTABLISHMENT OF LIMITED PARTNERSHIP**

This announcement is made by Wison Engineering Services Co. Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 14.36 of the Listing Rules.

References are made to the announcements of the Company dated 22 June 2020, 2 July 2020, 4 December 2020 and 18 October 2022 (the “**Announcements**”) in respect of the establishment of the Limited Partnership. Unless the context otherwise requires, capitalized terms used in this announcement shall have the same meanings as defined in the Announcements.

INTRODUCTION

On 22 June 2020, Shanghai Huicheng, a wholly-owned subsidiary of the Company, entered into the Previous Limited Partnership Agreement with Silver Saddle, Sinochem International and Jiangsu Haiyi, pursuant to which Shanghai Huicheng (as limited partner), Sinochem International (as limited partner), Jiangsu Haiyi (as limited partner) and Silver Saddle (as general partner) agreed to establish the Limited Partnership.

On 4 December 2020, Shanghai Huicheng entered into the 2020 Limited Partnership Agreement to amend the terms of the Previous Limited Partnership Agreement. Pursuant to the 2020 Limited Partnership Agreement, Nanjing Fund has been added as a Limited Partner of the Limited Partnership and the 2020 Limited Partnership Agreement shall replace and supersede the Previous Limited Partnership Agreement.

On 18 October 2022, Shanghai Huicheng entered into the 2022 Limited Partnership Agreement to amend the terms of the 2020 Limited Partnership Agreement. Pursuant to the 2022 Limited Partnership Agreement, Bocomm Trust has been added as a Limited Partner of the Limited Partnership and the 2022 Limited Partnership Agreement shall replace and supersede the 2020 Limited Partnership Agreement.

The Board announces that on 10 January 2023, Shanghai Huicheng entered into a new limited partnership agreement (the “**2023 Limited Partnership Agreement**”) to amend the terms of the 2022 Limited Partnership Agreement. Pursuant to the 2023 Limited Partnership Agreement, Nanjing Chuangrun Equity Investment Partnership (Limited Partnership)* (南京創潤股權投資合夥企業(有限合夥)) (“**Nanjing Chuangrun**”) has been added as a Limited Partner of the Limited Partnership and the 2023 Limited Partnership Agreement shall replace and supersede the 2022 Limited Partnership Agreement.

THE 2023 LIMITED PARTNERSHIP AGREEMENT

Date: 10 January 2023

Parties:

Existing Limited Partners (“ Existing Limited Partners ”)	(1) Shanghai Huicheng; (2) Sinochem International; (3) Jiangsu Haiyi; (4) Nanjing Fund; (5) Bocomm Trust;
New Limited Partner (the “ New Limited Partner ”, together with “ Existing Limited Partners ”, the “ Limited Partners ”)	(6) Nanjing Chuangrun; and
General Partner	(7) Silver Saddle

Except for Nanjing Chuangrun, each of the Limited Partners and Silver Saddle are parties under the 2022 Limited Partnership Agreement.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, save for (i) Mr. Qu Song (a director of Wison Group Holding Limited, the controlling shareholder of the Company) being a director of Silver Saddle and (ii) the Company being indirectly interested in 15% of the total registered capital of Silver Saddle,

* *For identification purposes only*

each of Sinochem International, Jiangsu Haiyi, Nanjing Fund, Bocomm Trust, Nanjing Chuangrun and Silver Saddle and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Target Total Capital Contribution

Pursuant to the 2023 Limited Partnership Agreement, there is no change to the Target Total Capital Contribution size of the Limited Partnership (being RMB910,000,000).

Initial Capital Contribution

Pursuant to the 2023 Limited Partnership Agreement, Nanjing Chuangrun (as a New Limited Partner) will contribute RMB50,000,000 to the Limited Partnership (together with the capital contribution made by the Existing Limited Partners under the 2022 Limited Partnership Agreement, the “**Initial Capital Contribution**”). There is no change to the contribution amount of Shanghai Huicheng in the Limited Partnership (being RMB160,000,000).

Set forth below is a summary of the Initial Capital Contribution of the Limited Partnership:

Name of partners	Initial Capital Contribution (RMB)	Approximate percentage of the Initial Capital Contribution
Shanghai Huicheng	160,000,000	17.62%
Sinochem International	280,000,000	30.84%
Jiangsu Haiyi	100,000,000	11.01%
Nanjing Fund	208,000,000	22.91%
Bocomm Trust	100,000,000	11.01%
Nanjing Chuangrun	50,000,000	5.51%
Silver Saddle	<u>10,000,000</u>	<u>1.10%</u>
Total	<u><u>908,000,000</u></u>	<u><u>100.00%</u></u>

The investment in the Limited Partnership by Shanghai Huicheng will be classified as “equity investments designated at fair value through other comprehensive income” in the Company’s financial statements.

Subsequent Capital Contribution(s)

Shanghai Huicheng is not obligated under the 2023 Limited Partnership Agreement to, and currently does not contemplate that it will, take part in any subsequent capital contribution(s) of the Limited Partnership.

Assuming the Target Total Capital Contribution has been fully subscribed, the percentage of Shanghai Huicheng's capital contribution in the Limited Partnership will be reduced from approximately 17.62% to approximately 17.58%.

Investment Mandate and Strategy of the Limited Partnership

Under the 2023 Limited Partnership Agreement, the investment mandate and strategy of the Limited Partnership are the same as that of the 2022 Limited Partnership Agreement as set out in the Announcements.

For information of the investment mandate and strategy of the Limited Partnership, please refer to the Announcements.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Limited Partnership currently has no proposed investment targets.

Term of the Limited Partnership

Under the 2023 Limited Partnership Agreement, similar to the term of the Limited Partnership under the 2022 Limited Partnership Agreement, the first five years commencing on the date on which Initial Capital Contributions by the Existing Limited Partners and Silver Saddle have been fully contributed to the Limited Partnership shall be the investment period (the "**Investment Period**"), and the subsequent two years after the Investment Period shall be the exit period (the "**Exit Period**").

During the Exit Period, the Limited Partnership shall not engage in any new project investment activities, except in the case where letter(s) of intent, framework agreement(s) or other binding agreement(s) in respect of the investment(s) have been executed within the Investment Period.

Management of the Limited Partnership

Under the 2023 Limited Partnership Agreement, (i) Silver Saddle will continue to be appointed as the executive partner of the Limited Partnership and is responsible for the day-to-day management and operation of the Limited Partnership and (ii) the investment decision committee will continue to be responsible for making decisions in respect of project investments and exits. Shanghai Huicheng does not have control of the investment decision committee.

Management Fee and Profit Distribution

There is no change to the arrangements relating to the management fee and the profit distribution of the Limited Partnership under the 2023 Limited Partnership Agreement. For ease of reference, set forth below are the arrangements relating to the management fee and the profit distribution to the Limited Partnership.

Management Fee

In consideration of the management of the Limited Partnership and other related services, Silver Saddle shall be entitled to an annual management fee of (a) 1.5% per year of the total capital contribution of the Limited Partnership during the Investment Period; and (b) during the Exit Period, 0.75% per year of the total amounts invested by the Limited Partnership for investments that have not been realized. No management fee shall be payable to Silver Saddle during the extended term of the Limited Partnership or during dissolution of the Limited Partnership.

Profit Distribution

Pursuant to the 2023 Limited Partnership Agreement, any Distributable Proceeds of the Limited Partnership shall be distributed in the following order:

- (i) firstly, to the Limited Partners in accordance with their respective capital contribution ratio until each of them has received its aggregate capital contribution; then to Silver Saddle until it has received its aggregate capital contribution;
- (ii) in case there is any surplus Distributable Proceeds after the distributions set out in paragraph (i) above, to the Limited Partners until each of them achieves a rate of return of 8% per annum; then to Silver Saddle until it achieves a rate of return of 8% per annum;
- (iii) in case there is any surplus Distributable Proceeds after the distribution set out in paragraphs (i) and (ii) above, in respect of the portion of Distributable Proceeds derived from investments with returns of 15% per annum or below (“**Third Round Distributable Proceeds**”), 80% of the Third Round Distributable Proceeds shall be distributed to the Limited Partners in accordance with their respective capital contribution ratio and 20% of the Third Round Distributable Proceeds shall be distributed to Silver Saddle; and
- (iv) in case there is any surplus Distributable Proceeds after the distribution set out in paragraphs (i), (ii) and (iii) above, that is in respect of the portion of Distributable Proceeds derived from investments with returns of more than 15% per annum (“**Remaining Distributable Proceeds**”), 70% of the Remaining Distributable Proceeds

shall be distributed to the Limited Partners in accordance with their respective capital contribution ratio and 30% of the Remaining Distributable Proceeds shall be distributed to Silver Saddle.

INFORMATION OF THE PARTIES TO THE 2023 LIMITED PARTNERSHIP AGREEMENT

The Company, Shanghai Huicheng, Silver Saddle, Sinochem International, Jiangsu Haiyi, Nanjing Fund and Bocomm Trust

For information of the Company, Shanghai Huicheng, Silver Saddle, Sinochem International, Jiangsu Haiyi, Nanjing Fund and Bocomm Trust, please refer to the Announcements.

Nanjing Chuangrun

Nanjing Chuangrun is a limited partnership established in September 2021 under the laws of the PRC with capital of RMB1 billion. Nanjing Hexi New Town State-Owned Property Management Holding Group Co. Ltd. (“**Hexi New Town**”, as limited partner), Nanjing Innovation Capital Group Co. Ltd. (南京市創新投資集團有限責任公司) (“**Nanjing Innovation Capital Group**”, as limited partner), Nanjing Hexi Private Equity Fund Management Co. Ltd.* (南京河西私募基金管理有限公司) (“**Hexi Private Equity Fund Management**”, as limited partner) and Nanjing Zijin Innovation Investment Fund Management Co. Ltd.* (南京紫金創投基金管理有限責任公司) (“**Nanjing Zijin**”, as general partner) are interested in 79%, 20%, 0.8% and 0.2% equity interest in Nanjing Chuangrun, respectively. Nanjing Chuangrun mainly focuses on investing in the eight major industrial chain industries in Nanjing, PRC and technological innovation projects in the angel and early stages.

Hexi New Town is a state-owned company established in the PRC in July 2002 by Nanjing municipal government, which focuses on the investment and financing, development and construction of the major projects in Nanjing Hexi New City, as well as the operation and management of those state-owned assets. Hexi Private Equity Fund Management is a fund management company wholly owned by Hexi New Town.

Nanjing Innovation Capital Group is a state-owned company established in the PRC in May 2018 by Nanjing municipal government with registered capital of RMB5 billion. It is a specialized venture capital platform in Nanjing, PRC, which focuses on the investment in innovative industries and projects. Nanjing Zijin is a fund management company wholly owned by Nanjing Innovation Capital Group.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, Nanjing Chuangrun and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

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REASONS FOR ENTERING INTO THE 2023 LIMITED PARTNERSHIP AGREEMENT

For reasons relating to the establishment of the Limited Partnership, please refer to the Announcements.

The additional capital contribution by Nanjing Chuangrun under the 2023 Limited Partnership Agreement will provide additional capital for the Limited Partnership to make investments in accordance with the terms of the 2023 Limited Partnership Agreement. The amendments to the 2022 Limited Partnership Agreement have been agreed in light of the addition of Nanjing Chuangrun as a Limited Partner and were determined by the parties after arm's length negotiations with reference to, among others, the projected capital requirements of the Limited Partnership and the investment requirements of the Limited Partners.

The Directors are of the view that the terms of the 2023 Limited Partnership Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company's shareholders as a whole.

LISTING RULES IMPLICATION

This announcement is made by the Company pursuant to Rule 14.36 of the Listing Rules, as the entering into of the 2023 Limited Partnership Agreement constitutes a variation to the terms of the transactions previously announced under the Announcements (being the establishment of and investment in the Limited Partnership pursuant to the 2022 Limited Partnership Agreement, which constituted a discloseable transaction of the Company).

WARNING: The Limited Partnership and its investments may or may not generate economic return and hence, the entering into of the 2023 Limited Partnership Agreement and the investment in the Limited Partnership may or may not bring profit to the Group. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

By Order of the Board
Wison Engineering Services Co. Ltd.
Zhou Hongliang

Executive Director and Chief Executive Officer

Hong Kong, 10 January 2023

As at the date of this announcement, the executive Directors of the Company are Mr. Zhou Hongliang and Mr. Zheng Shifeng; the non-executive Director and Chairman of the Company is Mr. Liu Hongjun; and the independent non-executive Directors of the Company are Mr. Lawrence Lee, Mr. Tang Shisheng and Mr. Feng Guohua.