

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 and 4 December 2020 (the “**Announcements**”) in respect to 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 Holding Group Co. Ltd.* (江蘇海奕控股集團有限公司) (“**Jiangsu Haiyi**”, previously known as Haimen South Huanghai), 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 a new limited partnership agreement (the “**2020 Limited Partnership Agreement**”) to amend the terms of the Previous Limited Partnership Agreement. Pursuant to the 2020 Limited Partnership Agreement, Nanjing Fund

* *For identification purposes only*

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.

The Board announces that on 18 October 2022, Shanghai Huicheng entered into a new limited partnership agreement (the “**2022 Limited Partnership Agreement**”) to amend the terms of the 2020 Limited Partnership Agreement. Pursuant to the 2022 Limited Partnership Agreement, Bank of Communications International Trust (交銀國際信託有限公司) (“**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.

2022 LIMITED PARTNERSHIP AGREEMENT

Date: 18 October 2022

Parties:

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

Except for Bocomm Trust, each of the Limited Partners and Silver Saddle are parties under the 2020 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 interest in 15% of the total registered capital of Silver Saddle, each of Sinochem International, Jiangsu Haiyi, Nanjing Fund, Bocomm Trust 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 2022 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 2022 Limited Partnership Agreement, Bocomm Trust (as a New Limited Partner) will contribute RMB100,000,000 to the Limited Partnership (together with the capital contribution made by the Existing Limited Partners under the 2020 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	18.65%
Sinochem International	280,000,000	32.63%
Jiangsu Haiyi	100,000,000	11.66%
Nanjing Fund	208,000,000	24.24%
Bocomm Trust	100,000,000	11.66%
Silver Saddle	<u>10,000,000</u>	<u>1.16%</u>
Total	<u><u>858,000,000</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 2022 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 18.65% to approximately 17.58%.

Investment Mandate and Strategy of the Limited Partnership

Under the 2022 Limited Partnership Agreement, the investment mandate and strategy of the Limited Partnership are the same as that of the 2020 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 2022 Limited Partnership Agreement, similar to the term of the Limited Partnership under the 2020 Limited Partnership Agreement, the first five years commencing on the date on which Initial Capital Contributions by 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 2022 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 2022 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 2022 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 2022 LIMITED PARTNERSHIP AGREEMENT

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

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

Bocomm Trust

Bocomm Trust was established in October 2007 with a registered capital of RMB5.77 billion, of which Bank of Communications Co., Ltd. and Hubei Communications Investment Group Co., Ltd. (previously known as Hubei Provincial Communications Investment Group Co., Ltd.) held 85% and 15% of the equity interest, respectively. Its main business scope includes non-standard investment and financing trusts, securities investment trusts, asset securitisation trusts, family trusts, and charitable trusts.

Bank of Communications Co. Ltd. is a commercial bank established in the PRC with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 3328) and Shanghai Stock Exchange (stock code: 601328).

Hubei Communications Investment Group Co., Ltd. is a state-owned enterprise in the PRC established by Hubei Provincial Government with a capital of RMB10 billion. Its main business scope includes planning and design, engineering construction, modern logistics, regional development, transportation services, transportation technology and transportation finance.

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

REASONS FOR ENTERING INTO THE 2022 LIMITED PARTNERSHIP AGREEMENT

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

The additional capital contribution by Bocomm Trust under the 2022 Limited Partnership Agreement will provide additional capital for the Limited Partnership to make investments in accordance with the terms of the 2022 Limited Partnership Agreement. The amendments to the 2020 Limited Partnership Agreement have been agreed in light of the addition of Bocomm Trust 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 2022 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 the 2022 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 2020 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 2022 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.
Yan Shaochun

Executive Director and Chief Executive Officer

Hong Kong, 18 October 2022

As at the date of this announcement, the executive Directors of the Company are Mr. Yan Shaochun, 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.