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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)

CLARIFICATION ANNOUNCEMENT INSIDE INFORMATION

This announcement is made by the board of directors of Wison Engineering Services Co. Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated May 21, 2020 in which the Company announced the change in accounting policy of the measurement of office building and leasehold land (together, the “**Land and Properties**”) held by the Group from the cost model to the fair value model with effect from May 21, 2020 (the “**May Announcement**”). Reference is also made to the announcement of the Company dated June 19, 2020 in which the Company announced that the Group is expected to record a loss for the six months ended June 30, 2020 (the “**Profit Warning Announcement**”). Unless the context otherwise requires, terms used in this announcement shall have the same meanings as that defined in the May Announcement and the Profit Warning Announcement.

In the May Announcement, it was stated that the Change in Accounting Policy involves a change in the measurement of the Group’s Land and Properties and requires the Company to make retrospective adjustments to the historical consolidated financial statements of the Group and the preliminary calculation of the impact on certain financial figures of the Group as at or for the year ended December 31, 2019 were included in the May Announcement. The May Announcement was reviewed by the audit committee and the Board after careful consideration and consultation with the Company’s auditors.

The Company is in the process of preparing its interim results for the six months ended June 30, 2020 and was advised by the Company's auditors that it was not necessary to make retrospective adjustments to the historical consolidated financial statements of the Group. Accordingly, there would be no impact on the historical financial information of the Group including the financial information as at or for the year ended December 31, 2019.

In making the statement in the Profit Warning Announcement that the Group is expected to record a loss for the six months ended June 30, 2020, the Company has taken into account the increase in depreciation and amortization expenses resulting from the Change in Accounting Policy and the retrospective adjustments that the Company thought would be necessary at the time. Since the Company and the Company's auditors are of the same view that retrospective adjustments are not required and the Company has adopted the new accounting policy with effect from May 21, 2020, there will be no material increase in depreciation and amortization expenses resulting from the Change in Accounting Policy during the six months ended June 30, 2020 and hence the Group is expected to record a modest profit for the six months ended June 30, 2020.

As the Group's interim results for the six months ended June 30, 2020 have not yet been finalised, the information contained in this announcement is only based on the information currently available to the Company and a preliminary assessment of the financial performance of the Group. Shareholders of the Company and potential investors should refer to the interim results announcement of the Company for the six months ended June 30, 2020, which is expected to be published on or around August 25, 2020.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Wison Engineering Services Co. Ltd.
Rong Wei
Executive Director and Chief Executive Officer

Hong Kong, August 18, 2020

As at the date of this announcement, the executive Directors are Ms. Rong Wei, Mr. Zhou Hongliang and Mr. Dong Hua; the non-executive Director is Mr. Liu Hongjun; and the independent non-executive Directors are Mr. Lawrence Lee, Mr. Tang Shisheng and Mr. Feng Guohua.