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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)

ANNOUNCEMENT INSIDE INFORMATION CHANGES IN ACCOUNTING ESTIMATES

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

The Board hereby announces that, in order to ensure that the estimated useful lives of the buildings of the Group (the “**Buildings**”), which are categorized as an item of property, plant and equipment, accurately reflect their actual useful lives and maintenance quality, the Board resolved to change the estimated useful lives of the Buildings from “20–30 years” to “30–50 years” in accordance with the Group’s actual conditions (the “**Changes in Accounting Estimates**”). The Changes in Accounting Estimates take effect in respect of accounting or reporting period beginning July 1, 2020.

Overview of Changes in Accounting Estimates

The Buildings affected by the Changes in Accounting Estimates include the premises located at No. 699 Zhongke Road, Pudong New District, Shanghai (the “**New Wison Complex**”) and the premises located at 26th Floor and 27th Floor, No. 14 Shangwu Waihuan Road, Zhengdong New District, Zhengzhou, Henan Province (the “**Zhengzhou Office Building**”) in the People’s Republic of China. The New Wison Complex is the headquarter of the Company having a total of three blocks with a total gross floor area of 125,247 square metres. The Zhengzhou Office Building is the branch office of the Company having a total gross floor area of 2,398 square metres.

During the year, management of the Company have conducted a review on the conditions of the Buildings, including their appearances, level of maintenance and safety facilities. Moreover, the Company also consulted the independent valuer for its opinion on the usage conditions of the Buildings. After assessing relevant factors, the Board resolved to change the estimated useful lives of the Buildings from “20–30 years” to “30–50 years”.

Expected Impact of Changes in Accounting Estimates

The Changes in Accounting Estimates take effect in respect of accounting or reporting period beginning July 1, 2020. The changes in estimated useful lives of certain item of property, plant and equipment are considered as changes in accounting estimates and are to be accounted for prospectively without retrospective adjustment. Therefore, such changes will not have any impact on the financial statements of the Group for previous years. Based on the information currently available to the Company, in accordance with the calculations under International Accounting Standards, the Changes in Accounting Estimates are expected to decrease the depreciation of the Group for the year ending December 31, 2020 by approximately RMB10,300,000, which are also expected to affect the profit after tax of the Group for the year ending December 31, 2020.

Opinion of the Board

Taking into consideration the opinion of the audit committee of the Company, the Board is of the view that the Changes in Accounting Estimates will enable the Group to accurately reflect the actual useful lives and maintenance quality of the Buildings, and is in compliance with International Accounting Standards and in the interests of the Company and its shareholders as a whole.

The expected impact of the Changes in Accounting Estimates contained in this announcement is only a preliminary assessment based on information currently available to the Company, and has not been audited by the Company’s auditors. **Investors are advised to exercise caution when dealing in the securities of the Company.**

By Order of the Board
Wison Engineering Services Co. Ltd.
Rong Wei

Executive Director and Chief Executive Officer

Hong Kong, October 23, 2020

As at the date of this announcement, the executive Directors are Ms. Rong Wei, Mr. Zhou Hongliang, Mr. Dong Hua and Mr. Zheng Shifeng; 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.