

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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the shareholders of the Company and potential investors that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2018, the Group is expected to record a relatively significant decrease in revenue and profit after tax for the six months ended 30 June 2018 as compared to that for the corresponding period in 2017.

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

This announcement is made by Wison Engineering Services Co. Ltd. (the “**Company**” and, 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).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2018, the Group is expected to record a relatively significant decrease in revenue and profit after tax for the six months ended 30 June 2018 as compared to that for the corresponding period in 2017. The majority of the new projects obtained by the Group since the second half of 2017 were yet to enter the principal construction phase in the first half of 2018 while the projects obtained by the Group in previous years are approaching completion phases, respectively, leading to a significant drop in the revenue recognized for the six months ended 30 June 2018 (as compared with the corresponding period in 2017). Typically in

energy engineering industry, the project execution cycle is generally more than one year and therefore the revenue recognized using the percentage of completion method fluctuates in light of factors such as the progress of completion of the projects and project costs arose during a certain reporting period. Generally in the early phase and the later phase of an energy engineering project, the proportion of cost is relatively small and therefore the proportion of revenue recognized is also relatively low. When a project enters the principal construction phase with large scale equipment installation and construction, a substantial amount of cost will be incurred and at the same time a relatively significant amount of revenue will be recognized. The non-seasonal characteristic and project execution cycle typical of the energy engineering industry lead to fluctuation in the Group's revenue, which may further result in a positive profit alert or profit warning.

Moreover, due to (i) increased staff costs resulting from the increase in technical and project execution staff members employed by the Group for its existing projects and new projects expected to be entered into by the Group; and (ii) increased expenses related to share options granted in November 2017, the Group's profit is expected to decline for the six months ended 30 June 2018 as compared to that for the corresponding period in 2017.

As the Group's interim results for the six months ended 30 June 2018 have not yet been finalised, the information contained in this announcement is only based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2018, and such information has not been audited or reviewed by the Company's auditor and may be subject to adjustments. Shareholders and potential investors should refer to the interim results announcement of the Company for the six months ended 30 June 2018, which is expected to be published on or before 29 August 2018.

Shareholders 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, 26 July 2018

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