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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)

PROFIT ALERT — REDUCTION IN LOSS

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

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary assessment of the Board with reference to the unaudited consolidated management accounts of the Group for the year ended 31 December 2023 (the “**Year**”) and other information currently available to the Board, it is expected that the Group’s loss for the Year will decrease significantly to not more than RMB200 million as compared to a loss of approximately RMB1,197.4 million for the year ended 31 December 2022.

The estimated narrowed loss is primarily attributable to the following reasons:

- i. in 2022, the Company’s performance was affected by the Coronavirus Disease 2019 (COVID-19) and the corresponding control measures and restrictions, which resulted in the postponement and delay of some projects, causing additional labor costs and project costs. The impact of the above-mentioned factors has been reduced in the Year, and the gross profit margin has gradually returned to normal level; and

- ii. affected by the unfavourable economic environment, the recoverability risk of receivables was therefore increased and a larger amount of impairment loss on receivables was recognized in 2022, but the overall recoverable risk has decreased during the Year.

However, the expected loss was mainly because projects under construction are still in the early to middle stages. Among them, certain projects involve heavy equipment manufacturing and are expected to be delivered gradually between 2024 to 2025. Those projects' contributions to the Year's revenue and gross profit are therefore limited. As a result, the Group is expected to incur losses during the Year.

As the Company is still in the process of preparing and finalizing the consolidated financial statements of the Group for the year ended 31 December 2023, the information contained in this announcement (a) is only a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group which have not been reviewed by the Company's auditor and the audit committee; and (b) may be subject to finalization and adjustments upon further review.

Further details of the financial information of the Group for the year ended 31 December 2023 will be published pursuant to the requirements of the Listing Rules.

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

By order of the Board

Wison Engineering Services Co. Ltd.

Zhou Hongliang

Executive Director and Chief Executive Officer

Hong Kong, 29 February 2024

As at the date of this announcement, the executive Directors of the Company are Mr. Zhou Hongliang, Mr. Zheng Shifeng and Mr. Zhou Yu; 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.