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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

TERMINATION OF THE CONTRACT FOR JIANGSU SAILBOAT ALCOHOL BASED COGENERATION PROJECT (PHASE I)

This announcement is made by the board of directors (the “**Board**”) of Wison Engineering Services Co. Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 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).

Reference is made to the prospectus of the Company dated December 13, 2012 where the Company disclosed that Wison Engineering Ltd. (惠生工程(中國)有限公司) (“**Wison Engineering**”), an indirect non wholly-owned subsidiary of the Company, entered into a main contract (the “**Main Contract**”) with Jiangsu Sailboat Petrochemical Co., Ltd. (“**Jiangsu Sailboat**”) in May 2012 to provide EPC service to its 600kta MTO plant and relevant public utilities and ancillary facilities for its alcohol based cogeneration project (phase I) and EM+PC service to its 350kta EVA plant, 260kta acrylonitrile plant and 80kta MMA plant in Jiangsu Province, China (the “**Jiangsu Sailboat Alcohol Based Cogeneration Project (Phase I)**”). The Jiangsu Sailboat Alcohol Based Cogeneration Project (Phase I) commenced in September 2012 and was expected to be completed in around March 2015. The Jiangsu Sailboat Alcohol Based Cogeneration Project (Phase I) falls within our coal-to-chemicals business segment. Wison Engineering and Jiangsu Sailboat also entered into two ancillary contracts relating to the Jiangsu Sailboat Alcohol Based Cogeneration Project (Phase I) in May 2012 and February 2013, respectively (together with the Main Contract, the “**Contract**”).

Reference is also made to the 2013 annual report of the Company (the “**2013 Annual Report**”), where the Company disclosed that the Company received a request from Jiangsu Sailboat in relation to the termination of the Contract, which, if effected, would pose material impact on the expected performance of the Group. Based on prudent considerations, the Group did not include the contract amount of the Contract in the Group’s current backlog as disclosed in the 2013 Annual Report.

As requested by Jiangsu Sailboat due to the situation of the Jiangsu Sailboat Alcohol Based Cogeneration Project (Phase I) and after arm's length negotiation between the parties, on June 10, 2014, Jiangsu Sailboat and Wison Engineering entered into a termination and settlement agreement (the "**Termination Agreement**"), pursuant to which the parties have agreed to terminate the Contract and confirmed the work already carried out under the Contract and the outstanding contract price payable for the termination of the Contract.

According to the Termination Agreement, the parties confirmed that the final total contract price for the work already carried out by Wison Engineering under the Contract shall be RMB71.64 million, of which RMB35.64 million has been paid by Jiangsu Sailboat before the date of the Termination Agreement. The remaining balance of the final contract price, being RMB36 million, shall be paid by Jiangsu Sailboat to Wison Engineering in two instalments by July 8, 2014.

The Company will continue to make further announcements on any developments of the Company as and when necessary, and will, in any event, make regular general update announcements.

By Order of the Board
Wison Engineering Services Co. Ltd.
LIU HAIJUN
Executive Director

Hong Kong, June 10, 2014

As at the date of this announcement, the executive Directors of the Company are Mr. Hua Bangsong, Mr. Liu Haijun, Mr. Zhou Hongliang and Mr. Cui Ying and the independent non-executive Directors are Mr. Liu Ji and Mr. Wu Jianmin.