

For Immediate Release

Sunpower's revenue for FY2013 increased by 11.0% to RMB1.3 billion

Singapore, 25 February 2014 – Mainboard-listed Sunpower Group Ltd. (“中圣集团”, “Sunpower” or “the Group”), a China-based heat transfer technology specialist engaged in the design, R&D and manufacture of energy-efficient and environmental protection equipment for diverse industries, today announced an 11.0% year-on-year (“yoy”) increase in its revenue for FY2013.

Financial Highlights

RMB 'Million	FY2013	FY2012	YoYChange
Revenue	1,302.6	1,173.3	11.0%
Gross profit	278.1	293.3	(5.2)%
Gross profit margin	21.3%	25.0%	(3.7pp)*
Net profit attributable to shareholders	53.8	60.7	(11.4)%
Earnings per share (RMB cents) **	16.36	18.46	(11.4)%

*pp: percentage points

**Calculated based on the issued share capital of 329,000,000 ordinary share for FY2012 and FY2013

Revenue increased 11.0% yoy to RMB1.3 billion for FY2013 mainly due to increase in revenue from the Heat Exchangers and Pressure Vessels segment. However, this increase was offset by a decrease in the revenue from the Heat Pipes and Heat Pipe Exchangers segment.

Gross profit decreased slightly by 5.2% yoy to RMB278.1 million mainly due to lower margins achieved by all business segments. Profit before tax decreased 14.9% to RMB68.2 million mainly due to lower gross profit, and an increase in other operating expenses of RMB5.3 million mainly attributable to the impairment allowance on fixed assets of RMB 5.8 million. This impairment allowance made by the Group's subsidiary, Jiangsu Sunpower Energy-Saving Technology Co., Ltd; arose from the suspension of its unprofitable foam glass production as a result of lower demand after China's change in regulation. The above decreases were partially mitigated by higher other operating income and lower finance cost of RMB3.9 million and RMB4.7 million respectively.

Outlook

Amidst the global economic recovery, uncertainties still remain within the stabilizing market as China's domestic growth faces downward pressure from the slowing economic advancement¹.

¹Reuters, <http://www.reuters.com/article/2014/01/20/us-china-economy-gdp-idUSBREA0I0HH20140120>, China's 2013 economic growth dodges 14-year low but further slowing seen: 20 Jan 2014



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China's economy might also be further impacted by the United States' tapering of its quantitative easing monetary policy².

Mr. Guo Hongxin, Chairman of the Sunpower Group comments on the Group's advancement, **“Despite the economic slowdown, the Group has made significant progress in marketing and R&D. The Group's advancement in the sulphur recovery field and Zero-Liquid Discharge technology has proven its capabilities in the market.**

We believe that the growth of China's green sector will remain strong given the Chinese government's commitment to improve its environment. We will continue to increase R&D investment, and enhance our marketing effort to better position ourselves in China's growing energy-saving and environmental protection sector.”

China will continue to invest heavily in its energy conservation and environmental protection sector. In August 2013, the Chinese State Council announced a target sector growth of 15% in the next three years with a target output of RMB4.5 trillion by 2015.³ These promising commitments proposed by the Chinese government are expected to induce positive sentiments in the rising green sector.

Barring any unforeseen circumstances, the Group expects to be profitable for FY2014.

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About Sunpower Group Limited

PRC-based Sunpower Group Ltd. Specializes in the design, R&D and manufacture of customized energy-saving and environmental protection products using heat-transfer technologies. Its products range from heat exchangers and pressure vessels, heat pipes and heat-pipe exchangers, pipe supports, and energy-saving and environmental protection systems. They are used in various industries such as petrochemical, steel, transportation, chemicals, metallurgy, solar energy etc, particularly in energy projects that benefit from the products' energy-saving and energy-efficiency features. Sunpower has a strong customer base and is a member of both China Petroleum and Chemical Corporation (“SINOPEC”) materials supply network and China National Petroleum Corporation (“CNPC”) first-tier network. These memberships pre-qualify the Group to supply products to companies in the SINOPEC and CNPC groups. To date, the Group has 105 patents relating to its proprietary heat technologies that are registered in China.

For more information, please refer to: <http://sunpower.com.cn/>.

²iFeng, <http://finance.sina.com.cn/money/forex/20130917/065016781458.shtml>, 千万别低估退出 QE 对我国经济的冲击力

³iFeng, http://finance.ifeng.com/a/20140212/11630917_0.shtml, 节后机构唱多环保板块



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