

SUNPOWER GROUP LTD.

Unaudited Financial Statements For Full Year Ended 31 December 2013

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF FULL YEAR RESULTS

- 1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013

(RMB'000)	Full year ended		% change
	31 December 2013	31 December 2012	
Revenue	1,302,577	1,173,340	11.0
Cost of sales	(1,024,496)	(879,994)*	16.4
Gross profit	278,081	293,346	(5.2)
Other operating income ⁽¹⁾	8,108	4,239	91.3
Selling and distribution expenses	(39,157)	(34,673)	12.9
Administrative expenses	(132,167)	(136,659)*	(3.3)
Other operating expenses	(16,990)	(11,729)*	44.9
Finance costs	(29,724)	(34,439)	(13.7)
Profit before income tax	68,151	80,085	(14.9)
Income tax expense	(17,431)	(18,276)	(4.6)
Profit for the year representing total comprehensive income for the year	50,720	61,809	(17.9)
Total comprehensive income for the year attributable to:			
Equity holders of the Company	53,821	60,744	(11.4)
Non-controlling interest	(3,101)	1,065	(391.2)
Profit for the year	50,720	61,809	(17.9)

* Certain reclassifications have been made to the prior year's figures to enhance comparability with the current year's figures as the Group has considered that it is more appropriate to classify the impairment allowance on inventories as part of cost of sales and the impairment allowance on trade and non-trade receivables as part of other operating expenses.

As a result, certain line items have been amended in the statement of comprehensive income with the comparative figures adjusted to conform to the current year's presentation.

1(a)(ii) Other information:

(RMB'000)	Full year ended		% change
	31 December 2013	31 December 2012	
Interest on borrowings	29,724	34,439	(13.7)
Depreciation expense	20,489	17,738	15.5
Amortisation of land use rights	1,413	1,356	4.2
Amortisation of intangible assets	1,307	292	347.6
Impairment allowance on trade and non-trade receivables	11,038	10,886	1.4
Impairment allowance on inventories	8,837	1,156	664.4
Impairment allowance on fixed assets	5,770	-	n.m.
Loss on disposal of property, plant and equipment	216	799	(73.0)

Note:

Other operating income comprises:

(RMB'000)	Full year ended		% change
	31 December 2013	31 December 2012	
Government grant	5,270	1,433	267.8
Foreign exchange gain	105	579	(81.9)
Interest income	2,293	1,671	37.2
Others	440	556	(20.9)
Total	8,108	4,239	91.3

n.m. – not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statements at the end of the immediately preceding financial year.

UNAUDITED STATEMENTS OF FINANCIAL POSITION

(RMB'000)	Group		Company	
	(Unaudited) As at 31 December 2013	(Audited) As at 31 December 2012	(Unaudited) As at 31 December 2013	(Audited) As at 31 December 2012
ASSETS				
Current assets:				
Cash and bank balances	118,798	142,409	23	27
Pledged bank deposits	74,377	80,373	-	-
Trade receivables	1,162,734	1,059,796	-	-
Other receivables, deposits and prepayments	81,241	106,079	133	155
Inventories	252,257	228,778	-	-
Land use rights	1,412	1,412	-	-
Total current assets	1,690,819	1,618,847	156	182
Non-current assets:				
Land use rights	49,010	50,423	-	-
Property, plant and equipment	276,761	219,889	-	-
Investment in subsidiaries	-	-	160,984	160,984
Other receivables, deposits and prepayments	-	9,031	-	-
Intangible assets	11,274	439	-	-
Deferred tax assets	10,208	7,424	-	-
Total non-current assets	347,253	287,206	160,984	160,984
Total assets	2,038,072	1,906,053	161,140	161,166
LIABILITIES AND EQUITY				
Current liabilities:				
Trade payables	812,157	791,959	-	-
Other payables	172,283	141,701	61,935	57,953
Borrowings	439,120	410,206	-	-
Income tax payable	15,246	11,504	-	-
Total current liabilities	1,438,806	1,355,370	61,935	57,953
Non-current liability:				
Deferred tax liabilities	2,487	2,158	-	-
Total non-current liability	2,487	2,158	-	-
Capital and reserves:				
Share capital	27,230	27,230	27,230	27,230
Share premium	35,275	35,275	35,275	35,275
General reserves	46,567	39,102	-	-
Accumulated profits	465,888	421,998	36,700	40,708
Equity attributable to equity holders of the Company	574,960	523,605	99,205	103,213
Non-controlling interest	21,819	24,920	-	-
Total equity	596,779	548,525	99,205	103,213
Total liabilities and equity	2,038,072	1,906,053	161,140	161,166

(b)(ii) Aggregate amount of group borrowings and debt securities

Amount repayable in one year or less, or on demand

(RMB'000)	As at 31 December 2013		As at 31 December 2012	
	Secured	Unsecured	Secured	Unsecured
Borrowings	<u>139,000</u>	<u>300,120</u>	<u>65,000</u>	<u>345,206</u>

Amount repayable after one year

(RMB'000)	As at 31 December 2013		As at 31 December 2012	
	Secured	Unsecured	Secured	Unsecured
Borrowings	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Details of any collaterals:

<u>Collaterals</u>	FY2013	FY2012
	(RMB' 000)	(RMB' 000)
Bills payables	54,000	-
Land use rights and buildings of a subsidiary	<u>85,000</u>	<u>65,000</u>

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CASH FLOWS FOR THE FULL YEAR ENDED 31 DECEMBER 2013

RMB'000	Full year ended	
	31 December 2013 (Unaudited)	31 December 2012 (Audited)
Operating activities		
Profit before income tax	68,151	80,085
Adjustments for:		
Depreciation expense	20,489	17,738
Amortisation of land use rights	1,413	1,356
Exchange differences arising on foreign currency translation	514	550
Amortisation of intangible assets	1,307	292
Loss on disposal of property, plant and equipment	216	799
Impairment allowance on inventories	8,837	1,156
Interest income	(2,293)	(1,671)
Interest expense	29,724	34,439
Impairment allowance on trade and non-trade receivables	11,038	10,886
Impairment allowance on fixed assets	5,770	-
Operating cash flows before movements in working capital	145,166	145,630
Trade receivables	(113,976)	(260,721)
Other receivables, deposits and prepayments	24,838	(7,129)
Inventories	(32,316)	59,954
Trade payables	20,198	245,217
Other payables	15,149	26,212
Cash generated from operations	59,059	209,163
Income tax paid	(16,144)	(13,503)
Interest received	2,293	1,671
Interest paid	(27,959)	(31,424)
Net cash from operating activities	17,249	165,907
Investing activities		
Purchase of property, plant and equipment	(70,610)	(40,842)
Purchase of land use rights	-	(1,666)
Acquisition of intangible asset	(3,111)	(9,031)
Proceeds from disposal of property, plant and equipment	775	142
Net cash used in investing activities	(72,946)	(51,397)
Financing activities		
Proceeds from new borrowings	547,370	380,050
Pledged bank deposits	5,996	(42,411)
Payment of dividends	(2,466)	(4,960)
Repayment of borrowings	(518,300)	(411,781)
Net cash from (used in) financing activities	32,600	(79,102)
Net (decrease) increase in cash and cash equivalents	(23,097)	35,408
Cash and cash equivalents at beginning of year	142,409	107,551
Effects of foreign exchange rate changes	(514)	(550)
Cash and cash equivalents at end of year	118,798	142,409

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

<u>Group</u>	Share capital	Share premium	General reserves	Accumulated profits	Equity attributable to equity holders of the Company	Non-controlling interest	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2012	27,230	35,275	37,881	367,435	467,821	23,855	491,676
Total comprehensive income for the year	-	-	-	60,744	60,744	1,065	61,809
Dividends paid	-	-	-	(4,960)	(4,960)	-	(4,960)
Transfer to general reserves	-	-	1,221	(1,221)	-	-	-
Balance at 31 December 2012	27,230	35,275	39,102	421,998	523,605	24,920	548,525
Total comprehensive income for the year	-	-	-	53,821	53,821	(3,101)	50,720
Dividends paid	-	-	-	(2,466)	(2,466)	-	(2,466)
Transfer to general reserves	-	-	7,465	(7,465)	-	-	-
Balance at 31 December 2013	27,230	35,275	46,567	465,888	574,960	21,819	596,779

<u>Company</u>	Share capital	Share premium	General reserves	Accumulated profits	Equity attributable to equity holders of the Company	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2012	27,230	35,275	-	54,301	116,806	116,806
Total comprehensive income for the year	-	-	-	(8,633)	(8,633)	(8,633)
Dividends paid	-	-	-	(4,960)	(4,960)	(4,960)
Balance at 31 December 2012	27,230	35,275	-	40,708	103,213	103,213
Total comprehensive income for the year	-	-	-	(1,542)	(1,542)	(1,542)
Dividends paid	-	-	-	(2,466)	(2,466)	(2,466)
Balance at 31 December 2013	27,230	35,275	-	36,700	99,205	99,205

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no new shares issued for the full year ended 31 December 2013 and 2012 and no outstanding convertibles or treasury shares held as at 31 December 2013 and 2012.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The Company's total issued shares as at 31 December 2013 and 2012 is 329,000,000 ordinary shares of US\$0.01 each fully paid.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have neither been reviewed nor audited.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has adopted all the new and revised Singapore Financial Reporting Standards ("FRSs") and Interpretations of FRS ("INT FRSs") that are relevant to its operations and effective for annual periods beginning on or after January 1, 2013. The adoption of the new/revised FRSs, INT FRSs and amendments to FRSs has no material effect on the financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.

Not applicable.

6. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**
(a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).

	Full year ended	
	31 December 2013	31 December 2012
EPS – basic (RMB cents)	16.36	18.46

Basic earnings per share for the full year ended 31 December 2013 and 2012 have been calculated based on the issued share capital of 329,000,000 ordinary shares of US\$0.01 each.

Diluted earnings per share for the above periods have not been calculated as no diluting events have occurred during these periods.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**
(a) current financial period reported on; and
(b) immediately preceding financial year.

	<u>Group</u>		<u>Company</u>	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Net asset value per share (RMB cents)	174.76	159.15	30.15	31.37

The net asset value per share for 31 December 2013 and 2012 have been computed based on shareholders' equity as at these dates and existing share capital of 329,000,000 ordinary shares.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
(a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Review of the Group's Performance for the year ended 31 December 2013 ("FY2013") compared to the year ended 31 December 2012 ("FY2012")

Revenue

The Group's revenue increased by 11.0% or RMB 129.2 million from RMB 1,173.3 million in FY2012 to RMB 1,302.6 million in FY2013. This was mainly attributed to the increase in revenue of RMB 195.8 million from Heat Exchangers and Pressure Vessels segment, which offset the decrease in revenue derived from Heat Pipes and Heat Pipe Exchangers segment of RMB 73.5 million.

Gross Profit

Gross profit decreased slightly by 5.2% from RMB 293.3 million in FY2012 to RMB 278.1 million in FY2013, with gross profit margin declining from 25.0% in FY2012 to 21.3% in FY2013. This was principally due to lower margins achieved by all revenue segments in the current year as compared to the corresponding year.

Profit Before Income Tax

The Group posted a profit before tax of RMB 68.2 million for FY2013, a decrease of RMB 11.9 million or 14.9% as compared to the corresponding year mainly due to:

- (a) the decrease in gross profit of RMB 15.3 million; and
- (b) the increase in other operating expenses of RMB 5.3 million mainly attributable to the increase in impairment allowance on fixed assets of RMB 5.8 million. This impairment allowance made by Jiangsu Sunpower Energy-Saving Technology Co., Ltd arose from the suspension of its unprofitable foam glass production as a result of lower demand after a change in regulation in China.

The above decreases in profit before income tax were partially mitigated by higher other operating income of RMB 3.9 million and lower finance costs of RMB 4.7 million. Both effective interest rate and the weighted average borrowings during the year were lower than the preceding year.

Income Tax Expense

The income tax expense in FY2013 was lower than the corresponding year due to lower profit in FY2013. Effective tax rate of 25.6% in FY2013 was higher than 22.8% in FY2012 as no deferred tax benefits were recognised in the losses of a subsidiary which has suspended production.

Profit for the Year

As a result of the above, the Group's net profit attributable to the shareholders decreased by RMB 6.9 million or 11.4% from RMB 60.7 million in FY2012 to RMB 53.8 million in FY2013.

- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of the Group's Financial Position

The Group's total current assets increased by approximately RMB 72.0 million or 4.4% from RMB 1,618.8 million to RMB 1,690.8 million as at 31 December 2013 due to:

- (a) Increase in trade receivables by RMB 102.9 million as a result of slower collections for trade debts and increase in outstanding notes receivables with recourse of approximately RMB 63.4 million;
- (b) Increase in inventories by RMB 23.5 million due to increased work-in-progress to cater to the projects on hand;
- (c) Decrease in other receivables, deposits and prepayments by RMB 24.8 million and decrease in cash and bank balances and pledged bank deposits by RMB 29.6 million in aggregate.

The Group's total non-current assets increased by 20.9% from RMB 287.2 million as at 31 December 2012 to RMB 347.3 million as at 31 December 2013 mainly due to the increase in property, plant and equipment by approximately RMB 56.9 million and increase in intangible asset by RMB 10.8 million in relation to the purchase of a proprietary technology from a third party with the deposit paid amounting to RMB 9.0 million as at 31 December 2012.

The Group's total current liabilities increased by approximately RMB 83.4 million or 6.2% from RMB 1,355.4 million as at 31 December 2012 to RMB 1,438.8 million as at 31 December 2013 mainly due to:

- (a) the increase in trade payables by RMB 20.2 million mainly due to higher notes payables with recourse of RMB 63.4 million offset by the decrease in customer advances of RMB 44.1 million;
- (b) the increase in other payables by RMB 30.6 million largely due to increase in value-added taxes and other tax liabilities of RMB 36.4 million; and
- (c) the increase in short-term borrowings by RMB 28.9 million for financing of working capital purposes.

Review of the Group's Cash Flow Statement

Net cash from operating activities amounted to approximately RMB 17.2 million due primarily to operating cash flows before movements in working capital of approximately RMB 145.2 million derived from:

- (a) Higher working capital arising from the increase in trade receivables and inventories aggregating RMB 146.3 million;
- (b) Lower working capital from the decrease in other receivables, deposits and prepayments of RMB 24.8 million and the increase in trade and other payables of RMB 35.3 million; and
- (c) interest and tax paid of RMB 44.1 million.

Net cash used in investing activities amounted to RMB 72.9 million due primarily to purchase of property, plant and equipment of approximately RMB 70.6 million for expansion of the Heat Exchangers and Pressure Vessels segment.

Net cash from financing activities amounted to approximately RMB 32.6 million due mainly to net proceeds from new borrowings of RMB 29.1 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The actual results are in line with the statement made in Section 10 of the announcement made for the third quarter ended 30 September 2013.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

In FY2013, the Group's revenue increased by 11.0% while net profit attributable to shareholders decreased by 11.4%. This was mainly attributable to a decrease in the gross profit margin from 25.0% in FY2012 to 21.3% in FY2013.

The global economy has yet to recover fully amidst many uncertain factors. The domestic market is likely to experience slower growth, in line with the expected slowdown of the global economy. In addition, the restructuring of the economic and industrial segments is still in progress which also poses challenges to the Group. Moreover, the equipment manufacturing and some other strategic emerging industries are still facing the problem of excess capacity in their equipment.

Operating in such complex economic environment, the Group continues to strengthen its R&D in order to apply its know-how to the new fields and industries in 2013. The Group has successfully secured several big contracts such as Xinjiang KuishanBaota Petrochemical in the sulphur recovery field and Shenhua Group in the ZLD (Zero-Liquid Discharge) field. Furthermore, it has secured a large contract with Shanxi Lu'an Mining and the Group will continue to expand to new markets and regions.

In line with the 12th five-year plans of PRC, the total investment will continue to increase exponentially which is expected to exceed RMB 3 trillion in the domestic environmental protection industries. In the coming year, the energy-saving and environmental protection industry will subsequently become a new pillar industry in China which is expected to account for more than 1.5% of China's gross domestic product.

The total orders on hand amounted to approximately RMB 1.13 billion as at 31 December 2013.

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

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

A first and final ordinary dividend has been recommended.

**(b) (i) Amount per share in cents
(ii) Previous corresponding period in cents**

	<u>FY2013</u>	<u>FY2012</u>
Dividend Amount Per Share:	S\$ 0.001 per ordinary share	S\$ 0.0015 per ordinary share
Par Value:	US\$ 0.01	US\$ 0.01
Dividend Type:	Cash	Cash

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

The dividend is tax exempt and is not taxable in the hands of shareholders.

(d) The date the dividend is payable.

To be announced later.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

To be announced later.

12. If no dividend has been declared (recommended), a statement to that effect

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained any general mandate from shareholders for IPTs.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

	Heat pipes and heat pipe exchangers	Pipe supports	Heat exchangers and pressure vessels	Energy saving and environmental protection systems	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
2013					
Revenue	182,580	125,323	846,247	148,427	1,302,577
Result:					
Segment result	5,745	15,718	71,240	11,447	104,150
Unallocated corporate expenses					(8,568)
Interest income	376	201	1,472	243	2,293
Finance cost	3,477	2,667	21,080	2,500	(29,724)
Profit before income tax					68,151
Income tax expense					(17,431)
Profit after income tax					50,720
2012					
Revenue	256,103	117,588	650,489	149,160	1,173,340
Result:					
Segment result	17,173	22,589	71,019	15,800	126,581
Unallocated corporate expenses					(13,728)
Interest income	401	148	917	205	1,671
Finance cost	(7,017)	(2,801)	(20,887)	(3,734)	(34,439)
Profit before income tax					80,085
Income tax expense					(18,276)
Profit after income tax					61,809

	Heat pipes and heat pipe exchangers RMB'000	Pipe supports RMB'000	Heat exchangers and pressure vessels RMB'000	Energy saving and environmental protection systems RMB'000	Total RMB'000
2013					
Statement of Net Assets					
Assets:					
Segment assets	363,290	179,941	1,286,872	206,272	2,036,375
Unallocated assets					1,697
Total assets					<u>2,038,072</u>
Liabilities:					
Segment liabilities	283,659	79,998	892,021	174,397	1,430,076
Unallocated liabilities					11,217
Total liabilities					<u>1,441,293</u>
2012					
Statement of Net Assets					
Assets:					
Segment assets	416,152	173,167	1,113,597	201,234	1,904,150
Unallocated assets					1,903
Total assets					<u>1,906,053</u>
Liabilities:					
Segment liabilities	318,838	73,330	788,025	158,905	1,339,098
Unallocated liabilities					18,430
Total liabilities					<u>1,357,528</u>

Other Information

	Heat pipes and heat pipe exchangers	Pipe supports	Heat exchangers and pressure vessels	Energy saving and environmental protection systems	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
2013					
Capital expenditure					
- Property, plant and equipment	4,499	6,600	57,021	2,490	70,610
- Land use rights	-	-	-	-	-
Depreciation expense	2,998	2,765	14,052	674	20,489
Impairment allowance on					
- trade and non-trade receivables	(2,393)	1,389	10,840	1,202	11,038
- inventories	380	4,015	4,442	-	8,837
Amortisation of intangible assets	292	-	-	1,015	1,307
Amortisation of land use rights	650	120	623	20	1,413
2012					
Capital expenditure					
- Property, plant and equipment	893	8,648	30,911	390	40,842
- Land use rights	-	1,666	-	-	1,666
Depreciation expense	2,924	2,865	11,497	452	17,738
Impairment (Reversal) of allowance on					
- trade and non-trade receivables	11,381	(81)	(353)	(61)	10,886
- inventories	213	98	715	130	1,156
Amortisation of trademark	292	-	-	-	292
Amortisation of land use rights	333	110	773	140	1,356

Geographical information

The geographical locations of the customers of the Group principally comprise the People's Republic of China ("PRC"), United States of America ("USA"), Europe, Middle East, Asia (except PRC), South East Asia and South America.

	Revenue from External customer		Non-current assets	
	2013 RMB'000	2012 RMB'000	2013 RMB'000	2012 RMB'000
PRC	1,137,958	933,450	347,253	287,206
America	36,370	5,496	-	-
Asia (except PRC)	-	84,920	-	-
South East Asia	23,749	66,906	-	-
Middle East	50,650	75,278	-	-
Europe	36,910	4,601	-	-
South America	16,940	2,689	-	-
Total	1,302,577	1,173,340	347,253	287,206

Information about major customers

	Group	
	2013 RMB'000	2012 RMB'000
Heat pipes and heat pipes exchangers	23,672	52,720
Pipe supports	11,935	14,258
Heat exchangers and pressure vessels	88,022	128,803
Energy saving and environmental protection systems	42,457	17,886

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Paragraph 8.

16. A breakdown of sales

	Group		% change
	2013	2012	Total
	RMB'000	RMB'000	
16(a) Sales reported for first half year	461,263	439,537	4.94
16(b) Operating profit/loss after tax before deducting non-controlling interest reported for first half year	17,288	22,133	(21.89)
16(c) Sales reported for second half year	841,314	733,803	14.7
16(d) Operating profit/loss after tax before deducting non-controlling interest reported for second half year	33,432	39,676	(15.7)

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

For the financial year ended 31 December 2013 and 2012, a final tax-exempt dividend of S\$ 0.0015 per ordinary share totaling S\$ 493,500 (equivalent to RMB 2,466,000) (2012: RMB 4,960,000) was paid to shareholders in respect of the financial year ended 31 December 2012 and 31 December 2011 respectively.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company wishes to advise that none of the persons occupying managerial positions in the Company or any of its principal subsidiaries are related to a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Ma Ming
Executive Director

25 February 2014