



SUNPOWER GROUP LTD.

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For Immediate Release

Sunpower records 45.3% increase in profit attributable to shareholders to RMB81.5 million for FY2015

- Revenue grew 16.2% yoy mainly due to higher sales from EPC integrated solutions segment
- Gross profit increased by 18.4% to RMB320.2 million for FY2015 from RMB270.4 million for FY2014
- The Board proposes first and final dividend of S\$0.0012 per share
- Committed to accelerate progression in the centralised steam industry and increase investment in centralised steam to achieve smog governance

Singapore, 24 February 2016 –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, reported growth in both its top and bottom line for the financial year ended 31 December 2015 (“FY2015”). Revenue grew 16.2% year-on-year (“yoy”) to RMB1435.3 million while profit attributable to shareholders surged 45.3% yoy to RMB81.5 million for FY2015.

Financial Highlights

RMB 'Million	FY2015	FY2014	YoY % Change
Revenue	1,435.3	1,235.2	16.2
Gross profit	320.2	270.4	18.4
Gross profit margin	22.3%	21.9%	0.4 pp
Profit attributable to shareholders	81.5	56.1	45.3
PATMI margin	5.7%	4.5%	1.2 pp
Earnings per share (RMB cents) **	11.05	14.21	(22.24)

pp: percentage points

** Calculated based on the issued share capital of 737,657,142 ordinary shares and 394,800,000 ordinary shares for FY2015 and FY2014 respectively.

The Group’s revenue increased by RMB200.2 million or 16.2% from RMB1,235.2 million for FY2014 to RMB1435.3 million for FY2015. The increase was attributed to an increase of



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RMB214.0 million from EPC integrated solutions segment which was offset by a decrease of RMB13.8 million from environmental equipment manufacturing segment.

Gross profit increased by 18.4% from RMB270.4 million for FY2014 to RMB320.2 million for FY2015. Gross profit margin of 22.3% for FY2015 is fairly consistent compared to 21.9% for FY2014.

Administrative expenses increased by RMB17.2 million to RMB151.7 million primarily due to increased staff remuneration as a result of additional personnel recruited to fulfil the Group's business growth plans.

Other operating expenses increased by RMB6.6 million due to higher impairment allowance made on trade and non-trade receivables of RMB4.5 million and impairment allowance on property, plant and equipment of RMB1.8 million.

As a result, the Group's net profit attributed to shareholders surged by 45.3% from RMB56.1 million for FY2014 to RMB81.5 million for FY2015. With this, the Board reiterates its commitment to reward shareholders for their continued support by proposing a first and final cash dividend of S\$0.0012 per share, equivalent to about 5% payout of our net profit after tax.

Net cash generated from operating activities amounted to approximately RMB107.6 million for FY2015 primarily due to movements in working capital. Working capital changes were mainly derived from increase in trade receivables, other receivables and trade payables and decrease in inventories and other payables.

Outlook

The global economy continued a slow recovery in 2015 as the economic growth was lower than expected. China is still in the midst of economic reforms and restructuring and its economy grew at 6.9%. The competition in the traditional petrochemical, chemical and steel industries is becoming more intense while new energy and related industries continue to grow.

Mr. Guo Hongxin, Chairman of the Sunpower Group comments, **"FY2015 marks a significant year to the Group as the Group has expanded into centralised steam industry to achieve smog governance, leveraging on the Group's proprietary technologies."**

To tap on the rapidly growing demand of the environmental protection industry and favourable policies, the Group will accelerate its progression in the smog governance industry via BOT, BOO and/or TOT business models. Going forward, the Group intends to generate recurring income with long-term concessions that will provide stable and recurring cash flows and EPC income from these environmental projects which will enhance the quality of the Group's earnings and shareholders' value.

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About Sunpower Group Limited

PRC-based Sunpower Group Ltd. is a one-stop solution provider for energy conservation, waste-to-energy and renewable energy projects which specialized in the design, R&D and manufacture of energy conservation products with more than 120 registered patents in China. Its energy-saving and environmental protection solutions include Zero Liquid Discharge (“ZLD”) system, flare gas recovery system and sulphur recovery system. Sunpower has a strong customer base which includes well-known international customers such as BASF, Shell, Dow Chemical, BP, SABIC, Alcoa, and Mobil, and Chinese conglomerates such as China Petrochemical Corporation (“Sinopec”), China National Offshore Oil Corporation (“CNOOC”), China National Petroleum Corporation (“CNPC”) and China National Chemical Corporation (“ChemChina”). The Group is a member of both Sinopec’s materials supply network and CNPC’s first-tier network. These memberships pre-qualify the Group to supply products to companies in the Sinopec and CNPC groups.

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

Issued for and on behalf of Sunpower Group Ltd

By Financial PR Pte Ltd

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