# Sunpower executes on M&S contract worth RMB36.5 million for strategic partner Wanhua Chemical Group

## Highlights

- **Sunpower to supply core equipment to Wanhua Chemical's subsidiary in Hungary, marking its first international cooperation with this key strategic partner**
- **Strong testament to Sunpower's technological capability and superior solutions, paving the way for deepening cooperation with its strategic partners across more sectors and markets**
- **Expected to have a positive impact on the Group's FY2020 financial performance**

**SINGAPORE – 19 June 2020 -** Mainboard-listed Sunpower Group Ltd. ("中圣集团", **"Sunpower"** or the **"Group"**) (SGX: 5GD.SI), an environmental protection solutions specialist with a strong focus on expanding into anti-pollution investment projects (**"Green Investments"** or **"GI"**), which generate long-term intrinsic value in the form of recurring income and cash flows, today announced that it has secured and is currently executing on a manufacturing and services ("**M&S**") contract worth RMB36.5 million from BorsodChem Zrt. ("**BorsodChem**") (the "**Contract**"). BorsodChem is a European subsidiary of the Group's strategic partner Wanhua Chemical Group Co., Ltd. ("**万华化学集团股份有限公司**", "**Wanhua Chemical**").

Wanhua Chemical is a global player in polyurethanes and petrochemicals with three main business segments: Polyurethane, Petrochemicals, and Performance Chemicals & Materials. BorsodChem is a leading European producer of MDI, TDI, PVC resins[1], base chemicals and specialty chemicals. As a trusted equipment and solutions supplier to Wanhua, Sunpower has supplied a number of high-end equipment to its core projects throughout China in the past 10 years. Under the Contract, Sunpower will supply heat exchangers and reactors to BorsodChem's MDI plant in Hungary. With delivery to be completed in 2020, this is expected to have a positive impact on the Group's FY2020 financial performance.

The Group's M&S business has regained stable production since 1Q 2020 following strict adherence to pandemic prevention and control guidelines. With its technological innovations and sophisticated management, Sunpower has been able to further enhance its production efficiency to ensure the smooth delivery of orders. Despite the pandemic, the Group's M&S order book has surged to a record high of RMB2.8 billion as at April 2020 due to its market leadership, financial strength and proven ability to execute and deliver.

**Mr. Guo Hongxin, Executive Chairman of Sunpower, commented**, "We are pleased to be able to provide support to Wanhua Chemical's international business through our quality products and services. This underscores Wanhua's recognition of our manufacturing expertise and technical strength as well

[1] Toluene diisocyanate (TDI) and methylenediphenyl diisocyanate (MDI) are chemicals used to produce polyurethanes, such as rigid and flexible foam applications, coatings, adhesives, sealants and elastomers. Polyvinyl Chloride (PVC) has a wide variety of applications in consumer packaging (e.g. bottles) and construction (e.g. plumbing).

as the strong and long-standing bonds that we have built with them. Moving forward, we expect to expand cooperation with Wanhua Chemical across more sectors and markets.

To-date, we have delivered superior-quality products and services to approximately 1,500 customers within a wide range of industries in over 30 countries, which now include Hungary as we continue to expand our international footprint through partnerships in more areas. ”

He continued, “In our GI segment, all of our GI plants have resumed production after the pandemic came under control in China in end-February and early March. Being our primary value creator and growth driver, GI is expected to deliver high-quality recurring income and cash flows over the long term. With 8 operational GI projects, 1 under trial production, 3 under construction and a robust pipeline of earnings-accretive projects under evaluation, we are on track to build a sizeable GI portfolio in the years ahead with the target to invest RMB2.5 billion in GI project equity by 2021.”

**-END-**

## About Wanhua Chemical

Wanhua Chemical is a global world-class player in polyurethanes and petrochemicals. Wanhua Chemical supplies a wide range of coatings raw materials, such as isocyanate monomers including MDI, HDI and HMDI, coating curing agents (TDI-based and HDI based), PUDs and waterborne acrylic emulsions. Wanhua Chemical also extends its business to polyols, specialty amines, thermoplastic polyurethanes (TPU) and petrochemicals. Currently, Wanhua Chemical owns five global integrated production sites and the products are marketed worldwide. Relying on its convenient raw material supply, industry integration and superior operation management, Wanhua Chemical will continue to focus on its coatings raw material business and provide more high performance products and solutions to its customers.

For more information, please refer to https://www.whchem.com/en/

## About Sunpower Group Ltd.

Founded in 1997, Sunpower Group Ltd. (SGX: 5GD.SI) is an environmental protection solutions specialist in proprietary energy saving and clean power technologies, with a strong focus on expanding into anti-pollution investment projects (“Green Investments”) which generate intrinsic value in the form of long-term, recurring and high-quality cash flows.

With proven capabilities in technology innovation and proprietary clean energy solutions, Sunpower is shaping a green future for itself by continuously developing its business segments of Green Investments (GI) and Manufacturing & Services (M&S). Sunpower has rapidly expanded its GI business in recent years by leveraging on its existing core technologies of high-efficiency heat transfer, long distance heat insulated steam distribution, energy saving and ultra-low emission clean power generation. The GI segment is mainly focused on the investment and operation of centralised steam and electricity supply business, which is expected to bring in additional stream of recurring income to the Company.

In the M&S segment, Sunpower has delivered superior quality products and services to approximately 1,500 customers in over 30 countries across the globe to-date. Its reputable customer base includes Wanhua Chemical, Hengli Petrochemical, China National Offshore Oil Corporation (CNOOC), China National Petroleum Corporation (CNPC), China Petrochemical Corporation (SINOPEC), ExxonMobil, BASF, BP, Shell, etc.

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

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