



No. 2111 Chengxin Road, Nanjing Jiangning, Science Park, Nanjing 211112, PRC
Tel: (86) 25-5216 9777 Fax: (86) 25-5216 9700 Web: www.sunpower.com.cn

For Immediate Release

Sunpower expands its Green Investment business through acquisition of Qingdao Xinyuan Thermal Power

- **The acquisition is in line with the Group's strategy to strengthen the segment of Green Investments (GI) business**
- **The acquisition is expected to expand GI portfolio and will bring in additional stream of recurring income to the Group in an efficient manner**
- **Solid operational performance of Qingdao Xinyuan Thermal Power over the past years provides a foundation for the Group's future development post acquisition.**

Singapore, 10 November 2017-Mainboard-listed Sunpower Group Ltd. (“中圣集团”, “Sunpower” or “the Group”), a one-stop solution provider for energy conservation, waste-to-energy and renewable energy projects which specialises in the design, R&D and manufacture of energy conservation products in China, is pleased to announce that its wholly-owned subsidiary, Jiangsu Sunpower Clean Energy Co., Ltd. (江苏中圣清洁能源有限公司) (“Sunpower Clean Energy”) has entered into a share transfer agreement (the “Agreement”) with the shareholders of Qingdao Xinyuan Thermal Power Co., Ltd. (青岛新源热电有限公司) (“Xinyuan Thermal Power”) to acquire an aggregate of 85% of the equity interest in Xinyuan Thermal Power (the “Transaction”).

Established in 2003, Xinyuan Thermal Power's principal business activities include the supply of steam to the industrial enterprises and the provision of heat to the local residents, as well as the sale of electricity to the State Grid Corporation of China. With a solid and diversified customer base, Xinyuan Thermal Power has developed steadily over the past years and has built a professional team in the course of its business. Xinyuan Thermal Power is presently situated in Jimo, a district of Qingdao, Shandong Province. In 2016, the Gross Domestic Product (GDP) of Qingdao reached a record high of more than one trillion yuan, representing a notable increase on a year over year basis. The development potential of Jimo is expected to bring in more business opportunities and may lead to a growth in the business of Xinyuan Thermal Power in the upcoming years.

Under the terms of the Agreement, the aggregate purchase consideration for the Transaction is RMB212.5 million (the “Consideration”). The Consideration was arrived at on a willing-buyer, willing-seller basis after arm's length negotiations, and after taking into consideration the value of Xinyuan Thermal Power based on a valuation report issued by an independent valuer appointed by the Group. Following the completion of the Transaction, Xinyuan Thermal Power



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will become a subsidiary of the Group, which will further expand the Group's GI business portfolio as anticipated. The Transaction is expected to have a positive impact to the Group's FY2017 results and will not have material effect on the net tangible assets per share or earnings per share of the Group for the financial year ending 31 December 2017.

“We are delighted to see that the execution of our GI business strategy has been on track this year. This acquisition will further expand our investment portfolio in the centralised steam and cogeneration industry and increase our market penetration in China's haze treatment business.” said Mr. Guo Hongxin, Chairman of the Sunpower Group. **“We have been committed to stepping up our efforts in the development of GI business in recent years by leveraging on our existing expertise and extensive resources in the industry. This is expected to increase our overall revenue and bring in additional stream of recurring income to the Group over the long haul.”**

Mr. Guo added: “Moving forward, we will continue to pave the way for the sustainable development of the Group and look to further enhance our core competence in GI business segment in a broader region.”

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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 specialise in the design, R&D and manufacture of energy conservation products in China. Its main businesses include environmental equipment manufacturing, EPC Integrated Solutions (flare-gas recovery system, Zero Liquid Discharge (“ZLD”) system, photovoltaic power generation and petrochemical engineering) and Green investments with Build-Operate-Transfer (“BOT”)/Transfer-Operate-Transfer (“TOT”)/Build-Operate-Own (“BOO”) models (centralized steam and electricity). Sunpower has a strong customer base which includes well-known international customers such as BASF, BP, Shell, SABIC, Dow Chemical, Alcoa and Mobil, and Chinese conglomerates such as China Petrochemical Corporation (“Sinopec”), China National Petroleum Corporation (“CNPC”), China National Offshore Oil Corporation (“CNOOC”) and China Shenhua.

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

**Issued for and on behalf of Sunpower Group Ltd
By Financial PR Pte Ltd**

For more information please contact:

Yong Jing Wen, jingwen@financialpr.com.sg

Ngo Yit Sung, yitsung@financialpr.com.sg

Tel: (65) 6438 2990 Fax: (65) 6438 0064