

For Immediate Release

Sunpower's 1Q2013 net profit to shareholders grows 29.4% yoy to RMB4.7 million

- Revenue grew 12.3% yoy on higher sales of Heat Exchangers and Pressure Vessels
- Gross profit margin remained relatively constant around 23%
- Group's proprietary technology in the energy-saving and environmental protection industry set to capitalize on the irreversible trend to develop low-carbon environment worldwide

Singapore, 14 May 2013 – Mainboard-listed Sunpower Group Ltd. (“中聖集團”, “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 top and bottom line for the three months ended 31 March 2013 (“1Q2013”). Net profit attributable to shareholders grew 29.4% year-on-year (“yoy”) to RMB4.7 million, backed by a 12.3% increase in revenue to RMB215.9 million for 1Q2013 .

Financial Highlights

RMB 'Million	1Q2013	1Q2012	YoYChange
Revenue	215.9	192.3	12.3%
Gross profit	49.1	44.9	9.4%
Gross profit margin	22.7%	23.3%	(0.6pp)
Profit attributable to shareholders	4.7	3.6	29.4%
Net cash from operating activities	9.3	8.6	8.1%

pp: percentage points

Commenting on the first quarter, Mr. Guo Hongxin (“郭宏新”), Chairman of Sunpower, said, “Despite the slower growth of the Chinese economy and the weak recovery of the global economy, both continue to weigh heavily on heavy machinery investment, the Group maintain its position in all four business segments and even achieved strong growth in the sales of heat exchangers and pressure vessels. This was mainly attributable to our advanced technologies in energy efficiency and environmental protection.”

Gross profit improved from RMB 44.9 million in 1Q2012 to RMB 49.0 million in 1Q2013. Gross profit margin remained relatively constant around 23%.

Increase in selling and distribution, and administrative expenses aggregated to RMB 4.9 million as a result of higher research expenses of RMB 1.0 million and decrease in reversal of impairment allowance on trade and non-trade receivables of RMB 3.0 million.



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

Finance costs decreased 23.9% yoy to RMB7.4 million for 1Q2013 as a result of better management on the cost of borrowings.

The Group continued to improve its cash flow management with net cash of RMB9.3 million generated from operating activities for 1Q2013, compared to RMB8.6 million for 1Q2012. The Group's cash and bank balance position also improved from RMB102.1 million as of 31 March 2012 to RMB130.9 million as of 31 March 2013.

Outlook

Mr. Guo continued, "**While maintaining a positive long-term outlook, we will tread cautiously amidst fluctuations in exchange rates and inflation in labour and material costs, which might negatively affect the Group's business.**

Nevertheless, we believe our proprietary technology in the energy-saving and environmental protection industry allows us to ride on the irreversible trend of developing low-carbon environment in today's world."

China continues to invest heavily in the energy-saving and environmental protection industry, spurred by a series of industrial support policies under its "12th Five-Year Plan". This includes investment in the new coal chemical industry and other renewable energy industries, technological transformation and upgrading of traditional industries, as well as investment in strategic emerging industries.

Barring any unforeseen circumstances, the Group expects to remain profitable for the remainder of FY2013.

- End -

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 92 patents registered in China to its proprietary heat technologies.



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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:

Kathy ZHANG, kathy@financialpr.com.sg

Yibing TANG, yibing@financialpr.com.sg

Yit Sung Ngo, yitsung@financialpr.com.sg

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