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For Immediate Release

Sunpower records 65.4% increase in profit attributable to shareholders to RMB31 million for 3Q2016

- Revenue grew 6.7% yoy mainly due to higher contribution from the EPC Integrated Solutions Systems segment
- Gross profit increased by 14.8% to RMB93.3 million for 3Q2016 from RMB81.2 million for 3Q2015
- Strive to accelerate the progression in the clean energy industry by securing more centralized steam projects via BOO, BOT and TOT models to provide recurring income for long term

Singapore, 14 November 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 3 months ended 30 September 2016 (“3Q2016”). Revenue grew 6.7% year-on-year (“yoy”) to RMB373.5 million and profit attributable to shareholders surged 65.4% yoy to RMB31.0 million for 3Q2016.

Financial Highlights

RMB 'Million	3Q2016	3Q2015	yoy % Change	9M2016	9M2015	yoy % Change
Revenue	373.5	350.0	6.7%	1,057.5	918.4	15.2%
Gross profit	93.3	81.2	14.8%	266.0	207.1	28.5%
Gross profit margin	25.0%	23.2%	1.8pp	25.2%	22.5%	2.7pp
Profit attributable to shareholders	31.0	18.8	65.4%	87.5	44.3	97.4%
PATMI margin	8.3%	5.4%	2.9pp	8.3%	4.8%	3.5pp
Earnings per share (RMB cents) **	4.21	4.75	(11.4%)	11.86	11.23	5.6%

pp: percentage points

** Calculated based on weighted average of 737,657,000 ordinary shares for 3Q2016 and 9M2016, and 394,800,000 shares for 3Q2015 and 9M2015.



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The Group's revenue increased by 6.7% from RMB350.0 million for 3Q2015 to RMB373.5 million for 3Q2016, mainly due to the increase in revenue contribution from the Engineering Procurement and Construction ("EPC") Integrated Solutions segment of RMB81.8 million which was partially offset by a decrease in revenue contribution from Environmental Equipment Manufacturing ("EEM") segment of RMB58.3 million.

Gross profit increased by approximately 14.8% from RMB81.2 million for 3Q2015 to RMB93.3 million for 3Q2016. Gross profit margin increased from 23.2% for 3Q2015 to 25.0% for 3Q2016 mainly due to higher gross margin achieved by the EPC Integrated Solutions segment.

Selling and distribution expenses increased by RMB762,000 while finance costs grew by RMB246,000.

As a result of the above, the Group's net profit attributable to shareholders surged 65.4% from RMB18.8 million for 3Q2015 to RMB31.0 million for 3Q2016.

Net cash generated from operating activities amounted to approximately RMB156.8 million for 3Q2016 primarily due to movements in working capital. Working capital changes were mainly derived from increase in trade receivables and other receivables and prepayments, increase in trade payables and other payables, and decrease in inventories.

Outlook

China's economy has maintained a GDP yoy growth of 6.7% through the 3Q2016 compared with the same period last year, unchanged from the first two quarters. The growth was brought about by expanded aggregate demand, supply-side structural reforms and new economic drivers.

Mr. Guo Hongxin, Chairman of the Sunpower Group comments, "**Despite continued periods of volatility in the China market, we are pleased to announce a set of encouraging results for 3Q2016, which further validates our strategies adopted in countering the challenging market conditions.**

In the 13th Five-Year Plan introduced by the Chinese government, the government will limit factory emissions of tiny harmful particulate matter (PM2.5) down by 25%. Other main targets of the Five-Year Plan also include reduction of emission from coal burning industries and vehicles, as well as boost cleaner and more efficient use of coal.

In light of the environmental policies the Chinese government has implemented, we will continue to leverage on our technology and brand name to *accelerate our progression in the clean energy industry by securing more centralized steam projects via BOO, BOT and TOT models*, so as to attain stable and recurring income to the Group in the long term."

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About Sunpower Group Limited

PRC-based Sunpower Group Ltd. is a one-stop solution provider for energy conservation, wasteto-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

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