

**For Immediate Release**

**Sunpower Rounds off FY2017 with Approx. RMB2.0 billion in Revenue**

- Record revenue of RMB 1,965.5 million for FY2017, an increase of 20.9% year-on-year.
- Green Investments (“GI”) segment contributed RMB152.1 million in revenue, mainly in Q4 2017.
- Over RMB1.9 billion in order book for the EEM and EPC segments, a significant increase from RMB1.1 billion a year ago.
- Maintained track record of stable dividend, proposed a first and final dividend of SGD 0.0012 per share in 2017.
- Sunpower will continue to expand the scale of its GI business and bring in additional recurring income with 20-30 years of concession.

Singapore, 27 February 2018- Mainboard-listed Sunpower Group Ltd. (“中聖集團”, “Sunpower” or the “Group”), an environmental protection solutions specialist in proprietary energy saving and clean power technologies, expanding into anti-pollution investment projects (“Green Investments”) for recurring income, today announced its full year 2017 (“FY2017”) financial results.

**Financial highlights for the financial year ended 31 December**

RMB' million	Actual (with financial effects of CB)		Actual (without financial effects of CB)	
	FY2017	FY2016	FY2017	FY2016
Revenue	1,965.5	1,626.2	1,965.5	1,626.2
Gross profit	407.8	408.3	407.8	408.3
Gross profit margin	20.7%	25.1%	20.7%	25.1%
Profit before income tax	177.8	177.7	148.7	177.7
Profit attributable to shareholders	145.8	142.2	116.6	142.2
PATMI margin	7.4%	8.7%	5.9%	8.7%
Basic earnings per share <sup>(1)</sup> (RMB cents)	19.76	19.27	15.81	19.27

Note: (1) Calculated based on the issued share capital of 737,657,142 ordinary shares.

The Group’s revenue for FY2017 rose 20.9% to RMB1, 965.5 million from RMB1, 626.2 million in FY2016. The year-on-year (“y-o-y”) increase in revenue was primarily attributable to a RMB465.6 million increase in revenue from the Environmental Equipment Manufacturing (“EEM”) and GI segments.

Gross profit was RMB407.8 million, a slight decrease of RMB0.5 million, or 0.1% from RMB408.3 million in 2016. Gross profit margin was 20.7%, compared with 25.1% a year ago. The decrease was mainly due to the increase of the manufacturing cost in EEM segment as a result of increase in prices of raw materials in 2017.

Excluding the financial effects of the Convertible Bonds (“CB”) issued on 3 March 2017, the Group recorded a foreign exchange loss of RMB30.7 million for FY 2017 on the back of a depreciation of the US Dollar in 2017 which is primarily because the unutilised proceeds from the CB is denominated and held in US Dollars. Including the financial effects of the CB, foreign exchange loss amounted to RMB12.7million in FY2017.

Profit before tax with financial effects of the CB was RMB177.8 million, an increase of RMB0.1 million from RMB177.7 million in FY2016. The increase was mainly due to a fair value gain of RMB69.3 million on CB between 3 March 2017 and 31 December 2017, and an increase in other operating income of RMB42.0 million as a result of an increase in government grants and interest income, as well as reversal of impairment allowance on trade receivables.

As a result, the Group’s net profit attributed to shareholders with financial effects of CB for FY2017 increased to RMB145.8 million from RMB142.2 million in FY2016, representing an increase of 2.5%.

As at December 31, 2017, Sunpower had RMB991.1 million in cash and cash equivalents and pledged bank deposits, compared with RMB350.5 million as at December 31, 2016. Shareholders' equity was RMB1, 253.0 million as at December 31, 2017, an increase from RMB1, 118.0 million a year ago.

Net cash generated from operating activities amounted to approximately RMB95.1 million for FY2017, primarily due to movements in working capital that were mainly derived from increases in trade receivables, other receivables, prepayments, inventories, trade payables and other payables.

## **Outlook**

Looking forward to 2018, the global economy is expected to maintain its recovery momentum and the IMF forecasted China’s economic growth in 2018 to 6.6%<sup>[1]</sup>. Environmental protection, especially smog governance, will remain top on the Chinese government’s agenda and growth prospects in this industry are expected to remain strong in the year ahead.

Mr. Guo Hongxin, Chairman of Sunpower Group commented, “We are pleased to round off the year with record revenue of near RMB2.0 billion. In particular, our GI segment contributed RMB152.1 million of revenue in a single quarter, accounting for 7.7% of the total revenue in FY2017.”

“The EEM segment recorded a revenue increase of over 30% y-o-y and Sunpower has secured a strong order book despite the downturn in oil and gas industry in recent years due to our brand name and competitive strengths. We successfully won two EEM supply contracts worth a total of RMB150 million from a single customer in the US market, which further solidified our position in our overseas markets. We also further consolidated our market leading position in the solar industry after successfully winning a total of RMB500 million worth of EEM and EPC contracts from GCL-Poly and other polysilicon companies. Our repeat

<sup>1</sup> Information obtained from the world economic outlook report published on the website of the International Monetary Fund, dated January 2018, entitled “World Economic Outlook Update, January 2018, Brighter Prospects, Optimistic Markets, Challenges Ahead” (<https://www.imf.org/en/Publications/WEO/Issues/2018/01/11/world-economic-outlook->



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](http://www.sunpower.com.cn)

customers account for 70% of our EEM and EPC businesses and these are important sources of recurring income for the Group.”

“In the GI segment, four of the GI projects that we invested in have started to contribute recurring income to the Group. We also have other plants that are either under construction or in the design phase and these projects will contribute recurring income once commissioned in the near future. In particular, we have accumulated a robust GI project pipeline and this will help our GI business to become a major contributor to our growth in 2018 and beyond.”

Mr. Guo continued, “In 2018, the Group will continue to take advantage of favourable policies and leverage the synergies of our GI, EEM and EPC business segments drive us towards our growth targets. We will continue our efforts to expand our GI segment for additional reoccurring income based on 20-30 years of concession, whilst unremittingly developing our EEM and EPC businesses.”

**-END-**

### **About Sunpower Group Limited**

Founded in 1997, Sunpower Group Ltd. (SGX: 5GD.SI) is an environmental protection solutions specialist in proprietary energy saving and clean power technologies, expanding into anti-pollution investment projects (“Green Investments”) for recurring income.

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), Environmental Equipment Manufacturing (EEM), and Engineering, Procurement and Construction Integrated Solutions (EPC).

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.

For the EEM and EPC segments, 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 BASF, BP, Shell, SABIC, DowDuPont, Alcoa and Mobil, 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://en.sunpower.com.cn>

---

#### **Winnie Lyu**

Email: [ir@sunpower.com.cn](mailto:ir@sunpower.com.cn)  
Phone: +86 25 5216 9718

#### **Gregory Yap**

Email: [ir@sunpower.com.cn](mailto:ir@sunpower.com.cn)  
Phone: +65 9889 5054