

Sunpower Group Reports Resilient 1H2025 Results with Strong GI Recurring Operating Cash Flow Growth and Higher Profitability

Key Highlights in 1H2025

- Achieved 2.4% YoY increase in steam sales volume to 5.82 million tons
- Higher profitability with 5.7% YoY increase in GI Recurring PTAMI to RMB 204.8 million
- GI recurring operating cash flow rose 78.2% to RMB 295.2 million

Singapore, 08 August 2025 – Mainboard-listed Sunpower Group Ltd. (“中圣集团”, “Sunpower” or the “Group”), delivered a resilient set of results for the first half of 2025 (“1H2025”), demonstrating the strength of its Green Investments (“GI”) portfolio amid a challenging environment.

GI Financial Highlights

RMB million	1H2025	1H2024	YoY Chg
Total steam sales volume (mil tons)	5.82	5.68	2.4%
GI recurring revenue ⁱ	1571.7	1655.1	-5.0%
GI recurring gross profit ⁱⁱ	470.2	466.7	0.7%
GI recurring EBITDA ⁱⁱⁱ	537.2	549.5	-2.2%
GI recurring PATMI ^{iv}	204.8	193.9	5.7%
GI recurring operating cash flow ^v	295.2	165.7	78.2%

*Without Financial Effects of the Convertible Bonds.

Performance Review

In 1H2025, total steam sales volume rose 2.4% YoY to 5.82 million tons, reflecting the strong performance of the Group’s GI projects. However, GI recurring revenue declined 5.0% YoY to RMB1,571.7 million. The decline was mainly due to lower feedstock prices, which reduced industrial steam prices under the Group’s cost-linked pricing mechanism.

GI Recurring EBITDA was RMB537.2 million, down slightly from RMB549.5 million in 1H2024. However, recurring PATMI rose 5.7% to RMB204.8 million, driven mainly by reduced finance costs resulting from optimizing debt structure and lowering interest rates.

GI recurring operating cash flow surged 78.2% to RMB295.2 million, supported by solid cash generation capabilities of the underlying GI projects, better inventory management, and enhanced receivables collection.

Growth Strategy

Sunpower currently operates 11 Green Investment (GI) projects strategically located in economically developed industrial parks and key industry clusters across China, supplying steam to over 500 customers spanning more than 20 industries. As an early adopter of the Circular Economy Model (CEM), Sunpower’s GI business generates long-term recurring income and strong cash flows.

Capitalizing on its excellent track record and technologies, the Group is expanding beyond industrial steam sales. Key initiatives include diversifying its product mix by increasing electricity sales, and introducing compressed air services across more GI projects; adding more sources of energy to generate

steam to grow its GI business; adopting advanced technologies such as AI, waste heat recovery, and sludge incineration to reduce costs, enhance operational efficiency and delivers Circular Economy goals.

Outlook

China's National Development and Reform Commission (NDRC) and National Energy Administration (NEA) jointly published an official document on 21 May, 2025, promoting green electricity direct connection (绿电直连) initiatives. The policy enables the direct supply of renewable energy (wind, solar, biomass) to end-users without grid intermediaries^{vi}. This is expected to support Sunpower's expansion in electricity sales.

National Bureau of Statistics of China (NBS) in its economic outlook indicated that despite external uncertainties and domestic structural adjustment pressures, the NBS's comprehensive assessment projects stable economic growth with solid fundamentals for China in the second half of 2025.^{vii}

Against this mixed macroeconomic backdrop, Sunpower remains committed to growing its GI business and actively seeking new drivers of growth.

In line with China's national strategy to promote commercialization of Artificial Intelligence (AI) and its call to develop new quality productivity and enhance energy efficiency through technological innovation, Sunpower is adopting a dual approach driven by "resources" and "technology" to transform from a traditional steam supplier into an intelligent energy services provider empowered by AI.

Looking ahead, Sunpower will focus on building AI-empowered thermal and steam pipeline networks, advancing AI-empowered combined heat and power (CHP) projects, and expanding into renewable and alternative energy development such as intelligent geothermal energy solutions — contributing to a more sustainable and innovation-led industrial energy ecosystem.

Mr. Guo Hongxin, Non-executive Chairman of Sunpower, commented:

"Our 1H2025 results demonstrate the resilience of our GI business model. As a leading industry player, the growth in operating cash flow and steady profit growth underscore our ability to navigate challenges while capitalizing on new opportunities. With our expanded strategy and strong execution, we are confident in Sunpower's long-term growth potential."

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The Company uses the terms "GI recurring revenue", "GI recurring EBITDA", "GI recurring PATMI", and "GI operating cash flow" to reflect the operating results of the GI business. This document should be read in conjunction with the Announcement of Unaudited Interim Financial Statements for the Second Quarter and Six Months ended 30 June 2025 released at the same time.

ⁱ GI recurring revenue refers to recurring revenue generated by the GI business, including commission fees recognised in accordance with SFRS(I) INT15. It excludes one-time contributions from services for BOT projects including EPC services that are performed by the Group's internal project management department, recognised under IFRIC 12 Service Concession Arrangements (if any).

ⁱⁱ GI recurring gross profit refers to the revenue of the GI Business less the cost of goods sold (COGS) directly attributable to the operation of GI projects. It includes income from the sale of steam, electricity, and other recurring operating revenues of the GI Business and excludes the construction service revenue from service concession arrangements of BOT projects in accordance with IFRIC 12 Service Concession Arrangements. The COGS includes direct production costs such as raw materials, utilities, direct labour, and depreciation and amortisation expenses associated with the operation of GI facilities, and excludes indirect corporate costs, interest, income taxes, and any group-level or listing-related expenses.

ⁱⁱⁱ GI recurring EBITDA refers to the recurring Earnings before Interest, Tax, Depreciation and Amortisation of the GI Business. It excludes one-time contributions from services for BOT projects, including EPC services, that are provided by the Group's internal project management department, recognised under IFRIC 12 Service Concession Arrangements; as well as expenses incurred by the Company that are not related to

the running of the GI Business, such as listing-related expenses and remuneration of the employees at the group level, etc., which reflects the operating results of the GI business within the current period.

^{iv} GI recurring PATMI refers to the recurring Profit After Tax and Minority Interests of the GI Business which reflects the profit of the GI business attributable to the Group within the current period. It excludes one-time revenue contributions from services for BOT projects, including EPC services, that are provided by the Group's internal project management department, recognised under IFRIC 12 Service Concession Arrangements; and expenses incurred by the Company that are not related to the running of the GI Business, such as listing-related expenses and remuneration of employees at the group level, etc.

^v GI recurring operating cash flow refers to cash flow generated by operating activities of the GI Business.

^{vi} https://www.ndrc.gov.cn/xxgk/zcfb/tz/202505/t20250530_1398138.html

^{vii} https://www.gov.cn/zhengce/202507/content_7032118.htm

About Sunpower Group Ltd.

Sunpower Group Ltd. (SGX: 5GD.SI), founded in China in 1997 and listed on the Singapore Exchange in 2005, is a leading provider of clean utilities and industrial services in China. Through its 11 Green Investment (“GI”) projects, Sunpower supplies clean steam, civil heating, electricity, and compressed air to over 500 customers across 20+ industries in key industrial parks. Leveraging on AI and proprietary technologies, the Group delivers integrated circular economy solutions that promote energy efficiency, environmental protection and emissions reduction, supporting China’s “Dual Carbon” goals. Recognised by multiple major national and provincial associations, Sunpower continues to expand its GI business while driving sustainable and long-term growth.

For more information, please refer to Sunpower’s investor relations website, <http://sunpower.listedcompany.com/>. Investors can contact Sunpower at ir@sunpowergroup.com.cn.