



SUNPOWER GROUP LTD.

SUNPOWER ENTERED INTO AN INVESTMENT AGREEMENT RELATING TO THE COGENERATION PROJECT WITH XINJIANG COUNTY GOVERNMENT IN YUNCHENG CITY, SHANXI PROVINCE, CHINA

The Board of Directors (the “**Board**”) of Sunpower Group Ltd. (the “**Company**” and its subsidiaries (the “**Group**”)) wishes to announce that its wholly-owned subsidiary, Sunpower Clean Energy Investment (Jiangsu) Co., Ltd. (中圣清洁能源投资(江苏)有限公司), has entered into an investment agreement (“**Agreement**”) with Xingjiang County Government, Yuncheng City of Shanxi Province, China, to build and operate a cogeneration facility (“**Facility**”) in the Xinjiang Circular Economy Demonstration Park (“**Demonstration Park**”, “新绛县循环经济示范园”) (“**Xinjiang Project**”).

The Xinjiang Project is planned to involve the construction of 2*90t/h boilers and 1*9MW electricity generator, 1*150t/h boiler and 1*18MW electricity generator, as well as steam distribution pipelines that will be carried out in phases. The details will be finalized according to the approval documents of the authority. The total investment amount is estimated to be RMB 490 million and will be funded by net proceeds from the convertible bonds issue on 3 March 2017, bank loans and internal resources. Sunpower has been granted the concession right to build and operate the facility to provide steam to the companies operating in the Demonstration Park on an exclusive basis.

Xinjiang Project is located in the Xinjiang Circular Economy Demonstration Park in Xinjiang County, Yuncheng City, Shanxi province, China with rich coal resources nearby. The Demonstration Park is planned to involve deep processing and comprehensive utilization of coal to develop circular economy and achieve sustainable development with the accumulated investment of RMB 6 billion. The Demonstration Park was named as Coal Chemical Industry Circular Economy Demonstration Park by Yuncheng city government in 2008.

Save for their respective shareholdings in the Company (if any), none of the Directors or controlling shareholders of the Company has any interest, directly or indirectly, in the Xinjiang Project.

The Company will make further announcement(s) in relation to the Xinjiang Project as and when appropriate

By order of the Board

Ma Ming
Executive Director

18 September 2017