



SUNPOWER GROUP LTD.
(Company Registration No. 35230)
(Incorporated in Bermuda with limited liability)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF CONVERTIBLE BONDS

- (1) **UPDATES WITH RESPECT TO THE RIGHTS ISSUE**
(2) **RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST**
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1. INTRODUCTION

- 1.1. The Board of Directors (the "**Board**" or "**Directors**") of Sunpower Group Ltd. (the "**Company**") refers to the announcement dated 9 December 2024 (the "**Rights Issue Announcement**") made by the Company in connection with its proposed renounceable non-underwritten rights issue (the "**Rights Issue**") of up to S\$99,609,642 in aggregate principal amount of 7.00% convertible bonds (the "**Convertible Bonds**") convertible into up to 398,438,568 new ordinary shares in the capital of the Company (the "**Shares**", and the new Shares to be issued upon the conversion of the Convertible Bonds, the "**Conversion Shares**") in the denomination of S\$1.00 each and integral multiples thereof, on the basis of 125 Convertible Bonds for every 1,000 existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.
- 1.2. Unless defined otherwise, all capitalised terms used but not defined in this Announcement shall have the meanings ascribed to them in the Rights Issue Announcement made by the Company.

2. REVISION OF TERMS OF THE RIGHTS ISSUE

The Company wishes to announce revisions to certain principal terms of the Rights Issue and the salient Terms and Conditions of the Convertible Bonds as follows:

Principal Terms	Description
Listing of the Convertible Bonds and the Conversion Shares	: The Company has made an application to the Singapore Exchange Securities Trading Limited (the " SGX-ST ") for the dealing in and listing and quotation <u>of the Convertible Bonds</u> and the Conversion Shares on the Official List of the SGX-ST, provided that, amongst others, there being an adequate spread of holdings to provide for an orderly market in the trading (it was previously stated in the Rights Issue Announcement that the Convertible Bonds will not be listed and quoted on the Official List of the SGX-ST or any other stock exchange and will, accordingly, not be publicly traded but the Company has subsequently decided to make an application to the SGX-ST for the dealing in and listing and quotation of the Convertible Bonds).
Conversion Price	: Subject to adjustments to be set out in the Terms and Conditions, the initial conversion price at which each Conversion Share will be issued shall be S\$0.25 (the " Conversion Price "), <u>provided that the Conversion Price shall not be less than the par value of a Share of US\$0.01</u> (it was previously stated in the Rights Issue Announcement that the initial Conversion Price is only subject to the adjustments to be set out in the Terms and Conditions, but the Company wishes to clarify that the Conversion Price shall not be less than the par value of a Share in accordance with its Bye-laws).

Principal Terms	Description
Conversion Period	<p>: Subject to and in compliance with the Terms and Conditions and any applicable fiscal or other laws or regulations, Bondholders may exercise the right to convert their Convertible Bonds, in whole or in part, into Conversion Shares <u>at any time</u> (it was previously stated in the Rights Issue Announcement that the Bondholders may exercise the right to convert their Convertible Bonds at quarterly intervals but it is now proposed that the Bondholders may exercise the right to convert their Convertible Bonds at any time) on or after the date falling 60 days after the issue date of the Convertible Bonds up to the close of business on the date falling 15 business days prior to the Maturity Date, excluding Closed Periods (as described in the Terms and Conditions), or if such Convertible Bond shall have been called for redemption before the Maturity Date, then up to the close of business on a date no later than 15 business days prior to the date fixed for redemption thereof but excluding the Closed Periods (as described in the Terms and Conditions), provided that the conversion date in respect of any Convertible Bonds for which the conversion right has been validly exercised shall (subject to the provisions of the Terms and Conditions) be deemed to be the <u>last day of the three-month periods ending 31 March, 30 June, 30 September or 31 December</u> (it was previously stated in the Rights Issue Announcement that conversion date in respect of any Convertible Bond for which the conversion right has been validly exercised shall be the 15th day or the last day (whichever is the earlier) of the calendar month but it is now proposed that the conversion date shall be deemed to be to be the last day of the three-month periods ending 31 March, 30 June, 30 September or 31 December) immediately following the date of the surrender of the bond certificate in respect of such Convertible Bond and delivery of the conversion notice, and provided that, in each case, if such final date for the exercise of the right to convert is not <u>a day (other than a Saturday or Sunday) on which the SGX-ST is open for business of dealing in securities ("Stock Exchange Business Day")</u>, then the period for exercise of conversion by Bondholders shall end on the immediately preceding <u>Stock Exchange Business Day</u> (it was previously stated in the Rights Issue Announcement that if the final date for the exercise of the right to convert is not a business day, the period for exercise of conversion by Bondholders shall end on the immediately preceding business day but it is now proposed that this should refer to Stock Exchange Business Day instead).</p>
Allotment Ratio	<p>The Rights Issue will be made on a renounceable basis to Entitled Shareholders and issued in the denomination of S\$1.00 in principal amount of Convertible Bonds amounting to 125 Convertible Bonds for every 1,000 existing Shares held by them on the Record Date, fractional entitlements to be disregarded.</p> <p>For the avoidance of doubt, an Entitled Shareholder is not required to hold a minimum of 1,000 Shares as at the Record Date in order to be provisionally allotted Convertible Bonds. For illustrative purposes, an Entitled Shareholder who holds eight (8) Shares as at the Record Date will be provisionally allotted one (1) Convertible Bond. An Entitled Shareholder who holds less than eight (8) Shares as at the Record Date will not be provisionally allotted any Convertible Bonds.</p>

3. REVISION OF THE AMOUNT OF NET PROCEEDS

- 3.1. The Company wishes to announce that there has been an update to the anticipated Net Proceeds following the reassessment and recalculation of certain professional fees and

related expenses to be incurred in connection with the Rights Issue, which is expected to decrease from approximately S\$1.20 million (as stated in paragraphs 4.1 and 4.2 of the Rights Issue Announcement) to approximately S\$1.10 million.

- 3.2. Accordingly, the Net Proceeds from the issue of the Convertible Bonds will be (a) approximately S\$98.51 million under the Maximum Rights Issue Scenario¹; and (b) approximately S\$98.36 million under the Minimum Rights Issue Scenario², after deducting professional fees and related expenses incurred in connection with the Rights Issue of approximately S\$1.10 million.
- 3.3. The intended uses of the Net Proceeds as stated in paragraph 4.3 of the Rights Issue Announcement remain unchanged.

4. RECEIPT OF APPROVAL IN-PRINCIPLE

- 4.1. Further to the Rights Issue Announcement, the Board wishes to announce that the SGX-ST has on 4 February 2025 granted its approval in-principle for the listing and quotation of the Convertible Bonds and the Conversion Shares on the Main Board of the SGX-ST, subject to the following:

- (a) Shareholders' approval for the proposed Rights Issue obtained at the special general meeting ("**SGM**") to be convened;
- (b) compliance with the SGX-ST's listing requirements for the Rights Issue;
- (c) announcement of the conditions under which the Conversion Price may be adjusted and the conditions under which the Convertible Bonds may be redeemed; and
- (d) submission of the following:
 - (i) a written undertaking from the Company that it will comply with Rule 704(30), Rule 877(8) and Rule 1207(20) of the listing manual of the SGX-ST ("**Listing Manual**") in relation to the use of the proceeds from the proposed Rights Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company's announcements on use of proceeds and in the annual report;
 - (ii) a written confirmation from the Company that the terms of the Convertible Bonds comply with Rule 829 of the Listing Manual;
 - (iii) a written undertaking from the Company that Rules 820 and 830 of the Listing Manual will be complied with (including a written undertaking from the Company to announce any adjustments made pursuant to the Terms and Conditions of the Convertible Bonds);
 - (iv) a written undertaking from the Company that it will comply with Rule 877(10) of the Listing Manual with regard to the allotment of any excess Convertible Bonds;
 - (v) a written confirmation from financial institution(s) as required under Rule 877(9) of the Listing Manual that the Undertaking Parties who have given the

¹ Based on the total number of issued Shares as at the date of this Announcement and on the basis of the Irrevocable Undertakings, assuming that, on or prior to the Record Date, 1,191,000 Shares are issued pursuant to the exercise of the ESOS Options, approximately S\$99.61 million in aggregate principal amount of Convertible Bonds are expected to be issued pursuant to the Rights Issue.

² Assuming that, no ESOS Options are exercised into Shares on or prior to the Record Date, approximately S\$99.46 million in aggregate principal amount of Convertible Bonds are expected to be issued pursuant to the Rights Issue.

Irrevocable Undertakings have sufficient financial resources to fulfil their obligations under their respective Irrevocable Undertaking; and

- (vi) a written confirmation from the Company that there is a satisfactory spread of holders of the Convertible Bonds to provide an orderly market for the Convertible Bonds, in compliance with Rule 826 of the Listing Manual.

- 4.2. The approval in-principle granted by the SGX-ST for the listing and quotation of the Convertible Bonds and the Conversion Shares is not to be taken as an indication of the merits of the Convertible Bonds, the Conversion Shares, the Rights Issue, the Company and/or its subsidiaries.

5. GENERAL INFORMATION

The terms and conditions of the Rights Issue are subject to such changes as the Directors, after consultation with the manager of the Rights Issue, may deem appropriate. The final terms and conditions of the Rights Issue together with copies of the ARE or the PAL, as the case may be, will be contained in the OIS to be lodged with the MAS and despatched by the Company to Entitled Shareholders in due course, subject to, *inter alia*, the approval of the Shareholders for the Rights Issue Resolution at the SGM.

6. FURTHER ANNOUNCEMENTS

Further announcements will be made by the Company in relation to the Rights Issue as and when appropriate.

7. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares. The completion of the Rights Issue is subject to certain conditions. As at the date of this Announcement, there is no certainty or assurance that the Rights Issue will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders and potential investors are advised to read this Announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants, tax advisers or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

MA MING

Executive Director and Chief Executive Officer

5 February 2025