

SUNPOWER GROUP LTD.

BUSINESS UPDATE: RECEIPT OF RMB135.2 MILLION BIOMASS SUBSIDY FOR XINTAI PROJECT

The Board of Directors (the “**Board**”) of Sunpower Group Limited (“**Sunpower**” or the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that its wholly-owned subsidiary, Xintai Zhengda Thermoelectric Co., Ltd. (the “**Xintai Project**”), has received RMB135.2 million (approximately S\$24.2 million) in biomass subsidies from the **State Grid Corporation of China**. These subsidies relate to biomass-generated electricity in the period of April 2023 to December 2024, following the project’s new plant being included in China’s Renewable Energy Power Generation Subsidy List in late 2024.

Located in Xintai City, Shandong Province, the Xintai Project comprises one 130t/h biomass boiler which uses biomass such as straw, construction wood waste and tree trimmings as feedstock, two 130t/h coal-fired boilers, and steam turbine generators with capacities 30MW for biomass and 18 MW for coal. The project supplies industrial steam to enterprises within the industrial park and provides residential heating within its designated coverage area. In addition, it supplies biomass-generated electricity to the State Grid.

This subsidy is granted under China’s national policy to support renewable energy development and encourage the use of agricultural residues in power generation. The Group views this subsidy as a strong endorsement of its renewable energy efforts and remain committed in expanding the use of renewable and alternative feedstocks across its operations.

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.

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 – including intelligent geothermal energy solutions, biomass as well as waste and sludge incineration.

The subsidy is not expected to have any material impact on the Group’s earnings per share or net tangible assets for the financial year ending 31 December 2025.

BY ORDER OF THE BOARD

Guo Hong Xin
Non-Executive Chairman
4 August 2025