



SUNPOWER GROUP LTD.

RESPONSE TO QUERY FROM SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON THE ANNUAL REPORT 2015

In response to the query raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the board of Directors (the “**Board**”) of Sunpower Group Ltd. (the “**Company**”) wish to provide the following information:

Question:

As required under Listing Rule 710, please make disclosures as recommended in the Code of Corporate Governance 2012 (the “Code”) or otherwise explain the reason(s) for the deviation from the following Code guideline:-

- a. Guideline 11.3 of the Code states, *inter alia*, that the Board should comment on the adequacy and **effectiveness** of the internal controls, including financial, operational, compliance and **information technology** controls, and risk management systems, in the company’s Annual Report. The Board’s commentary should include information needed by stakeholders to make an informed assessment of the company’s internal control and risk management systems.
- b. Guideline 11.3 of the Code states, *inter alia*, that the Board should also comment in the company’s Annual Report on whether it has received assurance from the CEO and the CFO:
 - (a) that the financial records have been properly maintained and the financial statements give a true and fair view of the company’s **operations** and finances; and
 - (b) regarding the effectiveness of the company’s risk management and internal control systems.

Our Response:

In respect of question (a), based on the representations from the Chief Executive Officer (or equivalent) (“**CEO**”) and the Chief Financial Officer (“**CFO**”) of the Company, review of the findings from the internal and external auditors on the Company’s and its subsidiaries’ (collectively, the “**Group**”) internal control and the management’s responses to the internal and external auditors’ recommendations for improvements to the Group’s internal controls and discussions with the internal and external auditors and management, the Board is of the view that the Group’s internal controls including financial, operational, compliance and information technology controls, and risk management systems, were adequate and effective to address the Group’s key risks as at reporting date.

In respect of question (b), the Board has stated in the Corporate Governance report page 21 of the Sunpower Group Ltd Annual Report 2015 that it has obtained a written confirmation from the CEO (or its equivalent) and the CFO of the Company that the financial records of the Group have been properly maintained and the financial statements are prepared in accordance with Singapore Financial Reporting Standards to give a true and fair view of the Group’s financial position as at reporting date and its performance for the financial year the ended. This

confirmation which makes references to the Group includes the Company's operations and finances. We will be more explicit in future.

By Order of the Board

Ma Ming
Executive Director

22 April 2016