SUNPOWER GROUP LTD.

ANNOUNCEMENT PURSUANT TO RULE 706A OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

Pursuant to Rule 706A of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board of Directors (the "**Board**") of Sunpower Group Ltd. (the "**Company**" and together with its subsidiaries (the "**Group**")) wishes to announce the following corporate action:

1. DISPOSAL OF SUBSIDIARY

The Company's indirectly wholly-owned subsidiary, Jiangsu Sunpower Machinery Manufacture Co., Ltd. ("江苏中圣机械制造有限公司"), disposed of its 70% shareholding interest in Jiangsu Sunpower Energy-Saving Technology Co., Ltd. ("江苏中圣节能科技有限公司", "**Sunpower Energy-Saving**") to Wuxi Chenguang Refactory Materials Co., Ltd.("无锡市晨光耐火材料有限公司"), the minority shareholder holding the remaining 30% shareholding interest in Sunpower Energy-Saving (the "**Disposal**"), in October 2022.

Sunpower Energy-Saving was established in January 2011 to explore business opportunities in the high-end fireproof materials industry. However, due to changes in the industry in 2013, it did not carry out any substantial business operations after the establishment of production capacity. The Group decided to dispose Sunpower Energy-Saving to streamline its corporate structure.

The consideration for the Disposal was arrived at on a "willing-buyer, willing-seller" basis after arm's length negotiation, and the consideration was RMB2 million (equivalent to approximately S$402,277[1]). Following completion of the Disposal, Sunpower Energy-Saving has ceased to be a subsidiary of the Company.

As the applicable relative figures for the Disposal computed on the bases set out in Rule 1006 of the SGX-ST's Listing Manual are below 5%, the Disposal is considered a non-discloseable transaction as defined in Chapter 10 of the SGX-ST's Listing Manual read with Practice Note 10.1 of the SGX-ST's Listing Manual.

2. FINANCIAL EFFECTS

As at 30 September 2022, the net asset value represented by the disposed shares was approximately negative RMB6,662,447 (equivalent to approximately negative S$1,340,074[1]).

The corporate action which is the subject of this announcement is not expected to have any material impact on the earnings per share or net tangible assets of the Group for the current financial year ending 31 December 2022.

3. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

1 Based on the exchange rate of SGD1.00:RMB4.9717 as at 30 September 2022.

Other than through their respective shareholding interests in the Company, none of the directors and controlling shareholders of the Company and their associates have any interests in the corporate action which is the subject of this announcement.

By order of the Board

Ma Ming
Executive Director

10 November 2022