



SUNPOWER GROUP LTD.

PROPOSED SHARE PLACEMENT, SUBJECT TO, INTER ALIA, THE PROCUREMENT OF NEW PROJECTS, SATISFACTORY DUE DILIGENCE, SGX APPROVAL AND SHAREHOLDERS' APPROVAL

1. INTRODUCTION

- 1.1 Sunpower Group Ltd. (the “**Company**”) wishes to announce that it is evaluating various environmental projects in China, which may include environmental related engineering, procurement and construction, as well as build-operate-transfer, build-owned-operate and/or transfer-operate-transfer projects (“**Proposed New Projects**”), and will use its best endeavours to procure such Proposed New Projects, subject to satisfactory terms and conditions, as well as satisfactory due diligence.

2. SOURCES OF FUNDING AND PROPOSED PLACEMENT

- 2.1 In order to ensure that the Company is equipped with the necessary funding so as to procure and undertake the Proposed New Projects in the event that the management is of the view that the projects are commercially and economically viable and in the interest of the Company and the Shareholders, the Company has appointed Stirling Coleman Capital Limited as the placement agent (“**Placement Agent**”), pursuant to which the Placement Agent has agreed, on a best endeavour basis, to procure subscribers for up to 400 million ordinary shares in the capital of the Company (“**Placement Shares**”), at an issue price of S\$0.14 per Placement Share (“**Issue Price**”), raising gross proceeds of up to S\$56.0 million (the “**Proposed Placement**”). In addition, the Company may be funding the Proposed New Projects partially through its internal resources and additional bank loans.
- 2.2 The Issue Price represents the following premium and/or discount to the volume weighted average price (“**VWAP**”) for the trades done on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) over the following periods.
- a premium of 7.69% to the Company’s VWAP on 9 July 2015 of S\$0.1300
 - a discount of 3.38% to the Company’s 1-week VWAP of S\$0.1449
 - a discount of 1.96% to the Company’s 1-month VWAP of S\$0.1428
 - a discount of 1.55% to the Company’s 6-months VWAP of S\$0.1422
- 2.4 The Placement Shares will represent up to approximately 100.6% of the 394,800,000 existing issued and paid-up ordinary shares of the Company as at the date of this announcement, and will represent up to approximately 50.1% of the Company’s enlarged share capital after completion of the Proposed Placement.

3. CONDITIONS FOR THE PROPOSED PLACEMENT

- 3.1 The Proposed Placement is conditional upon, *inter alia*, the following:
- (a) the Company entering into definitive legal agreements in respect of the procurement of the Proposed New Projects;
 - (b) results of the due diligence exercise being satisfactory to the Placement Agent;

- (c) approval being obtained from the SGX-ST for the listing and quotation of the ordinary shares of the Company which are the subject of the Proposed Placement; and
 - (d) approval being obtained from the shareholders of the Company in respect of the Proposed Placement.
- 3.2 For the avoidance of doubt, in the event the Company is unsuccessful in procuring any of the Proposed New Projects, the Proposed Placement will not be undertaken. Further details on the Proposed Placement will be provided in the event that the Proposed Placement is proceeded with.

4. GENERAL

- 4.1 None of the Directors of the Company nor (in so far as the Directors of the Company are aware) any substantial shareholders of the Company or their respective associates have any interest, whether direct or indirect, in the Proposed New Projects, other than through their shareholding interests in the Company.
- 4.2 The Company shall make such further announcements on the Proposed New Projects and the Proposed Placement as and when appropriate. In the event that the Proposed Placement is to be undertaken, a circular to shareholders of the Company setting out information on the Proposed Placement together with a notice of the extraordinary general meeting to be convened will be despatched to shareholders of the Company.
- 4.3 The Company wishes to highlight that there is no certainty or assurance that any of the Proposed New Projects will be procured and accordingly there is no certainty or assurance that the Proposed Placement will be undertaken. As such, shareholders and potential investors are advised to consult their professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Mr Ma Ming
Executive Director
9 July 2015