

## SUNPOWER GROUP LTD.

---

### NOTICE OF LEGAL ACTION BY CERTAIN SUBSTANTIAL SHAREHOLDERS OF THE COMPANY AGAINST AMERICA 2030 CAPITAL LIMITED REGARDING COLLATERAL SHARES

---

#### 1. BACKGROUND

- 1.1 Sunpower Group Ltd. (the “**Company**”) refers to the trading halt that was called on 5 November 2018.

#### 2. UNAUTHORISED TRANSFERS OF SHARES IN RELATION TO THE LOAN AGREEMENT ENTERED INTO BETWEEN TWO SUBSTANTIAL SHAREHOLDERS OF THE COMPANY AND AMERICA 2030 CAPITAL LIMITED

- 2.1 The Company wishes to update its shareholders that it was informed on 3 November 2018 by Mr Guo Hongxin (“**Mr Guo**”) and Mr Ma Ming (“**Mr Ma**”) that (i) they had discovered that their 14 million ordinary shares each in the capital of the Company, which had been deposited in the Designated Account (as defined below) were no longer in the Designated Account (as defined below), (ii) Mr Guo and Mr Ma, through their respective wholly-owned subsidiaries, (collectively, the “**Borrowers**” and each a “**Borrower**”) had entered into a loan agreement with America 2030 Capital Limited (“**America 2030**” or the “**Lender**”) pursuant to which the Lender is to extend a loan (“**Loan**”) to each Borrower and each Borrower has provided the Lender, on or about 17 October 2018, 14 million ordinary shares in the capital of the Company (representing approximately 1.89% of the total issued shares of the Company) as collateral (“**Collateral Shares**”) to a depository broker designated by the Lender (“**Designated Account**”). The Loan, which has not been disbursed to the Borrowers, is for the Borrowers’ personal use, and (iii) the Borrowers would be seeking legal advice and intend to commence legal proceedings against the Lender in respect of the Collateral Shares. Upon receipt of such information, a trading halt was called by the Company on 5 November 2018, to enable the Company to disclose material information in order to ensure and/or minimise the potential existence of a disorderly market arising from the foregoing.
- 2.2 By way of background, Mr Guo, our Executive Chairman, is interested in an aggregate of 147,716,554 ordinary shares in the capital of the Company (direct and indirect interest), representing approximately 19.98% of the total issued shares of the Company. Mr Ma, our Executive Director, is interested in an aggregate of 128,541,737 ordinary shares in the capital of the Company (direct and indirect interest), representing approximately 17.39% of the total issued shares of the Company.

#### 3. ACTIONS TAKEN

- 3.1 The Company has been given to understand that the Borrowers have, since the occurrence of the above:
- (a) engaged legal advisors and have commenced legal proceedings in the Supreme Court of Singapore to seek the return of the Collateral Shares as the Collateral Shares (or part thereof) have been transferred or otherwise dealt in, between 25 October 2018 and 5 November 2018 without the authority of, consent by and/or notice to the Borrowers, and the Borrowers have a basis, albeit inconclusive, to suspect that these transfers

and/or dealings in were carried out on the instructions of America 2030, and to prevent the Collateral Shares from being transferred, sold or otherwise disposed of;

- (b) on 8 November 2018, an order of the Court has been granted for *ex parte* interim injunction to restrain America 2030, its officers, employees, nominees, agents and/or depository brokers from selling, forfeiting, transferring and/or otherwise dealing in, or procuring the above, whether directly and/or indirectly, the Collateral Shares, or any proceeds therefrom; and
- (c) a Stop Notice under Order 50 rule 1 of the Rules of Court has also been granted and notifications has been sent to America 2030, its agents and other financial institutions dealing with securities in Singapore that hold the shares of the Company in custody in order to allow the receipt of a warning should there be any attempt to transfer or dispose of the Collateral Shares.

#### **4. CONCLUSION**

- 4.1 Save for the Collateral Shares disclosed above, Mr Guo and Mr Ma have represented to the Company that none of the other shares that each of them holds in the Company (direct and indirect) have been pledged or encumbered in any way.
- 4.2 The Company wishes to reiterate its position contained in the announcement made on 1 November 2018 that it is unaware of any changes in policy, regulation or business performance that could have caused the volatility of the Company's share price. The Company remains fully operational and dedicated to executing the Green Investments (GI) growth strategy, which the Board believes has the potential to improve Shareholders' value in the long term.
- 4.3 The Company will make appropriate announcements as and when there are material developments in relation thereof. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

#### **BY ORDER OF THE BOARD**

Chin Sek Peng  
Independent Director  
8 November 2018