

DRAFT CIRCULAR DATED 6 MAY 2022

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, financial, tax or other professional adviser immediately.

If you have sold or transferred all your shares in the issued share capital of Sunpower Group Ltd. ("**Company**"), you should immediately inform the purchaser or transferee or bank, stockbroker or agent through whom the sale or transfer was effected for onward notification to the purchaser or transferee, that this Circular (together with the Notice of SGM and the accompanying Depositor Proxy Form) may be accessed on SGXNET and the Company's website at <http://www.sunpowergroup.com.cn/>.

The Singapore Exchange Securities Trading Limited ("**SGX-ST**") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

This Circular has been made available on SGXNET and the Company's website and may be accessed at the URL <http://www.sunpowergroup.com.cn/>. A printed copy of this Circular will NOT be despatched to Shareholders.

Due to the current COVID-19 situation in Singapore, Shareholders will not be able to attend the SGM in person. Instead, alternative arrangements have been put in place to allow Shareholders to participate at the SGM by (a) watching the SGM proceedings via "live" audio-and-video webcast or listening to the SGM proceedings via "live" audio-only feed, (b) submitting questions in advance of or "live" at the SGM, (c) addressing of substantial and relevant questions in advance of or "live" at the SGM and/or (d) voting by electronic means "live" at the SGM or by appointing the Chairman of the SGM as proxy at the SGM.

Please refer to Paragraph 9.1 of this Circular for further information, including the steps to be taken by Shareholders to participate at the SGM.

Shareholders should note that the Company may make further changes to its SGM arrangements (including but not limited to any applicable alternative arrangements as may be prescribed or permitted (as the case may be) under the COVID-19 Act and any regulations promulgated thereunder (including the COVID-19 Order) as well as other guidelines issued by the relevant authorities) as the situation evolves. Shareholders are advised to keep abreast of any such changes as may be announced by the Company from time to time on SGXNET.



SUNPOWER GROUP LTD.

(Company Registration No. 35230)

(Incorporated in Bermuda with limited liability)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED RENEWAL OF THE SHAREHOLDERS' GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

IMPORTANT DATES AND TIMES

Last Date and Time for Lodgement of Proxy Form : 25 May 2022 at 10.00 a.m.

Last Date and Time to Pre-Register Online for the Special General Meeting : 25 May 2022 at 10.00 a.m.

Date and Time of Special General Meeting : 27 May 2022 at 10.00 a.m.

Place of Special General Meeting : The Special General Meeting will be held by way of electronic means. Please refer to Paragraph 9.1 of this Circular for further details.

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated.

"AGM"	: The annual general meeting of the Company held on 28 April 2022 at 10.00 a.m.
"Audit Committee"	: The audit committee of the Company, being as at the Latest Practicable Date, Mr. Chin Sek Peng, Mr. Lau Ping Sum Pearce and Mr. Yang Zheng
"Bye-laws"	: The bye-laws of the Company as at the date of this Circular
"CDP"	: The Central Depository (Pte) Limited
"Circular"	: This circular dated 6 May 2022 issued by the Company to the Shareholders
"Companies Act"	: The Companies Act 1967 of Singapore as amended, modified or supplemented from time to time
"Company"	: Sunpower Group Ltd.
"COVID-19 Act"	: The COVID-19 (Temporary Measures) Act 2020, as amended, modified or supplemented from time to time, which, <i>inter alia</i> , enables the Minister for Law by order to prescribe alternative arrangements for listed companies in Singapore to conduct general meetings, either wholly or partly, by electronic communication, video conferencing, tele-conferencing or other electronic means
"COVID-19 Order"	: The COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, as amended, modified or supplemented from time to time, which sets out the alternative arrangements in respect of, <i>inter alia</i> , general meetings of companies
"Depositor Proxy Form"	: The instrument for the appointment of proxy in respect of the SGM, as enclosed with this Circular.
"Directors"	: The directors of the Company for the time being (collectively, the " Board of Directors ")
"Disposal Circular"	: The Company's circular to its Shareholders dated 31 March 2021
"EAR Group"	: The Company, its subsidiaries and associated companies that are considered to be " entities at risk " within the meaning of Chapter 9 of the Listing Manual
"EPC"	: Engineering, procurement and construction services
"EPC Contracts"	: Contracts relating to the provision of engineering, procurement and construction services

DEFINITIONS

"Framework Agreement"	: A framework agreement governing Utility Facilities EPC Contracts
"FY2021"	: Financial year ended 31 December 2021
"GI Business"	: The green investment business segment operated by the Group, which involves the supply of industrial steam to a range of diverse industries, such as chemical, printing & dyeing, paper making, F&B, building materials, pharmacy, paint, wood processing, chemical fertilisers, the supply of pollution-free civil heating to a large base of households and the sale of electricity to the State Grid
"Group"	: The Company and its subsidiaries
"Independent Committee"	: The Audit Committee from time to time (being as at the Latest Practicable Date, Mr. Chin Sek Peng, Mr. Lau Ping Sum Pearce and Mr. Yang Zheng) and Mr. Wang Dao Fu
"IPT General Mandate"	: The general mandate from the Shareholders pursuant to Chapter 9 of the Listing Manual to enable any or all members of the EAR Group, in the ordinary course of their business, to enter into Mandated Transactions with the Mandated Interested Persons which are necessary for the day-to-day operations, provided that all such transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders
"IPT Register"	: A register to be maintained to record all interested person transactions (including the Mandated Transactions) carried out with interested persons (including the Mandated Interested Persons) (including the bases on which the interested person transactions are entered into, amount and nature)
"Latest Practicable Date"	: 29 April 2022, being the latest practicable date prior to the printing of this Circular
"Listing Manual"	: Listing Manual of the SGX-ST, including any amendments made thereto up to the Latest Practicable Date
"M&S Business"	: The manufacturing and services business segment operated by the M&S Group, which involves the manufacturing and provision of high-end customised environmental protection products and solutions, such as highly efficient heat exchangers and pressure vessels, heat pipes and heat pipe exchangers, pipeline energy saving products and related environmental protection products, and solutions for flare and flare gas recovery systems, zero liquid discharge systems for high-salinity wastewater, petrochemical engineering and thermal power engineering

DEFINITIONS

"M&S Disposal"	:	The disposal of the M&S Group by the Group to the Purchaser, which was approved by the Shareholders at the special general meeting held on 16 April 2021
"M&S Group"	:	Sunpower Technology (Jiangsu) Co., Ltd. (中圣科技 (江苏) 有限公司) and its subsidiaries
"Mandated Interested Persons"	:	Sunpower Technology (Jiangsu) Co., Ltd. (中圣科技 (江苏) 有限公司) and its subsidiaries (which shall include the M&S Group), and each entity a " Mandated Interested Person "
"Mandated Transactions"	:	Transactions proposed to be entered into by the EAR Group and Mandated Interested Persons under the IPT General Mandate
"Market Day"	:	A day on which the SGX-ST is open for securities trading
"Notice of SGM"	:	The notice of the SGM as set out on pages N-1 to N-4 of this Circular
"NTA"	:	Net tangible assets
"Purchaser"	:	Nanjing Sunpower Holdings Co., Ltd. (南京中圣控股有限责任公司)
"Registration Deadline"	:	Has the meaning ascribed to it in Paragraph 9.1(a)(i) of this Circular
"SFA"	:	Securities and Futures Act 2001 of Singapore, as amended or modified from time to time
"SGM" or "Special General Meeting"	:	The special general meeting of the Company for the proposed renewal of the shareholders' general mandate for interested person transactions to be held on 27 May 2022 at 10.00 a.m.
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	The registered holders of the Shares in the register of members of the Company, except that where the registered holder is CDP, the term " Shareholders " shall, in relation to such Shares, mean the Depositors whose Securities Accounts are credited with Shares
"Shares"	:	Ordinary shares in the issued and paid-up capital of the Company
"Utility Facilities Contracts"	EPC	The provision of equipment and/or engineering, procurement and construction (EPC) services, such as pipeline and pipeline EPC and other small-scale EPC, to the GI Business
"S\$", "\$" and "cents"	:	Singapore dollars and cents, respectively

DEFINITIONS

"RMB" : Renminbi, the lawful currency of the People's Republic of China

"%" or "per cent" : Per centum or percentage

Unless otherwise stated, the SGD equivalent of the RMB figures in this Circular have been arrived at based on the exchange rate of S\$1.00 to RMB4.7179¹.

The terms "**subsidiary**" and "**associated company**" shall have the meaning ascribed to them in the Companies Act and the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018, as the case may be.

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons, where applicable, shall include corporations.

Any reference in this Circular to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual or any modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the Listing Manual or any modification thereof, as the case may be, unless otherwise provided.

Any reference to a date and/or time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

All discrepancies in the figures included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

¹ Based on the exchange rate published by The Central Bank of the People's Republic of China as at 31 December 2021, which may be accessed at <https://www.chinamoney.com.cn/english/bmkcpr/>.

LETTER TO SHAREHOLDERS

SUNPOWER GROUP LTD.

(Company Registration No. 35230)
(Incorporated in Bermuda with limited liability)

Board of Directors:

Mr. Guo Hong Xin (Non-Executive and Non-Independent Chairman)
Mr. Ma Ming (Executive Director and Chief Executive Officer)
Mr. Yang Zheng (Lead Independent Director)
Mr. Lau Ping Sum Pearce (Independent Director)
Mr. Chin Sek Peng (Independent Director)
Mr. Wang Dao Fu (Independent Director)
Mr. Li Lei (Non-Executive and Non-Independent Director)
Ms. Wang Guannan (Non-Executive and Non-Independent Director)

Registered Office:

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

6 May 2022

To: The Shareholders of Sunpower Group Ltd.

Dear Sir / Madam

THE PROPOSED RENEWAL OF THE SHAREHOLDERS' GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

1. INTRODUCTION

- 1.1 **SGM.** The Directors are convening a special general meeting ("**SGM**") to be held by way of electronic means on 27 May 2022 at 10.00 a.m. (Singapore time) to seek Shareholders' approval for the proposed renewal of the IPT General Mandate.
- 1.2 **Circular.** The purpose of this Circular is to provide Shareholders with information relating to the proposed renewal of the IPT General Mandate.
- 1.3 **Legal Adviser.** Rajah & Tann Singapore LLP is the legal adviser to the Company as to Singapore law in relation to the proposed renewal of the IPT General Mandate.

2. THE PROPOSED RENEWAL OF THE SHAREHOLDERS' GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

- 2.1 **Chapter 9 of the Listing Manual.** Chapter 9 of the Listing Manual governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be at risk, with the listed company's interested persons. When this Chapter applies to a transaction and the value of that transaction alone or on aggregation with other transactions conducted with the interested person during the financial year reaches, or exceeds, certain materiality thresholds, the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders' approval for that transaction.

Except for certain transactions which, by reason of the nature of such transactions, are not considered to put the listed company at risk to its interested person and hence are excluded from the ambit of Chapter 9 of the Listing Manual, an immediate announcement and/or shareholders' approval would be required in respect of transactions with interested persons if certain financial thresholds (which are based on the value of the transaction as compared with the group's latest audited NTA are reached or exceeded). In particular:

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- (a) where the value of such transaction is equal to or exceeds 3.0% of the group's latest audited NTA, an immediate announcement is required;
- (b) where the value of such transaction is equal to or exceeds 5.0% of the group's latest audited NTA, an immediate announcement and shareholders' approval is required;
- (c) if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3.0% or more of the group's latest audited NTA, an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year is required; and
- (d) if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 5.0% or more of the group's latest audited NTA, an immediate announcement and shareholders' approval is required in respect of the latest and all future transactions entered into with that interested person during that financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.

Based on the latest audited consolidated financial statements of the Group for the financial year ended 31 December 2021, the consolidated NTA² of the Group was negative RMB2,625,336,000 (approximately S\$556,462,833). As it would neither be meaningful nor appropriate to compute the thresholds in respect of the Company's interested person transactions on the basis of the Group's negative NTA, the Company had applied to the SGX-ST under Rule 906(3) of the Listing Manual to seek its approval to use the Company's market capitalisation instead of the Group's latest audited consolidated NTA as the basis for computing the materiality thresholds under Rules 905 and 906 of the Listing Manual.

The SGX-ST had on 27 December 2019 informed the Company that it has no objections to the Company's use of the market capitalisation as at the previous financial year end, being 31 December 2021, instead of its latest audited NTA, as the basis for computing the materiality thresholds under Rules 905 and 906 of the Listing Manual, until such time as its audited NTA turns positive. Accordingly, in relation to the Group, and for the purposes of complying with Chapter 9 of the Listing Manual, until such time that the Group's audited NTA turns positive, 5.0% of the Company's market capitalisation as at 31 December 2021 (being S\$381,929,348³) would be approximately S\$19,096,467.

Chapter 9 of the Listing Manual allows a listed company to obtain a mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the listed company's interested persons. A general mandate is subject to annual renewal.

Under the Listing Manual:

- (a) an "**approved exchange**" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles in Chapter 9 of the Listing Manual;

² NTA means net assets excluding intangible assets, goodwill and land use rights (both short-term and long-term). The NTA is negative mainly due to the accounting treatment of intangible assets. Intangible assets consist of service concession arrangements. Service concession under build-operate-transfer ("**BOT**") arrangements involve the Group constructing infrastructure in exchange for the right to operate the infrastructure and to charge for utilities generated at the infrastructure for finite periods in the future, based on consumption of utilities by end-users in future. According to *IFRIC 12 Service Concession Agreements*, the Company recognised BOT projects for usage in relation to concession infrastructure as intangible assets.

³ Based on 795,686,142 Shares (excluding treasury Shares) of the Company in issue and the closing price of S\$0.48 as at 31 December 2021.

LETTER TO SHAREHOLDERS

- (b) (in the case of a company) an "**associate**" in relation to an interested person (as defined under Rule 904(4) of the Listing Manual) who is a director, chief executive officer or controlling shareholder, includes an immediate family member (that is, the spouse, child, adopted child, step-child, sibling or parent) of such director, chief executive officer or controlling shareholder, the trustees of any trust of which the director/his immediate family, the chief executive officer/his immediate family or the controlling shareholder/his immediate family is a beneficiary, or in the case of a discretionary trust, is a discretionary object, and any company in which the director/his immediate family, the chief executive officer/his immediate family or the controlling shareholder/his immediate family has or have an aggregate interest (directly or indirectly) of 30.0% or more, and, where a controlling shareholder is a corporation, its subsidiary or holding company or fellow subsidiary or a company in which it and/or they have (directly or indirectly) an interest of 30.0% or more;
- (c) an "**associated company**" means a company in which at least 20.0% but not more than 50.0% of its shares are held by the listed company or group;
- (d) an "**entity at risk**" means:
- (i) the listed company;
 - (ii) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
 - (iii) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed company and/or its subsidiaries (the "**listed group**"), or the listed group and its interested person(s), has control over the associated company;
- (e) (in the case of a company) an "**interested person**" means a director, chief executive officer or controlling shareholder of the listed company or an associate of such director, chief executive officer or controlling shareholder;
- (f) the SGX-ST may deem any person or entity to be an interested person if the person or entity has entered into, or proposes to enter into (i) a transaction with an entity at risk; and (ii) an agreement or arrangement with an interested person in connection with that transaction;
- (g) (in the case of a company) a "**primary interested person**" means a director, chief executive officer or controlling shareholder of the listed company;
- (h) an "**interested person transaction**" means a transaction between an entity at risk and an interested person;
- (i) a "**transaction**" includes (i) the provision or receipt of financial assistance; (ii) the acquisition, disposal or leasing of assets; (iii) the provision or receipt of goods or services; (iv) the issuance or subscription of securities; (v) the granting of or being granted options; and (vi) the establishment of joint ventures or joint investments, whether or not entered into in the ordinary course of business, and whether entered into directly or indirectly (for example, through one or more interposed entities); and
- (j) in interpreting the term "**same interested person**" for the purpose of aggregation of the values of all transactions entered into with the same interested person during the

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same financial year under Rules 905, 906 and 907 of Chapter 9 of the Listing Manual, the following applies:

- (i) transactions between (A) an entity at risk and a primary interested person; and (B) an entity at risk and an associate of that primary interested person, are deemed to be transactions between an entity at risk with the same interested person.

Transactions between (1) an entity at risk and a primary interested person; and (2) an entity at risk and another primary interested person, are deemed to be transactions between an entity at risk with the same interested person if the primary interested person is also an associate of the other primary interested person.

- (ii) transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person.

If an interested person (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested persons and have audit committees whose members are completely different; and

while transactions below S\$100,000 are not normally aggregated under Rules 905(3) and 906(2) of Chapter 9 of the Listing Manual, the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction in accordance with Rule 902.

- 2.2 **Background to the IPT General Mandate.** As at the Latest Practicable Date, Mr. Guo Hong Xin, the Non-Executive Non-Independent Chairman of the Company as well as a controlling shareholder of the Company holding approximately 19.31% interest (direct and indirect) in the Company, and Mr. Ma Ming, the Executive Director and Chief Executive Officer of the Company as well as a controlling shareholder of the Company holding approximately 17.28% interest (direct and indirect) in the Company, are both interested persons and any transaction by the Company or any of its subsidiaries with Mr. Guo Hong Xin, Mr. Ma Ming or any of their respective associates will be regarded as an interested person transaction under Chapter 9 of the Listing Manual.

Reference is made to the M&S Disposal, being the disposal of the M&S Group by the Group to the Purchaser, Nanjing Sunpower Holdings Co., Ltd. (南京中圣控股有限责任公司), which was approved by the Shareholders at the special general meeting held on 16 April 2021, as set out in the Disposal Circular. The Purchaser was a company in which Mr. Guo Hong Xin and Mr. Ma Ming had an interest of approximately 14.9% each and approximately 29.8% in aggregate on completion of the M&S Disposal. The remaining shareholders of the Purchaser comprised (a) Guangdong China Science and Tech-innovation Capital Management Co, Ltd. (广东中科科创创业投资管理有限责任公司) and its related entities (13.28%), CICC Alpha (Beijing) Investment Fund Management Co., Ltd. (中金甲子(北京)投资基金管理有限公司) and its related entities (6.4%) and other PRC funds and independent minority investors (each holding less than 5.0%) led by the first-mentioned two investors, who held an aggregate of approximately 64.05% of the total equity interest in the Purchaser; and (b) other employees of the M&S Group, consisting of approximately 140 employees who were or would be employed by M&S Group companies and will not continue to be employed by the Group on or around the

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completion of the M&S Disposal, given that such employees are not involved in the operations of GI Business, who held approximately 6.15% of the total equity interest in the Purchaser. However, the Purchaser has since been dissolved pursuant to a corporate reorganisation and as at the Latest Practicable Date, the aforementioned shareholders in the Purchaser now hold shares in the same proportion directly in Sunpower Technology (Jiangsu) Co., Ltd. (中圣科技(江苏)有限公司), being the holding entity of the M&S Group, whose shares were disposed of by the Company's wholly-owned subsidiary, Sunpower International Holding (Singapore) Pte. Ltd., to the Purchaser pursuant to the M&S Disposal. As set out in the Disposal Circular, in view of the participation of both Mr. Guo Hong Xin and Mr. Ma Ming in the Purchaser (both being interested persons as defined under Chapter 9 of the Listing Manual), the Board, recognising the need to comply with the spirit of the Listing Manual and to demonstrate the exercise of proper corporate governance and to provide transparency to Shareholders, had deemed the Purchaser to be an interested person as defined under Chapter 9 of the Listing Manual, and each of the entities within the divested M&S Group to be interested persons as defined under Chapter 9 of the Listing Manual following the completion of the M&S Disposal.

Accordingly, the Board proposed to adopt the IPT General Mandate to facilitate future interested person transactions with the divested M&S Group at the same special general meeting held on 16 April 2021 and the Shareholders approved the IPT General Mandate to enable the EAR Group, in the ordinary course of business, to enter into the Mandated Transactions with the Purchaser and its subsidiaries which are necessary for the day-to-day operations, provided that all such transactions are carried out at arm's length and on normal commercial terms, and are not prejudicial to the interests of the Company and its minority Shareholders.

Further to the dissolution of the Purchaser, since the shareholding composition in Sunpower Technology (Jiangsu) Co., Ltd. (中圣科技(江苏)有限公司) remains the same as that of the Purchaser up to the Latest Practicable Date, the Board has continued to deem each of the entities within the divested M&S Group to be interested persons as defined under Chapter 9 of the Listing Manual, in accordance with the principles set out above, and is seeking the renewal of the IPT General Mandate in respect of the Mandated Interested Persons, being Sunpower Technology (Jiangsu) Co., Ltd. (中圣科技(江苏)有限公司) and its subsidiaries.

- 2.3 **Renewal of the IPT General Mandate.** Under Chapter 9 of the Listing Manual, the IPT General Mandate is subject to annual renewal. The IPT General Mandate adopted on 16 April 2021 has expired at the AGM of the Company held on 28 April 2022. Accordingly, the Directors propose that the IPT General Mandate be renewed at the SGM, to take effect from the date of the passing of the ordinary resolution as set out in the Notice of SGM, and will (unless revoked or varied by the Company in a general meeting) continue to be in force until the conclusion of the next annual general meeting of the Company. The Company confirms that it has not entered into new Mandated Transactions after the AGM of the Company on 28 April 2022 and will not do so until the new IPT General Mandate is approved at the SGM.

To ensure that the Mandated Transactions are conducted at an arm's length and on normal commercial terms consistent with the Group's usual business practices and on terms which are generally not more favourable than the usual commercial terms extended to unrelated third parties, the Company intends to adopt the procedures set out in Paragraph 1.6 of Appendix 1 of this Circular for the review and approval of Mandated Transactions under the renewed IPT General Mandate. In respect of the review procedures in relation to the provision of Utility Facilities EPC Contracts by Mandated Interested Persons, which will be subject to a Framework Agreement, in addition to the existing review procedures under the current IPT General Mandate as approved by the shareholders at the special general meeting held on 16 April 2021, which provide for the review of such Framework Agreement by the Chief Financial Officer of the Group and the General Manager of Jiangsu Sunpower Clean Energy Co., Ltd. (江苏中圣清

LETTER TO SHAREHOLDERS

洁能源有限公司), it is additionally proposed that the Framework Agreement will also be subject to prior approval by the Independent Committee, comprising the Audit Committee from time to time (being as at the Latest Practicable Date, Mr. Chin Sek Peng, Mr. Lau Ping Sum Pearce and Mr. Yang Zheng) and Mr. Wang Dao Fu, an Independent Director of the Company, who must each not have any interest, direct or indirect, in the transaction. As such additional step of review by the Independent Committee is an obvious enhancement that strengthens the review procedures under the IPT General Mandate at no detriment to the interests of the Company and its minority shareholders, the Audit Committee is of the view that such change is in the best interest of the Company and is not prejudicial to the interests of the Company and its minority shareholders and it is not necessary to procure an independent financial advisor's opinion in respect of such change. Save for the foregoing, the review procedures set out in Paragraph 1.6 of Appendix 1 of this Circular have not been changed since the IPT General Mandate was last approved on 16 April 2021.

2.4 Particulars of the IPT General Mandate to be Renewed. Particulars of the IPT General Mandate, including the rationale for the IPT General Mandate, the benefits to be derived by the Company, as well as the review procedures for determining transaction prices with the Mandated Interested Persons, are set out in Appendix 1 of this Circular. For the Shareholders' ease of reference, the changes to the particulars of the IPT General Mandate from those adopted on 16 April 2021 are set out in blackline in Appendix 1, a summary of which is set out below:

- (a) in relation to Paragraph 1.3 of Appendix 1 (Classes of Mandated Interested Persons), Sunpower Technology (Jiangsu) Co., Ltd. and Sunpower (Tianjin) New Technology Co., Ltd. have been added as Mandated Interested Persons and Jiangsu Sunpower Combustion Technology Co., Ltd. has been removed as a Mandated Interested Person, due to internal reorganisations of the M&S Group post completion of the M&S Disposal;
- (b) in relation to Paragraph 1.4 of Appendix 1 (Categories of Mandated Transactions), further elaboration has been provided in relation to the nature of the provision of equipment from Mandated Interested Persons under categories (a) and (b);
- (c) in relation to Paragraph 1.6(b)(i) of Appendix 1 (Guidelines and Review Procedures under the IPT General Mandate), an additional step of review by the Independent Committee has been included for the provision of Utility Facilities EPC Contracts by Mandated Interested Persons which strengthens the procedures from those under the 2021 IPT mandate, as further elaborated under Paragraph 2.3 of this Circular;
- (d) in relation to Paragraph 1.9 of Appendix 1 (Backgrounds and Qualifications of Independent Committee Members), factual updates have been included for the background information of Mr Chin Sek Peng, an Independent Committee member; and
- (e) in relation to Paragraph 1.10 of Appendix 1 (Validity Period of the IPT General Mandate), it has been clarified that approval for the renewal of the mandate can be sought at a special general meeting held following the annual general meeting, for flexibility.

2.5 Disclosures of IPTs. Disclosure will be made in the Company's annual report of the aggregate value of all Mandated Transactions conducted with the Mandated Interested Persons pursuant to the IPT General Mandate during the current financial year under review, and in the annual reports of subsequent financial years that the IPT General Mandate continues in force, in accordance with the requirements of Chapter 9 of the Listing Manual. In the course of FY2021, the interested person transactions entered into by the EAR Group (including Mandated Transactions conducted by the EAR Group with the Mandated Interested Persons pursuant to

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the current IPT General Mandate and interested person transactions not conducted under the current IPT General Mandate) were as follows:

Name of Interested Person & Transactions	Nature of Relationship	of	Aggregate value of all interested person transactions for the period from 30 April 2021 to 31 December 2021 (excluding transactions less than \$100,000 and transactions conducted under IPT General Mandate pursuant to Rule 920) ⁽¹⁾	Aggregate value of all Mandated Transactions conducted under IPT General Mandate pursuant to Rule 920 of the Listing Manual for the period from 30 April 2021 to 31 December 2021 (excluding transactions less than \$100,000) ^{(1) (2)}
Jiangsu Sunpower Technology Co., Ltd.				
• Lease of office buildings	Associate	of	-	1,276
• Fee received for providing catering services in staff canteen	Associate	of	47	-
Jiangsu Sunpower Pressure Vessels Equipment Manufacturing Co., Ltd.				
• Fee received for providing catering services in staff canteen	Associate	of	1,841	-
Sunpower Technology (Jiangsu) Co., Ltd.				
• Fee received for providing catering services in staff canteen	Associate	of	1,204	-
Jiangsu Sunpower Pipe-Line Engineering Technology Co., Ltd.				
• Fee received for providing catering services in staff canteen	Associate	of	137	-
Nanjing Shengnuo Heat Pipe Co., Ltd.				
• Fee received for providing catering services in staff canteen	Associate	of	4	-
Total:			3,233	1,276

Notes:

(1) For the avoidance of doubt, interested person transactions pertain to transactions performed under agreements entered into between the M&S group of companies and the Group after 30 April 2021, being the date of completion of the M&S Disposal.

(2) None of the Mandated Transactions are conducted under Framework Agreements.

2.6 **Audit Committee's Confirmation.** Pursuant to Rule 920(1)(c) of the Listing Manual, the Audit and Risk Management Committee confirms that:

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- (a) save as described in Paragraph 2.3 of this Circular, the methods or procedures for determining the transaction prices under the IPT General Mandate have not changed since the IPT General Mandate was last approved by Shareholders; and
- (b) the methods or procedures referred to in Paragraph 1.6 of Appendix 1 of this Circular are sufficient to ensure that the Mandated Transactions carried out thereunder will be on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

- 3.1 **Directors' Interests.** As at the Latest Practicable Date, the interests of the Directors, based on the information in the register of Directors' shareholdings maintained by the Company, are as follows:

Name of Director	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Mr. Guo Hong Xin ⁽²⁾	-	-	153,638,554	19.31
Mr. Ma Ming ⁽³⁾	-	-	137,509,737	17.28
Mr. Yang Zheng	-	-	-	-
Mr. Lau Ping Sum Pearce	-	-	-	-
Mr. Chin Sek Peng	-	-	-	-
Mr. Wang Dao Fu	-	-	-	-
Mr. Li Lei	-	-	-	-
Ms. Wang Guannan	-	-	-	-

Notes:

- (1) The percentage is calculated based on a total number of 795,686,142 Shares (excluding treasury Shares) of the Company in issue.
- (2) Mr. Guo Hong Xin is (i) deemed to be interested in 82,209,983 Shares held by Allgreat Pacific Limited, which is an investment holding company wholly owned by him, and (ii) deemed to be interested in 71,428,571 Shares held by Sunpower Business Group Pte. Ltd., which is an investment holding company wholly owned by Allgreat Pacific Limited, which is in turn wholly owned by him.
- (3) Mr. Ma Ming is (i) deemed to be interested in 66,081,166 Shares held by Claremont Consultancy Limited which is an investment holding company wholly owned by him, and (ii) deemed to be interested in 71,428,571 Shares held by Touman Trading Pte. Ltd., which is an investment holding company wholly owned by Claremont Consultancy Limited, which is in turn wholly owned by him.

- 3.2 **Substantial Shareholders' Interests.** As at the Latest Practicable Date, the interests of the Substantial Shareholders in the Shares are set out below:

Name of Substantial Shareholder	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Allgreat Pacific Limited ⁽²⁾	82,209,983	10.33	71,428,571	8.98

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Claremont Consultancy Limited ⁽³⁾	66,081,166	8.30	71,428,571	8.98
Sunpower Business Group Pte. Ltd.	71,428,571	8.98	-	-
Tournan Trading Pte. Ltd.	71,428,571	8.98	-	-
Dr. Lin Yucheng	100,000,000	12.57	-	-
Joyfield Group Limited	66,154,120	8.31	-	-
Ms. Pan Shuhong ⁽⁴⁾	19,393,198	2.44	66,154,120	8.31

Notes:

- (1) The percentage is calculated based on a total number of 795,686,142 Shares (excluding treasury Shares) of the Company in issue.
- (2) Sunpower Business Group Pte. Ltd. is a wholly-owned subsidiary of Allgreat Pacific Limited. Accordingly, Allgreat Pacific Limited is deemed to be interested in 71,428,571 Shares held by Sunpower Business Group Pte. Ltd.
- (3) Touman Trading Pte. Ltd. is a wholly owned subsidiary of Claremont Consultancy Limited. Accordingly, Claremont Consultancy Limited is deemed to be interested in 71,428,571 Shares held by Touman Trading Pte. Ltd.
- (4) Ms. Pan Shuhong is deemed to be interested in 66,154,120 Shares held by Joyfield Group Limited, which is wholly owned by her.

4. STATEMENT OF THE AUDIT COMMITTEE

The Audit Committee comprises Mr. Chin Sek Peng, Mr. Lau Ping Sum Pearce and Mr. Yang Zheng. The members of the Audit Committee do not have any interests in the IPT General Mandate and are accordingly considered to be independent for the purposes of the IPT General Mandate. Having reviewed and considered, *inter alia*, the rationale for and benefits of the proposed renewal of the IPT General Mandate, the Audit Committee is of the view that the methods and procedures for determining transaction prices of the Mandated Transactions under the IPT General Mandate, if adhered to, are sufficient to ensure that the Mandated Transactions under the IPT General Mandate will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

5. STATEMENT OF THE DIRECTORS

Having reviewed and considered, *inter alia*, the rationale for and benefits of the proposed renewal of the IPT General Mandate, the Directors are of the view that the methods and procedures for determining transaction prices of the Mandated Transactions under the IPT General Mandate, if adhered to, are sufficient to ensure that the Mandated Transactions under the IPT General Mandate will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

6. DIRECTORS' RECOMMENDATION

For the reasons set out in Paragraph 2.2 of this Circular, each of Mr. Guo and Mr. Ma will abstain from making any recommendation on the IPT General Mandate in their capacity as Directors. For the reasons set out in Paragraph 10.3 of the Disposal Circular, Mr. Li Lei and Mr. Liu Haifeng David, the then Non-Executive and Non-Independent Directors appointed by affiliates of CDH China Management Company Limited and DCP Capital Partners L.P. respectively, being convertible bondholders of the Company, were deemed to have an interest in the proposed amendments to the relevant convertible bond purchase agreements in

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connection with the M&S Disposal, and accordingly had recused and continued to recuse themselves from the Board's decision-making in relation to the IPT General Mandate. Accordingly, each of Mr. Li Lei and Ms. Wang Guannan (who was appointed in place of Mr. Liu Haifeng David on 25 February 2022) will also abstain from making any recommendation on the IPT General Mandate in their capacity as Directors.

Having reviewed and considered, *inter alia*, the rationale for and benefits of the proposed renewal of the IPT General Mandate, the Directors (other than Mr. Guo, Mr. Ma, Mr. Li Lei and Ms. Wang Guannan) are of the view that IPT General Mandate is in the interests of the Company and its minority Shareholders. Accordingly, the Directors recommend that Shareholders **VOTE IN FAVOUR** of the ordinary resolution relating to the proposed renewal of the IPT General Mandate.

7. SPECIAL GENERAL MEETING

7.1 **Date and Time of SGM.** Pursuant to the COVID-19 Order, the SGM will be held by way of electronic means on 27 May 2022 at 10.00 a.m. (Singapore time) for the purpose of considering and if thought fit, passing, with or without any modification, the ordinary resolution relating to the proposed renewal of the IPT General Mandate as set out in the Notice of SGM.

7.2 **No Attendance at SGM. Due to the current COVID-19 situation in Singapore, Shareholders will not be able to attend the SGM in person.** Instead, alternative arrangements have been put in place to allow Shareholders to participate in the SGM by:

- (f) watching the SGM proceedings via "live" audio-and-video webcast or listening to the SGM proceedings via "live" audio-only stream;
- (g) submitting questions in advance of or "live" at the SGM;
- (h) addressing of substantial and relevant questions in advance of or "live" at the SGM; and/or
- (i) voting by electronic means "live" at the SGM or by appointing the Chairman as proxy at the SGM.

Please refer to Paragraph 9 of this Circular for further details on the alternative arrangements.

In addition, due to the constantly evolving COVID-19 situation in Singapore, Shareholders should note that the Company may make further changes to its SGM arrangements (including but not limited to any applicable alternative arrangements as may be prescribed or permitted (as the case may be) under the COVID-19 Act and any regulations promulgated thereunder (including the COVID-19 Order) as well as other guidelines issued by the relevant authorities) at short notice as the situation evolved. Shareholders are advised to regularly check the Company's website at the URL <http://www.sunpowergroup.com.cn> or announcements released by the Company on SGXNET for updates on the status of the SGM.

8. NO DESPATCH OF PRINTED COPIES OF CIRCULAR

In line with the provisions under the COVID-19 Order, no printed copies of this Circular will be despatched to Shareholders. Only printed copies of the Notice of SGM and the Depositor Proxy Form have been despatched to Shareholders.

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Electronic copies of this Circular, the Notice of SGM and the Depositor Proxy Form are available on SGXNET and on the Company's website at the URL <http://www.sunpowergroup.com.cn>.

A Shareholder will need an Internet browser and PDF reader to view these documents on SGXNET and the Company's designated website.

Shareholders are advised to read this Circular carefully in order to decide whether they should vote in favour of or against, or abstain from voting on, the ordinary resolution relating to the proposed renewal of the IPT General Mandate.

9. ACTION TO BE TAKEN BY SHAREHOLDERS

9.1 **Alternative Arrangements.** Alternative arrangements have been put in place to allow Shareholders to participate at the SGM as follows:

(a) **Registration to attend the SGM.** The Chairman of the SGM will conduct the proceedings of the SGM by way of electronic means.

Shareholders will be able to watch these proceedings through a "live" audio-and-video webcast or listen to these proceedings through a "live" audio-only stream via their mobile phones, tablets or computers.

In order to do so, Shareholders must follow these steps:

(i) Shareholders who wish to follow the proceedings through a "live" audio-and-video webcast or listen to the proceedings through a "live" audio-only stream via their mobile phones, tables or computers must **pre-register at the Company's pre-registration website at <https://conveneagm.sg/sunpowergroupegm> no later than 10.00 a.m. on 25 May 2022** (the "**Registration Deadline**") to create an account and to enable the Company to verify their status as Shareholders. Following the verification, authenticated Shareholders will receive an email on their authenticated status and will be able to access the "live" audio-and-video webcast and "live" audio-only stream of the proceedings of the SGM using the account created.

(ii) Shareholders who have pre-registered by the Registration Deadline but do not receive an email by 10.00 a.m. on 26 May 2022 should contact the Company at ir@sunpowergroup.com.cn stating:

- the Shareholder's full name; and
- the Shareholder's identification/registration number.

(b) **Submission of questions in advance of or "live" at the SGM.** The Company has put in place arrangements to allow Shareholders to be able to communicate with each other and the Board electronically during the course of the SGM. Shareholders may submit questions related to the resolutions to be tabled for approval for the SGM in advance of, or "live" at, the SGM. Shareholders can submit questions in advance of the SGM in the following manner:

(i) All questions may be submitted in advance of the SGM no later than **10.00 a.m. on 20 May 2022**:

- via the pre-registration website at the URL <https://conveneagm.sg/sunpowergroupegm>;

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- by email to ir@sunpowergroup.com.cn; or
 - by post to the office of the Company's Singapore Share Transfer Agent, In.Corp Corporate Services Pte. Ltd. at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712.
- (ii) Shareholders submitting questions are required to state:
- their full name; and
 - their identification/registration number,
- failing which the Company shall be entitled to regard the submission as invalid and not respond to the questions submitted.
- (iii) Shareholders who have pre-registered and are verified to attend the SGM will be able to ask questions relating to the agenda of the SGM "live" at the SGM, by submitting text-based questions during the SGM within a certain prescribed time limit. The Company will endeavour to respond to questions as far as reasonably practicable. Where there are substantially similar questions, the Company will consolidate such questions; consequently, not all questions may be individually addressed.
- (iv) The Company will endeavour to address all substantial and relevant questions relating to the resolutions to be tabled for approval at the SGM as received from Shareholders either before the SGM on SGXNET and the Company's website at the URL <http://www.sunpowergroup.com.cn> or during the SGM.
- (v) The Company will, within one (1) month after the date of the SGM, publish the minutes of the SGM on SGXNET and the Company's website, and the minutes will include the responses to the substantial and relevant questions which are addressed during the SGM (if any).

Due to the current COVID-19 situation in Singapore and the related safe distancing measures, Shareholders are strongly encouraged to submit their questions via the pre-registration website or by email.

- (c) **Voting "live" at the SGM or by proxy.** Shareholders (except relevant intermediaries (as defined under Section 181 of the Companies Act) may cast their votes for the ordinary resolution "live" at the SGM. Unique access details for "live" voting will be provided to Shareholders who pre-registered and are verified to attend the SGM. As an alternative to voting "live" at the SGM, a Shareholder (whether individual or corporate) may submit a Depositor Proxy Form to appoint the Chairman of the SGM as his/her/its proxy to attend, speak and vote on their behalf at the SGM. Depositor Proxy Forms appointing such person other than the Chairman shall be deemed to appoint the Chairman as proxy.

Shareholders who wish to submit instruments appointing the Chairman of the SGM as their proxy must do so in the following manner:

- (i) Shareholders (whether individual or corporate) appointing the Chairman of the SGM as proxy must give specific instructions as to his/her/its manner of voting or abstentions from voting, in respect of the ordinary resolution in the Depositor

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Proxy Form. If no specific direction as to voting is given, the appointment of the Chairman as proxy will be treated as invalid.

- (ii) The completed and signed Depositor Proxy Form appointing the Chairman of the SGM as proxy must be submitted to the Company in the following manner:
- if submitted electronically, be submitted via email to ir@sunpowergroup.com.cn; or
 - if submitted by post, be deposited at the office of the Company's Singapore Share Transfer Agent, In.Corp Corporate Services Pte. Ltd. at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712,

in either case, by **10.00 a.m. on 25 May 2022** (being 48 hours before the time appointed for holding the SGM) in accordance with the instructions stated in the Notice of SGM and the Depositor Proxy Form, failing which the Company shall be entitled to regard the Depositor Proxy Form as invalid.

- (iii) Investors who hold their Shares through a relevant intermediary (as defined under Section 181 of the Companies Act) should not use the Depositor Proxy Form and should contact their relevant intermediaries as soon as possible to specify voting instructions.

Due to the current COVID-19 situation in Singapore and the related safe distancing measures, Shareholders are strongly encouraged to submit completed Depositor Proxy Forms electronically via email.

9.2 **Depositor not Shareholder.** A Depositor will not be regarded as a Shareholder of the Company entitled to attend the SGM and to vote thereat unless he is shown to have Shares entered against his name in the Depository Register as certified by CDP to the Company at least 48 hours before the SGM.

10. ABSTENTION FROM VOTING

Pursuant to Rule 919 of the Listing Manual, an interested person and any Associate of the interested person must abstain from voting on the resolutions approving the interested person transactions involving themselves and their Associated. Such interested persons and their associated shall not act as proxies nor accept appointments as proxies in relation to such resolutions unless specific voting instructions have been given by the Shareholders.

In addition, pursuant to Rule 920(1)(b)(viii) of the Listing Manual, the interested person and her/his/its Associates must abstain from voting on the resolution approving the adopted of a general mandate for interested person transactions in relation to such interested person.

Accordingly, each of Mr. Guo and Mr. Ma will ensure that each of their respective Associates will abstain from voting on the ordinary resolution in relation to the ordinary resolution relating to the proposed renewal of the IPT General Mandate. In addition, each of the parties named above will decline to accept appointment as proxy of any Shareholder to attend and vote in relation to the ordinary resolution relating to the proposed renewal of the IPT General Mandate, unless specific voting instructions as to voting are given by such Shareholder in the proxy instrument.

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11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the ordinary resolution relating to the proposed renewal of the IPT General Mandate, the Company and its subsidiaries and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Subject to the prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, a copy of the Bye-laws of the Company are available for inspection⁴ by the Shareholders at the registered office of the Company's Singapore Share Transfer Agent, In.Corp Corporate Services Pte. Ltd., at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712, during normal business hours for a period of three (3) months from the date of this Circular.

Yours faithfully

By Order of the Board of Directors of
SUNPOWER GROUP LTD.

Yang Zheng
Lead Independent Director
6 May 2022

⁴ Prior appointment is required in light of the COVID-19 situation.

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APPENDIX 1 – THE IPT GENERAL MANDATE

1. THE PROPOSED IPT GENERAL MANDATE

1.1 Introduction

Chapter 9 of the Listing Manual allows a listed company to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the listed company's interested persons. A general mandate is subject to annual renewal.

Following the ~~Tranche 1 Completion Date~~completion of the M&S Disposal, the EAR Group intends to continue to enter into recurring transactions with the Mandated Interested Persons arising out of the ordinary course of business of the EAR Group, further details of which are set out in ~~Paragraph 9.4~~paragraph 1.4 of this ~~Circular~~Appendix 1. As disclosed in ~~Paragraph 7.22.2~~ of this Circular, the Mandated Interested Persons ~~will be~~have been deemed to be interested persons of the EAR Group following the ~~Tranche 1 Completion Date~~completion of the M&S Disposal and accordingly, transactions between the Mandated Interested Persons and the EAR Group will constitute deemed interested person transactions under Chapter 9 of the Listing Manual.

In view of the time-sensitive and recurrent nature of commercial transactions, it would be advantageous for the Company to ~~obtain~~renew the ~~Proposed~~ IPT General Mandate from its Shareholders to enter into the Mandated Transactions with the Mandated Interested Persons in the EAR Group's ordinary course of business, which are necessary for the day-to-day operations of the EAR Group.

Accordingly, the Board is seeking to renew the ~~Proposed~~ IPT General Mandate, which is a general mandate from the Shareholders pursuant to Chapter 9 of the Listing Manual to enable the EAR Group, ~~following the Tranche 1 Completion Date~~, to enter into the Mandated Transactions with the Mandated Interested Persons in the ordinary course of business, provided that all such transactions are carried out at arm's length and on normal commercial terms, and are not prejudicial to the interests of the Company and its minority Shareholders.

The ~~Proposed~~ IPT General Mandate will take effect from the passing of the ordinary resolution relating thereto, and will continue in force until the conclusion of the next annual general meeting of the Company (unless sooner revoked or varied by the Company in general meeting). Approval from Shareholders will be sought for the renewal of the ~~Proposed~~ IPT General Mandate at the next annual general meeting (or extraordinary general meeting following such annual general meeting) and each subsequent annual general meeting (or extraordinary general meeting following such annual general meeting) of the Company, subject to satisfactory review by the Audit Committee of the Company of its continued application to the Mandated Transactions.

1.2 Entities at Risk

For the purposes of the ~~Proposed~~ IPT General Mandate, an "Entity at Risk" means:

- (a) the Company;

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- (b) a subsidiary of the Company (excluding subsidiaries listed on the SGX-ST or an approved exchange); or
 - (c) an Associated Company of the Company (other than an Associated Company that is listed on the SGX-ST or an approved exchange) over which the Group, or the Group and our interested person(s), has or have control,
- (collectively, the "EAR Group").

1.3 Classes of Mandated Interested Persons

The ~~Proposed~~ IPT General Mandate will apply to transactions that are proposed to be carried out between any Entity at Risk and the following entities:

- (a) Sunpower Technology (Jiangsu) Co., Ltd. (中圣科技(江苏)有限公司);
- (b) ~~(a)~~ Jiangsu Sunpower Pipeline Engineering Technology Co., Ltd. (江苏中圣管道工程技术有限公司);
- (c) ~~(b)~~ Jiangsu Sunpower Pressure Vessels Equipment Manufacturing Co., Ltd. (江苏中圣压力容器装备制造有限公司);
- (d) ~~(e)~~ Jiangsu Sunpower Technology Co., Ltd. (江苏中圣高科技产业有限公司);
- (e) ~~(d)~~ Shandong Yangguang Engineering Design Institute Co., Ltd. (山东省阳光工程设计院有限公司);
- (f) ~~(e)~~ Nanjing Shengnuo Heat Pipe Co., Ltd (南京圣诺热管有限公司); and
- (g) ~~(f)~~ Jiangsu Sunpower Combustion(Tianjin) New Technology Co., Ltd. (江苏中圣燃烧技术(天津)新能源科技有限公司);

(the "Mandated Interested Persons", and each entity, a "Mandated Interested Person", all deemed to be "interested persons" as defined in the Listing Manual).

The Mandated Interested Persons are entities within the M&S Group. As stated in Paragraph ~~7.22.2~~ of this Circular, following the ~~Tranche 1 Completion Date, given that each completion~~ of the M&S Group Companies will be wholly owned, either directly or indirectly, by the ~~Purchaser~~ Disposal, the Board has deemed each of the entities within the divested M&S Group (which had included the Purchaser prior to its dissolution) to be interested persons as defined under Chapter 9 of the Listing Manual. Accordingly, following the ~~Tranche 1 Completion Date~~ completion of the M&S Disposal, transactions between the Mandated Interested Persons and the Group will be deemed interested person transactions under Chapter 9 of the Listing Manual.

Transactions between the Mandated Interested Persons and the Group which do not fall within the ambit of the ~~Proposed~~ IPT General Mandate shall be subject to the relevant provisions of Chapter 9 of the Listing Manual. In particular, if such transactions are of an aggregate value equal to or more than 5.0% of the Group's latest audited NTA (or the Company's market capitalisation as at the previous financial year end, until such time as the Group's audited NTA

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turns positive), future transactions of such a nature will be subject to Shareholders' approval before they can be entered into.

Transactions with other interested persons will be subject to the relevant provisions of Chapter 9 of the Listing Manual and/or applicable provisions of the Listing Manual and/or any applicable law.

1.4 Categories of Mandated Transactions

The Company envisages that in the ordinary course of its business, the Group is likely to enter into the following transactions with the Mandated Interested Persons from time to time:

- (a) the provision of equipment and EPC Contracts by the Mandated Interested Persons in respect of high-end environmental products and EPC solutions under the M&S Business.

The provision of equipment relates to products and services provided by the Mandated Interested Persons.

Such EPC Contracts relate to the provision of products and EPC services in order to construct the infrastructure of the ~~GI~~ Group's facilities, including the procurement of facilities, construction of factories and the engineering and procurement and installation of equipment such as boilers and electricity generators. The EPC Contracts under this category are generally of a larger scale and with a contract value of above RMB100 million;

- (b) the provision of equipment and design service and Utility Facilities EPC Contracts by Mandated Interested Persons.

The Utility Facilities EPC Contracts refers to the provision of products such as pipeline or other smaller-scale equipment, and the provision of EPC services relating to the installation, reforming and/or upgrading of such pipelines or other equipment for the ~~GI~~ Group's facilities. The Utility Facilities EPC Contracts under this category are generally of a smaller scale and therefore have relatively smaller transaction values ranging from hundreds of thousands to tens of millions in RMB. They will be subject to the Framework Agreements; and

- (c) the lease of office buildings and/or facilities from Mandated Interested Persons,

(collectively, the "**Mandated Transactions**").

The ~~Proposed~~ IPT General Mandate covers only such recurrent Mandated Transactions of a revenue or trading nature or those necessary for the Group's day-to-day operations, which are entered into in the ordinary course of business. For the avoidance of doubt, any sale or purchase of any assets, undertakings or businesses are not within the scope of the ~~Proposed~~ IPT General Mandate. For the avoidance of doubt, the procurement of facilities, construction of factories, the engineering and procurement and installation of all equipment (such as boilers, electricity generators, etc.) and the provision of products (such as pipeline, pipeline supports, other ancillary equipment, etc.) as described under paragraph 1.4 above relate to the purchase of supplies and materials required to perform the EPC Contracts and the Utility Facilities EPC Contracts, which are accordingly necessary for the construction, upgrade, maintenance and reform of the Group's facilities used in its green investments business. As such, with reference

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to Rule 920(1) of the Listing Manual, these transactions are necessary for the Group's day-to-day operations and construction or improvement of capital assets, which fall within the scope of an ordinary engineering, procurement and construction contract, and are not acquisitions or disposals of assets that are out of the ordinary course of business.

Transactions conducted under the ~~Proposed~~ IPT General Mandate are not subject to Rules 905 and 906 of Chapter 9 of the Listing Manual pertaining to threshold and aggregation requirements.

1.5 Rationale for and Benefits of the ~~Proposed~~ IPT General Mandate

The ~~Proposed~~ IPT General Mandate and its subsequent renewal on an annual basis would eliminate the need to announce, or to announce and convene separate general meetings from time to time to seek Shareholders' prior approval as and when potential Mandated Transactions with Mandated Interested Persons arise, thereby saving substantial administrative time and costs expended in convening such meetings, without compromising the corporate objectives of the EAR Group and adversely affecting the business opportunities available to the EAR Group.

The ~~Proposed~~ IPT General Mandate is intended to facilitate transactions in the normal course of business of the EAR Group which are transacted from time to time with the Mandated Interested Persons, provided that they are carried out at arm's length and on normal commercial terms, and are not prejudicial to the interests of the Company and its minority Shareholders. The EAR Group will benefit from having access to competitive quotes from the Mandated Interested Persons in addition to obtaining quotes from, or transacting with, non-Mandated Interested Persons.

In accordance with the requirements of Chapter 9 of the Listing Manual, the Company will (a) ~~disclose in its annual report the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the Proposed IPT Mandate during the financial year (as well as in the annual reports for subsequent financial years that the Proposed IPT Mandate continues to be in force); and (b) announce the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the Proposed IPT Mandate for the financial periods that the Company reports on pursuant to Rule 705 of the Listing Manual within the time required for the announcement of such report;~~ announce the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the IPT General Mandate for the financial periods that the Company reports on pursuant to Rule 705 of the Listing Manual within the time required for the announcement of such report; and (b) disclose in its annual report the aggregate value of transactions conducted with Mandated Interested Persons pursuant to the IPT General Mandate during the financial year (as well as in the annual reports for subsequent financial years that the IPT General Mandate continues to be in force).

1.6 Guidelines and Review Procedures under the ~~Proposed~~ IPT General Mandate

To ensure that Mandated Transactions with Mandated Interested Persons are undertaken at (a) arm's length and on normal commercial terms consistent with the Group's usual business practices and on terms which are generally not more favourable than those extended to unrelated third parties; or (b) in any event on terms no less favourable to the Group than prevailing open market rates, and will not be prejudicial to the interests of the Group and its minority Shareholders, the Group will adopt the following procedures for the review and approval of Mandated Transactions under the ~~Proposed~~ IPT General Mandate:

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- (a) The following procedures will be adopted in relation to the entry into EPC Contracts with Mandated Interested Persons:
- (i) The entry into EPC Contracts for the construction of the GI facilities will be determined by way of a tender process, whereby the Company will obtain quotations from no less than three (3) bidders, with at least two (2) unrelated third party bidders. In general, the Group will only enter into contracts for the purchase of products or the provisions of services under the EPC Contracts from the Mandated Interested Persons if the Chief Financial Officer of the ~~GI~~ Group and the General Manager of Jiangsu Sunpower Clean Energy Co., Ltd. (江苏中圣清洁能源有限公司), an entity within the ~~GI~~ Group (who must each have no interest, direct or indirect in the transaction) are satisfied that the rates or prices from the Mandated Interested Persons are not higher than the most competitive quote provided by other third party bidders for manufacturing and services products of similar specifications or for comparable services, after obtaining competing quotes from at least two (2) unrelated third party bidders, and taking into account factors such as the technologies and technical specifications, scope of services and track record, warranty period, experience and expertise and any other relevant factors.
 - (ii) In the event that such competing quotes from unrelated third party bidders cannot be obtained through the tender process (for instance, if there are no unrelated third party suppliers of similar products or services, or if the product is a proprietary item), the Group will obtain two (2) recent contracts (wherever possible or available) entered into between the Mandated Interested Persons and the unrelated third party customers of such Mandated Interested Persons for the same or substantially similar products and/or services, prior to the entry into of the contract or transaction with the Mandated Interested Persons, as a basis for comparison to determine whether the prices and terms offered by the Mandated Interested Persons are fair and reasonable, and comparable to those offered by the Mandated Interested Person to their unrelated third party customers. The Chief Financial Officer of the ~~GI~~ Group and the General Manager of Jiangsu Sunpower Clean Energy Co., Ltd. (江苏中圣清洁能源有限公司) (who must each have no interest, direct or indirect in the transaction) will determine whether the prices and terms offered by the relevant Mandated Interested Persons are fair and reasonable and in accordance with the Group's usual business practices and pricing policies or industry norms, and taking into account factors such as the technologies and technical specifications, scope of services and track record, warranty period, experience and expertise, historical rates or prices paid by the Group for such products and/or services, credit terms and any other relevant factors.
 - (iii) Upon satisfactory review by the Chief Financial Officer of the ~~GI~~ Group and the General Manager of Jiangsu Sunpower Clean Energy Co., Ltd. (江苏中圣清洁能源有限公司), the entry into such EPC Contracts will be subject to prior approval by a simple majority of the Independent Committee, which will be made up of the Audit Committee from time to time (being as at the Latest Practicable Date, Mr. Chin Sek Peng, Mr. Lau Ping Sum Pearce and Mr. Yang Zheng) and Mr. Wang Dao Fu, an Independent Director of the Company, who must each not have any interest, direct or indirect, in the transaction.

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- (b) The following procedures will be adopted in relation to the provision of Utility Facilities EPC Contracts by Mandated Interested Persons, which are generally contracts of a relatively smaller transaction value:
- (i) Each Utility Facilities EPC Contracts will be subject to a Framework Agreement. Each Framework Agreement (regardless of value) shall be subject to review by the Chief Financial Officer of the ~~GL~~ Group and the General Manager of Jiangsu Sunpower Clean Energy Co., Ltd. (江苏中圣清洁能源有限公司), jointly (who must each not have any interest, direct or indirect, in the transaction). Upon satisfactory review by the relevant persons in accordance with the procedures above, the entry into such Framework Agreement will be subject to prior approval by a simple majority of the Independent Committee, who must each not have any interest, direct or indirect, in the transaction.

 - (i) Each Framework Agreement shall specify (1) the prescribed standards for the construction works to be carried out and the review and acceptance thereof; (2) the basis of computation of the construction costs, including the pricing of raw materials and construction works; and (3) the pricing mechanism, which shall be within the range indicated in the benchmark analysis report, as further elaborated below.

 - (ii) ~~(ii)~~-A benchmark analysis report will be issued by an independent professional firm and attached as part of the review and approval of the Utility Facilities EPC Contracts. The benchmark analysis report will be updated annually and will state the gross margin guidance for the entry into such interested person transactions, taking into account factors such as industry norms, specifications, prevailing market prices for equipment and/or services of similar specifications and any other relevant factors. The independent professional firm will be a reputable firm with the necessary experience, track record and professional certifications and qualifications to undertake the benchmark analysis report, to be determined by the Independent Committee.
- In general, the Group will only enter into such Utility Facilities EPC Contracts with Mandated Interested Persons if the relevant persons reviewing the transaction as set out in ~~Paragraphs 9.6~~paragraphs 1.6(b)(iii) and ~~9.6~~1.6(b)(iv) below (who must each have no interest, direct or indirect in the transaction) have reviewed and are satisfied that the price and rate of such Utility Facilities EPC Contract is not higher than the gross margin guidance stated in the benchmark analysis report.
- (iii) ~~(iii)~~-Under the Framework Agreement, each individual Utility Facilities EPC Contract with a value below RMB10 million shall be subject to review by the Deputy General Manager of Jiangsu Sunpower Clean Energy Co., Ltd. (江苏中圣清洁能源有限公司), who must not have any interest, direct or indirect, in the transaction. Upon satisfactory review by the Deputy General Manager of Jiangsu Sunpower Clean Energy Co., Ltd. (江苏中圣清洁能源有限公司) in accordance with the procedures set out above, the entry into such Mandated Transactions will be subject to prior approval by the Chief Financial Officer of the ~~GL~~ Group and the General Manager of Jiangsu Sunpower Clean Energy Co., Ltd. (江苏中圣清洁能源有限公司), jointly, who must each not have any interest, direct or indirect, in the transaction.

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- (iv) ~~(iv)~~ Each individual Utility Facilities EPC Contract with a value equal to or exceeding RMB10 million shall be subject to review by (1) the Chief Financial Officer of the ~~Group~~ Group and (2) the General Manager or the Deputy General Manager of Jiangsu Sunpower Clean Energy Co., Ltd. (江苏中圣清洁能源有限公司), jointly, who must each not have any interest, direct or indirect, in the transaction. Upon satisfactory review by the relevant persons in accordance with the procedures above, the entry into such Mandated Transactions will be subject to prior approval by a simple majority of the Independent Committee, who must each not have any interest, direct or indirect, in the transaction.
- (c) The following procedures will be adopted in relation to the lease of office buildings and/or facilities from Mandated Interested Persons:
- (i) The rent payable by the Group to the Mandated Interested Persons shall be at an annual rent being no higher than the then prevailing market rental as supported by an independent report issued by an independent firm with the relevant track record or experience, not more than two (2) months prior to the lease and/or the renewal of the lease, with such cost of report to be borne by the Group. As at the Latest Practicable Date, the Company may engage independent firms such as GW Financial Advisory Services Ltd. (盛德财务咨询服务服务有限公司), a Hong Kong-based specialist transaction and valuation advisory firm, or other suitably qualified independent professional firm, for the purposes of the foregoing. The Independent Committee will review and approve such appointment to ensure that the independent firm engaged will be an accredited valuer under prevailing laws and regulations in the PRC, if any.
- (ii) Each lease shall be subject to review by (1) the Chief Financial Officer of the ~~Group~~ Group and (2) the Head of Internal Control of the ~~Group~~ Group, jointly, who must each not have any interest, direct or indirect, in the transaction. Upon satisfactory review by the relevant persons in accordance with the procedures above, the entry into such Mandated Transactions will be subject to prior approval by a simple majority of the Independent Committee, who must each not have any interest, direct or indirect, in the transaction.
- (iii) In general, the Group will only enter into the leases if the relevant persons reviewing the transaction as set out in ~~Paragraphs~~paragraphs 9.61.6(c)(ii) above (who must each have no interest, direct or indirect in the transaction) are satisfied that the rent payable is in line with or better than prevailing market rental rates for comparable properties, taking into account factors such as the geographical location, facilities and any other relevant factors that may affect rental rates or terms of the lease.
- (d) In the event that a member of the Independent Committee has an interest in a Mandated Transaction, or is a nominee for the time being of the Mandated Interested Person, or if he also serves as an independent non-executive director on the board of directors or (as the case may be) an audit or other board committee of the Mandated Interested Person, and he participates in the review and approval process of the Independent Committee in relation to a transaction with that Mandated Interested Person, or if any associate (as defined in the Listing Manual) of a member of the Independent Committee is involved in the decision making process on the part of the

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Mandated Interested Person, he shall abstain from participating in the review and approval process of the Independent Committee in relation to that transaction.

- (e) In the event that Chief Financial Officer, the General Manager and/or the Deputy General Manager of Jiangsu Sunpower Clean Energy Co., Ltd. (江苏中圣清洁能源有限公司) and/or the Head of Internal Control of the ~~Group~~ Group has an interest in a Mandated Transaction, or is a nominee for the time being of the Mandated Interested Person, such person shall abstain from participating in the review and approval process in relation to that transaction and the Company shall, subject to the approval of the Independent Committee, recommend another officer of the Group of an equivalent rank (who must not have any interest, direct or indirect, in the transaction) to review and/or approve the Mandated Transaction (as the case may be).

Any transaction to be entered into under the ~~Proposed~~ IPT General Mandate shall only be approved by the above approving authority if the transactions are carried out at arm's length and on normal commercial terms, in accordance with the guidelines and review procedures outlined in this section, and the basis on which the transactions are entered into are properly documented in the IPT Register (as defined below), accompanied with supporting documents.

1.7 Additional Guidelines and Review Procedures

In addition to the guidelines and review procedures set out above, the Group will implement the following additional guidelines and review procedures to ensure that the Mandated Transactions carried out under the ~~Proposed~~ IPT General Mandate are undertaken at arm's length basis and on normal commercial terms:

- (a) A register will be maintained to record the list of interested persons and their associates (which is to be updated immediately if there are any changes) to enable identification of interested persons. The list of interested persons shall be reviewed on a quarterly basis by the Chief Financial Officer and subject to such verifications or declarations as required by the Independent Committee for such period as determined by them. This list of interested persons shall be disseminated to any staff of the Group that the Group's finance team considers relevant for the purposes of entering into transactions that fall under the ~~Proposed~~ IPT General Mandate.
- (b) A register will be maintained to record all interested person transactions (including the Mandated Transactions) carried out with interested persons (including the Mandated Interested Persons) (including the bases on which the interested person transactions are entered into, amount and nature) (the "IPT Register") by the Group's finance team, which shall be reviewed by the Chief Financial Officer on a monthly basis.
- (c) The Independent Committee shall review all Mandated Transactions at least on a quarterly basis to ensure that they are carried out on normal commercial terms and in accordance with the procedures outlined above. All relevant non-quantitative factors will also be taken into account. Such review includes the examination of the transaction and its supporting documents or such other data deemed necessary by the Independent Committee. The Independent Committee shall, when it deems fit, request for any additional information pertaining to the transaction under review from independent sources, advisers or valuers, and/or require the appointment of an independent professional firm (the appointment of which shall be approved by the Independent Committee) to provide additional review of the internal control

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procedures and review procedures and their implementation pertaining to interested person transactions (including the Mandated Transactions) under review and to report to the Independent Committee on quarterly basis.

- (d) The Independent Committee will also review from time to time such guidelines and procedures to determine if they are adequate and/or commercially practicable in ensuring that transactions between the Group and the interested persons are conducted at arm's length and on normal commercial terms. If during any of the reviews by the Independent Committee, the Independent Committee is of the view that the internal control procedures and review procedures for Mandated Transactions have become inappropriate or insufficient in the event of changes to the nature of, or manner in which, the business activities of the Group or the Mandated Interested Persons are conducted, it will, in consultation with the Board, take such actions as it deems proper in respect of such procedures and guidelines and/or modify or implement such procedures and guidelines as may be necessary to ensure that the Mandated Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, and the Company will revert to Shareholders for a fresh general mandate based on new internal control procedures and review procedures so that Mandated Transactions will be carried out at arm's length, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders. In the absence of a fresh mandate, any interested person transaction will be entered into in accordance with the requirements under Chapter 9 of the Listing Manual (including the requirements under Rule 905 and Rule 906 of the Listing Manual). In addition, during such interim period, the Independent Committee will continue to review every Mandated Transaction pending the grant of the fresh mandate, to provide an additional safeguard so as to ensure that such interested person transactions will be in accordance with the requirements of the relevant provisions of Chapter 9 and/or other applicable provisions of the Listing Manual (as from time to time amended), and will be undertaken at arm's length basis and on normal commercial terms. For the avoidance of doubt, the proposed revision to the review procedures as set out under paragraph 1.6(b)(i) is being proposed to enhance and strengthen the review procedures and not as a result of any view from the Independent Committee that the current procedures have become inappropriate or insufficient.
- (e) The Board will also ensure that all disclosure, approval and other requirements on interested person transactions, including those required by prevailing legislation, the Listing Manual (in particular, Chapter 9 thereof) and relevant accounting standards, are complied with. The Company will also endeavour to comply with the recommendations set out in the Code of Corporate Governance 2018 issued by the Monetary Authority of Singapore (as amended, modified or supplemented from time to time).
- (f) The Group will incorporate a review of interested person transactions in its annual internal audit plan. The internal auditors will review the interested person transactions on an annual basis to ensure that, amongst other things, the relevant approvals have been obtained and the guidelines and review procedures for the Mandated Transactions have been adhered to. The internal auditors will report their findings to the Independent Committee.

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1.8 Review of Non-Mandated Interested Person Transactions and Review by the Audit Committee

All other existing and future interested person transactions not subject to the ~~Proposed~~ General Mandate will be reviewed and approved in accordance with the threshold limits as set out under Chapter 9 of the Listing Manual, to ensure that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders. In the event that such interested person transactions require the approval of the Board and the Audit Committee, the relevant information will be submitted to the Board and the Audit Committee for review. Specifically, in respect of certain non-Mandated Transactions relating to the provision of meal catering services to interested persons, further details of which are set out in the Company's FY2021 annual report, the Board and the Audit Committee have adopted a two-tiered approval process, where (i) if the cumulative fees are equal to or below RMB6 million, the Board has authorised the management of the Company, specifically the Chief Financial Officer of the Group, to approve the transactions following the initiation of the process by the relevant entity at risk and subsequent reviews and approvals by administrative and internal control personnel at the Group level; and (ii) if the cumulative fees are above RMB6 million, such transactions will be subject to the review and prior approval by a simple majority of the Audit Committee, in addition to the management-level reviews and approvals outlined in (i). As at the Latest Practicable Date, the EAR Group has not engaged in any other non-Mandated Transactions with any interested persons apart from the foregoing. However, in the event that other non-Mandated Transactions occur in future, the Board and the Audit Committee will review and approve such transactions based on appropriate approval processes to be adopted at the relevant time, having regard to the specific nature and materiality of such transactions. In the event that such interested person transactions require the approval of the Shareholders, additional information may be required to be presented to Shareholders and an independent financial adviser may be appointed for an opinion.

The Audit Committee will also review all interested person transactions (including Mandated Transactions and non-Mandated Transactions) from time to time and at least on a half-yearly basis to ensure that the prevailing rules and regulations of the SGX-ST (in particular, Chapter 9 of the Listing Manual) are complied with.

1.9 Backgrounds and Qualifications of Independent Committee Members

As at the Latest Practicable Date, the background and qualifications of the members of the Independent Committee are as follows:

- (a) Mr. Yang Zheng – Lead Independent Director: Mr. Yang is a PRC Certified Public Accountant (CPA), a senior member of the Chinese Institute of Certified Public Accountants (CICPA), director of the Accounting Society of China (ASC), a member of the National Audit Information and Standardisation Technical Committee and President of Shenzhen Rihao Financial Intelligence Research Institute.

Mr. Yang has been an accounting teacher at Nanjing Audit University since 1987 and was the Dean of the School of Accounting at Nanjing Audit University. He was a part-time Professor at Curtin University of Australia and served as Vice-President of Xi'an Eurasia University from 2014 to 2018.

Mr. Yang has also served as an independent director in a number of companies and is currently an independent director of the following listed companies: Jiangsu Kanion

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Pharmaceutical Co., Ltd., Luenmei Quantum Co., Ltd., and Kingswood Enterprise Co., Ltd..

Mr. Yang graduated with a Bachelor's degree in Economics from Anhui University in 1982. He studied as a visiting scholar in the field of auditing in Nanjing University from 1994 to 1995;

- (b) Mr. Chin Sek Peng – Independent Director: Mr. Chin is the co-founding Director of PKF-CAP Advisory Partners Pte Ltd. and the Head of Risk Consulting division of PKF in Singapore. He is also the Managing Partner, Executive Chairman responsible for ~~running, managing~~ leading and growing the professional services of PKF Singapore entities including PKF-CAP LLP, a firm of chartered accountants in Singapore.

Mr. Chin started his accountancy and audit training in Casson Beckman, a medium sized firm of chartered accountants in London in 1980. After he qualified as a chartered accountant in 1983, he joined legacy Price Waterhouse and worked in UK, Europe and Singapore from 1983 to 1994. In 1994, Mr. Chin joined the Institute of Singapore Chartered Accountants ("ISCA") as the first Practice Review Director. In 1999, Mr. Chin joined Arthur Andersen as a partner in its Assurance and Business Advisory Division and he left the firm in 2002 to set up his own audit and consultancy practices.

Mr. Chin holds a Bachelor of Arts (Honours) degree in Accounting and Finance from Lancaster University in the United Kingdom and is a Fellow Chartered Accountant (~~practicing~~ practising) of Singapore and a Fellow Member and Business and Finance Professional of the Institute of Chartered Accountants in England and Wales. He is also a member of the Institute of Internal Auditors of Singapore and an ordinary member of the Singapore Institute of Directors.

Mr. Chin also serves as Independent Director, mainly in the capacity of Audit Committee Chairman, to ~~three~~ two (32) other companies listed on the SGX-ST, being Cortina Holdings Limited, ~~and~~ Amcorp Global Limited ~~and Sitra Holdings (International) Limited~~. He ~~is~~ was a member of the PKF International Asia Pacific Board and the Chairman of the ASEAN sub-region and ~~was~~ formerly a council member of ISCA and the Chairman of the Public Accounting Practice Committee of ISCA. ~~He continues to serve as Senior QA Advisor for the Quality Assurance Review Programme of ISCA;~~

- (c) Mr. Lau Ping Sum Pearce – Independent Director: Mr. Lau was a Member of Parliament for Yio Chu Kang Constituency from 1980 to 1991 and a Member of Parliament for Ang Mo Kio Group Representation Constituency from 1991 to 1996. He served as a Director of Ang Mo Kio Community Hospital from 1993 to 1999 and Chairman of the Medifund Committee of the hospital from 2001 to 2005. He was Head of Computer Services in a statutory board and two local banks from 1973 to 1996. He was the General Manager of NTUC Link Pte Ltd. between 1997 and 2000 and was the Executive Director of People's Action Party/PAP Community Foundation from 2001 to 2012.

Mr. Lau is currently an Independent Director of two (2) other listed companies in Singapore, Cortina Holdings Limited and P5 Capital Holdings Ltd, and is a member of the Singapore Institute of Directors. In addition, he is a member of the Programme Advisory Committee for BA Translation and Interpretation and an examiner for Certification Examination for Professional Interpreters, School of Arts and Social Sciences, Singapore University of Social Sciences.

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Mr. Lau graduated from the Australian National University with a Degree in Economics and also holds a Diploma in Business Administration from the University of Singapore;

- (d) Mr. Wang Dao Fu – Independent Director: Mr. Wang Dao Fu graduated with a Bachelor of Law degree from Peking University in 1984. From August 1993 till May 2002, he worked with many established Singapore law firms as their Chinese Legal Counsel. Mr. Wang then set up Shanghai Yuantai Law Offices in 2004 and is the firm's founding partner. He has more than 30 years of PRC legal practice experience in a wide range of areas, including capital markets, corporate finance and mergers & acquisitions.

Mr. Wang currently serves as a Director of Matex International Limited, Proceq Trading (Shanghai) Co. Ltd. (China), SGD Investment Pte Ltd. and MOBO Information Technology Pte Ltd..

1.10 ~~Validity Period and Conditionality of the Proposed IPT~~ General Mandate

~~Shareholders are to note that the proposed adoption of the Proposed IPT Mandate is subjected to the following conditions: (a) Ordinary Resolution 1 relating to the Proposed Disposal and the Transaction IPTs being approved by the Shareholders at the SGM; (b) Ordinary Resolution 2 relating to the Proposed Special Dividend being approved by the Shareholders at the SGM; (c) Ordinary Resolution 3 relating to the Proposed Amendments to the Convertible Bond Purchase Agreements being approved by the Shareholders at the SGM; (d) Ordinary Resolution 4 relating to the Proposed IPT Mandate being approved by the Shareholders at the SGM; and (e) transfer of the legal title to the Sale Shares under the Proposed Disposal as at the Tranche 1 Completion Date.~~

~~If all~~ The renewal of the above conditions are fulfilled, the Proposed IPT General Mandate will take effect from the ~~Tranche 1 Completion Date~~ passing of the ordinary resolution relating thereto at the SGM, and will (unless revoked or varied by the Company in a general meeting) be subject to annual renewal and shall continue in force until the conclusion of the next annual general meeting of the Company. In this regard, the "next annual general meeting of the Company" shall mean the next annual general meeting to be held in the calendar year ~~2022~~ 2023, or the date on which the annual general meeting in respect of the financial year ended ~~2024~~ 2022 is required by law to be held, whichever is earlier. Approval from the Shareholders will be sought for the renewal of the Proposed IPT General Mandate at the next annual general meeting of the Company and at each subsequent annual general meeting of the Company, or such other special general meeting as may be convened by the Company for such purpose to be held following the annual general meeting, subject to satisfactory review by the Audit Committee of the continued applicability of the Proposed IPT General Mandate to the Mandated Transactions and the continued sufficiency of the review procedures to ensure that the Mandated Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

~~If the above conditions are not fulfilled, the Proposed IPT Mandate will not be adopted.~~

NOTICE OF SPECIAL GENERAL MEETING

SUNPOWER GROUP LTD.
(Company Registration No: 35230)
(Incorporated in Bermuda with limited liability)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a Special General Meeting (the "**SGM**") of the Shareholders of Sunpower Group Ltd. (the "**Company**") will be convened and held on 27 May 2022 at 10.00 a.m. (Singapore time) by way of electronic means for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution:

Unless otherwise defined or the context otherwise requires, all capitalised terms herein shall bear the same meaning as used in the circular dated 6 May 2022 issued by the Company.

ORDINARY RESOLUTION – THE PROPOSED RENEWAL OF THE IPT GENERAL MANDATE

That:

- (a) approval be and is hereby given, for the purpose of Chapter 9 of the Listing Manual, for the Company and/or its subsidiaries, to enter into any of the transactions falling within the categories of the Mandated Transactions described in the Circular with the Mandated Interested Persons, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for the Mandated Transactions as set out in the Circular;
- (b) the IPT General Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the next annual general meeting is held or is required by law to be held, whichever is earlier;
- (c) the Independent Committee be and is hereby authorised to take such actions as it deems proper in respect of the review procedures for the Mandated Transactions and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual which may be prescribed by the SGX-ST from time to time; and
- (d) the Directors be and are hereby authorised to take such steps, approve all matters and enter into all such transactions, arrangements and agreements and execute all such documents and notices as may be necessary or expedient for the purpose of giving effect to the proposed renewal of the IPT General Mandate as such Directors or any of them may deem fit or expedient or to give effect to this ordinary resolution.

By Order of the Board

Yang Zheng
Lead Independent Director
6 May 2022

NOTES:

1. The SGM will be convened and held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business

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Trusts, Unit Trusts and Debenture Holders) Order 2020. This Notice of SGM will be published on the Company's website at <http://www.sunpowergroup.com.cn/> and on SGXNET.

2. **Due to the current COVID-19 situation in Singapore, Shareholders will not be able to attend the SGM in person.** Alternative arrangements relating to attendance at the SGM via electronic means (including arrangements by which, submission of questions to the Chairman of the SGM ("**Chairman**") in advance of or "live" at the SGM, addressing of substantial and relevant questions either before or at the SGM, and voting by electronic means "live" at the SGM or by appointing the Chairman as proxy at the SGM), are set out below. Any reference to a time of day is made by reference to Singapore time.
3. The proceedings of the SGM will be broadcasted "live" through an audio-and-video webcast and an audio-only stream. Shareholders who wish to follow the proceedings through a "live" audio-and-video webcast or listen to the proceedings through a "live" audio-only stream via their mobile phones, tables or computers must **pre-register at the Company's pre-registration website at <https://conveneagm.sg/sunpowergroupemg> no later than 10.00 a.m. on 25 May 2022** (the "**Registration Deadline**").

Shareholders who have pre-registered by the Registration Deadline but do not receive any email by 10.00 a.m. on 26 May 2022 should contact the Company at ir@sunpowergroup.com.cn stating: (a) the Shareholder's full name; and (b) the Shareholder's identification/registration number.

4. **Shareholders (except relevant intermediaries (as defined under Section 181 of the Companies Act 1967 of Singapore) may cast their votes for the ordinary resolution "live" at the SGM. Unique access details for "live" voting will be provided to Shareholders who pre-registered and are verified to attend the SGM. As an alternative to voting "live" at the SGM, a Shareholder (whether individual or corporate) may appoint the Chairman as his/her/its proxy to attend, speak and vote on his/her/its behalf at the SGM.** Depositor Proxy Forms appointing such person other than the Chairman shall be deemed to appoint the Chairman as proxy. The Chairman, as proxy, need not be a member of the Company. The instrument for the appointment of proxy in respect of the SGM (the "**Depositor Proxy Form**") may be accessed at the Company's website at <http://www.sunpowergroup.com.cn/> and on SGXNET. The Depositor Proxy Form is circulated with the Circular, of which this Notice of SGM forms part.

Printed copies of the Depositor Proxy Form will also be sent to Shareholders.

Where a Shareholder (whether individual or corporate) appoints the Chairman as his/her/its proxy, he/she/it must give specific instructions as to voting or abstentions from voting in respect of the ordinary resolution in the Depositor Proxy Form. If no specific direction as to voting is given, the appointment of the Chairman as proxy will be treated as invalid.

5. The completed and signed Depositor Proxy Form appointing the Chairman as proxy must be submitted to the Company in the following manner:
 - (a) if submitted electronically, be submitted via email to ir@sunpowergroup.com.cn; or
 - (b) if submitted by post, be deposited at the office of the Company's Singapore Share Transfer Agent, In.Corp Corporate Services Pte. Ltd., at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712,

in either case, **by 10.00 a.m. on 25 May 2022** (being 48 hours before the time appointed for holding the SGM), in accordance with the instructions stated in this Notice of SGM and the Depositor Proxy Form, failing which the Company shall be entitled to regard the Depositor Proxy Form as invalid.

Due to the current COVID-19 situation in Singapore and the related safe distancing measures, Shareholders are strongly encouraged to submit completed Depositor Proxy Forms electronically via email.

The Depositor Proxy Form must be signed by the appointor or his attorney duly authorised in writing. In the case of joint appointor(s), all joint appointor(s) must sign the Depositor Proxy Form. Where the Depositor Proxy Form is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney. Where the Depositor Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney appointing the attorney or other authority, or a notarially certified copy thereof, if any, under which the Depositor Proxy Form is signed must (unless previously registered with the

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Company) be lodged with the Depositor Proxy Form, failing which the Company shall be entitled to regard the Depositor Proxy Form as invalid.

The Company shall be entitled to reject the Depositor Proxy Form if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Depositor Proxy Form (such as in the case where the appointor submits more than one (1) Depositor Proxy Form).

6. In the case of Shareholders of the Company whose Shares are entered against their names in the Depositor Register, the Company may, at its discretion, reject any Depositor Proxy Form lodged if such Shareholders are not shown to have Shares entered against their names in the Depositor Register (as defined in Part IIIAA of the Securities and Futures Act 2001 of Singapore), as at 48 hours before the time appointed for holding the SGM as certified by The Central Depository (Pte) Limited to the Company.
7. The Company has put in place arrangements to allow Shareholders to be able to communicate with each other and the Board electronically during the course of the SGM. Shareholders may submit questions related to the resolutions to be tabled for approval for the SGM in advance of or live at the SGM. Shareholders can submit questions in advance of the SGM in the following manner no later than **10.00 a.m. on 20 May 2022**:
 - (a) via the pre-registration website at the URL <https://conveneagm.sg/sunpowergroupegm>;
 - (b) by email to ir@sunpowergroup.com.cn; or
 - (c) by post to the office of the Company's Singapore Share Transfer Agent, In.Corp Corporate Services Pte. Ltd. at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712.

Shareholders submitting questions are required to state: (a) the Shareholder's full name; and (b) the Shareholder's identification/registration number, failing which the Company shall be entitled to regard the submission as invalid and not respond to the questions submitted.

Due to the current COVID-19 situation in Singapore and the related safe distancing measures, Shareholders are strongly encouraged to submit their questions via the pre-registration website or by email.

Shareholders who have pre-registered and are verified to attend the SGM will be able to ask questions relating to the agenda of the SGM "live" at the SGM, by submitting text-based questions during the SGM within a certain prescribed time limit. The Company will endeavour to respond to questions as far as reasonably practicable. Where there are substantially similar questions, the Company will consolidate such questions; consequently, not all questions may be individually addressed.

The Company will endeavour to address all substantial and relevant questions relating to the resolutions to be tabled for approval at the SGM as received from Shareholders either before the SGM on SGXNET and the Company's website at the URL <http://www.sunpowergroup.com.cn> or during the SGM.

8. Investors who hold their Shares through a relevant intermediary should not use the Depositor Proxy Form and should contact their relevant intermediaries as soon as possible to specify voting instructions.

A "**relevant intermediary**" means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Shares in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore who holds Shares in that capacity; or
- (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953 of Singapore ("**CPF Act**"), in respect of Shares purchased under the subsidiary legislation made under the CPF Act providing for the making of investments from the contributions and interest standing to the

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credit of members of the Central Provident Fund, if the CPF Board holds those Shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

9. All documents (including the Depositor Proxy Form and this Notice of SGM) or information relating to the business of the SGM have been, or will be, published on SGXNET and/or the Company's website at <http://www.sunpowergroup.com.cn>.

Important Notice on COVID-19:

As the COVID-19 situation continues to evolve, the Company is closely monitoring the situation, including any precautionary measures which may be required or recommended by government agencies to minimise the risk of community spread of COVID-19. **Due to the constantly evolving COVID-19 situation in Singapore, the Company may be required to change the arrangements for the SGM at short notice. Shareholders are advised to regularly check the Company's website at the URL <http://www.sunpowergroup.com.cn> or announcements released by the Company on SGXNET for updates on the status of the SGM.**

PERSONAL DATA PRIVACY:

By pre-registering for the "live" audio-and-visual webcast or the "live" audio-only stream of the SGM, submitting the Depositor Proxy Form appointing the Chairman to attend, speak and vote at the SGM and/or any adjournment thereof, voting "live" at the SGM, and/or submitting questions relating to the resolution to be tabled for approval at the SGM or the Company's businesses and operations, a Shareholder consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of (i) administering the "live" audio-and-video webcast or the "live" audio-only stream (including but not limited to, verifying his identity and shareholding status, registering an account for him to access the "live" audio-and-video webcast and/or the "live" audio-only stream, facilitating and administering the "live" audio-and-video webcast and/or the "live" audio-only stream and disclosing his personal data to the Company's agents or third-party service provider for any such purposes), (ii) the processing of any questions submitted by the Company, (iii) the processing, administration and analysis by the Company (or its agents or its service providers) of the appointment of the Chairman as proxy for the SGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the SGM (including any adjournment thereof), and (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.