

**CIRCULAR DATED 3 MAY 2021**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

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

If you have sold or transferred all your ordinary shares in the 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.sunpower.com.cn>.

The Singapore Exchange Securities Trading Limited (the "**SGX-ST**") assumes no responsibility for the contents of this Circular, including the accuracy of any of the statements or opinions made or reports contained 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.sunpower.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 the SGM, and/or (c) voting by appointing the Chairman of the SGM as proxy at the SGM.

Please refer to Paragraph 12.1 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 PLACEMENT OF 2,542,000 TREASURY SHARES (THE "PLACEMENT SHARES")  
TO THE PLACEEES AT A PLACEMENT PRICE OF S\$0.368 FOR EACH PLACEMENT SHARE**

**IMPORTANT DATES AND TIMES**

Last date and time for lodgement of Depositor Proxy Form : 17 May 2021 at 11.00 a.m.

Last date and time to pre-register online to attend the Special General Meeting : 17 May 2021 at 10.00 a.m.

Date and time of Special General Meeting : 19 May 2021 at 11.00 a.m. (or immediately after the conclusion or adjournment of the Special General Meeting for the Adoption of the Proposed Share Buy-Back Mandate)

Place of Special General Meeting : The Special General Meeting will be convened and held by way of electronic means.

Please refer to Paragraphs 10 and 12 of this Circular for further details.

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## DEFINITIONS

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In this Circular, the following definitions shall apply throughout unless the context otherwise requires:

- "associate"** : (a) in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
- (i) his immediate family;
  - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
  - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more;
- (b) in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more
- "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
- "Board" or "Board of Directors"** : The board of directors of the Company as at the date of this Circular
- "Bondholders"** : Has the meaning ascribed to it in Paragraph 2.2 of the Circular
- "Business Day"** : A day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for business in Singapore
- "Bye-laws"** : The bye-laws of the Company as at the date of this Circular
- "CDP"** : The Central Depository (Pte) Limited
- "Circular"** : This circular to Shareholders dated 3 May 2021
- "Companies Act"** : Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
- "Company"** : Sunpower Group Ltd.
- "Completion"** : Completion of the Proposed Placement in accordance with the

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## DEFINITIONS

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- terms of the Placement Letters
- "Conditions Precedent"** : The conditions precedent to Completion as set out in the Placement Letters, the material terms of which are summarised in Paragraph 3.2 of this Circular
- "Controlling Shareholder"** : A person who:
- (a) holds directly or indirectly 15.0% or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this definition is not a controlling shareholder; or
  - (b) in fact exercises control over the Company
- "COVID-19 Act"** : The COVID-19 (Temporary Measures) Act 2020, as amended, modified or supplemented from time to time, which, *inter alia*, 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, *inter alia*, general meetings of companies
- "Depositor Proxy Form"** : The proxy form in respect of the SGM as enclosed with this Circular
- "Directors"** : Directors of the Company as at the date of this Circular
- "EPS"** : Earnings per Share
- "FY"** : Financial year ending or ended 31 December
- "GI Business"** : The green investment business segment of the Company, 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
- "Immediate Family"** : In relation to a person, means the person's spouse, child, adopted child, step-child, sibling and parent

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## DEFINITIONS

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<b>"Key Employees"</b>	:	Has the meaning ascribed to it in Paragraph 2.1 of this Circular
<b>"Last Full Market Day"</b>	:	29 March 2021, being the last full Market Day on which the Placement Letters was signed
<b>"Latest Practicable Date"</b>	:	28 April 2021, being the latest practicable date prior to the printing of this Circular
<b>"Listing Manual"</b>	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
<b>"LPS"</b>	:	Losses per Share
<b>"M&amp;S Group Company"</b>	:	Has the meaning ascribed to it in the circular to Shareholders released by the Company on SGXNET on 31 March 2021 regarding the Proposed Disposal
<b>"Market Day"</b>	:	A day on which the SGX-ST is open for trading in securities
<b>"NAV"</b>	:	Net asset value
<b>"Net Proceeds"</b>	:	Has the meaning ascribed to it in Paragraph 6 of this Circular
<b>"Notice of SGM"</b>	:	The notice of the SGM as set out on Pages N-1 to N-4 of this Circular
<b>"Ordinary Resolution"</b>	:	A resolution passed by a majority of members being greater than 50.0% of such members as, being entitled to do so, vote in person or proxy, at a general meeting or a class meeting of the Company
<b>"Original Share Buy-Back Price"</b>	:	Has the meaning ascribed to it in Paragraph 3.1 of this Circular
<b>"Parties"</b>	:	The parties to each of the Placement Letters, being the Company and each of the Placees
<b>"Placement Letters"</b>	:	The conditional placement letters dated 29 March 2021 entered into between the Company and the Placees in relation to the Proposed Placement (as may be amended, modified and/or supplemented from time to time)
<b>"Placement Price"</b>	:	S\$0.368 per Placement Share
<b>"Placement Shares"</b>	:	2,542,000 Treasury Shares to be allotted and issued by the Company to the Placees under the Proposed Placement
<b>"Placees"</b>	:	The persons identified under Paragraph 2.4 of this Circular
<b>"Proposed Disposal"</b>	:	Has the meaning ascribed to Paragraph 2.3 of this Circular
<b>"Proposed Placement"</b>	:	The proposed allotment and issue of the Placement Shares to the Placees at the Placement Price for each Placement Share, on and subject to the terms of the Placement Letters

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## DEFINITIONS

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"Securities account"	:	A securities account maintained by a Depositor with CDP, but does not include a securities sub-account
"SFA"	:	Securities and Futures Act (Chapter 289) of Singapore, as amended, modified or supplemented from time to time
"SGM"	:	The special general meeting of the Company to be held on 19 May 2021 at 11.00 a.m. (or immediately after the conclusion or adjournment of the Special General Meeting for the Adoption of the Proposed Share Buy-Back Mandate), notice of which is set out on Pages N-1 to N-4 of this Circular
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"SGXNET"	:	The system network used by listed companies to send information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
"Share Buy-Back Mandate"	:	The general and unconditional mandate given by the Shareholders to authorise the Directors to purchase or otherwise acquire Shares on behalf of the Company in accordance with the rules and regulations set forth in the Companies Act and the Listing Manual, which was approved by the Shareholders on 28 December 2018, and was subsequently renewed on 25 April 2019 and 24 June 2020
"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 " <b>Shareholders</b> " 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
"Substantial Shareholder"	:	A person who has an interest in not less than 5.0% of the total votes attached to all the voting Shares (excluding treasury Shares) in the Company
"Treasury Shares"	:	Issued Shares which were (or are treated as having been) purchased by the Company and have been held by the Company continuously since purchased
"%" or "per cent."	:	Percentage or per centum
"S\$"	:	Singapore dollars, the lawful currency of the Republic of Singapore
"Remuneration Committee"	:	The Remuneration Committee of the Company, comprising Mr Lau Ping Sum Pearce (Independent Director), Mr Chin Sek Peng (Independent Director), Mr Li Lei (Non-Executive and Non-Independent Director), Mr Liu Haifeng David (Non-

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## DEFINITIONS

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Executive and Non-Independent Director) and Mr Wang Dao Fu (Independent Director)

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

The term "**subsidiary**" shall have the meaning ascribed to it in the Companies Act.

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

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Listing Manual, the Companies Act, the SFA or any statutory or regulatory modification thereof and not otherwise defined in this Circular shall have the meaning ascribed to it under the Listing Manual, the Companies Act, the SFA or any statutory or regulatory modification, unless the context otherwise requires.

Any reference to a time of day or date in this Circular is made by reference to a time of date or date, as the case may be, in Singapore, unless otherwise stated.

Any discrepancies in tables included herein (if any) between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

In this Circular, unless otherwise stated, the exchange rate applied by the Group for conversion of S\$ into RMB (or *vice versa*) is S\$1.00:RMB4.889, being the exchange rate as at the Latest Practicable Date.

### Cautionary Note on Forward-Looking Statements

All statements other than statements of historical facts included in this Circular are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "**expect**", "**anticipate**", "**believe**", "**estimate**", "**intend**", "**project**", "**plan**", "**strategy**", "**forecast**" and similar expressions or future or conditional verbs such as "**if**", "**will**", "**would**", "**should**", "**could**", "**may**" and "**might**". These statements reflect the Company's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and the Company undertakes any obligation to update publicly or revise any forward-looking statements, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.



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## LETTER TO SHAREHOLDERS

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### SUNPOWER GROUP LTD.

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

#### Board of Directors:

Mr. Guo Hong Xin (Executive Chairman)  
Mr. Ma Ming (Executive Director)  
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)  
Mr. Liu Haifeng David (Non-Executive and Non-Independent Director)

#### Registered Office:

Victoria Place, 5<sup>th</sup> Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

3 May 2021

To: The Shareholders of Sunpower Group Ltd.

Dear Sir/Madam,

### THE PROPOSED PLACEMENT OF 2,542,000 TREASURY SHARES (THE "PLACEMENT SHARES") TO THE PLACEEES AT A PLACEMENT PRICE OF S\$0.368 FOR EACH PLACEMENT SHARE

#### 1. INTRODUCTION

##### 1.1. Special General Meeting

The Board refers to the announcement made by the Company on 29 March 2021 in relation to the entry into the Placement Letters with the Placees, pursuant to which the Placees have agreed to subscribe for, and the Company has agreed to allot and issue, an aggregate of 2,542,000 Placement Shares to the Placees at a Placement Price of S\$0.368 per Placement Share, on and subject to the terms of the Placement Letters.

The Board is convening the SGM to be convened and held by way of electronic means on 19 May 2021 at 11.00 a.m. (or immediately after the conclusion or adjournment of the Special General Meeting for the Adoption of the Proposed Share Buy-Back Mandate), to seek Shareholders' approval for the Proposed Placement.

##### 1.2. Purpose of this Circular

The purpose of this Circular is to provide Shareholders with information relating to the Proposed Placement, including the rationale for the Proposed Placement and the financial effects of the Proposed Placement, and to seek the approval of Shareholders in relation thereto at the forthcoming SGM, and to give the Shareholders notice of the SGM.

The SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy of any of the statements or opinions made or reports contained in this Circular. If any Shareholder is in any doubt as to the action he should take, he should consult his bank manager,

stockbroker, solicitor, accountant or other professional adviser immediately.

### 1.3. Legal Adviser

Rajah & Tann Singapore LLP is the legal adviser to the Company as to Singapore law in relation to the Proposed Placement.

## 2. BACKGROUND

### 2.1. Background and the Placement Shares

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of 793,144,142 Shares (excluding Treasury Shares) and holds 2,542,000 Treasury Shares.

As part of the Company's remuneration framework for certain key employees of the Company engaged in the GI Business ("**Key Employees**"), the Company is proposing to undertake the Proposed Placement to place 2,542,000 Treasury Shares to the Placees, being Key Employees of the Company, in recognition of their contributions and importance to the Company.

The Placement Shares represent approximately 0.320% of the existing issued and paid-up share capital of the Company (excluding Treasury Shares) as at the Latest Practicable Date and will represent approximately 0.319% of the enlarged issued and paid-up share capital of the Company following Completion.

The Proposed Placement will be undertaken pursuant to Section 273(1)(i) of the SFA. As such, no prospectus or offer information statement will be issued by the Company or lodged with the Monetary Authority of Singapore in connection with the Proposed Placement.

No placement agent has been or will be appointed for the purposes of the Proposed Placement and no introducer fee, commission, fee or other selling or promotional expense is payable or incurred by the Company in connection with the Proposed Placement other than those incurred for administrative or professional service.

### 2.2. Existing Warrants or Other Convertibles

The Company has on 14 December 2016 and 22 May 2018 entered into convertible bond purchase agreements with DCP Capital Partners L.P. and CDH China Management Company Limited (through their respective affiliates) (the "**Bondholders**"), through which the Company agreed to issue, and the Bondholders agreed to purchase, convertible bonds due 2022 of an aggregate principal amount of up to US\$180 million. As at the Latest Practicable Date, the Company has issued convertible bonds of an aggregate principal amount of up to US\$130 million. Save as disclosed herein, the Company does not have any other existing warrants or other convertibles (excluding employee share options granted under Rule 843 of the Listing Manual).

Under the terms of the convertible bond purchase agreements, the prior written consent of the Bondholders of at least a majority in principal amount of the outstanding Convertible Bonds at the relevant time is required for the Proposed Placement. Further, if and whenever the Company shall issue any Shares (other than Shares issued on the exercise of any conversion rights) at a consideration per Share which is less than the conversion price then in effect, the conversion price shall be adjusted to such consideration per Share. In addition, the Bondholders are also entitled to the option to acquire a pro rata share of the Placement Shares at a price equal to the

Placement Price, assuming that the bonds then held by the Bondholders have been converted into Shares.

Given that the Proposed Placement is part of the Company's remuneration framework and differs from an ordinary fundraising exercise, the Company has obtained the requisite consent from the Bondholders for the Proposed Placement and a confirmation from the Bondholders that the Proposed Placement will not result in any adjustments to the conversion price under the convertible bond purchase agreements. As such, there will not be any additional convertibles arising under the convertible bond purchase agreements as a result of the Proposed Placement. The Bondholders have also agreed to waive their right to be offered a pro rata share of the Placement Shares in accordance with the convertible bond purchase agreements.

### **2.3. Rationale for the Proposed Placement**

The Company believes that the Proposed Placement will provide an effective manner of motivating the Key Employees to maximise their performance, which will in turn create better value for the Company and the Shareholders.

The Proposed Placement is part of the Company's overall remuneration framework for the Key Employees to incentivise and retain talent. Notwithstanding that the Placees, as employees of the Group, fall within the criteria of 'Eligible Participants' under the Sunpower Employee Share Option Scheme 2015, it is highlighted that the Proposed Placement differs from a grant of options under the Sunpower Employee Share Option Scheme 2015 for the following reasons: (i) the Proposed Placement does not fall within the framework of the Sunpower Employee Share Option Scheme 2015, as the Proposed Placement does not contemplate the grant of options with a corresponding exercise price and applicable exercise period, to the Key Employees, but instead contemplates a one-off placement of Shares to the Key Employees not requiring a further exercise of any options on their part; and (ii) options granted at a discount to market price under the Sunpower Employee Share Option Scheme 2015 are only exercisable two years from the date of grant, while the Proposed Placement at the Placement Price is meant to provide the Placees with the more immediate ownership of the Placement Shares upon the payment by them of the Placement Price. This is especially crucial in the current context, as there is an imminent need to provide sufficient incentive to these Key Employees to ensure that they continue with the Group post completion of the proposed disposal of the entire Manufacturing and Services business of the Group (the "**Proposed Disposal**") to provide stability within their own respective departments. Even if such Proposed Disposal does not complete for any reason, the Proposed Placement will still be useful to act as incentive for these Key Employees, considering the Group's strategic emphasis on growing the GI Business. Accordingly, the Proposed Placement is not being carried out via the Sunpower Employee Share Option Scheme 2015. The Company proposes to undertake the Proposed Placement for the purpose of rewarding and incentivising the Key Employees, in recognition of their contributions made and importance to the Company. As disclosed under Paragraph 2.5 of this Circular, the majority of the Key Employees have not been granted options previously under the Sunpower Employee Share Option Scheme 2015.

The Proposed Placement will also allow the Key Employees to participate in the development of the Company and align their interests with those of the Company's. This would motivate the Key Employees to greater dedication, loyalty and higher standards of performance and retain the Key Employees to support the execution of strategy of the Company and improve the overall performance of the management and operations of the Company.

Given the competitive nature of the industry that the Company operates in, and after careful deliberation of the aforementioned considerations, including without limitation the greater suitability of the Proposed Placement as a remuneration tool than options granted under the Sunpower Employee Share Option Scheme 2015 in the current context, the Remuneration Committee is of the view, with the concurrence of the Board, that the Proposed Placement is immediate, effective and can provide a competitive incentive to the Placees who are the Key Employees of the Company so as to retain them and incentivise them to make greater contributions to the Company.

The Company recommended the Placees after assessing each Placee against a matrix of criteria, including the following:

- (a) The roles of the Placees who are the Key Employees are important to the management of the Company and in particular the GI Business, given that subsequent to the completion of the Proposed Disposal, the GI Business will be the sole remaining business of the Group and, as stated above, the Proposed Placement will be crucial to provide sufficient incentive to these Key Employees to stay on with the Group, and even if the Proposed Disposal does not complete for any reason, such incentive would be useful to retain the Key Employees to facilitate Group's strategic focus on the GI Business;
- (b) Pursuant to the management performance evaluation of the Placees in accordance with established criteria developed by the Company's human resources team, which includes the evaluation of work planning, execution capabilities and results, team leadership, effectiveness of top-down and down-to-top communication, work attitudes and work discipline, each of the Placees has been recognised as having delivered excellent management and work performance by the Company and confirmed by the Board;
- (c) The Placees have each made and are envisaged to make in future contributions to the Company. The Placees are each occupying key leadership or senior positions in the Company and responsible for various crucial functions as disclosed in Paragraph 2.4 of this Circular. The Placees have made notable contributions to the development of the GI Business in the course of their employment in their respective areas of focus to support the successful execution of the GI Business growth strategy and target, investment decision making in GI Business projects, risk control and elimination, and effective financial and capital management in expanding the GI Business. These functions are fundamental to the development of the GI Business and its further expansion in the future; and
- (d) Skillset, professionalism and potential of the Placees, which have been assessed by the Company management and confirmed by the Board to be beneficial to the management and development of the Company in the long term.

The selection of the Placees in accordance with the above has been approved by the Remuneration Committee from the perspective of the Proposed Placement being part of the Company's remuneration framework.

The terms of the Placement Letters were arrived after good faith negotiations between the Placees and the Company, taking into account the following factors: (i) the Placement Price, being the average original purchase price paid by the Company for the buy-back of the Placement Shares in January 2019, allows the Company to fully recover the costs of purchase of the Treasury Shares; and (ii) the terms of the Placement Letters should provide sufficient

incentive to the Key Employees in order to achieve the rationale of the Proposed Placement as a remuneration tool.

The Remuneration Committee has reviewed the Proposed Placement from the perspective of ensuring suitability of the Proposed Placement as part of the Company's remuneration framework, taking into account the identities of the Placees, the proposed terms of the Placement Letters and the rationale of the Proposed Placement, as stated above in this Paragraph 2.3, and has approved the same.

For the avoidance of doubt, the Proposed Placement is intended to be a one-off exercise to reward and incentivise selected Key Employees in connection with the Proposed Disposal. As at the Latest Practicable Date, the Company does not intend to conduct placements of this nature on a regular basis as part of its remuneration framework for its employees.

#### 2.4. Information on the Placees

The number of Placement Shares to be subscribed for by each Placee with the respective consideration to be paid by each Placee are set out below:

Name of Placee	Number of Placement Shares subscribed	Aggregate Consideration (S\$)	% of existing issued Share capital as at the Latest Practicable Date <sup>(1)</sup>	% of enlarged issued Share capital following Completion <sup>(2)</sup>
Lyu Wei	600,000	220,800	0.076%	0.075%
Xiong Hanqing	491,000	180,688	0.062%	0.062%
Li Qingshuang	491,000	180,688	0.062%	0.062%
Wang Hui	240,000	88,320	0.030%	0.030%
Feng Keke	240,000	88,320	0.030%	0.030%
Yang Yuanyuan	240,000	88,320	0.030%	0.030%
Zhou Hongyan	240,000	88,320	0.030%	0.030%
<b>Total</b>	<b>2,542,000</b>	<b>935,456</b>	<b>0.320%</b>	<b>0.319%</b>

**Notes:**

- (1) Based on the total number of 793,144,142 issued Shares (excluding Treasury Shares) as at the Latest Practicable Date.
- (2) Based on the enlarged issued share capital of 795,686,142 issued Shares immediately after Completion of the Proposed Placement. For the avoidance of doubt, the Company will no longer be holding any Treasury Shares immediately after the Completion of the Proposed Placement.

The Placees are individuals and have confirmed to the Company that they are subscribing for the Placement Shares for their own account for investment and will not hold any Placement Shares on behalf of, acting as nominee for, or hold such Placement Shares on trust, for any other person including any Directors, Substantial Shareholders, other Placee or their respective associates.

The Placees are not persons to whom the Company is prohibited from issuing shares to, as provided for by Rule 812(1) of the Listing Manual. Save for their respective shareholdings in the Company, the Placees have no connections (including any business relationship) with the Company and its Directors and Substantial Shareholders, or their respective associates.

The Placees are Key Employees of the Company and have each been identified based on the skillset that the Key Employee possesses and excellent performance track record as well as the contributions that they have made and is envisaged to make in the future to the Company. Key information relating to the designation and roles of each Placee, which the Company has taken into account in identifying the Placees, is set out below.

Name of Placee	Further details of the Placee
Lyu Wei	<p>Lyu Wei is a key employee of the Company who has been in employment with the Company for 4 years and 7 months.</p> <p>Ms Lyu is currently the Investment Director of the Company. She supervises investor relations, plays an important role in capital operation of the Group and provides strong support for the Board of Directors to conduct their affairs and fulfil their duties.</p>
Xiong Hanqing	<p>Xiong Hanqing is a key employee of the Company who has been in employment with the Company for 15 years and 7 months.</p> <p>Ms Xiong is currently an assistant president of the Group and assists the Executive Director of the Group in operating the Group and managing the Investment Management Department and Internal Audit Department. Meanwhile, she also assists the Executive Director of the Group to formulate and allocate the annual operation key performance indicator, coordinate each department of the Group on its execution of the same, and closely follow up until the key performance indicator is fulfilled.</p>
Li Qingshuang	<p>Li Qingshuang is a key employee of the Company who has been in employment with the Company for 8 years.</p> <p>Ms Li has served several roles within the Group and is currently an assistant president of the Group. She is in charge of risk control, process control and informatisation construction of the Group, overseeing the Control Department and the IT Department.</p>
Wang Hui	<p>Wang Hui is a key employee of the Company who has been in employment with the Company for 5 years.</p> <p>As at the Latest Practicable Date, Ms Wang is the senior financial manager of the Group and takes charge of the financial management and analysis of the Group.</p>
Feng Keke	<p>Feng Keke is a key employee of the Company who has been in employment with the Company for 12 years and 4 months.</p> <p>Ms Feng is currently the vice general manager of Sunpower Clean Energy Co., Ltd., a wholly-owned subsidiary of the Group, and has been in charge of human resources management of GI Business since 2015, when the Group strategically expanded into the GI Business. Ms Feng has formulated a systematic talents development management plan for the GI Business, retained talents and stabilised the GI Business team, which has provided essential support to the rapid expansion of the GI business.</p>
Yang Yuanyuan	<p>Yang Yuanyuan is a key employee of the Company who has been in employment with the Company for 8 years and 8 months.</p> <p>Ms Yang is currently the head of the Investment Management Department and has led the Investment Management Department for 3 years. When she initially joined the Group, Ms Yang worked in the finance team and was responsible for taxation. Subsequently, in 2015, when the Group strategically expanded into the GI Business, Ms Yang started to be involved in investment matters and jointly took</p>

Name of Placee	Further details of the Placee
	charge of the investment evaluation aspects of the green investment projects. In view of her outstanding performance, she was promoted to the Head of Investment Management Department in 2018 and has led the Investment Management Department team since then.
Zhou Hongyan	Zhou Hongyan is a key employee of the Company who has been in employment with the Company for 1 years and 7 months. Ms Zhou is currently the legal affairs representative of the Group. She offers professional legal advice to the Group's proposed investment in the green investment projects and evaluates the potential risks that may exist in such investment. Additionally, she also provides legal support to the capital operation of the Group and effectively conducts risk control.

## 2.5. Shareholding Interests of the Placees

The shareholding interests of each Placee before and after the Proposed Placement are as follows:

Name of Placee	Number of Shares held before the Proposed Placement <sup>(1)</sup>	% of existing issued Share capital as at the Latest Practicable Date <sup>(2)</sup>	Number of Shares held after the Proposed Placement	% of enlarged issued Share capital following Completion <sup>(3)</sup>
Lyu Wei	-	-	600,000	0.075%
Xiong Hanqing	-	-	491,000	0.062%
Li Qingshuang	300,000	0.038%	791,000	0.099%
Wang Hui	-	-	240,000	0.030%
Feng Keke	-	-	240,000	0.030%
Yang Yuanyuan	300,000	0.038%	540,000	0.068%
Zhou Hongyan	-	-	240,000	0.030%
<b>Total</b>	600,000	0.076%	3,142,000	0.395%

### Notes:

- (1) Based on the number of Shares held before the Proposed Placement as at the Latest Practicable Date.
- (2) Based on the total number of 793,144,142 issued Shares (excluding Treasury Shares) as at the Latest Practicable Date.
- (3) Based on the enlarged issued share capital of 795,686,142 issued Shares immediately after Completion of the Proposed Placement. For the avoidance of doubt, the Company will no longer be holding any Treasury Shares immediately after the Completion of the Proposed Placement.

As at the Latest Practicable Date, save as disclosed above, none of the Placees hold, directly or indirectly, any Shares or any instruments convertible into, rights to subscribe for and options in respect of Shares.

The Proposed Placement will not result in any transfer of controlling interest in the Company under Rule 803 of the Listing Manual.

## 3. PRINCIPAL TERMS OF THE PROPOSED PLACEMENT

### 3.1. Placement Price

The Placement Price of S\$0.368 represents a discount of approximately 54% to the volume weighted average price of S\$0.8002 per Share in the capital of the Company for trades done on the Shares on the SGX-ST on the Last Full Market Day<sup>1</sup>.

The Placement Price is based on the average original purchase price paid by the Company for the buy-back of the Placement Shares of S\$0.368 per Share (the "**Original Share Buy-Back Price**"), which were purchased by the Company pursuant to the Share Buy-Back Mandate in January 2019 and was agreed upon following arm's length negotiations between the Company and the Placees.

As mentioned in Paragraph 2.3 of this Circular, unlike an ordinary fundraising exercise done through a placement exercise, the Proposed Placement is part of the Company's remuneration framework for the Key Employees and accordingly, the Placement Price represents a discounted price. Such discounted price allows the Company to provide reward and incentive to the Key Employees, by (a) acknowledging the contributions of the Key Employees in a meaningful manner through the provision of a reward from the Company with a potential for capital appreciation rather than paying a cash bonus, and (b) by incentivising the Key Employees so as to motivate them and maximise their performance, which in turn creates better value for the Company and Shareholders.

### 3.2. Conditions Precedent

Completion of the Proposed Placement under the Placement Letters is conditional upon, among others, the following conditions:

- (a) the approval in-principle of the SGX-ST for the listing of and quotation for the Placement Shares on the Main Board of the SGX-ST having been obtained and such approval being in full force and effect, and where such approval is subject to conditions, (i) such conditions being reasonably acceptable to the Company and the Placees and (ii) if such conditions are required to be fulfilled on or before Completion, such conditions having been fulfilled on or before such date, and such approvals remaining in full force and effect as of Completion;
- (b) the approval by the Shareholders of the Proposed Placement at the SGM and such approval remaining in full force and effect as of Completion;
- (c) the allotment, issue and subscription of the Placement Shares and all the transactions contemplated in the Placement Letters not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Letters by any legislative, executive or regulatory body or authority (including, without limitation, the MAS and the SGX-ST) in Singapore, which is applicable to either the Company or the Placees, including but not limited to the provisions of the SGX-ST Listing Manual or the SFA; and
- (d) the representations, warranties and undertakings by the Placees remaining true and correct in all material respects as if made on the date of Completion, with reference to the then existing facts and circumstances, and each of the Placees and the Company having performed all of its/his obligations under the Placement Letters to be performed

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<sup>1</sup> The volume weighted average share price of the Company of S\$0.8002 on 29 March 2021, being the Last Full Market Day.



on or before Completion.

As at the Latest Practicable Date, the Company has received confirmation from the SGX-ST that its approval-in-principle for the listing and quotation of the Placement Shares is not required as the Proposed Placement is in respect of Treasury Shares. As such, the condition under Paragraph 3.2(a) of this Circular has been waived by the Company and the Placees.

### **3.3. Completion**

Pursuant to the terms of the Placement Letters, Completion of the Proposed Placement will take place on the date falling thirty (30) days (or such other date as may be agreed between the Company and the Placees) after all the conditions precedent set out above have been satisfied or waived (as the case may be).

In the event that Completion does not take place (for any reason whatsoever), the Company shall return to the Placees the Placement Price they paid in respect of all their respective Placement Shares at the relevant time without interest and the Company shall have no further obligation or liability to the Placees.

## **4. CHAPTER 8 OF THE LISTING MANUAL**

Pursuant to Rule 811(1) of the Listing Manual, an issue of shares must not be priced at more than 10.0% discount to the weighted average price for trades done on the SGX-ST for the full Market Day on which the placement or subscription agreement was signed. Rule 811(3) of the Listing Manual provides, *inter alia*, that Rule 811(1) of the Listing Manual is not applicable if specific shareholder approval is obtained for the issue of shares.

While the sale price of S\$0.368 for each Placement Shares is based on the Original Share Buy-Back Price of the Placement Shares as described in Paragraph 3.1 of this Circular above, the sale price of S\$0.368 for each Placement Share is at a 54% discount to the weighted average price of S\$0.8002 of the Shares for trades done on the SGX-ST on 29 March 2021, being the Last Full Market Day. In view of Rule 811(1) of the Listing Manual, read with Rule 811(3) of the Listing Manual, the Company is seeking, by way of Ordinary Resolution, shareholders' approval for the Proposed Placement.

## **5. PUBLIC FLOAT**

The Listing Manual requires a listed company to ensure that at least 10% of any class of listed securities must be held by the public. The percentage of the existing issued share capital of the Company held in the hands of the public is approximately 38.7% of the total issued share capital of the Company as at the Latest Practicable Date. Upon issuance and allotment of the Placement Shares, the percentage of the enlarged issued share capital of the Company held in the hands of the public will be approximately 38.9%.

## **6. USE OF PROCEEDS**

As a preliminary point and as described under Paragraphs 2.3 and 3.1 of this Circular above, the primary rationale of the Proposed Placement to the Placees is to recognise the Key Employee's contributions and their importance in the Company, as part of the Company's remuneration framework for the Key Employees, as opposed to an exercise being undertaken solely for the purposes of fundraising. As stated under Paragraph 2.4 of this Circular, the gross proceeds arising from the Proposed Placement are S\$935,456. The estimated amount of net proceeds from the Proposed Placement (after deducting the estimated expenses of

approximately S\$50,000 relating thereto, comprising (a) legal and regulatory fees payable in respect of the Proposed Placement; and (b) miscellaneous expenses) will be approximately S\$885,456 (the "**Net Proceeds**"). Shareholders should note that the Net Proceeds differ from that previously announced in the Company's announcement dated 29 March 2021 in respect of the Proposed Placement mainly due to the adjustments made to the expenses payable in respect of the Proposed Placement in light of the SGX-ST's confirmation that an additional listing application is not required in respect of the Placement Shares.

Given the rationale for the Proposed Placement and consequently, the amount of Net Proceeds to be raised, and after taking into account the Group's working capital position, the Company intends to use all of the Net Proceeds for its general working capital purposes, such as the procurement of raw materials required for operation of plants used in the Group's green investment business segment, as the operation of such plants require general working capital to procure feedstock or other raw materials.

The Directors are of the opinion that, after taking into consideration the Group's present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Please refer to Paragraph 2.3 and 3.1 and this Paragraph 6 earlier for the rationale of the Proposed Placement, which describes that the Proposed Placement forms part of the Company's remuneration framework for the Key Employees and is thus unlike an ordinary fundraising exercise done through a placement exercise.

Pending the deployment of the Net Proceeds, the Net Proceeds may be deposited with banks and/or financial institutions and/or invested in short-term money market instruments and/or marketable securities, and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit in the interests of the Company from time to time.

The Company will make announcements on the utilisation of the Net Proceeds from the Proposed Placement as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use and is in accordance with the percentage allocated, and will provide a status report on the use of such proceeds in the Company's annual report. Where the Net Proceeds have been used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the announcements and in the Company's annual report. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.

## **7. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT**

The pro forma financial effects of the Proposed Placement on the Group presented below are strictly for illustrative purposes only and do not reflect the actual financial effects or future financial performance and condition of the Company and/or the Group following completion of the Proposed Placement.

The pro forma financial effects of the Proposed Placement have been prepared based on audited consolidated financial statements of the Group for the audited consolidated financial statements of the Group for the financial year ended 31 December 2020 and are on the following bases and assumptions:

- (a) the financial effect on the consolidated NAV per Share is computed based on the assumption that the Proposed Placement had been completed on 31 December 2020; and

- (b) the financial effect on the EPS or the LPS is computed based on the assumption that the Proposed Placement had been completed on 1 January 2020.

### 7.1. Issued Share Capital

The pro forma effect of the Proposed Placement on the share capital of the Company is as follows:

	<b>Before the Proposed Placement</b>	<b>After the Proposed Placement</b>
Issued and paid up share capital (RMB'000)	57,501	57,667
Total number of issued Shares (Excluding Treasury Shares) <sup>(1)</sup>	793,144,142	795,686,142

**Note:**

- (1) Based on total number of issued Shares (excluding Treasury Shares) as at the Latest Practicable Date. For the avoidance of doubt, the Company will no longer be holding any Treasury Shares immediately after the Completion of the Proposed Placement.

### 7.2. NAV per Share

The pro forma effect of the Proposed Placement on the NAV per Share of the Company is as follows:

	<b>Before the Proposed Placement</b> (Without Financial Effects of Convertible Bonds and Warrants)	<b>After the Proposed Placement</b> (Without Financial Effects of Convertible Bonds and Warrants)	<b>Before the Proposed Placement</b> (With Financial Effects of Convertible Bonds and Warrants)	<b>After the Proposed Placement</b> (With Financial Effects of Convertible Bonds and Warrants)
NAV attributable to Shareholders (RMB'000)	2,221,750	2,226,371	1,671,153	1,675,774
Total number of issued Shares (Excluding Treasury Shares) <sup>(1)</sup>	793,144,142	795,686,142	793,144,142	795,686,142
NAV per Share (RMB)	2.80	2.80	2.11	2.11

**Note:**

- (1) The total number of issued Shares after the Proposed Placement represents the aggregate of the total number of issued Shares before the Proposed Placement as at the Latest Practicable Date, plus the new Placement Shares which will be placed to the Placees following Completion of the Proposed Placement.

### 7.3. Earnings/Losses per Share

The pro forma effect of the Proposed Placement on the EPS or LPS of the Company are as follows:

	<b>Before the Proposed Placement</b> (Without Financial Effects of Convertible Bonds and Warrants)	<b>After the Proposed Placement</b> (Without Financial Effects of Convertible Bonds and Warrants)	<b>Before the Proposed Placement</b> (With Financial Effects of Convertible Bonds and Warrants)	<b>After the Proposed Placement</b> (With Financial Effects of Convertible Bonds and Warrants)
Profit/(Loss) after tax attributable to Shareholders (RMB'000)	377,024	377,024	(55,551)	(55,551)
Weighted average number of Shares <sup>(1)</sup>	793,144,142	795,686,142	793,144,142	795,686,142
EPS/LPS (RMB)	0.48	0.47	(0.07)	(0.07)

**Note:**

- (1) The total number of weighted average number of Shares after the Proposed Placement represents the aggregate of the total number of weighted average number of Shares before the Proposed Placement as at the Latest Practicable Date, plus the new Placement Shares which will be placed to the Placees following Completion of the Proposed Placement.

## 8. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

### 8.1. Interests of Directors

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

Name of Director	Direct Interest		Deemed Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Mr. Guo Hong Xin <sup>(2)</sup>	-	-	153,638,554	19.34
Mr. Ma Ming <sup>(3)</sup>	-	-	137,509,737	17.31
Mr. Yang Zheng	-	-	-	-
Mr. Lau Ping Sum Pearce	-	-	-	-
Mr. Chin Sek Peng	-	-	-	-
Mr. Wang Dao Fu	-	-	-	-
Mr. Li Lei	-	-	-	-
Mr. Liu Haifeng David	-	-	-	-

**Notes:**

- (1) The percentage is calculated based on a total number of 794,335,142 Shares (excluding Treasury Shares) of the Company in issue and assuming that all share options granted under the Sunpower Employee Share Option Scheme 2015 (including the 1,191,000 share options which have not been exercised and issued) have been fully exercised and issued as at the Latest Practicable Date.
- (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 Tournan Trading Pte. Ltd., which is an investment holding company wholly owned by Claremont Consultancy Limited, which is in turn wholly owned by him.

## 8.2. Interests of Substantial Shareholders

As at the Latest Practicable Date, the interests of the Substantial Shareholders, based on information in the register of Substantial Shareholders maintained by the Company, are as follows:

Name of Substantial Shareholder	Direct Interest		Deemed Interest	
	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Allgreat Pacific Limited <sup>(2)</sup>	82,209,983	10.35	71,428,571	8.99
Claremont Consultancy Limited <sup>(3)</sup>	66,081,166	8.32	71,428,571	8.99
Sunpower Business Group Pte. Ltd.	71,428,571	8.99	-	-
Tournan Trading Pte. Ltd.	71,428,571	8.99	-	-
Dr. Lin Yucheng	100,000,000	12.59	-	-
Joyfield Group Limited	66,154,120	8.33	-	-
Ms. Pan Shuhong <sup>(4)</sup>	19,393,198	2.44	66,154,120	8.33

### Notes:

- (1) The percentage is calculated based on a total number of 794,335,142 Shares (excluding Treasury Shares) of the Company in issue and assuming that all share options granted under the Sunpower Employee Share Option Scheme 2015 (including the 1,191,000 share options which have not been exercised and issued) have been fully exercised and issued as at the Latest Practicable Date.
- (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) Tournan 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 Tournan 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.

## 8.3. Interests in the Proposed Placement

None of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company, if any), in the Proposed Placement.

## **9. DIRECTORS' RECOMMENDATION**

**9.1.** The Board of Directors, having reviewed and considered, *inter alia*, the terms, rationale and financial effects of the Proposed Placement, are of the view that the Proposed Placement is in the interests of the Company and its minority Shareholders. Accordingly, the Board of Directors recommends that Shareholders **VOTE IN FAVOUR** of the Ordinary Resolution relating to the Proposed Placement as set out in the Notice of SGM.

**9.2.** The Chairman of the SGM will accept appointment as proxy for any Shareholder to vote in respect of the Ordinary Resolution to approve the Proposed Placement to be proposed at the SGM where such Shareholder has given specific instructions in a validly completed and submitted Proxy Form as to voting, or abstentions from voting, in respect of such Ordinary Resolution.

## **10. SPECIAL GENERAL MEETING**

### **10.1. Date and Time of SGM**

The SGM is convened for the purpose of considering and, if thought fit, passing with or without modifications the Ordinary Resolution to approve the Proposed Placement as set out in the Notice of SGM.

The SGM, notice of which is set out on pages N-1 to N-4 of this Circular, will be convened and held by way of electronic means on 19 May 2021 at 11.00 a.m. (or immediately after the conclusion or adjournment of the Special General Meeting for the Adoption of the Proposed Share Buy-Back Mandate).

### **10.2. 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:

- (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 the SGM; and/or
- (c) voting by appointing the Chairman as proxy at the SGM.

Please refer to Paragraph 12.1 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 evolves. Shareholders are advised to regularly check the Company's website at the URL <http://www.sunpower.com.cn> or announcements released by the Company on SGXNET for updates on the status of the SGM.

## 11. 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.

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.sunpower.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 in relation to the Proposed Placement to be proposed at the SGM.

## 12. ACTION TO BE TAKEN BY SHAREHOLDERS

### 12.1. 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, tablets or computers must **pre-register at the Company's pre-registration website at <https://conveneagm.sg/sunpowersgm> no later than 10.00 a.m. on 17 May 2021** (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 any email by 2.00 p.m. on 18 May 2021 should contact the Company

at [ir@sunpower.com.cn](mailto:ir@sunpower.com.cn) stating: (a) the Shareholder's full name; and (b) the Shareholder's identification/registration number.

**(b) Submission of questions in advance**

The Company has put in place arrangements to allow Shareholders to be able to communicate with each other electronically during the course of the SGM. However, Shareholders will not be able to ask questions "live" during the broadcast of the SGM. Shareholders may submit questions related to the resolutions to be tabled for approval for the SGM in advance of the SGM. In order to do so, their questions must be submitted in the following manner:

- (i) All questions must be submitted no later than **10.00 a.m. on 14 May 2021** (being three (3) Market Days before the SGM):
  - via the pre-registration website at the URL <https://conveneagm.sg/sunpowersgm>;
  - by email to [ir@sunpower.com.cn](mailto:ir@sunpower.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) The Company will endeavour to address substantial and relevant questions relating to the resolution 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.sunpower.com.cn> or during the SGM.
- (iv) 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).
- (v) Please note that Shareholders will not be able to ask questions at the SGM "live" during the broadcast of the SGM, and therefore it is important for Shareholders to submit their questions in advance of the SGM.



**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 by proxy only**

Shareholders will not be able to vote online on the resolution to be tabled for approval at the SGM. Instead, if a Shareholder (whether individual or corporate) wish to exercise his/her/its voting rights at the SGM, he/she/it must 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. The Depositor Proxy Forms appointing such person other than the Chairman of the SGM shall be deemed to appoint the Chairman of the SGM as proxy:

- (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 a resolution in the Depositor Proxy Form. If no specific direction as to voting is given, the Chairman of the SGM may vote or abstain from voting at his/her discretion.
- (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 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; or
  - if submitted electronically, be submitted via email to [ir@sunpower.com.cn](mailto:ir@sunpower.com.cn),

in either case, by **11.00 a.m. on 17 May 2021** (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 (Chapter 50 of Singapore)) 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.**

**12.2. 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.

**13. 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 Proposed Placement, 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.

#### **14. DOCUMENTS AVAILABLE FOR INSPECTION**

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, copies of the following documents will be available for inspection<sup>2</sup> 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 from the date of this Circular up to and including the date of the SGM:

- (a) the Bye-laws of the Company; and
- (b) the Placement Letters.

Yours faithfully

For and on behalf of the Board of Directors of  
**SUNPOWER GROUP LTD.**

Ma Ming  
Executive Director

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<sup>2</sup> Prior appointment is required in light of the COVID-19 situation.

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## NOTICE OF SPECIAL GENERAL MEETING

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### 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 ("**SGM**") of the Shareholders of Sunpower Group Ltd. (the "**Company**") will be convened and held by way of electronic means on Wednesday, 19 May 2021 at 11.00 a.m. (Singapore time) (or immediately after the conclusion or adjournment of the Special General Meeting for the Adoption of the Proposed Share Buy-Back Mandate), 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 3 May 2021 issued by the Company.*

### **ORDINARY RESOLUTION – THE PROPOSED PLACEMENT OF 2,542,000 TREASURY SHARES (THE "PLACEMENT SHARES") TO THE PLACEES AT A PLACEMENT PRICE OF S\$0.368 FOR EACH PLACEMENT SHARE**

That:

- (a) approval be and is hereby given to the Directors or any of them to place 2,542,000 Placement Shares to the Placees at a Placement Price of S\$0.368 per Placement Share, on and subject to the terms of the Placement Letters, details of which have been set out in the Circular;
- (b) the Directors and any of them be and are hereby authorised to do all acts and things (including without limitation, entry into, executing and delivery of all such documents, including the Placement Letters, and approving any amendments, alterations or modifications to any such documents as may be required in connection with the Proposed Placement) as they or each of them deem necessary, desirable, expedient or in the interests of the Company to give effect to this Ordinary Resolution and/or the Proposed Placement as they or each of them may in their or each of their absolute discretion deem fit in the interests of the Group; and
- (c) any and all actions of the Company, the Directors of the Company and/or such other persons as may be nominated by any of them taken in connection with the matters contemplated in this Ordinary Resolution and/or the Proposed Placement prior to the execution hereof, be and are hereby approved, confirmed and ratified in all respects.

By Order of the Board

Ma Ming  
Executive Director

3 May 2021

**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 Trusts, Unit Trusts and

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

2. **Due to the current COVID-19 situation in Singapore, a Shareholder 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 the meeting can be electronically accessed via "live" audio-and-video webcast or "live" audio-only stream), submission of questions to the Chairman of the SGM ("Chairman") in advance of the SGM, addressing of substantial and relevant questions either before or at the SGM, and voting 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, tablets or computers must pre-register at the Company's **pre-registration website at <https://conveneagm.sg/sunpowersgm> no later than 10.00 a.m. on 17 May 2021** (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.

Shareholders who have pre-registered by the Registration Deadline but do not receive any email by 2.00 p.m. on 18 May 2021 should contact the Company at [ir@sunpower.com.cn](mailto:ir@sunpower.com.cn) stating: (a) the Shareholder's full name; and (b) the Shareholder's identification/registration number.

4. **If a Shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the SGM, he/she/it must appoint the Chairman as his/her/its proxy to attend, speak and vote on his/her/its behalf at the SGM.** The instrument for the appointment of proxy (the "**Depositor Proxy Form**") 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 Depositor Proxy Form may be accessed at the Company's website at <http://www.sunpower.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 a resolution in the Depositor Proxy Form. If no specific direction as to voting is given, the Chairman may vote or abstain from voting at his/her discretion.

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@sunpower.com.cn](mailto:ir@sunpower.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. (formerly known as RHT Corporate Advisory Pte. Ltd.), at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712.

in either case, by **11.00 a.m. on 17 May 2021** (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 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).

A Shareholder who wishes to submit the Depositor Proxy Form must first complete and sign the Depositor Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

6. In the case of Shareholders of the Company whose Shares are entered against their names in the Depository 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 Depository Register (as defined in Part IIIA of the Securities and Futures Act, Chapter 289 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 electronically during the course of the SGM. However, Shareholders will not be able to ask questions "live" during the broadcast of the SGM. Shareholders may submit questions related to the resolution to be tabled for approval for the SGM in advance of the SGM. In order to do so, their questions must be submitted in the following manner **no later than 10.00 a.m. on 14 May 2021** (being three (3) Market Days before the SGM):
  - (a) via the pre-registration website at the URL <https://conveneagm.sg/sunpowersgm>;
  - (b) by email to [ir@sunpower.com.cn](mailto:ir@sunpower.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.**

The Company will endeavour to address all substantial and relevant questions relating to the resolution 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.sunpower.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 (Chapter 19 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 (Chapter 289 of Singapore) who holds Shares in that capacity; or
- (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act (Chapter 36 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 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.sunpower.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.sunpower.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-video 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, and/or submitting questions relating to the resolution to be tabled for approval at the SGM or the Company's business and operations, a Shareholder of the Company 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 to 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.