

Sunpower to raise US\$70m from existing Chinese private equity investors

Sunpower Group said it plans to raise US\$70 million (S\$93.7 million) through the issue of a second tranche of convertible bonds to its two existing Chinese private equity investors.

DCP Capital Partners and CDH China Management Company will subscribe to US\$70 million in new convertible bonds due 2022, convertible into new shares at an initial conversion price of 60 cents per share. This is a 20 per cent premium to the bond holders' earlier investment in the first tranche of US\$110 million convertible bonds last year, at an initial conversion price of 50 cents per share.

Together with the second convertible bonds issue, Sunpower is also issuing the DCP and CDH warrants exercisable into an aggregate amount of US\$30 million with an exercise price per share of 70 cents if they are exercised by the end of 2019, or 80 cents if exercised in 2020.