

Sunpower Group to issue US\$110m of convertible bonds to investor

MAINBOARD-LISTED Sunpower Group, which designs and builds energy saving products in China, has secured a substantial investment from a fund owned by China-focused private equity firm CDH Investments.

The fund's vehicle, Glory Sky Vision Limited, will subscribe to US\$110 million of convertible bonds, convertible into new shares at an initial conversion price of S\$0.50 per share.

If the bonds are converted in full at the initial conversion price, Glory Sky Vision will own 313.4 million shares, or 28.23 per cent of the total issued shares of the company on a fully-diluted basis.

The bonds will otherwise bear interest of 2.5 per cent a year until the maturity date, which is five years from the issue date. The bonds will be issued pending the approval of shareholders at a special general meeting to be convened in due course.