

Sunpower Disposes Manufacturing and Services Business for \$463.0m

Sunpower International, a wholly-owned subsidiary of Sunpower Group, has disposed of its manufacturing and services (M&S) business for a consideration of RMB2.29 billion (\$463.0 million).

The consideration represents a historical FY2019 price-to-earnings ratio (P/E ratio) of 12.2 times and represents a premium of 21.2% to 32.7% over the independent valuation of the M&S group as at Sept 30, 2020 of RMB1.73 billion to RMB1.89 billion.

The company says it intends to declare a special dividend of about RMB1.34 billion to its shareholders. On a fully diluted basis, the proposed special dividend amounts to about RMB1.16 (or 23.59 cents) per share. The balance of the net proceeds of about RMB2.02 billion will be used for undertaking the existing green investment projects and general working capital purposes, and repaying the existing payables under the M&S business.