Maxeon Solar Technologies Raises $200 Million in Green Convertible Senior Notes Offering and Secures $125 Million in Loans

Total Gross Notes Offering Exceeded Initial $185 Million

SAN JOSE, Calif. and SINGAPORE, July 20, 2020 /PRNewswire/ -- Maxeon Solar Technologies, Ltd., currently a wholly owned subsidiary of SunPower Corp. (NASDAQ:SPWR), announced that it has issued $200 million in aggregate principal amount of its 6.50 percent green convertible senior notes due 2025. The company also announced its entry into term and working capital loan facilities with a borrowing capacity of $125 million with a syndicate of lenders.

"The strong investor and lender interest in our planned spin-off of Maxeon Solar Technologies from SunPower reinforces our strategy that the time is right for our planned transaction," said Tom Werner, SunPower CEO and chairman of the board. "This innovative convertible issuance and securing the borrowing capacity under the loan facilities were some of the final steps needed to complete this transaction, which we expect to close this quarter."

The $200 million in gross proceeds exceeded the amount of the initial offering as the purchasers exercised a $15 million overallotment option. Maxeon will receive approximately $151.7 million in net proceeds after funding a $40 million forward stock purchase transaction, discounts and commissions and estimated offering expenses. Maxeon's syndicated loan facilities include a $55 million term loan facility, $50 million working capital facility, and an additional $20 million term loan facility, each of which mature and are repayable in full on July 14, 2023.

About Maxeon Solar Technologies
Following the Maxeon spin-off, Maxeon will be one of the world's leading global manufacturers and marketers of premium solar power technology. Maxeon will continue the decades long SunPower technological innovation legacy and will operate an industry-leading sales and distribution channel across six continents. Headquartered in Singapore, Maxeon manufactures its solar cells in Malaysia and the Philippines, assembles solar cells into panels in France, Mexico and China (through its joint venture, Huansheng), and sells its products in over 100 countries.

About SunPower
As one of the world's most innovative and sustainable energy companies, SunPower Corporation (NASDAQ:SPWR) provides a diverse group of customers with complete solar solutions and services. Residential customers, businesses, governments, schools and utilities around the globe rely on SunPower's more than 30 years of proven experience. From the first flip of the switch, SunPower delivers maximum value and superb performance throughout the long life of every solar system. Headquartered in Silicon Valley, SunPower has dedicated, customer-focused employees in Africa, Asia, Australia, Europe, North and South America.

Forward Looking Statements
This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding the anticipated spin-off of Maxeon and TZS's investment therein, including timing and certainty and the anticipated benefits of the transaction. These forward-looking statements are based on our current assumptions, expectations and beliefs and involve substantial risks and uncertainties that may cause results, performance or achievement to materially differ from those expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to challenges in executing transactions key to our strategic plans, including regulatory, logistical, and other challenges that may arise, other closing conditions and approvals related to the transaction, and risks relating to Maxeon's business, including those described in Maxeon's registration statement on Form 20-F that is on file with the Securities and Exchange Commission (SEC). A detailed discussion of these factors and other risks that affect our business is included in filings we make with the SEC from time to time, including our most recent reports on Form 10-K and Form 10-Q, particularly under the heading "Risk Factors." Copies of these filings are available online from the SEC or on the SEC Filings section of our Investor Relations website at investors.sunpower.com. All forward-looking statements in this press release are based on information currently available to us, and we assume no obligation to update these forward-looking statements in light of new information or future events.

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