Maxeon Solar Technologies Announces Initiative to Expand Engagement in U.S. Solar Power Market

- New Performance Panel Supply Chain Planned for Increased Focus on U.S. Sales -

SINGAPORE, April 6, 2021 /PRNewswire/ -- Maxeon Solar Technologies, Ltd. (NASDAQ:MAXN), a global leader in solar innovation and channels, today announced a major new initiative to expand its engagement in the rapidly growing U.S. solar power market. The Company plans to increase its focus on selling its Performance line shingled module technology in the U.S., facilitated by the deployment of up to 3.6 GW of new shingled module assembly capacity in two phases. The expansion is contingent upon the Company obtaining debt or equity financing to purchase the equipment, after which initial sales are expected to start in the first quarter of 2022.

"We are excited to announce this initiative to expand our presence in the U.S. market. By leveraging existing supply chain assets in North America, we can offer Maxeon's industry-leading shingled module technology to the rapidly growing U.S. market," said Jeff Waters, CEO of Maxeon Solar Technologies. "Maxeon already has a strong presence in the U.S. rooftop Distributed Generation ("DG") market through our supply of Interdigitated Back Contact (IBC) panels to SunPower Corporation. We expect to expand the scope of this partnership by also supplying Performance panels to SunPower for use in its DG business, broadening their offering to capture more of the available market. We intend to also complement and expand our U.S. presence with direct sales into the large and rapidly growing large-scale segment, which is not addressed by our current SunPower partnership."

"Maxeon and SunPower have agreed to an option to expand their exclusive DG supply agreement to cover a multi-year commitment for Performance line solar panels in addition to IBC products", commented Norm Taffe, SunPower Corporation EVP. "We are eager to expand our product portfolio by adding Maxeon's Performance line shingled panels to our premium IBC line. Based on Maxeon's sales experience outside the U.S., we believe that this complete product portfolio will enable us to expand our share of account through our channel and penetrate new markets with a solar panel made at substantial scale in North America."

Maxeon plans to implement its new Performance line capacity in two phases. In phase one, Maxeon plans to use existing facilities to quickly ramp 1.8 GW of new capacity. Large-format G12 mono-PERC solar cells are planned to be manufactured in the Company's manufacturing site in Malaysia, and module assembly is planned to be performed at Maxeon's facility in Mexicali, Mexico. In parallel, Maxeon will conduct a comprehensive process to select an optimal site for a U.S. based module assembly facility with a capacity of up to an additional 1.8 GW. Depending on site conditions and market demand, this second phase is expected to begin operation in 2023.

Waters continued: "By using existing manufacturing facilities for phase one, we can leverage our current plant footprint and our experienced, highly trained work force to quickly ramp volume of our advanced Performance line solar panels for sale into the U.S. market. Greater volume in Malaysia and Mexico will also enhance overhead utilization, helping to drive down cost for our industry-leading IBC products. Our Mexicali factory offers a particularly efficient outbound logistics profile for customers in the Southwest U.S. region. This and later planned expansion of our Performance line module assembly capacity in the U.S. will bring our supply chain even closer to our customers."

The new capacity will be used to manufacture Maxeon's latest shingled bifacial panel technology, with rated power of up to 650 watts per panel and efficiency of over 21%. While Maxeon's primary target market for the new capacity will be utility-scale power plants and large commercial and industrial systems, the Company also plans to produce panels suitable for DG applications in the residential and light commercial segments.

About Maxeon Solar Technologies
Maxeon Solar Technologies (NASDAQ:MAXN) is Powering Positive Change™. Headquartered in Singapore, Maxeon designs, manufactures and sells SunPower® brand solar panels in more than 100 countries, operating the SunPower brand worldwide except the United States and Canada. The company is a leader in solar innovation with access to over 1,000 patents and two best-in-class solar panel product lines. With operations in Africa, Asia, Oceania, Europe and Mexico, Maxeon products span the global rooftop and solar power plant markets through a network of more than 1,100 trusted partners and distributors. A pioneer in sustainable solar manufacturing, Maxeon leverages a 35-year history in the solar industry and numerous awards for its technology. For more information about how Maxeon is Powering Positive Change™ visit us at www.maxeon.com, on LinkedIn and on Twitter @maxeonsolar.

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 timing and the company's expectations of success in its expansion strategy in existing and in new markets; the Company's liquidity, substantial indebtedness, and ability to obtain additional financing for our projects; and the Company's expectations regarding projected growth, profitability and cost savings from planned operational and supply chain improvements. 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. A detailed discussion of these factors and other risks that affect our business is included in filings we make with the Securities and Exchange Commission ("SEC") from time to time, including our most recent report on Form 20-F, particularly under the heading "Item 3.D. Risk Factors." Copies of these filings are available online from the SEC or on the Financials & Filings section of our Investor Relations website at www.maxeon.com/financials-filings/sec-filings. 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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