



21 June 2023

Senator Grogan  
Chair  
Senate Environment and Communications Legislation Committee  
Parliament House  
CANBERRA ACT 2600

Dear Senator Grogan,

On 22 May 2023, I appeared as a witness before the Senate Environment and Communications Legislation Committee Estimates hearing.

During the hearing, Senator for Victoria David Van raised matters relating to the CEFC's investment in Sunman. In respect to this investment, I wish to provide further information which I trust will be of assistance to the Committee.

In September 2020, the CEFC made a Convertible Note investment of \$10 million in the Sunman US\$12 million Series B capital raising. This was followed by a second investment of \$9.7 million in June 2022 (US\$7 million of a US\$45 million) Series C capital raising. To clarify, our investments are in Energus Pty Ltd, which is a Sydney-based, Australian company, in the Sunman group – an Australian tax entity.

As a result of our investment, Energus has been in a position to expand its current operations in Australia for the benefit of the local economy and has seen the deployment of their technology at notable locations such as the Sydney Maritime Museum, the Olympic Swimming pool, and the Byron Bay Railroad Company, resulting in additional employment opportunities in Australia, as well as collaboration with local universities and corporations. In addition, the CEFC's investment is structured such that we can benefit from an ultimate sale or listing of the Sunman group, not just Energus, which will ultimately be a benefit to Australian taxpayers.

Finally, contrary to my comments as reflected on page 103 of the proof Hansard for the Estimates hearing on 22 May 2023, the founder and majority owner, Dr Zhengrong Shi, is an Australian citizen only. This in addition to having obtained a doctorate from the University of New South Wales (UNSW), a fellowship of the Australian Academy of Technological Sciences and Engineering and having been an adjunct professor at UNSW.

This investment is therefore consistent with the CEFC's Act, which requires that we make investments which are "solely or mainly Australian-based".

Yours sincerely,

Mr Ian Learmonth  
Chief Executive Officer  
Clean Energy Finance Corporation