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UNITED PHOTOVOLTAICS GROUP LIMITED

聯合光伏集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and Part XIVA of the SFO.

The Board wishes to inform Shareholders and potential investors that, based on a preliminary review on the unaudited consolidated management accounts of the Group for the Period, (i) the Group is expected to record revenue and tariff adjustment in an amount of approximately RMB283 million, an increase by 125% as compared to those for the corresponding period in 2014; (ii) the EBITDA of Group is expected to be around RMB200 million, an increase by more than 200% as compared to that for the corresponding period in 2014; and (iii) the net profit of the Group is expected to be around RMB200 million, a decrease by approximately 38% as compared to that for the corresponding period in 2014 due to the increase in interest expenses and depreciation in property, plant and equipment, and the fair value changes arising from certain derivative financial instruments.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by United Photovoltaics Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review on the unaudited consolidated management accounts of the Group for the six months period ended 30 June 2015 (the “**Period**”), (i) the Group is expected to record revenue and tariff adjustment in amount of approximately RMB283 million, an increase by 125% as compared to those for the corresponding period in 2014; (ii) the EBITDA of the Group is expected to be around RMB200 million, an increase by more than 200% as compared to that for the corresponding period in 2014; and (iii) the net profit of the Group is expected to be around RMB200 million, a decrease by approximately 38% as compared to that for the corresponding period in 2014 due to the increase in interest expenses and depreciation in property, plant and equipment, and the fair value changes arising from certain derivative financial instruments.

EBITDA is used by the management for monitoring business performance of the Group. The improvement in revenue and tariff adjustment and EBITDA of the Group for the Period was mainly attributable to the increase in the generation volume of electricity of the solar power plants of the Group and its associates by approximately 139% from approximately 168,349 megawatt-hour (“MWh”) for the six months ended 30 June 2014 to approximately 402,390MWh for the Period. During the Period, the Group acquired 7 grid-connected solar power plants with an aggregate installed capacity of 160MW which had contributed in the generation volume of electricity of approximately 78,544MWh during the Period since completion of these acquisitions.

The decrease of the expected net profit of the Group was mainly attributable to (a) an increase in interest expenses incurred for various long-term financings for its development and operation of the solar power plant business; (b) an increase in depreciation in property, plant and equipment as a result of the acquisitions of new solar power plants; and (c) change in the fair value, a non-cash item, arising from measurement or re-measurement of certain financial instruments, based on preliminary valuation results from an independent valuer.

For the purpose of this announcement, “**EBITDA**” is defined as earnings before finance income, finance costs, taxation, depreciation and fair value gains/losses, which also excludes other costs arising from business combinations and share of results of associates. During the Period, the Group has changed its presentation currency from Hong Kong dollars (“**HKD**”) to Renminbi (“**RMB**”) for the preparation of its financial information.

The information contained in this announcement is only based on a preliminary assessment with reference to the information currently available in the unaudited consolidated management accounts of the Group, which are subject to adjustments and finalisation and have neither been audited nor reviewed by the independent auditor or the audit committee of the Company. The Company is still in the course of finalising the interim results, including the valuations in relation to those acquisitions and valuation of certain derivative financial instruments occurred during the Period. The interim results announcement of the Group for the Period is expected to be published before the end of August 2015 and the actual interim results of the Group may be different from what is disclosed herein.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

For and on behalf of
United Photovoltaics Group Limited
Li, Alan
Chairman of the Board

Hong Kong, 14 August 2015

As at the date of this announcement, the executive directors of the Company are Mr. Li, Alan (Chairman and Chief Executive Officer) and Mr. Lu Zhenwei; the non-executive directors of the Company are Academician Yao Jiannian, Mr. Yang Baiqian and Ms. Qiu Ping, Maggie; and the independent non-executive directors of the Company are Mr. Kwan Kai Cheong, Mr. Yen Yuen Ho, Tony, Mr. Shi Dinghuan and Mr. Ma Kwong Wing.