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If you have sold or transferred all your shares in United Photovoltaics Group Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



UNITED PHOTOVOLTAICS GROUP LIMITED

聯合光伏集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

REFRESHMENT OF GENERAL MANDATE AND NOTICE OF SPECIAL GENERAL MEETING

Unless the context otherwise requires, all capitalised terms used in this circular have the meanings set out in the section headed "Definitions" of this circular.

A letter from the Board is set out from pages 4 to 13 of this circular. A letter from the Independent Board Committee is set out on page 14 of this circular. A letter from the Independent Financial Adviser is set out from pages 15 to 24 of this circular.

A notice convening the SGM to be held at Unit 1407, 14/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on Friday, 24 July 2015, at 3:00 p.m. Hong Kong is set out from pages 25 to 27 of this circular. A form of proxy for the SGM is enclosed. Whether or not you intend to attend and vote at the SGM or any adjourned meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Union Registrars Limited at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

8 July 2015

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DEFINITIONS

In this circular, unless the context otherwise requires, the following terms shall have the meanings set out below.

“associate”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“CB Issue”	the issue of the 7% secured three-year convertible bonds in the principal amount of US\$100,000,000 (equivalent to approximately HK\$775,000,000) by the Company to Driven Innovation Limited, as disclosed in the announcements of the Company dated 5 May 2015, 28 May 2015 and 3 June 2015
“Company”	United Photovoltaics Group Limited (聯合光伏集團有限公司), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed thereto in the Listing Rules
“Directors”	the directors of the Company
“EPC”	engineering, procurement and construction
“General Mandate”	the general mandate as approved and granted to the Directors by the Shareholders at the annual general meeting of the Company held on 27 May 2015 to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the annual general meeting
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Independent Board Committee”	an independent board committee of the Company, comprising Mr. Kwan Kai Cheong, Mr. Yen Yuen Ho, Tony, Mr. Shi Dinghuan and Mr. Ma Kwong Wing, being all the independent non-executive Directors, for the purpose of advising the Independent Shareholders in respect of the Refreshment of General Mandate
“Independent Financial Adviser”	Goldin Financial Limited, a licensed corporation to carry on Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Refreshment of General Mandate
“Independent Shareholder(s)”	any Shareholder(s) other than the controlling shareholders and their respective associates or, if there is no controlling shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates
“Latest Practicable Date”	6 July 2015, being the latest practicable date for ascertaining certain information referred to in this circular prior to printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MW”	Megawatt, which equals to 1,000,000 watt
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Refreshment of General Mandate”	the proposed refreshment of the current General Mandate
“RMB”	Renminbi, the lawful currency of the PRC

DEFINITIONS

“SGM”	the special general meeting of the Company to be convened and held for the Independent Shareholders to consider and, if think fit, pass resolution in respect of the Refreshment of General Mandate
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company, and where applicable, the term shall also include shares of any class or classes of the Company resulting from any subdivision, consolidation or reclassification of those shares
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

LETTER FROM THE BOARD



UNITED PHOTOVOLTAICS GROUP LIMITED

聯合光伏集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

Executive Directors:

Mr. Li, Alan (*Chairman and Chief Executive Officer*)

Mr. Lu Zhenwei

Non-executive Directors:

Academician Yao Jiannian

Mr. Yang Baiqian

Ms. Qiu Ping, Maggie

Independent non-executive Directors:

Mr. Kwan Kai Cheong

Mr. Yen Yuen Ho, Tony

Mr. Shi Dinghuan

Mr. Ma Kwong Wing

Registered Office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Head Office and Principal Place
of Business in Hong Kong:*

Unit 1012, 10/F.,

West Tower, Shun Tak Centre

168-200 Connaught Road Central

Hong Kong

8 July 2015

Dear Sir or Madam,

REFRESHMENT OF GENERAL MANDATE AND NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with (i) information relating to the Refreshment of General Mandate; (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in connection with the Refreshment of General Mandate; (iii) a letter of advice from the Independent Financial Adviser setting out, among other things, its recommendation to the Independent Board Committee and to the Independent Shareholders in connection with the Refreshment of General Mandate; and (iv) the notice of the SGM to be convened and held for the purpose of considering and, if thought fit, approving the resolution in respect of the Refreshment of General Mandate.

LETTER FROM THE BOARD

REFRESHMENT OF GENERAL MANDATE

Background of the Refreshment of General Mandate

At the annual general meeting of the Company held on 27 May 2015, the Shareholders passed an ordinary resolution in approving the General Mandate, pursuant to which the Directors were authorised to issue, allot and otherwise deal with a maximum of 948,253,265 Shares, representing 20% of the total nominal amount of the share capital of the Company in issue on the date of passing such resolution.

As announced by the Company on 3 June 2015, the Company completed the CB Issue, an aggregate of 590,071,569 Shares will be allotted and issued upon exercise of the conversion rights attached to the convertible bonds at the initial conversion price (subject to adjustments) according to the terms of the CB Issue and a maximum of 41,305,009 Shares is issuable for payment of interest under the current General Mandate. Therefore, after the CB Issue, the current General Mandate has been utilised as to 631,376,578 Shares, representing approximately 66.58% of the current General Mandate. The number of Shares falling to be issued upon exercise of the conversion rights attached to the convertible bonds under the CB Issue may increase in the event of adjustments to the initial conversion price. Therefore, the Company intends to reserve the unutilised portion of the current General Mandate for the issue of additional Shares to be issued in such event.

The Directors therefore proposed to seek approval of the Independent Shareholders at the SGM for the Refreshment of General Mandate in order to maintain the financial flexibility necessary for the Group's future business development.

As at the Latest Practicable Date, the Company has not made any refreshment of the current General Mandate since the annual general meeting of the Company held on 27 May 2015.

Reasons for the Refreshment of General Mandate

The Company is an investment holding company and the Group is principally engaged in the development, investment, operation and management of solar power plants. It is the Group's strategy to identify suitable investment opportunities to acquire solar power plants with good prospects and potential for stable returns.

LETTER FROM THE BOARD

The Group is in discussions, and for certain potential projects, has entered into framework agreements with its business partners in relation to the potential acquisition(s) of solar power plants owned or to be developed by its business partners with good prospects and potential for stable investment returns. On 11 May 2015, the Group has entered into an acquisition agreement with Zhongneng Guodian Photovoltaic Green Ecological Cooperation and Development Jiangsu Company Limited * (中能國電光伏綠色生態合作發展江蘇有限公司), pursuant to which the Group has conditionally agreed to acquire the entire equity interest in the target company owning certain solar power plants with an aggregate installed capacity of 210MW in the PRC at the aggregate payments of approximately RMB1.9 billion (equivalent to approximately HK\$2.4 billion) (the “**210MW Acquisition**”). On 13 May 2015, the Group and Hareon Solar Technology Company Limited* (海潤光伏科技股份有限公司) (“**Hareon**”) entered into a cooperation agreement, pursuant to which, the Group proposed to acquire from Hareon or its affiliates the entire equity interest of certain target companies which own certain on-grid solar power plant projects with an aggregate installed capacity of 930MW in the PRC at the estimated total consideration of approximately RMB8.8 billion (equivalent to approximately HK\$11.09 billion) (the “**930MW Acquisition**”). Please refer to the announcements of the Company dated 11 May 2015 and 13 May 2015 for further details. The Company intends to fund the above acquisitions mainly by external financing.

Subject to completion of the 210MW Acquisition and 930MW Acquisition taking place, the Group would have expected funding needs of approximately RMB10.09 billion. The proceeds of approximately HK\$1.26 billion (equivalent to approximately RMB1 billion) from the proposed issue of convertible bonds to Chinastone Capital Management Limited is expected to be used to settle the consideration and other amounts payable under the 210MW Acquisition. The net proceeds of approximately HK\$991 million (equivalent to approximately RMB786 million) from the convertible bonds issued on 29 April 2015 and 3 June 2015 and the proceeds from the proposed issues of convertible bonds in an aggregate amount of approximately US\$400 million (equivalent to approximately RMB2.46 billion) as contemplated under five non-legally binding term sheets entered into between the Company and potential investors on 7 May 2015, 14 May 2015, 18 May 2015 and 19 May 2015, if materialised, may be used to finance the 930MW Acquisition. In addition, convertible bonds in the principal amount of HK\$1 billion (equivalent to approximately RMB794 million) will be issued to Hareon to settle part of the consideration under the 930MW Acquisition. The Company will consider other external financing to fund the remaining payments under the 930MW Acquisition, including further equity or debt financing, loans from financial institutions, issue of notes or entering into finance leases arrangement, subject to the market conditions and the financial position of Group. As at 31 May 2015, the Company’s gearing ratio was approximately 79.5%, which was calculated based on net debt divided by total capital. Net debt represented the total borrowings (including current and non-current bank and other borrowings, amounts due to associates, construction costs payable and convertible bonds as shown in the unaudited consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as “equity” as shown in the unaudited consolidated statement of financial position plus net debts. As at 31 May 2015, the cost of capital was approximately 7.4% and the Group’s total outstanding EPC payments were approximately RMB1.7 billion.

LETTER FROM THE BOARD

In view of considerable capital requirements in the near future, the Board believes that it is important to maintain financial flexibility for the Group to manage its business expansion and to raise additional equity capital for the business development and future investment opportunities. The Company currently does not have any immediate specific plans for any new issue of Shares under the refreshed General Mandate (save for the possible issue of convertible bonds as contemplated under the said term sheets) or conduct equity financing. In light of the funding needs for the 930MW Acquisition, the Company wishes to maintain flexibility and certain autonomy to respond to the market conditions when attractive terms are available from potential investors and in the conduct of further negotiations with the potential convertible bonds subscribers that have entered into term sheets with the Company in a timely manner. Equity/debt financing (i) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (ii) provides the Company with the capability to capture any fund raising and/or prospective investment opportunity as and when it arises. The Board believe that the availability of a General Mandate will reduce the uncertainties that specific mandate may not be obtained in a timely manner.

The Directors noted that the utilisation of the refreshed General Mandate will dilute the shareholding interest of the Shareholders. However, taking into account the aforesaid benefits of the Refreshment of General Mandate, the Directors believe that the Refreshment of General Mandate will give the Company the flexibility to raise funds, to meet the funding needs of the Group under the 930MW Acquisition and to expand and develop the business of the Company and therefore, is in the interests of the Company and the Shareholders as a whole.

The Board proposed the Refreshment of General Mandate to authorise the Directors to allot, issue and deal with new Shares with an aggregate nominal amount of not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the SGM. As at the Latest Practicable Date, a total of 4,741,266,325 Shares were in issue. Subject to the passing of the proposed resolution for the Refreshment of General Mandate and on the basis that no Share will be issued or repurchased by the Company prior to the SGM, the Company will be allowed under the refreshed General Mandate to issue a maximum of 948,253,265 new Shares.

The refreshed General Mandate will, if granted, remain effective until the earliest of (i) the conclusion of next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any of the applicable laws of the Bermuda to be held; and (iii) the revocation or variation by an ordinary resolution of the Shareholders of the Company in a general meeting of the Company.

LETTER FROM THE BOARD

Fund raising activities in the past twelve months

There has not been any refreshment of the current General Mandate since the last annual general meeting of the Company. The Company has conducted the following fund raising activities in the past 12 months from the Latest Practicable Date:

Date of announcement	Transaction	Approximate net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date	Percentage of new Shares issuable upon conversion of the convertible bonds (<i>Notes</i>)
18 December 2014	issue of 380,000,000 Shares	HK\$379 million	general working capital	approximately 85% of the proceeds have been used to repay the EPC payables under the existing solar power business of the Group; approximately 15% of the proceeds have been used in connection with the general administrative expenses of the Company	N/A
23 January 2015	issue of convertible bonds in the principal amount of HK\$524,803,198.80	HK\$522.8 million	general working capital and capital expenditure and the acquisition of the solar power plants with an aggregate installed capacity of 80MW	approximately 53% of the proceeds have been used to acquire new solar power plants in Xinjiang, the PRC and details of the acquisition are set out in the Company's circular dated 27 February 2015, the remaining 47% of the proceeds are kept by the Group and will be used as intended	9.70%
4 March 2015	issue of convertible bonds in the principal amount of US\$30,000,000 (equivalent to approximately HK\$232,500,000)	HK\$232 million	general working capital for the development, construction, maintenance and operation of solar power plant(s)	to be used as intended	4.54%
17 April 2015	proposed issue of convertible bonds in the principal amount of HK\$1.26 billion	HK\$1.259 billion	general working capital for the development, construction, maintenance and operation of solar power plant(s)	completion has yet to take place	20.51%

LETTER FROM THE BOARD

Date of announcement	Transaction	Approximate net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date	Percentage of new Shares issuable upon conversion of the convertible bonds (<i>Notes</i>)
20 April 2015	issue of convertible bonds in the principal amount of US\$15,000,000 (equivalent to approximately HK\$232,500,000)	HK\$115.75 million	finance the acquisition of the solar power plants in Xinjiang with an aggregate installed capacity of 20MW	used as intended in connection with new solar power plants in Xinjiang, the PRC and details of the acquisition are set out in the Company's announcement dated 16 January 2015	2.33%
28 May 2015	issue of convertible bonds in the principal amount of US\$100,000,000 (equivalent to approximately HK\$775,000,000)	HK\$759 million	general working capital for the development, construction, maintenance and operation of solar power plant(s)	approximately 66% of the proceeds have been used in connection with new solar power plants in the PRC under the 930MW Acquisition, the remaining 34% of the proceeds are kept by the Group and will be used as intended	11.07%

Notes:

1. This shows the potential dilution impact (new Shares to be issued upon full conversion of principal amount of convertible bonds/total issued Shares enlarged by new Shares to be issued by such convertible bonds issued or proposed to be issued). The cumulative potential dilution impact on shareholding of the Company would be approximately 35.95%.
2. **This column is for illustrative purposes only.** Pursuant to the terms of the relevant convertible bonds, no conversion is allowed if it will result in (a) a change of control (within the meaning of the Hong Kong Code on Takeovers and Mergers) of the Company; or (b) insufficient public float of the Shares as defined in the Listing Rules; or (c) a bondholder exercising the conversion rights together with its close associates becoming the largest Shareholder of the Company.

Save as disclosed herein, the Company has not completed or entered into binding agreements in relation to other equity fund raising exercise in the 12 months immediately preceding the Latest Practicable Date.

Potential dilution effect

Set out below is the shareholding structure of the Company as at the Latest Practicable Date and, for illustrative purpose only, the potential dilution effect on the shareholdings upon full utilisation of the refreshed General Mandate assuming that the number of issued Shares remains unchanged between the Latest Practicable Date and the date of the SGM:

LETTER FROM THE BOARD

	(i) As at the Latest Practicable Date		(ii) Immediately after the allotment and issue of conversion Shares upon full conversion of all outstanding convertibles and options at their respective initial conversion/exercise prices		(iii) Immediately after the allotment and issue of conversion Shares upon full conversion of all outstanding convertibles and options at their respective initial conversion/exercise prices and upon full utilisation of the refreshed General Mandate	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>
China Merchants New Energy Group Limited (“CMNEG”) and parties acting in concert with it CMNEG (Note 1)	567,538,250	11.97	1,007,574,250	12.04	1,007,574,250	10.81
Snow Hill Developments Limited (“Snow Hill”) (Note 2)	103,111,436	2.17	103,111,436	1.23	103,111,436	1.11
Magicgrand Group Limited (“Magicgrand”) (Note 3)	141,230,827	2.98	141,230,827	1.69	141,230,827	1.52
Pairing Venture Limited (Note 4)	18,173,487	0.39	18,173,487	0.22	18,173,487	0.20
Renewable Energy Trade Board Corporation (“EBOD”) (Note 5)	255,633,621	5.39	335,581,621	4.01	335,581,621	3.60
Sino Arena Investments Limited	36,633,860	0.77	76,653,860	0.91	76,653,860	0.82
Sub-total:	1,122,321,481	23.67	1,682,325,481	20.10	1,682,325,481	18.06
Other associates of China Merchants Group Limited (“China Merchants”) China Merchants Fund Management Limited	–	–	509,517,668	6.09	509,517,668	5.47
Shenzhen China Merchants Yinke Investment Management Limited	–	–	555,854,810	6.64	555,854,810	5.97
Sub-total:	–	–	1,065,372,478	12.73	1,065,372,478	11.44
Directors	8,404,200	0.18	32,404,200	0.39	32,404,200	0.35
Holders of Shares to be issued under the refreshed General Mandate	–	–	–	–	948,253,265	10.18
Other Shareholders	3,610,540,644	76.15	5,588,314,031	66.78	5,588,314,031	59.97
Total:	4,741,266,325	100	8,368,416,190	100	9,316,669,455	100

LETTER FROM THE BOARD

Notes:

1. CMNEG is indirectly owned as to 79.36% by China Merchants and directly owned as to 20.64% by Magicgrand.
2. Snow Hill is indirectly and wholly owned by China Merchants.
3. Magicgrand is directly and indirectly wholly owned by Mr. Li, Alan, an executive director and chief executive officer of the Company.
4. Pairing Venture Limited is directly and wholly owned by Mr. Li, Alan, an executive director and chief executive officer of the Company.
5. EBOD is owned as to 11.59% by Magicgrand, as to 8.13% by Snow Hill and as to 80.28% by other third parties. The number of Shares held by EBOD as disclosed in the table includes Shares owned by two wholly owned subsidiaries of EBOD.

SGM

As the Refreshment of General Mandate is proposed to the Shareholders prior to the Company's next annual general meeting, and therefore, pursuant to Rule 13.36(4)(a) of the Listing Rules, the Refreshment of General Mandate requires the approval of the Independent Shareholders at the SGM, at which any of the controlling shareholders and their associates, or where there are no controlling shareholders, Directors (excluding independent non-executive Directors) and the chief executives and their respective associates shall abstain from voting in favour of the resolution approving the Refreshment of General Mandate. As there is no controlling shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution to approve the Refreshment of General Mandate at the SGM.

As at the Latest Practicable Date, Mr. Li, Alan an executive Director and chief executive officer of the Company, together with his associates, holding 165,407,314 Shares representing approximately 3.49% of the issued share capital of the Company as set out in the following table, are required to, and they will, abstain from voting in favour of the resolution in respect of the Refreshment of General Mandate at the SGM:

	Number of Shares held as at the Latest Practicable Date
Li, Alan	6,003,000
Pairing Venture Limited (<i>note 1</i>)	18,173,487
Magicgrand Group Limited (<i>note 2</i>)	141,230,827

LETTER FROM THE BOARD

Notes:

1. Pairing Venture Limited is a company beneficially wholly-owned by Mr. Li, Alan.
2. Magicgrand Group Limited is a company beneficially wholly-owned by Mr. Li, Alan.

As at the Latest Practicable Date, Ms. Qiu Ping, Maggie, a non-executive Director and company secretary of the Company, holding 2,401,200 Shares representing approximately 0.05% of the issued share capital of the Company, is required to, and she will, abstain from voting in favour of the resolution in respect of the Refreshment of General Mandate at the SGM.

Saved as disclosed above, none of the other Directors and their respective associates hold any interest in the Shares as at the Latest Practicable Date.

A notice convening the SGM to be held at Unit 1407, 14/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on Friday, 24 July 2015 at 3:00 p.m. is set out from pages 25 to 27 of this circular for the purpose of considering and, if thought fit, passing the ordinary resolution in relation to the Refreshment of General Mandate.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same as soon as possible to the Company's branch share registrar in Hong Kong, Union Registrars Limited at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong and in any event not less than 48 hours before the time scheduled for the holding of the SGM or any adjournments thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournments thereof should you so desire.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders at a general meeting must be taken by poll, except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATIONS

An Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in respect of the Refreshment of General Mandate and Goldin Financial Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Refreshment of General Mandate.

LETTER FROM THE BOARD

Your attention is drawn to (i) the letter from the Independent Board Committee set out on page 14 of this circular which contains its recommendation to the Independent Shareholders in relation to the Refreshment of General Mandate; and (ii) the letter from the Independent Financial Adviser set out from pages 15 to 24 of this circular which contains its advice and recommendation to the Independent Board Committee and the Independent Shareholders in relation to the Refreshment of General Mandate.

The Directors are of the opinion that the proposed ordinary resolution approving the Refreshment of General Mandate referred to in this circular is in the interests of the Company and the Shareholders as a whole. The Board recommends the Independent Shareholders to vote in favour of the ordinary resolution in respect of the Refreshment of General Mandate proposed at the SGM.

GENERAL

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they respectively appear.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

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

Hong Kong, 8 July 2015

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



UNITED PHOTOVOLTAICS GROUP LIMITED

聯合光伏集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

8 July 2015

To the Independent Shareholders

Dear Sir or Madam,

REFRESHMENT OF GENERAL MANDATE

We refer to the circular of the Company dated 8 July 2015 (“**Circular**”), of which this letter forms part. Unless the context requires otherwise, capitalised terms used in the Circular shall have the same meanings when used herein.

We have been appointed by the Board to advise the Independent Shareholders in connection with the proposed Refreshment of General Mandate. Goldin Financial Limited has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this respect.

After taking into account the advice of the Independent Financial Adviser as set out from pages 15 to 24 of the Circular, we are of the view that the proposed Refreshment of General Mandate, is fair and reasonable so far as the Independent Shareholders are concerned, and that the Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution proposed at the SGM to approve the Refreshment of General Mandate

Yours faithfully,

Independent Board Committee

Mr. Kwan Kai Cheong

Mr. Yen Yuen Ho, Tony

Mr. Shi Dinghuan

Mr. Ma Kwong Wing

Independent non-executive Directors

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Set out below is the full text of the letter of advice from Independent Financial Adviser in relation to the Refreshment of General Mandate to the Independent Board Committee and the Independent Shareholders prepared for inclusion in this Circular.



高銀融資有限公司
GOLDIN FINANCIAL LIMITED

Goldin Financial Limited
23/F
Two International Finance Centre
8 Finance Street
Central
Hong Kong

8 July 2015

*To the Independent Board Committee and the Independent Shareholders of
United Photovoltaics Group Limited*

Dear Sirs,

REFRESHMENT OF GENERAL MANDATE

INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders of the Company in relation to the Refreshment of General Mandate, details of which are contained in the letter from the Board (the “Letter from the Board”) on page 4 to page 13 of the circular of the Company dated 8 July 2015 (the “Circular”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the content otherwise requires.

Pursuant to Rule 13.36(4) of the Listing Rules, the Refreshment of General Mandate shall be subject to the Independent Shareholders’ approval at the SGM as the Refreshment of General Mandate is proposed to the Shareholders prior to the Company’s next general meeting. Pursuant to Rule 13.36(4)(a) of the Listing Rules, the Refreshment of General Mandate requires the approval of the Independent Shareholders at the SGM at which any of the controlling Shareholders and their associates, or where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executives and their respective associates shall abstain from voting in favour of the resolution approving the Refreshment of General Mandate. As there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution to approve the Refreshment of General Mandate at the SGM. As at the Latest Practicable Date, Mr. Alan Li, an executive Director and chief executive officer, together with his

LETTER FROM INDEPENDENT FINANCIAL ADVISER

associates, held 165,407,314 Shares, representing approximately 3.49% of the total issued share capital of the Company. Ms. Qiu Ping, Maggie, a non-executive Director and company secretary of the Company, held 2,401,200 Shares representing approximately 0.05% of the issued share capital of the Company as at the Latest Practicable Date. Saved as disclosed above, none of the other Directors and their respective associates holds any interest of Shares as at the Latest Practicable Date. Hence, Mr. Alan Li and his associates, and Ms. Qiu Ping, Maggie and her associates (if any) will abstain from voting in favour of the resolution approving the Refreshment of General Mandate at the SGM.

The Independent Board Committee, comprising Mr. Kwan Kai Cheong, Mr. Yen Yuen Ho, Tony, Mr. Shi Dinghuan and Mr. Ma Kwong Wing, all being the independent non-executive Directors, has been formed to advise the Independent Shareholders on whether the Refreshment of General Mandate is fair and reasonable, and in the interests of the Company and the Independent Shareholders as a whole. We, Goldin Financial Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

BASIS OF OUR ADVICE

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the accuracy of the statements, information, opinions and representations contained in the Circular and the information and representations provided to us by the Company, the Directors and the management of the Company. We have assumed that all information, representations and opinions contained or referred to in the Circular, which have been provided by the Company, Directors and management of the Company and for which they are solely and wholly responsible, were true and accurate at the time when they were made and continue to be true as at the date of the SGM.

The Directors have collectively and individually accepted full responsibility for the Circular which includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirmed that to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in the Circular or the Circular misleading. We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Group. We have no reason to believe that any information and representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the information provided and the representations made to us untrue, inaccurate or misleading.

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PRINCIPAL FACTORS CONSIDERED

In arriving at our opinion in respect of the Refreshment of General Mandate, we have considered the following principal factors and reasons:

1. Background of and reasons for the Refreshment of General Mandate

The Company is an investment holding company and the Group is principally engaged in the development, investment, operation and management of solar power plants. It is the Group's strategy to identify suitable investment opportunities to acquire solar power plants with good prospects and potential for stable returns.

At the annual general meeting of the Company held on 27 May 2015, the Shareholders approved, among other things, an ordinary resolution to grant to the Directors the General Mandate, pursuant to which the Directors were authorised to issue, allot and otherwise deal with a maximum of 948,253,265 Shares, representing 20% of the total nominal amount of the share capital of the Company in issue on the date of passing such resolution.

As announced by the Company on 3 June 2015, the Company completed the CB Issue, an aggregate of 590,071,569 Shares will be allotted and issued upon exercise of the conversion rights attached to the convertible bonds at the initial conversion price (subject to adjustments) according to the terms of the CB Issue and a maximum of 41,305,009 Shares is issuable for payment of interest under the current General Mandate. Therefore, after the CB Issue, the current General Mandate has been utilised as to 631,376,578 Shares, representing approximately 66.58% of the current General Mandate. The number of Shares falling to be issued upon exercise of the conversion rights attached to the convertible bonds under the CB Issue may increase in the event of adjustments to the initial conversion price. Therefore, the Company intends to reserve the unutilised current General Mandate for the issue of additional Shares to be issued in such event.

Given that the General Mandate has been utilised for approximately two-thirds as discussed above, the Board proposed to seek approval of the Independent Shareholders for the Refreshment of General Mandate so that the Directors will be granted the authority to allot, issue and deal with new Shares not exceeding 20% of the total issued share capital of the Company as at the date of passing relevant resolution(s) at the SGM.

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As stated in the Letter from the Board, the Group is in discussions, and for certain potential projects, has entered into framework agreements with its business partners in relation to the potential acquisition(s) of solar power plants owned or to be developed by its business partners. As disclosed in the Company's announcement dated 11 May 2015, United Photovoltaics (Changzhou) Investment Co., Ltd.* (聯合光伏(常州)投資有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company, entered into a legally binding acquisition agreement with Zhongneng Guodian Photovoltaic Green Ecological Cooperation and Development Jiangsu Company Limited * (中能國電光伏綠色生態合作發展江蘇有限公司), pursuant to which the Group has conditionally agreed to acquire the entire equity interest in the target company owning five solar power plants with an aggregate installed capacity of 210MW located in Inner Mongolia and Zhejiang Province, in the PRC at the aggregate payments of approximately RMB1.9 billion (equivalent to approximately HK\$2.4 billion) (the "210MW Acquisition"). In addition, as disclosed in the Company's announcement dated 13 May 2015, the Company and Hareon entered into a legally binding cooperative framework agreement, pursuant to which, among other things, it is proposed that subject to fulfillment of certain conditions, the Group will acquire from Hareon (and a party controlled by it, where applicable) the entire equity interest in each of the target companies, which legally own certain on-grid solar power plant projects with an aggregate installed capacity of 930MW in the PRC, at the estimated total consideration of approximately RMB8.8 billion (equivalent to approximately HK\$11.09 billion) (the "930MW Acquisition"). The Company intends to fund the above acquisitions primarily by external financing.

Subject to completion of the 210MW Acquisition and 930MW Acquisition taking place, the Group would have expected funding needs of approximately RMB10.09 billion. The proceeds of approximately HK\$1.26 billion (equivalent to approximately RMB1 billion) from the proposed issue of convertible bonds to Chinastone Capital Management Limited is expected to be used to settle the consideration and other amounts payable under the 210MW Acquisition. The net proceeds of approximately HK\$991 million (equivalent to approximately RMB786 million) from the convertible bonds issued on 29 April 2015 and 3 June 2015 and the proceeds from the proposed issues of convertible bonds in an aggregate amount of approximately US\$400 million (equivalent to approximately RMB2.46 billion) as contemplated under five non-legally binding term sheets entered into between the Company and potential investors on 7 May 2015, 14 May 2015, 18 May 2015 and 19 May 2015, if materialised, may be used to finance the 930MW Acquisition. In addition, convertible bonds in the principal amount of HK\$1 billion (equivalent to approximately RMB794 million) will be issued to Hareon to settle part of the consideration under the 930MW Acquisition. The Company will consider other external financing to fund the remaining payments under the 930MW Acquisition, including further equity or debt financing, loans from financial

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institutions, issue of notes or entering into finance leases arrangement, subject to the market conditions and the financial position of Group. As at 31 May 2015, the Company's gearing ratio was approximately 79.5%, which was calculated based on net debt divided by total capital. Net debt represented the total borrowings (including current and non-current bank and other borrowings, amounts due to associates, construction costs payable and convertible bonds as shown in the unaudited consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as "equity" shown in the unaudited consolidated statement of financial position plus net debts. As at 31 May 2015, the cost of capital was approximately 7.4% and the Group's total outstanding EPC payments were approximately RMB1.7 billion.

According to the annual report of the Company for the year ended 31 December 2014 (the "Annual Report 2014"), the cash and cash equivalents of the Group as at 31 December 2014 was recorded approximately HK\$269.59 million. In view of a series of proposed acquisitions as discussed above which would require considerable amount of financial resources when such acquisitions materialise, the Refreshment of General Mandate would provide the Group with financial flexibility to raise additional equity capital to make timely commitments for business development and future investment opportunities. Besides, as advised by the management of the Company, the next annual general meeting will not be convened until around May 2016, which is around approximately eleven months away from the Latest Practicable Date.

As stated in the Letter from the Board, in view of considerable capital requirements in the near future, the Board believes that it is important to maintain financial flexibility for the Group to manage its business expansion and to raise additional equity capital for the business development and future investment opportunities. As advised by the management of the Company, the Company currently does not have any immediate specific plans for any new issue of Shares under the refreshed General Mandate (save for the possible issue of convertible bonds as contemplated under the said term sheets) or conduct equity financing. In light of the funding needs for the 930MW Acquisition, the Company wishes to maintain flexibility and certain autonomy to respond to the market conditions when attractive terms are available from potential investors and in the conduct of further negotiations with the potential convertible bonds subscribers that have entered into term sheets with the Company in a timely manner. The Directors consider that equity/debt financing (i) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (ii) provides the Company with the capability to capture any fund raising and/or prospective investment opportunity as and when it arises, as such, the Board believes that the availability of a General Mandate will reduce the uncertainties that specific mandate may not be obtained in a timely manner. Therefore, we are of the view that the Refreshment of General Mandate would provide the Company with an additional financing alternative in a less costly and relatively flexible way for raising funds for its future business development and/or any investment opportunities to be identified by the Company.

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On the basis of a total of 4,741,266,325 Shares in issue as at the Latest Practicable Date and assuming that no Shares would be issued and/or repurchased by the Company between the Latest Practicable Date and the date of the SGM, the Refreshment of General Mandate, if granted, will authorise the Directors to allot and issue up to a maximum of 948,253,265 Shares, representing 20% of the issued share capital of the Company as at the date of the SGM.

Having considered that (i) the General Mandate has been utilised as to approximately 66.58% and the unutilised portion is intended to be reserved for the additional Shares to be issued upon exercise of the conversion rights attached to the convertible bonds under the CB Issue in the event of adjustments to the initial conversion price under the CB Issue; and (ii) the Refreshment of General Mandate would provide the Group with financial flexibility to raise additional equity capital to make timely commitments for business development and future investment opportunities and allows prompt response to funding need should such opportunities arise (e.g. to meet the funding needs of the Group under the 930MW Acquisition), we are of the view that the Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole.

2. History of capital raising activities of the Group during the last 12 months

According to the information provided by the Directors, we summarise the equity fund raising activities of the Company during the past 12 months immediately preceding the Latest Practicable Date in the following table:

Table 1: History of capital raising activities of the Group during the last 12 months

Date of announcement	Transaction	Approximate net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
18 December 2014	issue of 380,000,000 Shares	HK\$379 million	general working capital	approximately 85% of the proceeds have been used to repay the EPC payables under the existing solar power business of the Group; approximately 15% of the proceeds have been used in connection with the general administrative expenses of the Company;

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Date of announcement	Transaction	Approximate net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
23 January 2015	issue of convertible bonds in the principal amount of HK\$524,803,198.80	HK\$522.8 million	general working capital and capital expenditure and the acquisition of the solar power plants with an aggregate installed capacity of 80MW	approximately 53% of the proceeds have been used to acquire new solar power plants in Xinjiang, the PRC and details of the acquisition are set out in the Company's circular dated 27 February 2015, the remaining 47% of the proceeds are kept by the Group and will be used as intended
4 March 2015	issue of convertible bonds in the principal amount of US\$30,000,000 (equivalent to approximately HK\$232,500,000)	HK\$232 million	general working capital for the development, construction, maintenance and operation of solar power plant(s)	to be used as intended
17 April 2015	proposed issue of convertible bonds in the principal amount of HK\$1.26 billion	HK\$1.259 billion	general working capital for the development, construction, maintenance and operation of solar power plant(s)	completion has yet to take place
20 April 2015	issue of convertible bonds in the principal amount of US\$15,000,000 (equivalent to approximately HK\$232,500,000)	HK\$115.75 million	finance the acquisition of the solar power plants in Xinjiang with an aggregate installed capacity of 20MW	used as intended in connection with new solar power plants in Xinjing, the PRC and details of the acquisition are set out in the Company's announcement dated 16 January 2015
28 May 2015	issue of convertible bonds in the principal amount of US\$100,000,000 (equivalent to approximately HK\$775,000,000)	HK\$759 million	general working capital for the development, construction, maintenance and operation of solar power plant(s)	approximately 66% of the proceeds have been used in connection with with new solar power plants in the PRC under the 930MW Acquisition, the remaining 34% of the proceeds are kept by the Group and will be used as intended

As advised by the management of the Company, the actual use of the aforesaid financing complied with the intended use of it. Most of the proceeds were used as working capital. The remaining was kept as for future intended use. Save as disclosed above, the Company has not completed or entered into binding agreements in relation to other fund raising activities in the past twelve months immediately preceding the Latest Practicable Date.

Considering that the Company has been actively seeking opportunities to expand through acquisitions of solar power plants and companies in the same industry and the cash and cash equivalents of the Group as described above, we consider that there is no certainty that the existing cash and credit resources of the Group will be adequate for its business development and investments in suitable opportunities that may be identified by the Company in the future.

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In light of the time and cost involved for convening shareholders' meeting, to issue new Shares under specific mandate will largely reduce the flexibility of the Company to structure any potential share transaction or other acquisition project. In particular, the Company may have to pay cash or settle the acquisition consideration in other ways and could lose the chance to broaden its shareholder base if the potential sellers or counterparties are interested to become a Shareholder of the Company. Hence, the Company may fail to grasp good chance for capital raising and/or investment opportunities if it needs to wait almost a year until the next annual general meeting for the grant of a new general mandate or otherwise it is required to seek specific mandate from Shareholders for each equity issuance which may not be the most time and cost efficient way to proceed with the transaction.

Based on the aforesaid, we are of the view that the Refreshment of General Mandate would provide flexibility to the Company in carrying out fund raising activities, and the Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole.

3. Other financing alternatives

As debt financing such as bank borrowings may incur interest burden to the Group, equity financing such as issuance of new Shares for cash or equity swaps may be an appropriate means to fund potential investments and/or acquisition, and provide additional working capital for the future development and expansion of the Group, given the Group's financial position, capital structure, cost of funding and the then financial market condition. In addition, grant of the Refreshment of General Mandate would allow the Company to raise equity capital within specified number of Shares promptly and when necessary rather than the more costly and time consuming process of applying for specific mandate in the case of alternative pro-rata equity fund raising such as rights issue and open offer when such need for capital may arise in the future. Given the aforementioned reasons, we are of the view that equity financing through the use of the Refreshment of General Mandate is more flexible and time efficient than alternative equity financing methods such as by way of rights issue or open offer.

Given the aforementioned reasons, we consider that the grant of the Refreshment of General Mandate will provide the Company with an additional alternative of equity funding and enhance the financing flexibility of the Company to raise funds if required by way of issuance of new Shares for future business development and expansion and/or pursuing investment opportunities, and we consider that the grant of the Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

4. Potential dilution effect

Set out below is the shareholding structure of the Company as at the Latest Practicable Date and, for illustrative purpose only, the potential dilution effect on the shareholdings upon full utilisation of the refreshed General Mandate assuming that the number of issued Shares remains unchanged between the Latest Practicable Date and the date of the SGM:

Table 2: potential dilution effect on the shareholdings upon full utilisation of the refreshed General Mandate

	(i) As at the Latest Practicable Date		(ii) Immediately after the allotment and issue of conversion Shares upon full conversion of all outstanding convertibles and options at their respective initial conversion/ exercise prices		(iii) Immediately after the allotment and issue of conversion Shares upon full conversion of all outstanding convertibles and options at their respective initial conversion/exercise prices and upon full utilisation of the refreshed General Mandate	
	Number of Shares	Approx. %	Number of Shares	Approx. %	Number of Shares	Approx. %
China Merchants New Energy Group Limited ("CMNEG") and parties acting in concert with it CMNEG (Note 1)	567,538,250	11.97	1,007,574,250	12.04	1,007,574,250	10.81
Snow Hill Developments Limited ("Snow Hill") (Note 2)	103,111,436	2.17	103,111,436	1.23	103,111,436	1.11
Magicgrand Group Limited ("Magicgrand") (Note 3)	141,230,827	2.98	141,230,827	1.69	141,230,827	1.52
Pairing Venture Limited (Note 4)	18,173,487	0.39	18,173,487	0.22	18,173,487	0.20
Renewable Energy Trade Board Corporation ("EBOD") (Note 5)	255,633,621	5.39	335,581,621	4.01	335,581,621	3.60
Sino Arena Investments Limited	36,633,860	0.77	76,653,860	0.91	76,653,860	0.82
Sub-total:	1,122,321,481	23.67	1,682,325,481	20.10	1,682,325,481	18.06
Other associates of China Merchants Group Limited ("China Merchants") China Merchants Fund Management Limited	–	–	509,517,668	6.09	509,517,668	5.47
Shenzhen China Merchants Yinke Investment Management Limited	–	–	555,854,810	6.64	555,854,810	5.97
Sub-total:	–	–	1,065,372,478	12.73	1,065,372,478	11.44

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	(i) As at the Latest Practicable Date		(ii) Immediately after the allotment and issue of conversion Shares upon full conversion of all outstanding convertibles and options at their respective initial conversion/ exercise price		(iii) Immediately after the allotment and issue of conversion Shares upon full conversion of all outstanding convertibles and options at their respective initial conversion/exercise price and upon full utilisation of the refreshed General Mandate	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>
Directors	8,404,200	0.18	32,404,200	0.39	32,404,200	0.35
Holders of shares to be issued under the refreshed General Mandate	–	–	–	–	948,253,265	10.18
Other Shareholders	3,610,540,644	76.15	5,588,314,031	66.78	5,588,314,031	59.97
Total:	4,741,266,325	100	8,368,416,190	100	9,316,669,455	100

Notes:

1. CMNEG is indirectly owned as to 79.36% by China Merchants and directly owned as to 20.64% by Magicgrand.
2. Snow Hill is indirectly and wholly owned by China Merchants.
3. Magicgrand is directly and indirectly wholly owned by Mr. Li, Alan, an executive director and chief executive officer of the Company.
4. Pairing Venture Limited is directly and wholly owned by Mr. Li, Alan, an executive director and chief executive officer of the Company.
5. EBOD is owned as to 11.59% by Magicgrand, as to 8.13% by Snow Hill and as to 80.28% by other third parties. The number of Shares held by EBOD as disclosed in the table includes Shares owned by two wholly owned subsidiaries of EBOD.

RECOMMENDATIONS

Having taken into account the principal factors and reasons referred to the above, we are of the opinion that the Refreshment of General Mandate is fair and reasonable so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. We therefore advise the Independent Shareholders and recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the ordinary resolutions approving the Refreshment of General Mandate at the SGM. Independent Shareholders are however advised to take note of the possible dilution effect on their shareholding interests in the Company when and if the Refreshment of General Mandate is utilised.

Yours faithfully,
For and on behalf of
Goldin Financial Limited

Billy Tang
Director

NOTICE OF SPECIAL GENERAL MEETING



UNITED PHOTOVOLTAICS GROUP LIMITED

聯合光伏集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

NOTICE IS HEREBY GIVEN THAT a special general meeting (the “**Meeting**”) of United Photovoltaics Group Limited (the “**Company**”) will be held at Unit 1407, 14/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on Friday, 24 July 2015 at 3:00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of shares capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of the subscription rights under the share option scheme of the Company or (iii) an issue of shares as scrip dividends pursuant to the Bye-Laws of the Company from time to

NOTICE OF SPECIAL GENERAL MEETING

time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution, plus the aggregate nominal value of the share capital of the Company repurchased by the Company (up to a maximum number equivalent to 10% of the aggregate nominal amount of the share capital of the Company in issue, as authorised by a separate resolution of the shareholders of the Company in the annual general meeting of the Company held on 27 May 2015), and the said approval shall be limited accordingly; and

- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws of the Company or any applicable laws of Bermuda to be held; or
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in a general meeting of the Company.

“Rights Issue” means an offer of shares or an offer of warrants, options or other securities giving right to subscribe for shares, open for a period fixed by the Directors to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company).”

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

Hong Kong, 8 July 2015

NOTICE OF SPECIAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. A form of proxy for use at the Meeting is enclosed. Whether or not you intend to attend the Meeting in person, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the Meeting or any adjournment thereof, should he/she/it so wish. In such event, the instrument appointing such a proxy shall be deemed to be revoked.
3. To be valid, a proxy form, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, must be lodged at the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, not less than 48 hours before the time fixed for holding of the Meeting or any adjournment thereof.
4. In the case of joint holders of shares, any one of such holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto, but if more than one of such joint holder are present at the Meeting in person or by proxy, the persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
5. Votes on the ordinary resolution set out herein and to be passed at the Meeting will be taken by way of poll.
6. If Typhoon Signal No.8 or above, or a "black" rainstorm warning is in effect any time after 11:00 a.m. on the date of the Meeting, the Meeting will be postponed. The Company will post an announcement on the website of the Company at www.unitedpvgroup.com and on the HKEXnews website of the Stock Exchange at www.hkexnews.hk to notify Shareholders of the date, time and place of the rescheduled meeting.
7. As at the date hereof, the board of directors of the Company comprises:

Executive Directors:

Mr. Li, Alan (*Chairman and Chief Executive Officer*)
Mr. Lu Zhenwei

Non-executive Directors:

Academician Yao Jiannian
Mr. Yang Baiqian
Ms. Qiu Ping, Maggie

Independent non-executive Directors:

Mr. Kwan Kai Cheong
Mr. Yen Yuen Ho, Tony
Mr. Shi Dinghuan
Mr. Ma Kwong Wing