

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities.



UNITED PHOTOVOLTAICS GROUP LIMITED

聯合光伏集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

DISCLOSEABLE TRANSACTION IN RELATION TO

THE ACQUISITION OF 100% EQUITY INTEREST IN CHINA NEW ENERGY HOLDINGS (HONG KONG) LIMITED INVOLVING ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE

THE ACQUISITION

The Board is pleased to announce that, on 12 May 2017, after trading hours, the Purchaser, a direct wholly-owned subsidiary of the Company, entered into the Acquisition Agreement with the Seller, whereby the Purchaser has conditionally agreed to acquire, and the Seller has conditionally agreed to sell, the Target Interest for the Consideration of HK\$1,200,000,000, which will be satisfied by payment in cash of HK\$600,000,000 and the allotment and issue of 559,701,493 Consideration Shares to the Seller (or its nominee) by the Company at the issue price of HK\$1.072 per Share in accordance with the terms and conditions of the Acquisition Agreement.

LISTING RULES IMPLICATIONS

As certain applicable percentage ratios in respect of the Acquisition Agreement are more than 5% but less than 25%, the transaction contemplated under the Acquisition Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but exempt from Shareholders' approval.

Application will be made by the Company to the Stock Exchange for approval of the listing of, and permission to deal in, the Consideration Shares on the Stock Exchange.

SPECIFIC MANDATE

The Consideration Shares will be allotted and issued under the Specific Mandate to be sought from the Shareholders at the SGM. A circular containing, among other things, (i) further details of the Acquisition Agreement and the transaction contemplated thereunder, and the proposed grant of the Specific Mandate; and (ii) a notice convening the SGM and a proxy form will be despatched to the Shareholders on or around 16 June 2017 as more time is required to prepare the relevant information to be included in the circular as prescribed under the Listing Rules.

Completion of the Acquisition is conditional upon the satisfaction or waiver (as the case may be) of the Conditions Precedent set out in this announcement. Accordingly, the Acquisition may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company.

INTRODUCTION

The Board is pleased to announce that, on 12 May 2017, after trading hours, the Purchaser, a direct wholly-owned subsidiary of the Company, entered into the Acquisition Agreement with the Seller, whereby the Purchaser has conditionally agreed to acquire, and the Seller has conditionally agreed to sell, the Target Interest for the Consideration of HK\$1,200,000,000, which will be satisfied by payment in cash of HK\$600,000,000 and the allotment and issue of 559,701,493 Consideration Shares to the Seller (or its nominee) by the Company at the issue price of HK\$1.072 per Share in accordance with the terms and conditions of the Acquisition Agreement.

THE ACQUISITION

The Acquisition Agreement

Date: 12 May 2017 (after trading hours)

Parties: (1) Purchaser
(2) Seller

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Seller and its ultimate beneficial owner(s) are Independent Third Parties.

Equity interest and the projects to be acquired

Pursuant to the Acquisition Agreement, subject to the fulfillment of the Conditions Precedent therein, the Purchaser has agreed to purchase, and the Seller has agreed to sell, the Target Interest.

According to Acquisition Agreement, the Target Company shall carry out (1) the Corporate Structure Reorganisation in accordance with the Tibet Zangneng SPA, pursuant to which the Target Company is to acquire 75% equity interest in Tibet Zangneng through Tibet Shunji New Energy; and (2) the Corporate Asset Reorganisation, pursuant to which the following equity interests are to be acquired by Tibet Zangneng:

- (a) 90% equity interests in Batangxian Xihe Hydropower;
- (b) 100% equity interests in Baiyuxian Zengquhe Hydropower; and
- (c) 34.54% equity interests in CPI Xide Electricity.

Accordingly, Tibet Zangneng will become an indirect subsidiary of the Target Company immediately after completion of the Corporate Structure Reorganisation, and Batangxian Xihe Hydropower and Baiyuxian Zengquhe Hydropower will become the subsidiaries of Tibet Zangneng immediately after completion of the Corporate Asset Reorganisation.

Upon Completion, and completion of the Corporate Structure Reorganisation and Corporate Asset Reorganisation, the Target Projects are to be acquired indirectly by the Target Company and comprise:

- (a) hydropower projects and solar power projects with an aggregate installed capacity of approximately 4,693.1MW owned by Tibet Zangneng as of the date of the Acquisition Agreement, comprising 110MW solar power plants in operation or under construction, or development rights, and 4,583.1MW development rights in hydropower projects; and
- (b) hydropower projects and wind power projects with an aggregate installed capacity of approximately 1,059.5MW to be acquired and owned by Tibet Zangneng upon completion of the Corporate Asset Reorganisation, comprising 412.5MW wind power plants in operation or under construction, or development rights and 647MW development rights in hydropower projects.

Further information on the Target Company is set out in the section headed “Information on the Target Company” below.

Consideration

The Consideration shall be HK\$1,200,000,000 which will be settled by payment in cash of HK\$600,000,000 and the allotment and issue of 559,701,493 Consideration Shares by the Company at the issue price of HK\$1.072 per Share to the Seller (or its nominee) in accordance with the terms and conditions of the Acquisition Agreement.

The payment schedule of the Consideration is as follows:

- (a) HK\$120,000,000 (representing 10% of the Consideration) as refundable down payment (the **“Down Payment”**) shall be payable by the Purchaser in cash within ten business days upon the execution of the Acquisition Agreement;
- (b) after all the Conditions Precedent having been fulfilled (or waived by the Purchaser, as the case may be) and upon Completion, HK\$710,000,000 shall be payable by the Purchaser on the Completion Date by (i) payment of HK\$110,000,000 in cash; and (ii) allotment and issue of 559,701,493 Consideration Shares by the Company;
- (c) after all the Conditions Precedent having been fulfilled (or waived by the Purchaser, as the case may be), HK\$100,000,000 shall be payable upon Completion, or within five business days after completion of transfer of 90% equity interests in Batangxian Xihe Hydropower and 100% equity interests in Baiyuxian Zengquhe Hydropower to the Target Group under the Corporate Asset Reorganisation (whichever is later); and
- (d) after all the Conditions Precedent having been fulfilled (or waived by the Purchaser, as the case may be), HK\$270,000,000 shall be payable upon Completion, or within five business days after completion of transfer of 34.54% equity interests in CPI Xide Electricity to the Target Group under the Corporate Asset Reorganisation (whichever is later).

The Down Payment is refundable and shall be refunded by the Seller to the Purchaser, with interest accrued from the date of payment by the Purchaser up to the date of refund by the Seller (both dates inclusive) at an interest rate of 5% per annum, if: (i) not all the Conditions Precedent are fulfilled or waived (as the case may be) by 30 October 2017 or a later date as agreed by the Purchaser in writing; or (ii) the Purchaser exercises its right to terminate the Acquisition Agreement according to the terms and conditions thereof.

The Consideration was arrived at after arm's length negotiations on normal commercial terms with reference to various factors, including the total costs of construction and development of the projects, liabilities and net assets of the Target Projects as of 31 December 2016, and preliminary assessment and analysis by the management of the Company internally based on the prospects of the Target Group after preliminary feasibility study and its business proposal. Having considered the above factors, the Directors are of the view that the terms, including the consideration for the Acquisition are fair and reasonable and are in the interest of the Company and its Shareholders as a whole.

The Group will fund the cash payment of the Consideration payable under the Acquisition Agreement from a combination of internal resources and external financing.

Conditions Precedent

Completion of the Acquisition is conditional upon the satisfaction of the following Conditions Precedent:

- (a) where applicable, the resolutions having been passed by the Shareholders at the SGM with respect to, among other things: (i) acquisition of the Target Interest; (ii) allotment and issue of the Consideration Shares; and (iii) authorisation to the Directors to allot and issue the Consideration Shares, credited as fully paid, to the Seller (or its nominee) in accordance with the terms and conditions of the Acquisition Agreement;
- (b) the Stock Exchange having granted the listing of, and permission to deal in, the Consideration Shares on the Stock Exchange;
- (c) the Corporate Structure Reorganisation having been completed in accordance with the Tibet Zangneng SPA and the Corporate Asset Reorganisation having been completed by the Seller;
- (d) the Purchaser having completed the due diligence review of the assets, liabilities, operations, taxation, finance and business of the Target Group and the results of which having been approved by the Risk Control Committee of the Company;
- (e) an audit report on the consolidated financial statements of Tibet Zangneng and its subsidiaries, and the audit report on the financial statements of Batangxian Xihe Hydropower and Baiyuxian Zengquhe Hydropower, each for the year ended 31 December 2016, having been issued to the Purchaser from independent auditor(s);
- (f) a PRC legal opinion having been issued by a PRC legal adviser to the Purchaser relating to the Target Group and the transactions contemplated under the Acquisition Agreement and the contents of which having been approved by the Risk Control Committee of the Company;
- (g) all requisite waiver(s), approval(s), permit(s), authorisation(s), consent(s), licence(s), decree(s), registration(s) and/or exemption(s) (if necessary) having been obtained by the Seller from its shareholder(s), any government and regulatory authority(ies) or other third parties in relation to the transactions contemplated under the Acquisition Agreement; and
- (h) the representations and warranties provided by the Seller contained in the Acquisition Agreement remaining true and accurate in all aspects.

Completion

Subject to the satisfaction or waiver of the Conditions Precedent, Completion will take place on the Completion Date. Upon Completion, the Purchaser will hold 100% equity interest in the Target Company and the Target Company will become an indirect wholly-owned subsidiary of the Company.

THE CONSIDERATION SHARES

The Consideration Shares represent approximately 7.42% of the existing issued share capital of the Company as at the date of this announcement and approximately 6.91% of the issued share capital of the Company as enlarged by issue of the Consideration Shares, assuming there is no change to the share capital of the Company between the date of this announcement and the Completion Date.

The issue price of HK\$1.072 per Consideration Share represents:

- (a) a discount of approximately 9.92% to the closing price of HK\$1.19 per Share as quoted on the Stock Exchange on 12 May 2017, being the date of the Acquisition Agreement;
- (b) a discount of approximately 9.00% to the average closing price of HK\$1.178 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Acquisition Agreement.

The issue price was determined after arm's length negotiations between the Company and the Seller with reference to the prevailing market price of the Shares and the recent market conditions.

The Consideration Shares will be credited as fully paid and free from all encumbrances and will rank pari passu in all respects with all the Shares then in issue.

Pursuant to the Acquisition Agreement, the Seller (or its nominee) is subject to a three-year lock-up period commencing from the date of allotment and issue of the Consideration Shares to it, during which it shall not sell, dispose of, or create any encumbrance over the Shares.

INFORMATION ON THE SELLER

The Seller is a limited company incorporated in British Virgin Islands on 19 April 2017, and is principally engaged in investment holding. The Seller owns 100% equity interest in the Target Company.

INFORMATION ON THE TARGET COMPANY AND TARGET PROJECTS

The Target Company is a limited company incorporated in British Virgin Islands on 29 March 2017, and is principally engaged in investment holding. Under the Corporate Structure Reorganisation, 75% equity interest in Tibet Zangneng will be acquired by the Target Company through Tibet Shunji New Energy, which is directly wholly-owned by East Asia New Energy Group Limited, an investment holding company and a direct wholly-owned subsidiary of the Target Company.

The Target Company is incorporated on 29 March 2017 and since then, it has not carried out any business activities other than the ongoing Corporate Structure Reorganisation.

Under the Corporate Asset Reorganisation, the 51% equity interest in Inner Mongolia Jinnong Security Escort Service Co., Ltd.* (內蒙古金農保安押運服務公司) held by Tibet Zangneng as at the date of this announcement is to be disposed of. Given that such equity interest is held by Tibet Zangneng as a nominee, the financial statements of Inner Mongolia Jinnong Security Escort Service Co., Ltd.* (內蒙古金農保安押運服務公司) have not been consolidated into the financial statements of Tibet Zangneng according to the PRC accounting standards.

For illustration purposes only, a summary of the pro forma combined financial statements of the Target Company, Tibet Zangneng and the Target Projects is as follows:

	As at 31 December 2016 RMB (million) (unaudited)	As at 31 December 2015 RMB (million) (unaudited)
Net profit before taxation and extraordinary items	17	22
Net profit after taxation and extraordinary items	15	20

For the avoidance of doubt, the above illustrative figures have been computed based on the (i) unaudited financial statements of Tibet Zangneng, and (ii) the unaudited financial statements of Batangxian Xihe Hydropower and Baiyuxian Zengquhe Hydropower which are to be acquired by Tibet Zangneng and become its subsidiaries under the Corporate Asset Reorganisation.

On the basis of the above, the pro forma net assets of the Target Company, Tibet Zangneng and the Target Projects as at 31 December 2016, was approximately RMB572 million.

INFORMATION ON TIBET ZANGNENG

Tibet Zangneng is a limited company incorporated in PRC on 19 December 2012, and is principally engaged in investment on renewable energy, investment and production on hydropower, asset management, technical consultation on hydropower and other business. As at the date of the Acquisition Agreement, Tibet Zangneng is owned as to 40%, 5% and 55% by Tibet Autonomous Region Investment Co., Ltd* (西藏自治區投資有限公司), Tibet Autonomous Region State Assets Management Co., Ltd* (西藏自治區國有資產經營公司) and other Independent Third Party shareholders respectively. Upon completion of the Corporate Structure Reorganisation, Tibet Zangneng will be owned as to 20%, 5% and 75% by Tibet Autonomous Region Investment Co., Ltd* (西藏自治區投資有限公司), Tibet Autonomous Region State Assets Management Co., Ltd* (西藏自治區國有資產經營公司) and Tibet Shunji New Energy respectively.

The table below sets out the equity interests held by Tibet Zangneng immediately after the Corporate Asset Reorganisation:

Shareholder	Shareholding Ratio	Project Company	Project
Tibet Zangneng	100%	Tibet Changdu Zangneng New Energy Development Co., Ltd.* (西藏昌都藏能新能源開發有限公司)	Hydropower and solar power: 778.1MW
	100%	Tibet Nimuxian Zangneng New Energy Development Co., Ltd.* (西藏尼木縣藏能新能源開發有限公司)	Solar power: 30MW
	100%	Tibet Linzhouxian Zangneng New Energy Development Co., Ltd.* (西藏林周縣藏能新能源開發有限公司)	Solar power: 40MW
	100%	Tibet Linzhi Zangneng Layuequ Hydropower Development Co., Ltd.* (西藏林芝藏能拉月曲水電開發有限責任公司)	Hydropower: 3,845MW
	90%	Batangxian Xihe Hydropower	Hydropower: 135MW
	100%	Baiyuxian Zengquhe Hydropower	Hydropower: 512MW
	34.54%	CPI Xide Electricity	Wind power: 412.5MW

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) after allotment and issue of the Consideration Shares, on the assumption that there will be no other change to the share capital of the Company between the date of this announcement and the date of allotment and issue of such Consideration Shares:

	(i)		(ii)	
	Existing shareholding as at the date of this announcement		Shareholding immediately after allotment and issue of the Consideration Shares	
	<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 (<i>Note 1</i>)	579,944,250	7.69	579,944,250	7.16
Snow Hill Developments Limited (“ Snow Hill ”) (<i>Note 1</i>)	508,450,273	6.74	508,450,273	6.28
Magicgrand Group Limited (“ Magicgrand ”) (<i>Note 2</i>)	492,685,935	6.53	492,685,935	6.08
Pairing Venture Limited (<i>Note 3</i>)	18,173,487	0.24	18,173,487	0.22
New Energy Exchange Limited (“ NEX ”) (<i>Note 4</i>)	335,683,070	4.45	335,683,070	4.14
Sino Arena Investments Limited	63,568,708	0.84	63,568,708	0.78
Sub-total:	1,998,505,723	26.51	1,998,505,723	24.67
Other associate of China Merchants Group Limited* (招商局集團有限公司) (“China Merchants”)				
China Merchants Fund Management Limited	25,281,670	0.34	25,281,670	0.31
ORIX Asia Capital Limited	1,074,138,234	14.25	1,074,138,234	13.26
PV China Investment Limited	333,247,334	4.42	333,247,334	4.11
Subsidiaries of China Huarong				
Power Revenue Limited	50,000,000	0.66	50,000,000	0.62
New Modern Management Limited	485,630,000	6.44	485,630,000	6.00
Sub-total:	535,630,000	7.10	535,630,000	6.62
Seller	–	–	559,701,493	6.91
Directors	18,577,600	0.25	18,577,600	0.23
Public Shareholders	3,554,298,340	47.13	3,554,298,340	43.88
Total:	7,539,678,901	100.00	8,099,380,394	100.00

Notes:

1. CMNEG is indirectly owned as to 79.36% by China Merchants and directly owned as to 20.64% by Magicgrand. Snow Hill is beneficially wholly owned by China Merchants.
2. Magicgrand is beneficially wholly owned by Mr. Li, Alan, an executive Director and chief executive officer of the Company.
3. Pairing Venture Limited is directly wholly owned by Mr. Li, Alan, an executive Director and chief executive officer of the Company.
4. NEX is owned as to 9.9% by Magicgrand, as to 8.13% by Snow Hill and as to 81.97% by other third parties. The number of Shares held by NEX as disclosed in the table includes Shares owned by two wholly-owned subsidiaries of NEX.

REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

Each of the Company and the Purchaser is an investment holding company, and the Group is principally engaged in the development, investment, operation and management of solar power plants and other renewable energy projects.

It is the Group's strategy to identify suitable investment opportunities to acquire solar power plants with good prospectus and potential for stable returns. In addition to solar power, the Group is also looking for opportunities to pursue expansion and involvement in other clean energy technologies such as hydropower.

Hydropower is a reliable source of renewable energy with a steady supply of power. Technology relating to the construction and operation of hydropower facility is mature and advanced in the PRC, which makes the development of hydropower facility more cost-effective and less risky. Hydropower facility normally has long economic life, and it is large scale and is traditionally attractive to the capital market. Resources of hydropower become scarce in the PRC due to the ongoing development of hydropower in recent years, therefore, the Group will benefit from the Acquisition which will substantially enhance the reservation of capacities of hydropower development rights of the Group. Given the fact that Tibet has abundant hydropower resources and the joint venture partners in Tibet Zangneng are enterprises owned by the Tibet government, the Acquisition will also facilitate the Group's future collaboration with the Tibet government which owns and controls, among others, the hydropower resources in Tibet.

On 6 April 2017, the construction of Central Tibet Grid Interconnection Project commenced in Tibet. Central Tibet Grid Interconnection Project connects Qinghai-Tibet Grid and Sichuan-Tibet Grid and expands the coverage of the main power grid of Tibet. The Directors believe the project, which is expected to be put into operation in 2018, will promote the development and export of clean energy in Tibet.

Wind power is also a kind of reliable source of renewable energy, acquisition of wind power projects is a good opportunity for the Group to diversify its renewable energy portfolio.

The Directors are of the view that the Acquisition will supplement the Group's existing solar power plant portfolio and assist the Group in the diversification of its business into other renewable energy sectors.

LISTING RULES IMPLICATIONS

As certain applicable percentage ratios in respect of the Acquisition Agreement are more than 5% but less than 25%, the transaction contemplated under the Acquisition Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements but exempt from Shareholders' approval.

Application will be made by the Company to the Stock Exchange for approval of the listing of, and permission to deal in, the Consideration Shares on the Stock Exchange.

SPECIFIC MANDATE

The Consideration Shares will be allotted and issued under the Specific Mandate to be sought from the Shareholders at the SGM.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Seller and its ultimate beneficial owner(s) did not hold any Shares, options or securities convertible into Shares as at the date of this announcement. As such, no Shareholder is required to abstain from voting at the SGM.

A circular containing, among other things, (i) further details of the Acquisition Agreement and the transaction contemplated thereunder, and the proposed grant of the Specific Mandate; and (ii) a notice convening the SGM and a proxy form will be despatched to the Shareholders on or around 16 June 2017 as more time is required to prepare the relevant information to be included in the circular as prescribed under the Listing Rules.

Completion of the Acquisition is conditional upon the satisfaction or waiver (as the case may be) of the Conditions Precedent set out in this announcement. Accordingly, the Acquisition may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings as set out below:

“Acquisition”	the acquisition of the Target Interest by the Purchaser from the Seller
“Acquisition Agreement”	the sale and purchase agreement dated 12 May 2017 entered into among the Purchaser and the Seller in relation to the Acquisition
“Baiyuxian Zengquhe Hydropower”	Baiyuxian Zengquhe Hydropower Development Co., Ltd.* (白玉縣贈曲河水電開發有限公司), a company established in the PRC with limited liability which owns hydropower projects of approximately 512MW as at the date of this announcement
“Batangxian Xihe Hydropower”	Batangxian Xihe Hydropower Development Co., Ltd.* (巴塘縣溪河水電開發有限責任公司), a company established in the PRC with limited liability which owns hydropower projects of approximately 135MW as at the date of this announcement
“Board”	the board of Directors
“business day(s)”	a day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for business throughout their normal business hours
“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
“Completion”	the completion of the sale and purchase of the Target Interest in the Target Company in accordance with the terms and conditions of the Acquisition Agreement

“Completion Date”	a day within seven business days (or such other date as agreed by the parties) following the date of satisfaction, or waiver (as the case may be), of each of the Conditions Precedent (other than Condition Precedent (h) as set out above which shall be satisfied on the Completion Date) of the Acquisition Agreement
“Conditions Precedent”	the conditions precedent to Completion as set out in the Acquisition Agreement
“Consideration”	the consideration in the amount of HK\$1,200,000,000, which shall be settled by the Purchaser partly by cash and partly by the allotment and issue of the Consideration Shares by the Company to the Seller (or its nominee)
“Consideration Shares”	559,701,493 new Shares to be allotted and issued at an issue price of HK\$1.072 per Share
“Corporate Asset Reorganisation”	the reorganisation of the Target Group including but not limited to (i) Tibet Zangneng acquiring 90% equity interest in Batangxian Xihe Hydropower; (ii) Tibet Zangneng acquiring 100% equity interest in Baiyuxian Zengquhe Hydropower; (iii) Tibet Zangneng acquiring 34.54% equity interest in CPI Xide Electricity; and (iv) Tibet Zangneng disposing of its 51% equity interest in Inner Mongolia Jinnong Security Escort Service Co., Ltd.* (內蒙古金農保安押運服務公司)
“Corporate Structure Reorganisation”	the acquisition of 75% equity interest in Tibet Zangneng by Tibet Shunji New Energy according to the Tibet Zangneng SPA
“CPI Xide Electricity”	CPI Xide Electricity Co., Ltd* (中電投喜德電力有限公司), a company incorporated in the PRC which owns wind power projects of approximately 412.5MW as at the date of this announcement
“Directors”	the directors of the Company
“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

“Independent Third Party(ies)”	third party(ies) which are independent of the Company and its connected persons (as defined in the Listing Rules)
“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 announcement, excludes Hong Kong, Taiwan and the Macau Special Administrative Region
“Purchaser”	Panda Green Power Group Limited, a company established in the British Virgin Islands with limited liability which is a direct wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Seller”	Asia Pacific Energy and Infrastructure Investment Group Limited, a company established in British Virgin Islands with limited liability which owns 100% equity interest in the Target Company
“SGM”	the special general meeting of the Shareholders to be convened for approving, among other matters, the proposed grant of the Specific Mandate for the allotment and issue of the Consideration Shares under the Acquisition Agreement
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Specific Mandate”	the specific mandate proposed to be granted to the Directors in relation to the allotment and issue of the Consideration Shares at the SGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	China New Energy Holdings (Hong Kong) Limited, a company established in British Virgin Islands with limited liability

“Target Group”	the Target Company and its subsidiaries
“Target Interest”	100% equity interest owned by the Seller in the Target Company
“Target Projects”	the hydropower projects, solar power projects and wind power projects owned and to be owned by the Target Group immediately after the Corporate Asset Reorganisation
“Tibet Shunji New Energy”	Tibet Shunji New Energy Technology Limited* (西藏順吉新能源科技有限公司), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Target Company
“Tibet Zangneng”	Tibet Zangneng Corporation* (西藏藏能股份有限公司), a company established in the PRC with limited liability
“Tibet Zangneng SPA”	the share purchase agreement entered into between Tibet Autonomous Region Investment Co., Ltd * (西藏自治區投資有限公司), Tibet Shunji New Energy and other Independent Third Party shareholders of Tibet Zangneng dated 11 May 2017, pursuant to which a total equity interest of 75% in Tibet Zangneng is to be transferred to Tibet Shunji New Energy
“%”	per cent.

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

Hong Kong, 12 May 2017

As at the date of this announcement, the executive directors of the Company are Mr. Li, Alan (Chairman and Chief Executive Officer), Mr. Lu Zhenwei, Mr. Li Hong, Ms. Qiu Ping, Maggie and Mr. Jiang Wei; the non-executive directors of the Company are Academician Yao Jiannian, Mr. Tang Wenyong and Mr. Li Hao; 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.

* for identification purpose only