

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.



UNITED PHOTOVOLTAICS GROUP LIMITED

聯合光伏集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

LAPSE OF THE CHINASTONE SUBSCRIPTION AGREEMENT IN RELATION TO ISSUE OF CONVERTIBLE BONDS

Reference is made to the announcements of United Photovoltaics Group Limited (the “**Company**”) dated 17 April 2015, 12 June 2015 and 30 September 2015 (the “**Announcements**”) and the circular dated 27 May 2015 (the “**Circular**”) in relation to, among other things, the proposed issue of HK\$1.26 billion 7.5% secured convertible bonds by the Company to Chinastone Capital Management Limited* (濤石股權投資管理(上海)有限公司) (“**Chinastone**”). Unless the context otherwise requires, capitalised terms used hereunder shall have the same meanings as those defined in the Circular.

LAPSE OF CHINASTONE SUBSCRIPTION AGREEMENT

As disclosed in the Announcements and the Circular, the Chinastone CB Issue is conditional upon the fulfillment of certain conditions precedent. If any of the conditions precedent is not fulfilled by 31 December 2015 (or such other date as parties may agree) (the “**Long Stop Date**”), the Chinastone Subscription Agreement will be terminated and the parties shall be released from obligations under the Chinastone Subscription Agreement. As certain conditions precedent of the Chinastone Subscription Agreement have not been fulfilled by the Long Stop Date and the parties have not agreed on any further extension of the Long Stop Date, the Chinastone Subscription Agreement has lapsed with effect from 31 December 2015 in accordance with its terms.

In view of a considerable lapse of time since the signing of the Chinastone Subscription Agreement and opportunities to secure fund at a lower cost under current market condition, the Board, acting in the interest of the Company and its Shareholders as a whole, has decided not to agree on further extension of time.

The Board considers that the lapse of the Chinastone Subscription Agreement has no material adverse impact on the business, operations and financial position of the Group as the Group has other source of funding for the development, construction, maintenance and operation of the solar power plants.

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

Hong Kong, 31 December 2015

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 and Ms. Qiu Ping, Maggie; the non-executive directors of the Company are Academician Yao Jiannian and Mr. Tang Wenyong; 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*