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UNITED PHOTOVOLTAICS GROUP LIMITED

聯合光伏集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

POSITIVE PROFIT ALERT

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

The Board wishes to inform the Shareholders and potential investors that, based on a preliminary review on the unaudited consolidated management accounts of the Group for the year ended 31 December 2014, the Group is expected to record a net profit for the year ended 31 December 2014 as compared to the net loss recorded for the corresponding period in 2013. The improvement in the Group's results was mainly attributable to the increase in the electricity generation volume and the gains from revaluation of certain derivative financial instruments.

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

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

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary review on the unaudited consolidated management accounts of the Group for the year ended 31 December 2014 (the “**Year**”), the Group is expected to record a net profit for the Year as compared to the net loss recorded for the corresponding period in 2013. This was mainly attributable to, among other things, the combined impact of the following key areas:

1. The increase in the electricity generation volume of the solar power plants acquired in 2013: the Group recorded an increase in the electricity generation volume by 262% from approximately

34,939 megawatt-hour for the year ended 31 December 2013 to approximately 126,320 megawatt-hour for the Year for those solar power plants acquired in 2013.

2. The contribution from electricity generation by solar power plants acquired during the Year: with the steady development of the solar power generation business, the Group has acquired 6 well-built and grid-connected solar power plants with an aggregate installed capacity of 310 megawatt during the Year. The electricity generation volume of such solar power plants for the Year amounted to approximately 318,000 megawatt-hour.
3. The gain on revaluation of certain derivative financial instruments: the Group's derivative financial instruments require valuation exercises as at 31 December 2014. The Group expects to record a gain of approximately HK\$600 million on revaluation of these financial instruments.
4. The impairment charge on goodwill of approximately HK\$1,205 million arising from the acquisition of China Solar Power Group Limited in 2013 was no longer applicable for the Year.
5. A loss arising from solar cells business is expected to be enlarged as a result of the deterioration in operating results. During the Year, the Group has disposed 70% of the entire issued share capital of Fortune Arena Limited, which is engaged in the solar cells business, for a cash consideration of HK\$217 million. The solar cells business has been classified as a discontinued operation in compliance with the Hong Kong Financial Reporting Standards and the comparative figures in relation to the discontinued operation will be re-presented in the consolidated income statement and consolidated statement of cash flows accordingly.

The information contained in this announcement is only based on a preliminary assessment with reference to the information currently available in the unaudited consolidated management accounts of the Group, which are subject to adjustments and finalization and have neither been audited nor reviewed by the Company's auditor or the audit committee of the Company. The Company is still in the course of finalizing the final results, including the valuations in relation to those acquisitions occurred during the Year, revaluation of certain derivative financial instruments and the impairment review on the intangible assets. The annual results announcement of the Group for the Year is expected to be published before the end of March 2015 and the actual results of the Group may be different from what is disclosed herein.

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

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

Hong Kong, 11 February 2015

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