

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.



*(a joint stock limited liability company incorporated in the People's Republic of China)
(Stock Code: 1353)*

UPDATE ON THE AFFAIRS OF THE GROUP

Reference is made to:

- (i) the holding announcements of the Company dated 25 July 2014 and 31 July 2014 in relation to, among other matters, the Incidents;
- (ii) the Dividend Postponement Announcement;
- (iii) the August Announcement;
- (iv) the announcement of the Company dated 28 August 2014 in relation to, among other matters, the delay in publication of the 2014 Interim Results and the despatch of the 2014 Interim Report;
- (v) the announcements of the Company dated 24 October 2014, 28 November 2014 and 31 December 2014, 30 January 2015, 27 February 2015, 31 March 2015, 30 April 2015, 29 May 2015 and 30 June 2015 (the “**June Announcement**”) in relation to, among other matters, an update of the affairs of the Group (collectively, the “**Update Announcements**”);
- (vi) the announcement of the Company dated 14 November 2014 in relation to, among other matters, the conditions imposed by the Stock Exchange for the resumption of trading in the shares of the Company; and
- (vii) the Reorganisation Announcement.

This announcement serves as an update on the latest developments in relation to, among other matters, the Demands and the financial position and business operations of the Group. Capitalised terms used in this announcement have the same meanings as those defined in the Update Announcements unless otherwise specified.

FINANCIAL POSITION AND BUSINESS OPERATIONS OF THE GROUP

Proposed plan for the resumption of trading

As stated in the June Announcement, the First Creditors' Meeting was held on 25 June 2015. Subsequent to the First Creditors' Meeting, the Company and the Administrator had been approached by certain potential investors. The Company and the Administrator are in the process of discussing and assessing the proposals for the Reorganisation from the potential investors. The Company's proposed plan for the resumption of trading will be devised thereafter. Save for the above, there is no material development in relation to the Company's proposed plan for the resumption of trading, postponement of payment of the Final Dividend and the publication of the 2014 Interim Results and the 2014 Annual Results since the June Announcement.

Business operation of the Group

Since the date of the June Announcement, the total number of retail shops of the Group has increased by 1 shop to 96 shops as at the date of this announcement. There has been no material development in relation to the business operation of the Group since the date of the June Announcement.

DEMAND LETTERS FROM FINANCIAL INSTITUTIONS AND OTHER DISPUTES

Demand letters from financial institutions

There is no material development in relation to the Demands and the demand letter against Sun Power since the date of the June Announcement.

Civil actions and arbitration cases against the Group

Based on the Group's recent collation of its internal records, since the date of the June Announcement, one civil action brought by an individual against Mr. Ding Hui and the Company in relation to an equity transfer agreement and one civil action brought by a company against the Company in relation to a service agreement had been withdrawn with the approval from the PRC courts.

In July 2015, according to the Group's internal records, in one civil action brought by an individual against a subsidiary of the Company in relation to a construction engineering contract, a court order was granted by the PRC court in relation to the repayment of a total amount of approximately RMB1,450,000 by such subsidiary to the plaintiff together with interest thereon.

Save as disclosed above, there has been no material development in relation to the civil actions and arbitration cases against the Group since the date of the June Announcement. Based on the Group's recent collation of its internal records, as at the date of this announcement, there were 10 civil actions against the Group and 28 arbitration cases awaiting decisions from the relevant PRC court and arbitration committees respectively.

Civil actions against Mr. Ding Hui and Mr. Ding Canyang

So far as the Directors are aware, there has been no material development in relation to civil actions against Mr. Ding Hui and Mr. Ding Canyang since the date of the June Announcement.

CESSATION OF AUTHORITY OF MR. DING HUI TO BIND THE GROUP

There has been no material development in relation to the proposed formal removal of Mr. Ding Hui as director of the Company since the date of the June Announcement.

SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect from 11:25 a.m. on 23 July 2014, and will remain suspended pending the release of further information by the Company.

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

The Company will disclose any material development in connection with the Incidents, the Demands and other relevant matters by way of further announcement(s) in accordance with regulatory requirements.

By Order of the Board
Fujian Nuoqi Co., Ltd.
Chen Quanyi
Executive Director

Hong Kong, 31 July 2015

As at the date of this announcement, the executive Directors are Ding Hui, Ding Canyang and Chen Quanyi; the non-executive Directors are Han Huiyuan and Ding Lixia; and the independent non-executive Directors are Qi Xiaozhai, Hsu Wai Man, Helen* and Dai Zhongchuan*.*

* Ms. Hsu Wai Man, Helen (“Ms. Hsu”) tendered her resignation as an independent non-executive Director on 3 July 2015 and Mr. Qi Xiaozhai (“Mr. Qi”) and Mr. Dai Zhongchuan (“Mr. Dai”) tendered their resignations as independent non-executive Directors on 8 July 2015. According to the articles of association of the Company, the resignation of each of the aforesaid Directors will become effective upon the approval of a new independent non-executive Director to fill in his/her vacancy at a general meeting of the Company. However, if the Company does not appoint a new independent non-executive Director to fill their respective vacancy within two months after the receipt of the resignation notice of each of Ms. Hsu, Mr. Qi and Mr. Dai, each of the aforesaid Directors may decline to perform his/her duties as an independent non-executive Director. Details of the resignations are set out in the announcements of the Company dated 3 July 2015 and 8 July 2015.