

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 (the “**May Announcement**”), 30 June 2015, 31 July 2015 and 31 August 2015 (the “**August 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

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 August Announcement.

As disclosed in the May Announcement, under the applicable PRC laws and regulations, the Reorganisation proposal should be submitted to the Quanzhou Court and the creditors' meeting of the Company within six months which the Quanzhou Court officially accepted the application for the Reorganisation on 1 April 2015 (i.e. 30 September 2015). As the Company and the Administrator are still formulating the proposals for the Reorganisation, and are in the process of considering and assessing the proposals for the Reorganisation from potential investors, the Administrator submitted an application for extension of the deadline for submitting the Reorganisation proposal for three months to the Quanzhou Court on 29 September 2015 and an extension for submitting the Reorganisation proposal until 31 December 2015 was granted by the Quanzhou Court on 30 September 2015.

Business operation of the Group

Since the date of the August Announcement, the total number of retail shops of the Group has decreased by 3 shops to 92 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 August 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 August 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 August Announcement:

1. a court order was granted in relation to a civil action brought by a bank in Shanghai against the Company and its subsidiary regarding certain loans, in which the Company was ordered to repay an amount of approximately RMB25 million;
2. a civil action brought by Xiamen Bank against the Company and its subsidiary in relation to certain loans borrowed by the Company was withdrawn with the approval of the PRC court; and
3. a civil action was brought by an individual against a subsidiary of the Company in relation to a contracting agreement of a construction project.

In respect of the arbitration cases, since the date of the August Announcement, 10 arbitration cases in relation to the employment disputes have been decided by the relevant PRC arbitration committees.

Save as disclosed, there has been no material development in relation to the civil actions and arbitration cases against the Group since the date of the August Announcement.

Based on the Group's recent collation of its internal records, as at the date of this announcement, there were 9 civil actions against the Group and 18 arbitration cases awaiting decisions from the relevant PRC court and arbitration committees respectively.

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

There has been no material development in relation to civil actions against Mr. Ding Hui and Mr. Ding Canyang since the date of the August 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 August Announcement.

RESIGNATION OF DIRECTORS

As disclosed in the announcement of the Company dated 2 September 2015, Ms. Hsu Wai Man, Helen tendered her resignation as an independent non-executive Director on 3 July 2015 and her resignation became effective on 2 September 2015 pursuant to the articles of association of the Company.

As disclosed in the announcement of the Company dated 8 September 2015, Mr. Dai Zhongchuan and Mr. Qi Xiaozhai tendered their respective resignation as an independent non-executive Director on 8 July 2015 and their resignations became effective on 8 September 2015 pursuant to the articles of association of the Company.

Following the resignation of Ms. Hsu Wai Man, Helen, Mr. Dai Zhongchuan and Mr. Qi Xiaozhai, the number of independent non-executive Directors as well as the composition of the audit committee, the remuneration committee and the nomination committee of the Company fail to meet the requirements under the Listing Rules and the terms of reference of the relevant committees of the Company. The Board will use its best endeavours to identify appropriate person(s) for appointment as independent non-executive Directors and to fill in the vacancies in the relevant committees of the Company.

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, 30 September 2015

As at the date of this announcement, the executive Directors are Ding Hui, Ding Canyang and Chen Quanyi; and the non-executive Directors are Han Huiyuan and Ding Lixia.