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(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 announcement of the Company dated 28 October 2016 (“**October Announcement**”) and the announcements referred to therein; and (ii) the announcement of the Company dated 30 November 2016 (“**Delay in Despatch Announcement**”). Capitalised terms used in this announcement have the same meanings as those defined in the October Announcement unless otherwise specified.

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.

FINANCIAL POSITION AND BUSINESS OPERATIONS OF THE GROUP

Proposed plan for the resumption of trading and delay in despatch of the Composite Document

As disclosed in the Delay in Despatch Announcement, as more time is required for finalising the Composite Document, the Company has applied to the Executive pursuant to Rule 8.2 of the Takeovers Code for, and the Executive is minded to grant, its consent to an extension of time for the despatch of the Composite Document (together with the relevant form of acceptance and transfer) to 27 January 2017. Please refer to the Delay in Despatch Announcement for further information.

Saved as disclosed, since the date of the October Announcement, there is no material development in relation to the proposed plan for the resumption of trading.

Business operation of the Group

On 22 November 2016, the Company launched an online sales platform at <http://www.nq-shop.com> for conducting online sales of the Group.

Since the date of the October Announcement, the total number of retail shops of the Group has remained unchanged at 91 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 October 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 October 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 October Announcement, a court order was granted in relation to a civil action against Mr. Ding Hui and the Company regarding certain loan and the Company was ordered to pay compensation of RMB7 million. Such compensation claimed against the Company is within the estimation of the Company's debts under the Reorganisation Proposal. Saved as disclosed, there has been no material development in relation to the civil actions and arbitration cases against the Group. As at the date of this announcement, there were 8 civil actions against the Group awaiting decisions from the relevant PRC courts.

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

There has been no material development in relation to the civil actions against Mr. Ding Hui and Mr. Ding Canyang since the date of the October 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 October 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, 1 December 2016

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.

All the Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.