NANJING SINOLIFE UNITED COMPANY LIMITED*
南京中生聯合股份有限公司

(A joint stock limited liability company incorporated in the People's Republic of China)

(Stock code: 03332)

MAJOR TRANSACTION
IN RELATION TO
ACQUISITION OF GOOD HEALTH PRODUCTS LIMITED

THE ACQUISITION

On 20 November 2014 (after trading hours), the Vendors, Shanghai Weiyi which is a limited liability company established in the PRC owned as to 60% by the Company and 40% by Fosun Partnership as buyer, the Vendors' Guarantors and the Buyer's Guarantors entered into the Share Transfer Agreement, pursuant to which Shanghai Weiyi has conditionally agreed to acquire and the Vendors have conditionally agreed to dispose of, the Sale Shares, being the entire share capital of the Target Company, at the Consideration of NZ$23,274,254 (equivalent to approximately HK$139,646,000) (subject to adjustments) to be settled by cash.

LISTING RULE IMPLICATIONS

As the applicable percentage ratios for the Acquisition under the Listing Rules are more than 25% but less than 100%, the Acquisition constitutes a major transaction for the Company under Rule 14.06(3) of the Listing Rules. Accordingly, the Acquisition is subject to, the reporting, announcement and approval by the Shareholders under Chapter 14 of the Listing Rules.

The Company intends to obtain a written approval for the transactions contemplated under the Share Transfer Agreement from Mr. Gui Pinghu, who held 476,685,000 Shares, representing approximately 56.87% of the issued Shares as at the date of this announcement, pursuant to Rule 14.44 of the Listing Rules. A circular containing, among other things, (i) further details of the Acquisition and the transactions contemplated thereunder; (ii) financial and other information of the Group; (iii) financial and other information of the Target Company; and (iv) pro forma financial information of the Group as enlarged by the Acquisition, will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules. It is expected that the circular will be despatched to the Shareholders on or before 31 December 2014, which is more than 15 business days after the publication of this announcement, as more time is required to prepare the financial information of the Target Company.

THE ACQUISITION

On 20 November 2014 (after trading hours), the Vendors, Shanghai Weiyi which is a limited liability company established in the PRC owned as to 60% by the Company and 40% by Fosun Partnership as buyer, the Vendors' Guarantors and the Buyer's Guarantors entered into the Share Transfer Agreement, pursuant to which Shanghai Weiyi has conditionally agreed to acquire and the Vendors have conditionally agreed to dispose of, the Sale Shares, being the entire share capital of the Target Company, at the Consideration of NZ$23,274,254 (equivalent to approximately HK$139,646,000) (subject to adjustments) to be settled by cash.

SHARE TRANSFER AGREEMENT

Date

20 November 2014

Parties

Vendors:

(1) Mark Joseph Mathews, who directly holds 25,000 shares of the Target Company, representing 25% of its existing issued share capital as at the date of the Share Transfer Agreement;

(2) Daren Murray Blanchard, as trustee of the Daren Blanchard Inheritance Trust, which directly holds 25,000 shares of the Target Company, representing 25% of its existing issued share capital as at the date of the Share Transfer Agreement;

(3) DBI Trustee Limited, as trustee of the David Blanchard Inheritance Trust, which directly holds 25,000 shares of the Target Company, representing 25% of its existing issued share capital as at the date of the Share Transfer Agreement; and

(4) Brian Blanchard Trustee Limited, as trustee of the Brian Blanchard Family Trust, which directly holds 25,000 shares of the Target Company, representing 25% of its existing issued share capital as at the date of the Share Transfer Agreement.

Buyer:

Shanghai Weiyi Investment & Management Limited Company* (上海惟翊投資管理有限公司) or its nominee

Vendors' Guarantors:

(1) Daren Murray Blanchard;

(2) David John Blanchard; and

(3) Brian Mark Blanchard

Buyer's Guarantors:

(1) Fosun Partnership; and

(2) the Company

Each of DBI Trustee Limited and Brian Blanchard Trustee Limited is an investment holding company incorporated in New Zealand. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Vendors and their respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Shanghai Weiyi is a limited liability company established in the PRC on 21 October 2014, which was then wholly owned by Fosun Weishi and had an unpaid registered capital of RMB1 million. Pursuant to an equity transfer agreement dated 31 October 2014, Fosun Weishi agreed to transfer 60% of its interests in Shanghai Weiyi to the Company and 40% of its interests in Shanghai Weiyi to Fosun Partnership. It is expected that the Company and Fosun Partnership will make contribution to and pay up the existing registered capital of Shanghai Weiyi in proportion to their respective equity interests in it. It is also expected that the registered capital of Shanghai Weiyi will be increased up to approximately the amount of the Consideration (subject to the Consideration Adjustments) in connection with the Acquisition and the Company and Fosun Partnership will inject further capital into Shanghai Weiyi in proportion to their respective equity interests in it.

Subject matter

Pursuant to the Share Transfer Agreement, Shanghai Weiyi has conditionally agreed to acquire, and the Vendors have conditionally agreed to dispose of, the Sale Shares, being the entire issued share capital of the Target Company, free from all security interest and together with all rights attaching to them as at the date of the Share Transfer Agreement, at the Consideration of NZ$23,274,254 (equivalent to approximately HK$139,646,000) (subject to adjustments) to be settled by cash.

As at the date of this announcement, the Target Company held 36% of the issued shares of Brandfolio. Further details of the Target Company and Brandfolio are set out in the paragraph headed "Information on the Company, Target Company and Brandfolio" below.

Conditions precedent

Completion of the Acquisition is conditional on all of the following conditions:

(a) unless the Overseas Investment Office in New Zealand provides written confirmation that the land on which the Leasehold Property is situated is not 'sensitive land' for the purposes of the Overseas Investment Act 2005, Shanghai Weiyi obtaining in writing, on or before the day which is 180 days of the date of the Share Transfer Agreement, and on terms acceptable to Shanghai Weiyi (acting reasonably), all consents required (in the reasonable opinion of Shanghai Weiyi) under the Overseas Investment Act 2005 for the implementation of the Share Transfer Agreement;

(b) Shanghai Weiyi obtaining in writing the consents of the Economic Development Bureau of Shanghai Pilot Free Trade Zone for the entry into and performance of the Share Transfer Agreement by Shanghai Weiyi within 165 days of the date of the Share Transfer Agreement;

(c) the shareholders of Shanghai Weiyi approving the entry into and performance of the Share Transfer Agreement by Shanghai Weiyi in accordance with Shanghai Weiyi's articles of association within 165 days of the date of the Share Transfer Agreement;

(d) compliance with the Listing Rules and other applicable laws and regulations including the passing of all the requisite resolution(s) by the Shareholders to approve the transactions contemplated under the Share Transfer Agreement (if required) in accordance with the requirements under the Listing Rules within 165 days of the date of the Share Transfer Agreement;

(e) the landlord of the Leasehold Property, Albany Highway Nominees Limited:

  (i) giving any consents, on terms acceptable to Shanghai Weiyi (acting reasonably), which may be required as a result of the Acquisition under the terms of the lease of the Leasehold Property; and

  (ii) agreeing, on terms acceptable to Shanghai Weiyi (acting reasonably), the renewal of the lease of the Leasehold Property; and

(f) the third party to certain contracts specified in the Share Transfer Agreement giving a binding acknowledgment, in a form that is reasonably acceptable to Shanghai Weiyi, that the change in control of the Target Company does not affect the rights and duties of the parties under that contract.

Parties to the Share Transfer Agreement may, at their discretion, waive any of the conditions set out above (except for the conditions set out in paragraphs (d) above which cannot be waived).

Consideration

The Consideration of NZ$23,274,254 (equivalent to approximately HK$139,646,000) (subject to adjustments) was arrived after arm's length negotiations between the Vendors and Shanghai Weiyi with reference to (a) the overall financial position and performance of the Target Company; (b) the projected business synergy between the Company and the Target Company; and (c) the established brand reputation of the Target Company in overseas market. The Directors are of the view that the Consideration is justifiable for the reasons and benefits as set out in the paragraph headed "Reasons for and benefits of the Acquisition" below.

Consideration Adjustments

Pursuant to the Share Transfer Agreement, the Consideration Adjustments will be made to the Consideration in the following manner:

(a) if and to the extent the Net Assets are less than the amount of the Target Net Assets, the Vendors must pay to the Buyer's solicitors the amount of such deficiency; and

(b) if and to the extent the Net Assets are greater than the amount of the Target Net Assets, no amount is payable by either the Buyer or the Vendors to the other.

Payment of Consideration

The Consideration will be paid by Shanghai Weiyi or its nominee by way of real time electronic direct bank transfer and settled in the following manners:

(a) within 30 days after the date of the Share Transfer Agreement, a deposit of NZ$2,327,425 (equivalent to approximately HK$13,965,000) ("**Deposit**") to be paid to the Vendors' solicitors;

(b) on Completion, the Consideration less the Deposit (including the Holdback Amount (as defined below)) to be paid to the Vendors' solicitors; and

(c) within 20 business days after the date on which the Completion Accounts have been agreed or determined, the amount of the Consideration Adjustments (if any) to be paid to the Vendors' solicitors.

The Vendors' solicitors will hold NZ$1,827,425 of the Deposit as stakeholder for the parties jointly pursuant to the terms of the Share transfer Agreement. The remaining NZ$500,000 of the Deposit is non-refundable and will be held by the Vendors' solicitors, subject to the terms of the Share Transfer Agreement, for the Vendors.

The Company intends to finance the Consideration by internal resources.

Completion

On or before the Completion Date, the Vendors must procure that the name of the company in which they are interested shall be changed into a new name, and such new name shall not include any word that is likely to cause confusion between the name of the Target Company and such new name, or any word that is likely to indicate a connection between any business of the Target Company and any business carried on by such company.

Further, pursuant to the terms of the Share Transfer Agreement, the Vendors must procure that all indebtedness owing as at Completion from the Vendors or their related parties to the Target Group Companies be satisfied in full, and any material arrangements between the Target Group Companies and the Vendors (other those expressly contemplated under the Share Transfer Agreement) are terminated without cost to the Target Group Companies (including any liability to taxation arising in connection with the termination). The Target Company and the Vendors shall be procured to be released from all guarantees and indemnities given by each of them in support of an obligation of the Vendors and their related parties, and the Target Group Companies, respectively where applicable.

Completion shall take place on the Completion Date or at any other time and place agreed by Shanghai Weiyi and the Vendors.

Upon Completion, Shanghai Weiyi shall repay (on behalf of the Target Company) the amount of the Shareholders' Loan, as notified by the Vendors to Shanghai Weiyi at least five business days prior to Completion. According to the unaudited management accounts of the Target Company, the Shareholders' Loan as at 30 September 2014 was approximately NZ$1,391,470 (equivalent to approximately HK$8,349,000).

On Completion, the Buyer will pay an amount equivalent to 10% of the initial Consideration of NZ$23,274,254 (equivalent to approximately HK$139,646,000) ("**Holdback Amount**") to the Vendors' solicitors as stakeholder. In the event of any claim by the Buyer against the Vendors arising under the Share Transfer Agreement during the year after the Completion Date, the Holdback Amount can be used to settle such claims in accordance to the terms under the Share Transfer Agreement.

Guarantee by the Company

Pursuant to the Share Transfer Agreement, the Company has agreed to be one of the Buyer's Guarantors to provide guarantee in proportion to its equity interest in Shanghai Weiyi severally and in favour of the Vendors for Shanghai Weiyi in relation to their fulfillment of all its obligations under the Share Transfer Agreement in the following manner:

(a) the liability of Fosun Partnership under or in connection with the Share Transfer Agreement will be limited to 40% of the Consideration; and

(b) the liability of the Company under or in connection with Share Transfer Agreement will be limited to 60% of the Consideration.

Undertakings from the Vendors

Pursuant to the Share Transfer Agreement, the Vendors and the Vendors' Guarantors undertake to and covenant with Shanghai Weiyi and the Target Company that none of the Vendors, the Vendors' Guarantors and their respective related parties will, among others, for a period of two years from the Completion Date, (i) be engaged in any business in any jurisdiction to which the Target Company exported products during the 12 months prior to Completion which maybe competitive with the businesses of the Target Group Companies; (ii) accept work from a client of the Target Group Companies; (iii) solicit orders (except on behalf of the Target Company) for goods of the same or similar types to those being provided by the Target Group Companies from their customers; (iv) induce any supplier of the Target Group Companies to cease to supply to them; and (v) induce any employee to leave the employment of the Target Group Companies. Further, none of the Vendors, the Vendors' Guarantors and their respective related parties will disclose confidential information of the Target Group Companies or their clients and use any name or identifier which may cause confusion with the business of the Target Group Companies.

Termination of the Share Transfer Agreement

Before the Completion Date, the Buyer may terminate the Share Transfer Agreement by giving notice to the Vendors if anything occurs which has, or would be likely to have after Completion, a material adverse effect on the Target Company.

The Buyer may terminate the Share Transfer Agreement by giving notice to the Vendors, or the Vendors may terminate the Share Transfer Agreement by giving notice to the Buyer, if before the Completion Date, among others, the Acquisition is being prohibited by any court or being challenged by any action in any jurisdiction.

On the Completion Date, if the Buyer or the Vendors fail to comply with the terms in relation to Completion as set out in the Share Transfer Agreement, then the non-defaulting party may terminate the Share Transfer Agreement by giving at least five business days' notice to the other in accordance with the terms of the Share Transfer Agreement. Subject to the terms of the Share Transfer Agreement, to the extent that it is the Vendors terminating and provided that the Vendors are in a position to complete (or would be but for the Buyer's default) then the entire Deposit will become non-refundable and belong in its entirety to the Vendors.

INFORMATION ON THE COMPANY, TARGET COMPANY AND BRANDFOLIO

The Company is an investment holding company and the Group engages in the sale of nutritional supplements and health food products.

The Target Company is a company incorporated in New Zealand and principally engages in the manufacturing and sales of dietary and wellbeing supplements.

Brandfolio is a company incorporated in New Zealand and principally engages in distribution and promotion of health food products in New Zealand. As at the date of this announcement, Brandfolio is owned as to 36% by the Target Company, 4% by Mark Joseph Mathews (one of the Vendors), and the remaining by two Independent Third Parties.

Shanghai Weiyi is an investment holding company established in the PRC which is owned as to 60% by the Company and 40% by Fosun Partnership. The entrusted investment management company of Fosun Partnership is the same as that of Fosun Chuangfu Shareholding Investment Fund Limited Partnership* (上海復星創富股權投資基金合夥企業(有限合夥)), a limited partnership established in the PRC on 18 April 2011 and is interested in 61,111,000 domestic Shares, representing approximately 7.29% of the Shares, as at the date of this announcement. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Fosun Partnership is an Independent Third Party pursuant to the Listing Rules.

Financial information of the Target Company

According to the unaudited accounts of the Target Company, the net asset value of the Target Company was approximately NZ$5,714,000 (equivalent to approximately HK$34,287,000) as of 31 March 2014. The net profits of the Target Company before and after taxation and extraordinary items for the year ended 31 March 2014 were approximately NZ$1,361,000 (equivalent to approximately HK$8,166,000) and NZ$924,000 (equivalent to approximately HK$5,546,000) respectively. The net profits of the Target Company before and after taxation and extraordinary items for the year ended 31 March 2013 were approximately NZ$1,694,000 (equivalent to approximately HK$10,161,000) and NZ$1,213,000 (equivalent to approximately HK$7,280,000) respectively.

After Completion, the Target Company will become an indirect non-wholly-owned subsidiary of the Company. The financial results of the Target Company will be consolidated into the financial results of the Company.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Directors consider that the Acquisition will be beneficial to the Group from the following perspectives ("**Acquisition Benefits**"):

(1) the Target Company has its production lines and facilities in New Zealand which can be utilised for the Group's production in the future when consider appropriate;

(2) the Directors consider the brand owned by the Target Group Companies is well established and the Group's product portfolio can be broadened as a result of the Acquisition and the Directors believe this will be beneficial to the Group's revenue stream;

(3) the Target Company has an established internet sales platform and network in countries such as Australia, Hong Kong, Japan and Korea, the Group can benefit from the extensive sales network of the Target Company and gain entry into these markets with good future prospects in the nutritional supplements industry; and

(4) the Acquisition provides business synergy between the Company and the Target Company and is an efficient way to expand and enrich the product portfolio, sales channel, production capacity and the branding and reputation of the Group.

Based on the factors mentioned above, the Directors are of the view that the terms, including the Consideration, of the Share Transfer Agreement are on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULE IMPLICATIONS

As the applicable percentage ratios for the Acquisition under the Listing Rules are more than 25% but less than 100%, the Acquisition constitutes a major transaction for the Company under Rule 14.06(3) of the Listing Rules. Accordingly, the Acquisition is subject to, the reporting, announcement and approval by the Shareholders under Chapter 14 of the Listing Rules.

The Company intends to obtain a written approval for the transactions contemplated under the Share Transfer Agreement from Mr. Gui Pinghu, who held 476,685,000 Shares, representing approximately 56.87% of the issued Shares as at the date of this announcement, pursuant to Rule 14.44 of the Listing Rules. A circular containing, among other things, (i) further details of the Acquisition and the transactions contemplated thereunder; (ii) financial and other information of the Group; (iii) financial and other information of the Target Company; and (iv) pro forma financial information of the Group as enlarged by the Acquisition, will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules. It is expected that the circular will be despatched to the Shareholders on or before 31 December 2014, which is more than 15 business days after the publication of this announcement, as more time is required to prepare the financial information of the Target Company.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

"Acquisition"	the acquisition by Shanghai Weiyi of the Sale Shares from the Vendors pursuant to the Share Transfer Agreement
"Board"	the board of Directors
"Brandfolio"	Brandfolio Limited, a company incorporated in New Zealand and limited by shares, is owned as to 36% by the Target Company, 4% by Mark Joseph Mathews (one of the Vendors), and the remaining by two Independent Third Parties
"Buyer" or "Shanghai Weiyi"	Shanghai Weiyi Investment & Management Limited Company* (上海惟翊投資管理有限公司), a limited liability company established in the PRC and is owned as to 60% by the Company and 40% by Fosun Partnership or its nominee
"Buyer's Guarantors"	Fosun Partnership and the Company, each a guarantor for Shanghai Weiyi under the Share Transfer Agreement
"China" or "PRC"	the People's Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Company"	Nanjing Sinolife United Company Limited* (南京中生聯合股份有限公司), a joint stock limited liability company incorporated in the PRC, the H Shares of which are listed on the Stock Exchange

"Completion"	completion of the Acquisition under the Share Transfer Agreement
"Completion Accounts"	the financial statements of the Target Company as at Completion prepared by the Target Group Companies as procured by the Buyer in accordance with the terms under the Share Transfer Agreement
"Completion Date"	the date which is the last business day of the calendar month immediately following the calendar month in which the last of the conditions precedent set out in the Share Transfer Agreement to be satisfied or waived is satisfied or waived, or any other date agreed by Shanghai Weiyi and the Vendors, or as the case may require, the date on which Completion actually occurs
"connected person(s)"	has the meaning ascribed to it in the Listing Rules
"Consideration"	the consideration for the Acquisition, subject to adjustment
"Consideration Adjustments"	the adjustment to the Consideration, further details of which are set out in the paragraph headed "Consideration Adjustments" in this announcement
"Director(s)"	the director(s) of the Company
"Fosun Weishi"	Shanghai Fosun Weishi Investment Management Company Limited* (上海復星惟實投資管理有限公司), a limited liability company established in the PRC, an independent third party
"Fosun Partnership"	Shanghai Fosun Weishi Tranche One Private Equity Partnership Limited* (上海復星惟實一期股權投資基金合夥企業), a limited partnership established in the PRC, an independent third party
"Group"	collectively, the Company and its subsidiaries from time to time
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	third party(ies) independent of, and not connected with, the Company and its connected persons in accordance with the Listing Rules
"Leasehold Property"	premises at 265 Albany Highway, Albany, Auckland (also known as 8 Parkhead Place), which has been leased to the Target Company for a term of 10 years for the use of marketing, distribution and manufacturing since 1 April 2006
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

"Net Assets"	total assets of the Company as at the Completion Date (including the equity accounted investment in Brandfolio) less total liabilities of the Target Company as at the Completion Date, as set out in the Completion Accounts
"NZ$"	New Zealand dollars, the lawful currency of New Zealand
"RMB"	Renminbi, the lawful currency of the PRC
"Sale Shares"	100,000 shares of the Target Company, being all of the issued share capital of the Target Company as at the date of the Share Transfer Agreement
"Share(s)"	ordinary share(s) of RMB0.10 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
"Shareholders' Loan"	the amount owed by the Company to the trustees of the J Blanchard Family Trust and the trustees of the C Blanchard Family Trust, and the amount owed by the Company to the Vendors, in each case immediately prior to Completion
"Share Transfer Agreement"	the share transfer agreement dated 20 November 2014 entered into among the Vendors, Shanghai Weiyi, the Vendors' Guarantors and the Buyer's Guarantors in relation to the Acquisition and is governed by the law of New Zealand, the major terms of which are set out in the section headed "Share Transfer Agreement" in this announcement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Good Health Products Limited, a company incorporated in New Zealand and limited by shares, owned as to 25% by each of Mark Joseph Mathews, Daren Murray Blanchard (as trustee of the Daren Blanchard Inheritance Trust), DBI Trustee Limited (as trustee of the David Blanchard Inheritance Trust) and Brian Blanchard Trustee Limited (as trustee of the Brian Blanchard Family Trust)
"Target Group Companies"	any of the Target Company and Brandfolio
"Target Net Assets"	the amount equal to NZ$6,159,047 (equivalent to approximately HK$36,954,000)
"Vendors"	(1) Mark Joseph Mathews, who directly holds 25,000 shares of the Target Company, representing 25% of its existing issued share capital as at the date of this announcement;

(2) Daren Murray Blanchard, as trustee of the Daren Blanchard Inheritance Trust, which directly holds 25,000 shares of the Target Company, representing 25% of its existing issued share capital as at the date of this announcement;

(3) DBI Trustee Limited, as trustee of the David Blanchard Inheritance Trust, which directly holds 25,000 shares of the Target Company, representing 25% of its existing issued share capital as at the date of this announcement; and

(4) Brian Blanchard Trustee Limited, as trustee of the Brian Blanchard Family Trust, which directly holds 25,000 shares of the Target Company, representing 25% of its existing issued share capital as at the date of this announcement.

"Vendors' Guarantors"	Daren Murray Blanchard, David John Blanchard, and Brian Mark Blanchard
"%"	per cent.

* *For identification purposes only*

For the purpose of this announcement, unless otherwise specified, conversions of RMB into Hong Kong dollars, RMB into New Zealand dollars and New Zealand dollars into Hong Kong dollars are based on the approximate exchange rates of RMB1.00 to HK$1.26, RMB1 to NZ$0.21 and NZ$1 to HK$6 respectively.

By order of the Board
Nanjing Sinolife United Company Limited
Gui Pinghu
Chairman

Nanjing, People's Republic of China, 20 November 2014

As of the date of this announcement, the executive Directors are Mr. Gui Pinghu, Ms. Zhang Yuan, Ms. Xu Li and Ms. Zhu Feifei; the non-executive Director is Mr. Xu Chuntao; and the independent non-executive Directors are Mr. Jiang Fuxin, Ms. Feng Qing and Mr. Vincent Cheng.