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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: 3332)

DISCLOSEABLE TRANSACTION CONSTRUCTION CONTRACT

The Board is pleased to announce that, after trading hours on 12 November 2015, the Subsidiary, a wholly-owned subsidiary of the Company, entered into the Construction Contract with the Contractor, under which the Contractor will construct a complex of three buildings, comprising offices, research centres and information control centres, with an aggregate area of approximately 23,000 square metres for the Group in Nanjing, the PRC at a consideration of RMB42,500,000 (equivalent to approximately HK\$51,850,000).

As the relevant applicable percentage ratios (as defined under Chapter 14 of the Listing Rules) in respect of the transactions contemplated under the Construction Contract are more than 5% but less than 25%, the Construction Contract constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

THE CONSTRUCTION CONTRACT

Major terms of the Construction Contract are set out below:

Date:

12 November 2015 (after trading hours)

Parties:

- (1) the Subsidiary (i.e. Nanjing Zhongsheng Bio-Tech Co. Limited*); and
- (2) the Contractor.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Contractor and its beneficial owners is an Independent Third Party.

* For identification purposes only

Details of the subject matter of the Construction Contract

The Construction Contract is in relation to the construction of a complex of three buildings, comprising offices, research centres and information control centres, with an aggregate area of approximately 23,000 square metres for the Group in Nanjing, the PRC.

Consideration

The Consideration is RMB42,500,000 (equivalent to approximately HK\$51,850,000) and is intended to be financed by the Company with its proceeds raised from the Global Offering (“**Proceeds**”) and internal resources of the Group. With reference to the circular of the Company dated 15 May 2015, (i) approximately HK\$132.9 million of the Proceeds was intended to be used for the acquisition of Good Health Products Limited (details in relation to the acquisition are set out in the circular dated 19 December 2014) and for future expansion in the production capacity of the Group; (ii) approximately HK\$25.7 million of the Proceeds was intended to be used for building a research and development and testing centre; and (iii) approximately HK\$25.7 million of the Proceeds was intended to be used for establishing an information and logistics control centre. As at the date of this announcement, approximately HK\$86.9 million had been used for the acquisition of Good Health Products Limited.

The Consideration shall be payable by the Subsidiary to the Contractor in cash and in the following manner:

- (a) 5% of the Consideration shall be payable within 14 days after the launch of the machines and the commencement of work by the construction workers at the construction site;
- (b) 90% of the Consideration shall be payable by stages after completion of certain works (each being an “**Instalment**”); each Instalment shall be payable within 30 days after the engineer representing each of the Contractor and the Subsidiary has approved completion of such stage of works; and
- (c) 5% of the Consideration shall be withheld as the Quality Assurance Retention Money for the Construction Works, which shall be paid in equal instalments after the end of 12 months and 24 months respectively upon completion of the Construction Works.

Basis of the Consideration

The Consideration was determined based on normal commercial terms and after arm’s length negotiations between the parties after taking into account the design of the construction project, materials used and the size of the construction project. After taking into account the above factors, the Directors consider that the terms of Construction Contract, including the Consideration, are on normal commercial terms, fair and reasonable and are in the interests of the Company and its shareholders as a whole.

Completion

The Construction Works are expected to complete on or before 15 July 2017.

REASONS AND BENEFITS OF THE CONSTRUCTION WORKS

The Group is a leading manufacturer of nutritional supplements and health food products in the PRC. With the increasing awareness of health food products in the PRC in recent years, the Group endeavours to capture the opportunity by strengthening its research and development on nutritional and dietary supplements products so as to increase its product mix to suit the market needs. Besides, the Group targets to continue increasing its brand recognition in the target markets by engaging in a variety of marketing and promotional activities, and to participate in online sales platforms to serve a broad customer base. Upon completion of the Construction Works, the Group will be able to make use of the new offices, the research centres and the information control centres for its expansion of business.

GENERAL

The principal activities of the Contractor are construction of properties in the PRC.

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

LISTING RULES IMPLICATIONS

As the relevant applicable percentage ratios (as defined under Chapter 14 of the Listing Rules) in respect of the transactions contemplated under the Construction Contract are more than 5% but less than 25%, the Construction Contract constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“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
“Consideration”	the consideration for the Construction Works
“Construction Contract”	the agreement dated 12 November 2015 entered into between the Subsidiary and the Contractor in relation to the Construction Works, the major terms of which are set out in the paragraph headed “The Construction Contract” in this announcement

“Construction Works”	the construction of a complex of three buildings, comprising offices, research centres and information control centres, with an aggregate area of approximately 23,000 square metres pursuant to the Construction Contract
“Contractor”	Jiangsu Construction Works Company Limited* (江蘇大陸建設工程有限公司), a limited liability company established in the PRC
“Director(s)”	the director(s) of the Company
“Global Offering”	the initial public offering and international offering of the H Shares of the Company, details of which are set out in the prospectus of the Company dated 31 December 2013, together with the issue of the over-allotment shares, details of which are set out in the announcement of the Company dated 29 January 2014
“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
“H Shares”	H shares of the Company with a nominal value of RMB0.10 each in the share capital of the Company
“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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
“Quality Assurance Retention Money”	the retention money to cover the costs of rectifying any quality defects discovered within the construction warranty period under the Construction Contract, being 24 months upon completion of the Construction Works
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subsidiary”

Nanjing Zhongsheng Bio-Tech Co. Limited* (南京中生生物
科技有限公司), a limited liability company established in
the PRC and a wholly-owned subsidiary of the Company

“%”

per cent.

For the purpose of this announcement, unless otherwise specified, conversions of RMB into HK\$ are based on the approximate exchange rates of RMB1.00 to HK\$1.22.

By Order of the Board
NANJING SINOLIFE UNITED COMPANY LIMITED*
Gui Pinghu
Chairman

Nanjing, the People's Republic of China, 12 November 2015

As at 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.

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