

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.

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)

MEMORANDUM OF UNDERSTANDING RELATING TO A PROPOSED ACQUISITION

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

MEMORANDUM OF UNDERSTANDING

The board (“**Board**”) of directors (“**Directors**”) of Nanjing Sinolife United Company Limited (“**Company**”, together with its subsidiaries, the “**Group**”) announces that on 20 November 2015, a memorandum of understanding (“**Memorandum of Understanding**”) was entered into between (i) the Company (“**Purchaser**”) as purchaser; (ii) two individuals (both being residents of the People's Republic of China (“**PRC**”)) and three entities established in the PRC (collectively, the “**Vendors**”) as vendors; and (iii) Shanghai Hejian Nutritional Foods Company Limited* (上海禾健營養食品股份有限公司) (“**Target Company**”) in relation to the proposed acquisition (“**Proposed Acquisition**”) of 100% of the equity interests in the Target Company (“**Target Interests**”). Save for the clauses relating to confidentiality, exclusivity, duration and the governing law and dispute resolution of the Memorandum of Understanding, the Memorandum of Understanding was not legally binding on the parties thereto. After signing of the Memorandum of Understanding, the parties thereto shall enter into negotiation for the formal legally-binding sale and purchase agreement (“**Formal Agreement**”) relating to the Proposed Acquisition and other matters relating to the Proposed Acquisition, and the provisions of the Memorandum of Understanding shall form the basis for the preparation of the Formal Agreement.

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.

Assets to be acquired

Pursuant to the Memorandum of Understanding, the Purchaser intended to acquire and the Vendors intended to sell the Target Interests. The Target Company is a company established in the PRC and its shares are listed and capable of being transferred on the National Equities

* *For identification purposes only*

Exchange and Quotations System (commonly known as the “**PRC New Third Board**”). The Proposed Acquisition will be in compliance with the applicable laws and regulations of the PRC.

Consideration

Pursuant to the Memorandum of Understanding, the total consideration for the Proposed Acquisition (“**Consideration**”) shall be determined with reference to, among other factors, the results of due diligence on the Target Company and negotiations between the parties to the Memorandum of Understanding. The exact amount of the Consideration and the manner of payment will be agreed upon and set out in the Formal Agreement. It is expected that the Consideration will be satisfied by cash, part of which will be applied for the subscription of new shares to be issued and allotted by the Company.

Exclusivity

Pursuant to the Memorandum of Understanding, the Vendors and the Target Company shall not, prior to the Long Stop Date (as defined below), negotiate with any third party in relation to the Proposed Acquisition.

Duration

Pursuant to the Memorandum of Understanding, the Memorandum of Understanding shall be effective from the date of the Memorandum of Understanding and it will cease to have any further effect on (i) the 60th day after the date of the Memorandum of Understanding; or (ii) the date of signing of the Formal Agreement or other agreements in relation to the Proposed Acquisition (whichever is earlier) (“**Long Stop Date**”).

REASONS FOR THE PROPOSED ACQUISITION

The Group is a leading manufacturer of nutritional supplements and health food products in the PRC. The Target Company is mainly engaged in the sale of dietary supplements through online platform; and its products are sold through its online platform to the customers. The sales models of the Target Company are in line with and complementary to the Group’s business expansion strategy.

It is expected that the Proposed Acquisition can diversify the Group’s business portfolio and distribution channels to capture a wider range of customers which will result in the broadening of the Group’s income stream. The Directors are optimistic about the synergy to be created between the Company and the Target Company after the Proposed Acquisition. Taking into account of the above factors, the Directors believe that the Proposed Acquisition will be in the interest of the Group and the shareholders of the Company as a whole.

GENERAL

As the Memorandum of Understanding may or may not lead to the entering into of the Formal Agreement and the Proposed Acquisition may or may not proceed, shareholders and potential investors of the Company are advised to exercise caution when trading in the shares of the Company.

In the event that the Proposed Acquisition materialises, it may constitute a notifiable transaction for the Company under the Listing Rules. Further announcement(s) will be made by the Company in accordance with all applicable requirements of the Listing Rules as and when appropriate.

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

Nanjing, the People's Republic of China, 26 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.

* For identification purposes only