

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.



南京三寶科技股份有限公司
NANJING SAMPLE TECHNOLOGY COMPANY LIMITED*

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

(Stock Code: 8287)

ANNOUNCEMENT

Nanjing Sample Technology Company Limited* (the "Company") and Nanjing Pharmaceutical Company Limited ("NJYY") propose to jointly invest in 南京醫藥藥品營銷有限公司 (Nanjing Medicine Marketing Company Limited*) ("Medicine Marketing Company") as a joint venture ("Proposed Transaction"). In addition, it proposes to change the name of Medicine Marketing Company into 南京醫藥供應鏈管理有限公司 (Nanjing Medicine Supply Chain Management Company Limited*) (subject to the approval of industry and commerce administration authorities). The Company currently expects that the Proposed Transaction will constitute notifiable transaction for the Company under Chapter 19 of the GEM Listing Rules. Further announcement will be made upon the signing of the formal agreement in accordance with the GEM Listing Rules.

The Proposed Transaction is still subject to the signing of formal agreements. Accordingly, the Proposed Transaction may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Nanjing Sample Technology Company Limited* (the "Company") and Nanjing Pharmaceutical Company Limited ("NJYY") propose to jointly invest in 南京醫藥藥品營銷有限公司 (Nanjing Medicine Marketing Company Limited*) ("Medicine Marketing Company") as a joint venture ("Proposed Transaction"). In addition, it proposes to change the name of Medicine Marketing Company into 南京醫藥供應鏈管理有限公司 (Nanjing Medicine Supply Chain Management Company Limited*) (subject to the approval of industry and commerce administration authorities).

Medicine Marketing Company is a wholly-owned subsidiary of NJYY and was established in February 2009 and has a registered capital of RMB48 million. As at the date of this announcement, industry and commerce registration of Medicine Marketing Company was not yet completed. Through the establishment of Medicine Marketing Company, the Company and NJYY would jointly establish a co-operation platform for the pharmaceutical products supply chain management information project. Capital contribution by the Company would be RMB75 million. Original investment in Medicine Marketing Company by NJYY amounted to RMB48 million, which is now proposed to be increased to RMB75 million in accordance with the business development needs of Medicine Marketing Company. Meanwhile, it proposes to change the registered name of the new venture from Medicine Marketing Company to Nanjing Medicine Supply Chain Management Company Limited (subject to the approval of industry and commerce administration authorities). The Company and NJYY would contribute equally to the registered capital of the joint venture in the total amount of RMB150 million.

The Directors consider that the investment by the Company and NJYY in the construction of a medical business logistics information system utilizing RFID technology as the foundation and Nanjing Medicine Supply Chain Management Company Limited as the business platform, and the creation of a modern integrated medical supply chain information system through integration with the primary business model of NJYY business circulation will be able to achieve our ultimate goal of minimizing cost, enhancing efficiency and increasing core competitiveness.

Having made reasonable enquiries, to the best knowledge and belief of the Directors, NJYY and its ultimate beneficiaries are third parties (as defined in the GEM Listing Rules) independent of the Company and its connected persons and are not connected persons of the Company.

RISK ANALYSIS ON INVESTMENT

This cooperation project involves such risk factors as the change in the state policy of the PRC and the level of integration between the project and the Company's overall operational system, which directly incur uncertainties on the profitability of the project. Based on careful research and analysis, and in strict accord to the policy of the PRC, the Company will strive to closely integrate the project, the Company's traditional business and various innovative segments to facilitate mutual development, so that the possibility of potential risks would be minimized.

GENERAL

As this proposed investment is currently price-sensitive information, this announcement was published by the Company on a voluntary basis.

DEFINITION

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

“Company”	南京三寶科技股份有限公司 (Nanjing Sample Technology Company Limited*), a company incorporated in the PRC with limited liability, and its H shares are listed on the GEM (Stock Code: 8287)
“Directors”	director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM, as amended from time to time
“PRC”	the People's Republic of China
“NJYY”	南京醫藥股份有限公司 (NanJing Pharmaceutical Company Limited*), a company established in the PRC with limited liability, which is primarily engaged in research, production and sale of chemical pharmaceutical raw materials, chemical pharmaceuticals preparations, antibiotics, biochemical pharmaceuticals, bio products, finished Chinese pharmaceuticals, veterinary pharmaceuticals and additives, medical equipment, glass instruments, medicinal alcohol; and sale of psychopathological pharmaceuticals, anesthesia pharmaceuticals and medical toxic pharmaceuticals

“Medicine Marketing Company”	南京醫藥藥品營銷有限公司 (Nanjing Medicine Marketing Company Limited*), a wholly-owned subsidiary of NJYY proposed to be established in the PRC
“Nanjing Medicine Supply Chain Management Company Limited”	南京醫藥供應鏈管理有限公司 (Nanjing Medicine Supply Chain Management Company Limited*), subject company of this investment, a company proposed to be established in the PRC with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“RMB”	Renminbi, the lawful currency of the PRC

By the Order of the Board
Nanjing Sample Technology Company Limited*
Sha Min
Chairman

9 December 2009
Nanjing, the PRC

As at the date hereof, the executive Directors are Mr. Sha Min (Chairman), Mr. Chang Yong and Mr. Guo Ya Jun, the non-executive Director is Mr. Ge Jun and the independent non-executive Directors are Mr. Zhang Zhan, Mr. Wang Wei and Mr. Lau Shek Yau John.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules of the Stock Exchange, for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are found on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least 7 days from the date of its posting.

* For identification only