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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)

SUBSCRIPTION OF NEW H SHARES UNDER GENERAL MANDATE

The Company announces that on 13 December 2016, after trading hours, the Company and the Subscriber (which is an independent third party) entered into the Subscription Agreement, pursuant to which the Subscriber has conditionally agreed to subscribe for 45,411,600 new H Shares at the Subscription Price of HK\$1.61 per Subscription Share.

The Subscription Shares represent (i) 20% of the total issued H Shares; (ii) approximately 5.04% of the existing issued share capital of the Company; and (iii) approximately 4.80% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming there will be no change in the issued share capital of the Company between the date of the Subscription Agreement and Completion other than the allotment and issue of the Subscription Shares).

The Subscription Price is HK\$1.61 per Subscription Share which represents (i) a discount of approximately 12.02% to the closing price of HK\$1.83 per Share as quoted on the Stock Exchange on the Last Trading Day; (ii) a discount of approximately 8.42% to the average closing price of HK\$1.758 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Last Trading Day; and (iii) a discount of approximately 6.77% to the average closing price of HK\$1.727 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to the Last Trading Day.

The gross proceeds from the Subscription are expected to be approximately HK\$73.11 million. After deducting the related professional fees and all related expenses of approximately HK\$0.18 million which will be borne by the Company, the net proceeds from the Subscription will amount to approximately HK\$72.93 million, and will be applied to the general working capital of the Group.

* For identification purposes only

THE SUBSCRIPTION AGREEMENT

Date:

13 December 2016 (after trading hours)

Parties:

- (a) the Company (as issuer); and
- (b) the Subscriber.

Pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe for 45,411,600 new H Shares at the Subscription Price of HK\$1.61 per Subscription Share.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Subscriber is an investment holding company incorporated in the British Virgin Islands, and it is a third party independent of and not connected with the Company and its connected persons. The Subscriber is a wholly-owned subsidiary of Fullshare Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 00607). Fullshare Holdings Limited and its group companies are principally engaged in property development, provision of green building services, investment and healthcare products and services business.

The Subscription Shares

The Subscription Shares represent (i) 20% of the total issued H Shares; (ii) approximately 5.04% of the existing issued share capital of the Company; and (iii) approximately 4.80% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming there will be no change in the issued share capital of the Company between the date of the Subscription Agreement and Completion other than the allotment and issue of the Subscription Shares). The aggregate nominal value of the Subscription Shares is RMB4,541,160.

Ranking of the Subscription Shares

The Subscription Shares will rank pari passu in all respects with the H Shares in issue as at the date of the allotment and issue of the Subscription Shares.

Subscription Price

The Subscription Price is HK\$1.61 per Subscription Share which represents:

- (i) a discount of approximately 12.02% to the closing price of HK\$1.83 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 8.42% to the average closing price of approximately HK\$1.758 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day; and

- (iii) a discount of approximately 6.77% to the average closing price of HK\$1.727 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to the Last Trading Day.

The Subscription Price was determined after arm's length negotiations between the Company and the Subscriber with reference to the prevailing market price of the H Shares. The Directors consider that the Subscription Agreement (including the Subscription Price) is on normal commercial terms and is fair and reasonable and that the Subscription is in the interests of the Company and the Shareholders as a whole.

Conditions of the Subscription

The Completion is conditional upon fulfillment of the following conditions precedent:

- (a) the Stock Exchange having approved the issue of the Subscription Shares (if required) and the Listing Committee of the Stock Exchange having granted the listing of, and the permission to deal in, the Subscription Shares and such listing and permission having not been revoked;
- (b) the passing by the Board of the necessary resolutions to approve the Subscription and the consummation of the transactions contemplated under the Subscription Agreement;
- (c) all the required approvals, authorisations, consents having been obtained from, and all the required registrations and filings having been completed with (if applicable), the governmental authorities or regulatory bodies (including, for the avoidance of doubt, CSRC approval) or any relevant third party in connection with the transactions contemplated under the Subscription Agreement;
- (d) the Company's warranties and representations remaining true, accurate and not misleading in each case in all material respects at any time between the date of the Subscription Agreement and the Completion Date (both dates inclusive) and as if made at such time;
- (e) the Subscriber's warranties and representations remaining true, accurate and not misleading in each case in all material respects at any time between the date of the Subscription Agreement and the Completion Date (both dates inclusive) and as if made at such time; and
- (f) there having been no circumstances which would give rise to a material adverse effect on the Group or the ability of the Company to perform its obligations under the Subscription Agreement since the date of the Subscription Agreement.

The Subscriber may at its sole discretion waive the above conditions precedent (d) and (f) by written notice to the Company. The Company may at its absolute discretion waive the above condition precedent (e) by written notice to the Subscriber.

The Company shall use its best endeavours to ensure that the above conditions precedent (a), (b), (c), (d) and (f) are fulfilled by 31 January 2017 (or such other date as the Company and the Subscriber may mutually agree in writing).

In the event that any of the above conditions of the Subscription is not fulfilled or waived at or before 5 p.m. on 31 January 2017 (or such other time and/or date as the Company and the Subscriber shall mutually agree), the Subscription Agreement may be terminated by either party by notice in writing to the other party. Upon termination of the Subscription Agreement, the Subscription Agreement shall forthwith become void and of no further force and effect, and neither party shall have any claims against the other for costs, damages, compensations or otherwise, save for any rights and liabilities that have accrued prior to termination under the Subscription Agreement.

Completion of the Subscription

Completion is to take place at 9:30 a.m. on the Completion Date or such other time and/or date as the Company and the Subscriber may agree in writing.

General mandate

The Subscription Shares will be allotted and issued under the general mandate to allot, issue and deal with H Shares granted to the Directors by resolution of the Shareholders passed at the annual general meeting of the Company held on 6 June 2016, on which date the total number of H Shares in issue was 227,058,000 and the aggregate nominal value of the H Shares in issue was RMB22,705,800. Accordingly, the issue of the Subscription Shares will not be subject to the approval of the Shareholders. As at the date of this announcement, no H Share has been issued under such general mandate.

Application for listing

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of approval for the listing of, and permission to deal in, the Subscription Shares.

REASONS FOR THE SUBSCRIPTION

Reference is made to the circular of the Company dated 3 May 2016 and the announcement of the Company dated 28 October 2016 in relation to, among others, the conditional acquisition of 40% of the equity interest held by Shanghai Fosun Weishi Phase I Equity Investment Fund Partnership (L.P.)* (上海復星惟實一期股權投資基金合夥企業(有限合夥)) in Shanghai Weiyi Investment & Management Limited Company* (上海惟翊投資管理有限公司) by the Company (the “**Acquisition**”). Upon completion of the issue of H Shares (the “**Issue of Fosun Shares**”) to Fosun Weishi (Hong Kong) Limited (復星惟實(香港)有限公司) (“**Fosun HK**”) under the Acquisition, it is expected that the public float of the Company will fall below 25%, which is a requirement under Rule 8.08(1)(b) of the Listing Rules. In light of this, the Directors consider that the Subscription can (i) enable the Company to maintain sufficient public float upon completion of the Issue of Fosun Shares, which is expected to take place after the Completion in 2017; and (ii) broaden the shareholder base of the Company. Upon Completion, the Company intends to explore future investment opportunities with Fullshare Holdings Limited in manufacturers of high quality health products in Australia, New Zealand and Singapore.

USE OF PROCEEDS FROM THE SUBSCRIPTION

The gross proceeds from the Subscription are expected to be approximately HK\$73.11 million. After deducting the related professional fees and all related expenses of approximately HK\$0.18 million which will be borne by the Company, the net proceeds from the Subscription will amount to approximately HK\$72.93 million, and will be applied to the general working capital of the Group.

The net price per Subscription Share is approximately HK\$1.606.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS

The Company has not conducted any equity fund raising activities in the past 12 months immediately before the date of this announcement.

EFFECT OF THE SUBSCRIPTION ON THE SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company (assuming there will be no change in the issued share capital of the Company between the date of the Subscription Agreement and Completion other than the issue and allotment of the Subscription Shares) (i) immediately prior to Completion; (ii) immediately upon Completion and prior to completion of the Issue of Fosun Shares; and (iii) immediately upon Completion and completion of the Issue of Fosun Shares:

	Immediately prior to Completion		Immediately upon Completion and prior to completion of the Issue of Fosun Shares		Immediately upon Completion and completion of the Issue of Fosun Shares	
	<i>Number of issued shares held</i>	<i>% (Note 1)</i>	<i>Number of issued shares held</i>	<i>% (Note 1)</i>	<i>Number of issued shares held</i>	<i>% (Note 1)</i>
 Holders of Domestic Shares 						
Mr. Gui Pinghu (Note 2)	477,126,590	52.96	477,126,590	50.42	477,126,590	48.47
Ms. Zhang Yuan (Note 2)	6,599,550	0.73	6,599,550	0.70	6,599,550	0.67
Ms. Xu Li (Note 2)	5,498,570	0.61	5,498,570	0.58	5,498,570	0.56
Ms. Zhu Feifei (Note 2)	659,340	0.07	659,340	0.07	659,340	0.07
Ms. Yu Min (Note 2)	659,340	0.07	659,340	0.07	659,340	0.07
Ms. Wu Xuemei (Note 2)	551,480	0.06	551,480	0.06	551,480	0.06
Ms. Wu Yanmei (Note 3)	52,965,000	5.88	52,965,000	5.60	52,965,000	5.38
Shanghai Fosun Chuangfu Equity Investment Fund Partnership (L.P.) * (上海復星創富股權投資基金 合夥企業(有限合夥) ("Fosun Chuangfu") (Note 4)	61,111,000	6.78	61,111,000	6.46	61,111,000	6.21
Other holders of Domestic Shares	68,657,900	7.62	68,657,900	7.26	68,657,900	6.98

Immediately prior to Completion		Immediately upon Completion and prior to completion of the Issue of Fosun Shares		Immediately upon Completion and completion of the Issue of Fosun Shares	
<i>Number of issued shares held</i>	<i>% (Note 1)</i>	<i>Number of issued shares held</i>	<i>% (Note 1)</i>	<i>Number of issued shares held</i>	<i>% (Note 1)</i>

Holder of H Shares

Fosun HK (Note 4)	—	—	—	—	38,000,000	3.86
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Public holders of H Shares

The Subscriber	—	—	45,411,600	4.80	45,411,600	4.61
Other public holders of H Shares	<u>227,058,000</u>	<u>25.2</u>	<u>227,058,000</u>	<u>23.99</u>	<u>227,058,000</u>	<u>23.07</u>
Total	<u>900,886,770</u>	<u>100%</u>	<u>946,298,370</u>	<u>100%</u>	<u>984,298,370</u>	<u>100%</u>

Notes:

1. The above percentage figures have been subject to rounding adjustments. Accordingly, figures shown as total may not be an arithmetic aggregation of the figures preceding it.
2. Mr. Gui Pinghu, Ms. Zhang Yuan, Ms. Xu Li and Ms. Zhu Feifei are executive Directors. Ms. Yu Min and Ms. Wu Xuemei are supervisors of the Company.
3. Ms. Wu Yanmei is the spouse of Mr. Gui Pinghu who is an executive Director.
4. Fosun Chuangfu and Fosun HK shall be considered as a substantial shareholder of the Company by aggregating their respective interests in the issued share capital of the Company upon completion of the Issue of Fosun Shares.
5. As at the date of this announcement, the Company does not have any outstanding convertible securities.

Shareholders and potential investors should note that Completion is subject to fulfillment of the conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which Hong Kong licensed banks are generally open for the transaction of normal banking business
“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 Main Board of the Stock Exchange
“Completion”	completion of the Subscription pursuant to the terms and conditions of the Subscription Agreement, which shall take place on the Completion Date
“Completion Date”	the date of Completion, which shall be within the fifth Business Day after the date on which the conditions precedent to the Subscription Agreement are fulfilled (or waived as appropriate) or such other date as agreed by the parties to the Subscription Agreement
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	domestic share(s) with a nominal value of RMB0.10 each in the share capital of the Company
“Group”	the Company and its subsidiaries from time to time
“H Share(s)”	overseas-listed foreign share(s) with a nominal value of RMB0.10 each in the share capital of the Company which are listed on the Stock Exchange and are subscribed for and traded in HK\$
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“independent third party(ies)”	person(s) or company(ies) who/which is/are independent of and not connected with the Group, the Directors, the chief executives, controlling Shareholders and substantial Shareholders of the Company and its subsidiaries and any of their respective associates
“Last Trading Day”	13 December 2016, being the last trading day for the H Shares prior to this announcement

“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 only, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the share(s) with a nominal value of RMB0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Five Seasons XIV Limited, a company incorporated in the British Virgin Islands and a direct wholly-owned subsidiary of Fullshare Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 00607)
“Subscription”	the conditional allotment and issue of 45,411,600 H Shares by the Company to the Subscriber at the Subscription Price of HK\$1.61 per Subscription Share pursuant to the Subscription Agreement
“Subscription Agreement”	the agreement dated 13 December 2016 and entered into between the Company and the Subscriber in respect of the Subscription, details of which are set out in the paragraph headed “The Subscription Agreement” in this announcement
“Subscription Price”	HK\$1.61 per Subscription Share
“Subscription Share(s)”	45,411,600 H Shares to be issued by the Company to the Subscriber pursuant to the Subscription Agreement, each being a “Subscription Share”
“%”	per cent

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

Nanjing, the People’s Republic of China, 13 December 2016

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.

For the purpose of this announcement, unless otherwise specified, conversions of RMB into HK\$ are based on the approximate exchange rate of HK\$1.00 to RMB0.88.

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