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)

PROFIT WARNING

This announcement is made by Nanjing Sinolife United Company Limited* (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on a review of the Group's unaudited consolidated management accounts for the year ended 31 December 2017, the Group is expected to record an approximate 80% decrease in its profit for the year ended 31 December 2017 as compared with that for the year ended 31 December 2016. Notwithstanding the expected decrease in the Group's profit, the Group is expected to record an increase in its revenue and gross profit for the year ended 31 December 2017 as compared to that for the year ended 31 December 2016.

The expected significant decrease in profit was mainly attributable to the following reasons: (1) the Group's strategy on increasing the proportion of sales of Good Health and Hejian Brand products among the Group's overall sales, while the gross profit margin generated from the sales channels of the Good Health and Hejian Brand products (such as distributors, television shopping channels, telephone call centres and online channels) in the initial phase was lower than the gross profit margin generated from Zhongsheng Brand retail stores; (2) a significant increase in the selling and distribution expenses which are mainly attributable to the increase in the marketing expenses of the Group on brand-building in order to increase the influence of Good Health Brand in the market; and (3) foreign exchange loss arising from depreciation of United States Dollars and Hong Kong Dollars against Renminbi during the year ended 31 December 2017.

The information contained in this announcement is only based on a preliminary assessment by the Board on the Group's draft unaudited consolidated management accounts for the year ended 31 December 2017, which are subject to adjustments and finalisation and have not been reviewed or audited by the Company's auditors.

* *For identification purposes only*

The Company is in the process of finalising the annual results of the Group for the year ended 31 December 2017. The Shareholders and potential investors should refer to the annual results announcement of the Company for the year ended 31 December 2017, which is expected to be published in March 2018, for details of the performance of the Group.

Potential investors and the Shareholders are advised to exercise caution when dealing in securities of the Company.

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

Nanjing, the People's Republic of China, 27 February 2018

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.