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**SINO-LIFE GROUP LIMITED**
**中國生命集團有限公司**
*(Incorporated in the Cayman Islands with limited liability)*
**(Stock Code: 8296)**

# DISCLOSEABLE TRANSACTION
# DISPOSAL OF ENTIRE EQUITY INTEREST IN DISPOSAL COMPANY

On 30 July 2025, after trading hours, the Vendor entered into the Sale and Purchase Agreement with the Purchaser in relation to the sale and purchase of the Sale Share at the Consideration of HK$10.0 million.

## INTRODUCTION

On 30 July 2025, after trading hours, the Vendor entered into the Sale and Purchase Agreement with the Purchaser in relation to the sale and purchase of the Sale Share at the Consideration of HK$10.0 million.

## SALE AND PURCHASE AGREEMENT

Vendor: The Company

Purchaser: Hao Shan Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser, together with its ultimate beneficial owner, are Independent Third Parties.

### Subject Matter

The Company conditionally agreed to sell and the Purchaser conditionally agreed to acquire the Sale Share, representing 100% of the issued share capital of the Disposal Company.

**Consideration and payment terms**

The Consideration shall be HK$10.0 million and shall be payable as follows:

(i) On Completion Date, the Purchaser shall pay HK$1.8 million;

(ii) Within six (6) months from the Completion Date but no later than the last Business Day of the sixth (6th) month following the Completion Date, the Purchaser shall pay HK$6.0 million; and

(iii) Within twelve (12) months from the Completion Date but no later than the last Business Day of the twelfth (12th) month following the Completion Date, the Purchaser shall pay HK$2.2 million.

The Consideration shall be settled by the Purchaser by cash transfer to the designated bank account(s) of the Vendor or such other method as mutually agreed by the Vendor and the Purchaser from time to time.

The Consideration was arrived at after arm's length negotiations between the Company and the Purchaser on normal commercial terms with reference to the latest financial information of the Disposal Company.

**Conditions Precedent**

Completion is conditional upon the following conditions being satisfied or waived in accordance with Sale and Purchase Agreement on or before the Long Stop Date:

(a) the Vendor sells all of the Sale Share, and has a good title to its Sale Share free from encumbrances on Completion and that the Vendor is the sole legal and beneficial owner of its Sale Share;

(b) the Vendor has obtained all approvals or consents of, if appropriate, in respect of the transactions contemplated under the Sale and Purchase Agreement (including but not limited to those from the Board, Shareholders' meeting, the Stock Exchange, relevant governmental or regulatory authorities, and any other relevant third parties);

(c) save as disclosed in the management account of the Disposal Group, the Disposal Company and its subsidiaries are free from all claims, debts and liabilities, contractual or otherwise, to the Purchaser's reasonable satisfaction;

(d) the Purchaser having been reasonably satisfied with the results of the due diligence as to the Disposal Company and its subsidiaries' financial, accounting, legal, contractual, taxation, operation and other aspects which the Purchaser reasonably considers appropriate and the title of the Disposal Company and its subsidiaries to all its assets conducted by the Purchaser and which has not revealed any fact or matter disclosed or reasonably inferred from the documents inspected in the due diligence which might reasonably influence adversely the Purchaser's decision to purchase the Sale Share;

(e) no event having occurred since the date hereof to Completion, the consequence of which is to materially and adversely affect the financial position, business or property, results of operations or business prospects of the Disposal Company and its subsidiaries; and

(f) the representations and warranties set forth in Sale and Purchase Agreement being true accurate and not misleading when made and remaining true, accurate and not misleading when repeated on Completion.

If any of the Conditions have not been fulfilled or waived by the Purchaser on or before the Long Stop Date (or such other date as may be agreed by the Vendor and the Purchaser in writing), the Purchaser shall not be bound to proceed with the purchase of the Sale Share.

**Completion**

Subject to fulfilments (or waiver by the Purchaser) of the Conditions specified above and provided that, prior to the Completion Date, there is no law or regulation in effect which prohibits or otherwise preclude the Completion, the Completion shall take place at a location as may be agreed by Vendor and the Purchaser on the Completion Date or such later date as maybe agreed by the Vendor and the Purchaser.

Following the Completion, the Company will not hold any equity interest in the Disposal Company and the Disposal Company and its subsidiaries will cease to be subsidiaries of the Company.

## INFORMATION OF THE PURCHASER

The Purchaser is principally engaged in investment holdings.

To the best of the Directors' knowledge, information and belief (having made all reasonable enquiries) and based on the information provided, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

## INFORMATION OF THE DISPOSAL COMPANY AND THE DISPOSAL GROUP

The Disposal Company is a company incorporated in Hong Kong and wholly-owned by the Vendor as at the date of this announcement. The principal business is investment holding. The non-wholly owned subsidiaries under the Disposal Company are mainly engaged in sale of burial plots and provision of cemetery maintenance service in Vietnam.

The unaudited financial information of the Disposal Group for the two years ended 31 December 2024 and 2023 is as below:

| | **For the year ended 31 December 2024** | **For the year ended 31 December 2023** |
|---|---|---|
| | *RMB'000* (unaudited) | *RMB'000* (unaudited) |
| Revenue | 401 | 506 |
| Loss before taxation | 2,476 | 1,010 |
| Loss for the year | 2,476 | 1,010 |

The unaudited net asset value of Disposal Group as at 31 December 2024 was approximately RMB1.6 million, or equivalent to approximately HK$1.8 million.

## FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

In respect of the Disposal, the difference between the Consideration of HK$10.0 million and the net asset value of the Disposal Group as at 31 December 2024, of approximately HK$1.8 million would result in a gain of approximately HK$8.2 million. However, as the accounts of Disposal Group will no longer be consolidated into the Group's financial statements, the Group is required to recognize the release of foreign currency translation reserve loss of approximately HK$8.1 million as at 31 December 2024. Therefore, for illustration purpose only, after taking into account the above accounting adjustment using the figures as at 31 December 2024, the overall financial impact of the Disposal would result in a gain of approximately HK$0.1 million.

The aforesaid estimation is for illustrative purpose only and does not purport to represent the financial position of the Group after Completion. The actual financial effects of the Disposal will be determined with reference to the financial status of the Disposal Group as at the Completion Date.

The net proceeds of the Disposal is approximately HK$9.9 million are currently intended to be used by the Group for future business development and general working capital.

## REASONS AND BENEFITS FOR THE DISPOSAL

The Group is principally engaged in the provision of funeral and related services in the PRC, Taiwan and Hong Kong, sale of burial plots and tombstones and provision of cemetery maintenance services in Vietnam, sales of advance biotechnical machineries in Hong Kong, investment activities in the PRC, and provision of advisory services on stem cells and immunocytes in the PRC.

The Disposal Group has been generated minimal revenue since its establishment and has failed to achieve the anticipated business growth. After careful consideration of the relevant financial performance of the Disposal Group, the Company has decided to cease operations of the Disposal Group in Vietnam through the Disposal. The Disposal will enable the Company to streamline its business operations, reallocate its resources more effectively to other business segments with better growth prospects and save up additional reserve for backing up its other business development opportunities in the future.

In view that the Consideration representing a premium over the net asset value of the Disposal Group as at 31 December 2024, the Board considers that the terms of the Disposal are on normal commercial terms, which are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

## IMPLICATIONS UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Disposal is greater than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to reporting and announcement requirements under Chapter 19 of the GEM Listing Rules.

**Shareholders and potential investors of the Company should note that the Completion is subject to the fulfilment (or waiver, if applicable) of certain conditions precedent under the Sale and Purchase Agreement, and the Completion may or may not proceed. Shareholders and potential investors of the Company are therefore advised to exercise caution when dealing in the Shares.**

## TERMS USED IN THIS ANNOUNCEMENT

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

| | |
|---|---|
| "Board" or "Directors" | the board of directors of the Company |
| "Business Day(s)" | a day (other than a Saturday and Sunday and general holiday(s) as defined under the General Holidays Ordinance (Chapter 149 of the laws of Hong Kong)) on which licensed banks in Hong Kong are open for general banking business |
| "BVI" | the British Virgin Islands |
| "Company" | Sino-Life Group Limited, a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on GEM |
| "Completion" | the completion of the Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement |
| "Completion Date" | On the fifth (5th) Business Days following the fulfilment of the Conditions and the performance by the parties of their respective obligations under the Sale and Purchase Agreement |
| "Conditions" | the conditions set out in the Sale and Purchase Agreement to the Completion |
| "Consideration" | the consideration, being HK$10.0 million to be paid by the Purchaser for the Sale Share |
| "connected person(s)" | has the meaning ascribed to it under the Listing Rules |
| "Disposal" | the disposal of the Sale Share by the Vendor to the Purchaser under the Sale and Purchase Agreement |
| "Disposal Company" | Allied Smart Development Limited, a company incorporated in Hong Kong, an indirectly wholly-owned subsidiary of the Company |
| "Disposal Group" | Disposal Company and its subsidiaries |
| "GEM" | GEM of the Stock Exchange |

| | |
|---|---|
| "GEM Listing Rules" | the Rules governing the Listing of Securities on GEM |
| "Group" | the Company and its subsidiaries |
| "HK$" | Hong Kong dollars, the lawful currency of Hong Kong |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "Independent Third Party(ies)" | third parties independent of the Company and its connected persons (as defined in the GEM Listing Rules) |
| "Long Stop Date" | 30 September 2025 or such other date as may be agreed by the Vendor and the Purchaser in writing |
| "PRC" | the People's Republic of China |
| "Purchaser" | Hao Shan Limited, a company incorporated in BVI with limited liability, and the ultimate beneficial owner of the Purchaser is Wang Li Wen |
| "RMB" | Renminbi, the lawful currency of the PRC |
| "Sale and Purchase Agreement" | the sale and purchase agreement dated 30 July 2025 entered into between the Vendor and the Purchaser in relation to the Disposal |
| "Sale Share" | all the issued share in the Disposal Company, being 1 issued share of the Disposal Company |
| "Shareholder(s)" | holder(s) of the ordinary shares of the Company |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Vendor" | Sino-Life Group Limited, a company incorporated in BVI and wholly-owned by the Company |
| "%" | per cent |
| "sq. ft." | square feet |

By Order of the Board
**Sino-Life Group Limited**
**XU Jianchun**
*Chairman and Executive Director*

Hong Kong, 30 July 2025

*As at the date hereof, the Board comprises Mr. XU Jianchun and Mr. LIU Tien-Tsai being executive Directors; and Mr. CHAI Chung Wai, Dr. YANG Jingjing and Ms. HU Zhaohui being independent non-executive Directors.*

*This announcement, for which the Directors, collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**") 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 the information contained in this announcement is accurate and complete in all material respects and not misleading; and there are no other matters the omission of which would make any statement herein or in this announcement misleading.*

*This announcement will remain on the "Latest Listed Company Information" page of the Stock Exchange's website at http://www.hkexnews.hk for 7 days from the date of its posting. This announcement will also be posted on the Company's website at http://www.sinolifegroup.com.*