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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)

**SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO
THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

Reference is made to the annual report of Sino-Life Group Limited (the “**Company**”) for the year ended 31 December 2022 published on 31 March 2023 (the “**2022 Annual Report**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the 2022 Annual Report.

In addition to the information provided in the 2022 Annual Report, the Company wishes to provide to the shareholders and potential investors of the Company with the following additional information in relation to the Share Option Scheme.

SHARE OPTION SCHEME

In addition to the disclosures under note 42 to the financial statements as set out in the 2022 Annual Report, the Company would like to provide the following additional information in relation to the Share Option Scheme pursuant to Rules 23.07(2) and 23.07(3) of the GEM Listing Rules:

The number of options available for grant under the Share Option Scheme as at 1 January 2022 and 31 December 2022 is 48,294,000 and 22,338,000 respectively.

A total of 48,294,000 Shares are available for issue under the Share Option Scheme, representing 6.50% of the total issued capital of the Company as at the date of the 2022 Annual Report.

REMUNERATION COMMITTEE OF THE BOARD (THE “REMUNERATION COMMITTEE”)

The following sets forth the supplemental information to the 2022 Annual Report on the Share Option Scheme pursuant to 23.03(F), 23.06B(7) and 23.06B(8) of the GEM Listing Rules.

The primary objectives and duties of the Remuneration Committee are set forth in its terms of reference adopted in compliance with the requirements under the CG Code, which include, inter alia, making recommendations to the Board on the remuneration policy and structure for all the Directors and the senior management of the Company and on the establishment of a set of formal and transparent procedures for developing its remuneration policy and reviewing and approving matters related to share option schemes. During the year ended 31 December 2022, the Remuneration Committee held two meetings to review and approve the remuneration policy, remuneration packages of the Directors and senior management of the Company, and to consider, approve and make recommendation to the Board in relation to the grant of share options to five grantees who are either the Directors, the employees or business partners of the Group.

Summary of matters relating to the Share Option Scheme reviewed by the Remuneration Committee

Grant of share options under the Share Option Scheme

During the year ended 31 December 2022, 25,956,000 share options have been granted to two Directors, one employee and two business partners of the Group (collectively, the “**Grantees**”), among of which all of the share options granted, vested on and exercisable from the date of grant, i.e. 19 May 2022.

Vesting Period

There is no vesting period attached with the share options. The Remuneration Committee has noted that the purpose of the Share Option Scheme is to provide incentive or reward to the Grantees for their contribution to the Group and to recognise past contributions of the Grantees, and that the Share Option Scheme does not restrictively specify the vesting period. Having considered that the past performance of the Grantees, the Remuneration Committee and the Board consider that the grant of such share options with no vesting period: (i) aligns the interests of the Grantees with that of the Company and the shareholders of the Company as a whole; (ii) rewards and recognises the contribution of the Grantees to the Group; (iii) provides incentive to the Grantees to continue to work for the success and improved performance of the Group; (iv) as part of competitive terms and conditions to induce valuable talent to join the Group; (v) to motivate exceptional performers based on performance metrics rather than time and (vi) reinforces their commitment to long-term services to the Group. All of these are consistent with the purpose of the Share Option Scheme.

Performance target

There is no performance target attached with the share options. The Remuneration Committee has noted that the purpose of the Share Option Scheme is to provide incentive or reward to the Grantees for their contribution to the Group and that the Share Option Scheme does not restrictively specify the contribution. The Remuneration Committee has also considered (a) the importance of the roles and responsibilities of the Grantees; (b) the past performance and contributions of the Grantees; and (c) the expected contributions of the Grantees to be made to the future development of the Group and is of the view that the grant of share options without any performance target aligns with the purpose of the Scheme.

Clawback mechanism

There is no clawback mechanism attached to the share options. The share options granted shall lapse and cannot be exercised with immediate effect if the Grantees, who is an employee (including any director), ceases to be an employee of the Group or a Director on the ground including, but without limitation to, that he or she has been guilty of serious misconduct. In respect of the share options granted during the year ended 31 December 2022, the Remuneration Committee considers that the Share Option Scheme is intended to reward eligible participants who have contributed to the business development of the Group and to encourage eligible participants to work towards enhancing the value of the Company for the benefit of the Company and its shareholders as a whole. In addition, the Remuneration Committee also consider that:

1. the Grantees are eligible participants under the Share Option Scheme who would contribute directly to the overall business performance and sustainable development of the Group;
2. the granting of share options to the Grantees is a recognition for their past contributions to the Group; and
3. the share options are subject to the terms of the Share Option Scheme which provides for circumstances under which the share options may lapse.

Saved as disclosed above, the Company did not make any grant of share options to the Directors and/or senior managers of the Group as set forth in Rules 23.03F, 23.06B(7) and 23.06B(8) of the GEM Listing Rules during the year ended 31 December 2022.

The above information does not affect any other information contained in the 2022 Annual Report, and save as disclosed above, all other information in the 2022 Annual Report remains unchanged.

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

Hong Kong, 28 July 2023

As at the date hereof, the Board comprises Mr. XU Jianchun, Mr. LIU Tien-Tsai and Dr. XU Qiang 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 of Hong Kong Limited 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 or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Informations” 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>.