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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)

UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS AND PROFIT WARNING

This announcement is made by the Company at the request of The Stock Exchange of Hong Kong Limited and pursuant to Rule 17.10 of the GEM Listing Rules.

The Board has noted increases in the price and in the trading volume of the shares of the Company today.

Besides, the Board wishes to inform the shareholders of the Company and potential investors that the unaudited consolidated net profit for the six months ended 30 June 2010 will decrease as compared to the results for the corresponding period in 2009.

The expected decrease of profit was mainly attributable to the expense recognition of the share-based payments arising from share options granted to employees and consultants and decrease in value of financial assets designated as at fair value through profit or loss.

The information contained in this announcement is only based on the information currently available and have not been reviewed by the audit committee of the Company.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.

This announcement is made by the Company at the request of The Stock Exchange of Hong Kong Limited and pursuant to Rule 17.10 of the GEM Listing Rules

The board of directors (the “**Board**”) of Sino-life Group Limited (the “**Company**”) has noted increases in the price and in the trading volume of the shares of the Company today.

The Board wishes to state and confirm that save as disclosed below in this announcement, there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Chapters 19 and 20 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”), neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

In addition, pursuant to Rule 17.10 of the GEM Listing Rules, the Board wishes to inform the shareholders of the Company and potential investors that, based on the information currently available, the unaudited consolidated net profit for the six months ended 30 June 2010 will decrease as compared to the results for the corresponding period in 2009.

Based on the information currently available to the Company, the Board considers that the expected decrease of profit was mainly attributable to the expense recognition of the share-based payments arising from share options granted to employees and consultants and decrease in value of financial assets designated as at fair value through profit or loss. The Board wishes to point out that the mentioned expense recognition and decrease in value are of non-cash in nature and does not have any impact on the operating cash flows of the Group.

Despite the above, the Board notes that the income derived from the core business of the Group comprising funeral services remains stable for the six months ended 30 June 2010. Furthermore, the Board considers that the overall financial position and operations of the Group remain sound and healthy.

This announcement is only based on the preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the six months ended 30 June 2010 and the results of preliminary assessment on the mentioned expense recognition and financial assets, which have not been reviewed by the audit committee of the Company. Detailed financial results information of the Group will be disclosed in the interim results announcement for the six months ended 30 June 2010.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the shares of the Company.

By order of the Board
Sino-Life Group Limited
Liu Tien-Tsai
Chairman and Executive Director

Hong Kong, 23 July 2010

As at the date hereof, the Board comprises Mr. Liu Tien-Tsai and Mr. Kim Eun Back being executive Directors of the Company; Mr. Niu Tse-Cheng and Mr. Zheng Yimin being non-executive Directors of the Company; and Mr. Chai Chung Wai, Mr. Ching Clement Yat-biu, Mr. Lam Ying Hung Andy, Mr. Luo Xuegang being independent non-executive Directors of the Company.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> 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>.