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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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules.

The Board wishes to inform the Shareholders and potential investors that the consolidated net profit of the Group for the year ended 31 December 2010 will decrease as compared to the results for the year ended 31 December 2009.

The information contained in this announcement is only based on the preliminary assessment by the Board of the latest available management accounts of the Group and is not based on any figures or information audited or reviewed by the Company's auditors.

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

This announcement is made by Sino-life Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 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**”).

The board of directors (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment by the Board of the latest available management accounts of the Group, the consolidated net profit of the Group for the year ended 31 December 2010 will decrease as compared to the results for the year ended 31 December 2009.

Based on the relevant information currently available to the Company, the Board considers that the expected decrease of profit was primarily attributable to (i) the expense recognition of the

share-based payments arising from share options granted to employees and consultants (the “**Expense Recognition**”); (ii) the increase in administrative costs after the listing of the Company on the Growth Enterprise Market (the “**GEM**”) of The Stock Exchange of Hong Kong Limited; and (iii) the preliminary expenditure for the commencement of business operation in Hong Kong (the “**Preliminary Expenditure**”). The Board wishes to point out that the Expense Recognition is of non-cash in nature and does not have any impact on the operating cash flows of the Group. Moreover, part of the Preliminary Expenditure is one-off expense and the business operation in Hong Kong is expected to generate turnover during 2011.

Despite the above, the Board notes that the income derived from the principal business of the Group comprising the provision of funeral services remains stable for the year ended 31 December 2010. Furthermore, the Board considers that the overall financial position and business operations of the Group remain sound and solid.

As the Company is still in the process of finalizing the Group’s audited results for the year ended 31 December 2010, the information contained in this announcement is only based on the preliminary assessment of the latest available management accounts of the Group by the management of the Company, which have not been audited or confirmed by the Company’s auditors. Detailed financial information of the Group will be disclosed in the results announcement for the year ended 31 December 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, 25 February 2011

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 Rules Governing the Listing of Securities on the GEM 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 or deceptive, and (ii) 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 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>.