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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 Group is expected to record a loss for the three months ended 31 March 2011 as compared to a profit for the three months ended 31 March 2010.

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 Group is expected to record a loss for the three months ended 31 March 2011 as compared to a profit for the three months ended 31 March 2010.

Based on the relevant information currently available to the Company, the Board considers that the expected loss is primarily attributable to (i) the decrease in value of financial assets designated as at fair value through profit or loss; (ii) the increase in expenses for the expansion of the Group’s business in China; and (iii) the promotion expenses incurred for the commencement of business operation in Hong Kong. The Board wishes to point out that the decrease in value of financial assets is of non-cash in nature and does not have any impact on the operating cash flows of the Group.

Moreover, part of the promotion expenses and expenses incurred for the expansion of the Group's business are one-off expenses and the business operation in the new operating spots in China and Hong Kong is expected to generate revenue for the Group during 2011.

Despite the above, the Board notes that the turnover derived from the principal business of the Group comprising the provision of funeral services remains stable for the three months ended 31 March 2011. Furthermore, the Board considers that the overall financial position and business operation of the Group remain sound and solid.

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 three months ended 31 March 2011 and the results of preliminary assessment on the above mentioned financial assets, which have not been reviewed by the audit committee of the Company. Detailed information on the financial results of the Group will be disclosed in the quarterly results announcement for the three months ended 31 March 2011.

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, 4 May 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>.