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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 of the Company and potential investors that based on the unaudited consolidated management accounts of the Group for the year ended 31 December 2011, it is expected that the Group will continue to record a loss for the year ended 31 December 2011.

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

Reference is made to the announcement of Sino-Life Group Limited (the “**Company**”) dated 24 October 2011 in respect of the Profit Warning for the nine months ended 30 September 2011. This announcement is made by 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 (the “**GEM**”) 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 unaudited consolidated management accounts of the Group for the year ended 31 December 2011, it is expected that the Group will continue to record a loss for the year ended 31 December 2011 as compared to a profit for the year ended 31 December 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 has generated revenue for the Group during the year 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 year ended 31 December 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 year ended 31 December 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 results announcement for the year ended 31 December 2011.

Shareholders of the Company and potential investors are advised to exercise caution when 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, 31 January 2012

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 at least 7 days from the date of its posting. This announcement will also be posted on the Company's website at <http://www.sinolifegroup.com>.