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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)

ANNOUNCEMENT UPDATE ON THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021

Reference is made to the announcements of Sino-Life Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) in relation to (i) delay in publication of audited consolidated annual results announcement for the year ended 31 December 2021 and publication of unaudited consolidated annual results announcement for the year ended 31 December 2021 dated 24 March 2022; (ii) the unaudited consolidated results of the Group for the year ended 31 December 2021 dated 30 March 2022 (the “**Unaudited Result Announcement**”); and (iii) the supplemental announcement in relation to the announcement of unaudited annual results for the year ended 31 December 2021 dated 31 March 2022 (collectively referred to as the “**Announcements**”). Capitalised terms used herein, unless otherwise defined, shall have the same meanings as those defined in the Announcements

AUDITOR’S AGREEMENT ON THE 2021 ANNUAL RESULTS

The Company is pleased to announce that, on 14 April 2022, the auditing process of the consolidated results of the Group for the year ended 31 December 2021 (the “**2021 Annual Results**”) has been completed by the Company’s auditor (the “**Auditor**”), Crowe (HK) CPA Limited and the audited 2021 Annual Results were approved by the Board on 14 April 2022.

MATERIAL DIFFERENCES BETWEEN UNAUDITED AND AUDITED ANNUAL RESULTS

The auditing process for the 2021 Annual Results had not been completed as at 31 March 2022 and the date of publication of the Announcements. Since subsequent adjustments have been made to the unaudited 2021 Annual Results of the Group contained in the Unaudited Result Announcement upon the completion of audit, Shareholders and potential investors of the Company are advised to pay attention to certain material differences of certain material account balances between the unaudited 2021 Annual Results of the Group contained in the Unaudited Result Announcement and the audited 2021 Annual Results of the Group in this announcement. Set forth below are principal details and reasons for the material differences in such financial information.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Audited 2021 Annual Results RMB'000	Unaudited 2021 Annual Results Disclosure in the Announcements RMB'000	Increase/ (decrease) RMB'000 (note 1)
Cost of sales and services rendered	34,887	34,973	(86)
Fair value gain on investment properties	711	747	(36)
Other income and other net (loss)/gain	(10,771)	1,242	(12,013)
Administrative expenses	35,432	35,468	(36)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Audited 2021 Annual Results RMB'000	Unaudited 2021 Annual Results Disclosure in the Announcements RMB'000	Increase/ (decrease) RMB'000 (note 1)
Trade and other receivables	30,686	42,736	(12,050)
Reserves	45,390	52,718	(7,328)
Non-controlling interests	9,020	4,298	4,722

Note 1: The above adjustments were mainly as the result of a loss on written off of a prepayment. During the year, one of the agents in the funeral services segment, which was incorporated in Taiwan with limited liability, was dissolved. The Directors considered that the Group is no longer able to request future services from this agent, and the chance of recovering the prepayments made to this agent is remote as advised by the Group's Taiwan legal adviser. After the above assessment, the Group has written off the relevant amount of prepayments with this agent in full under the funeral services segment, and recognised a loss on written off of prepayment of approximately RMB12,013,000 (2020: Nil) during the year.

As disclosed above, subsequent adjustments have been made to the unaudited annual results of the Group contained in the Announcements upon the completion of audit (the “**Subsequent Adjustments**”). Set forth below are the impacts of the Subsequent Adjustments in other financial information. The differences between unaudited and audited 2021 Annual Results of the below financial information were aggregated effect of the Subsequent Adjustments.

OVERALL IMPACTS OF THE SUBSEQUENT ADJUSTMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS

	Audited 2021 Annual Results <i>RMB'000</i>	Unaudited 2021 Annual Results Disclosure in the Announcements <i>RMB'000</i>	Increase/ (decrease) <i>RMB'000</i>
Loss from operations	12,591	664	11,927
Loss before taxation	14,773	2,846	11,927
Loss for the year	<u>17,675</u>	<u>5,748</u>	<u>11,927</u>
Loss for the year attributable to:			
– Owners of the Company	9,872	2,716	7,156
– Non-controlling interests	<u>7,803</u>	<u>3,032</u>	<u>4,771</u>
	<u>17,675</u>	<u>5,748</u>	<u>11,927</u>
	<i>RMB Cents</i>	<i>RMB Cents</i>	<i>RMB Cents</i>
Loss per share			
Basic and diluted	<u>1.33</u>	<u>0.37</u>	<u>0.96</u>

IMPACTS OF THE SUBSEQUENT ADJUSTMENTS TO THE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. LOSS PER SHARE

	Audited 2021 Annual Results	Unaudited 2021 Annual Results Disclosure in the Announcements	Increase/ (decrease)
Loss attributable to owners of the Company (<i>RMB'000</i>)	9,872	2,716	7,156
Weighted average number of ordinary shares (<i>in thousand</i>)	742,500	742,500	–
Basic and diluted loss per share (<i>RMB cents</i>)	<u>1.33</u>	<u>0.37</u>	<u>0.96</u>

For the year ended 31 December 2021, there was no dilutive potential ordinary share outstanding. Therefore, the diluted loss per share is the same as the basic loss per share.

AUDITOR’S AGREEMENT ON THE 2021 ANNUAL RESULTS

Following the Subsequent Adjustments described in notes above, the Company’s external auditors, Crowe (HK) CPA Limited, has agreed on the 2021 Annual Results (including the financial figures in respect of the Group’s consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto) as set out in the Announcements. The audited 2021 Annual Results have been reviewed by the audit committee of the Company and were approved by the Board on 14 April 2022.

PROCEDURES ON PRELIMINARY RESULTS ANNOUNCEMENT BY THE AUDITOR

Crowe (HK) CPA Limited, the Company’s independent auditors, had performed procedures in accordance with Hong Kong Standard on Related Services 4400 (Revised), Agreed-upon Procedures Engagements and with reference to Practice Note 730 (Revised), Guidance for Auditors Regarding Preliminary Announcement of Annual Results issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

The work performed by Crowe (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by HKICPA and consequently no assurance has been expressed by Crowe (HK) CPA Limited on this announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the “**AGM**”) will be held on Friday, 17 June 2022 and the notice of AGM will be published and despatched in the manner as required by the GEM Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 13 June 2022, to Friday, 17 June 2022, (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for attending at the AGM to be held on 17 June 2022, Friday, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4: 30 p.m. on Friday, 10 June 2022.

PUBLICATION OF ANNUAL REPORT

The annual report for the year ended 31 December 2021 is expected to be despatched to the Shareholders by end of April 2022.

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

Hong Kong, 14 April 2022

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, Mr. SUN Fei and Dr. YANG Jingjing 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 Information” 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>.