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LifeTech Scientific Corporation

先健科技公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1302)

PROFIT WARNING

This announcement is made pursuant to Rule 13.09(2)(a) of the Listing Rule and the Inside Information Provisions under Part XIVA of the SFO.

After preliminary review by the Company's management based on the management accounts of the Group, the Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a net loss (after taking into account the fair value losses related to the First Tranche Convertible Notes and the secured convertible notes of Broncus Medical Inc. purchased by the Company) for the year ended 31 December 2013 as compared to a net profit for the year ended 31 December 2012.

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

This announcement is made by the board (the "Board") of directors of LifeTech Scientific Corporation (the "Company", together with its subsidiaries, the "Group") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO").

After preliminary review by the Company's management based on the management accounts of the Group, the Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a net loss (after taking into account the fair value losses of convertible notes) for the year ended 31 December 2013 as compared to a net profit for the year ended 31 December 2012, primarily due to the following reasons:

- (i) the record of the fair value loss of conversion option of the First Tranche Convertible Notes (as defined in the circular of the Company dated 6 January 2013) issued on 30 January 2013 at the principal amount of HK\$152 million, which are convertible into 40,000,000 new Shares at the initial conversion price of HK\$3.80 per conversion share (subject to adjustments). As at 31 December 2013, the change in fair value of conversion option was approximately RMB66.8 million;
- (ii) the record of the fair value loss related to the secured convertible notes of Broncus Medical Inc. purchased by the Company in September 2013; and
- (iii) the increase in administration expenses.

Based on the fact that the Group would have recorded profit for the year ended 31 December 2013 before taking into account the fair value losses of convertible notes, which are non-operating and non-cash in nature, the Board is of the view that the Group's operating and financial positions are healthy and the Board remains positive on the prospects of the Group.

The Company is in the process of finalizing the Group's audited annual results for the year ended 31 December 2013. The information contained in this announcement is only based on a preliminary assessment made by the Board with reference to the management accounts of the Group. Shareholders of the Company and potential investors are advised to refer to the details of the Group's annual results for the year ended 31 December 2013, which is expected to be released on 25 March 2014.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

By order of the Board
LifeTech Scientific Corporation
XIE Yuehui
Chairman and Executive Director

Hong Kong, 14 March 2014

As at the date of announcement, the Board comprises Mr. XIE Yuehui and Mr. ZHAO Yiwei Michael being executive directors of the Company; Mr. WU Jianhui, Mr. MARTHA Geoffrey Straub and Dr. LIDDICOAT John Randall being non-executive directors of the Company; and Mr. LIANG Hsien Tse Joseph, Mr. ZHANG Xingdong and Mr. ZHOU Gengshen being independent non-executive directors of the Company.