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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 Rules 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 loss (the "Fair Value Loss") related to the First Tranche Convertible Notes for the six months ended 30 June 2014. Without taking into account the Fair Value Loss which is non-operating and non-cash in nature, it is expected there will be an increase in operating profit for the six months ended 30 June 2014 as compared to the corresponding period in 2013.

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 Loss of a convertible note for the six months ended 30 June 2014. This is primarily caused by 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). As the fair value of the said conversion is measured by using a binomial option pricing model which is linked to the share price of the Company, a higher share price of the Company will result in a greater Fair Value Loss. For the six months ended 30 June 2014, the expected Fair Value Loss will be approximately RMB239,700,000, which represents an increase of approximately 275% as compared to the Fair Value Loss incurred during the corresponding period in 2013. The significant increase of the Fair Value Loss was caused by the substantial increase on share price of the Company during the six months ended 30 June 2014.

Based on the expectation that there will be an increase in operating profit for the six months ended 30 June 2014 as compared to the corresponding period of 2013 before taking into account the Fair Value Loss which is 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 unaudited interim results for the six months ended 30 June 2014. 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 interim results for the six months ended 30 June 2014, which is expected to be released by the end of August 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, 1 August 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, Dr. LIDDICOAT John Randall and Mr. JIANG Feng being non-executive directors of the Company; and Mr. LIANG Hsien Tse Joseph, Mr. ZHOU Luming and Mr. ZHOU Gengshen being independent non-executive directors of the Company