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LifeTech Scientific Corporation

先健科技公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1302)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Sole Placing Agent



Reference is made to the announcement of the Company dated 4 December 2020 (the “**Announcement**”) in relation to, among other things, the Placing. Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Company announces that completion of the Placing took place on 11 December 2020.

A total of 287,320,000 new Shares, representing approximately 6.21% of the total issued Shares, as enlarged by the allotment and issue of the Placing Shares, have been placed at the Placing Price of HK\$3.2368 per Placing Share to no less than six Placees. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Placees and their respective ultimate beneficial owners is independent of the Company and the connected persons of the Company, and none of the Placees and their respective ultimate beneficial owners has become a substantial shareholder (as defined under the Listing Rules) of the Company as a result of the Placing.

INTENDED USE OF PROCEEDS

The Company received total gross proceeds from the Placing of approximately HK\$930 million. As disclosed in the Announcement, the Company intends to apply the net proceeds from the Placing for repayment of bank borrowings of the Group, funding potential business development and general working capital of the Group. The Company considers that the net proceeds from the Placing would strengthen the financial position of the Company and facilitate the Company to capture the development opportunities as and when appropriate under the current challenging global economic landscape.

The Board wishes to provide further information on the intended use of the net proceeds of approximately HK\$930 million from the Placing:

Intended use of proceeds	Approximate Allocation of net Proceeds <i>(HK\$ in million)</i>	Intended timetable for use of the net proceeds
(a) repayment of certain bank borrowings of the Group including:	406	The proceeds will be applied to repay the respective bank loans
(i) a bank loan of principal amount of RMB50.0 million (<i>Note 1</i>) (equivalent to approximately HK\$59.0 million (<i>Note 2</i>)) due in January 2021;		
(ii) a bank loan of principal amount of approximately US\$6.5 million (<i>Note 3</i>) (equivalent to approximately HK\$50.0 million) (<i>Note 4</i>) due in April 2021;		
(iii) a bank loan of principal amount of approximately US\$3.0 million (equivalent to approximately HK\$23.1 million) due in May 2021;		
(iv) a bank loan of principal amount of approximately US\$3.2 million (equivalent to approximately HK\$24.4 million) due in July 2021;		
(v) a bank loan of principal amount of US\$6.5 million (equivalent to approximately HK\$50.4 million) due in September 2021; and		

Intended use of proceeds	Approximate Allocation of net Proceeds	Intended timetable for use of the net proceeds
	<i>(HK\$ in million)</i>	
(vi) a bank loan of principal amount of approximately HK\$198.6 million due in May 2022.		
(b) funding potential business development involving a new overseas clinical project:	465	Barring unforeseeable circumstances and subject to the market and other conditions, the Company expects that such amount will be applied in the following schedule, subject to adjustments (if any):
		(i) for the year 2021: HK\$233 million;
		(ii) for the year 2022: HK\$155 million; and
		(iii) for the year 2023: HK\$77 million
(c) general working capital of the Group	59	
Total	930	

Notes:

1. Renminbi (“**RMB**”), the lawful currency of the People’s Republic of China
2. Solely for the purposes of illustration in this announcement, conversion of RMB into HK\$ is based on the exchange rate of RMB1.00 = HK\$1.18
3. United States Dollar (“**US\$**”), the lawful currency of the United States
4. Solely for the purposes of illustration in this announcement, conversion of US\$ into HK\$ is based on the exchange rate of US\$1.00 = HK\$7.75

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the shareholding structure of the Company immediately before and immediately after the completion of the Placing is set out as follows (assuming no other changes to the share capital of the Company prior to completion of the Placing save as otherwise stated):

	Immediately before completion of the Placing		Immediately upon completion of the Placing	
	Number of Shares	Percentage of total issued Shares	Number of Shares	Percentage of total issued Shares
Directors				
XIE Yuehui	781,914,928 (Note 1)	18.02%	781,914,928	16.90%
LIU Jianxiong	8,140,000 (Note 2)	0.19%	8,140,000	0.18%
Others				
Other existing shareholders as of 30 November 2020	3,547,829,472	81.78%	3,547,829,472	76.70%
Shares issued pursuant to share option scheme (Note 3)	282,000	0.01%	282,000	0.01%
Placees (Note 4)	—	—	287,320,000	6.21%
Total	<u>4,338,166,400</u>	<u>100%</u>	<u>4,625,486,400</u>	<u>100%</u>

Notes:

- These interests represented 781,914,928 Shares held by Xianjian Advanced Technology Limited, which is wholly owned by Mr. Xie Yuehui (“**Mr. Xie**”), the chairman, chief executive officer and executive director of the Company. In addition, Mr. Xie holds 19,600,000 share options of the Company.

2. Mr. LIU Jianxiong (“**Mr. Liu**”) is the executive vice president, executive director, chief financial officer and the company secretary of the Company. In addition, Mr. Liu holds 16,800,000 share options of the Company.
3. 282,000 Shares were issued between 1 December 2020 and 10 December 2020 pursuant to the exercise of certain options by grantees thereof pursuant to the Company’s share option scheme.
4. Certain Placee(s) may be existing shareholder(s) of the Company prior to the Placing.

By order of the Board
LifeTech Scientific Corporation
XIE Yuehui
*Executive Director, Chairman
and Chief Executive Officer*

Hong Kong, 11 December 2020

As at the date of this announcement, the Board comprises Mr. XIE Yuehui and Mr. LIU Jianxiong being executive Directors; Mr. JIANG Feng and Mr. FU Feng being non-executive Directors; and Mr. LIANG Hsien Tse Joseph, Mr. WANG Wansong and Mr. ZHOU Luming being independent non-executive Directors.