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LifeTech Scientific Corporation

先健科技公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8122)

PROFIT WARNING

This announcement is made pursuant to Rule 17.10(2)(a) of the GEM Listing Rule and the Inside Information Provisions under Part XIVA of the SFO.

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 change in fair value of conversion option of the First Tranche Convertible Notes) for the six months ended 30 June 2013 as compared to a net profit for the corresponding period of 2012 (both results were unaudited).

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

This announcement is made by the board (the “Board”) of directors (the “Directors”) of LifeTech Scientific Corporation (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 17.10(2)(a) 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”) and the Inside Information Provisions (as defined under the GEM 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 change in fair value of conversion option) for the six months ended 30 June 2013 as compared to a net profit for the corresponding period of 2012, primarily due to the following reasons:

- (i) the record of the change in fair value 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 30 June 2013, the change in fair value of conversion option was approximately RMB64.0 million;
- (ii) there has been an increase of finance cost arising from the First Tranche Convertible Notes; and
- (iii) since the completion of the acquisition of Broncus Holding Corporation ("Broncus") in June 2012 by the Group, there has been a significant increase in the share of post-acquisition losses of Broncus for the six months ended 30 June 2013 as compared to the corresponding period of 2012.

Based on the fact that the Group has recorded profit for the six months ended 30 June 2013 before taking into account the change in fair value of the First Tranche Convertible Notes which are non-operating and non-cash in nature, the Board is of the view that the Group's operating 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 2013. The information contained in this announcement is only based on a preliminary assessment made by the Board with reference to the current unaudited consolidated 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 2013, which is expected to be released on 9 August 2013.

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

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

Hong Kong, 30 July 2013

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.

This announcement, for which the directors of the Company 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 of the Company, 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 7 days from the date of its posting. This announcement will also be posted on the Company’s website at <http://www.lifetechmed.com>.