
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, certified public accountant or other professional adviser.

If you have sold or transferred all your shares in LifeTech Scientific Corporation, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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LIFETECH SCIENTIFIC CORPORATION

先健科技公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1302)

PROPOSAL FOR ADOPTION OF 2021 SHARE OPTION SCHEME PROPOSED TERMINATION OF THE EXISTING SCHEME AND NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the EGM (as defined in this circular) to be held at Floor 16, LifeTech Scientific Building, No. 22, Keji 12th Road South, High-tech Industrial Park, Nanshan District, Shenzhen, PRC on Friday, 17 September 2021 at 10:00 a.m. or any adjournment thereof is set out on pages 15 to 16 of this circular. A form of proxy for use at the EGM is enclosed.

Whether or not you are able to attend and vote in person at the EGM, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of the power of attorney or authority, to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding such EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting if you so wish and in such event, the form of proxy shall be deemed to be revoked.

Taking into account the COVID-19 coronavirus situation, the Company will implement the following prevention and control measures at the EGM to protect our shareholders from the risk of infection:

- compulsory body temperature check
- compulsory wearing of surgical mask
- no distribution of gift and no serving of refreshment

Attendees who do not comply with the precautionary measures or are subject to any prescribed quarantine may be denied entry into the meeting venue. The Company would like to encourage Shareholders to exercise their right to vote at the EGM by appointing the Chairman of the EGM as their proxy instead of attending the EGM in person.

This circular together with the form of proxy are published on the designated website of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and on the Company's website (<http://www.lifetechmed.com>).

30 August 2021

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2021 Share Option Scheme”	the Share Option Scheme proposed to be adopted by the Company at the EGM, a summary of the principal terms of which is set out in the Appendix to this circular
“Adoption Date”	the date on which the last of the conditions precedent set out in the 2021 Share Option Scheme has been satisfied
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Auditors”	means the auditors for the time being of the Company
“Board”	the board of Directors of the Company
“business day”	has the meaning ascribed to it under the Listing Rules
“Company”	LifeTech Scientific Corporation, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board (Stock Code: 1302)
“Director(s)”	the director(s) of the Company or any one of them
“EGM”	the extraordinary general meeting of the Company to be held at Floor 16, LifeTech Scientific Building, No. 22, Keji 12th Road South, High-tech Industrial Park, Nanshan District, Shenzhen, PRC on Friday, 17 September 2021 at 10:00 a.m. or any adjournment thereof for the purpose of considering and if thought fit, passing the ordinary resolution relating to the approval of the 2021 Share Option Scheme
“Eligible Participant(s)”	has the meaning ascribed to it pursuant to the 2021 Share Option Scheme and as described in the Appendix in this circular
“Exercise Price”	means the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option as described in the Appendix in this circular
“Existing Scheme”	the existing share option scheme of the Company adopted on 22 October 2011 (as amended by the unanimous written resolutions of the Board on 5 May 2015)
“Grantee(s)”	any Eligible Participant(s) who accept(s) an offer in accordance with the terms of the 2021 Share Option Scheme

DEFINITIONS

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	26 August 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	Main Board of the Stock Exchange
“Offer”	means an offer for the grant of an Option
“Offer Date”	means the date of the Offer Letter, which date must be a business day (or such other date that shall be taken as the date of grant according to the Listing Rules), on which an Offer is made to an Eligible Participant
“Offer Letter”	means a letter setting out the terms of the Offer given by the Company to the Eligible Participant
“Option(s)”	means option(s) granted or to be granted under the 2021 Share Option Scheme
“Option Period”	means in respect of any particular Option, such period to be determined and notified by the Board to each Grantee in the Offer Letter during which the Grantee may exercise such Option subject to the terms of grant, provided that the expiry date of such period shall not exceed ten (10) years from the Offer Date
“Share(s)”	the share(s) of US\$0.00000125 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

LETTER FROM THE BOARD



LIFETECH SCIENTIFIC CORPORATION

先健科技公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1302)

Executive Directors:

Mr. XIE Yuehui

(Chairman and Chief Executive Officer)

Mr. LIU Jianxiong

(Executive Vice President,

Chief Financial Officer

and Company Secretary)

Non-executive Director:

Mr. JIANG Feng

Independent Non-executive Directors:

Mr. LIANG Hsien Tse Joseph

Mr. WANG Wansong

Mr. ZHOU Luming

Registered Office in the

Cayman Islands:

PO Box 309

Ugland House

Grand Cayman, KY1-1104

Cayman Islands

Principal place of business and

address of headquarters:

LifeTech Scientific Building

No. 22, Keji 12th Road South

High-tech Industrial Park, Nanshan District

Shenzhen 518063, PRC

Place of business in Hong Kong

registered under Part 16 of

the Hong Kong Companies Ordinance:

31/F, 148 Electric Road,

North Point,

Hong Kong

30 August 2021

To the Shareholders

Dear Sir or Madam,

**PROPOSAL FOR ADOPTION OF 2021 SHARE OPTION SCHEME
PROPOSED TERMINATION OF THE EXISTING SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide you with all the information in respect of the ordinary resolution to be proposed at the EGM on the adoption of the 2021 Share Option Scheme and to give you notice of the EGM.

As the number of share options which may be granted under the Existing Scheme has reached its limit and the Existing Scheme will soon expire, the Board has considered and approved that the Existing Scheme shall be terminated and proposes to the Shareholders for the approval of the 2021 Share Option Scheme in order to facilitate the Company to provide incentives and rewards to the Eligible Participants pursuant to the terms thereof for their contribution and continuing efforts to promote the interests of the Company for boosting the growth of the Company's various businesses and the long-term interests of the Shareholders as a whole.

A summary of the principal terms of the 2021 Share Option Scheme is set out in the Appendix to this circular.

ADOPTION OF THE 2021 SHARE OPTION SCHEME

The Existing Scheme was adopted pursuant to written resolutions passed by the Shareholders on 22 October 2011 (as amended by the unanimous written resolutions of the Board on 5 May 2015) which shall expire on 21 October 2021. Pursuant to the terms of the Existing Scheme, the total number of Shares which may be issued upon exercise of all options to be granted under the Existing Scheme adopted by the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) must not in aggregate exceed 10% of the aggregate number of Shares in issue on the date the Shares commenced trading on the Stock Exchange and as adjusted by the Share subdivision effective from 12 January 2015, which is equivalent to 400,000,000. Following the grant of 33,320,000 share options to Eligible Participants on 31 March 2021, the total number of Shares which may be issued upon exercise of all share options to be granted under the Existing Scheme has reached its limit of 400,000,000.

In view of that the above, the Board proposes to adopt the 2021 Share Option Scheme, which will comply with the requirements under Chapter 17 of the Listing Rules, to provide the Eligible Participants with the opportunity to acquire proprietary interests in the Company upon their exercise of the Options, thereby attracting, retaining and motivating talented employees and incentivizing the Eligible Participants to work towards enhancing the value of the Company for the benefit of the Company and the Shareholders as a whole.

The rules of the 2021 Share Option Scheme provide that the Board (or any person(s) to whom the Board has delegated its authorities may determine, at its sole discretion, such term(s) on the grant of an Option subject to the provisions of the 2021 Share Option Scheme, the Listing Rules and any applicable laws, rules and regulations. The basis for determination of the Exercise Price is also specified in the rules of the 2021 Share Option Scheme (as described in the Appendix in this circular).

LETTER FROM THE BOARD

As at the Latest Practicable Date, under the Existing Scheme, 400,000,000 Options were granted of which 39,096,400 Options were exercised, 256,656,000 Options had lapsed, and 104,247,600 Options were issued which remained outstanding. Save for the outstanding Options as disclosed above, as at the Latest Practicable Date, there were no outstanding options, warrants or convertible securities which entitle the holders to subscribe for the Shares.

Taking into account 4,629,292,400 Shares were in issue as at the Latest Practicable Date and assuming that there would be no change in the issued share capital of the Company from the Latest Practicable Date up to and including the Adoption Date, and assuming that the Adoption Date is the date of the EGM, the maximum number of Shares which may be issued upon exercise of all options to be granted under the 2021 Share Option Scheme and any other share option schemes under the scheme limit prescribed in Note 1 of Rule 17.03(3) of the Listing Rules will be 462,929,240 Shares, representing 10% of the total number of Shares in issue as at the Adoption Date. The adoption of the 2021 Share Option Scheme will be subject to, amongst other things, approval by the shareholders of the Company at the EGM. For details on EGM voting arrangement, please refer to the section headed “**THE EGM**” in this circular.

The overall limit on the total number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Existing Scheme, the 2021 Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the issued share capital of the Company from time to time as prescribed under the Listing Rules. No Options may be granted under any share option schemes of the Company if this will result in the 30% limit being exceeded.

Under the terms of the Existing Scheme, the Board may at any time terminate the operation of the Existing Scheme. After due and careful consideration, the Board has approved the termination of the Existing Scheme subject to and conditional upon the 2021 Share Option Scheme being approved by the shareholders of the Company and becoming effective. Upon termination of the Existing Scheme, no further options may be granted thereunder, but the provisions of the Existing Scheme shall remain in force to the extent necessary to give effect to the exercise of any options granted prior to the termination. Therefore, the adoption of the 2021 Share Option Scheme will not in any event affect the terms of the grant of such outstanding options that have already been granted under the Existing Scheme and the above outstanding options granted under the Existing Scheme shall continue to be valid and subject to the provisions of the Existing Scheme.

After adoption of the 2021 Share Option Scheme, if the Company intends to grant options beyond the 10% limit, the Company will ensure that options in excess of the limit are granted only to participants specifically identified by the Company, and separate approval by the Shareholders at the EGM will be sought on granting options beyond the 10% limit of the number of options which may be granted under the 2021 Share Option Scheme pursuant to Rule 17.03(3) Note (1) and all other applicable requirements under the Listing Rules. Further, the Company may seek approval of the Shareholders in general meetings to refresh the 10% initial mandate limit. However, the total number of Shares which may be issued upon exercise of all Options to be granted under the 2021 Share Option Scheme, and any other share option schemes of the Company under the limit as “refreshed” shall not exceed 10% of the total number of Shares in issue as at the date of approval to refresh such limit. Options previously granted under any share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the 2021 Share Option Scheme or exercised Options) shall not be counted for the purpose of calculating the limit as “refreshed”.

LETTER FROM THE BOARD

The Directors consider that it is not appropriate to state the value of all Options that can be granted under the 2021 Share Option Scheme as if they had been granted on the Latest Practicable Date as a number of variables which are crucial for the calculation of that value have not been determined. In addition, such variables include the Exercise Price, exercise period, any performance targets set and other relevant variables. The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a great number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

As at the Latest Practicable Date, the Company did not intend to appoint any trustee for the purpose of administering the 2021 Share Option Scheme. On this basis, none of the Directors would be a trustee of the 2021 Share Option Scheme or would have a direct or indirect interest in any such trustee.

CONDITIONS PRECEDENT OF 2021 SHARE OPTION SCHEME

The 2021 Share Option Scheme is conditional upon:

- (i) passing of the necessary resolution by the shareholders of the Company to approve and adopt 2021 Share option Scheme, and to authorise the Board (and any person(s) to whom the Board has delegated its authority) to grant the Options hereunder and to allot, issue and deal with the Shares which fall to be issued by the Company pursuant to the exercise of the Options under this 2021 Share Option Scheme; and
- (ii) the listing division of the Stock Exchange granting the listing of and permission to deal in the Shares which may be issued pursuant to the exercise of Options in accordance with the terms of the 2021 Share Option Scheme.

A copy of the 2021 Share Option Scheme is available for inspection at the Company's principal place of business in Hong Kong at 31/F, 148 Electric Road, North Point, Hong Kong during normal business hours from the date hereof up to the date of EGM.

Application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the Options granted under the 2021 Share Option Scheme.

THE EGM

As at the Latest Practicable Date, no Shareholder has a material interest in the Existing Scheme and the adoption of the 2021 Share Option Scheme. As such, no Shareholder is required to abstain from voting on the resolution in relation thereto.

The notice convening the EGM to be held at Floor 16, LifeTech Scientific Building, No. 22 Keji 12th Road South, High-tech Industrial Park, Nanshan District, Shenzhen, PRC on Friday, 17 September 2021 at 10:00 a.m. or any adjournment thereof is set out on pages 15 to 16 of this circular for the purpose of considering and if thought fit, passing the ordinary resolution relating to the approval of the 2021 Share Option Scheme.

LETTER FROM THE BOARD

Pursuant to Rules 13.39(4) and 13.39(5) of the Listing Rules, the voting on the proposed resolution at the EGM will be taken by way of a poll and an announcement on the poll results will be made by the Company after the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend and vote in person at the EGM, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of the power of attorney or authority, to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding such EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting if you so wish and in such event, the form of proxy shall be deemed to be revoked.

RECOMMENDATION

The Board considers that the terms of the 2021 Share Option Scheme are fair and reasonable so far as the Shareholders are concerned, and that the adoption of the 2021 Share Option Scheme is in the best interests of the Company and the Shareholders as a whole. Therefore, the Board recommends the Shareholders to vote in favour of the ordinary resolution relating to the adoption of the 2021 Share Option Scheme set out in the notice of the EGM on pages 15 to 16 of this circular.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules 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 circular 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 circular misleading.

Yours faithfully,
For and on behalf of the Board
LifeTech Scientific Corporation
XIE Yuehui
*Chairman, Chief Executive Officer
and Executive Director*

APPENDIX SUMMARY OF THE PRINCIPAL TERMS OF THE 2021 SHARE OPTION SCHEME

The following is a summary of the proposed terms of the 2021 Share Option Scheme together with notes showing the current terms as required by the Listing Rules.

THE 2021 SHARE OPTION SCHEME

The following is a summary of the principal terms of the 2021 Share Option Scheme proposed to be approved and adopted by ordinary resolution of the Shareholders at the EGM.

I. Purposes of the Scheme

The purpose of 2021 Share Option Scheme is to enable the Company to grant Options to Eligible Participants as incentives or rewards for their contribution to the growth of the Group and to provide the Group with a more flexible means to reward, remunerate, compensate and/or provide benefits to the Eligible Participants.

The Board may delegate authority to administer the 2021 Share Option Scheme to a committee of the Board or any person(s) as deemed appropriate at the sole discretion of the Board, including powers to offer or grant Options and to determine the Exercise Price, provided that nothing therein shall prejudice the Board's power to revoke such delegation at any time or derogate from the discretion rested with the Board. Reference to the Board in this Scheme shall therefore be construed accordingly.

II. Eligible Participants of the 2021 Share Option Scheme

The Eligible Participants of the 2021 Share Option Scheme to whom Options may be granted shall include any of the following classes of persons who, at the sole determination of the Board, have contributed or will contribute to the growth or performance of any member of the Group or any Invested Entity:

- (a) any employee (whether full-time or part-time employee of any member of the Group or any entity ("Invested Entity") in which the Group holds an equity interest;
- (b) any director (including executive, non-executive and independent non-executive directors) of any member of the Group or any Invested Entity;
- (c) any supplier of goods or services to any member of the Group or any Invested Entity;
- (d) any customer of any member of the Group or any Invested Entity;
- (e) any person or entity that provides design, research, development or other technological support to any member of the Group or any Invested Entity;
- (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;

APPENDIX SUMMARY OF THE PRINCIPAL TERMS OF THE 2021 SHARE OPTION SCHEME

- (g) any advisor (professional or otherwise), consultant, business partner, service provider to any area of business or business development of any member of the Group or any Invested Entity; and
- (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

III. Duration of the 2021 Share Option Scheme

2021 Share Option Scheme shall be valid and effective for a period of ten (10) years commencing from the Adoption Date, after which period no further Options shall be offered or granted but the provisions of this Scheme shall remain in full force and effect in all other respects with respect to Options granted during the life of this Scheme.

The Board may delegate authority to administer the 2021 Share Option Scheme to a committee of the Board or any person(s) as deemed appropriate at the sole discretion of the Board, including powers to offer or grant Options and to determine the Exercise Price, provided that nothing therein shall prejudice the Board's power to revoke such delegation at any time or derogate from the discretion rested with the Board. Reference to the Board in this Scheme shall therefore be construed to include any committee(s) or person(s) to whom the Board has delegated its authority for such purpose accordingly.

There is no general requirement on the minimum period for which an Option must be held or the performance targets which must be achieved before an Option can be exercised under the terms of this Scheme. The Board may offer to grant any Options subject to such terms and conditions in relation to the minimum period of the Options to be held and/or the performance targets to be achieved (if any) before such Options can be exercised and/or any other terms as the Board may determine in its absolute discretion.

IV. Offer and Grant of Options

On and subject to the terms of this Scheme and only when in compliance with the Listing Rules applicable from time to time, the Board shall be entitled but shall not be bound at any time and from time to time within ten (10) years from the Adoption Date to make an Offer to any Eligible Participant achieving certain annual performance indicators and as the Board may at its absolute discretion select to take up Options to subscribe for such number of Shares, being a board lot for dealing in Shares on Main Board or an integral multiple thereof, as the Board may determine, at the Exercise Price. Options may be granted on such terms and conditions as stipulated in the Offer Letter in relation to their vesting, exercise, minimum period of the Options to be held, the performance targets to be achieved before such Options can be exercised or any other terms as the Board may determine in its absolute discretion (including the consideration payable to be determined by the Board and the deadline by which such consideration shall be paid by the Eligible Participant for the acceptance of such Options), provided that such terms and conditions shall not be inconsistent with any other terms and conditions of this Scheme.

APPENDIX SUMMARY OF THE PRINCIPAL TERMS OF THE 2021 SHARE OPTION SCHEME

An Offer shall remain open for acceptance by the Eligible Participant concerned for such period as determined by the Board, which period shall not be more than fourteen (14) days from the Offer Date. An offer shall be deemed to have been accepted and the Option to which the Offer relates shall be deemed to have been granted and to have taken effect with retrospective effect from the Offer Date when the duplicate letter comprising acceptance of the Offer, duly signed by the Grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein, together with a consideration in favour of the Company (if required) in the matter as stipulated in the Offer Letter. Such consideration shall in no circumstances be refundable or be deemed to be part payment of the Exercise Price.

V. Restrictions on grant of Options

Each grant of Options to any director, chief executive or substantial shareholder of the Company (or any of their respective associates) (the aforesaid terms have the meanings ascribed to them under the applicable provisions of the Listing Rules) shall be subject to the approval by the independent non-executive Directors (excluding any independent non-executive Director who is a grantee of the Options).

Where any grant of Options to a substantial shareholder or an independent non-executive Director or any of their respective associates would result in the total number of Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant: (a) representing in aggregate over 0.1% (or such other percentage level as may from time to time be specified by the Stock Exchange) of the Shares in issue; and (b) having an aggregate value, based on the closing price of the Shares as stated in the daily quotation sheet issued by the Stock Exchange on the Offer Date, in excess of HK\$5 million (or such other amount as may from time to time be specified by the Stock Exchange), such further grant of Options must be subject to the approval of Shareholders. The grantee, his associates and all core connected persons of the Company must abstain from voting in favour of such general meeting.

A circular to the shareholders of the Company must be prepared and sent by the Company containing (a) details of the number and terms (including the Exercise Price) of the Options to be granted to each Eligible Participant, which must be fixed before the Shareholders' meeting, and the date of the Board meeting for proposing such further grant is to be taken as the Offer Date for the purpose of calculating the Exercise Price; (b) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options) to the independent Shareholders as to voting; (c) the information required under Rules 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and (d) the information required under Rule 2.17 of the Listing Rules.

VI. Exercise Price

The Exercise Price in respect of any Option shall be such price determined by the Board and shall, subject to any adjustments made pursuant to the terms of the Share Option Scheme, be a price determined by the Board and notified to each Grantee and shall be at least the highest of:

- (a) the closing price per Share as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a business day;
- (b) the average closing price per Share as stated in the Stock Exchange's daily quotations sheet for the five (5) business days immediately preceding the Offer Date; and
- (c) the nominal value of a Share.

VII. Exercise and Cancellation of Options

An Option shall be personal to the Grantee and shall not be transferrable or assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest (legal or equitable) in favour of any third party over or in relation to any Option or attempt so to do, except for the transmission of an Option on the death of the Grantee to his personal representative(s) on the terms of the Scheme. Any breach of the foregoing by the Grantee shall entitle the Company to cancel any Option granted to such Grantee (to the extent not already exercised).

VIII. Lapse of Option

The right to exercise an Option shall lapse automatically and become not exercisable (to the extent not already exercised) immediately upon the earliest of:

- (a) the expiry of the Option Period;
- (b) the expiry of any of the periods referred to in the relevant provision of the 2021 Share Option Scheme;
- (c) the date of the commencement of the winding-up of the Company;
- (d) the date on which the Grantee ceases to be an Eligible Participant by reason of the termination of the employment, directorship, appointment, engagement or provision of services of such Grantee on any one or more of the grounds that he has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has become insolvent or has made any arrangement or composition with his creditors generally, or has breached or failed to comply with any provisions of the relevant service contract, letter of appointment or other contracts or agreements of the Grantee with the relevant member of the Group or the relevant Invested Entity for the employment, directorship, appointment, engagement or provision of services, or has been convicted of any criminal offence involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the service contract, letter of

appointment or other contract or agreement for the employment, appointment or engagement of the Grantee with the relevant member of the Group or the relevant Invested Entity. A resolution of the Board or the board of directors of the relevant member of the Group or the relevant Invested Entity to the effect that the employment, directorship, appointment, engagement or provision of services of a Grantee has or has not been terminated on one or more of the grounds specified in Clause 8.1(d) of the 2021 Share Option Scheme at its sole discretion shall be conclusive; or

- (e) the date on which the Grantee commits a breach as specified in Clause 7.1 of the 2021 Share Option Scheme.

Subject to the relevant provision of the 2021 Share Option Scheme, any Options lapsed will become available for future grant and be re-issued at the discretion of the Board and shall not be counted towards to maximum aggregate number of Shares which may be issued under the 2021 Share Option Scheme. In addition, the Board shall have the absolute discretion in determining issues in relation to lapse of Options under the 2021 Share Option Scheme.

IX. Maximum Number of Shares Available for Subscription

The total number of Shares which may be issued upon exercise of all outstanding options to be granted under the 2021 Share Option Scheme and any other share option schemes of the Group must not exceed 10% of the Shares in issue as at the date of approval of the 2021 Share Option Scheme by the Shareholders, subject to the terms and conditions of the 2021 Share Option Scheme and Chapter 17 of the Listing Rules. The overall limit on the total number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Existing Scheme, the 2021 Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the issued share capital of the Company from time to time as prescribed under the Listing Rules. No Options may be granted under any share option schemes of the Company if this will result in the 30% limit being exceeded.

X. Maximum entitlement of each Eligible Participant

Unless approved by Shareholders in the manner set out in the relevant provision of the 2021 Share Option Scheme, the total number of Shares issued and to be issued upon exercise of the Options granted to each Eligible Participant (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the total number of Shares in issue (the “**Individual Limit**”). Where any further grant of Options to an Eligible Participant would result in the total number of Shares issued and to be issued upon exercise of all Options granted and to be granted to such Eligible Participant (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such further grant representing in aggregate over the Individual Limits at the date of such further grant, such further grant must be subject to the approval of the Shareholders at a general meeting with such Eligible Participant and his close associates (or his associates if the Eligible Participant is a connected person) abstaining from voting.

XI. Reorganization of Capital Structure

In the event of an alteration in the capital structure of the Company while any Option remains exercisable by way of, for example, any capitalisation of profits or reserves, rights issue or other similar offer of securities to holders of Shares, sub-division, consolidation or reduction of capital of the Company in accordance with legal requirements and the requirements of the Stock Exchange (other than an issue of Shares as consideration in respect of a transaction in which the Company and/or any of its Subsidiaries is a party), such corresponding adjustments (if any) shall be made to:

- (a) the number or nominal amount of Shares subject to the Option so far as unexercised; and/or
- (b) the Exercise Price;

or any combination thereof, as the Auditors or an independent financial adviser to be appointed by the Company for such purpose shall certify in writing to the Board to be in their opinion fair and reasonable, provided always that:-

- (i) no such adjustments shall be made the effect of which would be to enable any Share to be issued at less than its nominal value;
- (ii) such adjustments shall be made on the basis that the Grantee shall have the same proportion of the equity capital of the Company to which the Grantee was entitled before such adjustments.

XII. Share Capital

The exercise of any Option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

The Share(s) to be issued and allotted upon the exercise of an Option shall be identical to the then existing issued Shares of the Company and subject to all the provisions of the articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the allotment date and accordingly will entitle the holders to participate in all voting, dividends or other distributions held, declared, paid or made on or after the allotment date other than any voting, dividend or other distribution (including those arising on a liquidation of the Company) previously held, declared or recommended or resolved to be paid or made if the record date thereof shall be before the allotment date, provided always that when the date of exercise of an Option falls on a date upon which the register of members of the Company is closed, then the exercise of such Option shall become effective on the first business day on which the register of members of the Company is re-opened.

XIII. Disputes

Any dispute arising out of or in connection with this Scheme (whether as to the number of Shares being the subject of an Option, the amount of the Exercise Price or otherwise) or any adjustment under relevant provision of the 2021 Share Option Scheme shall be referred to the decision of the Auditors or an independent financial adviser which may be appointed by the Company for this purpose, who shall act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final and binding on all parties who may be affected thereby.

XIV. Alteration to the Scheme and the Terms of Option Granted Under the Scheme

Subject to the Listing Rules, all provisions of the 2021 Share Option Scheme may be altered from time to time in any respect by a resolution of the Board (including without limitation amendments in order to comply with changes in legal or regulatory requirements and amendments in order to waive any restrictions imposed by the provisions of the 2021 Share Option Scheme, which are not found in Chapter 17 of the Listing Rules) at any time save that the following alterations shall require the approval by the Shareholders in a general meeting:

- (a) any alterations of the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Grantee(s) or the Eligible Participant(s) (as the case may be);
- (b) any alterations to the terms and conditions of this Scheme which are of a material nature or any change to the terms of Options granted (except where the alterations take effect automatically under the existing terms of this Scheme); and
- (c) any change to the authority of the Board in relation to any alteration to the terms of this Scheme.

Any amended terms of this Scheme or Options shall still comply with the relevant requirements of Chapter 17 of the Listing Rules (subject to such waiver as may be granted by the Stock Exchange from time to time).

XV. Termination

The Company by ordinary resolution in general meeting or the Board may at any time terminate the operation of this 2021 Share Option Scheme and in such event no further Options shall be offered but the provisions of this 2021 Share Option Scheme shall remain in full force and effect in all other respects in respect of any Options granted prior thereto but not yet exercised at the time of termination. Upon such termination, details of the Option granted, including Options exercised or outstanding shall be disclosed in the circular to the shareholders of the Company seeking approval of the first new scheme established after such termination.

NOTICE OF THE EGM



LIFETECH SCIENTIFIC CORPORATION

先健科技公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1302)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of LifeTech Scientific Corporation (the “**Company**”) will be held at Floor 16, LifeTech Scientific Building, No. 22, Keji 12th Road South, High-tech Industrial Park, Nanshan District, Shenzhen, PRC on Friday, 17 September 2021 at 10:00 a.m. or any adjournment thereof for the purpose of considering and if thought fit, passing the following resolution, with or without modification, as ordinary resolution of the Company:

ORDINARY RESOLUTION

1. “**THAT** the share option scheme of the Company in the form produced before this meeting and for the purpose of identification marked “A” and signed by the Chairman of the meeting (“**2021 Share Option Scheme**”) be and is hereby approved and adopted by the Company and subject and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting approval of the listing of, and permission to deal in, the shares of the Companies falling to be issued pursuant to the exercise of any options granted under the 2021 Share Option Scheme, the directors of the Company (and any person(s) to whom the board of directors of the Company has delegated its authority) be and are hereby authorised to grant options and to allot, issue and deal with the Shares pursuant to the exercise of any option granted thereunder and to take such steps and do such acts and to enter into such transactions, arrangements and agreements as may be necessary, desirable or expedient in order to give full effect to the 2021 Share Option Scheme.”

By Order of the Board

LifeTech Scientific Corporation

XIE Yuehui

*Chairman, Chief Executive Officer
and Executive Director*

Hong Kong, 30 August 2021

Principal place of business in Hong Kong:

31/F, 148 Electric Road

North Point

Hong Kong

NOTICE OF THE EGM

Notes:

1. A form of proxy for use at the EGM is enclosed.
2. Any member of the Company (“**Member**”) entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company.
3. In order to be valid, the proxy form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be delivered to the Company’s branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not less than 48 hours before the time fixed for holding the meeting (or any adjournment thereof).
4. The Register of Members of the Company will be closed from Tuesday, 14 September 2021 to Friday, 17 September 2021 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify to attend the meeting, all share transfer 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 no later than 4:30 p.m. on Monday, 13 September 2021.

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