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LifeTech Scientific Corporation

先健科技公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1302)

MAJOR TRANSACTION — PROPOSED ACQUISITION OF APPROXIMATELY 96.46% EQUITY INTEREST IN STARWAY MEDICAL TECHNOLOGY, INC.* (北京華醫聖傑科技有限公司) INVOLVING ISSUE OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

THE TRANSACTION

The Board announces that on 22 May 2026 (after trading hours), the Company entered into the legally binding Framework Agreement with the Seller, pursuant to which the Company has conditionally agreed to acquire, and the Seller has conditionally agreed to sell, approximately 96.46% of the equity interest in Starway.

The Consideration shall be satisfied by the issue of Convertible Bonds by the Company to the Seller.

Upon Closing, Starway will become a non-wholly-owned subsidiary of the Company and its financial results will be consolidated into the consolidated financial statements of the Group.

LISTING RULES IMPLICATIONS

As the highest of the applicable percentage ratios (as defined under the Listing Rules) is greater than 25% but less than 100%, the Transaction constitutes a major transaction for the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

EGM

The EGM will be convened and held for the Shareholders to consider and, if thought fit, to approve, among other things, the Transaction, including the proposed acquisition of the Starway Equity by the Company, the issue of the Convertible Bonds and the Specific Mandate.

DESPATCH OF CIRCULAR

A circular containing, among other things, further details of the Transaction, the Convertible Bonds, the Specific Mandate and other information as required to be disclosed under the Listing Rules is expected to be issued beyond fifteen (15) business days after the publication of this announcement, and despatched to the Shareholders on or before 30 June 2026 so as to allow time for the preparation of the relevant information for inclusion in the circular.

INTRODUCTION

On 22 May 2026 (after trading hours), the Company entered into the legally binding Framework Agreement with the Seller, pursuant to which the Company has conditionally agreed to acquire, and the Seller has conditionally agreed to sell, the Starway Equity, representing approximately 96.46% of the equity interest in Starway, at the Consideration to be satisfied by the issue of the Convertible Bonds by the Company to the Seller

THE FRAMEWORK AGREEMENT

The principal terms of the Framework Agreement are summarised as follows:

Date: 22 May 2026

Parties:

- (1) the Company; and
- (2) the Seller

Subject Matter

Pursuant to the Framework Agreement, subject to the fulfilment of the conditions precedent set out below, the Company has conditionally agreed to acquire, and the Seller has conditionally agreed to sell, the Starway Equity, representing approximately 96.46% of the equity interest in Starway. Upon Closing, Starway will become a non-wholly-owned subsidiary of the Company and its financial results will be consolidated into the consolidated financial statements of the Group.

Consideration

The Consideration for the Transaction shall be approximately RMB1,873.3 million, being approximately 96.46% of the agreed value of Starway of approximately RMB1,942 million, which was determined with reference to, among other things, a price-to-earnings multiple of 18 times the net profit after tax of Starway for the financial year ended 31 December 2025 of approximately RMB108 million (before deducting Starway's share-based compensation expenses for that financial year), converted into US dollars at the USD/RMB mid-rate published by the China Foreign Exchange Trade System on the date of the Acquisition Agreement. Starway shall retain a reasonable amount of net cash on its books at Closing. For illustrative purposes only and based on the USD/RMB mid-rate published by the China Foreign Exchange Trade System on the date of the Framework Agreement of 6.8373, the USD equivalent of the Consideration is approximately USD274.0 million. The Consideration shall be satisfied by the issue of the Convertible Bonds by the Company to the Seller at Closing. No cash consideration will be payable by the Company. The issue of the Convertible Bonds and allotment and issue of the Conversion Shares are subject to the Specific Mandate to be sought at the EGM.

Acquisition Agreement

Pursuant to the Framework Agreement, the Company and the Seller shall each use reasonable commercial endeavours to enter into the Acquisition Agreement in respect of the Transaction on or before 5 June 2026. Terms in the Framework Agreement will be finalised in the Acquisition Agreement to be signed between the parties and will be disclosed in accordance with the Listing Rules as and when appropriate.

The Acquisition Agreement shall be accompanied by: (1) the definitive terms of the Convertible Bonds in the form and substance to the reasonable satisfaction of the Seller, (2) the acquisition agreement in Chinese for the transfer of the Starway Equity in compliance with the PRC laws and regulations in the form and substance to the reasonable satisfaction of the Seller, and (3) the equity pledge agreement over the entire Starway Equity.

Director Nomination Rights

Subject to compliance with applicable laws (including the Listing Rules) and the articles of association of the Company, the Company shall procure the appointment of two candidates nominated by the Seller as executive Directors with effect from Closing. Upon the Seller becoming a holder of 10% or more of the issued and outstanding Shares, the Seller shall have the right to nominate two additional candidates to be appointed as Directors.

Negative Pledge

From and after the date of the Framework Agreement, neither the Company nor any other member of the Group may, without the Seller's prior written consent, create or maintain any security interest over any of its assets to secure any indebtedness that is, or is capable of being, quoted, listed, or traded on any securities market (regardless of form or manner of issuance), or any related guarantee.

Undertakings

From and after the date of the Framework Agreement, the Company and the Group shall continue to operate their businesses in the ordinary course and comply with all applicable laws (including the Listing Rules). Without the Seller's prior written consent, neither the Company nor any other member of its Group shall, among other things, effect any change to its capital structure, amend its constitutional documents, declare or pay dividends, enter into transactions to acquire or dispose of assets (including intellectual property rights) that are required to be disclosed pursuant to the Listing Rules, or incur material indebtedness (other than customary commercial credit in the ordinary course of business).

Exclusivity

During the period from the date of the Framework Agreement to the first anniversary thereof (or such other date as may be agreed in writing by the parties), the Company shall, and shall procure each other member of the Group, their respective affiliates, directors, senior management, employees, advisers, representatives and agents to:

- (a) cooperate exclusively with the Seller and its representatives in connection with the implementation of the Transaction;
- (b) immediately terminate all existing discussions, negotiations and communications with any person other than the Seller and its representatives regarding any Competing Transaction; and
- (c) not, directly or indirectly, solicit, invite, facilitate, encourage or initiate any proposal, offer or indication of interest, or respond to any offer or proposal, or participate in any discussions or negotiations, or provide any information, or enter into any agreement, arrangement or understanding (whether written or oral), or otherwise assist, participate in, facilitate or encourage any person (other than the Seller and its representatives) in relation to any Competing Transaction.

Anti-Dilution

Following Closing, the Seller shall have customary anti-dilution protections (including corresponding adjustments to the Conversion Price), as well as a pro rata pre-emptive right to subscribe for new securities issued by the Company to ensure that the Seller's shareholding percentage in the Company is not diluted, as will be set out in the terms of the Convertible Bonds.

Proposed Share Acquisition by the Seller

The Seller intends, following Closing, to acquire additional issued Shares at an average price not exceeding HKD2.5 per Share so as to become the single largest Shareholder.

The Convertible Bonds

The principal terms of the Convertible Bonds to be issued by the Company are summarized below.

Issuer:	The Company
Subscriber:	The Seller
Principal Amount:	The initial principal amount of the Convertible Bonds shall be equal to the Consideration amount and denominated in USD.
Interest Rate:	3.5% per annum on the outstanding principal amount, payable in cash on a quarterly basis.
Maturity:	Three (3) years from the date of issue.
Conversion Price:	The initial conversion price shall be HKD2.5 per Share, subject to customary anti-dilution adjustment mechanisms and customary conversion price reset mechanisms as will be set out in the terms of the Convertible Bonds. For the purpose of conversion of the Convertible Bonds into Shares, a fixed exchange rate of USD1.00 to HKD7.85 shall be adopted.
Conversion Period:	From the date of issue of the Convertible Bonds up to and including the date immediately prior to the maturity date, the Seller may at any time exercise its conversion rights to convert the whole or any part of the outstanding principal amount of the Convertible Bonds into Shares. Each Share issued upon conversion shall be validly issued, fully paid and free from all encumbrances.
Security	As security for the Company's obligations under the Convertible Bonds, the Company shall grant to the Seller an equity pledge over the entire Starway Equity held by the Company as at the date of issue of the Convertible Bonds pursuant to an equity pledge agreement to be entered into between the Company and the Seller. The security shall be limited to the outstanding obligations of the Company under the Convertible Bonds and shall be released upon the full discharge of all such obligations.
Restrictive Covenants	During the term of the Convertible Bonds, the Company shall comply with (and shall procure that each other member of the Group complies with) restrictive covenants customary for transactions of a similar nature, including but not limited to without the prior written consent of the Seller, the Company (and each other member of the Group) shall not incur material additional indebtedness, its financial indicators (such as financial leverage ratios) shall not exceed prescribed limits, and no material changes shall be made to the business of the Group. Such restrictive covenants will be set out in the terms of the Convertible Bonds.

**Early Redemption /
Events of Default**

During the term of the Convertible Bonds, if the Company experiences an early redemption event or an event of default (including breach of the restrictive covenants, deterioration of creditworthiness, insolvency, failure to maintain listing status, material adverse operational events, or failure to make timely payments of interest or other amounts under the Convertible Bonds), the Seller shall have the right to require the Company to immediately redeem all or part of the Convertible Bonds at a redemption price equal to the higher of: (a) an amount equal to 1.5 times the principal amount of the Convertible Bonds being redeemed; and (b) the amount that would provide a 12.5% internal rate of return on the Convertible Bonds being redeemed, in each case excluding any interest paid or accrued.

Default Interest:

If the Company fails to make any payment when due under the Convertible Bonds, default interest shall accrue on the overdue amount at the rate of 15% per annum from the due date until the date of actual receipt of payment in full by the Seller, in addition to the interest otherwise payable under the Convertible Bonds. Interest under the Convertible Bonds shall accrue on a daily basis and be calculated on the basis of actual days elapsed and a 360-day year.

Conditions

Closing of the Transaction is conditional upon the fulfilment of the following conditions precedent:

- (a) the acquisition of the Starway Equity by the Company having been approved by the PRC antitrust review authority;
- (b) the issue of the Convertible Bonds by the Company having been approved by the National Development and Reform Commission of the PRC;
- (c) the new Shares to be issued by the Company upon conversion of the Convertible Bonds having been approved for listing on the Stock Exchange by the Listing Committee of the Stock Exchange;
- (d) the Transaction having been duly approved by the Shareholders at the EGM in accordance with the Listing Rules and the articles of association of the Company;
- (e) the Seller having completed its due diligence review of the Company and being reasonably satisfied with the results thereof;
- (f) two candidates nominated by the Seller having been appointed as executive Directors, effective as at Closing; and
- (g) other conditions precedent customary for transactions of a similar nature.

Termination

The Framework Agreement may be terminated:

- (a) by mutual written agreement of the parties; or
- (b) unilaterally by the Seller (without requiring the Company's consent) upon written notice in the following circumstances:
 - (i) the Acquisition Agreement has not been signed by 11:59 p.m. (Hong Kong time) on 5 June 2026 (or such other date and time as may be agreed in writing by the parties);

- (ii) if the Company's shares are suspended from trading on the Stock Exchange for two or more consecutive trading days (unless the trading suspension is caused by the publication of the announcement in relation to the Transaction or the routine vetting process of the Stock Exchange in respect of the announcements relating to the Transaction.); or
- (iii) the Seller has any material adverse finding in the course of its due diligence.

Termination Fee

If the Transaction is terminated for any reason attributable to the Company, or if the Framework Agreement is terminated by the Seller upon the parties' failure to enter into the Acquisition Agreement by 11:59 p.m. (Hong Kong time) on 5 June 2026 (or such other date and time as may be agreed in writing by the parties), the Company shall pay the Seller a termination fee of USD5,000,000 within five business days of such termination.

Transaction Costs

Pursuant to the Framework Agreement, the Company shall reimburse the Seller for its costs and expenses actually incurred in connection with the Transaction (including costs of due diligence and fees of professional advisers engaged by the Seller), up to a maximum amount of USD5,000,000.

BASIS OF THE CONSIDERATION

The Consideration has been determined after arm's length negotiation between the Company and the Seller with reference to, among other things:

- (a) the latest business and financial performance and financial position of Starway;
- (b) market multiples of comparable companies; and
- (c) the reasons for and benefits of the Transaction as set out under the section headed "Reasons for and Benefits of the Transaction in this announcement.

Financial Information about Starway

As at 31 December 2025, the book values of total assets and net assets of Starway were RMB378,501,000 and RMB348,841,000 respectively:

The financial information of Starway for the two years ended 31 December 2024 and 2025 is set out below:

	For the year ended 31 December 2024	For the year ended 31 December 2025
	RMB'000	RMB'000
Net profit before tax	193,651	119,773
Net profit after tax (before deducting Starway's share-based compensation expenses for that financial year)	175,249	107,907
Net profit after tax	164,803	101,397

Market Multiples

In determining an appropriate transaction multiple for the purpose of arriving at the Starway Valuation and the Consideration, the Company made references to the trading multiples of a certain number of listed comparable

companies in the market with active transaction data, and these trading and financial data being public information with high level of transparency. The Company has selected the Comparable Companies and has adopted the Adjusted P/E Ratio as the trading multiple used in the computation process. The trading price of the Comparable Companies and their financial data are extracted from Capital IQ database and public filings as of 21 May 2026.

In assessing the value of Starway, the Company made references to the following Comparable Companies:

Comparable Companies	Location of Listing	Adjusted P/E Ratio
Shanghai MicroPort Endovascular MedTech (Group) Co., Ltd.	PRC	24.5
Shanghai INT Medical Instruments Co., Ltd.	Hong Kong	29.3
Zylox-Tonbridge Medical Technology Co., Ltd.	Hong Kong	23.0
LEPU ScienTech Medical Technology (Shanghai) Co., Ltd.	Hong Kong	14.7
Acotec Scientific Holdings Limited	Hong Kong	21.2
	Mean	22.6
	Median	23.0

Note: For the A-share listed Comparable Company in the PRC, the adjusted earnings base reflects its “net profit attributable to equity shareholders” (歸母扣非淨利潤), excluding non-recurring items pursuant to the applicable regulatory guidelines in the PRC. For the Comparable Companies listed on the Stock Exchange, the adjusted earnings base reflects their respective non-IFRS net profit, or reported net profit (if non-IFRS net profit is not available) attributable to shareholders of the relevant Comparable Company, which similarly excludes non-recurring items.

The Comparable Companies were selected mainly based on the following criteria:

- (a) shares of the Comparable Companies are listed on regulated stock exchanges;
- (b) sufficient data on the Comparable Companies are available and from a reliable source; and
- (c) Comparable Companies that are medical device companies primarily engaged in the research, development, manufacture, and commercialisation of interventional cardiovascular products (including structural heart and peripheral vascular devices) in the PRC, Hong Kong, or other major markets, and are therefore considered direct or proximate competitors to Starway.

The Board considered it suitable to adopt the Adjusted P/E Ratio as the pricing multiple in arriving at the Starway Valuation and the Consideration for the following reasons:

- (1) Both Starway and all five Comparable Companies generated positive net profit for the 12-month period ending 31 December 2025, rendering the P/E ratio a calculable and meaningful metric.
- (2) Each Comparable Company’s Adjusted P/E Ratio is based on its Non-IFRS or adjusted earnings, which excludes non-recurring items. In this connection, and to align with the adjusted earnings bases used by the Comparable Companies to ensure comparability, Starway’s applicable earnings base

similarly adds back the share-based compensation expenses of approximately RMB6.5 million for the financial year ended 31 December 2025, resulting in the net profit after tax of Starway for the financial year ended 31 December 2025 of approximately RMB108 million (before deducting Starway's share-based compensation expenses for that financial year).

- (3) Third, the Adjusted P/E Ratio is widely adopted by market participants as the primary valuation metric for profitable medical device companies in the PRC and Hong Kong markets.

The Starway Valuation of approximately RMB1,942 million represents an implied Adjusted P/E Ratio of approximately 18.0 times based on the net profit after tax of Starway for the financial year ended 31 December 2025 of approximately RMB108 million (before deducting Starway's share-based compensation expenses for that financial year). Such an implied Adjusted P/E Ratio of 18.0 times represents a discount of approximately 20.4 % to the mean Adjusted P/E Ratio of 22.6 times and approximately 21.8% to the median Adjusted P/E Ratio of 23.0 times of the Comparable Companies. Factors taken into consideration when comparing the implied Adjusted P/E Ratio of the Starway Valuation against the Comparable Companies include: (i) Starway is a private company and there has been no public market for its shares, whereas shares in the Comparable Companies are listed and liquid to trade; (ii) Starway is subject to ongoing volume-based procurement pressures in its structural heart product lines, which may constrain near-term earnings growth; and (iii) the integration of Starway's operations and management succession represent execution risks not present in the Comparable Companies. Having considered these factors as well as factors set out in the sections headed "Basis of the Consideration" and "Reasons for and Benefits of the Transaction" in this announcement, the Board is of the view that the Consideration is fair and reasonable.

Conversion Price

The initial Conversion Price represents:

- (a) a premium of approximately 8.23% to the closing price of HKD2.31 per Share as quoted on the Stock Exchange on the date of the Framework Agreement;
- (b) a premium of approximately 21.24% to the average closing price of HKD2.06 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days immediately prior to the date of the Framework Agreement;
- (c) a premium of approximately 24.65% to the average closing price of HKD2.01 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days immediately prior to the date of the Framework Agreement;
- (d) a premium of approximately 34.88% to the average closing price of HKD1.85 per Share as quoted on the Stock Exchange for the last sixty (60) consecutive trading days immediately prior to the date of the Framework Agreement; and
- (e) a premium of approximately 38.23% to the average closing price of HKD1.81 per Share as quoted on the Stock Exchange for the last ninety (90) consecutive trading days immediately prior to the date of the Framework Agreement.

INFORMATION ON THE PARTIES

Information on the Group

The Company is an investment holding company. The Group is principally engaged in the developing, manufacturing and marketing of advanced minimally invasive interventional medical devices for cardiovascular and peripheral vascular diseases and disorders.

Information on the Seller

The Seller is an investment holding company incorporated in Hong Kong with limited liability and is wholly owned by AUT-VII Holdings. The sole shareholder of AUT-VII Holdings is AUT-II Holdings Limited. AUT-II Holdings Limited is wholly owned by Hillhouse Investment Management V, L.P., which is in turn majority held by Hillhouse Fund V, L.P., the investment manager of which is Hillhouse Investment Management, Ltd..

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Seller and its ultimate beneficial owner(s) are Independent Third Parties as at the date of this announcement.

Information on Starway

Starway is a limited liability company established under the laws of the PRC in 2002. As a medical device company, Starway is principally engaged in the research, development, manufacture and sale of vascular interventional medical devices. Starway's products are primarily used in the treatment of congenital heart defects and the prevention of cardioembolic stroke. Starway launched one of the first domestically developed congenital heart disease occluder devices in China in 2003 and China's first PFO occluder product in 2009.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The Group is principally engaged in the development, manufacture and sale of interventional medical devices, with a focus on cardiovascular and peripheral vascular diseases. The Board has been actively exploring opportunities to enhance the Group's product portfolio and technology capabilities and to improve the Group's ability to deliver innovative solutions to patients and healthcare providers in both domestic and international markets.

Starway is principally engaged in the research, development, manufacture and sale of vascular interventional medical devices and possesses competitive edges in technology, market access, and research and development capabilities. The Directors consider that the acquisition of Starway is in line with the Group's overall development strategy and will bring long-term benefits to the Company.

Specifically, the Company considers that the Transaction has the following benefits:

(a) Expansion in the structural heart disease segment

The acquisition of Starway will enable the Group to broaden its product and service capabilities in the structural heart disease segment, a therapeutic area driven by increasing clinical demand and technological innovation. This expansion will diversify the Group's revenue streams, reduce its reliance on existing product lines, and enable the Group to offer patients more comprehensive interventional treatment solutions across in a complementary therapeutic area.

(b) Enhancement of product portfolio and technology capabilities

Starway's technology platform and product pipeline will complement the Group's existing portfolio and enhance its overall competitiveness. The Board expects the Transaction to enrich the Group's product portfolio in structural heart disease, enhance research and development capabilities, and support the launch of innovative products, thereby improving the Group's ability to provide comprehensive and innovative interventional medical device solutions to patients and healthcare providers.

(c) Realisation of operational and commercial synergies

Following completion of the Transaction, the Group expects to realise meaningful synergies through the integration of research and development resources and know-how, the leveraging of the Group's established manufacturing, regulatory and quality systems, and the utilisation of the Group's domestic and international sales and distribution network to accelerate the commercialisation of Starway's

products. These synergies are expected to enhance operational efficiency, broaden patient access to innovative therapies, and create long-term value for the Company and the Shareholders.

(d) Alignment of interests through the consideration structure

The consideration for the Transaction will be satisfied by the issue of the Convertible Bonds to the Seller, which enables the Company to preserve its cash resources while aligning the Seller's interests with the long-term performance of the Group. Upon conversion of the Convertible Bonds, the Seller will become a Shareholder and is expected to contribute support and industry expertise, further reinforcing the long-term partnership between the parties.

For the foregoing reasons, the Directors (including the independent non-executive Directors) are of the view that the terms of the Framework Agreement and the transactions contemplated thereunder are on normal commercial terms agreed upon after arm's length negotiations between the parties and are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the total number of issued Shares is 4,631,712,400. Based on the initial Conversion Price of HKD2.5 per Share and assuming the USD equivalent of the Consideration is approximately USD274.0 million based on the USD/RMB mid-rate published by the China Foreign Exchange Trade System on the date of the Framework Agreement of 6.8373, upon a full conversion of the Convertible Bonds, a total of 860,427,720 Shares would fall to be issued, representing approximately 18.58% of the issued share capital of the Company as at the date of this announcement and approximately 15.67% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares.

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon the allotment and issue of the Conversion Shares (assuming that there are no other changes in the issued share capital of the Company):

Shareholders	As at the date of this announcement		Immediately upon Closing and the allotment and issue of the Conversion Shares	
	<i>Number of Shares</i>	<i>Approximate % of shareholding</i>	<i>Number of Shares</i>	<i>Approximate % of shareholding</i>
Directors				
Xianjian Advanced Technology Limited (<i>Note 1</i>)	464,194,928	10.02	464,194,928	8.45
Mr. Wu Liping	45,163,333	0.98	45,163,333	0.82
Mr. Fang Yu	37,333,333	0.81	37,333,333	0.68
Trustee				
Futu Trustee Limited (<i>Note 2</i>)	416,737,668	9.00	416,737,668	7.59

Shareholders	As at the date of this announcement		Immediately upon Closing and the allotment and issue of the Conversion Shares	
	Number of Shares	Approximate % of shareholding	Number of Shares	Approximate % of shareholding
Others				
Seller	-	-	860,427,720	15.67
Other Shareholders	3,668,283,138	79.20	3,668,283,138	66.79
	<u>4,631,712,400</u>	<u>100.00</u>	<u>5,492,140,120</u>	<u>100.00</u>

Notes:

- 1. Xianjian Advanced Technology Limited, is wholly owned by Mr. Xie Yuehui, the Chairman, Chief Executive Officer and executive Director.*
- 2. Futu Trustee Limited is the professional trustee of the share award scheme adopted by the Company on 3 March 2022.*
- 3. Certain percentage figures included in the table have been subject to rounding adjustments, and accordingly percentage figures shown as total may not be an arithmetic aggregation of the figures preceding them.*

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Transaction exceed 25% but are less than 100%, the Transaction constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement and Shareholders' approval requirements under the Listing Rules.

EGM

The EGM will be convened and held for the Shareholders to consider and, if thought fit, to approve, among other things, the Transaction, including the proposed acquisition of the Starway Equity by the Company, the issue of the Convertible Bonds and the Specific Mandate.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, no Shareholder has a material interest in the Transaction and is required to abstain from voting on the relevant resolution(s) to be proposed at the EGM to approve the Transaction.

DESPATCH OF CIRCULAR

A circular containing, among other things, further details of the Transaction, the Convertible Bonds, the Specific Mandate and other information as required to be disclosed under the Listing Rules is expected to be issued beyond fifteen (15) business days after the publication of this announcement, and despatched to the Shareholders on or before 30 June 2026 so as to allow time for the preparation of the relevant information for inclusion in the circular.

Closing of the Transaction is subject to the satisfaction of the conditions precedent as described in this announcement. There is no assurance that such conditions precedent will be fulfilled. The Transaction

may or may not proceed as contemplated or at all. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares or other securities of the Company.

DEFINITIONS

Acquisition Agreement	the equity purchase agreement for the acquisition of the Starway Equity and the issuance of the Convertible Bonds to be executed by the parties pursuant to the Framework Agreement;
Adjusted P/E Ratio	price-to-earnings ratio based on each Comparable Company's respective adjusted net profit excluding non-recurring items;
AUT-VII Holdings	AUT-VII Holdings Limited, a company incorporated under the laws of the Cayman Islands;
Board	the board of Directors;
Closing	the closing of the Transaction pursuant to the terms of the Framework Agreement;
Company	LifeTech Scientific Corporation, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1302);
Comparable Companies	certain actively traded listed companies engaging in business similar to that of Starway;
Competing Transaction	any transaction that is similar in structure, nature, or effect to any arrangement contemplated by the Transaction, or that may impede, be adverse to, or be inconsistent with the Transaction, including any direct or indirect sale, lending, disposal, dealing, or creation of any encumbrance by the Company or any other member of the Group of any of their respective material assets or businesses to any person other than the Seller, or such transfer of any equity or other securities of a similar nature in the Company or any other member of the Group;
Consideration	the consideration for the Transaction, being the US dollar equivalent thereof calculated as described in this announcement of approximately RMB1,873.3 million, to be satisfied by the issue of the Convertible Bonds;
Conversion Share(s)	the new Share(s) to be allotted and issued by the Company upon exercise of the conversion rights attaching to the Convertible Bonds in accordance with the terms and conditions of the Convertible Bonds;
Conversion Price	the initial conversion price of HKD2.50 per Conversion Share, subject to adjustments;
Convertible Bonds	the convertible bonds to be issued by the Company to the Seller in the principal amount equal to the Consideration, the terms of which are summarised under the section headed "The Convertible Bonds" in this announcement;
Director(s)	the director(s) of the Company;

EGM		the extraordinary general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, approve the Transaction, issue of the Convertible Bonds and the Specific Mandate;
Framework Agreement		the binding transaction terms sheet dated 22 May 2026 entered into between the Company and the Seller, which is intended to be replaced by the Acquisition Agreement to be executed and delivered by the parties;
Group		the Company and such entities which are considered as subsidiaries of the Company under the applicable accounting standard and policy;
HKD		the lawful currency of Hong Kong;
Hong Kong		The Hong Kong Special Administrative Region of the PRC;
Independent Party(ies)	Third	third party(ies) independent of the Company and its connected persons;
Listing Rules		the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
PFO		a hole in the wall between the left and right atria of every human fetus;
PRC		the People’s Republic of China, which for the purposes of this announcement excludes Hong Kong, Macau and Taiwan;
RMB		the lawful currency of the PRC;
Seller		AUT-VII HK Holdings Limited, a company incorporated in Hong Kong with limited liability;
Share(s)		ordinary share(s) of USD0.00000125 each in the capital of the Company;
Shareholder(s)		the shareholder(s) of the Company;
Specific Mandate		the specific mandate to be sought, approved and granted by the Shareholders at the EGM to allot and issue the Conversion Shares upon exercise of the conversion rights attaching to the Convertible Bonds
Starway		Starway Medical Technology, Inc.* (北京華醫聖傑科技有限公司), a limited liability company established under the laws of the PRC;
Starway Equity		96.46% of the equity interest in Starway;
Starway Valuation		the agreed value of Starway of approximately RMB1,942 million;
Stock Exchange		The Stock Exchange of Hong Kong Limited;
Transaction		the transactions contemplated under the Framework Agreement and the Acquisition Agreement, namely the proposed acquisition of the Starway Equity by the Company and the issue of the Convertible Bonds by the Company to the Seller as consideration therefor;
USD		the lawful currency of the United States; and

% per cent.

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

Hong Kong, 22 May 2026

As at the date of this announcement, the Board comprises Mr. XIE Yuehui, Ms. WU Liping and Mr. FANG Yu being executive Directors; Mr. JIANG Feng being non-executive Director; and Mr. ZHOU Luming and Ms. CHEN Dongxia being independent non-executive Directors.

** For identification purposes only*