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LifeTech Scientific Corporation
先健科技公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1302)

INSIDE INFORMATION

**AMENDMENT AGREEMENTS ENTERED INTO WITH
MEDTRONIC IN RELATION TO PACING PRODUCTS**

This announcement is made by the Company (together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors of the Company (the “**Directors**”) is pleased to announce that on 16 November 2018, the Company and Medtronic entered into the amendment agreements to the Quality Agreement, Cardiac Rhythm Device License Agreement, Equipment Transfer and Component Supply Agreement, Services Agreement, Manufacturing Agreement, Medical Lead License Agreement and the Distribution Agreement (together known as the “**Amendment Agreements**”).

The key amendment terms to certain Amendment Agreements are 1) Medtronic waives the royalty of 12.5% of the Group’s Net Sales of Pacing Products for a period of five years from the earliest date the Pacing Products are sold or invoiced by the Group; 2) Medtronic waives the service fees for the consulting service provided to the Group, for a period of five years from the earliest date the Pacing Products are sold or invoiced by the Group; and 3) the component purchase price payable by Lifetech Shenzhen to MSO will be reduced while the Transfer Price payable by Medtronic China to Lifetech Shenzhen will be increased.

The Board expects that the Amendment Agreements will reduce the production cost of Pacing Products, increase their profitability within the next five years and further accelerate the commercialization of Pacing Products. The Amendment Agreements have also reflected Medtronic's confidence in the success of Pacing Products and desire to deepen the collaboration with the Company in the China cardiac rhythm device market. The Board considers that the Amendment Agreements were entered into on normal commercial terms after arm's length negotiation and are in the interests of the Company and its shareholders as a whole. As the Amendment Agreements were entered into in the Company's ordinary and usual course of business, they do not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

References are made to the announcements of the Company dated 15 October 2012, 6 January 2013, 15 June 2014 and 28 July 2014 (the "**Announcements**") and the circulars of the Company dated 6 January 2013 and 21 August 2014 (the "**Circulars**") in relation to, among others, the entering into of the Supply and Exclusive Distribution Agreement under the New Transaction Agreements, the Distribution Agreements and the Services Agreements. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements and Circulars.

The key amendment terms to certain Amendment Agreements are further set out as follows:

(i) CARDIAC RHYTHM DEVICE LICENSE AGREEMENT AND MEDICAL LEAD LICENSE AGREEMENT

Medtronic waives the royalty of 12.5% of the Group's Net Sales of Pacing Products for a period of five years from the earliest date the Pacing Products are sold or invoiced by the Group.

(ii) SERVICES AGREEMENT

Medtronic waives the service fees for the consulting service provided to the Group, for a period of five years from the earliest date the Pacing Products are sold or invoiced by the Group.

(iii) EQUIPMENT TRANSFER AND COMPONENT SUPPLY AGREEMENT AND DISTRIBUTION AGREEMENT

The component purchase price payable by Lifetech Shenzhen to MSO will be reduced while the Transfer Price payable by Medtronic China to Lifetech Shenzhen will be increased.

DEFINITIONS

Capitalised terms used in this announcement shall have the same meanings as defined in the Announcements and the Circulars, save as otherwise prescribed in this announcement or defined as follows:

“Cardiac Rhythm Device License Agreement”	means the cardiac rhythm device license agreement entered into among the Company, Medtronic Singapore and Lifetech Shenzhen dated 25 July 2014 (amended and supplemented on 17 April 2015, 24 August 2015 and 25 February 2016)
“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 after being transferred from the Growth Enterprise Market of the Stock Exchange on 6 November 2013 (Stock Code: 1302)
“Distribution Agreement”	means the supply and exclusive distribution agreement entered into among the Company, Lifetech Shenzhen and Medtronic China dated 25 July 2014 (amended and supplemented on 17 April 2015 and 5 May 2018)
“Equipment Transfer and Component Supply Agreement”	means the equipment transfer and components supply agreement entered into among the Company, Lifetech Shenzhen and MSO dated 25 July 2014 (amended and supplemented on 17 April 2015)
“Lifetech Shenzhen”	means a subsidiary of the Company duly organised under the laws of the PRC and having its principal place of business in Shenzhen
“Listing Rules”	Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Medtronic”	refers to Medtronic, Inc., and its affiliates (including Medtronic Singapore and Medtronic China)
“Medtronic China”	Medtronic Shanghai Management Co., Ltd., a corporation duly organized under the laws of China and having its principal place of business at Block 11, No. 3000 Long Dong Avenue, Pudong, Shanghai 201203, PRC; it is an affiliate of Medtronic

“Medical Lead License Agreement”	means the medical lead license agreement entered into among the Company, Lifetech (Shenzhen) and MSO dated 25 July 2014 (amended and supplemented on 17 April 2015)
“Medtronic Singapore” or “MSO”	Medtronic Singapore Operations Pte Ltd, a corporation duly organized under the laws of Singapore and having its principal place of business at 49 Changi South Ave 2, Nasaco Tech Centre, Singapore 486056 Singapore; it is an affiliate of Medtronic
“Pacing Products”	includes the Pacemaker Products and the Lead Products, of which the Pacemaker Products means such implantable pacemaker products as set forth in the Services Agreement, to be manufactured and commercialized under the Company’s brand pursuant to the Services Agreement, the Cardiac Rhythm Device License Agreement, the Equipment Transfer and Component Supply Agreement and the Distribution Agreement
“Services Agreement”	means the pacemaker consulting services agreement entered into among the Company, Medtronic and Lifetech Shenzhen dated 25 July 2014
“Transfer Price”	a per-type of product, per-unit price for the Pacemaker Products and Lead Products to be paid by Medtronic China to Lifetech Shenzhen under the Distribution Agreement

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

Hong Kong, 16 November 2018

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