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## **LifeTech Scientific Corporation**

**先健科技公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1302)**

### **ADOPTION OF THE 2022 SHARE AWARD SCHEME**

The Board has resolved to adopt the 2022 Share Award Scheme on 3 March 2022. The objectives of the 2022 Share Award Scheme are (i) to recognise and motivate the contributions by certain Eligible Participants and to give incentives thereto in order to retain them for the continual operation and development of the Group; (ii) to attract suitable personnel for further development of the Group; and (iii) to provide certain Eligible Participants with a direct economic interest in attaining a long-term relationship between the Group and certain Eligible Participants.

Pursuant to the Scheme Rules, the Board shall (after having regard to all relevant circumstances and affairs of the Group including without limitation the Group's business and financial performance of the Group) determine the maximum amount of funds to be allocated by the Board out of the Company's resources for the purchase or subscription of the Awarded Shares, as the Board deems appropriate, pursuant to the 2022 Share Award Scheme.

The Board shall not make any further grant of Award such that the total number of Shares granted under the 2022 Share Award Scheme will exceed 10% of the total number of issued Shares as of the Adoption Date. If the relevant subscription or purchase would result in the Trustee holding in aggregate, more than 10% of the total number of issued Shares of the Company as of the Adoption Date, the Trustee shall not subscribe for or purchase any further Shares.

The 2022 Share Award Scheme does not constitute a share option scheme under Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. No Shareholders' approval is required to adopt the 2022 Share Award Scheme. However, where any grant of Awarded Shares is proposed to be made to any person who is a connected person of the Company within the meaning of the Listing Rules, the Company shall comply with such provisions of the Listing Rules as may be applicable, including any reporting, announcement and/or shareholders' approval requirements, unless otherwise exempted under the Listing Rules.

## **ADOPTION OF THE 2022 SHARE AWARD SCHEME**

The Board has resolved to adopt the 2022 Share Award Scheme on 3 March 2022. A summary of the Scheme Rules is set out below.

## **SUMMARY OF THE SCHEME RULES**

### **Objectives**

The objectives of the 2022 Share Award Scheme are:

- (i) to recognise and motivate the contributions by certain Eligible Participants and to give incentives thereto in order to retain them for the continual operation and development of the Group;
- (ii) to attract suitable personnel for further development of the Group; and
- (iii) to provide certain Eligible Participants with a direct economic interest in attaining a long-term relationship between the Group and certain Eligible Participants.

### **Administration**

The 2022 Share Award Scheme is subject to the administration of the Board in accordance with the Scheme Rules.

The Board may, by passing ordinary resolutions, appoint any one or more senior management of the Company as Authorised Representative(s) to give instructions or notices to the Trustee on all matters in connection with the 2022 Share Award Scheme and other matters in the routine administration of the Trust.

The Trustee will hold the Shares and the income derived therefrom in accordance with the Scheme Rules and subject to the terms of the Trust Deed.

## **Scheme Limit**

The Board shall not make any further grant of Award such that the total number of Shares granted under the 2022 Share Award Scheme will exceed 10% of the total number of issued Shares as of the Adoption Date. On the basis that the total number of issued Shares as of the Adoption Date is 4,630,030,400 Shares, the aforesaid 10% limit represents a total of 463,003,040 Shares.

If the relevant subscription or purchase would result in the Trustee holding in aggregate, more than 10% of the total number of issued Shares of the Company as of the Adoption Date, the Trustee shall not subscribe for or purchase any further Shares.

## **Voting Rights**

The Trustee shall not exercise the voting rights in respect of any Shares held under the Trust.

## **Restrictions**

Any Award made under the 2022 Share Award Scheme shall be personal to the Selected Participant to whom it is made and shall not be assignable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to either the Contributed Amount or the Awarded Shares referable to him/her pursuant to such Award or the related income or any of the returned Shares under the 2022 Share Award Scheme.

Prior to the vesting of any Awarded Shares, a Selected Participant is not entitled to any rights attaching to the unvested Awarded Shares, including but not limited to voting rights, rights to dividends or distributions.

No payment shall be made to the Trustee and no instructions to acquire Shares shall be given to the Trustee under the 2022 Share Award Scheme when any Director is in possession of unpublished inside information in relation to the Company or where dealings by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time. The Board may not make an Award to any Director during the periods or times in which the Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

## **Operation**

The Board may, from time to time, at its absolute discretion select any Eligible Participant for participation in the 2022 Share Award Scheme as a Selected Participant and determine the number of Awarded Shares to be awarded to the

respective Selected Participants, the terms and conditions before the Awarded Shares may be vested and other related matters as expressly provided under the 2022 Share Award Scheme. However, until so selected, no Eligible Participant shall be entitled to participate in the 2022 Share Award Scheme.

The Board shall (after having regard to all relevant circumstances and affairs of the Group including without limitation the Group's business and financial performance of the Group) determine the maximum amount of funds to be allocated by the Board out of the Company's resources for the purchase or subscription of the Awarded Shares, as the Board deems appropriate, pursuant to the 2022 Share Award Scheme (the "**Contributed Amount**").

Subject to the terms of the 2022 Share Award Scheme and subject to compliance with the Listing Rules, the Board or the Authorised Representative(s) may from time to time instruct the Trustee in writing to directly or indirectly purchase Shares in the market (on the exchange or off the exchange) or otherwise receive any Shares by way of transfer from another trust under any other employee share award scheme of the Company to the Trustee. Once purchased or received, the Shares are to be held directly or indirectly by the Trust for the benefit of the Selected Participant under the Trust on and subject to the terms and conditions of the Scheme Rules and the Trust Deed. On each occasion when the Board or the Authorised Representative(s) instructs the Trustee to directly or indirectly purchase Shares in the market (on the exchange or off the exchange) or otherwise receive any Shares as aforesaid, it shall specify the maximum amount of funds to be used and the range of prices at which such Shares are to be purchased. The Trustee may not incur more than the maximum amount of funds specified by the Board or the Authorised Representative(s) or purchase any Shares at a price falling outside the range of prices so specified unless with the prior written consent of the Board or the Authorised Representative(s).

In the event that the Board or the Authorised Representative(s) shall at any time consider it appropriate for the Trustee to subscribe new Shares by utilising the Contributed Amount or the cash remaining in the trust fund, subject to the terms of the 2022 Share Award Scheme, the Board or the Authorised Representative(s) may instruct the Trustee in writing to, and the Trustee shall within ten (10) business days after receipt of such instruction, apply to the Company for the allotment and issue of the appropriate number of new Shares at par or at such other subscription price as instructed by the Board or the Authorised Representative(s).

Subject to compliance with the Listing Rules, the Company shall utilise the general mandate granted to the Directors by the Shareholders or seek to obtain separate shareholders' approval in general meeting to authorise the Directors to allot and issue new Shares at par or other subscription price to the Trustee provided that the total number of Shares to be allotted and issued to the Trustee under the 2022 Share Award Scheme shall not exceed the limit specified in the paragraph headed "Scheme Limit"

above and any allotment and issue of the Awarded Shares by the Company to the Trustee pursuant to this paragraph shall only be made after the Listing Committee of the Stock Exchange has granted the approval for the listing of and the permission to deal in such Shares.

Unless otherwise determined by the Board at its discretion, the Trustee shall hold Awarded Shares until such Shares are transferred to and vested in the Selected Participants in accordance with the Scheme Rules.

### **Vesting and Lapse**

Unless otherwise determined by the Board at its discretion, the relevant Awarded Shares held by the Trustee on behalf of the Selected Participants on trust shall not vest in the relevant Selected Participant in the following circumstances:

- (i) the Selected Participant ceases to be a Eligible Participant for whatever reason;
- (ii) the Subsidiary by which a Selected Participant is employed ceases to be a subsidiary of the Company (or of a member of the Group);
- (iii) the Related Entity by which a Selected Participant is employed ceases to be a Related Entity; or
- (iv) other circumstances as provided in the Scheme Rules.

Upon occurrence of any of the above circumstances, any Awarded Shares awarded but have not been vested in the Selected Participant will be returned to the Trust in accordance with the Scheme Rules.

In respect of a Selected Participant who died or retired at his normal retirement date or earlier by agreement with any member of the Group (or Related Entity) at any time prior to the vesting date, all the Awarded Shares and the related income of such Selected Participant shall be vested on such date as notified by the Board or the Authorised Representative(s) to the Trustee in writing.

### **Duration and Termination**

Unless early terminated by the Board, the 2022 Share Award Scheme shall be effective for ten years from the Adoption Date.

## LISTING RULES IMPLICATIONS

The 2022 Share Award Scheme does not constitute a share option scheme under Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. No Shareholders' approval is required to adopt the 2022 Share Award Scheme. However, where any grant of Awarded Shares is proposed to be made to any person who is a connected person of the Company within the meaning of the Listing Rules, the Company shall comply with such provisions of the Listing Rules as may be applicable, including any reporting, announcement and/or shareholders' approval requirements, unless otherwise exempted under the Listing Rules.

## DEFINITIONS

“2022 Share Award Scheme”	the share award scheme adopted by the Company on the Adoption Date (in its present or any amended form);
“Adoption Date”	3 March 2022, being the date on which the Board adopted the 2022 Share Award Scheme;
“Authorised Representative(s)”	authorised representative(s) appointed by the Board by passing ordinary resolutions delegated with the power and authority by the Board to give instructions or notices to the Trustee on all matters in connection with the 2022 Share Award Scheme and other matters in the routine administration of the Trust;
“Award”	an award by the Board to a Selected Participant entitling the Selected Participant to receive such number of Awarded Shares and the related income on such terms and conditions as the Board may determine;
“Awarded Shares”	in respect of a Selected Participant, such number of Shares determined by the Board under an Award;
“Board”	the board of Directors;
“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);
“Director(s)”	the director(s) of the Company;

“Eligible Participant”	(i) any Employee and non-executive director of the Company and/or any member of the Group and any Related Entity (excluding any Excluded Participant) who, in the sole opinion of the Board, will contribute or have contributed to any member of the Group; and (ii) agents, consultants, suppliers or any other persons who provide services to any member of the Group and, in the sole opinion of the Board, will contribute or have contributed to any member of the Group;
“Employee”	any employee (whether full time or part time, including without limitation any executive director) of any member of the Group or Related Entity;
“Excluded Participant”	any Employee and non-executive director of any member of the Group or Related Entity who has tendered his/her resignation or who has been given a notice of dismissal by the relevant member of the Group or Related Entity;
“Group”	the Company, the Subsidiaries and such entities which are considered as subsidiaries of the Company under the applicable accounting standard and policy;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Related Entity”	the holding companies, fellow subsidiaries or associated companies of the Company;
“Scheme Rules”	the rules of the 2022 Share Award Scheme, as amended from time to time;
“Selected Participant”	Eligible Participant(s) selected by the Board pursuant to the Scheme Rules who holds a subsisting Award;
“Share(s)”	ordinary share(s) of US\$0.00000125 each in the capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time);

“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	a company which is for the time being and from time to time a subsidiary undertaking (as defined in Schedule 1 of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong (as modified from time to time)) of the Company, whether incorporated in Hong Kong or elsewhere;
“Trust”	the trust constituted by the Trust Deed;
“Trust Deed”	a trust deed dated 3 March 2022 and entered into by and among the Company, the Trustee and its nominee (as restated, supplemented and amended from time to time); and
“Trustee”	Futu Trustee Limited, the trustee which, to the best knowledge, information and belief of the Directors having made all reasonable enquiry, is independent of the Company and connected persons of the Company and which has been appointed by the Company to manage the 2022 Share Award Scheme.

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

Hong Kong, 3 March 2022

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