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Grace Life-tech Holdings Limited
恩典生命科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Joint Provisional Liquidators appointed)
(For restructuring purposes only)
(Stock Code: 02112)

ANNOUNCEMENT

The board (the "**Board**") of directors (the "**Directors**") of Grace Life-tech Holdings Limited (the "**Company**") would like to provide updates in relation to the disclaimer of opinion set out in its annual report for the year ended 31 December 2024 (the "**Annual Report**") and the update announcement dated 30 June 2025 ("**First Update Announcement**"). Unless otherwise specified, capitalised terms used herein shall have the same meaning as defined in the Annual Report and the First Update Announcement.

Up to the date of this announcement, the following material steps and measures have been implemented to resolve the going concern issue:

(1) The Group continued to grow its plant stem cell business by developing and expanding the sales channels, engaged 3 new customers during the three months ended 30 September 2025, and is exploring the opportunities to strategically invest in the supplier to further strengthen the cooperation.

(2) The Company had also been engaged in internal preparations to formulate a comprehensive debt restructuring proposal of its outstanding bank loans and notes including debt compromise and debt-to-equity conversion to all creditors. The Company is still in discussion with the private equity investment fund, incorporated in the China and registered under Asset Management Association of China and is in the process of scheduling meeting in 4th quarter of 2025. In addition, the Company has also been actively reaching out to other potential financial institutions, aiming to arrange meetings in December 2025.

(3) Following the continued communication between the Company and lender, both parties have entered into an interest waiver agreement, pursuant to which approximately US$9.9 million of accrued interest has been waived and no further interest will accrue.

(4) In July 2025, the Company has entered into a memorandum of understanding with a new strategic partner incorporated in the PRC with limited liability and specializing in investing, real estate development and leasing. The Group intends to further expand its business presence in the Greater Bay Area by setting up a headquarter and integrated hub of plant stem cell business including sale center, production facilities and research and development center to scale operations, drive innovation and further enhance distributor engagement in the property owned by the strategic partner. As at the date of this announcement, further negotiations between the parties to execute the definitive agreement are still ongoing.

(5) The Group continued to take measures in controlling administrative costs including optimising the workforce efficiency; conducting remuneration reviews and adjustments; and implementing other cost-saving measures and no capital expenditure has been made during the 3rd quarter of 2025.

By Order of the Board
Grace Life-tech Holdings Limited
Ng Khing Yeu
Chairman

Hong Kong, 30 September 2025

As at the date of this announcement, the executive Directors are Mr. Ng Khing Yeu, Ms. Li Xiaolan and Mr. Wang Er, and the independent non-executive Directors are Mr. Dong Jie, Dr. Wang Ling and Mr. Leung Yiu Cho.