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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 announcements dated 30 June 2025 and 30 September 2025 (collectively "**Quarterly Update Announcements**"). Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the Annual Report and the Quarterly Update Announcements.

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 2 new customers during the three months ended 31 December 2025, and continued to explore opportunities to further strengthen cooperative relations with suppliers and enhance supply chain synergies.

(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 but not limited to debt compromise and debt-to-equity conversion to creditors. One of the potential investors already engaged a law firm during this quarter to complete comprehensive due diligence on the Company. The Company is currently in further discussions with this potential investor regarding the specific terms of the debt restructuring. In addition, the Company also continued to actively discuss with other potential financial institutions and investors, aiming to arrange meetings in the first quarter of 2026, in order to explore feasible restructuring and financing options.

(3) Discussions between the Company and its strategic partner which is specialised in investment, real estate development and leasing regarding potential strategic collaborations are ongoing, and the relevant collaboration arrangements will be implemented subject to further negotiations among the parties and the signing of the final agreement.

(4) The Group continued to take strict measures in controlling administrative costs including optimising the workforce efficiency; conducting remuneration reviews and adjustments; and implementing other cost-saving measures. The Group has no significant capital expenditure in the fourth quarter of 2025.

The Board will continue to closely monitor the Group's financial condition and business progress, and will provide further updates to shareholders and potential investors as appropriate in accordance with the Listing Rules.

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

Hong Kong, 31 December 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.