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UNIVERSAL TECHNOLOGIES HOLDINGS LIMITED

環球實業科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1026)

QUARTERLY UPDATE

Reference is made to: (1) the announcement (the “**Results Announcement**”) of Universal Technologies Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 30 September 2025 in relation to the final results for the eighteen months ended 30 June 2025 (the “**Reporting Period**”); and (2) the 2024/25 annual report of the Company (the “**Annual Report**”) containing the Group’s consolidated financial statements for the Reporting Period (the “**2024/25 FS**”). Unless the context otherwise requires, capitalised terms in this announcement shall have the same meanings as defined in the Results Announcement and the Annual Report.

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of the Company to provide a quarterly update on the implementation of the Company’s plans and measures in mitigating the Group’s liquidity risk and improving the Group’s financial position, and in resolving the disclaimer of opinion (the “**Disclaimer of Opinion**”) expressed by the Company’s independent auditor on the Group’s 2024/25 FS:

- (a) As at 30 June 2025, the Group had total banking facilities granted in the amount of approximately RMB1,257,022,000 (approximately HK\$1,377,444,000), of which approximately RMB379,370,000 (approximately HK\$415,714,000) remained unutilised. Between August and September 2025, the Group repaid bank borrowings of approximately RMB68,305,000 (approximately HK\$74,848,000) such that pledge was released in respect of bank deposits of approximately HK\$82,084,000, now freely available for use by the Group, and financial costs can be saved going forward. Thus, as at 30 November 2025, the Group had total banking facilities granted in the amount of approximately RMB1,050,000,000 (approximately HK\$1,155,210,000) (the “**Banking Facilities Granted at Present**”), of which approximately RMB382,330,000 (approximately HK\$420,639,000) remained unutilised.

The Company wishes to update that the entire Banking Facilities Granted at Present will mature only in October 2028 to March 2036. As disclosed in the Results Announcement and the Annual Report, given the strong business relationship maintained by the Group with its bankers and based on past experiences, the Directors expect that the Group should be able to renew all Banking Facilities Granted at Present when they expire if it so wishes.

- (b) As disclosed in the Results Announcement and the Annual Report, the Group will continue to enhance its liquidity and operating cash flows through the negotiation with the supplier and pursuing the restructuring of the Group's subsidiaries with the view to resolving the disputes and settling the outstanding amounts relating to the ongoing litigation.

As at 30 June 2025, the Group's trade payables arising from water supply and related services (the **"Trade Payables arising from Water Business"**) amounted to approximately HK\$496,424,000, principally reflecting the provisions made by us on the basis of our own estimation of the costs of water supply, pending the resolution of the relevant disputes and litigation (the **"Disputes and Litigations"**) with (inter alia) the Government-designated Water Plant as initially disclosed in the Company's announcement dated 3 March 2020 and updated from time to time in our financial reports including the latest updates as contained in the section headed "Litigation" in the Results Announcement and the Annual Report.

Apart from seeking legal advice to uphold its position in the Disputes and Litigations, the Group was also in negotiation with the Government-designated Water Plant with the view to exploring the possibility of reaching an amicable resolution of the Disputes and Litigations. However, the Company wishes to emphasize that such negotiation was still ongoing and no binding agreement has been concluded or reached with the counterparty at this stage. Further announcement(s) will be made as and when appropriate if there is any material development of such negotiation.

In addition, the Group was in negotiation with interested buyers to explore the possibility of disposing (the **"Possible Disposal"**) of certain subsidiaries of the Group which are engaged in part, but not all, of the Group's water supply business (the **"Disposal Group"**). The Possible Disposal, if materialises and depending on its final terms: (i) may constitute at least a major disposal for the Company under the Listing Rules and be subject to announcement, circular and shareholders' approval requirements; (ii) may result in the settling of the outstanding amounts relating to the ongoing Disputes and Litigations; (iii) may cease the adverse impact of water costs on our gross profitability; and/or (iv) may result in the deconsolidation of the Trade Payables arising from Water Business (presently classified as current liabilities) from the Group's consolidated financial statements, thereby substantially improving the Group's liquidity position. When negotiating the Possible Disposal, the Company will use its best endeavours to ensure that the remaining assets and businesses of the Group, following disposal (the **"Remaining Group"**), will have substance and be viable and sustainable. Assuming the continual and successful negotiation regarding the Possible Disposal and barring unforeseen circumstances, the Company presently expects to be able to finalize transaction terms and conclude a deal in the first half of 2026, and to close the deal in the third quarter of 2026. However, the Company wishes to emphasize that negotiations were still ongoing and no binding agreements have been concluded or reached with any counterparties at this stage. Further announcement(s) will be made as and when appropriate if the Possible Disposal materialises and triggers any disclosure obligations on the part of the Company.

- (c) As disclosed in the Results Announcement and the Annual Report, the Group will take proactive measures to reduce administrative and operating costs. In this regard, the Company has communicated its cost-control targets to the relevant business segments and function departments, will demand feedback and progress report with the view to monitoring implementation status from time to time.

Further announcement(s) will be made as and when appropriate if there is any significant development as regards the implementation of the Company's plans and measures as mentioned above.

The negotiations referred to in this announcement has yet to materialize by way of legally binding agreements and may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

In this announcement, amounts denominated in RMB have been converted into HK\$ at the exchange rates of: (i) HK\$1.00 = RMB0.91 for figures prevailing as at 30 June 2025; and (ii) HK\$1.00 = RMB0.91 for figures prevailing as at now or 30 November 2025. No representation is made that any amounts in RMB were, could be or could have been converted into HK\$ at such rates or at all at any rates.

By Order of the Board
UNIVERSAL TECHNOLOGIES HOLDINGS LIMITED
Chen Jinyang
Chairman and Chief Executive Officer

Hong Kong, 31 December 2025

As at the time of making of this announcement, the Board of Directors of the Company comprises three executive Directors namely Mr. Chen Jinyang (Chairman and Chief Executive Officer), Ms. Zhu Fenglian and Mr. Xuan Zhensheng; one non-executive Director namely Mr. Chen Lang; and two independent non-executive Directors namely Mr. Yeung Kin Chung Clifton, M.H. and Mr. Chao Pao Shu George.