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**UNIVERSE ENTERTAINMENT AND CULTURE
GROUP COMPANY LIMITED
寰宇娛樂文化集團有限公司**

(Incorporated in Bermuda with limited liability)

(Stock Code: 1046)

**UPDATED ANNOUNCEMENT IN RELATION
TO A LEGAL ACTION**

References are made to the announcement of Universe Entertainment and Culture Group Company Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) dated 7th March 2023 and the note 12(e) Pending Litigations in page 17 and 18 of the interim results announcement of the Group for the six months ended 31st December 2023 issued on 28th February 2024 in relation to a legal action of the Group as follows:

- (i) China Jianxin Credit Services Limited (“**China Jianxin**”), a wholly owned subsidiary of the Company issued the Writ of Summons together with the Statement of Claim in the Court of First Instance of the High Court of Hong Kong (the “**Court**”) against SoftMedx Healthcare Limited (“**SoftMedx**”) (formerly known as China Wah Yan Healthcare Limited) on 11th March 2020 (the “**Original Action**”). In the Original Action, China Jianxin claims against SoftMedx, among other things, (a) the outstanding balance of HK\$16,175,304.11, being the outstanding principal and the interest accrued up to 11th March 2020 thereon under a loan agreement entered into between China Jianxin and SoftMedx on 30th April 2019; (b) interest on the said outstanding principal of HK\$15,800,000.00 at the rate of 8.5% per annum from 12th March 2020 until full payment; (c) costs of the Original Action; and (d) further and other reliefs.

- (ii) On 15th September 2020, the Group received a defence and counterclaim from SoftMedx and Sky Clear Bright Group Limited (“**Sky Bright**”) in response to the Original Action. According to such defence and counterclaim, SoftMedx and Sky Bright counterclaimed against China Jianxin, Precise Reach Group Limited, a wholly owned subsidiary of the Company, and Mr. Lam Shiu Ming, Daneil, the director and chairman of the Company for the damages to be assessed, interest, costs and further or other reliefs in relation to the alleged misrepresentation (the “**Counterclaim**”) and the alleged set-off by SoftMedx and Sky Bright in extinction or in diminution of the claim of the Original Action.
- (iii) On 15th February 2023, the Court (i) entered the summary judgment against SoftMedx for the Original Action, under which SoftMedx is ordered to pay China Jianxin the sum of HK\$16,175,304.11 together with interest on HK\$15,800,000.00 at the rate of 8.5% per annum from 12th March 2020 until payment in full (the “**Summary Judgment**”); and (ii) struck out the Counterclaim of SoftMedx and Sky Bright against China Jianxin, Precise Reach Group Limited and Mr. Lam Shiu Ming, Daneil with costs.
- (iv) SoftMedx and Sky Bright lodged the notice of appeal in March 2023 (the “**Appeal**”). The hearing of the Appeal against the Summary Judgment and the striking out of the Counterclaim was heard on 14th September 2023.

On 31st May 2024, the Group received the written decision from the Court. The Court ruled that the Appeal is unsustainable and is dismissed. The Court also awarded costs to China Jianxin on an indemnity basis with the costs of Precise Reach Group Limited and Mr. Lam Shiu Ming, Daneil, the director and chairman of the Company, to be paid on the standard party to party basis.

The Company will keep the shareholders and potential investors of the Company informed of any further significant developments as and when appropriate. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

On behalf of the Board
**Universe Entertainment and Culture
Group Company Limited**
Lam Shiu Ming, Daneil
Chairman and Executive Director

Hong Kong, 6th June 2024

As at the date of this announcement, the executive directors of the Company are Mr. Lam Shiu Ming, Daneil and Mr. Lam Kit Sun, and the independent non-executive directors of the Company are Mr. Choi Wing Koon, Mr. Tang Yiu Wing and Ms. Pong Suet Hing.