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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 18th September 2020 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 China Wah Yan Healthcare Limited (“**China Wah Yan**”) on 11th March 2020 (the “**Original Action**”). In the Original Action, China Jianxin claims against China Wah Yan, 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 China Wah Yan 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; and
- (ii) On 15th September 2020, the Group received a defence and counterclaim from China Wah Yan and Sky Clear Bright Group Limited (“**Sky Bright**”) in response to the Original Action. According to such defence and counterclaim, China Wah Yan and Sky Bright counterclaim 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 and the alleged set-off by China Wah Yan and Sky Bright in extinction or in diminution of the claim of the Original Action.

References are also made to 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 2022 issued on 28th February 2023 in relation to the order made by the Court on 15th February 2023 (the “**Order**”). According to the Order, the Court (i) entered the summary judgment against China Wah Yan for the Original Action, under which China Wah Yan 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; and (ii) struck out the counterclaim of China Wah Yan and Sky Bright against China Jianxin, Precise Reach Group Limited and Mr. Lam Shiu Ming, Daneil with costs.

On 2nd March 2023, the Group received a notice of appeal from China Wah Yan and Sky Bright stating that China Wah Yan and Sky Bright intend to appeal against the Order.

The Group is seeking legal advice in respect of the said appeal. The Company will keep the shareholders and potential investors of the Company informed of any further significant development as and when appropriate. Shareholders of the Company and potential investors should accordingly 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, 7th March 2023

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. Lam Chi Keung and Mr. Tang Yiu Wing.