

4 April 2025

Sunnya Secures Legal Victory in Unfair Competition Proceedings in China

Jatcorp Limited (ASX: JAT) is pleased to announce that one of its key subsidiaries, Sunnya Pty. Ltd. ("**Sunnya**"), has successfully obtained a favourable first judgment in legal proceedings against Guangzhou Niurui Trading Co., Ltd. ("**Niurui**") and Guangzhou Aotea Biological Technology Pte Ltd. ("**GABT**") before the Chongqing First Intermediate People's Court. Both Niurui and GABT are associated with former Sunnya directors, Mr Yinghan He and Ms Yanxia Lu ("**He and Lu**").

Court Judgment and Key Findings

On 31 March 2025, the Chongqing First Intermediate People's Court issued a ruling in favour of Sunnya, determining that Niurui and GABT had engaged in acts of unfair competition, including:

- The unauthorised use of Sunnya's registered packaging artwork, constituting a violation of intellectual property rights.
- Misrepresentation and false advertising, misleading consumers as to the authenticity and origin of the defendants' products.
- Infringement of proprietary packaging and trade dress, creating confusion in the marketplace and unfairly benefiting from Sunnya's established goodwill.

The Court's ruling affirms Sunnya's exclusive rights to its packaging and trade dress associated with the "Neurio" branded products, recognising that Niurui and GABT's actions misled consumers and disrupted fair market competition.

Legal Determinations

The Court made the following determinations:

- Intellectual Property and Trade Dress Rights – Sunnya was confirmed as the rightful owner of the disputed packaging and trade dress, with the Court finding that Niurui and GABT's replication of these elements constituted intellectual property infringement and unfair competition under applicable Chinese laws.
- Consumer Deception and Market Disruption – The Court held that Guangzhou Niurui and GABT's use of similar branding of Neuroio and packaging intentionally misled consumers, resulting in confusion regarding the source and authenticity of the goods.

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- False Advertising and Market Fairness Violations – The Court ruled that the defendants engaged in deceptive marketing practices, including falsely associating their products with Sunnya's Neurio brand, thereby violating competition laws and industry regulations.
- Precedent for Ethical Business Conduct – The judgment underscores the critical importance of corporate integrity and adherence to fair competition principles, setting a significant legal precedent for the protection of intellectual property rights in China.

Court-Ordered Remedies

The Court issued the following orders against Guangzhou Niurui and GABT:

- Immediate cessation of sales of infringing products via Guangzhou Neurio's JD.com flagship store and offline retail locations.
- Prohibition of all unfair competition practices, including misleading advertising and unauthorised use of Sunnya's intellectual property.
- Publication of corrective statements, requiring Guangzhou Niurui to publish an acknowledgment of the unfair competition findings on its official website for three consecutive days.
- Monetary compensation, with damages awarded to Sunnya in the amount of RMB 2,616,912 (approximately AUD 573,000).

Market Disclosure

Jatcorp will continue to monitor the enforcement of this judgment and will keep the market informed of any further developments as necessary.

ENDS

This announcement is authorised for release by the Board of Jatcorp Limited.

JATCORP Limited
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