

Company Name: Universal Entertainment Corporation
Representative: Jun Fujimoto
Representative Director and President
(JASDAQ Code: 6425)
Contact: Toji Takeuchi
Executive Officer
Corporate Planning Office
TEL: +81-3-5530-3055 (switchboard)

Notice of the Issuance of Additional Notes to be Privately Placed Outside Japan and the Determination of the Terms of Early Redemption of Existing Notes

Universal Entertainment Corporation (the “Company”) hereby announces that the Board of Directors of the Company at its meeting held today has determined the issuance of additional notes due 2024 (the “Additional Notes”) to be privately placed outside Japan, and principal terms of the redemption to be funded with the Additional Notes (the “Early Redemption”) for the outstanding principal amount of US\$ 118 million of the Company’s existing notes due December 2021 privately placed outside Japan in December 2018 (the “Existing Notes”), which were announced in the “Notice Concerning the Proposed Issuance of Additional Notes and the Early Redemption of Notes Privately Placed Outside Japan” dated June 11, 2021. Details are as follows:

1. Principal Terms of the Additional Notes

Universal Entertainment Corporation privately placed Additional Notes to be issued in 2021:

1. Maximum amount of the Additional Notes	US\$ 143 million
2. Issue price	102.0% of the principal amount (The amount equivalent to the interest from June 11, 2021 to the issue date of the Additional Notes will be additionally paid)
3. Interest rate	8.5% per annum (Interest will accrue from June 11, 2021)
4. Maturity	December 11, 2024
5. Redemption at maturity	Redemption in whole at maturity date (Subject to redemption before maturity according to the terms of the Additional Notes)

6. Guarantee	<p>Guarantors: Tiger Resort Asia Limited (“TRAL”) and TIGER RESORT, LEISURE AND ENTERTAINMENT, INC. (which are consolidated subsidiaries of the Company.)</p> <p>The Company and TRAL will provide security for the obligation of the Guarantors under the Guarantee and Collateral Agreement (see “7. Collateral” below), and the subsidiaries of the Company which meet certain requirements will provide additional guarantees.</p>
7. Collateral	<p>Security is granted under the Guarantee and Collateral Agreement to secure the obligation of the Guarantors to the noteholders and the collateral agent. The main collateral is as follows:</p> <p>(a) 100% pledge on the shares of TRAL; and</p> <p>(b) 100% pledge on the shares of Brontia Limited held by TRAL.</p>
8. Scheduled issue date	July 2, 2021
9. Use of proceeds	Redemption of the Existing Notes and general corporate purposes
10. Fiscal Agent	GLAS Trust Company LLC
11. Marketing Agent	Union Gaming Securities LLC

2. Principal Terms of the Early Redemption

1. Existing Notes to be redeemed	US\$ 600 million Notes privately placed outside Japan due 2021
2. Principal amount to be redeemed	US\$ 118 million
3. Scheduled sending date of notice of the Early Redemption	(on or promptly after) July 2, 2021
4. Scheduled redemption date	(on or promptly after) August 2, 2021
5. Redemption price	106.585% of the principal amount
6. Accrued interest	US\$ 12.04 per US\$ 1000
7. Redemption amount	US\$ 125,770,791.67

Assuming the issuance of the Additional Notes with scheduled issue date of July 2, 2021, the Company will send out irrevocable notice of the Early Redemption in accordance with the above principal terms of the Early Redemption based on the terms of Existing Notes.

3. Future Outlook

Please note that the Company will promptly provide notice of any event requiring disclosure when and if they arise in relation to this matter in the future, including any impact on its consolidated business performance for the year to be ended on December 31, 2021.

Note: This press release does not constitute an offer of any securities for sale. This Press release has been prepared for release in Japan and for the sole purpose of publicly announcing that the Company has resolved matters relating to the private placement of the Additional Notes. No offering or sale of the Additional Notes will be made domestically in Japan. Furthermore, this press release is not an offer to sell, or the solicitation of an offer to buy, securities in the United States. The Additional Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or the securities laws of any state or other jurisdiction in the United States. The Additional Notes may not be offered or sold in the United States or to persons that are acting for the account or benefit of persons in the United States absent registration or an exemption from registration under the Securities Act and any other applicable state securities laws.