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Notice Concerning the Proposed Issuance of Additional Notes and the Early Redemption of Notes Privately Placed Outside Japan

Universal Entertainment Corporation (the “Company”) hereby announces that the Board of Directors of the Company at its meeting held today has decided to commence preparation for the issue of additional notes due 2024 (the “Additional Notes”) to be privately placed outside Japan, and being funded with the Additional Notes, to redeem the outstanding principal amount of US\$ 118 million of the Company’s existing notes due 2021 privately placed outside Japan in December 2018 (the “Existing Notes”) before their maturity in December 2021. Details are as follows:

1. Overview

The Company has decided today, to redeem the outstanding principal amount of US\$ 118 million of the Existing Notes in or around August 2021 (the “Early Redemption”) before their original maturity date of December 11, 2021.

In connection, the Company has also decided to send the irrevocable notice of the Early Redemption according to the terms of the Existing Notes, and to commence preparation for the issue of the Additional Notes in or around July 2021 to secure the funds for the Early Redemption. The Company will promptly enter into an agreement with Union Gaming Securities LLC, as marketing agent, for the marketing of the Additional Notes.

The Early Redemption is intended to improve the Company’s cash flow and secure its liquidity and assumes issuance of the Additional Notes. With respect to details of conditions for the Early Redemption, the Company will make further announcement upon determination.

While the Company will promptly commence negotiation on the terms of the Additional Notes with potential investors, the Company considers that there will be no major obstacles to the issuance of the Additional Notes in the current market environment.

2. 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.