

Company Name: Universal Entertainment Corporation
Representative: Hajime Tokuda
Representative Director and President
(TSE Standard Market Code: 6425)
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Notice of the Issuance of New Overseas Private Placement Notes

Universal Entertainment Corporation (the “Company”) hereby announces that in order to raise funds for the refinancing of the Company’s existing overseas private placement notes with a principal amount of US\$760 million that is set to mature in December 2024 (the “Existing Notes”), the Board of Directors of the Company at its meeting held on July 23, 2024 has determined the issuance of new U.S. dollar-denominated overseas private placement notes (the “New Notes”) and concluded the Note Purchase Agreement on July 23, 2024 (US time). Details are as follows:

1. Summary of the New Notes determined to be issued

Universal Entertainment Corporation privately placed notes to be issued in 2024:

1. Amount of the New Notes	US\$ 400 million
2. Issue price	99.0% of the principal amount
3. Interest rate	9.875% per annum
4. Maturity	August 1, 2029
5. Redemption at maturity	Redemption in whole at maturity date (Subject to redemption before maturity according to the terms of the New Notes)
6. Guarantee	Guarantors: Tiger Resort Asia Limited (“TRAL”) (which is consolidated subsidiary of the Company.) 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.
7. Collateral	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: 100% pledge on the shares of TRAL; and 100% pledge on the shares of Brontia Limited held by TRAL.
8. Scheduled issue date	July 26, 2024
9. Use of proceeds	Redemption of the Existing Notes and general corporate purposes
10. Fiscal Agent	GLAS Trust Company LLC
11. Marketing Agent	CBRE Capital Advisors, Inc

For the refinancing of the Existing Notes, as announced in the “Notice of Borrowing of Funds by the Company’s Subsidiary” dated July 19, 2024, the Company’s group has raised a total of US\$800 million through a bank loan in the amount of US\$400 million by TIGER RESORT, LEISURE AND ENTERTAINMENT, INC. (“TRLEI”), a subsidiary of the Company, and the above-mentioned New Notes in the amount of US\$400 million.

The Company has issued privately placed notes in 2018 and in 2020 and 2021 through exchange offers. The comparison in terms of the all-in cost for the series of notes has shown an improvement over prior years.

The refinancing has been comprised with the bank loan by TRLEI and the New Notes by the Company, considering the adequacy of the repayment plan for each borrowing entity's ongoing business, the tax effect on the Company's interest expense, and the diversification of lenders and repayment dates.

(Reference)

	New Notes	Exchange Offer in 2020 and 2021	Issued in 2018
All-in cost of notes	11.07%	10.32%	11.13%
Bank loan interest rate *1	7.10%	—	—
Wegighted average cost	9.08%	10.32%	11.13%
US 5 year Treasury *2	4.17%	0.34%	2.76%
Spread above Treasury	4.91%	9.98%	8.37%

1 : The interest rate is the floating rate linked to market interest rate (6.75% or benchmark rate +1.75%, whichever is higher), repriced quarterly. It is assumed as of July 19, 2024

*2 : The yield of US 5 year Treasury is as of July 22, 2024 for New Notes, as of October 23, 2020 for Exchange Offer, and as of December 11, 2018 for notes issued in 2018.

2. Future Outlook

Please note that the Company will promptly provide notice of any event requiring disclosure when and if such an event arises in relation to this matter in the future, including any impact on the consolidated business performance for the year ending on December 31, 2024 as a result of the issuance of the New Notes, or early redemption of the Existing Notes.