



January 24, 2019

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Execution of Letter of Intent with CTS Shanghai Zhongqiao International Travel Service Co., Ltd.

Universal Entertainment Corporation (hereinafter referred to as the “Company”) hereby announces that it has executed a “Letter of Intent” with CTS Shanghai Zhongqiao International Travel Service Co., Ltd. with regards to consultation over the planning and development of Philippine sightseeing tour packages in the Republic of the Philippines. Details are as follows.

1. Purpose of Letter of Intent

A cooperative relationship with CTS Shanghai Zhongqiao International Travel Service Co., Ltd., one of the three largest state-operated travel agencies in the People’s Republic of China, would serve to expand tourism business in the Republic of the Philippines, attract tourists from overseas to the “Okada Manila” integrated resort operated by the Company group in Manila, the Philippines, and so forth.

2. Primary Nature of Letter of Intent

The Company and CTS Shanghai Zhongqiao International Travel Service Co., Ltd. will commence the discussion on efforts to plan and develop sightseeing tour packages for attracting tourists to the Philippines in the Chinese market.

3. Overview of Other Party in Letter of Intent

(1) Name of Company	CTS Shanghai Zhongqiao International Travel Service Co., Ltd.
(2) Location	Room 1503, No. 868, Huadong Road, Huangpu District, Shanghai, China
(3) Names and Titles of Representatives	Company Representative: Zhou Dao Fa Director: Lingrong
(4) Business Description	Travel agency business

(5) Paid-In Capital	5,000,000 Chinese yuan	
(6) Date of Establishment	May 21, 2001	
(7) Major Shareholder and Shareholding Ratio	Zhou Dao Fa: 75%	
(8) Relationship between Listed Company and Company in Question	Capital relationship	No applicable items are present.
	Human relationship	
	Business relationship	
	Status of related parties applicability	

Note: CTS, or the China National Travel Service Group, was established in 1990 and consist of over 100 travel agencies and travel vocational schools spread across China, having approximately 10,000 employees. CTS is a state-owned enterprise that provides domestic and outbound travel services in China.

4. Future Schedule

Date of execution of Letter of Intent	January 24, 2019
Discussion period	January 25 - April 24, 2019

5. Future Outlook

The Company is currently looking closely into the impact of this matter that will have on its consolidated business results for the fiscal year ending December 31, 2019, and will promptly announce any items that should be disclosed, when they arise in the future.