

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.



INTERNATIONAL ENTERTAINMENT CORPORATION

國際娛樂有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code on Main Board: 1009)

(Stock Code on GEM: 8118)

TRANSFER OF LISTING FROM THE GROWTH ENTERPRISE MARKET TO THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

Financial adviser to the Company



capital 融資

Member of Haitong Securities

On 15 July 2010, an application was made by the Company to the Stock Exchange for the transfer of listing of the Shares from GEM to the Main Board. The Company has applied for the listing of, and permission to deal in, 1,179,157,235 Shares in issue and any Shares to be issued under the 2007 CN on the Main Board by way of transfer of the listing from GEM to the Main Board. The approval-in-principle has been granted by the Stock Exchange on 15 September 2010 for the Shares to be listed on the Main Board and de-listed from GEM according to Rule 9A.09(6) of the Main Board Listing Rules.

The last day of dealings in the Shares on GEM is 24 September 2010. Dealings in the Shares on the Main Board (Stock Code: 1009) will commence at 9:30 a.m. on 27 September 2010.

TRANSFER OF THE LISTING OF THE SHARES FROM GEM TO THE MAIN BOARD

On 15 July 2010, an application was made by the Company to the Stock Exchange for the transfer of listing of the Shares from GEM to the Main Board. The Company has applied for the listing of, and permission to deal in, 1,179,157,235 Shares in issue and any Shares to be issued under the 2007 CN (as defined below) on the Main Board by way of transfer of the listing from GEM to the Main Board. The approval-in-principle has been granted by the Stock Exchange on 15 September 2010 for the Shares to be listed on the Main Board and de-listed from GEM according to Rule 9A.09(6) of the Main Board Listing Rules.

All pre-conditions for the Transfer as set out in Rule 9A.02 of the Main Board Listing Rules have been fulfilled in relation to the Company and its Shares.

REASONS FOR THE TRANSFER

The principal activities of the Group are hotel operations, and leasing of properties for casino and ancillary leisure and entertainment operations. As at the date of this announcement and taking into account the completion of the very substantial disposal which was approved by the Shareholders on 27 August 2010 and would take place by no later than 7 November 2010, the existing operations of the Group are principally located in the Philippines. In future, the Group will continue to focus on developing its current hotel operations (i.e. the Group Hotel (as defined below)), and leasing of properties for casino and ancillary leisure and entertainment operations, and exploring other business or opportunities to strive for a better return to the Shareholders.

The Directors believe that the listing of the Shares on the Main Board will enhance the profile of the Group and increase the trading liquidity of the Shares and provide a better market profile for the Group with institutional, professional, private and retail investors. The Directors consider that the listing of the Shares on the Main Board will be beneficial to the future growth, financial flexibility and business development of the Group. No change in nature of business of the Group is contemplated by the Directors following the Transfer.

The Transfer will not involve the issue of any new Shares by the Company.

DEALINGS IN THE SHARES ON THE MAIN BOARD

The Shares have been accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from 31 July 2000, the date on which the Shares were listed on GEM. Subject to the continued compliance with the stock admission requirements of HKSCC, the Shares will continue to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the CCASS once dealings in the Shares on the Main Board commence, and that all activities under CCASS are subject to the General Rules of the CCASS and CCASS Operational Procedures in effect from time to time.

The last day of dealings in the Shares on GEM is 24 September 2010. Dealings in the Shares on the Main Board (Stock Code: 1009) will commence at 9:30 a.m. on 27 September 2010.

The Transfer will have no effect on the existing share certificates in respect of the Shares which will continue to be good evidence of legal title and be valid for trading, settlement and registration purpose and will not involve any transfer or exchange of the existing share certificates. No change will be made to the board lot size, trading currency of the Shares and the share registrars of the Company in connection with the Transfer. Shares will be traded under the new stock code “1009” in board lots of 2,000 Shares each following the Transfer.

GEM SHARE OPTION SCHEME AND CONVERTIBLE EQUITY SECURITIES OF THE COMPANY

Upon the listing of the Shares being transferred from GEM to the Main Board, the GEM Share Option Scheme will terminate and no further option will be offered or granted thereunder. As at the date of this announcement, no share option under the GEM Share Option Scheme has been granted and the Directors confirm that no share option will be granted under the GEM Share Option Scheme. The Company may consider adopting a new share option scheme which will be in compliance with the Main Board Listing Rules in the future and will then make further announcement when appropriate and obtain the approval of the Shareholders in accordance with the Main Board Listing Rules.

On 11 October 2007, the Company issued a convertible note in the principal amount of HK\$400 million with a term of three years (“2007 CN”) in partial settlement of the consideration for the acquisition of the entire interest in Fortune Gate Overseas Limited. The beneficial owner of the 2007 CN is Cross-Growth Co., Ltd., a company wholly-owned by CTF. Details of the acquisition have been set out in the circular of the Company dated 29 June 2007. The 2007 CN is denominated in HK\$ and is unsecured. The holder of the 2007 CN is entitled to convert the said principal amount of HK\$400 million into Shares in amounts or integral multiples of HK\$4,000,000 at any time after the date of issue of the 2007 CN until the business day immediate prior to the maturity date thereof at an initial conversion price of HK\$2 per Share subject to customary adjustments for, among other things, subdivision or consolidation of shares, bonus issues, rights issues and other events which have diluting effects on the issued share capital of the Company. If the whole amount of the 2007 CN is converted at the conversion price of HK\$2 per Share, the Company is required to issue a total of 200,000,000 new Shares (the “Conversion Shares”). Assuming full conversion of the 2007 CN, the Conversion Shares represent approximately 16.96% of the Company’s existing issued share capital and approximately 14.50% of the Company’s issued share capital as enlarged by the issue of the Conversion Shares upon full conversion of the 2007 CN. If the 2007 CN is not converted, it will be repaid by the Company on the maturity date at its principal amount. Interest of 1% per annum will be paid by the Company annually in arrears up to the maturity date of the 2007 CN. The Company does not have the rights to redeem the 2007 CN prior to the maturity date of the 2007 CN. As at the date of this announcement, the Company has convertible note outstanding in the principal amount of HK\$400 million, which will be transferred to the Main Board.

Save as disclosed above, the Company does not have any other options, warrants or similar rights or convertible equity securities in issue which will be transferred to the Main Board.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

Pursuant to Rule 9A.12 of the Main Board Listing Rules, the general mandates granted to the Directors to allot and issue new Shares and repurchase Shares by the Shareholders on 27 August 2010 will continue to be valid and remain in effect until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by its articles of association or any applicable laws to be held; or
- (c) the revocation or variation of such authority by an ordinary resolution of the Shareholders in general meeting.

COMPETING INTERESTS

The following Directors/controlling Shareholder are considered to have interests in the business which competes or is likely to compete, either directly or indirectly, with the business of the Group pursuant to the Main Board Listing Rules, particulars of which are set out below:

Name of Director/ controlling Shareholder	Name of entity which business is considered to compete or likely to compete with the business of the Group	Description of business of the entity which is considered to compete or likely to compete with the business of the Group	Nature of interest in the entity
CTF	New World Hotel Makati City, Manila	Investment in hotel property in Makati, Manila, the Philippines	CTF through its associate is interested in the Makati Hotel (as defined below) (<i>Note 6</i>)
Mr. Cheung Hon Kit	ITC Properties Group Limited	Investment in hotel and residential property in Macau	executive director, optionholder and shareholder (<i>Notes 1 and 5</i>)
Dr. Cheng Kar Shun	Many Town Company Limited	A minority investor of Sociedade de Jogos de Macau, S.A. which is principally engaged in casino business in Macau	director and beneficial owner (<i>Notes 2 and 5</i>)

Name of Director/ controlling Shareholder	Name of entity which business is considered to compete or likely to compete with the business of the Group	Description of business of the entity which is considered to compete or likely to compete with the business of the Group	Nature of interest in the entity
Dr. Cheng Kar Shun	New World Development Company Limited (“NWD”) and its subsidiaries	Investment in hotel property in Makati, Manila, the Philippines	executive director, optionholder and shareholder (Notes 3 and 6)
Mr. Cheng Chi Kong	NWD and its subsidiaries	Investment in hotel property in Makati, Manila, the Philippines	executive director and optionholder (Notes 4 and 6)

Notes:

- (1) As at the date of this announcement, Mr. Cheung Hon Kit is personally interested in 3,900,000 share options and 14,202,000 shares of ITC Properties Group Limited, together representing approximately 3.20% of the issued share capital of ITC Properties Group Limited.
- (2) As at the date of this announcement, Many Town Company Limited is owned as to 93.3% by United Worldwide Investment S.A., of which 50% is owned by Dr. Cheng Kar Shun.
- (3) As at the date of this announcement, Dr. Cheng Kar Shun is personally interested in 36,710,652 share options and his spouse is personally interested in 300,000 shares of NWD respectively, together representing approximately 0.94% of the issued share capital of NWD.
- (4) As at the date of this announcement, Mr. Cheng Chi Kong is personally interested in 502,885 share options of NWD, representing approximately 0.01% of the issued share capital of NWD.
- (5) After completion of the disposal of Fortune Gate Overseas Limited, a wholly-owned subsidiary of the Company, which holds 40% equity interest in Arc of Triumph Development Company Limited (“ATD”), the Group will cease to have any investment in Macau in the near future. Thus, there will no longer be any competing interest between the Group and both Mr. Cheung Hon Kit through ITC Properties Group Limited and Dr. Cheng Kar Shun through Many Town Company Limited in their respective interests in the investment in Macau.
- (6) As at the date of this announcement, CTF through its associates is effectively interested in approximately 25.9% of the Makati Hotel.

The Group’s hotel investment in Manila, the Philippines

The Group operates a hotel namely Hyatt Hotel and Casino Manila (the “Group Hotel”) in Malate Manila, the Philippines. The Group Hotel is operated and managed by an indirect subsidiary of Hyatt International Corporation (“HIC”), which is a well-known international hospitality company providing luxurious hospitality service, under the brand name of “Hyatt”. HIC is independent from the Group. As disclosed above, as at the date of this announcement, CTF through its associates is interested in approximately 25.9% of a hotel investment in Makati, Manila, the Philippines (the “Makati Hotel”). The Makati Hotel has been in operation since July 1994 and is operated and managed by a subsidiary of NWD under the brand name of “New World”. From the latest published interim report of NWD for the period ended 31 December 2009, there is no disclosure of any immediate plan for NWD to make any investment in new hotel in Metro Manila (as defined below), the Philippines.

Set out below is the financial information of the Group Hotel for the latest financial year ended 31 March 2010 as extracted/derived from the annual report of the Company for the same financial year and operational information extracted from the Group Hotel's website:

	Group Hotel <i>HK\$' million</i>	Segment total <i>HK\$' million</i>	% of segment total
Revenue	124.9	425.2	29.4%
Segment results	(28.8)	106.4	N/A
Earnings before interest and tax ("EBIT")	(30.2)	94.7	N/A
Number of rooms		378 rooms in total, including 5 presidential suites and 61 suites	
Tariff		PHP5,500 to PHP24,250	

Set out below is the financial information of NWD's hotel segment for the latest financial year ended 30 June 2009 as extracted/derived from the annual report of NWD for the same financial year and operational information extracted from the Makati Hotel's website:

	NWD's hotel segment[#] <i>HK\$' million</i>	Segment total <i>HK\$' million</i>	% of segment total
Revenue	2,267.7	24,415.0	9.3%
Segment results	308.8	3,100.6	10.0%
EBIT	(114.4)	5,097.4	N/A
Number of rooms		598 rooms in total, including 1 presidential suite and 25 suites	
Tariff		PHP5,500 to PHP 15,000	

[#] As indicated from the annual report of NWD for the year ended 30 June 2009, the Makati Hotel is only 1 of the 19 hotels comprising NWD's entire hotel segment, the number of hotel rooms provided by the Makati Hotel (being 598 rooms) represents only approximately 6.6% of the total available hotel rooms under NWD's total hotel segment (being 9,081 rooms).

There are sixteen cities (including Manila City and Makati City) that make up what is commonly known as the larger "Metro Manila". The Group Hotel and the Makati Hotel are located respectively in different cities within "Metro Manila", namely Manila City for the Group Hotel and Makati City for the Makati Hotel. Manila City and Makati City are distinctive administrative cities within Metro Manila. Manila City is the national capital of the Philippines and one of the major tourist destinations in the Philippines. In respect of Makati City, it is the financial centre of the Philippines. As the Group Hotel and the Makati Hotel are located in different cities of Metro Manila with different focus, the purpose of stay of the travellers becomes a major factor determining which city and which hotel they will stay.

The Group Hotel is located in the Manila Bay which is a tourist spot with churches and historical sites around as well as various night spots for after hours activities catered for tourists and there are at least seven other hotels in operation in Manila City, whereas the Makati Hotel is located in the Makati City which is a commercial district with at least four other hotels in operation. Although the distance from the airport of Metro Manila to the Group Hotel or the Makati Hotel is more or less the same, due to the intense day-time traffic congestion and the absence of a developed and efficient transportation system linking the different cities comprising Metro Manila, the travellers would normally be unwilling to stay in a hotel which is not in close proximity to their places of work or the tourist spots. The location of the travellers' activities pretty much dictates their choice of hotel accommodation. Therefore, the Directors consider that competition of business only exists between the Group Hotel and the other hotels in the Manila Bay, but not in relation to those hotels, including the Makati Hotel, in the Makati City.

Apart from the guests of the nearby embassy, leisure travellers also contribute approximately 50% of the room revenue of the Group Hotel. In addition to the fact that the Group Hotel is located in the tourist spot, the gaming facilities provided in the Group Hotel is another reason for the leisure travellers' stay in the Group Hotel while there is no such facilities provided in the Makati Hotel. As compared with the Makati Hotel, which comprises 1 Presidential Suite and 25 Suites, the Group Hotel has been designed for leisure travellers and gaming players with 5 Presidential Suites and 61 Suites catering for the needs of leisure travellers and gaming "high rollers".

Taking into account the location, the facilities and the target customers of the Group Hotel, the Makati Hotel is not even considered by the Directors as a direct competitor of the Group Hotel. Based on the financial information of the Group Hotel, the contribution of the Group Hotel to the Group is insignificant and as may be inferred from the annual report of NWD for the year ended 30 June 2009, the contribution of the Makati Hotel to NWD is trivial. The Directors consider that competition, if any, between the Group Hotel and the Makati Hotel is not significant at all and that the existence and operation of the Makati Hotel does not have any material impact on the financial or business condition of the Group. CTF confirms that CTF has no present intention to make further hotel investment in Metro Manila either by itself or through NWD. However, as CTF is only interested in approximately 40.03% of NWD as at the date of this announcement, CTF might not be able to put through its intention due to its lack of absolute control over NWD.

Potential competition

Fortune Holiday Limited ("Fortune"), which is indirectly owned as to 73% by CTF, 11% by Mr. To Hin Tsun, Gerald and 16% by a non-member of the Group, entered into agreements with PAGCOR in June 2002 pursuant to which Fortune, subject to fulfillment of certain conditions precedent, would be entitled to acquire a site of approximately 10.5 hectares ("Fortune Land") within a 60 hectares site at the Manila Bay Reclamation Area in the Philippines proposed to be called "Theme Park Manila". Under those agreements, Fortune is entitled to build a hotel, residential and entertainment complex including three PAGCOR casino facilities at the Fortune Land. The initial term of the lease of the Fortune Land under the said agreements is 50 years and Fortune has also been given, inter alia, the option to renew the lease for another 25 years.

Fortune has also been given the right, inter alia, under a separate agreement entered into in June 2002 to require PAGCOR to lease and operate a casino at no more than two sites at any one time acquired by Fortune in Metro Manila (but outside the Theme Park Manila). Both Dr. Cheng Kar Shun and Mr. To Hin Tsun Gerald are the directors of Fortune. The Directors are not aware of any major progress on potential acquisition by Fortune of the Fortune Land since the issue of the VSA Circular up to the date of this announcement. As such, there is no competing business exists between Fortune and the Group as at the date of this announcement. As at the date of this announcement, the Group has no intention to exercise the option to acquire Fortune. Should Fortune's potential acquisition of the Fortune Land materialize, an independent board committee of the Company comprising all the independent non-executive Directors would then decide whether the Company should exercise the option to acquire the interests in Fortune.

Save as disclosed above, as at the date of this announcement, none of the Directors and the controlling shareholders (as defined in the Main Board Listing Rules) of the Company and their respective associates has an interest in a business which competes or may compete, either directly or indirectly, with the business of the Group pursuant to Rule 9A.09(10) of the Main Board Listing Rules.

Undertakings, corporate governance and procedures in mitigating potential competition

As mentioned in the VSA Circular and/or as stated in the undertakings under the acquisition agreement entered into between the Company, Cross-Growth Co., Ltd., ("Cross-Growth") and CTF in 2004 and as amended by the supplemental agreement in 2007, the following arrangements have been, and will continue to be, in place to manage any potential conflicts of interest and to safeguard the interests of the minority Shareholders:

- I. Each Director owes fiduciary duties and duties of confidentiality towards the Company. Where a Director is materially interested in a transaction to be considered by the Board, such Director is required under the Articles of Association of the Company to declare his interest and (subject to certain provisions in the Articles of Association of the Company) shall not vote (nor be counted in the quorum) on any proposed resolution of the Board in respect of such transaction. Where a company in which a Director together with his associates (as defined in the GEM Listing Rules or the Main Board Listing Rules after the Transfer) holds 5% or more is materially interested in a transaction, then that Director shall also be deemed materially interested in such transaction.
- II. To fulfil his/her fiduciary duties and duties of confidentiality, all the Directors are required to inform the Company all business opportunities which come to them (other than in their capacities as directors of other companies in respect of which their obligations of confidentiality will prevail), and, to the extent required by the constitutional documents of the Company, to abstain from voting on any proposed resolution in respect of any business opportunity or matter which comes before the Board if they are also directors of another company which may potentially be interested in such business opportunity or matter; and

III. If the Company is offered by CTF with an investment opportunity of competing business, a report on that opportunity will be presented to all Directors. If the Directors resolve that the Company will take up the investment opportunity, the Company will comply with the requirements of the Listing Rules. The Company intends not to reject any such investment opportunity without first having the endorsement of such rejection from a majority of its independent non-executive Directors. The Company will, for so long as CTF remains (whether directly or indirectly) a controlling Shareholder (as defined in the GEM Listing Rules or the Main Board Listing Rules after the Transfer), include in its interim and annual report brief particulars of any investment opportunity that it has rejected during the financial period which is the subject of that report and which has been taken up by CTF or its subsidiaries (excluding for this purpose, members of the Group at the relevant time). In this regard, CTF has undertaken in favour of the Company that for so long as it remains (whether directly or indirectly) a controlling shareholder (as defined in the GEM Listing Rules or the Main Board Listing Rules after the Transfer) of the Company, it will promptly notify the Company any investment opportunity that has been rejected by the Company and subsequently taken up by CTF or its subsidiaries (excluding for this purpose, members of the Group at the relevant time) as the Company may necessarily require for the purpose of public disclosure.

Cross-Growth and CTF have also undertaken that for so long as CTF remains (whether directly or indirectly) a controlling shareholder (as defined in the GEM Listing Rules or the Main Board Listing Rules after the Transfer) of the Company, neither of them nor their respective subsidiaries shall carry on (whether directly or indirectly) any tours, entertainment and leisure related business which competes with the business activities carried on by Fortune Gate Overseas Limited and its subsidiaries and ATD in the Philippines and Macau respectively (save for those disclosed above and in respect of holdings of less than 10% of the voting shares in publicly listed and traded companies), provided that they shall be entitled to invest in potentially competing projects, if and to the extent that such investment opportunity has first been offered to but rejected by the Company in writing.

Overlapping Directors

Both Dr. Cheng Kar Shun and Mr. Cheng Chi Kong serve the Board and the board of directors of NWD. To fulfil the fiduciary duties and duties of confidentiality towards the Company, should Dr. Cheng Kar Shun and/or Mr. Cheng Chi Kong and/or any conflicting Director be materially interested in a transaction to be considered by the Board, Dr. Cheng Kar Shun and/or Mr. Cheng Chi Kong and/or the relevant conflicting Director will not participate in any meetings of the Board in relation to such transaction.

The hostage taking incident in the Philippines

On 23 August 2010, a tour bus carrying 21 Hong Kong tourists was hijacked by a former policeman in Manila, the Philippines (the “Hostage Taking Incident”). Eight Hong Kong tourists were killed at the Hostage Taking Incident. Following the Hostage Taking Incident, the Hong Kong Government raised the Outbound Travel Alert for the Philippines to Black (the “Black OTA”) urging Hong Kong residents to avoid all travel to the Philippines. The Directors will monitor the situation closely. Should the Hostage Taking Incident and/or the Black OTA have any material impact towards the Group’s operations, an announcement will be made by the Company in compliance with the GEM Listing Rules or the Main Board Listing Rules after the Transfer.

BIOGRAPHICAL INFORMATION OF DIRECTORS

The Company discloses the biographical information of each Director as follows:

Executive Directors

Dr. Cheng Kar Shun, aged 63, was appointed as an executive Director in July 2004 and became the chairman of the Company in November 2004. Dr. Cheng is the managing director of NWD (stock code: 17), the chairman and managing director of New World China Land Limited (stock code: 917), the chairman and executive director of NWS Holdings Limited (stock code: 659), the chairman and non-executive director of New World Department Store China Limited (stock code: 825) and an independent non-executive director of HKR International Limited (stock code: 480) and a non-executive director of Lifestyle International Holdings Limited (stock code: 1212), all of which are companies whose issued shares are listed on the Stock Exchange. He is also a director of Cheng Yu Tung Family (Holdings) Limited, Centennial Success Limited, CTF and Mediastar International Limited, which are the substantial Shareholders. He is also a director of Future Growth Limited, Mediamaster Limited, Fortune Gate Overseas Limited, Maxprofit, Flexi-Deliver Holding Ltd., Starcharm Limited, Fortune Growth Overseas Limited, CTF Properties (Philippines), Inc., CTF Hotel and Entertainment, Inc. and Marina Square Properties, Inc., which are the subsidiaries of the Company. Dr. Cheng holds an honorary doctorate degree of law from The University of Western Ontario and an honorary doctorate degree of business administration in hospitality management from Johnson & Wales University. Dr. Cheng is the chairman of the Advisory Council for The Better Hong Kong Foundation and a Standing Committee Member of the Eleventh Chinese People's Political Consultative Conference of the People's Republic of China. In 2001, he was awarded the Gold Bauhinia Star by the Government of Hong Kong. Dr. Cheng previously held directorship as the chairman and executive director of Taifook Securities Group Limited (stock code: 665) (resigned on 13 January 2010). Save as disclosed above, Dr. Cheng did not hold directorship in other listed public companies in the preceding three years from the date of this announcement. Dr. Cheng is the cousin of Mr. Cheng Kam Chiu, Stewart and Mr. Cheng Kam Biu, Wilson, who are the executive Directors, the father of Mr. Cheng Chi Kong, an executive Director, and the uncle of Mr. Cheng Chi Him, an executive Director.

Save as disclosed above, Dr. Cheng does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Main Board Listing Rules) of the Company. As at the date of this announcement, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

There is no service contract between Dr. Cheng and the Company. The term of his office as Director will be subject to rotation and retirement pursuant to the Articles and the Main Board Listing Rules. Dr. Cheng received a director's fee of HK\$500,000 for the year ended 31 March 2010. The remuneration of the Directors is based on the performance and experience of individuals and is determined with reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Main Board Listing Rules and the Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

Mr. Lo Lin Shing, Simon, aged 54, joined the Company as a non-executive Director in May 2001 and was re-designated as an executive Director in September 2004. He was appointed as the deputy chairman of the Company in January 2008. Mr. Lo possesses over 20 years of experience in the financial, securities and futures industries, including many trans-border transactions. Mr. Lo holds a Bachelor of Business Administration degree. Mr. Lo is the chairman and an executive director of Mongolia Energy Corporation Limited (stock code: 276) and Vision Values Holdings Limited (stock code: 862), all of which are companies whose issued shares are listed on the Stock Exchange. He is also a director of Future Growth Limited, Mediamaster Limited, Lucky Genius Limited, IEC Production Limited and IEC Record Production Company Limited, which are the subsidiaries of the Company.

Mr. Lo previously held directorship as the deputy chairman and executive director of Taifook Securities Group Limited (stock code: 665) (resigned with effect from 1 July 2009). Save as disclosed above, Mr. Lo did not hold directorship in other listed public companies in the preceding three years from the date of this announcement.

Mr. Lo does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Main Board Listing Rules) of the Company. As at the date of this announcement, he has a corporate interest of 364,800 Shares within the meaning of Part XV of the SFO. Save as aforesaid, Mr. Lo does not have any interests in the Shares within the meaning of Part XV of the SFO.

There is no service contract between Mr. Lo and the Company. The term of his office as Director will be subject to rotation and retirement pursuant to the Articles and the Main Board Listing Rules. Mr. Lo received a director's fee of HK\$500,000 for the year ended 31 March 2010. The remuneration of the Directors is based on the performance and experience of individuals and is determined with reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Main Board Listing Rules and the Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

Mr. To Hin Tsun, Gerald, aged 61, was appointed as an executive Director in June 2006 and as the compliance officer of the Company in January 2008 respectively. Mr. To has been a practising solicitor in Hong Kong since 1975. He is also a qualified solicitor in the United Kingdom, as well as an advocate and solicitor in Singapore. Mr. To is also a non-executive director of Mongolia Energy Corporation Limited (stock code: 276) and NWS Holdings Limited (stock code: 659), all of which are companies whose issued shares are listed on the Stock Exchange. He is also a director of Fortune Gate Overseas Limited, Maxprofit, Flexi-Deliver Holding Ltd., Starcharm Limited, Fortune Growth Overseas Limited, CTF Properties (Philippines), Inc., CTF Hotel and Entertainment, Inc., Marina Square Properties, Inc. and New Coast Hotel, Inc., which are the subsidiaries of the Company.

Mr. To previously held directorship as a non-executive director of Taifook Securities Group Limited (stock code: 665) (resigned on 13 January 2010). Save as disclosed above, Mr. To did not hold directorship in other listed public companies in the preceding three years from the date of this announcement.

Mr. To has co-investments with CTF which include interest in the Maxprofit Group and from time to time acts as business consultant and/or solicitor for certain Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Main Board Listing Rules) of the Company. As at the date of this announcement, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. To. The term of his office as Director will be subject to rotation and retirement pursuant to the Articles and the Main Board Listing Rules. Mr. To received a director's fee of HK\$500,000 for the year ended 31 March 2010. The remuneration of the Directors is based on the performance and experience of individuals and is determined with reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Main Board Listing Rules and the Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

Mr. Cheng Kam Chiu, Stewart, aged 55, was appointed as an executive Director in January 2008 and is the authorised representative of the Company. Mr. Cheng holds a Bachelor's Degree in Civil and Environmental Engineering from the University of Wisconsin-Madison; a Master's Degree in Civil Engineering from the University of California, Berkeley, United States; and a degree in Master of Business Administration from the Chinese University of Hong Kong. Being a member of the Hong Kong Institution of Engineers, Mr. Cheng is a professional engineer with extensive experience in property development and construction management. Mr. Cheng is a Member of the Shunde District, Foshan City Committee of the Chinese People's Political Consultative Conference since November 2006.

Mr. Cheng joined Hip Hing Construction Company Limited in 1984 as project manager and had subsequently become a director. From 1993 to 1997, Mr. Cheng was transferred to New World Development (China) Limited as director and assistant general manager, overseeing the property development in the PRC. Mr. Cheng was a director of NWS Service Management Limited (formerly known as New World Services Limited) from 1997 to 2006, and was mainly responsible for the construction and the E & M engineering businesses and pursuing business opportunities in the PRC. Mr. Cheng is also the chairman and executive director of New Times Energy Corporation Limited (stock code: 166), a company whose issued shares are listed on the Stock Exchange.

Mr. Cheng previously held directorship as an executive director of Grand T G Gold Holdings Limited (stock code: 8299) (resigned with effect from 15 May 2009). Save as disclosed above, Mr. Cheng did not hold directorship in other listed public companies in the preceding three years from the date of this announcement.

Mr. Cheng is the cousin of Dr. Cheng Kar Shun, an executive Director, the brother of Mr. Cheng Kam Biu, Wilson, an executive Director, and the uncle of Mr. Cheng Chi Kong and Mr. Cheng Chi Him, who are the executive Directors.

Save as disclosed above, Mr. Cheng does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Main Board Listing Rules) of the Company. As at the date of this announcement, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. Cheng. The term of his office as Director will be subject to rotation and retirement pursuant to the Articles and the Main Board Listing Rules. Mr. Cheng received a director's fee of HK\$100,000 for the year ended 31 March 2010. The remuneration of the Directors is based on the performance and experience of individuals and is determined with reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Main Board Listing Rules and the Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

Mr. Cheng Kam Bui, Wilson, aged 52, was appointed as an executive Director in January 2008. He graduated from the University of Hawaii, Honolulu with a Bachelor of Arts degree in Economics. He has over 25 years of experience in administration and finance of jewellery retail business. He is also a director of CTF and Mediastar International Limited, which are the substantial Shareholders.

Mr. Cheng did not hold directorship in other listed public companies in the preceding three years from the date of this announcement.

Mr. Cheng is the cousin of Dr. Cheng Kar Shun, an executive Director, the brother of Mr. Cheng Kam Chiu, Stewart, an executive Director, and the uncle of Mr. Cheng Chi Kong and Mr. Cheng Chi Him, who are the executive Directors.

Save as disclosed above, Mr. Cheng does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Main Board Listing Rules) of the Company. As at the date of this announcement, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. Cheng. The term of his office as Director will be subject to rotation and retirement pursuant to the Articles and the Main Board Listing Rules. Mr. Cheng received a director's fee of HK\$100,000 for the year ended 31 March 2010. The remuneration of the Directors is based on the performance and experience of individuals and is determined with reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Main Board Listing Rules and the Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

Mr. Cheng Chi Kong, aged 30, was appointed as an executive Director in January 2008. He is the executive director of NWD (stock code: 17), New World China Land Limited (stock code: 917) and New World Department Store China Limited (stock code: 825), all of which are companies whose issued shares are listed on the Stock Exchange. He is also a director of Centennial Success Limited and CTF, which are the substantial Shareholders. Mr. Cheng has worked in major international bank prior to joining the New World Group in September 2006 and has substantial experience in corporate finance. Mr. Cheng holds a Bachelor of Arts Degree (*cum laude*) from Harvard University. He is a Committee Member of All-China Youth

Federation, a Member of Tianjin Municipal Committee of The Chinese People's Political Consultative Conference, a Consultant of the Beijing Municipal Committee of The Chinese People's Political Consultative Conference, Chairman of China Young Leaders Foundation and the Honorary Chairman of Fundraising Committee, Wu Zhi Qiao (Bridge to China) Charitable Foundation. Save as disclosed above, Mr. Cheng did not hold directorship in other listed public companies in the preceding three years from the date of this announcement.

Mr. Cheng is the son of Dr. Cheng Kar Shun, an executive Director, the nephew of Mr. Cheng Kam Chiu, Stewart and Mr. Cheng Kam Bui, Wilson, who are the executive Directors, and the cousin of Mr. Cheng Chi Him, an executive Director.

Save as disclosed above, Mr. Cheng does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Main Board Listing Rules) of the Company. As at the date of this announcement, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. Cheng. The term of his office as Director will be subject to rotation and retirement pursuant to the Articles and the Main Board Listing Rules. Mr. Cheng received a director's fee of HK\$100,000 for the year ended 31 March 2010. The remuneration of the Directors is based on the performance and experience of individuals and is determined with reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Main Board Listing Rules and the Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

Mr. Cheng Chi Him, aged 31, was appointed as an executive Director in January 2008. He is a director of Arc of Triumph Development Company Limited, an associated company of the Company. Mr. Cheng is also an executive director of New World China Land Limited (stock code: 917), a company whose issued shares are listed on the Stock Exchange.

Mr. Cheng previously held directorship as an executive director of New Times Energy Corporation Limited (stock code: 166) (resigned with effect from 19 October 2009). Save as disclosed above, Mr. Cheng did not hold directorship in other listed public companies in the preceding three years from the date of this announcement.

Mr. Cheng is the nephew of Dr. Cheng Kar Shun, Mr. Cheng Kam Chiu, Stewart and Mr. Cheng Kam Bui, Wilson, who are the executive Directors, and the cousin of Mr. Cheng Chi Kong, an executive Director.

Save as disclosed above, Mr. Cheng does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Main Board Listing Rules) of the Company. As at the date of this announcement, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

There is no service contract between the Company and Mr. Cheng. The term of his office as Director will be subject to rotation and retirement pursuant to the Articles and the Main Board Listing Rules. Mr. Cheng received a director's fee of HK\$100,000 for the year ended 31 March 2010. The remuneration of the Directors is based on the performance and experience of individuals and is determined with reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Main Board Listing Rules and the Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

Independent Non-executive Directors

Mr. Cheung Hon Kit, aged 57, joined the Company as an independent non-executive Director in May 2001. He is also a member of the audit committee and the remuneration committee of the Company. Mr. Cheung has over 30 years of experience in real estate development, property investment and corporate finance and has worked in key executive positions in various leading property development companies in Hong Kong. Mr. Cheung graduated from the University of London with a Bachelor of Arts degree.

Mr. Cheung is the chairman and executive director of ITC Properties Group Limited (stock code: 199) and Rosedale Hotel Holdings Limited (stock code: 1189), an executive director of ITC Corporation Limited (stock code: 372) and an independent non-executive director of Future Bright Holdings Limited (stock code: 703), all of which are companies whose issued shares are listed on the Stock Exchange.

Save as disclosed above, Mr. Cheung did not hold directorship in other listed public companies in the preceding three years from the date of this announcement.

Mr. Cheung does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Main Board Listing Rules) of the Company. As at the date of this announcement, he does not have any interests in Shares within the meaning of Part XV of SFO.

There is no service contract between Mr. Cheung and the Company. The term of his office as Director will be subject to rotation and retirement pursuant to the Articles and the Main Board Listing Rules. Mr. Cheung received a director's fee of HK\$140,000 for the year ended 31 March 2010. The remuneration of the Directors is based on the performance and experience of individuals and is determined with reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Main Board Listing Rules and the Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

Mr. Kwee Chong Kok, Michael, aged 64, was appointed as an independent non-executive Director in September 2004. He is also a member of the remuneration committee of the Company. Mr. Kwee graduated with a Bachelor's Degree in Economics from Le Moyne College, Syracuse, New York, a Master's Degree in Science from American Graduate School of International Management in Phoenix, Arizona and completed a Programme for Management Development at the Harvard Business School, all in the United States of America. Mr. Kwee is the chairman and chief executive officer of PAMA Group Inc. He served as a member of the Hong Kong Advisory Committee on Legal Education and Hong Kong Financial Secretary's Economic Advisory Committee from 1995 and 2004.

Mr. Kwee previously held directorship as an independent non-executive director of Loudong General Nice Resources (China) Holdings Limited (stock code: 988) (resigned on 30 December 2008). Save as disclosed above, Mr. Kwee did not hold directorship in other listed public companies in the preceding three years from the date of this announcement.

Mr. Kwee does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Main Board Listing Rules) of the Company. As at the date of this announcement, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

There is no service contract between Mr. Kwee and the Company. The term of his office as Director will be subject to rotation and retirement pursuant to the Articles and the Main Board Listing Rules. Mr. Kwee received a director's fee of HK\$130,000 for the year ended 31 March 2010. The remuneration of the Directors is based on the performance and experience of individuals and is determined with reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Main Board Listing Rules and the Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

Mr. Lau Wai Piu, aged 46, joined the Company as an independent non-executive Director in July 2008. He is also a member of the audit committee and the remuneration committee of the Company. Mr. Lau possesses over 20 years of extensive experience in accounting and financial management. He is a member of the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants.

Mr. Lau is also an independent non-executive director of Mongolia Energy Corporation Limited (stock code: 276), Taifook Securities Group Limited (stock code: 665) and Vision Values Holdings Limited (stock code: 862), all of which are companies whose issued shares are listed on the Stock Exchange.

Save as disclosed above, Mr. Lau did not hold directorship in other listed public companies in the preceding three years from the date of this announcement.

Mr. Lau does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Main Board Listing Rules) of the Company. As at the date of this announcement, he does not have any interests in Shares within the meaning of Part XV of SFO.

There is no service contract between Mr. Lau and the Company. The term of his office as Director will be subject to rotation and retirement pursuant to the Articles and the Main Board Listing Rules. Mr. Lau received a director's fee of HK\$140,000 for the year ended 31 March 2010. The remuneration of the Directors is based on the performance and experience of individuals and is determined with reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Main Board Listing Rules and the Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

Mr. Tsui Hing Chuen, William *JP*, aged 59, joined the Company as an independent non-executive Director in July 2008. He is also a member of the audit committee and the remuneration committee of the Company. Mr. Tsui is the founding partner of Messrs. Lo, Wong & Tsui, Solicitors & Notaries, which was established in 1980. He has been a solicitor of the High Court of Hong Kong since 1977, a solicitor of the Supreme Court of England & Wales since 1980, and a barrister and solicitor of the Supreme Court of Victoria, Australia since 1983. He has also been an advocate and solicitor in Singapore since 1985 and a notary public appointed by the Archbishop of Canterbury, England since 1988. Mr. Tsui was appointed as a Justice of the Peace by the Government of Hong Kong in 1997.

Mr. Tsui is also an independent non-executive director of Taifook Securities Group Limited (stock code: 665), Vision Values Holdings Limited (stock code: 862) and Mongolia Energy Corporation Limited (stock code: 276), all of which are companies whose issued shares are listed on the Stock Exchange.

Save as disclosed above, Mr. Tsui did not hold directorship in other listed public companies in the preceding three years from the date of this announcement.

Mr. Tsui does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders (as respectively defined in the Main Board Listing Rules) of the Company. As at the date of this announcement, he does not have any interests in Shares within the meaning of Part XV of SFO.

There is no service contract between Mr. Tsui and the Company. The term of his office as Director will be subject to rotation and retirement pursuant to the Articles and the Main Board Listing Rules. Mr. Tsui received a director's fee of HK\$140,000 for the year ended 31 March 2010. The remuneration of the Directors is based on the performance and experience of individuals and is determined with reference to the Company's performance, the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Main Board Listing Rules and the Board is not aware of any other matters which need to be brought to the attention of the Shareholders.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be made available for viewing on the websites of the Company at www.ientcorp.com and the Stock Exchange at www.hkexnews.hk:

- (a) the published directors' report and annual accounts of the Company for the year ended 31 March 2010 dated 28 June 2010;
- (b) the third quarterly report of the Company for the nine months ended 31 December 2009 dated 12 February 2010;
- (c) the interim report of the Company for the six months ended 30 September 2009 dated 13 November 2009;
- (d) the first quarterly report of the Company for the three months ended 30 June 2010 dated 12 August 2010;
- (e) the Articles;
- (f) the circular of the Company dated 11 August 2009 in relation to the extension of loan facility;
- (g) the circular of the Company dated 26 July 2010 in relation to the general mandates to issue and repurchase Shares and re-election of Directors;
- (h) the circular of the Company dated 30 July 2010 in relation to the very substantial disposal; and
- (i) each of the announcements and other corporate communications made by the Company before the date of this announcement as required under the GEM Listing Rules and the Main Board Listing Rules.

DEFINITIONS

“Articles”	the memorandum and articles of association of the Company from time to time
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	International Entertainment Corporation, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the GEM (Stock Code: 8118) as at the date of this announcement

“CTF”	Chow Tai Fook Enterprises Limited, a company incorporated in Hong Kong with limited liability and, through Mediastar International Limited, its wholly-owned subsidiary, is a controlling Shareholder
“Director(s)”	director(s) of the Company
“GEM”	the Growth Enterprise Market operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended from time to time
“GEM Share Option Scheme”	the share option scheme adopted pursuant to a resolution passed by the Shareholders at the Company’s annual general meeting held on 20 August 2004
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Main Board”	the stock market operated by the Stock Exchange prior to the establishment of GEM (excluding the options market) which stock market continues to be operated by the Stock Exchange in parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM
“Main Board Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange responsible for the Main Board listing matters
“Main Board Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange, as amended from time to time
“Maxprofit”	Maxprofit International Limited, a company incorporated in the British Virgin Islands on 8 November 2004 and a 51%-owned subsidiary of the Company
“Maxprofit Group”	Maxprofit and its subsidiaries
“Philippines”	The Republic of the Philippines

“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong
“PHP”	Peso, the lawful currency of the Philippines
“Transfer”	the transfer of listing of the Shares from GEM to the Main Board pursuant to the Main Board Listing Rules
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“VSA Circular”	the circular of the Company dated 29 June 2007 in relation to the proposed acquisition of entire issued share capital of Fortune Gate Overseas Limited legally and beneficially owned by CTF and its subsidiaries

By order of the Board
International Entertainment Corporation
Dr. Cheng Kar Shun
Chairman

Hong Kong, 16 September 2010

As at the date of this announcement, the Board comprises the following members:

Executive Directors:

Cheng Kar Shun (*Chairman*)
Lo Lin Shing, Simon (*Deputy Chairman*)
To Hin Tsun, Gerald
Cheng Kam Chiu, Stewart
Cheng Kam Biu, Wilson
Cheng Chi Kong
Cheng Chi Him

Independent non-executive Directors:

Cheung Hon Kit
Kwee Chong Kok, Michael
Lau Wai Piu
Tsui Hing Chuen, William *JP*

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain at www.hkgem.com on the “Latest Company Announcements” page of the GEM website for at least 7 days from the date of its posting and on the website of the Company at www.ientcorp.com.