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INTERNATIONAL ENTERTAINMENT CORPORATION

國際娛樂有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8118)

CONNECTED TRANSACTION

On 27 November 2007, Cyber On-Air (Asia) Limited, a wholly-owned subsidiary of the Company, entered into the Project Service Agreement with New World Telecommunications Limited, a connected person (as defined in the GEM Listing Rules), for the provision of installation service of indoor cellular stations in a property in Hong Kong. The total service fee under the Project Service Agreement is approximately HK\$1,260,000.

As at the date of this announcement, Mediastar International Limited is the substantial shareholder of the Company holding approximately 74.78% of the issued share capital of the Company. Mediastar International Limited is wholly-owned by Chow Tai Fook Enterprises Limited.

New World Telecommunications Limited is a wholly-owned subsidiary of New World Development Company Limited, the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited, and Chow Tai Fook Enterprises Limited and its subsidiaries have an aggregate of approximately 36.61% of interests in the share capital of New World Development Company Limited as at the date of this announcement. Therefore, New World Telecommunications Limited is an associate (has the same meaning ascribed thereto under the GEM Listing Rules) of Chow Tai Fook Enterprises Limited. Accordingly, New World Telecommunications Limited is a connected person of the Company under the GEM Listing Rules and the entering into of the Project Service Agreement constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

As announced by the Company on 18 April 2007, Cyber On-Air (Asia) Limited entered into a project service agreement with New World Telecommunications Limited for the provision of installation service of indoor cellular stations in another property in Hong Kong. The total service fee under the project service agreement was approximately HK\$2,282,000.

The aggregate service fee of the transactions pursuant to the Project Service Agreement and the project service agreement entered into by Cyber On-Air (Asia) Limited on 18 April 2007 is approximately HK\$3,542,000.

As the aggregate service fee of the transactions is less than 25% of the applicable percentage ratios as specified in Rule 19.07 of the GEM Listing Rules and is less than HK\$10 million, under Rule 20.32 of the GEM Listing Rules, the Transaction is therefore subject to the reporting and announcement requirements set out in Rules 20.45 to 20.47 of the GEM Listing Rules and is exempt from the independent shareholders' approval requirements. The Company is required to publish this announcement and include the details of the Project Service Agreement in the next published annual report and accounts of the Company.

The board of directors (the "Board") of International Entertainment Corporation (the "Company") announces that on 27 November 2007, Cyber On-Air (Asia) Limited, a wholly-owned subsidiary of the Company, entered into a project service agreement (the "Project Service Agreement") with New World Telecommunications Limited, a connected person as defined in the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"), for the provision of installation service of indoor cellular stations in a property in Hong Kong. The total service fee under the Project Service Agreement is approximately HK\$1,260,000, which was negotiated on an arm's length basis between the parties and was determined with reference to the terms of similar projects offered to independent third parties and on normal commercial terms or on no less favourable terms to the Group than those offered to independent third parties.

As at the date of this announcement, Mediastar International Limited is the substantial shareholder of the Company holding approximately 74.78% of the issued share capital of the Company. Mediastar International Limited is wholly-owned by Chow Tai Fook Enterprises Limited.

New World Telecommunications Limited is a wholly-owned subsidiary of New World Development Company Limited, the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited, and Chow Tai Fook Enterprises Limited and its subsidiaries have an aggregate of approximately 36.61% of interests in the share capital of New World Development Company Limited as at the date of this announcement. Therefore, New World Telecommunications Limited is an associate (has the same meaning ascribed thereto under the GEM Listing Rules) of Chow Tai Fook Enterprises Limited. Accordingly, New World Telecommunications Limited is a connected person of the Company under the GEM Listing Rules and the entering into of the Project Service Agreement constitutes a connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

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As the aggregate service fee of the transactions is less than 25% of the applicable percentage ratios as specified in Rule 19.07 of the GEM Listing Rules and is less than HK\$10 million, under Rule 20.32 of the GEM Listing Rules, the entering into of the Project Service Agreement (the "Transaction") is therefore subject to the reporting and announcement requirements set out in Rules 20.45 to 20.47 of the GEM Listing Rules and is exempt from the independent shareholders' approval requirements. The Company is required to publish this announcement and include the details of the Project Service Agreement in the next published annual report and accounts of the Company.

REASON FOR ENTERING INTO THE PROJECT SERVICE AGREEMENT

The Company and its subsidiaries (collectively the “Group”) is principally engaged in hotel operations, leasing of properties for casino, ancillary leisure and entertainment operations, provision of network solutions, project services, and the acquisition, financing, production and worldwide licensing of theatrical feature films in a variety of genres, and investments in production of television series, music concerts and music records. The directors of the Company (the “Directors”) consider that the Transaction is in line with the existing activities of the Group and further increases the Group’s market share as a project services provider in the market in Hong Kong. The Directors (including the independent non-executive Directors) consider that the Transaction is on normal commercial terms and in the ordinary and usual course of business of the Group and the terms are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

GENERAL

The principal activities of the Group are hotel operations, leasing of properties for casino, ancillary leisure and entertainment operations, provision of network solutions, project services, and the acquisition, financing, production and worldwide licensing of theatrical feature films in a variety of genres, and investments in production of television series, music concerts and music records.

New World Telecommunications Limited is principally engaged in the provision of telecommunication services.

By order of the Board
International Entertainment Corporation
Kwok Chi Kin
Company Secretary

Hong Kong, 27 November 2007

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

Executive Directors:

Cheng Kar Shun (*Chairman*)

Lo Lin Shing, Simon

To Hin Tsun, Gerald

Choi Wing Kin

So Kam Wing

Non-executive Director:

Wu Wing Kin

Independent Non-executive Directors:

Cheung Hon Kit

Kwee Chong Kok, Michael

Wong Chi Keung

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:- (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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.