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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: 01009)

SUPPLEMENTAL ANNOUNCEMENT REGARDING THE ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2018

Reference is made to the annual report of International Entertainment Corporation (the “**Company**”) for the year ended 31 March 2018 (the “**Annual Report**”), the interim report of the Company for the six months ended 30 September 2018, the interim report of the Company for the twelve months ended 31 March 2019 and the announcement of the Company dated 27 July 2017 (the “**Announcement**”) in relation to the placing of up to 190,000,000 Shares. Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as they are used in the Annual Report and the Announcement.

In addition to the information provided in the Annual Report, the Board would like to provide the following analysis and clarification in relation to the use of the net proceeds from the Placing during the year ended 31 March 2018 and during the twelve months ended 31 March 2019:

	Intended use of the net proceeds as stated in the Announcement (HK\$ million) (Note 4)	Amount of the net proceeds utilised during the year ended 31 March 2018 (HK\$ million) (Note 5)	Amount of the net proceeds utilised during the twelve months ended 31 March 2019 (HK\$ million)	Balance of the net proceeds unutilised as at 31 March 2019 (HK\$ million)
Renovation of the Hotel (Note 1)	150.0	1.3	42.2	106.5
Development of the New Hotel Land, including but not limited to the construction of a carpark and amenities of the Hotel, and the provision of a facility to an Independent Third Party for the acquisition of the New Hotel Land (Note 2)	100.0	51.6	—	48.4
Potential acquisition (the “ Potential Acquisition ”) of, including but not limited to, lands in the Philippines for the construction of hotel(s) and/or casino(s) (Note 3)	70.0	—	—	70.0
General working capital of the Group	38.5	—	38.5	0
Total	<u>358.5</u>	<u>52.9</u>	<u>80.7</u>	<u>224.9</u>

Notes:

1. It is expected that the renovation of the Hotel will be completed in the financial year ending 30 June 2020 and the balance of the net proceeds allocated for such use will be utilised in the financial year ending 30 June 2020.
2. The HK\$51.6 million utilised comprised HK\$50.9 million loan to an Independent Third Party for the acquisition of the New Hotel Land and HK\$0.7 million for the payment of the design and consultancy services fees for the development of the New Hotel Land. Priority will be given to the development of the new lands to be acquired in the Potential Acquisition before the development of the New Hotel Land. The Potential Acquisition is expected to be completed in the financial year ending 30 June 2020. It is expected that in addition to the balance of the net proceeds of approximately HK\$48.4 million allocated, further financial resources are required for the development of the New Hotel Land. The time for commencement of the development of the New Hotel Land and use of the remaining net proceeds allocated for the development of the New Hotel Land will depend on the internal and external financial resources available to the Group after completion of the Potential Acquisition and commencement of the development of the new lands to be acquired.

3. It is expected that the HK\$70 million allocated for the Potential Acquisition will be utilised in the financial year ending 30 June 2020.
4. There is no change in the intended use of the net proceeds from the Placing from that stated in the Announcement. If there is any change in the intended use of the net proceeds from the Placing and/or their allocation, further announcement will be made by the Company as and when appropriate in compliance with the Listing Rules.
5. The Board wishes to clarify that the Company used approximately 14.8% of the net proceeds from the Placing during the year ended 31 March 2018 instead of 2.0% as disclosed in the Annual Report.

The above additional information does not affect other information contained in the Annual Report. Save as disclosed in this announcement in respect of the use of net proceeds from the Placing as at 31 March 2018, the remaining contents of the Annual Report remain unchanged.

For and on behalf of the Board
International Entertainment Corporation
Dr. Choi Chiu Fai Stanley
Chairman

Hong Kong, 17 July 2019

As at the date of this announcement, the Board comprises two executive Directors, namely Dr. Choi Chiu Fai Stanley and Mr. Chan Chun Yiu Thomas, and three independent non-executive Directors, namely Ms. Lu Gloria Yi, Mr. Sun Jiong and Mr. Ha Kee Choy Eugene.