

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**If you are in any doubt** about this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in International Entertainment Corporation, you should at once hand this circular and the enclosed form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)**

**(1) PROPOSED CAPITAL REDUCTION OF ISSUED SHARES  
AND  
SUB-DIVISION OF AUTHORISED BUT UNISSUED SHARES;  
(2) CHANGE IN BOARD LOT SIZE;  
AND  
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

Capitalised terms used on this cover page shall have the same meanings as defined in this circular, unless the context requires otherwise.

A letter from the Board is set out on pages 6 to 14 of this circular. A notice convening the EGM to be held at Portion 2, 12/F., The Center, 99 Queen's Road Central, Central, Hong Kong at 11:00 a.m. on Monday, 22 May 2023 or any adjournment thereof is set out on pages 15 to 17 of this circular.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are advised to read the notice and complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible and in any event not less than 48 hours (i.e. at 11:00 a.m. on Saturday, 20 May 2023) before the time appointed for holding the EGM or any adjournment thereof. **Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM should you so wish, and in such event, the form of proxy shall be deemed to be revoked.**

5 May 2023

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## DEFINITIONS

*In this circular, unless the context otherwise requires, the following words and expressions shall have the following meaning*

“Accumulated Losses”	the accumulated losses of the Company as at the effective date of the Capital Reduction
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange generally is opened for business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of this circular be counted as a business day
“Capital Reduction”	the reduction of the issued share capital of the Company by reducing the par value of each issued Share from HK\$1.00 to HK\$0.01 by cancelling the paid up share capital to the extent of HK\$0.99 per issued Share
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 2,000 Shares to 10,000 Shares
“Companies Act”	the Companies Act (As Revised) of the Cayman Islands, as consolidated and revised
“Company”	International Entertainment Corporation 國際娛樂有限公司, a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange (stock code: 1009)
“Court”	the Grand Court of the Cayman Islands
“Directors”	the director(s) of the Company

## DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Capital Reduction and Sub-division
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	2 May 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Committee”	has the same meaning ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share(s)”	ordinary share(s) with par value of HK\$0.01 each in the share capital of the Company immediately following the Capital Reduction and the Sub-division becoming effective
“Share(s)”	ordinary share(s) with par value of HK\$1.00 each in the share capital of the Company prior to the Capital Reduction and the Sub-division becoming effective
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited of Shops 1712–1716 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-division”	the sub-division of each authorised but unissued Share into a hundred (100) unissued New Shares

## DEFINITIONS

“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

## EXPECTED TIMETABLE

### EXPECTED TIMETABLE OF THE CAPITAL REDUCTION AND THE SUB-DIVISION

Set out below is the expected timetable for the implementation of the Capital Reduction and the Sub-division. The expected timetable is subject to the results of the EGM and satisfaction of the conditions to the Capital Reduction and the Sub-division and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this circular refer to the Hong Kong local times and dates.

<b>Event</b>	<b>Time and Date</b>
Latest time for lodging share transfer in order to qualify for attending and voting at the EGM .....	4:00 p.m. on Tuesday, 16 May 2023
Closure of register of members for determining the entitlement to attend and vote at the EGM (both dates inclusive) .....	Wednesday, 17 May 2023 to Monday, 22 May 2023
Latest time for lodging forms of proxy for the EGM .....	11:00 a.m. on Saturday, 20 May 2023
Date and time of the EGM .....	11:00 a.m. on Monday, 22 May 2023
Announcement of voting results of the EGM .....	Monday, 22 May 2023
<b>The following events are conditional on the result of the EGM and the approval from the Court and therefore the dates are tentative:</b>	
Expected effective date of the Capital Reduction and the Sub-division .....	before 9:00 a.m. on Friday, 18 August 2023
Commencement of dealing in the New Shares .....	9:00 a.m. on Friday, 18 August 2023
First day of free exchange of existing share certificates for new share certificates for the New Shares .....	9:00 a.m. on Friday, 18 August 2023
Last day for free exchange of existing share certificates for new share certificates for the New Shares .....	4:00 p.m. on Thursday, 21 September 2023

<b>EXPECTED TIMETABLE</b>
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**EXPECTED TIMETABLE OF THE CHANGE IN BOARD LOT SIZE**

<b>Event</b>	<b>Time and Date</b>
First day for free exchange of existing share certificates in board lot of 2,000 Shares each for new share certificates in board lot of 10,000 Shares each .....	9:00 a.m. on Wednesday, 10 May 2023
Last day for trading of the Shares in board lot of 2,000 Shares each in the original counter .....	Tuesday, 23 May 2023
Effective date of the Change in Board Lot Size from 2,000 Shares to 10,000 Shares each .....	Wednesday, 24 May 2023
Original counter for trading in the Shares in board lot 2,000 Shares each closes and becomes counter for trading in the Shares in board lot of 10,000 Shares each .....	9: 00 a.m., Wednesday, 24 May 2023
Designated broker starts to stand in the market to provide matching services for odd lots of Shares .....	9: 00 a.m., Wednesday, 24 May 2023
Temporary counter for trading in the Shares in board lots of 2,000 Shares each opens .....	9: 00 a.m., Wednesday, 24 May 2023
First day of parallel trading in the Shares (in board lots of 2,000 Shares each and board lots of 10,000 Shares each) .....	9: 00 a.m., Wednesday, 24 May 2023
Designated broker ceases to stand in the market to provide matching services for odd lots of Shares .....	4:00 p.m. on Wednesday, 14 June 2023
Temporary counter for trading in the Shares in board lots of 2,000 Shares each closes .....	4:10 p.m., Wednesday, 14 June 2023
Last day of parallel trading in the Shares (in board lots of 2,000 Shares each and board lots of 10,000 Shares each) .....	4:10 p.m., Wednesday, 14 June 2023
Last day for free exchange of existing share certificates in board lot of 2,000 Shares each for new share certificates in board lot of 10,000 Shares each .....	4:00 p.m. on Friday, 16 June 2023

LETTER FROM THE BOARD



**INTERNATIONAL ENTERTAINMENT CORPORATION**

**國際娛樂有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01009)**

*Executive Directors:*

Mr. Ho Wong Meng

*(Chairman of the Board and Chief Executive Officer)*

Mr. Aurelio Jr. Dizon Tablante

*Independent non-executive Directors:*

Mr. Lau Ka Ho

Mr. Cheng Hong Wai

*Registered office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place  
of business in Hong Kong:*

Units 2109–10, 21st Floor

Wing On House

No. 71 Des Voeux Road Central

Hong Kong

5 May 2023

*To the Shareholders*

Dear Sir/Madam,

**(1) PROPOSED CAPITAL REDUCTION OF ISSUED SHARES  
AND  
SUB-DIVISION OF AUTHORISED BUT UNISSUED SHARES;  
(2) CHANGE IN BOARD LOT SIZE;  
AND  
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 2 May 2023 in relation to the proposed Capital Reduction, the Sub-division and the Change in Board Lot Size.

The purpose of this circular is to provide you with, among other things, information regarding the proposed Capital Reduction, the Sub-division and the Change in Board Lot Size and the special resolution to be proposed at the EGM for the proposed Capital Reduction and the Sub-division and to give you notice of EGM in order to enable you to make an informed decision on whether to vote for or against the special resolution to be proposed.



## LETTER FROM THE BOARD

### PROPOSED CAPITAL REDUCTION OF ISSUED SHARES AND SUB-DIVISION OF UNISSUED SHARES

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$2,000,000,000 divided into 2,000,000,000 Shares of par value HK\$1.00 each, of which 1,369,157,235 Shares have been issued and are fully paid or credited as fully paid and 630,842,765 Shares remain unissued.

The Board proposes the Capital Reduction and the Sub-division to be implemented in the following manner:

- (i) the Capital Reduction whereby the par value of each of the issued Shares will be reduced from HK\$1.00 to HK\$0.01 per issued Share by cancelling the paid up share capital to the extent of HK\$0.99 per issued Share;
- (ii) the Sub-division, immediately following the Capital Reduction, whereby each of the authorised but unissued Shares with par value of HK\$1.00 each will be sub-divided into 100 unissued New Shares with par value of HK\$0.01 each;
- (iii) upon the Capital Reduction becoming effective, the credit arising from the Capital Reduction will be applied towards offsetting the Accumulated Losses as at the effective date of the Capital Reduction and the balance of any such credit (if any) remaining after offsetting the Accumulated Losses will be transferred to a distributable reserve account of the Company which may be applied by the Company in any manner as permitted by all applicable laws and the memorandum and articles of association of the Company and as the Board considers appropriate;
- (iv) immediately following the Capital Reduction and the Sub-division, the authorised share capital of the Company be changed from HK\$2,000,000,000 divided into 2,000,000,000 shares with a par value of HK\$1.00 each, to HK\$2,000,000,000 divided into 200,000,000,000 New Shares with a par value of HK\$0.01 each; and
- (v) each of the New Shares arising from the Capital Reduction and Sub-division shall rank *pari passu* in all respects with each other and will have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company.

## LETTER FROM THE BOARD

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to the date on which the Capital Reduction and the Sub-division become effective, the share capital structure of the Company immediately after the Capital Reduction and the Sub-division becoming effective will be as follows:

	<b>As at the Latest Practicable Date</b>	<b>Immediately after the Capital Reduction and the Sub-division becoming effective</b>
Par value	HK\$1.00 per Share	HK\$0.01 per New Share
Amount of the authorised share capital	HK\$2,000,000,000	HK\$2,000,000,000
Number of authorised Shares	2,000,000,000	200,000,000,000
Amount of the issued share capital	HK\$1,369,157,235	HK\$13,691,572.35
Number of issued shares	1,369,157,235 Shares	1,369,157,235 New Shares
Number of unissued shares	630,842,765	198,630,842,765 New Shares

Given the Change in Board Lot Size shall be effective on Wednesday, 24 May 2023, upon the Capital Reduction and Sub-division becoming effective, the New Shares shall be traded in board lots of 10,000 New Shares each. The New Shares will rank *pari passu* in all respects with each other.

As at the Latest Practicable Date, 1,369,157,235 Shares have been issued and are fully paid or credited as fully paid. Assuming that the par value of each of the 1,369,157,235 issued Shares will be reduced from HK\$1.00 to HK\$0.01 per issued Share by cancelling the paid up share capital to the extent of HK\$0.99 per issued Share by way of a reduction of capital, so as to form issued New Shares with par value of HK\$0.01 each, the Company's existing issued share capital of HK\$1,369,157,235 will be reduced by HK\$1,355,465,662.65 to HK\$13,691,572.35.

### **Reasons for and effects of the Capital Reduction and the Subdivision**

The proposed Capital Reduction and Sub-division will enable the par value of the Shares to be reduced from HK\$1.00 to HK\$0.01 each. Upon the Capital Reduction becoming effective, the credit arising from the Capital Reduction will be applied towards offsetting the Accumulated Losses of the Company as at the effective date of the Capital Reduction, thereby reducing the Accumulated Losses of the Company, and the balance of any such credit (if any) remaining after offsetting the Accumulated Losses will be transferred to a distributable reserve

## LETTER FROM THE BOARD

account of the Company which may be applied by the Company in any manner as permitted by all applicable laws and the memorandum and articles of association of the Company and as the Board considers appropriate.

The Board is of the opinion that the proposed Capital Reduction will give greater flexibility to the Company to declare dividends and/or to undertake any corporate exercise which requires the use of distributable reserves in the future, subject to the Company's performance and when the Board considers that it is appropriate to do so in the future.

Since the Shares were trading below par value recently, the Board considers that the Capital Reduction and Sub-division will enable the nominal or par value of the Shares to be reduced from HK\$1.00 to HK\$0.01 each, for the purpose of further enhancing flexibility to the Company to issue new shares in the future given that the Company is not permitted, without order of the Court, to issue new shares below their nominal or par value. It is important for Shareholders to note that, at this stage, there can be no assurance that any dividends will be declared or paid in the future, or that the Company will issue New Shares, even if the Capital Reduction and the Sub-division take effect.

Assuming the Capital Reduction, the Sub-division and the Change in Board Lot Size having become effective, the Shares will be traded in board lot of 10,000 Shares and the estimated market value per board lot of the Shares will be HK\$4,200 (based on the closing price of HK\$0.420 per Share as quoted on the Stock Exchange as at the Latest Practicable Date).

As such, the Directors are of the view that the Capital Reduction and the Sub-division are in the best interests of the Company and its Shareholders as a whole.

Save for applying the credit arising from the Capital Reduction towards offsetting the Accumulated Losses of the Company and the expenses to be incurred in relation to the Capital Reduction and the Sub-division, the Directors consider that the Capital Reduction and the Sub-division will have no effect on the underlying assets, business operations, management or financial position of the Company or the proportional interests of the Shareholders in the Company.

As at the Latest Practicable Date, the Company has no intention to carry out other corporate action or arrangement, including share consolidation, share subdivision and capital reduction, in the next 12 months. Depending on the business development and funding need of the Group, the Company may require to conduct equity fund raising exercise in the next 12 months. As at the Latest Practicable Date, the Company did not have concrete plan for any fund raising activity. Further announcement will be made by the Company, when appropriate, in compliance with the Listing Rules.

## LETTER FROM THE BOARD

### Conditions of the Capital Reduction and the Sub-division

The Capital Reduction and the Sub-division are conditional on the following conditions being fulfilled:

- (i) the Shareholders' approval by way of special resolution at the EGM to be convened and held to consider and, if thought fit, approve, among other things, the Capital Reduction and the Sub-division;
- (ii) an order being made by the Court confirming the Capital Reduction;
- (iii) compliance with any conditions which the Court may impose in relation to the Capital Reduction;
- (iv) registration by the Registrar of Companies of the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction and the minutes approved by the Court containing the particulars required under the Companies Act with respect to the Capital Reduction; and
- (v) the Listing Committee granting the listing of, and permission to deal in, the New Shares arising from the Capital Reduction and the Sub-division.

The Capital Reduction and the Sub-division will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Capital Reduction and the Subdivision at the EGM by way of special resolution, the legal advisors to the Company (as to the Cayman Islands law) will apply to the Court for hearing date(s) to confirm the Capital Reduction and a further announcement will be made by the Company as soon as practicable after the Court hearing date(s) is confirmed. As at the Latest Practicable Date, none of the above conditions have been fulfilled.

### Listing of and dealings in the New Shares

Application will be made to the Listing Committee for the listing of, and permission to deal in, the New Shares arising from the Capital Reduction and the Sub-division.

The New Shares will be identical in all respects and rank *pari passu* in all respects with each other as to all future dividends and distributions which are declared, made or paid. Subject to the granting of the listing of, and permission to deal in, the New Shares on the Stock Exchange, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

## **LETTER FROM THE BOARD**

None of the share capital or debt securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

### **Exchange of share certificates for the New Shares**

As the Court hearing date(s) has yet to be fixed, the effective date of the Capital Reduction and the Sub-division is not ascertainable at present. Should the Capital Reduction and the Sub-division become effective, Shareholders may submit existing certificates for the Shares to the Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716 17th Floor, Hopewell Centre 183 Queen’s Road East, Wan Chai Hong Kong for exchange, at the expense of the Company, within one month from the effective date of the Capital Reduction and the Sub-division, for certificates for the New Shares. Details of such free exchange of share certificates will be announced as soon as the effective date of the Capital Reduction and the Sub-division is ascertained.

All existing certificates of the Shares will continue to be evidence of title to such Shares and be valid for delivery, trading and settlement purpose.

### **Expected timetable of the Capital Reduction and the Sub-division**

The expected timetable for the implementation of the Capital Reduction and Sub-division is set out on page 4 of this circular. The expected timetable is subject to the results of the EGM and satisfaction of the conditions to the Capital Reduction and the Sub-division and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this circular refer to the Hong Kong local times and dates.

### **General**

An EGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other matters, the Capital Reduction and the Sub-division. As no Shareholders have a material interest in the Capital Reduction and the Sub-division, no Shareholders will be required to abstain from voting on the resolutions to approve the Capital Reduction and the Sub-division.

### **CHANGE IN BOARD LOT SIZE**

The Board announces that the board lot size for trading in the Shares on the Stock Exchange will be changed from 2,000 Shares to 10,000 Shares with effect from 9:00 a.m. on Wednesday, 24 May 2023.

Pursuant to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020, the expected board lot value should be greater than HK\$2,000 after taking into account the minimum transaction costs for a securities trade. The Shares are currently traded in board lots of 2,000 Shares and the market value per board lot of the Shares was HK\$840 (based on the closing price of HK\$0.420 per Share as quoted on the Stock

## LETTER FROM THE BOARD

Exchange as at the Latest Practicable Date). Hence, the Shares were traded significantly below HK\$2,000 per board lot. Upon the Change in Board Lot Size becoming effective, the Shares will be traded in board lot of 10,000 Shares and the estimated market value per board lot of the Shares will be HK\$4,200 (based on the closing price of HK\$0.420 per Share as quoted on the Stock Exchange as at the Latest Practicable Date). The Board believes that the Change in Board Lot Size may save the transaction and registration costs incurred by the Shareholders and potential investors of the Company.

The Change in Board Lot Size ensures that the value of each board lot of the Shares would be more than HK\$2,000. The Change in Board Lot Size will reduce transaction and handling costs of dealing in the Shares, including those fees which are charged with reference to the number of board lots, as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction costs for each securities trade. The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders. The Board considers that the Change in Board Lot Size to be in the interest of the Company and its Shareholders as a whole.

### **Odd Lot Arrangement**

In order to alleviate difficulties arising from the existence of odd lots of the Shares arising from the Change in Board Lot Size, the Company has appointed Forwin Securities Group Limited as an agent to provide matching services on a best effort basis to the Shareholders who wish to top up or sell their holdings of odd lots of the Shares during the period from 9:00 a.m. on Wednesday, 24 May 2023 to 4:00 p.m. on Wednesday, 14 June 2023, both dates inclusive. Holders of the Shares in odd lot represented by the existing share certificate for the Shares who wish to take advantage of this facility either to dispose of their odd lots of the Shares or top up their odd lots to a full new board lot may directly or through their brokers contact Mr. Simson Kwok of Forwin Securities Group Limited at Room 2201, Office Tower Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong (telephone number: (852) 28959977) during office hours (i.e. 9:00 a.m. to 4:00 p.m.) within such period.

Holders of the Shares in odd lots should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. Shareholders are recommended to consult their professional advisors if they are in doubt about the above arrangement.

### **Exchange of new share certificates**

Shareholders may submit their existing share certificates to the Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong in exchange for new share certificates at the expense of the Company between 9:00 a.m. and 4:00 p.m. on any Business Day from Wednesday, 10 May 2023 to Friday, 16 June 2023, both dates inclusive. Thereafter, existing share certificates will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new share certificate or each existing share certificate submitted, whichever number of share certificate involved is higher.

## **LETTER FROM THE BOARD**

It is expected that the new share certificates will be available for collection from the Share Registrar by the Shareholders within ten (10) Business Days after delivery of the existing share certificates to the Share Registrar for exchange purpose.

With effect from Wednesday, 24 May 2023, all new share certificates will be issued in board lot of 10,000 Shares each (except for odd lots or where the Share Registrar is otherwise instructed). All existing share certificates will continue to be evidence of title to such Shares and continue to be valid for trading, delivery and settlement purposes.

Save and except for the change in the number of Shares for each board lot, the new share certificates will have the same format and colour as the existing share certificates.

### **ACTIONS TO BE TAKEN BY SHAREHOLDERS**

A notice convening the EGM is set out on pages 15 to 17 of this circular. At the EGM, a special resolution will be put forward to the Shareholders to consider and, if thought fit, approve the proposed Capital Reduction and Sub-division.

To the best of knowledge of the Directors, no Shareholders have a material interest in the proposed Capital Reduction and Sub-division and accordingly no Shareholders will be required to abstain from voting at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as practicable and in any event not later than 48 hours before the time of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and in such event, the proxy shall be deemed to be revoked.

After the conclusion of the EGM, the results of the poll will be released on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company (<http://www.ientcorp.com/>).

### **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining Shareholders' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday 17 May 2023 to Monday, 22 May 2023 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Tuesday, 16 May 2023.



## LETTER FROM THE BOARD

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular 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 circular misleading.

### RECOMMENDATION

The Directors consider that the proposed Capital Reduction and Sub-division are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the relevant resolution at the EGM.

### MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully  
By order of the Board  
**International Entertainment Corporation**  
**Ho Wong Meng**  
*Chairman, Chief Executive Officer and Executive Director*



## NOTICE OF EGM



# INTERNATIONAL ENTERTAINMENT CORPORATION

## 國際娛樂有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 01009)**

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the “**EGM**”) of International Entertainment Corporation (the “**Company**”) will be held at Portion 2, 12/F., The Center, 99 Queen’s Road Central, Central, Hong Kong at 11:00 a.m. on Monday, 22 May 2023 for the purpose of considering and, if thought fit, passing the following resolution as a special resolution of the Company:

#### SPECIAL RESOLUTION

“**THAT** subject to and conditional upon (i) an order being made by the Grand Court of the Cayman Islands (the “**Court**”) confirming the Capital Reduction (as defined below); (ii) the compliance with any conditions which the Court may impose in relation to the Capital Reduction (as defined below); (iii) the registration by the Registrar of Companies of the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction (as defined below) and the minute approved by the Court containing the particulars required under the Companies Act with respect to the Capital Reduction (as defined below); and (iv) The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the New Shares (as defined below) arising from the Capital Reduction (as defined below) and the Sub-division (as defined below), with effect from the date on which the aforesaid conditions are fulfilled (the “**Effective Date**”):

- (a) the issued and paid-up share capital of the Company be reduced (the “**Capital Reduction**”) by cancelling the paid-up share capital to the extent of HK\$0.99 on each of the then existing ordinary share in issue with a par value of HK\$1.00 (the “**Share**”) so that each such issued existing Share with a par value of HK\$1.00 shall be treated as one fully paid-up ordinary share with a par value of HK\$0.01 (the “**New Shares**”) in the share capital of the Company and any liability of the holders of such shares to make any further contribution to the capital of the Company on each such share shall be treated as satisfied and that the amount of issued share capital thereby cancelled be made available for issue of New Shares;
- (b) immediately following the Capital Reduction becoming effective, each of the then authorised but unissued Share with a par value of HK\$1.00 be subdivided into 100 unissued New Shares with a par value of HK\$0.01 each in the share capital of the Company (“**Sub-division**”) such that the authorised share capital of the Company will change from HK\$2,000,000,000 divided into 2,000,000,000 ordinary shares of

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par value HK\$1.00 each to become HK\$2,000,000,000 divided into 200,000,000,000 ordinary shares of par value HK\$0.01 each immediately following the Capital Reduction and Sub-division becoming effective;

- (c) upon the Capital Reduction becoming effective, the credit arising from the Capital Reduction will be applied towards offsetting the accumulated losses of the Company as at the Effective Date and the balance of any such credit (if any) remaining after offsetting the accumulated losses of the Company will be transferred to a distributable reserve of the Company which may be applied by the Company in any manner as permitted by all applicable laws and the memorandum and articles of association of the Company and as the board of directors of the Company considers appropriate;
- (d) each of the New Shares arising from the Capital Reduction and Sub-division shall rank *pari passu* in all respects with each other and have rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company; and
- (e) the directors of the Company be and are hereby authorised to do all such acts and things and execute all such documents, which are ancillary to the Capital Reduction and the Sub-division and of administrative nature, on behalf of the Company, including under seal where applicable, as they may consider necessary or expedient to give effect to the Capital Reduction and the Sub-division.”

Yours faithfully

By order of the Board

**International Entertainment Corporation**

**Ho Wong Meng**

*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 5 May 2023

*Head office and principal place of business*

*in Hong Kong:*

Units 2109–10, 21st Floor, Wing On House  
No. 71 Des Voeux Road Central, Hong Kong

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Notes:*

1. Any member of the Company entitled to attend and vote at the meeting of the Company is entitled to appoint another person as his proxy to attend and vote instead of him. A member of the Company who is the holder of two or more shares of the Company may appoint more than one proxy to represent him and vote on his behalf at the meeting. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member of the Company who is an individual or a member of the Company which is a corporation shall be entitled to exercise the same powers on behalf of the member of the Company which he or they represent as such member of the Company could exercise.

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2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.
3. The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjourned meeting thereof (as the case may be) at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
4. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting or any adjourned meeting thereof or on the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
6. The register of members of the Company will be closed from Wednesday, 17 May 2023 to Monday, 22 May 2023 (both days inclusive) during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Tuesday, 16 May 2023 for registration.
7. Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on the Stock Exchange, all votes of shareholders of the Company at the meeting will be taken by poll and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and of the Company (<http://www.ientcorp.com>).
8. The translation into Chinese language of the notice convening the meeting is for reference only. In case of any inconsistency or discrepancy, the English version shall prevail.

*As at the date of this notice, the Board comprises two executive Directors, namely Mr. Ho Wong Meng and Mr. Aurelio Jr. Dizon Tablante, and two independent non-executive Directors, namely Mr. Lau Ka Ho and Mr. Cheng Hong Wai.*