

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong 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.



INTERNATIONAL ENTERTAINMENT CORPORATION

國際娛樂有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01009)

DISCLOSEABLE TRANSACTION INVOLVING PURCHASE OF SLOT MACHINES

The Board is pleased to announce that on 12 May 2023, (after trading hours), MSPI as purchaser and RGB as vendor entered into the Sale and Purchase Agreements in relation to the purchase of 382 various slot machines, related license and controllers for the aggregate consideration of US\$5,732,582 (equivalent approximately HK\$45 million).

LISTING RULES IMPLICATIONS

The relevant percentage ratios (as defined under the Listing Rules) in respect of the consideration payable under the Sale and Purchase Agreement (1) exceeds 5% but less than 25%, the Sale and Purchase Agreement (1) constitutes a discloseable transaction on the part of the Company which is subject to announcement requirements under Chapter 14 of the Listing Rules.

Pursuant to Rule 14.22 of the Listing Rules, as one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Sale and Purchase Agreement (1) and Sale and Purchase Agreement (2) exceeds 5% but all the percentage ratios are less than 25%, the Sale and Purchase Agreement (1) and Sale and Purchase Agreement (2), on aggregated basis, constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

The Board is pleased to announce that on 12 May 2023, (after trading hours), MSPI as purchaser and RGB as vendor entered into the Sale and Purchase Agreements in relation to the purchase of 382 various slot machines, related license and controllers for the aggregated consideration of US\$5,732,582 (equivalent approximately HK\$45 million).

The Sale and Purchase Agreements

Date: 12 May 2023

Parties: (i) MSPI as purchaser; and
(ii) RGB as vendor

Asset acquired

Pursuant to the Sale and Purchase Agreements, MSPI shall purchase from RGB 382 various models of slot machines, related license and controllers with specifications setting out in the Sale and Purchase Agreements.

Consideration

The consideration for the purchase under the Sale and Purchase Agreement (1) is US\$4,032,582 (equivalent approximately HK\$31.65 million), which is payable in cash by MSPI to RGB in accordance with the terms of the Sale and Purchase Agreement (1) upon pick up of the slot machines by MSPI from Sydney, Australia.

The consideration for the purchase under the Sale and Purchase Agreement (2) is US\$1,700,000 (equivalent approximately HK\$13.35 million), which is payable in cash by MSPI to RGB in accordance with the terms of the Sale and Purchase Agreement (2) upon the pick up of the relevant slot machines by MSPI's nominated carrier.

The Consideration was arrived at after arm's length negotiation between MSPI and RGB and was determined by the prevailing market value of slot machines obtained by comparing quotations provided by various suppliers of slot machines. The Company will finance the purchase of the slot machines under the Sale and Purchase Agreements by internal resources.

Delivery date

The delivery lead time for the slot machines in the Sale and Purchase Agreement (1) is between 12 to 18 weeks from receipt by RGB of the order confirmation subject to variable component availability and the receipt by RGB of the agreed part payment.

The delivery lead time for the slot machines in the Sale and Purchase Agreement (2) is between 4 to 8 weeks from receipt by the RGB of the order confirmation subject to variable component availability and the receipt by RGB of the agreed part payment.

INFORMATION ON THE PARTIES

RGB

RGB is a company established in Macau with limited liability and is wholly-owned by RGB International Bhd., a company incorporated in Malaysia and the issued shares of which are listed on Main Market of Bursa Malaysia Securities Berhad (stock code: 0037). RGB Group primarily focus on import and export including sales and marketing, and manufacturing of electronic gaming machines and equipment; machine concession, technical support and management; and on-site technical solution, preventive maintenance and repair services for

electronic gaming machines and equipment. To the best knowledge, information and belief of the Directors, after having made all reasonable enquiries, RGB and its ultimate beneficial owners are Independent Third Parties.

MSPI

MSPI is a company incorporated in the Philippines and is an indirect wholly-owned subsidiary of the Company in the Philippines and is principally engaged in the business of leasing of properties equipped with gaming equipment and participation in the gaming operation in the Philippines.

REASONS FOR AND BENEFITS OF THE RGB PURCHASE

The Company is an investment holding company and the Group is engaged in (i) hotel operations at the hotel complex in Metro Manila in the Philippines; (ii) leasing of properties equipped with entertainment equipment and participation in the gaming operation at the Manila Hotel; and (iii) live poker events operations. MSPI is an indirect wholly-owned subsidiary of the Company in the Philippines.

The Hotel Premises leased out by the Group is equipped with entertainment equipment including slot machines. The Group has installed slot machines in the Hotel Premises. Some of them have been installed for many years. In order to enhance the attraction of the entertainment equipment in the Hotel Premises, some of the games in the slot machines may require upgrades while some of the slot machines may have to be replaced. In addition, due to the global relaxation on the Covid-19 travel restrictions, the tourism industry in the Philippines has started to rebound and the Group is prepared to expand its slot machines in the Hotel Premises to attract and cater for a greater number of patrons as well as to improve the income of the Group from the gaming business.

The Directors consider that the RGB Purchase is in the ordinary course of business of the Group and is entered into after arm's length negotiation between the parties and the terms of the Sale and Purchase Agreements are on normal commercial terms, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

The relevant percentage ratios (as defined under the Listing Rules) in respect of the consideration payable under the Sale and Purchase Agreement (1) exceeds 5% but less than 25%, the Sale and Purchase Agreement (1) constitutes a discloseable transaction on the part of the Company which is subject to announcement requirements under Chapter 14 of the Listing Rules.

Pursuant to Rule 14.22 of the Listing Rules, as one of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Sale and Purchase Agreement (1) and Sale and Purchase Agreement (2) exceeds 5% but all the percentage ratios are less than 25%, the Sale and Purchase Agreement (1) and Sale and Purchase Agreement (2), on aggregated basis, constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Casino”	a casino located in the Hotel Premises and operated by PAGCOR
“Company”	International Entertainment Corporation, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 01009)
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hotel”	hotel complex of the Group located at 1588 M.H. Del Pilar cor. Pedro Gil Street, Malate, Manila, the Philippines and operating under the name of New Coast Hotel Manila
“Hotel Premises”	certain part within the Hotel which MSPI and PAGCOR use for the operation of the Casino for gambling activities
“Independent Third Party(ies)”	individual(s) or entity(ies) which is/are not connected with the Company or the Company’s connected person(s) within the meaning ascribed under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Metro Manila”	all that area commonly included in references to metropolitan Manila, the Philippines, including but not limited to, the cities of Makati, Mandaluyong, San Juan, Las Pinas, Malabon, Navotas, Pasig, Paranaque, Marikina, Muntinlupa, Caloocan, Taguig, Valenzuela and the municipality of Pateros

“MSPI”	Marina Square Properties, Inc., an indirect wholly-owned subsidiary of the Company principally engaging in the business of leasing of properties equipped with gaming equipment and participation in the gaming operation in the Philippines
“PAGCOR”	the Philippine Amusement and Gaming Corporation, the regulatory and licensing authority for gaming and gambling in the Philippines
“Philippines”	the Republic of the Philippines
“RGB”	RGB (Macau) Limited
“RGB Group”	RGB International Bhd. and its subsidiaries
“RGB Purchase”	the purchase of slot machines, related license and controllers by MSPI from RGB pursuant to the Sale and Purchase Agreements
“Sale and Purchase Agreement (1)”	the sale and purchase agreement dated 12 May 2023 entered into between MSPI as purchaser with RGB as vendor for purchase of 182 various models of slot machines, related licence and controllers
“Sale and Purchase Agreement (2)”	the sale and purchase agreement dated 12 May 2023 entered into between MSPI as purchaser with RGB as vendor for purchase of 200 slot machines, related licence and controllers
“Sale and Purchase Agreements”	together, Sale and Purchase Agreement (1) and Sale and Purchase Agreement (2)
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“US\$” United States dollars, the lawful currency of the United States of America

“%” per cent.

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

Hong Kong, 12 May 2023

In this announcement, unless the context requires otherwise, amounts denominated in US\$ have been translated to HK\$ at the exchange rate of US\$1.00:HK\$7.85 for illustration purpose only.

As at the date of this announcement, 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.