INTERNATIONAL ENTERTAINMENT CORPORATION
國 際 娛 樂 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01009)

PROFIT WARNING

This announcement is made by International Entertainment Corporation (the "**Company**" and its subsidiaries collectively the "**Group**") pursuant of Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders (the "**Shareholders**") and potential investors of the Company that, according to the information currently available and based on the preliminary review of the unaudited consolidated management accounts (the "**Management Accounts**") of the Group for the twelve months ended 30 June 2026 (the "**Period**"), it is expected that the Group may record a loss attributable to the owners of the Company of approximately HK$500 million for the Period as compared to a loss attributable to the owners of the Company of approximately HK$282.1 million for the twelve months ended 30 June 2025 (the "**Previous Period**").

Based on the preliminary review of the Management Accounts, the Board notes that notwithstanding the Group's notable growth in gross profit driven by higher gaming revenue arising from both land-based casino operation and provision of gaming platform to other authorised gaming operators, the Group is still expected to record a net loss for the Period. Such anticipated net loss attributable to owners of the Company for the Period was mainly due to:

(i) a non-cash loss of approximately HK$425 million arising from the fair value change of financial liabilities at fair value through profit or loss in connection with the issue of convertible notes in the aggregate principal sum of HK$1.6 billion (the "**Change in CB Fair Value**") during the Period. This loss is non-cash in nature and results primarily from the accounting treatment required under the relevant financial reporting standards for such financial liabilities; and

(ii) an increase in selling and marketing expenses, primarily attributed to higher expenditure on marketing campaigns and promotional activities aimed at enhancing the attractiveness and competitiveness of the Group's casino offerings.

The Board wishes to emphasise that the loss arising from the Change in CB Fair Value is a non-cash accounting item recognised in accordance with HKFRS Accounting Standards and does not have any impact on the Group's normal business operations and operating cash flow. Excluding this non-cash loss, the Group would be expected to record a reduction in loss attributable to owners of the Company for the Period as compared with that for the Previous Period.

As at the date of this announcement, the Company is still in the course of working out with the auditors about any impairment loss. If any impairment loss is recorded, the expected loss will increase. Shareholders should note that the Group may or may not have an impairment loss for the Period.

The Company is in the process of finalising the interim results of the Group for the Period. The financial information contained in this announcement is only based on the preliminary assessments with reference to the Management Accounts of the Group for the Period and information currently available to the management of the Company. Such information has not been reviewed by the audit committee of the Company, or audited by the auditor of the Company. The announcement of the interim results of the Group for the Period is expected to be published on 28 August 2026.

Shareholders and potential investors are therefore advised to exercise caution when dealing in the shares and/or other securities of the Company.

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

Hong Kong, 21 August 2026

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 three independent non-executive Directors, namely Mr. Luk Ching Kwan Corio, Ms. Danica Ramos Lumawig and Mr. Brian Roger Mattingley.