



CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 326)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Special General Meeting of China Star Entertainment Limited (the "Company") will be held at Unit 3409, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong on Friday, 15th June 2007 at 4:00 p.m. for the purpose of consideration and, if thought fit, passing with or without modification the following resolution as an Ordinary Resolution of the Company:

ORDINARY RESOLUTION

"THAT

- (a) the agreement dated 19th March 2007 entered into between Most Famous Enterprises Limited and the Company relating to the disposal of 49% of the issued quota of Kingsway Hotel Limited ("KHL") and 49% of the amount of shareholders' loan owing by KHL to the Company (the "Most Famous Agreement", a copy of which has been produced to the meeting marked "A" and signed by the Chairman of the meeting for the purpose of identification); and the agreement dated 19th March 2007 entered into between SJM-Investmentos Limitada and the Company relating to the disposal of 1% of the issued quota of KHL and 1% of the amount of shareholders' loan owing by KHL to the Company (the "SJM Agreement", a copy of which has been produced to the Meeting marked "B" and signed by the Chairman of the meeting for the purpose of identification) be and are hereby approved, confirmed and ratified in all respects and that all transactions contemplated hereunder be and are hereby approved; and
- (b) any one director of the Company be and is hereby authorised for and on behalf of the Company to take such other actions and execute such other documents or deeds whether under the common seal of the Company or otherwise as may be necessary, desirable or expedient to carry out or to give effect to any or all transactions contemplated under the Most Famous Agreement and the SJM Agreement."

By Order of the Board
Wong Shuk Han, Dorothy
Company Secretary

Hong Kong, 31st May 2007

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

Unit 3409
Shun Tak Centre, West Tower
168-200 Connaught Road Central
Hong Kong

Notes:

1. A form of proxy for use at the meeting is despatch to the shareholders of the Company.
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 any officer, attorney or other person authorised to sign the same.
3. Any shareholder of the Company entitled to attend and vote at the meeting convened by the above notice shall be entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
4. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding of the above meeting or any adjournment thereof.
5. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the meeting convened or at any adjourned meeting and in such event, the form of proxy will be deemed to be revoked.
6. 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/she were solely entitled thereto, but if more than one of such joint holders are present at the meeting, the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand on the register of members of the Company in respect of the joint holding.

As at the date hereof, the executive directors of the Company are Mr. Heung Wah Keung, Ms. Chen Ming Yin, Tiffany and Ms. Li Yuk Sheung and the independent non-executive directors are Mr. Hung Cho Sing, Mr. Ho Wai Chi, Paul and Mr. Leung Hok Man.