

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.



CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 326)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on the preliminary review on the management accounts of the Group for the six months ended 30 June 2013 and information currently available, the Board wishes to inform the Shareholders and potential investors that the profit after tax of the Group for the six months ended 30 June 2013 is expected to increase by 40% to 50% as compared to the corresponding period of the previous year.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by China Star Entertainment Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on a preliminary review on the management accounts of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2013 and information currently available, the board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the profit after tax of the Group for the six months ended 30 June 2013 is expected to increase by 40% to 50% as compared to the corresponding period of the previous year which amounted to HK\$42,081,000 as reported in the interim report of the Company for the six months ended 30 June 2012. Such increase is primarily attributable to the increase in revenue and profit margin of the hotel and gaming service operation in Macau as a result of effective marketing plan; and the effect is partially offset by the substantial increase in impairment loss to be recognised in respect of the intangible assets of the gaming promotion operations due to decrease in profit streams received from the gaming promotion operations during the six months period ended 30 June 2013.

As the Group is still in the process of finalising its interim results for the six months ended 30 June 2013, which is expected to be published in 28 August 2013, the information contained in this announcement is only based on the preliminary assessment according to the management accounts of the Group and are subject to review by the Company's independent external auditors.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
China Star Entertainment Limited
Heung Wah Keung
Chairman

Hong Kong, 16 August 2013

As at the date of this announcement, the executive directors of the Company are Mr. Heung Wah Keung, Ms. Chen Ming Yin, Tiffany and Ms. Li Yuk Sheung; the independent non-executive directors of the Company are Mr. Hung Cho Sing, Mr. Ho Wai Chi, Paul and Mr. Tang Chak Lam, Gilbert.