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CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 326)

EFFECTIVE DATE FOR THE CAPITAL REORGANISATION AND ADJUSTMENT TO THE EXERCISE PRICES AND NUMBER OF SHARE OPTIONS AND CONVERSION PRICE OF THE BONUS CONVERTIBLE BONDS

EFFECTIVE DATE FOR THE CAPITAL REORGANISATION

The Board is pleased to announce that all the conditions of the Capital Reorganisation will be fulfilled and the Capital Reorganisation will become effective on 9 November 2015.

ADJUSTMENT TO THE EXERCISE PRICES AND NUMBER OF SHARE OPTIONS AND CONVERSION PRICE OF THE BONUS CONVERTIBLE BONDS

Pursuant to the rules of the share option schemes of the Company and the terms and conditions of the deed polls relating to the Bonus Convertible Bonds, the exercise prices and number of outstanding Share Options and the conversion price of the Bonus Convertible Bonds will be adjusted in the manner as disclosed herein as a result of the Capital Reorganisation with effect from 9 November 2015.

Reference is made to the announcements of China Star Entertainment Limited (the “**Company**”) dated 21 September 2015, 20 October 2015 and 23 October 2015, and the circular (the “**Circular**”) of the Company dated 30 September 2015 in relation to, among other things, the Capital Reorganisation. Capitalised terms used in this announcement shall have the same meanings as those defined in the Circular unless otherwise stated.

EFFECTIVE DATE FOR THE CAPITAL REORGANISATION

The Board is pleased to announce that all the conditions of the Capital Reorganisation will be fulfilled and the Capital Reorganisation will become effective on 9 November 2015.

ADJUSTMENT TO THE EXERCISE PRICES AND NUMBER OF SHARE OPTIONS AND CONVERSION PRICE OF THE BONUS CONVERTIBLE BONDS

Pursuant to the rules of the share option schemes of the Company, the exercise prices and number of outstanding Share Options will be adjusted in the manner as disclosed below as a result of the Capital Reorganisation with effect from 9 November 2015:

Exercisable Period	Exercise price per Existing Share	Existing number of outstanding Share Options	Adjusted exercise price per New Share	Adjusted number of outstanding Share Options
	<i>HK\$</i>		<i>HK\$</i>	
30 December 2005 to 29 December 2015	17.888	257,217	447.200	10,288
21 November 2006 to 20 November 2016	20.477	284,071	511.925	11,362
25 May 2007 to 24 May 2017	31.063	708,286	776.575	28,331
27 June 2007 to 26 June 2017	30.907	333,984	772.675	13,359
23 October 2007 to 22 October 2017	14.682	1,404,274	367.050	56,170
21 August 2008 to 20 August 2018	1.894	4,917,862	47.350	196,714
14 January 2013 to 13 January 2016	0.167	198,078,788	4.175	7,923,151
4 May 2015 to 3 May 2018	0.126	1,443,000,000	3.150	57,720,000

Pursuant to the terms and conditions of the deed polls relating to the Bonus Convertible Bonds, the conversion price of the Bonus Convertible Bonds will be adjusted from the existing conversion price of HK\$0.01 per conversion Share to the adjusted conversion price of HK\$0.25 per conversion Share as a result of the Capital Reorganisation with effect from 9 November 2015.

The Company's auditors have been appointed to certify the above necessary adjustments with respect to the exercise prices and number of the Share Options and the conversion price of the Bonus Convertible Bonds.

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

Hong Kong, 6 November 2015

As at the date of this announcement, the executive Directors 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. Tang Chak Lam, Gilbert.