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CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 326)

SUPPLEMENTAL ANNOUNCEMENT RESULTS OF THE RIGHTS ISSUE

Reference is made to the announcement of China Star Entertainment Limited (the “**Company**”) dated 3 August 2018 (the “**Announcement**”) in relation to the results of the Rights Issue. Unless the context otherwise requires, capitalized terms used herein shall have the same meaning as those defined in the Announcement.

As disclosed in the section headed “Effect of the Rights Issue on the shareholding structure of the Company” in the Announcement, the number of Shares to be held by the Underwriter and parties acting in concert with it immediately after completion of the Rights Issue might be subject to further adjustments due to aggregation and/or rounding for Shares held through CCASS. The Board wishes to provide the Shareholders a finalised disclosure in the shareholding structure upon actual allotment of the Rights Shares to the Underwriter on 6 August 2018.

To the best of the Directors' knowledge and information, the following is the shareholding structure of the Company immediately before and after completion of the Rights Issue:

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
The Underwriter and its parties acting in concert				
The Underwriter (<i>Note 1</i>)	186,446,502	20.63	1,405,983,951	51.86
Dorest (<i>Note 2</i>)	1,644	0.00	1,644	0.00
Sub-total	186,448,146	20.63	1,405,985,595	51.86
Other public Shareholders	717,255,347	79.37	1,305,124,884	48.14
Total	903,703,493	100.00	2,711,110,479	100.00

Notes:

1. HWKFE, being the Underwriter, is owned as to 50% by Mr. Heung and as to 50% by Ms. Chen.
2. Dorest is beneficially owned as to 60% by Ms. Chen and as to 40% by Mr. Heung. The Shares held by Dorest are under a charging order. These Shares had been deposited in C.A. Pacific Finance Limited which is in liquidation. Owing to the fact that the Shares held by Dorest are under charging order, Dorest has not given any undertaking in relation to acceptance of the 3,288 Rights Shares entitled by it.
3. As at the date of this announcement, there are (i) 196,714 outstanding Share Options granted by the Company exercisable into 196,714 Shares; and (ii) outstanding Bonus Convertible Bonds in respect of 1,060,317 Shares convertible under the deed polls executed by the Company. None of the Share Options and Bonus Convertible Bonds was held by the Underwriter and its parties acting in concert, and all the outstanding Share Options and Bonus Convertible Bonds are held by employees and other participants, which are counted as public Shareholders.
4. Save for Mr. Heung and Ms. Chen who are beneficially interested in the Shares held by HWKFE, none of the Directors had any interests or short position in the Shares, underlying Shares or debentures of the Company as at the date of this announcement.
5. Certain figures and percentage figures included in the above table are subject to rounding adjustments.

As illustrated in the above table, upon completion of the Rights Issue, the Company is able to fulfill the minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules.

By Order of the Board
CHINA STAR ENTERTAINMENT LIMITED
Heung Wah Keung
Chairman

Hong Kong, 6 August 2018

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; the independent non-executive Directors are Mr. Hung Cho Sing, Mr. Ho Wai Chi, Paul and Mr. Tang Chak Lam, Gilbert.

The Directors jointly and severally accept full responsibility for accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.