

*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)**

**(Warrant Code: 972)**

### **NOTICE OF SPECIAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that a special general meeting of China Star Entertainment Limited (the “Company”) will be held at Board Room (1st Floor), South Pacific Hotel, 23 Morrison Hill Road, Wanchai, Hong Kong on Friday, 6 May 2011 at 4:30 p.m. (or immediately after the conclusion or adjournment of the meeting of the Company) for the purpose of consideration and, if thought fit, passing with or without modification the following special resolution:–

#### **SPECIAL RESOLUTION**

“**THAT** with effect from 9 May 2011 (Hong Kong time) or such time or such other date and/or time as the directors of the Company (the “Directors”) may determine:

- (a) every ten (10) issued and unissued shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) share of HK\$0.10 each (the “Consolidated Share”) (the “Share Consolidation”);
- (b) the issued share capital of the Company be reduced by cancelling the paid-up capital of the Company to the extent of HK\$0.09 on each issued Consolidated Share in the share capital of the Company such that the par value of all issued Consolidated Shares will be reduced from HK\$0.10 to HK\$0.01 each (the “Issued Capital Reduction”) and the par value of all the Consolidated Shares in the authorised share capital of the Company be reduced from HK\$0.10 each to HK\$0.01 each, resulting in the reduction of the authorised share capital of the Company from HK\$500,000,000 divided into 5,000,000,000 Consolidated Shares to HK\$50,000,000 divided into 5,000,000,000 share of HK\$0.01 each (the “Authorised Capital Reduction”);

- (c) the authorised share capital of the Company be increased from HK\$50,000,000 divided into 5,000,000,000 shares of HK\$0.01 each to HK\$500,000,000 divided into 50,000,000,000 of HK\$0.01 each (the “Capital Increase”);
- (d) the credit amount arising from the Issued Capital Reduction be transferred to the contributed surplus account of the Company and the Directors be and hereby authorised to apply such credit balance in the contributed surplus account of the Company in any manner permitted by the bye-laws of the Company and all applicable laws (including the application of such credit balance to set off against accumulated losses of the Company); and
- (e) the Directors be and are hereby authorised to take any and all steps, and to do and/or procure to be done any and all acts and things, and to approve, sign and execute any documents which in their absolute discretion consider to be necessary, desirable or expedient to implement and carry into effect this special resolution”.

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

Hong Kong, 7 March 2011

*Registered Office:*  
Canon’s Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

*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 enclosed in the circular to the shareholders of the Company dated 7 March 2011.
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 or attorney duly authorised.
3. Any shareholder of the Company entitled to attend and vote at the meeting convened by the above notice shall be entitled to appoint another person as his proxy 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 17M 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, whether in person or by proxy, the most senior shall alone be entitled to vote. 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 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. Leung Hok Man.*