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CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 326)

(Warrant Code: 972)

UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS

This announcement is made at the request of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The board of directors (the “Board”) of China Star Entertainment Limited (the “Company”) has noted today’s increases in the price and the trading volume of the shares of the Company and wishes to state that the Board is not aware of any reasons for such increases save as disclosed herein.

Reference is made to the circular of the Company dated 20 May 2011 (the “Circular”) in respect of, among others, the proposed Rights Issue, the Bonus Issue and the Whitewash Waiver. Terms defined in the Circular shall have the same meanings when used in this announcement unless the context otherwise requires. Pursuant to the expected timetable set out in the Circular, dealings in the Shares on an ex-entitlement basis shall commence on 30 May 2011.

Saved as disclosed above, the Board confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Shareholders and potential investors should exercise caution when dealing in the Shares and the Existing Warrants.

Made by the order of the Board, the Directors individually and jointly accept responsibility for the accuracy of this announcement.

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

Hong Kong, 25 May 2011

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, Mr. Leung Hok Man and Mr Tang Chak Lam, Gilbert.