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CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 326)

(Warrant Code: 972)

POLL RESULTS OF THE TWO SPECIAL GENERAL MEETINGS HELD ON 7 JUNE 2011 AND DESPATCH OF PROSPECTUS DOCUMENTS

POLL RESULTS OF THE SGMS

The Board is pleased to announce that the ordinary resolution approving the Agreement and the transactions contemplated thereunder was duly passed by the independent shareholders of the Company by way of poll at the First SGM.

The Board is also pleased to announce that the ordinary resolution approving the Rights Issue, the Bonus Issue and the Whitewash Waiver and the transactions contemplated thereunder was duly passed by the independent shareholders of the Company by way of poll at the Second SGM.

DESPATCH OF PROSPECTUS DOCUMENTS

The Prospectus Documents setting out details of the Rights Issue and the Bonus Issue will be despatched to the Qualifying Shareholders on 8 June 2011 and the Overseas Letters, together with the Prospectus, will be despatched to the Prohibited Shareholders (if any) for information only on the same day.

Reference is made to the two circulars of China Star Entertainment Limited (the “**Company**”) dated 20 May 2011 in relation to the Acquisition to be approved by an ordinary resolution at a special general meeting (the “**First SGM**”) of the Company held on 7 June 2011 at 3:45 p.m., and in relation to the Rights Issue, the Bonus Issue and the Whitewash Waiver and the transactions contemplated thereunder to be approved by an ordinary resolution at another special general meeting (the “**Second SGM**”, together with the First SGM, the “**SGMs**”) of the Company held on 7 June 2011 at 4:00 p.m.. Capitalised terms used in this announcement shall have the same meanings as defined in the respective Circulars, unless defined otherwise.

POLL RESULTS OF THE SGMS

The Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, was appointed as the scrutineer for the purpose of vote-taking at the SGMS. As at the date of the SGMS, the total number of Shares in issue was 491,180,290 Shares.

The First SGM

The Vendor is, so far as the Directors are aware, an associate of Dr. Ho, a connected person of the Company pursuant to Chapter 14A of the Listing Rules and Mr. Heung is considered to have an interest in the Agreement. Accordingly, the Acquisition is subject to the approval of the Independent Shareholders at the First SGM. Dr. Ho, the Vendor, Mr. Heung and their respective associates shall abstain from voting at the First SGM in respect of the resolution to approve the Agreement and the transaction contemplated thereunder.

As at the date of the First SGM, Dr. Ho, the Vendor, Mr. Heung and their respective associates, collectively held 92,685,202 Shares are required to and they did abstain from voting at the First SGM. As such, a total of 398,495,088 Shares, representing approximately 81.13% of the issued share capital of the Company, were held by the Independent Shareholders who were entitled to attend and vote for or against the ordinary resolution at the First SGM. Other than 92,685,202 Shares held by Dr. Ho, the Vendor, Mr. Heung and their respective associates, there was no Share entitling the holder to attend and vote only against the ordinary resolution at the First SGM.

The Board is pleased to announce that the ordinary resolution approving the Agreement and the transactions contemplated thereunder was duly passed by the independent shareholders of the Company by way of poll at the First SGM. The poll result in respect of the ordinary resolution was as follow:

Ordinary Resolution	Number of Votes (%)	
	For	Against
To approve the Agreement and the transactions contemplated thereunder	181,550,918 (100.00%)	0 (0.00%)

The Second SGM

Pursuant to the Takeovers Code, Mr. Heung, Ms. Chen, HWKFE, Dorest, Eternity, Mr. Lei, Simple View and their respective associates and the Shareholders who are involved in or interested in the Underwriting Agreement, the Rights Issue, the Bonus Issue and the Whitewash Waiver were required to abstain from voting on the relevant resolution at the Second SGM and they have been so abstained.

As at the date of the Second SGM, the Concert Group and those who are involved in, or interested in the Underwriting Agreement, the Rights Issue, the Bonus Issue and the Whitewash Waiver, collectively held 94,680,202 Shares are required to and they did abstain from voting at the second SGM. As such, a total of 396,500,088 Shares, representing approximately 80.72% of the issued share capital of the Company, were held by the Independent Shareholders who were entitled to attend and vote for or against the ordinary resolution Independent Shareholders at the Second SGM.

The Board is pleased to announce that the ordinary resolution approving the Rights Issues, the Bonus Issue and the Whitewash Waiver and transactions contemplated thereunder was duly passed by the Independent Shareholders by way of poll at the Second SGM. The poll result in respect of the ordinary resolution was as follow:

Ordinary Resolution	Number of Votes (%)	
	For	Against
To approve the Rights Issue and the Bonus Issue and the transactions contemplated thereunder, to approve, confirm and ratify the Underwriting Agreement and the transactions contemplated thereunder, and to approve the waiver pursuant to the terms of the Whitewash Waiver	181,551,240 (100.00%)	0 (0.00%)

Shareholding structure upon completion of the Rights Issue and the Bonus Issue

For illustration purposes only, the effects on the shareholding structure of the Company as a result of the Rights Issue and the Bonus Issue based on the Irrevocable Undertakings and different scenarios are illustrated as follows:

	As at the date of this announcement		Immediately upon completion of the Rights Issue and the Bonus Issue, assuming all Qualifying Shareholders take up his/her/its entitlements under the Rights Issue and the Bonus Issue		Immediately upon completion of the Rights Issue and the Bonus Issue, assuming no Qualifying Shareholders take up Rights Shares (except the Underwriters)		Immediately upon completion of the Rights Issue and Bonus Issue, assuming no Qualifying Shareholders take up Rights Shares (except the Concert Group) (Note 5)		Assuming that only the Bonus Warrants held by Concert Group are exercised					
	No. of Shares	Approx. %	Assuming none of the Bonus Warrants are exercised	No. of Shares	Approx. %	Assuming none of the Bonus Warrants are exercised	No. of Shares	Approx. %	Assuming the Bonus Warrants are exercised in full	No. of Shares	Approx. %			
The Concert Group														
HWKFE (Note 1)	24,671,500	5.02	98,666,000	5.02	898,686,000	45.74	1,073,488,900	47.51	898,686,000	45.74	1,073,488,900	47.51	1,073,488,900	49.21
Dorest (Note 2)	13,702	0.01	54,808	0.01	13,702	0.00	13,702	0.00	54,808	0.01	63,029	0.00	63,029	0.00
Simple View and its associates (Note 3a)	69,995,000	14.25	279,980,000	14.25	269,995,000	13.74	309,995,000	13.72	279,980,000	14.25	321,977,000	14.25	321,977,000	14.76
							(Note 3b)							
Sub-total	94,680,202	19.28	378,720,808	19.28	1,168,694,702	59.48	1,383,497,602	61.23	1,178,720,808	60.00	1,395,528,929	61.76	1,395,528,929	63.97
The places (Note 4)	-	-	-	-	399,526,370	20.34	479,431,644	21.22	389,500,264	19.82	467,400,317	20.69	389,500,264	17.85
Public Shareholders	396,500,088	80.72	1,586,000,352	80.72	396,500,088	20.18	396,500,088	17.55	396,500,088	20.18	396,500,088	17.55	396,500,088	18.18
Total	491,180,290	100.00	1,964,721,160	100.00	1,964,721,160	100.00	2,259,429,334	100.00	1,964,721,160	100.00	2,259,429,334	100.00	2,181,529,281	100.00

Notes:

1. HWKFE 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 and Dorest is the registered shareholder and has the voting right. These Shares had been deposited in C.A. Pacific Finance Limited which is in liquidation.
3.
 - (a) Simple View is a wholly owned subsidiary of Eternity. Mr. Heung and Ms. Chen are directors of Simple View.
 - (b) This figure includes the 200,000,000 Rights Shares (with 40,000,000 Bonus Warrants) undertaken to be accepted by Simple View.
4. Mansion House has undertaken to the Company that (i) it will ensure that the subscribers or purchasers of the Underwritten Shares procured by it or by the sub-underwriters are third parties independent of and not acting in concert with the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates; (ii) no such subscriber or purchaser of the Underwritten Shares shall be procured by it or by the sub-underwriters if allotment and issue of any Rights Shares (with Bonus Warrants) to it would result in it and its associates and concert parties, when aggregated with the Shares (if any) already held by them holding 30% or more of the enlarged issued share capital of the Company immediately after completion of the Rights Issue and the Bonus Issue; and (iii) in performing its underwriting obligations under the Underwriting Agreement, no subscriber or purchaser of the Underwritten Shares will become a substantial Shareholder immediately after completion of the Rights Issue and the Bonus Issue. The places to be procured by the sub-underwriters of Mansion House will be independent and not acting in concert with the Concert Group.
5. These scenarios are for illustrative purpose assuming the Concert Group take up their respective entitlements, if any, under the Rights Issue and the Bonus Issue. It should be noted that:
 - (a) Dorest has not given any undertaking in relation to exercise of the Dorest Warrants nor acceptance of the 41,106 Rights Shares (with 8,221 Bonus Warrants) entitled by it. The Shares held by Dorest are under charging order.
 - (b) None of the holders of the Share Options (including the 315,488 Share Options held by the Concert Group, representing approximately 17.72% of the total Share Options) has given any undertaking in relation to the exercise of the Share Options nor acceptance or non-acceptance of Rights Shares. Save for the Simple View Warrants and the HWKFE Warrants, none of the holders of the Existing Warrants has given any undertaking.
 - (c) Pursuant to the Irrevocable Undertakings, Simple View has undertaken to accept 200,000,000 Rights Shares (with 40,000,000 Bonus Warrants) to which it is entitled under the Rights Issue and the Bonus Issue. Save as disclosed, Simple View has not given any undertaking in relation to acceptance or non-acceptance of the remaining 4,000,000 Rights Shares (with 800,000 Bonus Warrants) entitled by it under the Rights Issue and the Bonus Issue.

DESPATCH OF PROSPECTUS DOCUMENTS

The Prospectus Documents setting out details of the Rights Issue and the Bonus Issue will be despatched to the Qualifying Shareholders on 8 June 2011 and the Overseas Letters, together with the Prospectus, will be despatched to the Prohibited Shareholders (if any) or information only on the same day.

Further announcement will be made by the Company upon completion of the Rights Issue setting out the then shareholding structure of the Company, including the shareholding of the Concert Group.

WARNING OF THE RISK OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

The Shares have been dealt in on an ex-entitlement basis commencing from Monday, 30 May 2011. The Rights Shares are expected to be dealt in their nil-paid form from Friday, 10 June 2011 to Friday, 17 June 2011 (both dates inclusive). Shareholders and potential investors should note that dealings in Shares and/or nil-paid Rights Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.

Shareholders and potential investors should note that the Rights Issue and the Bonus Issue is conditional upon fulfillment of various conditions precedent and the Underwriters are entitled to terminate the Underwriting Agreement prior to the Latest Time for Termination, details of which have been set out under the paragraph headed “Termination of the Underwriting Agreement” of the circular of the Company dated 20 May 2011. Accordingly, the Rights Issue and the Bonus Issue may or may not proceed.

Any Shareholder or other person dealing in Shares up to the date on which all conditions to which the Rights Issue and the Bonus Issue is subject are fulfilled (which is expected to be on 4:00 p.m. on Monday, 27 June 2011) and/or dealing in nil-paid Rights Shares between Friday, 10 June 2011 to Friday, 17 June 2011 (both dates inclusive), will accordingly bear the risk that the Rights Issue and the Bonus Issue cannot become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares and/or nil-paid Rights Shares should exercise extreme caution when dealing in Shares and/or nil-paid Rights Shares, and if they are in any doubt about their position, they should consult his/her/its own professional adviser.

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

Hong Kong, 7 June 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; 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.

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, 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.