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## **CHINA STAR ENTERTAINMENT LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 326)**

**(Warrant Code: 972)**

### **EXPIRY OF SUBSCRIPTION RIGHTS ATTACHING TO THE 2012 JUNE WARRANT (WARRANT CODE: 972)**

The subscription rights attaching to the 2012 June Warrant will expire at 4:00 p.m. on Thursday, 14 June 2012.

**The last trading day of the 2012 June Warrant on the Stock Exchange is Monday, 11 June 2012.**

Application has been made to the Stock Exchange for the withdrawal of listing of the 2012 June Warrant with effect from 4:00 p.m. on Thursday, 14 June 2012.

The Board of Directors (the “**Board**”) of China Star Entertainment Limited (the “**Company**”) wishes to inform the holders of the bonus warrant issued by the Company (warrant code: 972) (the “**2012 June Warrant**”), carrying rights to subscribe in cash for new shares of HK\$0.01 each (the “**Shares**”) in the capital of the Company at a subscription price of HK\$0.835 (after adjustment) per Share, that there will be no further trading of the 2012 June Warrant as from 4:00 p.m. on Monday, 11 June 2012.

The Board wishes to remind the holders of the 2012 June Warrant that in accordance with the terms and conditions of the instrument dated 15 June 2010 constituting the 2012 June Warrant, the subscription rights attaching to the 2012 June Warrant (the “**2012 Subscription Rights**”) will expire at 4:00 p.m. on Thursday, 14 June 2012. **Thereafter, any 2012 Subscription Rights which have not been exercised by 4:00 p.m. on Thursday, 14 June 2012 will lapse and certificates of the 2012 June Warrant will cease to be valid for any purpose.**

The Company has made the following arrangements regarding dealings in, transfers of and exercise of the 2012 Subscription Rights in respect of its expiry:

1. the last trading day of the 2012 June Warrant on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) is Monday, 11 June 2012 and trading of the 2012 June Warrant on the Stock Exchange will close after 4:00 p.m. on Monday, 11 June 2012. The listing of the 2012 June Warrant will be withdrawn from the Stock Exchange with effect from 4:00 p.m. on Thursday, 14 June 2012, and an application has been made to the Stock Exchange for the withdrawal of listing of the 2012 June Warrant with effect from 4:00 p.m. on Thursday, 14 June 2012;

2. the registered holders of the 2012 June Warrant who wish to exercise their 2012 Subscription Rights must lodge with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (the "Share Registrar") the following documents by no later than 4:00 p.m. on Thursday, 14 June 2012:
  - (i) the relevant certificate(s) of the 2012 June Warrant;
  - (ii) the duly completed and signed subscription forms; and
  - (iii) remittances for the relevant subscription monies.
  
3. holders of the 2012 June Warrant who have not registered their holdings in 2012 June Warrant under their own names and wish to exercise their 2012 Subscription Rights must lodge with the Share Registrar at the abovementioned address the following documents by no later than 4:00 p.m. on Thursday, 14 June 2012:
  - (i) the relevant duly executed and stamped instruments of transfer and/or other documents of title;
  - (ii) the relevant certificate(s) of the 2012 June Warrant;
  - (iii) the duly completed and signed subscription forms; and
  - (iv) remittances for the relevant subscription monies.

Subscription forms and the relevant accompanying documentation lodged with the Share Registrar later than 4:00 p.m. on Thursday, 14 June 2012 will not be accepted. Under the terms of the instrument of the 2012 June Warrant, new Shares will be allotted and issued not later than 28 days after the date of the exercise of the subscription rights attaching to the 2012 June Warrant.

**Holders of the 2012 June Warrant who are in any doubt as to their position or their action to be taken are recommended to consult their stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.**

The closing prices of the Shares and the 2012 June Warrant on the Stock Exchange on 2 May 2012 (being the latest practicable date prior to the printing of this circular) were HK\$0.196 per Share and HK\$0.10 per 2012 June Warrant respectively. Shares to be issued pursuant to the exercise of the 2012 Subscription Rights will, when issued, rank pari passu in all respects with the then existing issued Shares.

A circular with regard to the expiry of the 2012 Subscription Rights will be despatched to the holders of the 2012 June Warrant and, for information only, the shareholders, the holders of the warrant and share options of the Company as soon as practicable.

On behalf of the Board  
**China Star Entertainment Limited**  
**Heung Wah Keung**  
*Chairman*

Hong Kong, 10 May 2012

*As at the date of this announcement, the executive directors of the Company are Mr. Heung Wah Keung, Ms. Chen Ming Yin, Tiffany and Ms. Li Yuk Sheung; the independent non-executive directors of the Company are Mr. Hung Cho Sing, Mr. Ho Wai Chi, Paul and Mr. Tang Chak Lam, Gilbert.*