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**CHINA STAR FILM GROUP LIMITED**  
**中國星電影集團有限公司**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 8172)**

**POSITIVE PROFIT ALERT**

This announcement is made in accordance with Rule 17.10 of the GEM Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a profit for the year ended 31 December 2009 as compared to a loss for the year ended 31 December 2008.

This positive profit alert announcement is based on information currently available to the Group and after review and assessment of the management accounts of the Group by the management but has not been confirmed by the Company's auditors. The Group's annual results announcement for the year ended 31 December 2009 is expected to be released on 11 March 2010.

**Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.**

This announcement is made by China Star Film Group Limited (the "**Company**"), together with its subsidiaries (the "**Group**") pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**").

Based on the information currently available, the board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a profit for the year ended 31 December 2009 as compared to a loss for the year ended 31 December 2008. The Board considers that the turnaround of the performance of the Group is principally attributable to the recognition of (i) a discount on acquisition of the entire issued share capital of Shinhan-Golden Faith International Development Limited and World East Investments Limited; (ii) a gain on deemed disposal of subsidiaries and jointly controlled entity; and (iii) the reverse of deferred tax liabilities in relation to the disposal of part of the Group's investment properties.

The information contained in this announcement is based on information currently available to the Group and after review and assessment of the management accounts of the Group by the management but has not been confirmed by the Company's auditors. It remains subject to finalisation and necessary adjustments. Details of the financial information of the Group will be disclosed in the Group's annual results announcement for the year ended 31 December 2009 which is expected to be released on 11 March 2010.

**Shareholders and potential investors should exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**China Star Film Group Limited**  
**Lai Hok Lim**  
*Chairman*

Hong Kong, 5 March 2010

*As at the date of this announcement, the executive Directors are Mr. Lai Hok Lim and Mr. Wong Chi Chiu and the independent non-executive Directors are Mr. Yip Tai Him, Mr. Law Yiu Sang, Jacky and Ms. Chio Chong Meng.*

*This announcement, for which the Directors collectively and individually accept full responsibilities, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material aspects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumption that are fair and reasonable.*

*This announcement will be published on the GEM website on the "Latest Company Announcement" page for at least 7 days from the date of publication and on the Company's website [www.golife.com.hk](http://www.golife.com.hk).*