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## **CHINA STAR ENTERTAINMENT LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 326)**

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

**NOTICE IS HEREBY GIVEN** that the special general meeting of China Star Entertainment Limited (the “**Company**”) will be held at Macau Jockey Club, 3/F, East Wing, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on Friday, 31 March 2017 at 4:00 p.m. for the purpose of considering and, if appropriate, passing with or without modifications the following resolutions as ordinary resolutions of the Company:

#### **ORDINARY RESOLUTIONS**

1. The sale and purchase agreement dated 29 November 2016 and as supplemented by a supplemental agreement dated 8 March 2017 (the “**S&P Agreement**”) (copies of which have been produced at the Meeting and marked “A” and “B” respectively and initialled by the Chairman of the Meeting for the purpose of identification) entered into between Ms. Chen Ming Yin, Tiffany (the “**Vendor**”) and Best Combo Limited, a wholly-owned subsidiary of the Company as purchaser, in relation to the acquisition of the entire issued share capital of Modern Vision (Asia) Limited together with the loan owed by Modern Vision (Asia) Limited to the Vendor on Completion (which on 29 November 2016 was approximately HK\$499.91 million) (the “**Acquisition**”) at a purchase price of HK\$1,000 million (subject to adjustment), be and are hereby approved, confirmed and ratified in all respects and that the all transactions contemplated under the S&P Agreement (including the issue of a principal amount of up to HK\$600 million promissory note to the Vendor as part consideration under the S&P Agreement upon completion of the Acquisition) be and are hereby approved and that any one director of the Company be and is hereby authorized to do or execute all such acts or such other documents which the director of the Company may deem to be necessary, desirable or expedient to carry into effect or to give effect to the S&A Agreement and the Acquisition;

2. The loan agreement dated 29 November 2016 and as supplemented by a deed of variation dated 5 December 2016 (the “**Loan Agreement**”) (copies of which have been produced at the Meeting and marked “C” and “D” respectively and initialed by the Chairman of the Meeting for the purpose of identification) entered into between Ms. Chen Ming Yin, Tiffany as borrower and Best Combo Limited, a wholly-owned subsidiary of the Company as lender in relation to (i) the granting of a loan in the principal sum of HK\$500 million (subject to adjustment) (the “**Loan**”) and (ii) the acceptance of a call option granted by Ms. Chen Ming Yin, Tiffany to Best Combo Limited to acquire the entire issued share capital of Reform Base Holdings Limited be and are hereby approved, confirmed and ratified in all respects and that any one director of the Company be and is hereby authorized to do or execute all such acts or such other documents which the director may deem to be necessary, desirable or expedient to carry into effect or to give effect to the Loan Agreement (including the acceptance of the Call Option).

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

Hong Kong, 10 March 2017

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

*Head office and principal  
place of business:*  
Unit 3409 Shun Tak Centre  
West Tower  
168-200 Connaught Road Central  
Hong Kong

*Notes:*

1. A form of proxy for use at the SGM is enclosed with the circular to shareholders of the Company dated 10 March 2017.
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. All registered shareholders of the Company recorded at 4:30 p.m. on Monday, 27 March 2017 shall be entitled to attend and vote in person at the SGM. Any shareholder of the Company entitled to attend and vote at the SGM 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 (the “**Registrar**”), 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 SGM 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 SGM 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 notice, the executive directors of the Company are Mr. Heung Wah Keung, Ms. Chen Ming Yin, Tiffany and Ms. Li Yuk Sheung; and the independent non-executive directors of the Company are Mr. Hung Cho Sing, Mr. Ho Wai Chi, Paul and Mr. Tang Chak Lam, Gilbert.*