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CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 326)

(Warrant Code: 972/1056)

CHANGE IN BOARD LOT SIZE

The Board announces that the board lot size for trading in the Shares will be changed from 10,000 Shares to 50,000 Shares with effect from 9:00 a.m. on Wednesday, 2 November 2011. Kingston Securities has been appointed as an agent to provide matching services to those Shareholders who wish to top up or sell their holdings of odd lots of the Shares for the period from Wednesday, 2 November 2011 to Wednesday, 30 November 2011 (both dates inclusive).

The Board announces that the board lot size for trading in the Shares will be changed from 10,000 Shares to 50,000 Shares with effect from 9:00 a.m. on Wednesday, 2 November 2011.

The Shares are currently traded in board lots of 10,000 Shares and the market value per board lot of the Shares is HK\$1,750 (based on the closing price of HK\$0.175 per Share as quoted on the Stock Exchange on the date of this announcement). Upon the change in board lot size becoming effective, the Shares will be traded in board lots of 50,000 Shares and the estimated market value per board lot of the Shares will be HK\$8,750 (based on the closing price of HK\$0.175 per Share as quoted on the Stock Exchange on the date of this announcement).

In order to increase the value of each board lot of the Shares, as well as to reduce transaction and registration costs incurred by the Shareholders and investors of the Company, the Board announces that the board lot size for trading of the Shares will be changed from 10,000 to 50,000 with effect from 9:00 a.m. on Wednesday, 2 November 2011. The change in board lot size will not result in any change in the relative rights of the Shareholders and warrant holders of the Company. The Directors consider that this change in board lot size is in the interest of the Company and the Shareholders as a whole.

To alleviate the difficulties in trading odd lots of the Shares arising from the change in board lot size of the Shares, the Company has appointed Kingston Securities as an agent to provide matching services to those Shareholders who wish to top up or sell their holdings of odd lots of the Shares during the period from Wednesday, 2 November 2011 to Wednesday, 30 November 2011 (both dates inclusive). Holders of the Shares in odd lots represented by the existing share certificates for the Shares who wish to take advantages of this facility either to dispose of their odd lots of the Shares or to top up their odd lots to a full new board lot may directly or through their broker contact Ms. Rosita Kiu of Kingston Securities at Suite 2801, 28th Floor, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong (telephone: 2298 6215) during such period. Holders of the Shares in odd lots should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. The Shareholders are recommended to consult their professional advisers if they are in doubt about the above facility.

To the best of the Directors' knowledge, information and belief, Kingston Securities and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on the Stock Exchange).

All existing share certificates in board lots of 10,000 Shares will continue to be evidence of entitlement to the Shares and be valid for delivery, transfer, trading and settlement purposes. No new share certificates for existing shareholdings will be issued as a result of the change in board lot size, and therefore no arrangement for free exchange of existing share certificates in board lot size of 10,000 Shares to new share certificates in board lot size of 50,000 Shares is necessary. As from Wednesday, 2 November 2011, the effective date of new board lots of 50,000 Shares, any new certificate of the Shares will be issued in new board lot size of 50,000 Shares (except for odd lots or where the Shareholder(s) otherwise instruct(s)).

DEFINITIONS

In this announcement, the following words and expressions shall, unless the context otherwise requires, have the same meanings when used herein:

“Board”	the board of Directors
“Company”	China Star Entertainment Limited, a company incorporated in Bermuda with limited liability and the Shares are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company

“Kingston Securities”	Kingston Securities Limited, a licensed corporation to conduct type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China

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

Hong Kong, 12 October 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 and Mr. Tang Chak Lam, Gilbert.