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CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 326)

(Warrant Code: 1056)

POLL RESULTS OF SPECIAL GENERAL MEETING HELD ON 25 OCTOBER 2012 AND THE OFFER HAS BECOME UNCONDITIONAL

POLL RESULTS OF THE SGM

The Board is pleased to announce that all the resolutions as set out in the Notice were duly passed by the Independent Shareholders by way of poll at the SGM.

THE OFFER HAS BECOME UNCONDITIONAL

As all the conditions of the Offer have been fulfilled as at the date of this announcement, the Board is pleased to announce that the Offer has become unconditional in all respects on 25 October 2012 and will remain open for acceptance until 4:00 p.m. on 9 November 2012, when it will close and not be extended.

Reference is made to the circular (the “**Circular**”) of China Star Entertainment Limited (the “**Company**”) and the notice (the “**Notice**”) of the special general meeting held on Thursday, 25 October 2012 (the “**SGM**”) both dated 28 September 2012 in relation to, inter alia, (i) proposed conditional cash offer by Get Nice Securities Limited on behalf of the Company to repurchase up to 887,901,665 issued ordinary shares of the Company at a price of HK\$0.35 per share; (ii) the application for whitewash waiver; (iii) the possible bonus issue and issue of bonus convertible bonds to fulfill the minimum

public float requirement; and (iv) the proposed amendments to the Company's bye-laws. Capitalised terms used herein have the same meanings as those defined in the Circular unless otherwise specified.

POLL RESULTS OF THE SGM

The Board is pleased to announce that all the resolutions as set out in the Notice were duly passed by the Independent Shareholders by way of poll at the SGM. The poll results were as follows:

Ordinary Resolution (<i>Note</i>)	Number of Votes (%)	
	For	Against
1. To approve the Offer and the waiver pursuant to the terms of the Whitewash Waiver and to grant a mandate to the Directors to implement the Possible Bonus Issue, including but not limit to, approving the terms and conditions of the Bonus CBs, in terms as set out in the ordinary resolution in the Notice.	577,222,055 (99.64%)	2,090,025 (0.36%)

As more than 50% of the votes were cast in favour of the ordinary resolution, the ordinary resolution was duly passed by way of poll at the SGM.

Special Resolution (<i>Note</i>)	Number of Votes (%)	
	For	Against
2. To approve the amendments to the Bye-laws, in terms as set out in the special resolution in the Notice.	579,311,380 (100.00%)	25 (0.00%)

Note: The full text of the resolutions are set out in the Notice.

As more than 75% of the votes were cast in favour of the special resolution, the special resolution was duly passed by way of poll at the SGM.

As at the date of this announcement, the total number of Shares in issue was 2,049,585,565. As indicated in the Circular, the Concert Group, holding 1,174,679,702 Shares which represent approximately 57.31% of the existing issued share capital of the Company, were required to abstain from voting on the resolutions set out in the Notice. Accordingly, the total number of Shares entitling the Independent Shareholders to attend and vote for or against the resolutions proposed at the SGM was 874,905,863, representing approximately 42.69% of the existing issued share capital of the Company.

Save for the Concert Group, no Shareholders are required to abstain from voting on the resolutions proposed at the SGM.

Pursuant to Rule 13.39(4) of the Listing Rules, the resolutions at the SGM shall be taken by way of poll and the chairman of the meeting has duly demanded poll for the resolutions at the SGM. Computershare Hong Kong Investor Services Limited, the Hong Kong branch share registrar and transfer office of the Company, was appointed and acted as scrutineer for the vote-taking at the SGM.

The Board confirms that the Concert Group had abstained from voting in respect of the resolutions proposed at the SGM.

None of the Directors or any members of the Concert Group acquired or agreed to acquire any Shares or rights over Shares or has dealt for value in any Shares, options, warrants, derivatives or securities convertible into the Shares or has borrowed or lent any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) during the Offer Period and ending with the date of this announcement.

THE OFFER HAS BECOME UNCONDITIONAL

As disclosed in the Circular, the Offer is conditional upon, inter alia, the passing of an ordinary resolution by the Independent Shareholders by way of poll to approve the Offer and the Whitewash Waiver at the SGM and the Executive having granted a Whitewash Waiver to HWKFE.

The Offer and the Whitewash Waiver have been approved by the Independent Shareholders at the SGM by way of poll. The Executive has granted the Whitewash Waiver, subject to (i) the relevant resolutions to approve the Offer and the Whitewash Waiver being approved by a vote of the Independent Shareholders at the SGM, to be taken on a poll; and (ii) unless the Executive gives prior consent, no acquisition or disposal of voting rights of the Company being made by the HWKFE and parties acting in concert with it between the announcement of the Offer and the Whitewash Waiver and the completion of the transactions.

As all the conditions of the Offer have been fulfilled as at the date of this announcement, the Board is pleased to announce that the Offer has become unconditional in all respects on 25 October 2012 and will remain open for acceptance until 4:00 p.m. on 9 November 2012, when it will close and not be extended.

SHAREHOLDING STRUCTURE OF THE COMPANY

The table below shows the shareholding structure of the Company, (i) as at the Latest Practicable Date; (ii) as at the date of the SGM; and (iii) assuming all of the Share Options and the Warrants II (except for those held by the Undertaking Parties) are exercised in full and all Shareholders (except for the Undertaking Parties) accept the Offer in full on the closing of the Offer:

	As at the Latest Practicable Date		As at the date of the SGM		Assuming all of the Share Options and the Warrants II (except for those held by the Undertaking Parties) are exercised in full and all Shareholders (except for the Undertaking Parties) accept the Offer in full on the closing of the Offer (Note)	
	Shares	Approx. %	Shares	Approx. %	Shares	Approx. %
The Concert Group						
Heung Wah Keung Family Endowment Limited	898,686,000	43.86	898,686,000	43.85	898,686,000	76.50
Mr. Lei Hong Wai	7,980,000	0.39	7,980,000	0.39	7,980,000	0.68
Simple View Investment Limited	200,000,000	9.76	200,000,000	9.76	200,000,000	17.03
Victory Peace Holdings Limited	68,000,000	3.32	68,000,000	3.31	68,000,000	5.79
Dorest Company Limited	13,702	0.00	13,702	0.00	0	0.00
Sub-total	1,174,679,702	57.33	1,174,679,702	57.31	1,174,666,000	100.00
Public Shareholders	874,502,604	42.67	874,905,863	42.69	0	0.00
Total	2,049,182,306	100.00	2,049,585,565	100.00	1,174,666,000	100.00

Note: For illustration purpose only. Please also refer to the section headed "Public Float" below.

The Concert Group and parties acting in concert with any of them had not dealt in any Shares or any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period and up to the date of this announcement.

After the Latest Practicable Date and up to the date of this announcement, the Company has issued and allotted an aggregate of 403,259 Shares to the holders of the Warrants II pursuant to the exercise of the subscription rights attaching to the Warrants II, details of which are set out in the announcement of the Company dated 19 October 2012. Given that there is no change in the number of Shares held by HWKFE and the Concert Group, the shareholdings of HWKFE in the Company was decreased from 43.86% of the issued share capital of the Company as at the Latest Practicable Date to 43.85% of the total issued share capital of the Company as of 19 October 2012. A confirmation from the Executive that the decrease of shareholding interests of HWKFE, its ultimate beneficial owners and party acting in concert with any of them in the Company as a result of any exercise of the Warrants I and the Warrants II during the Offer Period, does not constitute disqualifying transactions under paragraph 3(b) of Schedule VI of the Takeovers Code for the purpose of the Whitewash Waiver has been obtained by the Company.

PUBLIC FLOAT

Pursuant to Note 1 to Rule 8.08(1)(b) of the Listing Rules, if the percentage of Shares held by the public falls below the prescribed minimum (being 25% of the total issued share capital of the Company), the Stock Exchange reserves the right to suspend trading of the Shares until appropriate steps have been taken to restore the minimum percentage of Shares in the hands of the public. In this connection, the Stock Exchange will normally require suspension of trading in an issuer's securities where the percentage of its public float falls below 15%. As such, following the closing of the Offer, if the percentage of Shares held by the public falls below 15% of the total issued share capital of the Company, trading in the Shares on the Stock Exchange is expected to be suspended and the Company will take steps to restore the float of Shares in the hands of the public to the minimum level as required by the Listing Rules so that trading in the Shares can be resumed at the earliest possibility.

Following the closing of the Offer and taking into consideration the level of acceptances of the Offer and the number of Shares remaining in the hands of public Shareholders, under the mandate approved by the Shareholders, the Board will determine the ratio of the Possible Bonus Issue, if made, which ratio will be up to a maximum of four Bonus Shares for every one existing Share. If the Board determines that the Possible Bonus Issue is not the sole feasible solution or not a feasible solution to restore the minimum public float of the Company, the Board will consider other additional or alternative methods, including placing of new Shares, and/or requesting the Concert Group to assist in the implementation of an additional or alternative plan to be adopted by the Company to meet the requirements of Rule 8.08(1) of the Listing Rules (which additional or alternative plan could involve a placing by any of the Concert Group and/or a distribution of specie by any of the Concert Group).

In the event that the Possible Bonus Issue is made to restore the minimum public float of the Company following the closing of the Offer, the record date for, and the date of closure of the Register for the purposes of, ascertaining the entitlements of the Shareholders under the Possible Bonus Issue may possibly fall on a date during the period when trading in the Shares on the Stock Exchange is suspended. Further announcement will be made by the Company regarding the restoration of the minimum public float and resumption of trading in the Shares as soon as possible.

WARNING

Independent Shareholders should note that their voting decision on the resolutions proposed at the SGM shall not affect their investment decision as to whether to accept the Offer or not. Shareholders are advised to consider the detailed terms of the Offer and the Whitewash Waiver and read, among other things, the letter of recommendation from the Independent Board Committee and the letter of advice from the Independent Financial Advisers contained in the Circular before deciding whether to accept the Offer or not. If the Shareholders are in any doubt as to any aspect of the Offer or the Whitewash Waiver or as to the action to take, they should seek independent professional advice.

Until the closing of the Offer, it is not possible for the Company to determine whether the Possible Bonus Issue is a sole feasible solution or a feasible solution to restore the minimum public float of the Company, and thus whether the Possible Bonus Issue will be made or (if made) what the ratio of the Possible Bonus Issue and when the record date for determining entitlements to the Possible Bonus Issue should be. Shareholders and holders of the Warrants II and potential investors are advised to exercise caution when dealing in the Shares.

Dealings in the Shares and the Warrants II will continue notwithstanding the Offer may or may not become unconditional in all respects and the Offer may lapse. During such period, persons dealing in the Shares and the Warrants II will bear the risk that the Offer may lapse. Shareholders and potential investors are advised to exercise caution when dealing in the Shares and the Warrants II. Shareholders and holders of the Warrants II should consult their professional advisers if in doubt.

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

Hong Kong, 25 October 2012

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; and the independent non-executive Directors are Mr. Hung Cho Sing, Mr. Ho Wai Chi, Paul and Mr. Tang Chak Lam, Gilbert.

The Directors jointly and severally accept full responsibility for the accuracy of the information in this announcement and confirm, having made all reasonable enquiries, 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.

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