



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 Unit 3409, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong on Thursday, 24th January, 2008 at 4:30 p.m. for the purpose of consideration and, if thought fit, passing with or without modification the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTIONS

1. **“THAT**

- (a) the deed of variation dated 11th December, 2007 (the “Deed of Variation”) entered into between the Company and Kingston Securities Limited (the “Placing Agent”) in relation to the placing agreement dated 7th September, 2007 (the “Tranche II Placing Agreement”) entered into between the Company and the Placing Agent (a copy of which has been produced to this meeting marked “A” and initialled by the Chairman of the meeting for identification purpose) be and is hereby approved, ratified and confirmed; and
- (b) any one director of the Company be and is hereby authorised to exercise all the powers of the Company and take such actions or execute such documents to effect the allotment and issue of the new shares under the Tranche II Placing Agreement at the new placing price of HK\$0.12 per share and to do such other things (including affixing the Company’s common seal) and to take all such action as he or she considers necessary or desirable for the purpose of giving effect to the Deed of Variation and the allotment and issue of new shares of the Company under the Tranche II Placing Agreement at the new placing price of HK\$0.12 per share.”

2. **“THAT**

- (a) the conditional placing agreement dated 11th December, 2007 (the “Placing Agreement”) entered into between the Company and the Placing Agent pursuant to which, inter alia, the Company agrees to place, through the Placing Agent, on a fully underwritten basis, in aggregate 1,400,000,000 new shares at a price of HK\$0.12 per share (the “Placing Shares”) (a copy of which has been produced to this meeting marked “B” and initialled by the Chairman of the meeting for identification purpose) be and is hereby approved, ratified and confirmed;
- (b) the allotment and issue of the Placing Shares pursuant to and in accordance with the terms and conditions of the Placing Agreement be and is hereby approved; and
- (c) any one director of the Company be and is hereby authorised to exercise all the powers of the Company and take such actions or execute such documents to effect the allotment and issue of the Placing Shares and to do such other things and to take all such action as he or she considers necessary or desirable for the purpose of giving effect to the Placing Agreement.”

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

Hong Kong, 8th January, 2007

Notes:

1. A form of proxy for use at the meeting is despatch to the shareholders of the Company.
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, attorney or other person authorised to sign the name.
3. Any shareholder of the Company entitled to attend and vote at the meeting convened by the above notice shall be entitled to appoint one or more proxies 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, Computershare Hong Kong Investor Services Limited, at Rooms 1806-7, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding of the above meeting 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 meeting convened 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, the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand on the registrar of members of the Company in respect of the joint holding.

As at the date hereof, 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. Leung Hok Man.