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CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 326)

MAJOR TRANSACTION EXTENSION OF LONG STOP DATE

On 31st October, 2008, the Company, the Purchaser and CSIHL entered into the Fifth Deed of Variation pursuant to which the parties mutually agreed to further extend the long stop date in the S&P Agreement from 31st October, 2008 to 31st January, 2009.

Reference is made to the circular of China Star Entertainment Limited (the "Company") dated 9th October, 2007 (the "Circular") in relation to the disposal of a 100% interest in the issued share capital of Exceptional Gain and the Sale Loan and announcements of the Company dated 31st December, 2007, 28th February, 2008, 31st March, 2008, 29th May, 2008 and 31st July, 2008 in relation to the extension of the long stop date in the S&P Agreement. Terms used herein shall have the same meanings as defined in the Circular unless defined otherwise.

EXTENSION OF LONG STOP DATE

On 31st October, 2008, the Company, the Purchaser and China Star Investment Holdings Limited (formerly known as Riche Multi-Media Holdings Limited) ("CSIHL") (the guarantor of the Purchaser) entered into another deed of variation (the "Fifth Deed of Variation") pursuant to which the parties mutually agreed to further extend the long stop date in the S&P Agreement from 31st October, 2008 to 31st January, 2009.

Relating to the release of security given by the Company relating to Kingsway Hotel Limited to be replaced by security given by CSIHL, despite repeated requests for expediting matters additional matters still need to be dealt with in order for Completion to take place which are beyond the Company's control (ie. administrative matters for the bank to release and charge of security provided in relation to Kingsway Hotel Limited). Therefore, additional time is required for Completion to take place. Accordingly, the parties to the S&P Agreement have entered into the Fifth Deed of Variation.

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

Hong Kong, 31st October, 2008

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. Leung Hok Man.