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CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 326)

- (1) DISCLOSEABLE TRANSACTION IN RESPECT OF PROVISION OF FINANCIAL ASSISTANCE TO JUNKET COMPANY 1;**
- (2) DISCLOSEABLE TRANSACTION IN RESPECT OF PROVISION OF FINANCIAL ASSISTANCE TO JUNKET COMPANY 2; AND**
- (3) DISCLOSEABLE TRANSACTION IN RESPECT OF PROVISION OF FINANCIAL ASSISTANCE TO JUNKET COMPANY 3**

(1) PROVISION OF FINANCIAL ASSISTANCE TO JUNKET COMPANY 1

The Board announces that, on 11 May 2015 (after trading hours), the Second Loan Agreement 1 was entered into between Classic Champion as lender and the Junket Company 1 as borrower. Pursuant to the Second Loan Agreement 1, Classic Champion has conditionally agreed to grant the Junket Company 1 the Second Loan 1 of HK\$75.00 million for a term of twenty-four (24) months from the date of drawdown.

(2) PROVISION OF FINANCIAL ASSISTANCE TO JUNKET COMPANY 2

The Board announces that, on 11 May 2015 (after trading hours), the Second Loan Agreement 2 was entered into between Classic Champion as lender and the Junket Company 2 as borrower. Pursuant to the Second Loan Agreement 2, Classic Champion has conditionally agreed to grant the Junket Company 2 the Second Loan 2 of HK\$75.00 million for a term of twenty-four (24) months from the date of drawdown.

(3) PROVISION OF FINANCIAL ASSISTANCE TO JUNKET COMPANY 3

The Board announces that, on 11 May 2015 (after trading hours), the Second Loan Agreement 3 was entered into between Classic Champion as lender and the Junket Company 3 as borrower. Pursuant to the Second Loan Agreement 3, Classic Champion has conditionally agreed to grant the Junket Company 3 the Second Loan 3 of HK\$75.00 million for a term of twenty-four (24) months from the date of drawdown.

(4) GENERAL

The principal terms and conditions of the Second Loan Agreement 1, the Second Loan Agreement 2 and the Second Loan Agreement 3 are set out in the respective paragraphs headed “The Second Loan Agreement 1”, “The Second Loan Agreement 2” and “The Second Loan Agreement 3” in this announcement. The Second Loan Agreement 1, the Second Loan Agreement 2 and the Second Loan Agreement 3 are not inter-conditional to each others.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, (i) each of the Junket Company 1, Junket Company 2 and Junket Company 3 and their respective beneficial owners are an Independent Third Parties; (ii) each of the Junket Company 1, Junket Company 2 and Junket Company 3 and their respective beneficial owner are third parties independent and not connected with each others.

(5) LISTING RULES IMPLICATIONS

As three of the relevant applicable percentage ratios (as defined under the Listing Rules) in respect of the respective grant of the Second Loan 1, the Second Loan 2 and the Second Loan 3 are more than 5% but less than 25%, each of the grant of the Second Loan 1, the Second Loan 2 and the Second Loan 3 constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is only subject to the announcement requirement of the Listing Rules.

(1) PROVISION OF FINANCIAL ASSISTANCE TO JUNKET COMPANY 1

Reference is made to the Company’s announcement dated 4 April 2014 regarding the First Loan Agreement 1 entered into between Classic Champion as lender and the Junket Company 1 as borrower in amount of HK\$200.00 million.

The Board announces that, on 11 May 2015 (after trading hours), the Second Loan Agreement 1 was entered into between Classic Champion as lender and the Junket Company 1 as borrower. Pursuant to the Second Loan Agreement 1, Classic Champion has conditionally agreed to grant the Junket Company 1 the Second Loan 1 of HK\$75.00 million for a term of twenty-four (24) months from the date of drawdown. In avoidance of doubt and subject to conditions of the Second Loan Agreement 1 being fulfilled, the Second Loan 1 will be made in addition to the First Loan 1 by Classic Champion.

The Second Loan Agreement 1

The principal terms and conditions of the Second Loan Agreement 1 are summarised as follows:

Date	:	11 May 2015
Lender	:	Classic Champion
Borrower	:	the Junket Company 1

Principal amount of the Second Loan 1	:	HK\$75.00 million
Interest rate	:	12% per annum, payable semi-annually in arrears.
Guarantee	:	A personal guarantee (the “ Personal Guarantee 1 ”) has been given by Mr. A upon the signing of the Second Loan Agreement 1 in favour of Classic Champion as a security for all the obligations and liabilities of the Junket Company 1 under the Second Loan Agreement 1.
Availability period	:	30 days (or such other number of days as Classic Champion and the Junket Company 1 may agree in writing) commencing from the date on which the Second Loan Agreement 1 becoming unconditional.
Repayment date	:	The date falling twenty-four (24) months from the date of drawdown.
Repayment	:	The Junket Company 1 shall repay the Second Loan 1 in full in one lump sum together with all outstanding interest accrued thereon on the repayment date.
Prepayment	:	The Junket Company 1 may at any time during the term of the Second Loan 1 prepay the Second Loan 1 in full together with the accrued interest by giving not less than ten (10) business days’ prior written notice to Classic Champion before the repayment date.
Conditions precedent	:	<p>The obligation of Classic Champion to make the Second Loan 1 to the Junket Company 1 is conditional upon:</p> <ul style="list-style-type: none"> (a) the publication of an announcement of the Company in relation to the Second Loan Agreement 1 and the transactions contemplated thereunder in compliance with Chapter 14 of the Listing Rules; (b) Classic Champion having received the Personal Guarantee 1 duly and properly executed by Mr. A in favour of Classic Champion as a security for all the obligations and liabilities of the Junket Company 1 under the Second Loan Agreement 1;

- (c) all representations and warranties made by the Junket Company 1 in the Second Loan Agreement 1 or in connection therewith being true and correct with the same effect as though made on and as of the date of drawdown with reference to the facts and circumstances then subsisting;
- (d) no event of default having occurred and no potential event of default having occurred (or being likely to occur as a result of the Second Loan 1 being made); and
- (e) Classic Champion having received and found satisfactory such additional information and documents relating to the Junket Company 1 of the Second Loan Agreement 1 as Classic Champion may reasonably require.

Long stop date : 30 May 2015 (or such later date as the Junket Company 1 and Classic Champion may agree in writing.

Undertakings given by Mr. A in the Personal Guarantee 1

Undertakings have been given by Mr. A in the Personal Guarantee 1 that throughout the continuance of the Personal Guarantee 1 and so long as the Secured Obligations 1 or any part thereof remaining owing, he will not to sell, transfer or otherwise dispose of or create any third party rights on any of his interests (whether equity, proprietary or otherwise) in the Junket Company 1 or any part thereof or create any encumbrance over his equity interests in the Junket Company 1 or any part thereof.

Information on the Junket Company 1 and Mr. A

The Junket Company 1 is a company incorporated in Macau with limited liability which is engaged in gaming promoter operations in exchange for a commission or other compensation paid by the gaming concessionaire and/or sub-concessionaire in respect of the casino premises in Macau. Mr. A is the sole director and the sole beneficial owner of the Junket Company 1.

(2) PROVISION OF FINANCIAL ASSISTANCE TO JUNKET COMPANY 2

Reference is made to the Company's announcement dated 17 April 2014 regarding the First Loan Agreement 2 entered into between Classic Champion as lender and the Junket Company 2 as borrower in amount of HK\$200.00 million.

The Board announces that, on 11 May 2015 (after trading hours), the Second Loan Agreement 2 was entered into between Classic Champion as lender and the Junket Company 2 as borrower. Pursuant to the Second Loan Agreement 2, Classic Champion has conditionally agreed to grant the Junket Company 2 the Second Loan 2 of HK\$75.00 million for a term of twenty-four (24) months from the date of drawdown. In avoidance of doubt and subject to conditions of the Second Loan Agreement 2 being fulfilled, the Second Loan 2 will be made in addition to the First Loan 2 by Classic Champion.

The Second Loan Agreement 2

The principal terms and conditions of the Second Loan Agreement 2 are summarised as follows:

- Date : 11 May 2015
- Lender : Classic Champion
- Borrower : the Junket Company 2
- Principal amount of the Second Loan 2 : HK\$75.00 million
- Interest rate : 12% per annum, payable semi-annually in arrears.
- Guarantee : A personal guarantee (the “**Personal Guarantee 2**”) has been given by Mr. B upon the signing of the Second Loan Agreement 2 in favour of Classic Champion as a security for all the obligations and liabilities of the Junket Company 2 under the Second Loan Agreement 2.
- Availability period : 30 days (or such other number of days as Classic Champion and the Junket Company 2 may agree in writing) commencing from the date on which the Second Loan Agreement 2 becoming unconditional.
- Repayment date : The date falling twenty-four (24) months from the date of drawdown.
- Repayment : The Junket Company 2 shall repay the Second Loan 2 in full in one lump sum together with all outstanding interest accrued thereon on the repayment date.

- Prepayment : The Junket Company 2 may at any time during the term of the Second Loan 2 prepay the Second Loan 2 in full together with the accrued interest by giving not less than ten (10) business days' prior written notice to Classic Champion before the repayment date.
- Conditions precedent : The obligation of Classic Champion to make the Second Loan 2 to the Junket Company 2 is conditional upon:
- (a) the publication of an announcement of the Company in relation to the Second Loan Agreement 2 and the transactions contemplated thereunder in compliance with Chapter 14 of the Listing Rules;
 - (b) Classic Champion having received the Personal Guarantee 2 duly and properly executed by Mr. B in favour of Classic Champion as a security for all the obligations and liabilities of the Junket Company 2 under the Second Loan Agreement 2;
 - (c) all representations and warranties made by the Junket Company 2 in the Second Loan Agreement 2 or in connection therewith being true and correct with the same effect as though made on and as of the date of drawdown with reference to the facts and circumstances then subsisting;
 - (d) no event of default having occurred and no potential event of default having occurred (or being likely to occur as a result of the Second Loan 2 being made); and
 - (e) Classic Champion having received and found satisfactory such additional information and documents relating to the Junket Company 2 of the Second Loan Agreement 2 as Classic Champion may reasonably require.
- Long stop date : 30 May 2015 (or such later date as the Junket Company 2 and Classic Champion may agree in writing).

Undertakings given by Mr. B in the Personal Guarantee 2

Undertakings have been given by Mr. B in the Personal Guarantee 2 that throughout the continuance of the Personal Guarantee 2 and so long as the Secured Obligations 2 or any part thereof remaining owing, he will not to sell, transfer or otherwise dispose of or create any third party rights on any of his interests (whether equity, proprietary or otherwise) in the Junket Company 2 or any part thereof or create any encumbrance over his equity interests in the Junket Company 2 or any part thereof.

Information on the Junket Company 2 and Mr. B

The Junket Company 2 is a company incorporated in Macau with limited liability which is engaged in gaming promoter operations in exchange for a commission or other compensation paid by the gaming concessionaire and/or sub-concessionaire in respect of the casino premises in Macau. Mr. B is the sole director and the sole beneficial owner of the Junket Company 2.

(3) PROVISION OF FINANCIAL ASSISTANCE TO JUNKET COMPANY 3

Reference is made to the Company’s announcement dated 17 July 2014 regarding the First Loan Agreement 3 entered into between Classic Champion as lender and the Junket Company 3 as borrower in amount of HK\$200.00 million.

The Board announces that, on 11 May 2015 (after trading hours), the Second Loan Agreement 3 was entered into between Classic Champion as lender and the Junket Company 3 as borrower. Pursuant to the Second Loan Agreement 3, Classic Champion has conditionally agreed to grant the Junket Company 3 the Second Loan 3 of HK\$75.00 million for a term of twenty-four (24) months from the date of drawdown. In avoidance of doubt and subject to conditions of the Second Loan Agreement 3 being fulfilled, the Second Loan 3 will be made in addition to the First Loan 3 by Classic Champion.

The Second Loan Agreement 3

The principal terms and conditions of the Second Loan Agreement 3 are summarised as follows:

- Date : 11 May 2015
- Lender : Classic Champion
- Borrower : the Junket Company 3
- Principal amount of the Second Loan 3 : HK\$75.00 million
- Interest rate : 12% per annum, payable semi-annually in arrears.

- Guarantee : A personal guarantee (the “**Personal Guarantee 3**”) has been given by Mr. C upon the signing of the Second Loan Agreement 3 in favour of Classic Champion as a security for all the obligations and liabilities of the Junket Company 3 under the Second Loan Agreement 3.
- Availability period : 30 days (or such other number of days as Classic Champion and the Junket Company 3 may agree in writing) commencing from the date on which the Second Loan Agreement 3 becoming unconditional.
- Repayment date : The date falling twenty-four (24) months from the date of drawdown.
- Repayment : The Junket Company 3 shall repay the Second Loan 3 in full in one lump sum together with all outstanding interest accrued thereon on the repayment date.
- Prepayment : The Junket Company 3 may at any time during the term of the Second Loan 3 prepay the Second Loan 3 in full together with the accrued interest by giving not less than ten (10) business days’ prior written notice to Classic Champion before the repayment date.
- Conditions precedent : The obligation of Classic Champion to make the Second Loan 3 to the Junket Company 3 is conditional upon:
- (a) the publication of an announcement of the Company in relation to the Second Loan Agreement 3 and the transactions contemplated thereunder in compliance with Chapter 14 of the Listing Rules;
 - (b) Classic Champion having received the Personal Guarantee 3 duly and properly executed by Mr. C in favour of Classic Champion as a security for all the obligations and liabilities of the Junket Company 3 under the Second Loan Agreement 3;
 - (c) all representations and warranties made by the Junket Company 3 in the Second Loan Agreement 3 or in connection therewith being true and correct with the same effect as though made on and as of the date of drawdown with reference to the facts and circumstances then subsisting;

- (d) no event of default having occurred and no potential event of default having occurred (or being likely to occur as a result of the Second Loan 3 being made); and
- (e) Classic Champion having received and found satisfactory such additional information and documents relating to the Junket Company 3 of the Second Loan Agreement 3 as Classic Champion may reasonably require.

Long stop date : 30 May 2015 (or such later date as the Junket Company 3 and Classic Champion may agree in writing.

Undertakings given by Mr. C in the Personal Guarantee 3

Undertakings have been given by Mr. C in the Personal Guarantee 3 that throughout the continuance of the Personal Guarantee 3 and so long as the Secured Obligations 3 or any part thereof remaining owing, he will not to sell, transfer or otherwise dispose of or create any third party rights on any of his interests (whether equity, proprietary or otherwise) in the Junket Company 3 or any part thereof or create any encumbrance over his equity interests in the Junket Company 3 or any part thereof.

Information on the Junket Company 3 and Mr. C

The Junket Company 3 is a company incorporated in Macau with limited liability which is engaged in gaming promoter operations in exchange for a commission or other compensation paid by the gaming concessionaire and/or sub-concessionaire in respect of the casino premises in Macau. Mr. C is the sole director and the sole beneficial owner of the Junket Company 3.

(4) INFORMATION ON THE GROUP

The Company is an investment holding company and the Group is principally engaged in film production, distribution of films and television drama series, sales of Chinese health products, investing in operations which receive profit streams from the gaming promotion business, property and hotel investment, food and beverage operations and property development.

(5) FUNDING OF THE SECOND LOAN 1, THE SECOND LOAN 2 AND THE SECOND LOAN 3

The Second Loan 1, the Second Loan 2 and the Second Loan 3 will be financed by the internal resources of the Group.

(6) GENERAL

The Second Loan Agreement 1, the Second Loan Agreement 2 and the Second Loan Agreement 3 are not inter-conditional to each others.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, (i) each of the Junket Company 1, Junket Company 2 and Junket Company 3 and their respective beneficial owners are an Independent Third Parties; (ii) each of the Junket Company 1, Junket Company 2 and Junket Company 3 and their respective beneficial owner are third parties independent and not connected with each others.

(7) REASONS FOR AND BENEFITS OF THE SECOND LOAN AGREEMENT 1, THE SECOND LOAN AGREEMENT 2 AND THE SECOND LOAN AGREEMENT 3

The Board considers that the grant of the Second Loan 1, the Second Loan 2 and the Second Loan 3 under the respective Second Loan Agreement 1, Second Loan Agreement 2 and Second Loan Agreement 3 can provide with the Company with stable interest income during the terms of the respective loans. Having taken into account to the terms and conditions of the respective Second Loan Agreement 1, Second Loan Agreement 2 and Second Loan Agreement 3, the Board considers the respective terms of the Second Loan Agreement 1, the Second Loan Agreement 2 and the Second Loan Agreement 3 (including the interest rate) are fair and reasonable and the respective grant of the Second Loan 1, the Second Loan 2 and the Second Loan 3 are in the interests of the Company and the Shareholders as a whole.

(8) LISTING RULES IMPLICATIONS

As three of the relevant applicable percentage ratios (as defined under the Listing Rules) in respect of the respective grant of the Second Loan 1, the Second Loan 2 and the Second Loan 3 are more than 5% but less than 25%, each of the grant of the Second Loan 1, the Second Loan 2 and the Second Loan 3 constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is only subject to the announcement requirement of the Listing Rules.

(9) DEFINITIONS

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

- “associate(s)” has the meaning as ascribed to it under the Listing Rules
- “Board” the board of Directors
- “Company” China Star Entertainment Limited, an exempted company incorporated in Bermuda with limited liability whose issued Shares are listed on the Main Board of the Stock Exchange

“Classic Champion”	Classic Champion Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly owned subsidiary of the Company
“Director(s)”	the director(s) of the Company from time to time
“First Loan 1”	the unsecured loan in the principal sum of HK\$200.00 million pursuant to the First Loan Agreement 1
“First Loan Agreement 1”	the conditional loan agreement dated 4 April 2014 and entered into between Classic Champion as lender and the Junket Company 1 as borrower relating to the grant of the First Loan 1
“First Loan 2”	the unsecured loan in the principal sum of HK\$200.00 million pursuant to the First Loan Agreement 2
“First Loan Agreement 2”	the conditional loan agreement dated 17 April 2014 and entered into between Classic Champion as lender and the Junket Company 2 as borrower relating to the grant of the First Loan 2
“First Loan 3”	the unsecured loan in the principal sum of HK\$200.00 million pursuant to the First Loan Agreement 3
“First Loan Agreement 3”	the conditional loan agreement dated 17 July 2014 and entered into between Classic Champion as lender and the Junket Company 3 as borrower relating to the grant of the First Loan 3
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) who/which is/are independent of and not connected with the directors, chief executive and substantial shareholders of the Company or any of its subsidiaries, or any of their respective associates
”Junket Company 1”	a company incorporated in Macau with limited liability, which is legally and beneficially entirely owned by Mr. A, and engaged in gaming promotion business in Macau

“Junket Company 2”	a company incorporated in Macau with limited liability, which is legally and beneficially entirely owned by Mr. B, and engaged in gaming promotion business in Macau
“Junket Company 3”	a company incorporated in Macau with limited liability, which is legally and beneficially entirely owned by Mr. C, and engaged in gaming promotion business in Macau
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	Macau Special Administrative Region of the PRC
“Mr. A”	an individual being the sole director and the sole beneficial owner of the Junket Company 1
“Mr. B”	an individual being the sole director and the sole beneficial owner of the Junket Company 2
“Mr. C”	an individual being the sole director and the sole beneficial owner of the Junket Company 3
“PRC”	The People’s Republic of China
“Second Loan 1”	the unsecured loan in the principal amount sum of HK\$75.00 million pursuant to the Second Loan Agreement 1
“Second Loan 2”	the unsecured loan in the principal amount sum of HK\$75.00 million pursuant to the Second Loan Agreement 2
“Second Loan 3”	the unsecured loan in the principal amount sum of HK\$75.00 million pursuant to the Second Loan Agreement 3
“Second Loan Agreement 1”	the conditional loan agreement dated 11 May 2015 and entered into between Classic Champion as lender and the Junket Company 1 as borrower relating to the grant of the Second Loan 1

“Second Loan Agreement 2”	the conditional loan agreement dated 11 May 2015 and entered into between Classic Champion as lender and the Junket Company 2 as borrower relating to the grant of the Second Loan 2
“Second Loan Agreement 3”	the conditional loan agreement dated 11 May 2015 and entered into between Classic Champion as lender and the Junket Company 3 as borrower relating to the grant of the Second Loan 3
“Secured Obligations 1”	any and all of the obligations of the Junket Company 1 (whether or not for the payment of money, and including any obligation to pay damages for breach of contract) which are or may become due and owing to Classic Champion whether or not under or pursuant to the Second Loan Agreement 1 and/or all other obligations thereby secured
“Secured Obligation 2”	any and all of the obligations of the Junket Company 2 (whether or not for the payment of money, and including any obligation to pay damages for breach of contract) which are or may become due and owing to Classic Champion whether or not under or pursuant to the Second Loan Agreement 2 and/or all other obligations thereby secured
“Secured Obligation 3”	any and all of the obligations of the Junket Company 3 (whether or not for the payment of money, and including any obligation to pay damages for breach of contract) which are or may become due and owing to Classic Champion whether or not under or pursuant to the Second Loan Agreement 3 and/or all other obligations thereby secured
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Share(s)”	ordinary share(s) in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong

“%”

per cent.

By Order of the Board
China Star Entertainment Limited
Li Yuk Sheung
Executive Director

Hong Kong, 11 May 2015

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.