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CHINA STAR ENTERTAINMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 326)

INSIDE INFORMATION PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the Shareholders and potential investors that the Group is expected to record a consolidated loss between HK\$115 million to HK\$135 million for the six months ended 30 June 2024 as compared to the corresponding figure of HK\$82,446,000 for the six months ended 30 June 2023.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by China Star Entertainment Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to record a consolidated loss between HK\$115 million to HK\$135 million for the six months ended 30 June 2024 as compared to the corresponding figure of HK\$82,446,000 for the six months ended 30 June 2023.

Based on a preliminary review on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2023 and information currently available to the Board, the increase in loss is mainly attributable to substantial increase in marketing, selling and distribution expenses amounted to approximately HK\$49 million (Six months ended 30 June 2023: HK\$12,360,000) as substantial marketing and selling expenses were incurred in property sales and multi-media and entertainment business operations; and administrative expenses of approximately HK\$64 million (Six months ended 30 June 2023: HK\$50,304,000) which mainly included increase in employee benefit expenses of approximately HK\$44 million from HK\$25,736,000 from the last corresponding period.

As the Group is still in the process of finalising its interim results for the six months ended 30 June 2024, which is expected to be published on 29 August 2024, the information contained in this announcement is only based on the preliminary assessment according to the unaudited consolidated management accounts of the Group and the information currently available to the Board, which has not been approved by the audit committee of the Company and are subject to possible adjustments.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Hong Kong, 27 August 2024

As at the date of this announcement, the executive directors of the Company are Mr. Heung Wah Keung, Ms. Chen Ming Yin, Tiffany and Ms. Li Yuk Sheung; the independent non-executive directors of the Company are Mr. Hung Cho Sing, Mr. Ho Wai Chi, Paul and Mr. Tai Kwok Leung, Alexander.