STARLIGHT CULTURE ENTERTAINMENT

**STARLIGHT CULTURE ENTERTAINMENT GROUP LIMITED**
**星光文化娛樂集團有限公司**
*(Incorporated in Bermuda with limited liability)*
**(Stock Code: 1159)**

# SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the annual report 2019 of Starlight Culture Entertainment Group Limited (the "**Company**") published on 25 May 2020 (the "**2019 Annual Report**"). Capitalised terms used herein shall have the same meanings as those defined in the 2019 Annual Report unless the context requires otherwise.

In addition to the information in relation to the issue of shares under the general mandate (the "**Subscription**") as set out under, among others, the section headed "Management Discussion and Analysis" of the 2019 Annual Report, the board of directors (the "**Board**") of the Company would like to provide additional information in relation to the use of net proceeds raised from the Subscription.

The Company has fully utilised the net proceeds of approximately HK$194,900,000 from the Subscription, the detailed breakdown and actual use of which is provided as follows:

(i) 11.44% (approximately HK$22,290,000), for repayment of principal and interest of the promissory notes;

(ii) 53.65% (approximately HK$104,555,000), for repayment of amounts due to a holding company;

(iii) 23.09% (approximately HK$45,000,000), for repayment of principal and interest of other borrowings; and

(iv) 11.82% (approximately HK$23,055,000), as general working capital of the Group (including payment of administrative expenses, general prepayment and film investment).

The actual use of the net proceeds from the Subscription corresponded to the intended use of proceeds for repayment of part of the Group's liabilities and as general working capital which was previously disclosed by the Company.

The above additional information does not affect other information contained in the 2019 Annual Report and, save as disclosed in this announcement, the remaining contents of the 2019 Annual Report remain unchanged.

By order of the Board
**Starlight Culture Entertainment Group Limited**
**Fang Jun**
*Chairman*

Hong Kong, 15 July 2020

*As at the date of this announcement, the Board comprises seven executive Directors, namely Mr. Fang Jun, Mr. Chau Chit, Mr. Luo Lei, Mr. Sang Kangqiao, Mr. Gao Qun, Mr. Chen Jie, and Ms. Wu Xiaoli; and four independent non-executive Directors, namely Mr. Wong Wai Kwan, Mr. Michael Ngai Ming Tak, Mr. Ma Runsheng and Mr. Wong Wai Hung.*