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## **ETERNITY INVESTMENT LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 764)**

### **(I) MONTHLY PROGRESS OF CONVERSION OF CONVERTIBLE BONDS OF CHINA STAR ENTERTAINMENT LIMITED AND POSSIBLE DISPOSAL OF EQUITY INTEREST IN CHINA STAR ENTERTAINMENT LIMITED; AND (II) LAPSE OF THE 12-MONTH MANDATE FOR THE DISPOSAL GRANTED BY THE SHAREHOLDERS**

Reference is made to the announcement of Eternity Investment Limited (the “**Company**”) dated 18 February 2013 and the circular of the Company dated 11 June 2013 (the “**Circular**”) relating to the conversion of bonus convertible bonds of China Star Entertainment Limited (“**China Star**”) and the possible disposal of equity interest in China Star. Reference is also made to the poll results announcement of the Company dated 28 June 2013. Capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

As stated in the Circular, to keep the Shareholders and the investing public informed on the progress of the Disposal and the conversion of the Bonus CBs and the 8% CBs held by the Group, the Company will publish an announcement at the end of each month, starting from the end of the month on which the Disposal is approved by the Shareholders until all of the Disposable China Star Shares have been disposed of or the last day of the 12-month period from the date on which the Disposal is approved by the Shareholders, whichever is earlier.

#### **(I) MONTHLY PROGRESS OF CONVERSION OF CONVERTIBLE BONDS OF CHINA STAR AND POSSIBLE DISPOSAL OF EQUITY INTEREST IN CHINA STAR**

The Directors would like to inform the Shareholders and the investing public that the progress of the Disposal and the conversion of the Bonus CBs and the 8% CBs from 1 June 2014 to 27 June 2014, being the last day of the 12-month period from the date on which the Disposal is approved by the Shareholders, are as follows:

**A. China Star Shares**

<b>Number of China Star Shares held by the Group as at 1 June 2014</b>	<b>Number of China Star Shares allotted and issued to the Group pursuant to the conversion of the Bonus CBs during the period</b>	<b>Number of China Star Shares allotted and issued to the Group pursuant to the conversion of the 8% CBs during the period</b>	<b>Number of China Star Shares disposed of by the Group during the period</b>	<b>Number of China Star Shares held by the Group as at 27 June 2014</b>	<b>Aggregate number of China Star Shares disposed of by the Group during the period from the date of the SGM and up to 27 June 2014</b>
1,723,854,545	0	0	0	1,723,854,545	2,369,934,650

**B. The Bonus CBs**

<b>Principal amount of the Bonus CBs converted into China Star Shares by the Group at an initial conversion price of HK\$0.01 per China Star Share during the period</b>	<b>Principal amount of the Bonus CBs held by the Group as at 27 June 2014</b>	<b>Number of China Star Shares allotted and issued to the Group pursuant to the conversion of the Bonus CBs as at 27 June 2014</b>
HK\$0	HK\$0	0

### C. The 8% CBs

Principal amount of the 8% CBs held by the Group as at 1 June 2014	Principal amount of the 8% CBs converted into China Star Shares by the Group at an adjusted conversion price of HK\$0.11 per China Star Share during the period	Principal amount of the 8% CBs held by the Group as at 27 June 2014	Number of China Star Shares allotted and issued to the Group pursuant to the conversion of the 8% CBs during the period	Number of China Star Shares which may be allotted and issued to the Group pursuant to the conversion of the 8% CBs as at 27 June 2014
HK\$0	HK\$0	HK\$0	0	0
<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

### (II) LAPSE OF THE 12-MONTH MANDATE FOR THE DISPOSAL GRANTED BY THE SHAREHOLDERS

At the SGM held on 28 June 2013, the Directors were granted by the Shareholders the 12-month mandate (the “Mandate”) for the Disposal. The Mandate is lapsed on 27 June 2014.

During the period from 28 June 2013 up to 27 June 2014, the Group has converted the entire principal amounts of the Bonus CBs and the 8% CBs into an aggregate of 3,789,798,857 new China Star Shares and disposed of an aggregate of 2,369,934,650 China Star Shares. The net proceeds from such disposals amounted to approximately HK\$319.16 million, of which approximately HK\$310.08 million will be applied for the proposed acquisition of the entire issued shares in and the sale loan due by Thought Diamond International Limited as announced by the Company on 7 April 2014 and 25 April 2014 and the remaining balance of approximately HK\$9.08 million has been temporarily applied for general working capital of the Group.

As at the date of this announcement, the Group holds 1,723,854,545 China Star Shares. In the event that the Group proceeds to dispose of the 1,723,854,545 China Star Shares, the Company will comply with the Listing Rules.

By Order of the Board  
**Eternity Investment Limited**  
**Lei Hong Wai**  
*Chairman*

Hong Kong, 27 June 2014

*As at the date of this announcement, the Board comprises three executive directors, namely, Mr. Lei Hong Wai, Mr. Cheung Kwok Wai, Elton and Mr. Chan Kin Wah, Billy; one non-executive director, namely, Mr. Cheung Kwok Fan; and three independent non-executive directors, namely, Mr. Wan Shing Chi, Mr. Ng Heung Yan and Mr. Wong Tak Chuen.*