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ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

DISCLOSEABLE TRANSACTION DISPOSAL OF PROPERTY

PROPOSED DISPOSAL OF PROPERTY

The Board is pleased to announce that on 7 March 2012 (after trading hours of the Stock Exchange), the Vendor entered into the Provisional SPA with the Purchaser for the disposal of the Property at a cash consideration of HK\$7,950,000.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules and only subject to the reporting and announcement requirements of the Listing Rules.

PROPOSED DISPOSAL OF PROPERTY

The Board is pleased to announce that on 7 March 2012 (after trading hours of the Stock Exchange), the Vendor entered into the Provisional SPA with the Purchaser for the disposal of the Property at a cash consideration of HK\$7,950,000. Major terms of the Provisional SPA are set out below.

THE PROVISIONAL SPA

Date: 7 March 2012

Parties: Vendor: Dynamic Eagle Investments Limited, a wholly owned subsidiary of the Company

Purchaser: an individual

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser is an Independent Third Party.

Asset to be disposed

Pursuant to the Provisional SPA, the Vendor has agreed to dispose of, and the Purchaser has agreed to acquire, the Property. The Property is for residential use and is to be sold to the Purchaser on an "as is" basis. The Formal SPA shall be signed on or before 20 March 2012.

The Property is located at Tseung Kwan O, Sai Kung, New Territories. It is in vacant possession since its acquisition by the Group from an Independent Third Party in October 2011. The Group acquired the Property together with a car parking space for investment purpose at a total consideration of HK\$6,500,000. Upon completion of the Disposal, the Vendor shall deliver vacant possession of the Property to the Purchaser.

Consideration

The Consideration of HK\$7,950,000 has been and shall be settled in cash by the Purchaser in the following manner:

- (a) HK\$397,500 in cash as initial deposit upon signing of the Provisional SPA;
- (b) HK\$397,500 in cash as further deposit upon signing of the Formal SPA on or before 20 March 2012; and
- (c) the balance of HK\$7,155,000 shall be paid upon completion of the Disposal on or before 4 May 2012.

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor on normal commercial terms with reference to the market value of similar properties in similar locations.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is an investment holding company and its subsidiaries are principally engaged in distribution of films, sub-licensing of film rights, sales of financial assets, provision of management services to concierge departments of gaming promoters and property investment.

In view of the Consideration exceeding the cost of acquisition of the Property of HK\$6,000,000 by HK\$1,950,000, the Board consider that it would be a good opportunity for the Group to dispose of the Property. It is estimated that the Disposal would realise a profit of approximately HK\$1,860,500, which is calculated with reference to the Consideration less the cost of acquisition of the Property of HK\$6,000,000 and estimated related expenses to be incurred. The actual gain on the Disposal to be recorded by the Group is subject to audit. The Company intends to apply the net proceeds from the Disposal to finance general working capital of the Group.

In light of the Consideration was arrived at after arm's length negotiations between the Vendor and the Purchaser and by reference to the market value of similar properties in similar locations. The Directors are of the view that the terms of the Provisional SPA including the Consideration are on normal commercial terms, and are fair and reasonable and in the interests of the Company and of the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meaning ascribed to them below:

“Board”	the board of Directors
“Company”	Eternity Investment Limited, a company incorporated in Bermuda with limited liability and the Shares are listed on the Main Board of the Stock Exchange
“Completion”	completion of the sale and purchase of the Property in accordance with the terms and conditions of Formal SPA
“Consideration”	the consideration of HK\$7,950,000 for the Disposal
“Directors”	the directors of the Company
“Disposal”	the disposal of the Property by the Vendor to the Purchaser pursuant to the terms of the Provisional SPA
“Formal SPA”	the formal sale and purchase agreement to be entered into between the Vendor and the Purchaser in relation to the Disposal
“Group”	the Company together with its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China

“Independent Third Part(ies)”	any person independent of the Company and its connected persons (has the meaning ascribed to it in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Flat D on 49th Floor of Tower 3 of The Grandiose, No. 9 Tong Chun Street, Tseung Kwan O, Sai Kung, New Territories
“Provisional SPA”	the binding provisional sale and purchase agreement entered into between the Vendor and the Purchaser dated 7 March 2012 in relation to the Disposal
“Purchaser”	an individual, who is an Independent Third Party
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Dynamic Eagle Investments Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 7 March 2012

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.