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## **ETERNITY INVESTMENT LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 764)**

### **DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE**

#### **PROVISION OF FINANCIAL ASSISTANCE**

The Board announces that, on 13 May 2013 (after trading hours of the Stock Exchange), the Loan Agreement was entered into between Hong Kong Builders as lender and Customer B as borrower. Pursuant to the Loan Agreement, Hong Kong Builders has conditionally agreed to grant an unsecured loan in the principal amount of HK\$90.00 million in two tranches of HK\$45.00 million each to Customer B.

The principal terms of the Loan Agreement are set out in the paragraph headed “The Loan Agreement” in this announcement.

#### **IMPLICATIONS ON LISTING RULES**

As the Previous Transaction took place within a 12-month period from the date of the Loan Agreement, the grant of loan under the Loan Agreement is aggregate with the Previous Transaction in accordance with Rule 14.22 of the Listing Rules.

As three of the relevant applicable percentage ratios (as defined under the Listing Rules) in respect of the grant of loan under the Loan Agreement and the Previous Transaction when aggregated together are more than 5% but less than 25%, the grant of loan under the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is only subject to the reporting and announcement requirements of the Listing Rules.

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### **The Loan Agreement**

The principal terms of the Loan Agreement are summarised as follows:

Date	: 13 May 2013
Lender	: Hong Kong Builders, a licensed money lender in Hong Kong
Borrower	: Customer B
Principal amount of the loan	: HK\$90.00 million in two tranches of HK\$45.00 million each
Interest rate	: 8% per annum
Security	: No security will be provided by Customer B.
Term	: One year commencing from the date of drawdown for each tranche of the loan.
Availability period	: six months from the first business day after the fulfillment of all conditions precedent as set out below.
Repayment	: Customer B shall repay (a) the interest on a quarterly basis in arrears and (b) the principal amount of each tranche of the loan in full at maturity.
Prepayment	: Customer B may at any time prepay the loan in full together with the accrued interest by giving not less than ten business days' prior written notice to Hong Kong Builders before maturity.

- Conditions precedent : The Loan Agreement is conditional upon the fulfillment of the following conditions:
- (a) the publication of an announcement of the Company in relation to the Loan Agreement and the transactions contemplated thereunder in compliance with Chapter 14 of the Listing Rules; and
  - (b) the signing of a written memorandum of the Loan Agreement (containing the information specified in Section 18(2) of the Money Lenders Ordinance) by Customer B personally within seven days from the date of the Loan Agreement.
- Long stop date : 27 May 2013 or such other date as Hong Kong Builders and Customer B may agree.

### **Funding of the loan**

The loan will be financed by the net proceeds from the open offer of the Company as completed on 26 April 2013.

### **Information on Customer B**

Customer B is an individual who is a merchant. To the best of the knowledge, information and belief of the Directors having made all reasonable enquires, Customer B is a third party independent of the Company and its connected persons (as defined under the Listing Rules).

On 31 August 2012, Hong Kong Builders as lender and Customer B as borrower entered into a loan agreement relating to the grant of an unsecured loan in the principal amount of HK\$25.00 million for a term of one year from the date of drawdown (the “**Previous Transaction**”). Please refer to the Company’s announcement dated 31 August 2012 for more details. The unsecured loan of HK\$25.00 million was fully drawn down by Customer B on 3 September 2012.

### **Information on the Group and Hong Kong Builders**

The Company is an investment holding company and its subsidiaries are principally engaged in distribution of films, sub-licensing of film rights, sale of financial assets, provision of management services to the concierge department of a gaming promoter, property investment and money lending.

Hong Kong Builders is a money lender licensed in Hong Kong under the provisions of the Money Lenders Ordinance. Hong Kong Builders conducts money lending business in Hong Kong through the provision of secured and unsecured loans to customers.

## **Reasons for and benefits of the Loan Agreement**

As money lending is one of the principal activities of the Group, the grant of loan to Customer B under the Loan Agreement is in the ordinary and usual course of business of the Group.

The terms of the Loan Agreement are negotiated on an arm's length basis between Hong Kong Builders and Customer B. The Directors are of the view that the terms of the Loan Agreement are on normal commercial terms. Given that a stable interest income is generated from the loan during the term of the Loan Agreement, the Directors consider that the grant of loan under the Loan Agreement is fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **IMPLICATIONS ON LISTING RULES**

As the Previous Transaction took place within a 12-month period from the date of the Loan Agreement, the grant of loan under the Loan Agreement is aggregate with the Previous Transaction in accordance with Rule 14.22 of the Listing Rules.

As three of the relevant applicable percentage ratios (as defined under the Listing Rules) in respect of the grant of loan under the Loan Agreement and the Previous Transaction when aggregated together are more than 5% but less than 25%, the grant of loan under the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is only subject to the reporting and announcement requirements of the Listing Rules.

## **DEFINITIONS**

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

“Board”	the board of Directors
“Company”	Eternity Investment Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“Customer B”	a borrower, an individual
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China

“Hong Kong Builders”	Hong Kong Builders Finance Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreement”	the loan agreement dated 13 May 2013 entered into between Hong Kong Builders as lender and Customer B as borrower in respect of an unsecured loan in the principal amount of HK\$90.00 million in two tranches of HK\$45.00 million each
“Money Lenders Ordinance”	the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“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  
**Eternity Investment Limited**  
**Lei Hong Wai**  
*Chairman*

Hong Kong, 13 May 2013

*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.*