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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 5 July 2013 (after trading hours of the Stock Exchange), the Loan Agreement was entered into between Hong Kong Builders as lender and Customer D as borrower. Pursuant to the Loan Agreement, Hong Kong Builders has conditionally agreed to grant Customer D the loan in the principal amount of HK\$50.00 million for a term of 12 months from the date of drawdown.

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

LISTING RULES IMPLICATION

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 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	:	5 July 2013
Lender	:	Hong Kong Builders
Borrower	:	Customer D
Principal amount of the loan	:	HK\$50.00 million
Available period	:	The period commencing from the date on which the Loan Agreement becoming unconditional and ending on 9 July 2013 or such date as Hong Kong Builders at its absolute discretion agree.
Repayment date	:	The date falling 12 months after the date of the drawdown.
Interest rate	:	1.85% per month for the first six months as from the date of drawdown of the loan and thereafter at the rate of 3.00% per month until full repayment of the loan on the repayment date.
Default rate	:	If Customer D defaults in repayment on the repayment date, Customer D shall pay interest on such overdue sums from the due date until payment in full (before and after judgment) at the rate of 3.50% per month.
Security	:	(a) a personal guarantee given by Mr. L in favour of Hong Kong Builders as a security for all the obligations of Customer D under the Loan Agreement; (b) an undated share charge duly executed by Customer D over all of the issued shares of the Target Co. in favour of Hong Kong Builders; and (c) a first legal charge/mortgage duly executed by the Target Co. over the Properties.

Prepayment : If the loan is fully prepaid within the first six months from the date of drawdown of the loan, Customer D agrees and is required to pay the interest of the loan for the first six months.

If the loan is fully prepaid after the first six months from the date of drawdown of the loan, Customer D is obliged to give written notice of not less than one month to Hong Kong Builders and pay interest on the loan up to the date of full prepayment of the loan.

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;
- (b) Hong Kong Builders having received a personal guarantee duly and properly executed by Mr. L in favour of Hong Kong Builders as a security for all the obligations of Customer D under the Loan Agreement;
- (c) Hong Kong Builders having received an undated share charge over all the issued shares of the Target Co. duly and properly executed by Customer D in favour of Hong Kong Builders as a security for all the obligations of Customer D under the Loan Agreement and all ancillary documents thereto;
- (d) Hong Kong Builders having received an undated first legal charge/mortgage duly and properly executed by the Target Co. over the Properties and all original copy title deeds related to the Properties to secure all the obligations and liabilities of Customer D under the Loan Agreement;
- (e) all representations and warranties made by Customer D in the Loan Agreement or in connection therewith being true and correct with the same effect as though made on and as of date of drawdown with reference to the facts and circumstances then subsisting;
- (f) no event of default having occurred and no potential event of default having occurred (or being likely to occur as a result of the loan being made); and

- (g) Hong Kong Builders having received and found satisfactory such additional information and documents relating to Customer D of the Loan Agreement as Hong Kong Builders may reasonably require.

Long stop date : 8 July 2013 or such later date as Hong Kong Builders and Customer D may agree in writing

Funding of the loan

The loan will be financed by the internal resource of the Company.

Information on Customer D, Mr. L and the Target Co.

Customer D is principally engaged in investment holdings.

Mr. L is a private investor, the beneficial owner and the sole director of Customer D as at the date of the Loan Agreement.

The Target Co. is principally engaged in property trading business and the major assets of the Target Co. are the Properties.

Based on the presentation of Customer D and Mr. L, the proceeds of the loan are to be used for financing Customer D's proposed acquisition of the entire issued share capital of and the existing shareholder's loan due by the Target Co..

To the best of the knowledge, information and belief of the Directors having made all reasonable enquires, Customer D, Mr. L and the Target Co. are third parties independent of the Company and its connected persons (as defined under the Listing Rules) as at the date of this announcement.

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 departments 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 D 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 D. 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.

LISTING RULES IMPLICATION

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 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 D”	a company incorporated in the British Virgin Islands with limited liability carrying on investment holdings business
“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 an indirect 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 5 July 2013 entered into between Hong Kong Builders as lender and Customer D as borrower in respect of the loan in the principal amount of HK\$50.00 million
“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
“Mr. L”	a private investor, the beneficial owner and the sole director of Customer D
“Properties”	the premises beneficially owned by the Target Co. and located in Tuen Mun, New Territories, Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Co.”	a company incorporated in Hong Kong with limited liability carrying on property trading business
“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, 5 July 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.