

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

DISCLOSEABLE TRANSACTION IN RELATION TO THE PAYMENT OF NON-REFUNDABLE DEPOSITS AND MAJOR TRANSACTION IN RELATION TO THE PROPOSED ACQUISITION OF PROPERTY

THE ACQUISITION

The Board is pleased to announce that on 13 April 2017 (after trading hours of the Stock Exchange), the Provisional Agreement was entered into between the Purchaser and the Vendor, pursuant to which the Purchaser has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Property at a consideration of HK\$322,000,000.

Pursuant to the terms and conditions of the Provisional Agreement, the Purchaser has paid an initial non-refundable deposit of HK\$16,000,000 upon signing of the Provisional Agreement and has agreed to pay a further non-refundable deposit of HK\$32,300,000 on or before 9 May 2017.

Completion shall be conditional upon the approval by the Shareholders at the SGM of the Provisional Agreement, the Formal Agreement and the transactions contemplated thereunder in accordance with the requirements of the Listing Rules on or before 15 August 2017, and the Purchaser shall give notice to the Vendor in writing on or before 15 August 2017 as to whether such approval has been obtained.

The Directors consider that the terms of the Provisional Agreement (including the payment of the non-refundable deposits and the consideration) are on normal commercial terms, and fair and reasonable. The Directors also consider that the Acquisition is in the interests of the Shareholders and the Company as a whole.

LISTING RULES IMPLICATIONS

As one of the relevant applicable percentage ratios (as defined under the Listing Rules) in respect of the payment of the non-refundable deposits totalling HK\$48,300,000 under the Provisional Agreement is more than 5% but less than 25%, the payment of the non-refundable deposits under the Provisional Agreement constitutes a discloseable transaction for the Company and is subject to the announcement requirement under Chapter 14 of the Listing Rules.

As one of the relevant applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition is more than 25% but less than 100%, the Acquisition constitutes a major transaction for the Company and is subject to the announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Acquisition. The aforesaid approval shall be obtained by way of poll. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Acquisition; therefore, no Shareholder is required to abstain from voting for the resolution to approve the Acquisition at the SGM.

A circular containing, among other things, further details in respect of the Acquisition, together with a notice convening the SGM and a form of proxy will be despatched to the Shareholders on or before 26 May 2017, which is more than 15 business days after the publication of this announcement, as additional time is required for the Company to prepare relevant information for inclusion in the circular.

The Board is pleased to announce that on 13 April 2017 (after trading hours of the Stock Exchange), the Provisional Agreement was entered into between the Purchaser and the Vendor, pursuant to which the Purchaser has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Property at a consideration of HK\$322,000,000.

THE PROVISIONAL AGREEMENT

Date:

13 April 2017

Parties:

- (i) Purchaser: Max Winner Investments Limited, a wholly owned subsidiary of the Company
- (ii) Vendor: Melchers (H.K.) Limited
- (iii) Property agent: Midland Realty (Commercial) Limited

The sale and purchase of the Property is arranged by Midland Realty (Commercial) Limited, an Independent Third Party.

The Acquisition

The Property to be acquired by the Purchaser from the Vendor is the office located at Units Nos. 1201, 1202, 1203, 1209, 1210, 1211 and 1212 and the corridor on 12th Floor, Shun Tak Centre, West Tower, 168–200 Connaught Road Central, Hong Kong.

The Property is sold to the Purchaser on an “as is” basis.

A valuation report of the Property performed by an independent professional valuer appointed by the Company will be contained in the circular to be despatched to the Shareholders.

Pursuant to the terms of the Provisional Agreement, the Purchaser and the Vendor will enter into the Formal Agreement for the acquisition of the Property on or before 9 May 2017.

Consideration

Subject to the terms and conditions of the Provisional Agreement, the consideration of HK\$322,000,000 shall be payable as follows:

- (i) an initial non-refundable deposit of HK\$16,000,000 has been paid by the Purchaser upon signing of the Provisional Agreement;
- (ii) a further non-refundable deposit of HK\$32,300,000 shall be payable by the Purchaser on or before 9 May 2017; and
- (iii) the remaining balance of HK\$273,700,000 shall be payable by the Purchaser upon Completion.

The consideration for the Acquisition was determined after arm’s length negotiations between the Purchaser and the Vendor by reference to the prevailing market conditions, the location of the Property and the market price of comparable properties in the same area. It is expected that the consideration will be financed by the internal resources of the Group and bank borrowings.

The Directors (including the independent non-executive Directors) are of the view that the consideration of HK\$322,000,000 are fair and reasonable.

Condition precedent

Completion shall be conditional upon the approval by the Shareholders at the SGM of the Provisional Agreement, the Formal Agreement and the transactions contemplated thereunder in accordance with the requirements of the Listing Rules on or before 15 August 2017, and the Purchaser shall give notice to the Vendor in writing on or before 15 August 2017 as to whether such approval has been obtained.

If the aforesaid Shareholders' approval is not obtained on or before 15 August 2017 or the Purchaser shall fail to give the said written notice to the Vendor on or before 15 August 2017 or fail to pay any part of the deposits or fail to complete the Acquisition in accordance with any of the terms and conditions contained in the Provisional Agreement, all the initial and further deposits paid by the Purchaser shall be absolutely forfeited to the Vendor as liquidated damages and the Provisional Agreement shall be terminated and the Vendor shall then be entitled in its absolute discretion to retain or to resell the Property but the Vendor shall not take any proceedings against the Purchaser to claim for further damages or to enforce specific performance of the Provisional Agreement. The Purchaser shall also be solely responsible and liable for all stamp duty paid or payable on the Provisional Agreement and any agency commission payable by both parties under the Provisional Agreement.

Completion

Subject to fulfillment of the condition precedent, Completion shall take place on or before 18 September 2017.

INFORMATION ON THE VENDOR

The Vendor is a company incorporated in Hong Kong with limited liability and is principally engaged in the provision of a wide range of specialised services from marketing and distribution to sourcing, processing and production in Hong Kong and Mainland China.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are Independent Third Parties.

INFORMATION ON THE GROUP AND THE PURCHASER

The Company is an investment holding company and its subsidiaries are principally engaged in sale of financial assets, property investment, money lending, design and sale of jewelry products, and sale of precious stones.

The Purchaser is an investment holding company.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Directors are optimistic about the prospect of the Hong Kong office market. The Group intends to hold the Property for long-term investment purpose. Upon Completion, part of the Property is intended to be used as the head office of the Company and the remaining part is intended to lease out for generating rental income. The Directors consider that the Acquisition will (i) enlarge and diversify the Group's investment properties portfolio, (ii) strengthen the income base of the Group, and (iii) provide a capital appreciation potential to the Group.

On the above basis, the Directors consider that the terms of the Provisional Agreement (including the payment of the non-refundable deposits and the consideration) are on normal commercial terms, and fair and reasonable. The Directors also consider that the Acquisition is in the interests of the Shareholders and the Company as a whole.

LISTING RULES IMPLICATIONS

As one of the relevant applicable percentage ratios (as defined under the Listing Rules) in respect of the payment of the non-refundable deposits totalling HK\$48,300,000 under the Provisional Agreement is more than 5% but less than 25%, the payment of the non-refundable deposits under the Provisional Agreement constitutes a discloseable transaction for the Company and is subject to the announcement requirement under Chapter 14 of the Listing Rules.

As one of the relevant applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition is more than 25% but less than 100%, the Acquisition constitutes a major transaction for the Company and is subject to the announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Acquisition. The aforesaid approval shall be obtained by way of poll. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Acquisition; therefore, no Shareholder is required to abstain from voting for the resolution to approve the Acquisition at the SGM.

A circular containing, among other things, further details in respect of the Acquisition, together with a notice convening the SGM and a form of proxy will be despatched to the Shareholders on or before 26 May 2017, which is more than 15 business days after the publication of this announcement, as additional time is required for the Company to prepare relevant information for inclusion in the circular.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Acquisition”	the proposed acquisition of the Property by the Purchaser from the Vendor pursuant to the Provisional Agreement and the Formal Agreement
“Board”	the board of Directors
“Company”	Eternity Investment Limited, a company incorporated in Bermuda with limited liability and the issued Shares are listed on the Main Board of the Stock Exchange under stock code: 764

“Completion”	completion of the Acquisition pursuant to the Provisional Agreement and the Formal Agreement
“Director(s)”	the director(s) of the Company
“Formal Agreement”	the formal sale and purchase agreement in relation to the Acquisition to be entered into between the Vendor and the Purchaser
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) or entity(ies) independent of the Company and its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Units Nos. 1201, 1202, 1203, 1209, 1210, 1211 and 1212 and the corridor on 12th Floor, Shun Tak Centre, West Tower, 168–200 Connaught Road Central, Hong Kong
“Provisional Agreement”	the provisional sale and purchase agreement entered into between the Purchaser and the Vendor dated 13 April 2017 in respect of the Acquisition
“Purchaser”	Max Winner Investments Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the Company
“SGM”	a special general meeting of the Company to be convened and held to consider and, if thought fit, to approve, among other things, the Acquisition
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Melchers (H.K.) Limited, a company incorporated in Hong Kong with limited liability

“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, 13 April 2017

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