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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 15 November 2018 (after trading hours of the Stock Exchange), the Loan Agreement was entered into between Hong Kong Builders as lender and Customer AP as borrower. Pursuant to the Loan Agreement, Hong Kong Builders has conditionally agreed to grant the Facilities of up to a principal amount of HK\$165.00 million to Customer AP for a term of 24 months commencing from the date on which the Loan Agreement becoming unconditional.

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

The Directors consider that the granting of the Facilities is fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the granting of the Facilities is more than 5% but less than 25%, the granting of the Facilities constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is only subject to the announcement requirement of the Listing Rules.

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The Loan Agreement

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

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| Date | : | 15 November 2018 |
| Lender | : | Hong Kong Builders, a licensed money lender in Hong Kong |
| Borrower | : | Customer AP |
| Principal amount of the Facilities | : | Up to HK\$165.00 million |
| Interest rate | : | 8.125% per annum, payable quarterly |
| Default interest rate | : | 8.125% per annum on overdue sums from the due date until payment in full. |
| Security | : | No security will be provided by Customer AP. |
| Availability period | : | 24 months commencing from the date on which the Loan Agreement becoming unconditional. |

If (i) Customer AP has not made the first drawing for 90 days (or such other number of days as Customer AP and Hong Kong Builders may agree in writing) after the commencement of the availability period; or (ii) Customer AP has not made a drawing for 15 days (or such other number of days as Customer AP and Hong Kong Builders may agree in writing) after Customer AP has repaid all the principal amount of the Loan, the interest accrued thereon and all other outstanding amounts under the Loan Agreement to Hong Kong Builders, the Facilities shall automatically be cancelled and no longer be available for drawing.

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| Final repayment date | : | The date falling 24 months after the date on which the Loan Agreement becoming unconditional. |
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- Repayment : Customer AP shall repay the outstanding principal amount of the Loan in full together with any accrued and unpaid interest in one lump sum on the final repayment date.
- Prepayment : Customer AP may prepay to Hong Kong Builders the whole or any part of the outstanding principal amount of the Loan before the final repayment date provided that (i) Customer AP shall have given to Hong Kong Builders prior written notice specifying the amount to be prepaid and the date on which prepayment is to be made, and (ii) Customer AP shall, on the date of prepayment, pay to Hong Kong Builders all accrued interest on the amount prepaid.
- Re-borrowing and drawing : Any amounts prepaid by Customer AP before the final repayment date shall be available for re-borrowing and drawing provided that the aggregate outstanding principal amount of the Loan shall not exceed HK\$165.00 million.
- 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) all representations and warranties made by Customer AP in the Loan Agreement or in connection therewith being true and correct with the same effect as though made on and as of the date of drawing with reference to the facts and circumstances then subsisting;
 - (c) 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
 - (d) Hong Kong Builders having received and found satisfactory such additional information and documents relating to Customer AP of the Loan Agreement as Hong Kong Builders may reasonably require.
- Long stop date : 28 November 2018 (or such later date as Hong Kong Builders and Customer AP may agree in writing).

Funding of the Facilities

The Facilities will be financed by the internal resources of the Company and borrowings.

Information on Customer AP

Customer AP 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 AP is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

Information on the Group and Hong Kong Builders

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

Hong Kong Builders is a licensed money lender in Hong Kong under 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 granting of the Facilities

As money lending is one of the principal activities of the Group, the granting of the Facilities 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 AP. 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 granting of the Facilities is fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the granting of the Facilities is more than 5% but less than 25%, the granting of the Facilities constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is only subject to the announcement requirement 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:

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| “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 under stock code: 764 |
| “Customer AP” | an individual |
| “Director(s)” | the director(s) of the Company |
| “Facilities” | the Loan to be made available by Hong Kong Builders to Customer AP under the Loan Agreement |
| “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” | the principal amount of up to HK\$165.00 million to be advanced by Hong Kong Builders to Customer AP subject to and upon the terms and conditions of the Loan Agreement or any part thereof and for the time being outstanding |
| “Loan Agreement” | the conditional loan agreement dated 15 November 2018 entered into between Hong Kong Builders as lender and Customer AP as borrower relating to the granting of the Facilities |
| “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 Hong Kong

“%” per cent.

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

Hong Kong, 15 November 2018

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.