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ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

DISCLOSEABLE TRANSACTION ACQUISITION OF LISTED SECURITIES

THE ACQUISITION

The Board announces that Eternity Finance acquires 4,380,000 shares in Heng Tai for an aggregate consideration of HK\$652,000 (including transaction costs) in a series of trades executed on the Exchange on 31 March 2020. The average purchase price (including transaction costs) for the Acquisition of each share in Heng Tai is approximately HK\$0.1489.

The Acquisition is financed by the internal resources of the Company.

The Directors (including the independent non-executive Directors) believe that the Acquisition is on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

Upon completion of the Acquisition, the 4,380,000 shares in Heng Tai will be accounted for as financial assets at fair value through profit or loss in the consolidated financial statements of the Group in accordance with Hong Kong Financial Reporting Standard 9 *Financial Instruments*.

Taking into account the Previous Acquisitions, Eternity Finance will hold 47,930,000 shares in Heng Tai, representing approximately 2.56% of the issued share capital of Heng Tai upon completion of the Acquisition and the acquisition of 13,550,000 shares in Heng Tai under the Previous Acquisitions.

THE PREVIOUS ACQUISITIONS

On 21 November 2019 and 30 March 2020, Eternity Finance acquired an aggregate of 43,550,000 shares in Heng Tai for an aggregate consideration of HK\$7,514,000 (including transaction costs) in a series of trades executed on the Exchange.

The Previous Acquisitions were/will be financed by the internal resources of the Company.

LISTING RULES IMPLICATIONS

As the Acquisition takes place within a 12-month period from the dates of the Previous Acquisitions, the Acquisition is required to aggregate with the Previous Acquisitions in accordance with Rule 14.22 of the Listing Rules for the purpose of transaction classification set out in Rule 14.06 of the Listing Rules.

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

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Listed securities to be acquired

The 4,380,000 shares in Heng Tai represent approximately 0.23% of the issued share capital of Heng Tai as at the date of this announcement.

Heng Tai is a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Exchange under stock code: 197. Heng Tai is an investment holding company and its subsidiaries are principally engaged in (i) the trading of packaged foods, beverages and household consumable products; (ii) the trading of agri-products and the upstream farming business; (iii) the provision of cold chain logistics services and value-added post-harvest food processing, and (iv) other businesses primarily arising from securities brokerage business and tourist retailing business.

The following audited financial information is extracted from the annual report of Heng Tai for the year ended 30 June 2019:

	For the year ended 30 June 2019 <i>HK\$'000</i>	For the year ended 30 June 2018 <i>HK\$'000</i>
Revenue	840,732	981,491
Loss before taxation	(287,024)	(157,172)
Loss after taxation	(285,976)	(156,582)
Total assets	1,981,836	2,286,718
Net asset value	1,836,115	2,147,555
Dividend paid/payable per share	Nil	Nil

Consideration

The aggregate consideration for the Acquisition is HK\$652,000 (including transaction costs) and the consideration of each trade of the Acquisition is based on the bid and ask price quoted on the Exchange at the time of the trade being executed.

The consideration will be settled in cash upon completion.

Sellers of the 4,380,000 shares in Heng Tai

As the trades of the Acquisition are executed on the Exchange, the Directors are not aware of the identities of the sellers of the 4,380,000 shares in Heng Tai.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquires, each of the sellers and, if applicable, its ultimate beneficial owners is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

Funding of the Acquisition

The Acquisition is financed by the internal resources of the Company.

Completion

Completion of each trade of the Acquisition takes place on the second trading day following the execution date.

Information on the Group and Eternity Finance

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.

Eternity Finance, a wholly-owned subsidiary of the Company, is incorporated in the British Virgin Islands with limited liability and engaged in sale of financial assets business.

Reasons for and benefits of the Acquisition

The Directors have been actively exploring new investment opportunities with an aim to achieve the best use of the Group's resources and improve its portfolio diversification. The Directors believe that the Acquisition would broaden the investment portfolio of the Group. Given that (i) the trades of the Acquisition are executed on the Exchange, (ii) the consideration of each trade of the Acquisition is based on the bid and ask price quoted on the Exchange at the time of the trade being executed, and (iii) the above benefits expect to accrue to the Group as a result of the Acquisition, the Directors (including the independent non-executive Directors) believe that the Acquisition is on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

Upon completion of the Acquisition, the 4,380,000 shares in Heng Tai will be accounted for as financial assets at fair value through profit or loss in the consolidated financial statements of the Group in accordance with Hong Kong Financial Reporting Standard 9 *Financial Instruments*.

Taking into account the Previous Acquisitions, Eternity Finance will hold 47,930,000 shares in Heng Tai, representing approximately 2.56% of the issued share capital of Heng Tai upon completion of the Acquisition and the acquisition of 13,550,000 shares in Heng Tai under the Previous Acquisitions.

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DEFINITIONS

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

“Acquisition”	the acquisition of 4,380,000 shares in Heng Tai for an aggregate consideration of HK\$652,000 (including transaction costs) in a series of trades executed on the Exchange on 31 March 2020
“Board”	the board of Directors
“Company”	Eternity Investment Limited, an exempted company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Exchange under stock code: 764
“Director(s)”	the director(s) of the Company
“Eternity Finance”	Eternity Finance Group Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Exchange”	The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“Heng Tai”	Heng Tai Consumables Group Limited is a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Exchange under stock code: 197
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Exchange
“Previous Acquisitions”	the acquisitions of an aggregate of 43,550,000 shares in Heng Tai for an aggregate consideration of HK\$7,514,000 (including transaction costs) in a series of trades executed on the Exchange on 21 November 2019 and 30 March 2020

“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, 31 March 2020

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.