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## **ETERNITY INVESTMENT LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 764)**

### **DISCLOSEABLE TRANSACTION DISPOSAL OF LISTED SECURITIES**

#### **THE DISPOSAL**

The Board announced that, on 9 December 2020 (after trading hours), Eternity Finance as seller and the Purchaser as purchaser executed the bought and sold notes relating to the disposal of 5,000,000 Sale Shares at an aggregate consideration of HK\$70,000,000 (excluding transaction costs). The selling price (excluding transaction costs) of each Sale Share is HK\$14.

#### **THE PREVIOUS DISPOSALS**

On 20 December 2019 and 8 December 2020, Eternity Finance disposed of an aggregate of 3,000,000 Sale Shares at an aggregate consideration of HK\$27,680,000 (excluding transaction costs). The aggregate consideration from the Previous Disposals was used as general working capital of the Group.

As none of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the Previous Disposals was more than 5%, the Previous Disposals did not constitute a transaction of the Company under Chapter 14 of the Listing Rules.

## **LISTING RULES IMPLICATIONS**

As the Disposal takes place within a 12-month period from the dates of the Previous Disposals, the Disposal is required to aggregate with the Previous Disposals 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 Disposal and the Previous Disposals when aggregated is more than 5% but less than 25%, the Disposal and the Previous Disposals constitute 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.

## **THE DISPOSAL**

The Board announced that, on 9 December 2020 (after trading hours), Eternity Finance as seller and the Purchaser as purchaser executed the bought and sold notes relating to the disposal of 5,000,000 Sale Shares at an aggregate consideration of HK\$70,000,000 (excluding transaction costs). The selling price (excluding transaction costs) of each Sale Share is HK\$14.

### **Listed securities to be disposed of**

The 5,000,000 Sale Shares have been 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* with a carrying amount of HK\$40,000,000.

The 5,000,000 Sale Shares represent approximately 1.49% of the issued share capital of BC Technology as at the date of this announcement.

BC Technology 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: 863. BC Technology is an investment holding company and its subsidiaries are principally engaged in the provision for traditional advertising and business park area management services in the People's Republic of China and the digital assets and blockchain platform business in Hong Kong and Singapore.

The following audited financial information is extracted from the annual report of BC Technology for the year ended 31 December 2019:

	<b>For the year ended 31 December 2019</b>	<b>For the year ended 31 December 2018</b>
	<i>RMB</i>	<i>RMB</i>
Revenue	164,688,445	144,960,209
Loss before taxation	(246,655,587)	(155,775,810)
Loss after taxation	(245,122,309)	(160,696,958)
Total assets	1,144,669,251	1,002,579,170
Net (liabilities) assets value	(66,283,781)	34,627,291
Dividend paid/payable per share	Nil	Nil

Upon completion of the Disposal, Eternity Finance holds 12,000,000 Sale Shares.

### **Consideration**

The consideration for the Disposal is HK\$70,000,000 (excluding transaction costs) and will be settled in cash upon completion.

### **Basis of consideration**

The selling price of HK\$14 per Sale Share represents:

- (i) a discount of approximately 16.07% to the closing price of HK\$16.68 per Sale Share as quoted on the Exchange on 8 December 2020, being the trading day immediately prior to the date of the Disposal; and
- (ii) a discount of approximately 15.05% to the average closing price of approximately HK\$16.48 per Sale Share in the last five consecutive trading days immediately prior to 9 December 2020, being the date of the Disposal.

The selling price is determined after arm's length negotiations between Eternity Finance and the Purchaser with reference to, among other things, (i) the prevailing trading price of the Sale Shares, (ii) the thin daily trading volume of the Sale Shares on the Exchange versus the number of the Sale Shares to be disposed of, and (iii) the factors mentioned in the section headed "Reasons for and benefits of the Disposal" in this announcement.

The Directors consider that the selling price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **Purchaser of the 5,000,000 Sale Shares**

The Purchaser is a company incorporated in the British Virgin Islands and its principal activity is investment holding. The ultimate beneficial owner of the Purchaser is Mr. Wang Zhi, who is a merchant.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquires, the Purchaser and its ultimate beneficial owner are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

## **Completion**

Completion of the Disposal takes place within two business days from the execution date of the bought and sold notes.

## **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 the sale of financial assets business.

## **Reasons for and benefits of the Disposal**

The Directors consider that the recent increase in the share price of BC Technology provided an opportunity to realise part of the Group's investment in BC Technology. The Directors have considered to dispose of the 5,000,000 Sale Shares through on-market transactions on the Exchange. Having regarded the thin daily trading volume of the Sale Shares on the Exchange, the Directors consider that the Disposal provides an opportunity to the Group in realising the entire 5,000,000 Sale Shares efficiently. Given that the consideration of the Disposal is reached after arm's length negotiations between Eternity Finance and the Purchaser, the Directors (including the independent non-executive Directors) consider that the Disposal is on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

Upon completion, the Group expects to recognise a gain on the Disposal (before taxation) of HK\$30,000,000, which is the difference between the aggregate consideration for the Disposal of HK\$70,000,000 (excluding transaction costs) and the carrying amount of the 5,000,000 Sale Shares of HK\$40,000,000. The Directors intend to use the aggregate consideration from the Disposal as general working capital of the Group.

## THE PREVIOUS DISPOSALS

On 20 December 2019 and 8 December 2020, Eternity Finance disposed of an aggregate of 3,000,000 Sale Shares at an aggregate consideration of HK\$27,680,000 (excluding transaction costs). The aggregate consideration from the Previous Disposals was used as general working capital of the Group.

As none of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the Previous Disposals was more than 5%, the Previous Disposals did not constitute a transaction of the Company under Chapter 14 of the Listing Rules.

## LISTING RULES IMPLICATIONS

As the Disposal takes place within a 12-month period from the dates of the Previous Disposals, the Disposal is required to aggregate with the Previous Disposals 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 Disposal and the Previous Disposals when aggregated is more than 5% but less than 25%, the Disposal and the Previous Disposals constitute 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:

“BC Technology”	BC Technology Group Limited, 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: 863
“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
“Disposal”	the disposal of 5,000,000 Sale Shares by Eternity Finance at an aggregate consideration of HK\$70,000,000 (excluding transaction costs)

“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
“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 Disposals”	the disposals of an aggregate of 3,000,000 Sale Shares by Eternity Finance at an aggregate consideration of HK\$27,680,000 (excluding transaction costs) on 20 December 2019 and 8 December 2020
“Purchaser”	Eternal Right Limited, a company incorporated in the British Virgin Islands with limited liability
“Sale Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of BC Technology
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Reminbi, the lawful currency of the People’s Republic of China
“%”	per cent.

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

Hong Kong, 9 December 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.*