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## **ETERNITY INVESTMENT LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 764)**

### **INSIDE INFORMATION MEMORANDUM OF UNDERSTANDING IN RELATION TO THE POSSIBLE TENANCY**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board announces that, on 12 December 2020, Beijing Chaolai Football Centre (as landlord) and Beijing Bayhood No. 9 Co. (as manager), entered into the MOU with the Potential Tenant, pursuant to which the Potential Tenant intends to rent the Subject Premises erected on the second and third phases of the Subject Land for a term of 37 years from the date of delivery for an aggregate rental of approximately RMB1,450 million payable to Beijing Bayhood No. 9 Co. (the “**Possible Tenancy**”).

Under the terms of the MOU, during the Exclusivity Period, (i) Beijing Chaolai Football Centre and Beijing Bayhood No. 9 Co. have undertaken not to enter into any arrangement with any other party relating to the tenancy of the Subject Premises; and (ii) the parties shall negotiate for the terms and conditions for the Possible Tenancy, enter into a legally binding definitive tenancy agreement and arrange payment of reservation fees.

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

Shareholders and potential investors of the Company should note that the MOU only sets out the intention of Beijing Chaolai Football Centre, Beijing Bayhood No. 9 Co. and the Potential Tenant in relation to the Possible Tenancy, and save for the provisions relating to the Exclusivity Period, governing law and jurisdiction, the MOU is not legally binding and creates no legal obligations on each of Beijing Chaolai Football Centre, Beijing Bayhood No. 9 Co. and the Potential Tenant.

As disclosed in the 2020 interim report of the Company, the building works on the Subject Land commenced in July 2020 and is now expected to be completed in the third quarter of 2021. After the building works, the building complex erected on the second and third phases of the Subject Land will be subject to interior decoration and prepared for buildings inspection by the relevant governmental authorities. According to the current development plan, the development of the second and third phases of the Subject Land is expected to be completed in the first quarter of 2022 and to be delivered to tenants in the second quarter of 2022.

If the MOU proceeds to the signing of a legally binding definitive agreement, it is currently expected that the Possible Tenancy may constitute a notifiable transaction for the Company under Chapter 14 of Listing Rules. Further announcement relating to the Possible Tenancy will be made by the Company if the Possible Tenancy proceeds to the signing of a legally binding definitive agreement.

**Shareholders and potential investors of the Company should note that the transaction contemplated under the MOU may or may not materialise. Accordingly, shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.**

## DEFINITIONS

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

“Beijing Bayhood No. 9 Co.”	北京北湖九號商務酒店有限公司 (Beijing Bayhood No. 9 Business Hotel Company Limited*), a company established and registered in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Beijing Chaolai Football Centre”	北京朝來足球活動中心 (Beijing Chaolai Football Activity Centre*), a company established and registered in the PRC
“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 (stock code: 764)
“Director(s)”	the director(s) of the Company

“Exchange”	The Stock Exchange of Hong Kong Limited
“Exclusivity Period”	two months from the date of the MOU
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Exchange
“MOU”	the memorandum of understanding dated 12 December 2020 and entered into between Beijing Chaolai Football Centre (as landlord), Beijing Bayhood No. 9 Co. (as manager) and the Potential Tenant
“Potential Tenant”	a company established and registered in the PRC with limited liability and a third party independent of the Company and its connected persons (as defined in the Listing Rules)
“PRC”	The People’s Republic of China
“Subject Land”	a piece of 580 Chinese acres land adjacent to a membership-based golf club and resort constructed on a piece of 1,150 Chinese acres land located in Beijing, the PRC, in which Beijing Bayhood No. 9 Co. has been granted by Beijing Chaolai Football Centre the right to (i) develop and operate the golf club and resort; and (ii) manage and operate the properties thereon
“Subject Premises”	building nos. 5, 6, 7, 9 and 10 erected on the Subject Land, each of such buildings has a gross floor area of approximately 5,000 square metres, and the relevant ancillary areas
“RMB”	Renminbi, the lawful currency of the PRC

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

Hong Kong, 12 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.*

\* *For the purpose of identification only*