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## **ETERNITY INVESTMENT LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 764)**

### **UNUSUAL PRICE AND VOLUME MOVEMENTS AND PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board has noted the recent decrease in the price and increase in the trading volume of the shares of the Company and wishes to state that it is not aware of any reasons for such movements, save and except for the Group is expected to record a significant loss for the year ended 31 December 2011.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made by Eternity Investment Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company has noted the recent decrease in the price and increase in the trading volume of the shares of the Company and wishes to state that it is not aware of any reasons for such movements, save and except for the Group is expected to record a significant loss for the year ended 31 December 2011. The expected significant loss is attributable to the recognition of an impairment loss in respect of intangible assets, a non-cash expense item. The recognition of the impairment loss is a direct result of the receipt of a notice for terminating one of the services agreements (the “**Termination of Services Agreement**”) of the Group as announced by the Company on 12 September 2011.

The Board would like to draw the attention of the shareholders of the Company and potential investors that, given the Termination of Services Agreement will become effective on 12 September 2012, there is no immediate impact on the revenue of the Group's provision of management services business for the year ended 31 December 2011 and the six months ending 30 June 2012, however, the revenue of the Group's provision of management services business will be materially affected starting from 12 September 2012. Please refer to the Company's announcement dated 12 September 2011 for more information on the expected financial impacts to the Group arising from the Termination of Services Agreement.

As at the date of this announcement, the Company is still in the process of finalising the audited consolidated financial statements of the Group for the year ended 31 December 2011. The expected significant loss is based on the preliminary review of the unaudited consolidated management accounts of the Group by the Board but has not been confirmed or reviewed by the Company's auditors. Details of the Group's performance will be disclosed in the annual results announcement of the Company for the year ended 31 December 2011, which is expected to be released in March 2012.

Save as disclosed above, the Board also confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the Directors of which collectively and individually accept responsibility for the accuracy of this announcement.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

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

Hong Kong, 19 January 2012

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