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ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE RELATING TO THE VARIATION OF THE LOAN AGREEMENTS

Reference is made to the announcements of the Company dated 21 February 2017, 13 April 2017, 1 June 2017, and 8 June 2017 (the “**2017 Announcements**”) relating to the granting of the Facilities of up to the aggregate principal amount of HK\$197.00 million to Customer C. Reference is also made to the announcement of the Company dated 11 February 2019 (the “**2019 Announcement**”) relating to the Facilities Extension. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the 2019 Announcement.

VARIATION OF THE LOAN AGREEMENTS

The Board announces that, on 10 November 2020 (after the trading hours of the Stock Exchange), Hong Kong Builders and Customer C entered into the following:

- (a) a supplemental agreement (the “**Second Supplemental Agreement to the First Loan Agreement**”) in relation to the further extension of the final repayment date of the First Facilities to 9 November 2022 (the “**Second Extension of the First Facilities**”);
- (b) a supplemental agreement (the “**Second Supplemental Agreement to the Second Loan Agreement**”) in relation to the further extension of the final repayment date of the Second Facilities to 9 November 2022 (the “**Second Extension of the Second Facilities**”);
- (c) a supplemental agreement (the “**Second Supplemental Agreement to the Third Loan Agreement**”) in relation to the further extension of the final repayment date of the Third Facilities to 9 November 2022 (the “**Second Extension of the Third Facilities**”); and

- (d) a supplemental agreement (the “**Second Supplemental Agreement to the Fourth Loan Agreement**”, which together with the Second Supplemental Agreement to the First Loan Agreement, the Second Supplemental Agreement to the Second Loan Agreement, and the Second Supplemental Agreement to the Third Loan Agreement, the “**Second Supplemental Agreements**”) in relation to (i) the further extension of the final repayment date of the Fourth Facilities to 9 November 2022 (the “**Second Extension of the Fourth Facilities**”), and (ii) the reduction in the principal amount of the loan from HK\$32.00 million to HK\$5.00 million under the Fourth Facilities (the “**Reduction of the Fourth Facilities**”).

Save and except for (i) the Second Extension of the First Facilities, the Second Extension of the Second Facilities, the Second Extension of the Third Facilities, and the Second Extension of the Fourth Facilities (collectively, the “**Second Extension of the Facilities**”), and (ii) the Reduction of the Fourth Facilities, all terms and conditions of each of the First Loan Agreement (as amended and supplemented by the supplemental agreement dated 11 February 2019 (the “**First Supplemental Agreement to the First Loan Agreement**”), the Second Loan Agreement (as amended and supplemented by the supplemental agreement dated 11 February 2019 (the “**First Supplemental Agreement to the Second Loan Agreement**”), the Third Loan Agreement (as amended and supplemented by the supplemental agreement dated 11 February 2019 (the “**First Supplemental Agreement to the Third Loan Agreement**”), and the Fourth Loan Agreement (as amended and supplemented by the supplemental agreement dated 11 February 2019 (the “**First Supplemental Agreement to the Fourth Loan Agreement**”)) remain unchanged and continue in full force and effect.

The summarised principal terms and conditions of each of the First Loan Agreement (as amended and supplemented by the First Supplemental Agreement to the First Loan Agreement), the Second Loan Agreement (as amended and supplemented by the First Supplemental Agreement to the Second Loan Agreement), the Third Loan Agreement (as amended and supplemented by the First Supplemental Agreement to the Third Loan Agreement), and the Fourth Loan Agreement (as amended and supplemented by the First Supplemental Agreement to the Fourth Loan Agreement) are disclosed in the 2017 Announcements and the 2019 Announcement.

As at the date of this announcement, the outstanding principal amount of the loan of each of the First Facilities, the Second Facilities, the Third Facilities, and the Fourth Facilities was HK\$59.39 million, HK\$65.00 million, HK\$40.00 million, and HK\$3.20 million respectively.

INFORMATION ON CUSTOMER C

Customer C, namely Mr. Kam Lap Sing Kelvin, is a merchant, and has been a customer of the Group’s money lending business since March 2013.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquires, Customer C 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 SECOND EXTENSION OF THE FACILITIES AND THE REDUCTION OF THE FOURTH FACILITIES

As money lending is one of the principal activities of the Group, the provision of loans and the extension of final repayment dates of loans are in the ordinary and usual course of business of the Group.

At the request of Customer C, Hong Kong Builders and Customer C negotiated for the Second Extension of the Facilities, the Reduction of the Fourth Facilities, and the terms of the Second Supplemental Agreements on an arm's length basis. Having considered Customer C being a long-standing customer of Hong Kong Builders, the financial background of Customer C, and an additional interest income to be generated to Hong Kong Builders from the Second Extension of the Facilities and the Reduction of the Fourth Facilities, the Directors consider that the terms of the Second Extension of the Facilities and the Reduction of the Fourth Facilities under the Second Supplemental Agreements are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As three of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the Second Extension of the Facilities and the Reduction of the Fourth Facilities are more than 5% but less than 25%, the Second Extension of the Facilities and the Reduction of the Fourth Facilities 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.

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

Hong Kong, 10 November 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.