
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Eternity Investment Limited (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**ETERNITY INVESTMENT LIMITED**

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

**PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening a special general meeting of the Company to be held at Macau Jockey Club, Function Room, 1st Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on Thursday, 14 July 2011 at 2:00 p.m. is set out on pages 6 to 7 of this circular. A form of proxy for use at the special general meeting is enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk.

Whether or not you are able to attend the special general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's Hong Kong branch share registrar, Tricor Standard Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the special general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the special general meeting or any adjournment thereof should you so wish.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Notice of Special General Meeting	6

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of Directors
“Company”	Eternity Investment Limited, a company incorporated in Bermuda with limited liability and the issued Shares are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Increase in Authorised Share Capital”	proposed increase in the existing authorised share capital of the Company from HK\$20,000,000 divided into 2,000,000,000 Shares to HK\$100,000,000 divided into 10,000,000,000 Shares by the creation of an additional 8,000,000,000 new Shares
“Latest Practicable Date”	10 June 2011, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Open Offer”	the proposed issue of not less than 5,510,560,980 new Shares and not more than 6,619,444,395 new Shares by way of open offer to qualifying Shareholders on the basis of five (5) offer Shares for every one (1) existing Share held on record date pursuant to the Underwriting Agreement. Details of which has been disclosed in the Company’s announcement dated 7 June 2011
“Placing and Subscription Agreement”	the top-up placing and subscription agreement dated 7 June 2011 entered into between Mr. Lei Hong Wai, Kingston Securities Limited and the Company relating to the Top-up Placing
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company

DEFINITIONS

“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SGM”	the special general meeting of the Company to be held at 2:00 p.m. on Thursday, 14 July 2011 for the purpose of considering, an if though fit, approving the Increase in Authorised Share Capital
“Top-up Placing”	the placing of 220,280,000 existing Shares and the subscription of 220,280,000 new Shares pursuant to the Placing and Subscription Agreement. Details of which has been disclosed in the Company’s announcement dated 7 June 2011
“Underwriting Agreement”	the underwriting agreement dated 7 June 2011 entered into between Kingston Securities Limited, the Company, Mr. Lei Hong Wai and Thought Diamond International Limited in relation to the Open Offer
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

Executive Directors:

Mr. Lei Hong Wai (*Chairman*)

Mr. Cheung Kwok Wai, Elton

Mr. Chan Kin Wah, Billy

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent non-executive Directors:

Mr. Tang Chak Lam, Gilbert

Mr. Hung Hing Man

Mr. Wan Shing Chi

*Head office and principal place
of business in Hong Kong:*

Unit 3811, Shun Tak Centre

West Tower

168-200 Connaught Road Central

Hong Kong

13 June 2011

To the Shareholders

Dear Sir or Madam,

**PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 7 June 2011 in relation to, among other things, the Increase in Authorised Share Capital. This circular provides you with information relating to the Increase in Authorised Share Capital and the notice of the SGM.

LETTER FROM THE BOARD

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

As at the Latest Practicable Date, the Company had an authorised share capital of HK\$20,000,000 comprising 2,000,000,000 Shares, of which 1,102,112,196 Shares are in issue. The proposed increase in authorised share capital of the Company by the creating of an additional 8,000,000,000 new Shares is determined by taking into account the allotment and issue of new Shares pursuant to the Top-up Placing and the Open Offer, as well as the Company's need for flexibility to issue new Shares for future expansion and growth. Based on the existing issued share capital of the Company and assuming that the new Shares to be issued immediately after completion of the Top-up Placing and the Open Offer, the issued share capital of the Company will increase to a maximum of 7,943,333,274 Shares. In order to accommodate the new Shares to be issued under the Top-up Placing and the Open Offer, the Board proposes to increase the authorised share capital of the Company to HK\$100,000,000 divided into 10,000,000,000 Shares, by the creation of an additional 8,000,000,000 new Shares.

The Board believes that the Increase in Authorised Share Capital which provides the Company with greater flexibility to accommodate future issue of new Shares is in the interests of the Company and the Shareholders as a whole.

Condition of the Increase in Authorised Share Capital

The Increase in Authorised Share Capital is conditional upon the passing of an ordinary resolution by the Shareholders by way of poll at the SGM and no Shareholder is required to abstain from voting on such resolution.

SGM

At the SGM, the relevant resolution will be proposed for the Shareholders to consider and, if thought fit, approve by way of poll the Increase in Authorised Share Capital.

A notice convening the SGM to be held at Macau Jockey Club, Function Room, 1st Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on Thursday, 14 July 2011 at 2:00 p.m. is set out on pages 6 to 7 of this circular.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's Hong Kong branch share registrar, Tricor Standard Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM or any adjournment

LETTER FROM THE BOARD

thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

The resolution proposed to be approved at the SGM will be taken by poll and an announcement will be made by the Company after the SGM on the result of the SGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries the information contained in this circular is accurate and complete in all material respect and not misleading or deceptive, and there are no other facts the omission of which would make any statement herein misleading.

RECOMMENDATION

The Directors consider the Increase in Authorised Share Capital is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the SGM.

Yours faithfully,
For and on behalf of
Eternity Investment Limited
Lei Hong Wai
Chairman

NOTICE OF SPECIAL GENERAL MEETING



ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Eternity Investment Limited (the “**Company**”) will be held at Macau Jockey Club, Function Room, 1st Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on Thursday, 14 July 2011 at 2:00 p.m. to transact the following as ordinary resolution:

ORDINARY RESOLUTION

“**THAT** the authorised share capital of the Company be and is hereby increased from HK\$20,000,000 divided into 2,000,000,000 ordinary shares of the Company of HK\$0.01 each (the “**Shares**”) to HK\$100,000,000 divided into 10,000,000,000 Shares by the creation of an additional 8,000,000,000 new Shares.”

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

Hong Kong, 13 June 2011

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place of
business in Hong Kong:*
Unit 3811, Shun Tak Centre
West Tower
168-200 Connaught Road Central
Hong Kong

NOTICE OF SPECIAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the special general meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his/her/its behalf. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the Company's Hong Kong branch share registrar, Tricor Standard Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the special general meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the special general meeting or any adjournment thereof, should he/she/it so wish.
3. In the case of joint holders of the Shares, any one of such holders may vote at the special general meeting, either personally or by proxy, in respect of such Share as if he/she/it was solely entitled thereto, but if more than one of such joint holders are present at the special general meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.