
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)

- (1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED CHANGE OF AUDITORS;
(3) PROPOSED RE-ELECTION OF DIRECTORS;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of the Company to be held at Macau Jockey Club, 1/F Function Room, 1st Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on Thursday, 31 May 2012 at 2:00 p.m. is set out on pages 17 to 20 of this circular. A form of proxy for use at the annual 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 annual 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 and transfer office, 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 annual 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 annual general meeting or any adjournment thereof should you so wish.

30 April 2012

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DEFINITIONS

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

- “AGM” the annual general meeting of the Company to be convened and held at Macau Jockey Club, 1/F Function Room, 1st Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on Thursday, 31 May 2012 at 2:00 p.m. to consider and, if thought fit, to approve, among other things, the proposed grant of the General Mandate and the Repurchase Mandate, the proposed change of auditors of the Company and the proposed re-election of Directors
- “associate(s)” has the meaning ascribed to this term under the Listing Rules
- “Board” the board of Directors
- “Bye-laws” the bye-laws of the Company
- “Capital Reduction” the proposed (i) cancellation of fractional share in the issued share capital of the Company arising from the Share Consolidation; (ii) capital reduction of the issued consolidated Existing Shares of HK\$0.40 each to HK\$0.01 each by cancelling the paid-up capital thereof to the extent of HK\$0.39 on each issued consolidated Existing Share; and (iii) crediting the amount of credit arising from the Capital Reduction to the contributed surplus account of the Company, immediately following the Share Consolidation
- “Capital Reorganisation” the proposed capital reorganisation of the Company involving the Share Consolidation and the Capital Reduction to be approved by the Shareholders at the special general meeting of the Company to be held on 8 May 2012. Details have been set out in the Company’s announcement dated 30 March 2012 and circular dated 13 April 2012
- “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

DEFINITIONS

“connected person(s)”	has the meaning ascribed to this term under the Listing Rules
“Directors”	the directors of the Company
“Existing Share(s)”	ordinary share(s) of HK\$0.01 each in the existing share capital of the Company before the Capital Reorganisation becoming effective
“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to allot and issue new Shares not exceeding 20% of the issued share capital of the Company as at the date of granting of the General Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	26 April 2012, 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
“New Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company after the Capital Reorganisation becoming effective
“Placing”	the proposed placing of 39,670,000 new New Shares pursuant to the terms and conditions of the conditional placing agreement dated 5 April 2012 entered into between the Company as issuer and Kingston Securities Limited as placing agent. Details have been set out in the Company’s announcement dated 5 April 2012 and circular dated 20 April 2012
“Repurchase Mandate”	the general mandate proposed to be granted to the Directors at the AGM to repurchase up to 10% of the issued share capital of the Company as at the date of granting of the Repurchase Mandate

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	Existing Share(s) and/or New Share(s), as the case may be
“Shareholder(s)”	holder(s) of the issued Share(s)
“Share Consolidation”	the proposed consolidation of every 40 issued Existing Shares of HK\$0.01 each into one consolidated Existing Share of HK\$0.40
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“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

Non-executive Director:

Mr. Cheung Kwok Fan

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

Unit 3811, Shun Tak Centre
West Tower
168-200 Connaught Road Central
Hong Kong

Independent non-executive Directors:

Mr. Wan Shing Chi
Mr. Ng Heung Yan
Mr. Wong Tak Chuen

30 April 2012

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED CHANGE OF AUDITORS;
(3) PROPOSED RE-ELECTION OF DIRECTORS;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the AGM, resolutions will be proposed to seek the Shareholders' approval for, among other things, (i) the proposed grant of the General Mandate and the Repurchase Mandate to the Directors; (ii) proposed change of auditors of the Company; and (iii) the proposed re-election of Directors.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the AGM for the proposed grant of the General Mandate and the Repurchase Mandate, the proposed change of auditors of the Company, the proposed re-election of Directors and to give you the notice of the AGM.

PROPOSED GRANT OF THE GENERAL MANDATE AND REPURCHASE MANDATE

At the AGM, the Directors propose to seek the approval of the Shareholders to grant to the Directors the General Mandate and the Repurchase Mandate.

General Mandate

At the AGM, an ordinary resolution will be proposed such that the Directors be given an unconditional general mandate (i.e. the General Mandate) to allot, issue and deal with unissued Shares or underlying Shares (other than by way of rights or pursuant to the share option scheme of the Company or pursuant to any scrip dividend scheme or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of the dividend on Shares in accordance with the Bye-laws) or make or grant offers, agreements, options and warrants which might require the exercise of such power, of an aggregate amount of up to 20% of the issued Shares as at the date of granting of the General Mandate.

In addition, a separate ordinary resolution will further be proposed for extending the General Mandate authorising the Directors to allot, issue and deal with Shares to the extent of the Shares repurchased pursuant to the Repurchase Mandate. Details on the Repurchase Mandate are further elaborated below.

As at the Latest Practicable Date, the Company has 7,934,353,176 Existing Shares (or 198,358,829 New Shares assuming the Capital Reorganisation becoming effective) in issue. Subject to the passing of the resolution for the approval of the General Mandate and on the basis that:

- (a) no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the General Mandate to allot, issue and deal with a maximum of 1,586,870,635 Existing Shares (or 39,671,765 New Shares assuming the Capital Reorganisation becoming effective); and

LETTER FROM THE BOARD

- (b) 39,670,000 new New Shares are allotted and issued pursuant to the Placing and no further Shares are issued or repurchased between the Latest Practicable Date and the date of AGM, the Company would be allowed under the General Mandate to allot, issue and deal with a maximum of 47,605,765 New Shares (assuming the Capital Reorganisation becoming effective and the Placing being completed).

Repurchase Mandate

At the AGM, an ordinary resolution will also be proposed such that the Directors be given an unconditional general mandate to repurchase Shares (i.e. the Repurchase Mandate) on the Stock Exchange of an aggregate amount of up to 10% of the issued Share as at the date of granting of the Repurchase Mandate.

Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that:

- (a) no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 793,435,317 Existing Shares (or 19,835,882 New Shares assuming the Capital Reorganisation becoming effective); and
- (b) 39,670,000 new New Shares are allotted and issued pursuant to the Placing and no further Shares are issued or repurchased between the Latest Practicable Date and the date of AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 23,802,882 New Shares (assuming the Capital Reorganisation becoming effective and the Placing being completed).

The General Mandate (including the extended General Mandate) and the Repurchase Mandate shall continue to be in force during the period from the date of passing of the resolutions for the approval of the General Mandate (including the extended General Mandate) and the Repurchase Mandate up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws, the Companies Act 1981 of Bermuda (as amended) or any other applicable law of Bermuda to be held; or (iii) the revocation or variation of the General Mandate (including the extended General Mandate) or the Repurchase Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

LETTER FROM THE BOARD

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

PROPOSED CHANGE OF AUDITORS

HLB Hodgson Impey Cheng, the Company's auditors for the financial year ended 31 December 2011, will retire as auditors of the Company with effect from the conclusion of the AGM.

In March 2012, the practice of HLB Hodgson Impey Cheng was reorganised as HLB Hodgson Impey Cheng Limited. The Board considers that it is in the interests of the Company and the Shareholders as a whole if HLB Hodgson Impey Cheng can continue to serve the Company under the new name of HLB Hodgson Impey Cheng Limited. The Board has resolved to appoint HLB Hodgson Impey Cheng Limited as the auditors of the Company upon the retirement of HLB Hodgson Impey Cheng, subject to the Shareholders' approval at the AGM.

HLB Hodgson Impey Cheng has confirmed that there are no matters in connection with its retirement that need to be brought to the attention of the Shareholders. The Board also confirms that there are no circumstances in respect of the proposed change of auditors that need to be brought to the attention of the Shareholders.

The appointment of HLB Hodgson Impey Cheng Limited as the new auditors of the Company until the conclusion of the next annual general meeting will be subject to the passing of an ordinary resolution by the Shareholders at the AGM.

PROPOSED RE-ELECTION OF DIRECTORS

In accordance with the provisions of the Bye-laws, Mr. Cheung Kwok Fan, Mr. Ng Heung Yan and Mr. Wong Tak Chuen retire by rotation and, being eligible, offer themselves for re-election.

At the AGM, ordinary resolutions will be proposed to re-elect Mr. Cheung Kwok Fan, as non-executive Director and Mr. Ng Heung Yan and Mr. Wong Tak Chuen as independent non-executive Directors.

LETTER FROM THE BOARD

Particulars relating to Mr. Cheung Kwok Fan, Mr. Ng Heung Yan and Mr. Wong Tak Chuen are set out in Appendix II to this circular.

AGM

A notice convening the AGM to be held at Macau Jockey Club, 1/F Function Room, 1st Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on Thursday, 31 May 2012 at 2:00 p.m. is set out on pages 17 to 20 of this circular. Ordinary resolutions will be proposed at the AGM to approve, among other things, the proposed grant of the General Mandate (including the extended General Mandate) and the Repurchase Mandate, the proposed change of auditors of the Company and the proposed re-election of Directors.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published at the website of the Stock Exchange at www.hkex.com.hk. Whether or not you are able to attend the AGM, 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 and transfer office, 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 AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

All the resolutions proposed to be approved at the AGM will be taken by poll and an announcement will be made by the Company after the AGM on the results of the AGM.

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.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider the proposed grant of the General Mandate (including the extended General Mandate) and the Repurchase Mandate, the proposed change of auditors of the Company and the proposed re-election of Directors are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolutions to be proposed at the AGM.

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

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. REPURCHASE OF SECURITIES FROM CONNECTED PERSON

The Listing Rules prohibit the Company from knowingly purchasing its securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates and a connected person is prohibited from knowingly selling to the Company his/her/its securities of the Company.

No connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is passed.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 7,934,353,176 fully paid Existing Shares (or 198,358,829 fully paid New Shares assuming the Capital Reorganisation becoming effective).

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that:

- (a) no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 793,435,317 fully paid Existing Shares (or 19,835,882 fully paid New Shares assuming the Capital Reorganisation becoming effective), representing approximately 10% of the issued share capital of the Company as at the date of passing of the resolution; and
- (b) 39,670,000 new New Shares are allotted and issued pursuant to the Placing and no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 23,802,882 fully paid New Shares (assuming the Capital Reorganisation becoming effective and the Placing being completed), representing approximately 10% of the issued share capital of the Company as at the date of passing of the resolution.

3. REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

Repurchases would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available under Bermuda law and the memorandum of association of the Company and the Bye-laws and for such purpose.

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 31 December 2011, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. SHARE PRICES

The highest and lowest prices at which the Existing Shares have traded on the Stock Exchange in each of the previous twelve calendar months immediately prior to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2011		
March	0.068	0.057
April	0.066	0.060
May	0.065	0.059
June	0.063	0.044
July	0.050	0.039
August	0.041	0.033
September	0.046	0.035
October	0.071	0.040
November	0.107	0.065
December	0.105	0.034
2012		
January	0.035	0.011
February	0.016	0.011
March	0.015	0.014
April (up to the Latest Practicable Date)	0.012	0.010

6. DISCLOSURE OF INTERESTS AND MINIMUM PUBLIC HOLDING

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell to the Company or its subsidiaries any of the Shares if the Repurchase Mandate is approved at the AGM.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and applicable laws of Bermuda.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholder is interested in more than 10% of the Existing Shares then in issue:

Shareholder	Number of Existing Shares	Percentage holding
Mr. Lei Hong Wai	1,321,680,000	16.66%

On the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, in the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, the total interest of the above Shareholder in the Existing Shares would be increased to:

Shareholder	Percentage holding
Mr. Lei Hong Wai	18.51%

Such an increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code or result in the amount of Shares held by the public being reduced to less than 25%.

The Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase made under the Repurchase Mandate.

7. SHARES REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the previous six months immediately prior to the Latest Practicable Date.

Particulars of the Directors who will retire from office at the AGM and being eligible, will offer themselves for re-election at the AGM, are set out below:

(1) Mr. Cheung Kwok Fan

Mr. Cheung Kwok Fan (“**Mr. Cheung**”), aged 44, is the non-executive Director. He has over 18 years’ working experience in the field of architecture. He is a member of The Hong Kong Institute of Architects, a member of The Royal Australian Institute of Architects, Registered Architect in Hong Kong and an Authorised Person in the list of architects. He obtained his Bachelor Degree of Arts in Architectural Studies from The University of Hong Kong in 1989 and a Bachelor Degree in Architectural from The University of Hong Kong in 1991. He was selected as an awardee of the Ten Outstanding Young Persons Selection organised by Junior Chamber of International Hong Kong in 2005. Mr. Cheung was an executive director of Eternite International Company Limited (stock code: 8351, now known as Larry Jewelry International Company Limited), a company listed on Growth Enterprise Market operated by the Stock Exchange, during the period from 18 June 2009 to 16 December 2010. He is the younger brother of Mr. Cheung Kwok Wai, Elton, an executive Director.

Save for Mr. Cheung is the younger brother of Mr. Cheung Kwok Wai, Elton, Mr. Cheung does not have any relationship with any Directors, senior management or substantial Shareholders (as defined under the Listing Rules).

As at the Latest Practicable Date, Mr. Cheung is the ultimate beneficial owner of Thought Diamond International Limited, a Shareholder holding 636,000,000 Shares, representing approximately 8.02% of the issued share capital of the Company. Save for the 636,000,000 Shares, Mr. Cheung does not have any interest in Shares within the meaning Part XV of the SFO.

Mr. Cheung has entered into a letter of appointment with the Company for an initial fixed term of three years commencing from 1 April 2012 which shall continue thereafter. He will be subject to retirement by rotation and re-election in accordance with the Bye-laws. He is entitled to an annual director’s fee of HK\$120,000 which is determined by the Remuneration Committee of the Board with reference to his duties and responsibilities in the Company.

Save as disclosed above, there is no information relating to Mr. Cheung to be disclosed pursuant to Rule 13.52(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

(2) Mr. Ng Heung Yan

Mr. Ng Heung Yan (“**Mr. Ng**”), aged 41, is an independent non-executive Director. He has over seven years of experience in metal work engineering design and currently works as a design manager in a private engineering company in Hong Kong. He was graduated from Monash University in Australia with a Bachelor Degree of Engineering (Industrial and Computing) in 1993. He was an independent non-executive director of Eternite International Company Limited (stock code: 8351, now know as Larry Jewelry International Company Limited), a company listed on the Growth Enterprise Market operated by the Stock Exchange, during the period from 21 September 2009 to 22 February 2011.

Mr. Ng does not have any relationship with any Directors, senior management or substantial Shareholders (as defined under the Listing Rules).

Mr. Ng does not have any interest in Shares within the meaning Part XV of the SFO.

Mr. Ng has entered into a letter of appointment with the Company for an initial fixed term of three years commencing from 1 April 2012 which shall continue thereafter. He will be subject to retirement by rotation and re-election in accordance with the Bye-laws. He is entitled to an annual director’s fee of HK\$120,000 which is determined by the Remuneration Committee of the Board with reference to his duties and responsibilities in the Company.

Save as disclosed above, there is no information relating to Mr. Ng to be disclosed pursuant to Rule 13.52(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

(3) Mr. Wong Tak Cheun

Mr. Wong Tak Chuen (“**Mr. Wong**”), aged 47, is an independent non-executive Director. He is a fellow member of both Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountants in the United Kingdom, as well as a member of the Institute of Chartered Accountants in England and Wales. He has over 20 years of experience in auditing, financial management, mergers and acquisitions gained from certain senior finance related positions in an international accounting firm in Hong Kong, companies listed in Hong Kong and a company listed in the United States of America. He is currently the chief financial officer and the company secretary of a company listed on the Main Board of the Stock Exchange.

Mr. Wong does not have any relationship with any Directors, senior management or substantial Shareholders (as defined under the Listing Rules).

Mr. Wong does not have any interest in Shares within the meaning Part XV of the SFO.

Mr. Wong has entered into a letter of appointment with the Company for an initial fixed term of three years commencing from 1 April 2012 which shall continue thereafter. He will be subject to retirement by rotation and re-election in accordance with the Bye-laws. He is entitled to an annual director's fee of HK\$120,000 which is determined by the Remuneration Committee of the Board with reference to his duties and responsibilities in the Company.

Save as disclosed above, there is no information relating to Mr. Wong to be disclosed pursuant to Rule 13.52(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of Eternity Investment Limited (the “**Company**”) will be held at Macau Jockey Club, 1/F Function Room, 1st Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on Thursday, 31 May 2012 at 2:00 p.m. to transact the following ordinary business:

1. To receive and consider the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31 December 2011.
2.
 - (a) To re-elect Mr. Cheung Kwok Fan as non-executive Director.
 - (b) To re-elect Mr. Ng Heung Yan as independent non-executive Director.
 - (c) To re-elect Mr. Wong Tak Chuen as independent non-executive Director.
 - (d) To authorise the board of Directors to fix the Directors’ remuneration.
3. To appoint HLB Hodgson Impey Cheng Limited as the auditors of the Company and to authorise the board of Directors to fix their remuneration.

As special business, to consider and, if thought fit, to pass with or without modification the following resolutions as ordinary resolutions:

4. “**THAT:**
 - (a) subject to paragraph (c) below, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued shares of the Company (the “**Shares**”) and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the existing share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (i) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution; and
 - (ii) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of resolution no. 6),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) (the “**Companies Act**”) or any other applicable law of Bermuda to be held; or

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

5. “**THAT:**

- (a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act or any other applicable laws of Bermuda to be held; or

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(iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

6. “**THAT** the Directors be and are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 4 above in respect of the share capital of the Company referred to in sub-paragraph (ii) of paragraph (c) of such resolution.”

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

Hong Kong, 30 April 2012

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

Notes:

1. A member entitled to attend and vote at the annual 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 and transfer office, 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 annual 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 annual general meeting or any adjournment thereof, should he/she/it so wish.
3. In relation to proposed resolutions nos. 4 and 6 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares under the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by the shareholders of the Company.
4. In relation to proposed resolution no. 5 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to this circular.