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If you are in any doubt as to any aspect of this circular, 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, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

**(I) MAJOR TRANSACTION
IN RELATION TO
THE ACQUISITION OF A 29.00% INTEREST IN
THE ISSUED SHARE CAPITAL OF
CHINA MEDIA AND FILMS HOLDINGS LIMITED
(FORMERLY KNOWN AS
KH INVESTMENT HOLDINGS LIMITED)
(II) REFRESHMENT OF SCHEME MANDATE LIMIT
AND
(III) NOTICE OF SPECIAL GENERAL MEETING**

A notice convening a special general meeting of Eternity Investment Limited 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 Friday, 27 July 2012 at 2:00 p.m. is set out on pages 42 to 43 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 and return the enclosed 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 later than 48 hours before the time appointed for holding the special general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending in person and voting at the special general meeting or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

11 July 2012

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DEFINITIONS

In this circular, the following expressions have the meanings respectively set opposite them unless the context otherwise requires:

“acting in concert”	has the meaning ascribed to it in the Code
“Announcement”	the joint announcement made by the Company and Culture Landmark on 28 May 2012 in relation to the Transaction
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“CMF CB”	the zero-coupon convertible loan notes issued by CMF Holdings and held by Culture Landmark as at the Latest Practicable Date due 24 September 2013 with a principal amount of HK\$6,200,000
“CMF Holdings”	China Media and Films Holdings Limited (formerly known as KH Investment Holdings Limited, stock code: 8172), an exempted company incorporated in the Cayman Islands with limited liability and continued in Bermuda and the CMF Shares are listed on the GEM
“CMF Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of CMF Holdings
“Code”	the Code on Takeovers and Mergers
“Company”	Eternity Investment Limited (stock code: 764), an exempted company incorporated in Bermuda with limited liability and the Shares are listed on the Main Board
“Completion”	completion of the Transaction
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Consent”	includes any licence, consent, approval, authorisation, permission, waiver, order or exemption
“Consideration”	HK\$51,324,000, being the consideration for the sale and purchase of the Sale Shares pursuant to the terms of the S&P Agreement

DEFINITIONS

“Culture Landmark”	Culture Landmark Investment Limited (stock code: 674), an exempted company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board
“Culture Landmark CB”	the convertible bonds in the principal amount of HK\$75,000,000 issued by Culture Landmark and subscribed by Eternity Finance on 29 December 2011, the details of which are set out in Culture Landmark’s announcement dated 22 December 2011 and the Company’s announcements dated 22 December 2011 and 28 December 2011
“Culture Landmark Group”	Culture Landmark and its subsidiaries
“Director(s)”	the director(s) of the Company
“Eligible Participant(s)”	full time or part time employees of the Group (including any directors, whether executive or non-executive and whether independent or not, of the Company or any subsidiary); any holder of any securities issued by the Group; and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group or any person who, in the sole discretion of the Board, has contributed or may contribute to the Group eligible for Options under the Share Option Scheme
“Enlarged Group”	the Group upon the Completion
“Eternity Finance”	Eternity Finance Group Limited (formerly known as Wingo Consultants Limited), a wholly owned subsidiary of the Company
“GEM”	Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Latest Practicable Date”	9 July 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	Main Board of the Stock Exchange (excludes the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM
“Mr. Cheung”	Mr. Cheung Kwok Fan, the non-executive Director and a substantial Shareholder by virtue of his 25% indirect interest in Twin Success
“New Asia Media”	New Asia Media Development Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of Culture Landmark
“Option(s)”	any option(s) granted or to be granted to Eligible Participant(s) to subscribe for Share(s) under the Share Option Scheme
“Refreshment of Scheme Mandate Limit”	the proposed refreshment of Scheme Mandate Limit under the Share Option Scheme
“S&P Agreement”	sale and purchase agreement dated 28 May 2012 entered into between the Company and Culture Landmark in relation to the Transaction
“Sale Shares”	146,640,000 CMF Shares
“Scheme Mandate Limit”	the maximum number of Shares which may be allotted and issued upon the exercise of all Options which initially shall not in aggregate exceed 10% of the Shares in issue as at the date of adoption of the Share Option Scheme and thereafter, if refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders
“SFC”	The Securities and Futures Commission of Hong Kong

DEFINITIONS

“SFO”	The Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong
“SGM”	the special 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 Friday, 27 July 2012 at 2:00 p.m. to consider and, if thought fit, approve the S&P Agreement and the transactions contemplated thereunder and the Refreshment of Scheme Mandate Limit
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Share Option Scheme”	the Share Option Scheme adopted by the Company on 12 December 2011
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the sale and purchase of the Sale Shares between the Company and Culture Landmark pursuant to terms of the S&P Agreement
“Twin Success”	Twin Success International Limited, a company incorporated in the British Virgin Islands and a substantial Shareholder holding 28.33% of the issued share capital of the Company as at the Latest Practicable Date
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.



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

Non-executive Director:

Mr. Cheung Kwok Fan

Independent non-executive Directors:

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

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

11 July 2012

To the Shareholders

Dear Sir or Madam,

**(I) MAJOR TRANSACTION
IN RELATION TO
THE ACQUISITION OF A 29.00% INTEREST IN
THE ISSUED SHARE CAPITAL OF
CHINA MEDIA AND FILMS HOLDINGS LIMITED
(FORMERLY KNOWN AS
KH INVESTMENT HOLDINGS LIMITED)
(II) REFRESHMENT OF SCHEME MANDATE LIMIT
AND
(III) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

On 28 May 2012 (after trading hours), the Company and Culture Landmark entered into the S&P Agreement, pursuant to which the Company has conditionally agreed to acquire and Culture Landmark has conditionally agreed to sell the Sale Shares, representing approximately 29.00% of the entire issued share capital of CMF Holdings as at the date of the S&P Agreement, for the Consideration of HK\$51,324,000 (equivalent to HK\$0.35 per Sale Share).

LETTER FROM THE BOARD

The proposed acquisition of the Sale Shares by the Company constitutes a major transaction for the Company under the Listing Rules and is subject to Shareholders' approval at the SGM.

The Board also proposes to seek Shareholders' approval for the Refreshment of the Scheme Mandate Limit at the SGM.

The purpose of this circular is to give you further details of (i) the S&P Agreement and the transactions contemplated thereunder and (ii) the Refreshment of Scheme Mandate Limit, together with a notice of the SGM.

THE TRANSACTION

The principal terms of the S&P Agreement are summarised below:

Date

28 May 2012

Parties

- (i) the Company, as purchaser; and
- (ii) Culture Landmark, as vendor

Relationship between the Company and Culture Landmark

- (i) the Company was presumed to be a party acting in concert with Culture Landmark under class 9 of the persons presumed to be acting in concert under the definitions section of the Code in respect of the unconditional mandatory cash offers for CMF Shares and CMF CB made by New Asia Media as stated in the joint announcement of the Company and Culture Landmark dated 16 January 2012 and such presumption remains to be valid;
- (ii) Eternity Finance held the Culture Landmark CB in the principal amount of HK\$75,000,000 as at the date of the S&P Agreement. Following the early redeemed the Culture Landmark CB in the principal amount of HK\$23,000,000 by Culture Landmark pursuant to the S&P Agreement, Eternity Finance held the Culture Landmark CB in the principal amount of HK\$52,000,000 as at the Latest Practicable Date;

LETTER FROM THE BOARD

- (iii) Mr. Cheung held 73,080,000 shares in Culture Landmark, representing approximately 0.61% of the issued share capital of Culture Landmark as at the date of the S&P Agreement and disposed of these 73,080,000 shares in Culture Landmark on 31 May 2012 and 5 June 2012. As at the Latest Practicable Date, Mr. Cheung did not hold any shares in Culture Landmark;
- (iv) CMF Holdings was an associate (as defined under HKAS 28 Investments in Associates) of the Company during the period from 8 April 2009 to 21 January 2010;
- (v) Mr. Lei Hong Wai, the Chairman of the Board, an executive Director and a substantial Shareholder by virtue of his 50% indirect interest in Twin Success, is a director of Creative Formula Limited, a wholly owned subsidiary of CMF Holdings, as at the Latest Practicable Date; and
- (vi) Mr. Chan Kin Wah, Billy, an executive Director holding 33,000 Shares, representing approximately 0.01% of the issued share capital of the Company, is a director of China Star Film Group Limited, a 50% owned joint venture company of CMF Holdings, and a director of China Star Film Production Limited, a wholly owned subsidiary of China Star Film Group Limited. He is also a director of Dance Star Group Limited and Premium Dignity Investments Limited, both of which are wholly owned subsidiaries of CMF Holdings, as at the Latest Practicable Date. He was the company secretary of CMF Holdings during the period from 20 August 2009 to 3 October 2011.

Save as disclosed above, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Culture Landmark and its ultimate beneficial owners are independent of the Company and its connected persons.

Sale Shares

146,640,000 CMF Shares, representing approximately 29.00% of the entire issued share capital of CMF Holdings as at the Latest Practicable Date.

Consideration

Pursuant to the S&P Agreement, the Consideration for the Sale Shares shall be HK\$51,324,000 which is equivalent to HK\$0.35 per Sale Share.

The Consideration per Sale Share is equal to the average acquisition price per CMF Share paid for by the Culture Landmark Group for the acquisition of 232,000,000 CMF Shares from Splendor Glow Limited and Aikford Financial Services Limited on 30 December

LETTER FROM THE BOARD

2011, and the offer price of HK\$0.35 per CMF Share under the unconditional mandatory cash offer made by REORIENT Financial Markets Limited on behalf of New Asia Media as jointly announced by Culture Landmark, New Asia Media and CMF Holdings on 16 January 2012. The Consideration per Sale Share also represents (i) a premium of 25% over the closing price of CMF Share of HK\$0.28 as quoted on the Stock Exchange on the date of the Announcement; (ii) a premium of approximately 22.8% over the average closing price of CMF Share of HK\$0.285 as quoted on the Stock Exchange for the last five trading days up to and including the date of the Announcement; and (iii) a premium of approximately 16.67% over the closing price of CMF Share of HK\$0.30 as quoted on the Stock Exchange on the Latest Practicable Date.

The Consideration shall be settled by in cash upon Completion.

Pursuant to the S&P Agreement, Culture Landmark shall redeem the Culture Landmark CB in the face value of HK\$23,000,000 upon the execution of the S&P Agreement. The remaining outstanding balance of the Culture Landmark CB in the face value of HK\$52,000,000 shall be redeemed in full by Culture Landmark together with outstanding interest accrued thereon upon Completion in accordance with the terms of the Culture Landmark CB. Culture Landmark will use the proceeds from the Transaction to finance part of the cash payment under the aforesaid redemption.

Upon the execution of the S&P Agreement, Culture Landmark redeemed the Culture Landmark CB in the principal amount of HK\$23,000,000.

Basis of the Consideration

The Consideration was agreed between the Company and Culture Landmark after arm's length negotiations and on normal commercial terms with reference to the recent cost of acquisition of the Culture Landmark Group's investment in CMF Holdings and the prevailing financial market conditions.

The Directors (including the independent non-executive Directors) consider that the terms of the Transaction, including among other things, the Consideration, are fair and reasonable and the Transaction is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Conditions Precedent

Completion of the S&P Agreement is conditional upon:

- (i) the CMF Shares remaining listed and traded on the GEM at all times from the date of the S&P Agreement to the date of Completion, save for any temporary suspension not exceeding ten consecutive trading days, or such longer period as the Company may accept in writing, and no indication being received on or before the date of Completion from the SFC and/or the Stock Exchange to the effect that the listing of the CMF Shares on the GEM will or may be withdrawn or objected to (or conditions will or may be attached thereto) as a result of Completion or in connection with the terms of the S&P Agreement save for such temporary suspension that may be ordered or imposed by any competent authority or such ground or reason due to any action or omission by the Company;
- (ii) all Consents of the shareholders of Culture Landmark, the Stock Exchange and the SFC and all filings with any relevant governmental or regulatory authorities and other relevant third parties in Hong Kong, Bermuda or elsewhere which are required or appropriate for the entering into and the implementation of the S&P Agreement having been given or made; all waiting periods required under the laws of Hong Kong, Bermuda or any other relevant jurisdictions having expired or terminated; and all applicable statutory or other legal obligations having been complied with;
- (iii) all Consents of the Shareholders, the Stock Exchange and the SFC (if necessary) in connection with the transactions contemplated by the S&P Agreement having been obtained;
- (iv) the warranties given under the S&P Agreement remaining true and accurate in all material respects; and
- (v) no indication from the SFC that the Company will be required to make a general offer in respect of all the issued CMF Shares (other than the Sale Shares) as a result of Completion.

The Company may in its absolute discretion at any time waive in writing any of the conditions (or any part thereof) other than those set out in above (ii) and (iii), and such waiver may be made subject to such terms and conditions as are determined by the Company and agreed by Culture Landmark.

If the conditions are not fulfilled or waived on or before 30 November 2012 (or such other date as may be agreed by the Company and Culture Landmark in writing), the S&P Agreement shall lapse and be of no further effect and no party to the S&P Agreement shall have any claim against or liability or obligation save for any liability arising out of any antecedent breaches of the S&P Agreement.

LETTER FROM THE BOARD

Completion

Completion shall take place on the third business day after the satisfaction and/or waiver of the last conditions precedent or such other date as may be agreed in writing between the Company and Culture Landmark.

First right of refusal

Pursuant to the S&P Agreement, Culture Landmark has granted the first right of refusal to the Company for acquiring the remaining 232,366,016 CMF Shares indirectly and beneficially owned by Culture Landmark through New Asia Media at a price of not less than the purchase price offered by any third parties.

The first right of refusal was requested by the Company for the purpose of protecting its investment in CMF Holdings. It is because should Culture Landmark propose to sell its shareholding interest in CMF Holdings to a potential buyer whose vision and prospective business development plans for CMF Holdings are not in line with those of the Company, the Company will be able to prevent such sale by exercising the first right of refusal.

As at the Latest Practicable Date, the Company has no intention to acquire any further CMF Shares. In the event of exercising the first right of refusal granted by Culture Landmark, the Company has to consider (i) whether or not the Company has sufficient financial resources for acquiring all CMF Shares not held by the Company pursuant to the unconditional mandatory cash offer under the Code; and (ii) whether or not the vision and prospective business development plans for CMF Holdings of the potential buyer for the remaining CMF Shares held by the Culture Landmark Group are in line with those of the Company.

Information on CMF Holdings

Pursuant to the approval of the special resolution at the annual general meeting held on 16 May 2012, the company name of KH Investment Holdings Limited was changed to China Media and Films Holdings Limited.

CMF Holdings and its subsidiaries are principally engaged in (i) artist management; and (ii) film distribution and production.

LETTER FROM THE BOARD

The financial information of CMF Holdings and its subsidiaries, as extracted from its annual reports for the years ended 31 December 2010 and 2011 and the first quarterly report for the three months ended 31 March 2012, is as follows:

	For the three months ended 31 March 2012	For the year ended 31 December	
	<i>(Unaudited)</i>	2011	2010
	<i>HK\$'000</i>	<i>(Audited)</i>	<i>(Audited)</i>
		<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	6,055	44,740	21,790
Loss for the period/year	(3,001)	(20,251)	(52,453)
		As at 31 December	
		2011	2010
		<i>(Audited)</i>	<i>(Audited)</i>
		<i>HK\$'000</i>	<i>HK\$'000</i>
Total assets		112,809	138,064
Total liabilities		(14,953)	(22,366)
Net assets		<u>97,856</u>	<u>115,698</u>

Effect on shareholding structure of CMF Holdings

The shareholding structure of CMF Holdings (i) as at the Latest Practicable Date; and (ii) upon Completion assuming no further CMF Shares are allotted and issued up to the date of Completion are set out below:

	As at the Latest Practicable Date		Upon Completion assuming no further CMF Shares are allotted and issued up to the date of Completion	
	<i>No. of CMF Shares</i>	<i>Approximate %</i>	<i>No. of CMF Shares</i>	<i>Approximate %</i>
New Asia Media (Note)	379,006,016	74.95	232,366,016	45.95
The Company	—	—	146,640,000	29.00
Public	<u>126,643,710</u>	<u>25.05</u>	<u>126,643,710</u>	<u>25.05</u>
Total	<u>505,649,726</u>	<u>100.00</u>	<u>505,649,726</u>	<u>100.00</u>

Note: As at the Latest Practicable Date, New Asia Media also holds the CMF CB in the principal amount of HK\$6,200,000 with the rights to convert their principal amount into a total of 12,731,006 CMF Shares at the prevailing conversion price of HK\$0.487 per CMF Share (subject to adjustment).

LETTER FROM THE BOARD

Reasons for and benefits of the Transaction

The Company is an investment holding company and its subsidiaries are principally engaged in distribution of films, sub-licensing of film rights, sales of financial assets, provision of management services to concierge departments of gaming promoters, money lender and property investment.

Culture Landmark and its subsidiaries are principally engaged in property investment, property sub-leasing, licence fees collection business in the People's Republic of China, entertainment business, hotel operations and restaurant operations.

The principal businesses of CMF Holdings and its subsidiaries cover artist management and film distribution. The Group's distribution of film and sub-licensing of film rights business has been waning over the last few years with management having a difficult time finding and sourcing quality films for distribution on commercially viable terms and profitability for the Company. The Directors believe that given the closely related film business of CMF Holdings, taking an investment in CMF Holdings can once again revitalise this line of business of the Group to broaden its business portfolio and revenue sources.

The Group has been engaged in film distribution business in Mainland China since 2001 and has an established distribution network in various media encompassing theatres, television and DVDs. The Group did not report any revenue from its film distribution business in recent years, this is because the Group is not able to secure quality films at reasonable prices for distribution.

The Directors understand that, following the consolidation of further interests in CMF Holdings by New Asia Media in early 2012, the entertainment operations of the Culture Landmark Group will strengthen CMF Holdings' film production and artist management by the provision of services relating to film production and artist management to CMF Holdings. In addition, CMF Holdings will continue to engage in film production business and its distribution capability covering Hong Kong, Taiwan and South East Asia.

The Directors consider that the Transaction will enable the Group to form a strategic alliance with Culture Landmark and CMF Holdings leveraging on each respective strength, in which (i) the operations of film production and artist management of CMF Holdings will be strengthened by the entertainment operations of the Culture Landmark Group; (ii) the business performance of CMF Holdings will be improved by leveraging on the Group's distribution network in Mainland China; and (iii) the film distribution business of the Group will be revitalised with a stable supply of films from CMF Holdings. As such, the Directors consider that the Transaction is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

The Directors consider that the terms of the S&P Agreement have been negotiated on an arm's length basis, on normal commercial terms, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Financial effects of the Transaction

After Completion, the Company will be interested in approximately 29.00% of the entire issued share capital of CMF Holdings. CMF Holdings will be accounted for as an associate (as defined under HKAS 28 Investments in Associates) by the Company and the financial results of CMF Holdings will be accounted for by using the equity method of accounting.

Assets

As at 31 December 2011, the audited consolidated total assets of the Group amounted to HK\$1,263.43 million.

As set out in Appendix III to this circular, assuming Completion had taken place on 31 December 2011, the unaudited pro forma consolidated total assets of the Enlarged Group would be HK\$1,264.43 million.

Liabilities

As at 31 December 2011, the audited consolidated total liabilities of the Group amounted to HK\$25.80 million.

As set out in Appendix III to this circular, assuming Completion had taken place on 31 December 2011, the unaudited pro forma consolidated total liabilities of the Enlarged Group would be HK\$26.80 million.

Financial and trading prospect of the Group

For the year ended 31 December 2011, the Group recorded a turnover of HK\$79.17 million, a 1.25% increase from HK\$78.20 million for the previous year. Of the total turnover, HK\$78.89 million was generated from provision of management and HK\$0.28 million was generated from property investment. Loss attributable to owners of the Company amounted to HK\$155.26 million. The incurring of a loss for the year was mainly attributable to the recognition of an impairment loss in respect of intangible assets of HK\$290.74 million and a loss arising on change in fair value of financial assets at fair value through profit or loss of HK\$42.77 million, which were partly offset by a gain on a bargain purchase of HK\$52.84 million and an income tax credit of HK\$32.60 million.

LETTER FROM THE BOARD

The Directors believe that the challenge for 2012 is finding a solution to the European sovereign debt crises that supports European banks without severely hampering the European economy. Given that economic and market uncertainty remains very high while consumer and investor confidence is correspondingly low, market volatility is likely to remain high in 2012. As such, the Group adopts a more conservative attitude towards its sale of financial assets business.

As the termination of the management services agreement with Dore Entretenimento Sociedade Unipessoal Limitada becomes effective on 12 September 2012, there will be a substantial decrease in the revenue of the Group's provision of management services business for the year ending 31 December 2012. Given that the Group has expertise in provision of management services available, the Directors are actively exploring opportunities in providing management services to the concierge departments of other gaming promoters in Macau in order to revitalise the Group's provision of management services business.

In the second half of 2011, the Group has successfully expanded into property investment business by acquiring the whole of 1st floor and the flat roof, the whole of 6th to 12th floors, roof, external walls, two lavatories, three lorry parking spaces and eight private car parking spaces on the ground floor of an industrial building located in Kwun Tong, Kowloon, Hong Kong (the "**Kwun Tong Property**") and a residential property together with a car parking space located in Tseung Kwan O, New Territories, Hong Kong. The Group intends to sell the Kwun Tong Property, the residential property and the car parking space for capital gain as and when appropriate. Marketing activities have been carried out to improve the occupancy rate of the Kwun Tong Property in order to maximise ongoing rental income to the Group. In March 2012, the residential property was sold to an independent third party at HK\$7.95 million.

To broaden its business portfolio and revenue sources, the Group acquired a money lender business in January 2012. The Group will continue to cautiously monitor the business environment, focus on its existing business, implement prudent cost control strategies and identify potential investment opportunities to maximise the returns of the Shareholders.

Despite the fact that the Group has an established distribution network for various media in Mainland China, no revenue was generated from the Group's film distribution as it is having a difficult time sourcing quality films for distribution at reasonable prices over the past few years. With the closely related film business of CMF Holdings, the Group intends to obtain film rights of the films produced by CMF Holdings for distribution in Mainland China upon Completion. The Directors consider that taking an investment in CMF Holdings enables the Group to revitalise its film distribution business in order to broaden its business portfolio and revenue sources.

LETTER FROM THE BOARD

REFRESHMENT OF SCHEME MANDATE LIMIT

Pursuant to a resolution passed at the special general meeting of the Company held on 12 December 2011, the Share Option Scheme was adopted and the old share option scheme was terminated.

The purpose of the Share Option Scheme is to enable the Company to grant Options to selected Eligible Participants as incentives and rewards for their contribution or potential contributions to the Group. The exercise price of an Option shall not be less than the highest of: (i) the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant, which must be a business day; (ii) the average closing price of the Shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Shares on the date of grant.

Apart from the Share Option Scheme, the Company has no other share option scheme in place.

Pursuant to the Share Option Scheme, the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the Shares in issue as at the date of approving the Scheme Mandate Limit. Options previously granted under the Share Options Scheme and other share options schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised Options) shall not be counted for the purpose of calculating the Scheme Mandate Limit. The Scheme Mandate Limit may be refreshed by Shareholders in general meeting from time to time.

At the special general meeting of the Company held on 12 December 2011, the Shareholders approved the Scheme Mandate Limit, which allows to grant 19,835,882 Options (adjusted for the capital reorganisation of the Company that became effective on 9 May 2012).

During the period from 12 December 2011 to the Latest Practicable Date, 19,800,000 Options were granted. As at the Latest Practicable Date, there were 22,591,315 Options, which includes the Options granted under the old share option scheme (which was terminated on 12 December 2011), outstanding and unexercised to which holders were entitled to subscribe for 22,591,315 Shares, representing approximately 9.49% of the issued share capital of the Company.

LETTER FROM THE BOARD

The following table discloses movements of the Options during the period from 12 December 2011 to the Latest Practicable Date.

Option type	Outstanding at 12 December 2011	Granted during the period	Exercised during the period	Lapsed during the period	Adjusted for capital reorganisation	Outstanding at the Latest Practicable Date
2002	226,566	—	—	(226,566)	—	—
2004	328,760	—	—	—	(320,541)	8,219
2007A	180,298	—	—	—	(175,791)	4,507
2007B	943,578	—	—	—	(919,989)	23,589
2011	110,200,000	—	—	—	(107,445,000)	2,755,000
2012	—	19,800,000	—	—	—	19,800,000
	<u>111,879,202</u>	<u>19,800,000</u>	<u>—</u>	<u>(226,566)</u>	<u>(108,861,321)</u>	<u>22,591,315</u>
Exercisable at the Latest Practicable Date						<u>22,591,315</u>

Details of specific categories of the Options are as follows:

Option type	Date of grant	Exercise period	Exercise price
2002	8 March 2002	8 March 2002 to 7 March 2012	HK\$218.07
2004	13 December 2004	13 December 2004 to 12 December 2014	HK\$6,507.920*
2007A	22 March 2007	22 March 2007 to 21 March 2017	HK\$1,577.600*
2007B	31 May 2007	31 May 2007 to 30 May 2017	HK\$2,348.400*
2011	20 October 2011	20 October 2011 to 19 October 2012	HK\$1.808*
2012	4 June 2012	4 June 2012 to 3 June 2013	HK\$0.345

* The exercise prices of Options are adjusted for the capital reorganisation of the Company that became effective on 9 May 2012.

Unless the Scheme Mandate Limit is refreshed at the SGM, only 35,882 Options may be granted under the Share Option Scheme. The Directors consider that it is in the interest of the Company to refresh the Scheme Mandate Limit in accordance with the Share Option Scheme so that the Company has greater flexibility to provide incentives and rewards to the Eligible Participants for their contribution or potential contribution to the Group.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there were 238,028,829 Shares in issue. The Company has complied with Rule 17.03(4) of the Listing Rules for the aforesaid Options granted. Assuming no further Shares are issued and repurchased by the Company prior to the SGM, upon the approval of the Refreshment of Scheme Mandate Limit by the Shareholders at the SGM, the Scheme Mandate Limit (as refreshed) will allow the Company to grant Options entitling the holders thereof to subscribe for Shares not exceeding 10% of the issued share capital of the Company as at the date of approving the Refreshment of Scheme Mandate Limit which are 23,802,882 Shares.

The limit on the number of Shares which may be allotted and issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other share option schemes adopted by the Company must not exceed 30% of the Shares in issue from time to time. As at the Latest Practicable Date, such number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme does not exceed 30% of the Shares in issue.

The Refreshment of Scheme Mandate Limit is conditional upon:

- (i) the passing of an ordinary resolution to approve the Refreshment of Scheme Mandate Limit at the SGM; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares (representing a maximum of 10% of the Shares in issue as at the date of passing the resolution of the Refreshment of Scheme Mandate Limit at the SGM) which may fall to be issued upon the exercise of the Options to be granted under the Share Option Scheme and any other share option schemes of the Company.

Application will be made to the Stock Exchange for the listing of, and permission to deal in the Shares, representing 10% of the Shares in issue at the SGM, which may fall to be issued upon the exercise of the Options that may be granted under the refreshed Scheme Mandate Limit.

LISTING RULES IMPLICATIONS ON THE COMPANY

As one of the applicable percentage ratios under the Listing Rules for the Transaction is more than 25% but less than 100%, the Transaction constitutes a major acquisition for the Company under the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

LETTER FROM THE BOARD

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder is required to abstain from voting to the S&P Agreement and the transactions contemplated thereunder and the Refreshment of Scheme Mandate Limit at the SGM.

THE SGM

A notice convening the SGM 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 Friday, 27 July 2012 at 2:00 p.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the resolutions to approve the S&P Agreement and the transactions contemplated thereunder and the Refreshment of Scheme Mandate Limit are set out on pages 42 to 43 of this circular.

A form of proxy for use by the Shareholders at the SGM is enclosed. Whether or not you are able to attend the SGM, you are requested to complete and return 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, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment 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 and in such event, the form of proxy shall be deemed to be revoked.

RECOMMENDATION

The Directors (including the independent non-executive Directors) are of the opinion that the S&P Agreement and the transactions contemplated thereunder and the Refreshment of Scheme Mandate Limit are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) recommend that Shareholders should vote in favour of the resolutions proposed at the SGM.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

The English text of this circular, the notice of the SGM and the form of proxy for use at the SGM shall prevail over the Chinese text in case of inconsistency.

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

FINANCIAL INFORMATION INCORPORATED BY REFERENCE

The audited consolidated financial statements of the Group for the years ended 31 December 2009, 31 December 2010 and 31 December 2011, including the notes thereto, have been published in the annual reports of the Company for the years ended 31 December 2009 (pages 52 to 195), 31 December 2010 (pages 50 to 187) and 31 December 2011 (pages 52 to 206) respectively, which are incorporated by reference into this circular.

The management discussion and analysis of the Group for the years ended 31 December 2009, 31 December 2010 and 31 December 2011 have been published in the annual reports of the Company for the years ended 31 December 2009 (pages 5 to 18), 31 December 2010 (pages 6 to 18) and 31 December 2011 (pages 6 to 20) respectively, which are incorporated by reference into this circular.

The said annual reports of the Company are available on the Company's website at www.etsnityinv.com.hk and the website of the Stock Exchange at www.hkexnews.hk.

STATEMENT OF INDEBTEDNESS**Borrowings**

At the close of business 31 May 2012, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had no outstandings.

Contingency

On 15 April 2010, a claim was brought by China Finance & Assets Management Limited (“**CFAM**”) in the High Court Action No. 526 of 2010 against Rexdale Investment Limited (“**Rexdale**”), an indirect wholly owned subsidiary of the Company, that, despite repeated demands, Rexdale has failed and still refuses to pay to CFAM a service fee in the sum of HK\$25.00 million.

No provision for the claim brought by CFAM was made in the accounts of Rexdale as Lafe Corporation Limited has undertaken to indemnify and keep indemnified One Synergy Limited (“**One Synergy**”) (the immediate holding company of Rexdale) against any and all losses, claims, damages, penalties, actions, demands, proceedings, judgement and costs (including legal costs on a full indemnify basis and any amount paid for settlement of claims) arising from or in connection with the claim pursuant to the sale and purchase agreement dated 31 December 2010 entered into between Lafe Corporation Limited as vendor and One Synergy as purchaser relating to the sale and purchase of the entire issued share capital of Lafe Properties (Hong Kong) Limited (the former name of Rexdale).

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables, the Group did not have any outstanding mortgages, charges, debentures or other loan capital, bank overdrafts, loans, debt securities or other similar indebtedness, liabilities under acceptances or acceptances credits, finance leases or hire purchase commitments, guarantees or other material contingent liabilities at the close of business on 31 May 2012.

WORKING CAPITAL

The Directors after due and careful enquiry, are of the opinion that, in the absence of unforeseeable and after taking into account of the Transaction and the internal resources of the Group, the Group has sufficient working capital for its normal business for at least the next 12 months from the date of publication of this circular.

MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2011, being the date to which the latest published audited consolidated accounts of the Group were made up, as at the Latest Practicable Date.

THE BUSINESS ACQUIRED AFTER 31 DECEMBER 2011 BEING THE DATE TO WHICH THE LATEST PUBLISHED AUDITED CONSOLIDATED ACCOUNTS OF THE GROUP WERE MADE UP

On 3 January 2012, a conditional sale and purchase agreement was entered into amongst Koffman Financial Group Limited as vendor, Eternity Finance as purchaser and Mr. Yu Shu Kuen as guarantor in relation to the sale and purchase of the entire issued share capital of Hong Kong Builders Finance Limited and the respective shareholder's loan at an aggregate consideration of HK\$33,069,172.

Hong Kong Builders Finance Limited is principally engaged in the business of money lender and holding a money lenders licence to carry on business as a money lender for a twelve months period from 9 August 2011.

FINANCIAL INFORMATION INCORPORATED FOR REFERENCE

The audited consolidated financial statements of CMF Holdings and its subsidiaries (the “**CMF Group**”) for the years ended 31 December 2009, 31 December 2010 and 31 December 2011, including the notes thereto, have been published in the annual reports of CMF Holdings for the years ended 31 December 2009 (pages 28 to 109), 31 December 2010 (pages 25 to 99) and 31 December 2011 (pages 23 to 83) respectively and the condensed consolidated income statement of the CMF Group for the three months ended 31 March 2012, including the notes thereto, have been set out in the first quarterly report of the CMF Group (pages 2 to 7), which are incorporated by reference into this circular.

The management discussion and analysis of the CMF Group for the years ended 31 December 2009, 31 December 2010 and 31 December 2011 have been published in the annual reports of CMF Holdings for the years ended 31 December 2009 (pages 5 to 11), 31 December 2010 (pages 5 to 10) and 31 December 2011 (pages 3 to 6) respectively, which are incorporated by reference into this circular.

The said annual reports and the first quarterly report of CMF Holdings are available on the CMF Holdings’ website at www.cmfh1.com and the GEM website at www.hkgem.com.

The following is the text of a report, prepared for the sole purpose, of inclusion in this circular, received from the independent reporting accountants, HLB Hodgson Impey Cheng Limited, Chartered Accountants, Certified Public Accountants.



國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

Chartered Accountants
Certified Public Accountants

31/F Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

11 July 2012

The Directors
Eternity Investment Limited
Unit 3811, 38/F., Shun Tak Centre, West Tower
168-200 Connaught Road Central
Hong Kong

Dear Sirs,

We report on the unaudited pro forma financial information of Eternity Investment Limited (the “Company”) and its subsidiaries (hereinafter collectively referred to as the “Group”), and China Media and Films Holdings Limited (formerly known as KH Investment Holdings Limited) (“CMF Holdings”) and its subsidiaries (hereinafter collectively referred to as the “CMF Group”) (together with the Group, hereinafter collectively referred to as the “Enlarged Group”) set out in Appendix III on pages 26 to 29 of the circular dated 11 July 2012 (the “Circular”) under the headings of “Unaudited Pro Forma Financial Information of the Enlarged Group” (the “Unaudited Pro Forma Financial Information”) in connection with the proposed acquisition of approximately 29.00% interest in CMF Holdings (the “Acquisition”). The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company, for illustrative purposes only, to provide information about how the Acquisition might have affected the relevant financial information presented for inclusion in Appendix III of the Circular.

Respective responsibilities of the directors of the Company and independent reporting accountants

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

It is our responsibility to form an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion solely to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the HKICPA. Our work consisted primarily of comparing the unadjusted financial information with source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company. This engagement did not involve independent examination of any of the underlying financial information.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purposes only, based on the judgments and assumptions made by the directors of the Company, and because of its hypothetical nature, it does not provide any assurance or indication that any event will take place in the future and may not be indicative of the financial position of the Enlarged Group as at 31 December 2011 or any future date.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,

HLB Hodgson Impey Cheng Limited

Chartered Accountants

Certified Public Accountants

Yu Chi Fat

Practising Certificate Number: P05467

Hong Kong

**A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE
ENLARGED GROUP**

The Unaudited Pro Forma Financial Information of the Enlarged Group has been prepared to illustrate the effect of the Acquisition, assuming the Acquisition had been completed on 31 December 2011, might have affected the financial position of the Group.

The Unaudited Pro Forma Financial Information of the Enlarged Group is prepared based on the audited consolidated statement of financial position of the Group at 31 December 2011 as extracted from the annual report of the Company for the year ended 31 December 2011 and the audited consolidated statement of financial position of the CMF Group at 31 December 2011 as extracted from the annual report of CMF Holdings for the year ended 31 December 2011 after making certain pro forma adjustments resulting from the Acquisition.

The Unaudited Pro Forma Financial Information of the Enlarged Group is based on certain assumptions, estimates, uncertainties and other currently available financial information, and is provided for illustrative purposes only because of its hypothetical nature, it may not give a true picture of the actual financial position of the Enlarged Group that would have been attained had the Acquisition actually occurred on 31 December 2011. Further, the Unaudited Pro Forma Financial Information of the Enlarged Group does not purport to predict the Enlarged Group's future financial position.

The Unaudited Pro Forma Financial Information of the Enlarged Group should be read in conjunction with the financial information of the Group as extracted from the annual report of the Company for the year ended 31 December 2011, the financial information of the CMF Group as extracted from the annual report of CMF Holdings for the year ended 31 December 2011 and other financial information included elsewhere in this Circular.

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF ASSETS AND
LIABILITIES OF THE ENLARGED GROUP

	Audited consolidated statement of assets and liabilities of the Group as at 31 December 2011 <i>HK\$'000</i> <i>Note 1</i>	Pro forma adjustments <i>HK\$'000</i>		Unaudited pro forma consolidated assets and liabilities of the Enlarged Group <i>HK\$'000</i> <i>Note</i>
ASSETS				
Non-current assets				
Property, plant and equipment	630			630
Investment properties	442,920			442,920
Intangible assets	43,940			43,940
Interests in associates	—	52,324	2	52,324
Convertible notes receivable	289,857			289,857
Available-for-sale financial assets	59,132			59,132
	<u>836,479</u>			<u>888,803</u>
Current assets				
Trade receivables	4,844			4,844
Deposits, prepayments and other receivables	15,282			15,282
Amount due from an associate	2,003			2,003
Financial assets at fair value through profit or loss	47,038			47,038
Convertible notes receivable	64,872			64,872
Conversion options embedded in convertible notes receivable	75,282			75,282
Tax recoverable	—			—
Cash and cash equivalents	217,632	(51,324)	2b	166,308
	<u>426,953</u>			<u>375,629</u>
Total assets	<u><u>1,263,432</u></u>			<u><u>1,264,432</u></u>

	Audited consolidated statement of assets and liabilities of the Group as at 31 December 2011 <i>HK\$ '000</i> <i>Note 1</i>	Pro forma adjustments <i>HK\$ '000</i>	<i>Note</i>	Unaudited pro forma consolidated assets and liabilities of the Enlarged Group <i>HK\$ '000</i>
LIABILITIES				
Current liabilities				
Accruals and other payables	11,787	1,000	<i>2b</i>	12,787
Trade deposits received	477			477
Rental deposits received	3,113			3,113
Tax payable	3,513			3,513
	<u>18,890</u>			<u>19,890</u>
Non-current liabilities				
Deferred taxation	6,907			6,907
Total liabilities	<u>25,797</u>			<u>26,797</u>
Net assets	<u>1,237,635</u>			<u>1,237,635</u>

Notes:

- The amounts are extracted from the audited consolidated statement of financial position of the Group as at 31 December 2011 as set out in the published annual report of the Company for the year ended 31 December 2011.
- The adjustments represent the recognition of the Group's share of the identifiable assets and liabilities of the CMF Group acquired as follow:

	<i>HK\$ '000</i>
Net assets value of the CMF Group as at 31 December 2011 (<i>note 2a</i>)	<u>97,856</u>
Share of net assets of the CMF Group at 29.00%	28,378
Goodwill arising on acquisition of the CMF Group (<i>note 3</i>)	<u>23,946</u>
Consideration (<i>note 2b</i>)	<u>52,324</u>

- (a) The amount of net assets value of the CMF Group are extracted from the audited consolidated statement of financial position of CMF Group as at 31 December 2011 as set out in the published annual report of CMF Holdings for the year ended 31 December 2011.
- (b) The total consideration of approximately HK\$52,324,000 which comprises acquisition of 29.0% equity interest in CMF Holdings at cash consideration of approximately HK\$51,324,000 and the estimated transaction costs directly attributable to the Acquisition of approximately HK\$1,000,000. The estimated transaction costs will be settled in cash by the Group and will be recognised in the Group's account as investments in associates.

Upon completion of the Acquisition, the investment in CMF Holdings will be accounted for using the equity method in which the difference between the cost of investment and the investor's share of the net fair value of the associate's identifiable assets and liabilities will be recognised as goodwill relating to an associate which is included in the carrying amount of investment in accordance with Hong Kong Accounting Standard 28 "Investments in Associates". Base on the information available to the Company, the directors of the Company assume that there is no material difference between the fair value of the net identifiable assets and the net assets value of the CMF Group as disclosed in note 2a. In the opinion of the directors of the Company, no fair value adjustment on the identifiable assets and liabilities of the CMF Group were made in the Unaudited Pro Forma Financial Information.

3. For the purpose of the preparation of the Unaudited Pro Forma Financial Information in accordance with the requirements of Hong Kong Accounting Standard 36 "Impairment of Assets", the directors of the Company consider that no impairment is required in respect of the goodwill arising from the Acquisition taking into account the business potential of the CMF Group and other factors as disclosed in the paragraph headed "Reasons for and benefits of the Transactions" in the "Letter from the Board" in this Circular. The independent reporting accountants concurred with the directors' assessment of impairment of goodwill in the Unaudited Pro Forma Financial Information of the Enlarged Group and adopted consistent accounting policies and principal assumptions in the preparation of the consolidated financial statements of the Group after the completion of the Acquisition. After the completion of the Acquisition, the Group will perform annual impairment test for the cash-generating unit to which the goodwill has been allocated in accordance with the Company's accounting policies and the requirements of Hong Kong Accounting Standard 36 "Impairment of Assets", and the Company's auditors will perform audit procedures thereon in respect of their audit of the consolidated financial statements of the Group for the next financial year in accordance with the requirements of Hong Kong Accounting Standard 36 "Impairment of Assets".
4. No other adjustment has been made to reflect any trading result or other transaction of the Group and the CMF Group entered into subsequent to 31 December 2011. In particular, the Unaudited Pro Forma Financial Information has not taken into account of the completion of the Acquisition of the entire issued shares in and the sale loan due by Hong Kong Builders Finance Limited as disclosed in the Company's announcement dated 3 January 2012.

1. 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, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respect and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

Save as disclosed below, as at the Latest Practicable Date, no Directors or chief executive of the Company had or was deemed to have interests or short positions in Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies of the Listing Rules, to be notified to the Company and the Stock Exchange:

Long positions

a. the Shares

Name of Director	Note	Capacity	Number of issued Shares held	Approximate percentage of the issued share capital of the Company
Mr. Lei Hong Wai	1	Held by controlled corporations	67,432,000	28.33%
Mr. Cheung Kwok Fan	1	Held by controlled corporations	67,432,000	28.33%
Mr. Cheung Kwok Wai, Elton	1	Held by controlled corporations	67,432,000	28.33%
Mr. Chan Kin Wah, Billy		Beneficial owner	33,000	0.01%

Note:

1. Twin Success is owned as to 50% by Silver Pacific International Limited and as to 50% by Silver Pacific Development Limited. Silver Pacific International Limited is wholly owned by Mr. Lei Hong Wai. Silver Pacific Development Limited is owned as to 50% by Mr. Cheung Kwok Wai, Elton and as to 50% by Mr. Cheung Kwok Fan.

b. *the share options*

Name of Director	Capacity	Number of share options held	Number of underlying Shares
Mr. Lei Hong Wai	Beneficial owner	933	933
Mr. Cheung Kwok Wai, Elton	Beneficial owner	1,982,500	1,982,500
Mr. Chan Kin Wah, Billy	Beneficial owner	2,374,849	2,374,849

3. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

Save as disclosed below, as at the Latest Practicable Date, according to the register of interest kept by the Company under Section 336 of the SFO and so far as was known to the Directors, no other person or companies had an interest or short positions in Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any option in respect of such capital:

Long positions

a. *the Shares*

Name of Shareholder	Notes	Capacity	Number of issued Shares held	Approximate percentage of the issued share capital of the Company
Twin Success	<i>1</i>	Beneficial owner	67,432,000	28.33%
Silver Pacific International Limited	<i>1 and 2</i>	Held by controlled corporation	67,432,000	28.33%

Name of Shareholder	Notes	Capacity	Number of issued Shares held	Approximate percentage of the issued share capital of the Company
Silver Pacific Development Limited	1 and 3	Held by controlled corporation	67,432,000	28.33%
Mr. Lei Hong Wai	1 and 2	Held by controlled corporations	67,432,000	28.33%
Mr. Cheung Kwok Wai, Elton	1 and 3	Held by controlled corporations	67,432,000	28.33%
Mr. Cheung Kwok Fan	1 and 3	Held by controlled corporations	67,432,000	28.33%
Asia Vest Partners VII Limited	4	Held by controlled corporations	32,373	9.95%
Asia Vest Partners X Limited	4	Held by controlled corporations	32,373	9.95%
Asia Vest Partners Limited	4	Held by controlled corporations	32,373	9.95%
Mr. Andrew Nam Sherrill	4	Held by controlled corporations	32,373	9.95%

Notes:

1. Twin Success is owned as to 50% by Silver Pacific International Limited and as to 50% by Silver Pacific Development Limited.
2. Silver Pacific International Limited is wholly owned by Mr. Lei Hong Wai.
3. Silver Pacific Development Limited is owned as to 50% by Mr. Cheung Kwok Wai, Elton and as to 50% by Mr. Cheung Kwok Fan.
4. The number of issued Shares held was adjusted for the share consolidations that became effective on 30 April 2008, 23 April 2009 and 9 May 2012.

b. the share options

Name of Shareholder	Capacity	Number of share options held	Number of underlying Shares
Mr. Lei Hong Wai	Beneficial owner	933	933
Mr. Cheung Kwok Wai, Elton	Beneficial owner	1,982,500	1,982,500

4. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

None of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group which was subsisting as at the date of this circular and which was significant in relation to the business of the Group.

None of the Directors has or had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2011, being the date to which the latest published audited consolidated accounts of the Group were made up.

5. COMPETING INTEREST

As at the Latest Practicable Date, none of the Directors nor their respective associates had any business or interest that competes or may compete with the business of the Group or any other conflicts of interest with the Group.

6. LITIGATION

As at the Latest Practicable Date, save as disclosed below, neither the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

On 15 April 2010, a claim was brought by CFAM in the High Court Action No. 526 of 2010 against Rexdale that, despite repeated demands, Rexdale has failed and still refuses to pay to CFAM a service fee in the sum of HK\$25.00 million.

No provision for the claim brought by CFAM was made in the accounts of Rexdale as Lafe Corporation Limited has undertaken to indemnify and keep indemnified One Synergy against any and all losses, claims, damages, penalties, actions, demands, proceedings, judgement and costs (including legal costs on a full indemnify basis and any amount paid for settlement of claims) arising from or in connection with the claim pursuant to the sale and purchase agreement dated 31 December 2010 entered into between Lafe Corporation Limited as vendor and One Synergy as purchaser relating to the sale and purchase of the entire issued share capital of Lafe Properties (Hong Kong) Limited (the former name of Rexdale).

7. SERVICES CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into any services contracts with any member of the Group which was not determinable by the Company within one year without payment of compensation, other than statutory compensation.

8. EXPERT AND CONSENT

The following is the qualifications of the expert who has given opinions and advices, which is contained in this circular:

Name	Qualifications
HLB Hodgson Impey Cheng Limited	Chartered Accountants Certified Public Accountants

HLB Hodgson Impey Cheng Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letters, references to its name and/or its advice in the form and context in which it appears.

9. EXPERT'S INTERESTS IN ASSETS

As at the Latest Practicable Date, HLB Hodgson Impey Cheng Limited:

- (a) was not interested, either directly or indirectly, in any assets which have been acquired or disposed of by or leased to any member of the Group or is proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2011, being the date to which the latest published audited consolidated accounts of the Group were made up; and

- (b) did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

10. MISCELLANEOUS

- (a) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the head office and principal place of business of the Company is situated at Unit 3811, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong.
- (b) The Hong Kong branch share registrar and transfer office of the Company is Tricor Standard Limited, having its office situated at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (c) Mr. Chan Kin Wah, Billy, the company secretary of the Company, is a member of the Hong Kong Institute of Certified Public Accountants, a CPA member of CPA Australia and a non-practicing member of the Chinese Institute of Certified Public Accountants. He holds a Bachelor of Administration Degree from University of Ottawa in Canada and a Master of Commerce Degree in Professional Accounting from University of New South Wales in Australia.

11. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the members of the Group within the two years immediately preceding the Latest Practicable Date:

- (a) the placing agreement dated 12 July 2010 entered into between the Company and Kingston Securities Limited, pursuant to which the Company has conditionally agreed to place, through Kingston Securities Limited on a best effort basis, a maximum of 45,920,000 new shares of HK\$0.01 each to not fewer than six independent investors at a price of HK\$0.55 per share;
- (b) the joint venture agreement dated 21 July 2010 entered into between Riche (BVI) Limited, a wholly owned subsidiary of the Company, Campbell Shillinglaw & Partners (Vietnam) Limited and Victory Peace Holdings Limited relating to the setting up of a joint venture company, namely Victory Peace Holdings Limited, engaging in the business of conducting, development and investing into real estate and related projects in Vietnam with a proposed

- issued share capital of US\$10,000 as to 90.1% to be subscribed by the Purchaser and 9.9% to be subscribed by Campbell Shillinglaw & Partners (Vietnam) Limited;
- (c) the facility agreement dated 21 July 2010 entered into between the Company and Victory Peace Holdings Limited relating to the grant of a revolving credit of HK\$700 million by the Company to Victory Peace Holdings Limited;
 - (d) the underwriting agreement dated 28 July 2010 entered into between the Company and Kingston Securities Limited in relation to the underwriting arrangement in respect of proposed issue of not less than 826,584,147 and not more than 879,960,951 new shares of HK\$0.01 each by way of rights to the qualifying Shareholders at a price of HK\$0.40 per new share on the basis of three new shares for every one existing share held on 3 September 2010;
 - (e) the sale and purchase agreement dated 31 December 2010 entered into between Lafe Corporation Limited as vendor and One Synergy as purchaser relating to the acquisition of the entire issued share capital of Lafe Properties (Hong Kong) Limited (the former name of Rexdale) by One Synergy from Lafe Corporation Limited at a consideration of HK\$157.96 million;
 - (f) the conditional subscription agreement dated 21 January 2011 entered into between China Star Entertainment Limited (“**China Star**”) and the Company in relation to the subscription of the convertible bonds of China Star by the Company in the principal amount of HK\$650 million in two tranches at their face value;
 - (g) the supplemental agreement dated 28 March 2011 entered into between the Company and China Star relating to the amendments to the conditional subscription agreement dated 21 January 2011 in respect of the proposed subscription of the convertible bonds of China Star by the Company;
 - (h) the irrevocable undertaking dated 29 March 2011 given by Simple View Investment Limited, a wholly owned subsidiary of the Company, to China Star, Mansion House Securities (F.E.) Limited and Heung Wah Keung Family Endowment Limited (i) to subscribe for or procure subscription for 200,000,000 new shares of China Star to which Simple View Investment Limited is entitled under the rights issue announced by China Star on 18 April 2011 and (ii) not to dispose of and not to exercise the subscription rights attached to the warrants of China Star held by it in an aggregate principal amount of HK\$26.25 million on or before the completion of the rights issue;

- (i) the irrevocable undertaking dated 29 March 2011 given by the Company to China Star, Mansion House Securities (F.E.) Limited and Heung Wah Keung Family Endowment Limited not to dispose of the convertible bonds to be issued pursuant to the conditional subscription agreement dated 21 January 2011 (if issued) and not to exercise the conversion rights attached to the convertible bonds (if issued) on or before the completion of the rights issue on 18 April 2011;
- (j) the conditional sale and purchase agreement dated 4 April 2011 entered into between Citadines Ashley TST (Singapore) Pte. Ltd. as vendor and Golden Stone Management Limited, a wholly owned subsidiary of the Company, as purchaser in relation to the sale and purchase of the entire issued share capital of Citadines Ashley TST (Hong Kong) Limited and Citadines Ashley TST Management (Hong Kong) Limited at a total consideration of HK\$283 million;
- (k) the conditional sale and purchase agreement dated 25 May 2011 (as supplemented by the supplemental agreement dated 10 June 2011) entered into between Vartan Holdings Limited as vendor and Riche (BVI) Limited as purchaser in relation to the sale and purchase of the entire share capital of Adelio Holdings Limited at a consideration of HK\$267.6 million;
- (l) the placing and subscription agreement dated 7 June 2011 entered into between Mr. Lei Hong Wai, the Company and Kingston Securities Limited in relation to the placing of 220,280,000 existing shares of HK\$0.01 each beneficially owned by Mr. Lei Hong Wai at a price of HK\$0.135 per share and the subscription of 220,280,000 new shares at a price of HK\$0.135 per share by Mr. Lei Hong Wai;
- (m) the underwriting agreement dated 7 June 2011 entered into between the Company, Kingston Securities Limited, Mr. Lei Hong Wai and Thought Diamond International Limited in relation to the underwriting arrangement in respect of proposed issue of not less than 5,510,560,980 new shares of HK\$0.01 each and not more than 6,619,444,395 new shares by way of open offer to the qualifying Shareholders on the basis of five new shares for every one existing share held on 25 July 2011 at a price of HK\$0.04 per new share;
- (n) the supplemental agreement dated 10 June 2011 entered into between Vartan Holdings Limited and Riche (BVI) Limited to amend the pre-completion undertaking given by Vartan Holdings Limited to Riche (BVI) Limited to the corresponding conditional sale and purchase agreement dated 25 May 2011;

- (o) the master franchise agreement dated 6 July 2011 entered into between Advance Top Limited, a then wholly owned subsidiary of the Company, and アース株式会社 (an unofficial English translation: Az-earth Company Limited and an unofficial Chinese translation: 麵鮮醬油房 周月) relating to the grant of the sole and exclusive rights and master license of franchise business of selling noodles, drinks and related Japanese food products by アース株式会社 (an unofficial English translation: Az-earth Company Limited and an unofficial Chinese translation: 麵鮮醬油房 周月) to Advance Top Limited in the Greater China Region for a period of ten years commencing from 15 July 2011;
- (p) the supplemental agreement dated 30 September 2011 entered into between Citadines Ashley TST (Singapore) Pte. Ltd. and Golden Stone Management Limited relating to extend the long stop date of the conditional sale and purchase agreement dated 4 April 2011 from 30 September 2011 to 30 November 2011;
- (q) the sale and purchase agreement dated 26 October 2011 entered into between Riche (BVI) Limited as purchaser and Ms. Tan Ting Ting as vendor relating to the acquisition of the entire issued share capital of Dynamic Eagle Investments Limited, a property investment company, at a consideration of HK\$6.50 million;
- (r) the conditional subscription agreement dated 22 December 2011 entered into between Culture Landmark and the Company in relation to the subscription of Culture Landmark CB by the Company;
- (s) the conditional sale and purchase agreement dated 3 January 2012 entered into amongst Koffman Financial Group Limited as vendor, Eternity Finance as purchaser and Mr. Yu Shu Kuen as guarantor in relation to the sale and purchase of the entire share capital of Hong Kong Builders Finance Limited and the respective shareholder's loan at an aggregate consideration of HK\$33.07 million;
- (t) the binding provisional sale and purchase agreement dated 7 March 2012 and the sale and purchase agreement dated 20 March 2012 respectively entered into between Dynamic Eagle Investments Limited, a wholly owned subsidiary of the Company, as vendor and an independent third party as purchaser in relation to the sale and purchase of an investment property located at Tseung Kwan O, Sai Kung, New Territories at a consideration of HK\$7.95 million;

- (u) the conditional subscription agreement dated 19 March 2012 entered into between Koffman Corporate Service Limited as issuer and Eternity Finance as subscriber in relation to the subscription of convertible note issued by Koffman Corporate Service Limited by Eternity Finance in the principal amount of HK\$27.00 million;
- (v) the conditional placing agreement dated 5 April 2012 entered into between the Company and Kingston Securities Limited in relation to the placing of 39,670,000 new Shares at a price of HK\$0.32 per new Share;
- (w) the loan agreement dated 22 May 2012 entered into between Hong Kong Builders Finance Limited, a wholly owned subsidiary of the Company, as lender and an independent third party as borrower in an amount of HK\$15 million;
- (x) the deed of variation dated 28 May 2012 entered into between Eternity Finance and Culture Landmark in relation to the early redemption of the Culture Landmark CB;
- (y) the S&P Agreement;
- (z) the irrevocable undertaking dated 4 June 2012 given by Simple View Investment Limited to China Star not to (i) accept the offer proposed by China Star; (ii) acquire any shares in China Star; (iii) dispose of and/or transfer any of the 200,000,000 shares in China Star held by it; and (iv) dispose of and/or transfer and/or exercise any of the subscription rights attaching to the warrants issued by China Star on 15 June 2010 in an aggregate principal amount of HK\$10.00 million held by it, before the closing or lapse or termination of the proposed conditional cash offer as announced by China Star on 4 June 2012;
- (aa) the irrevocable undertaking dated 4 June 2012 given by Victory Peace Holdings Limited, a wholly owned subsidiary of the Company, to China Star not to (i) accept the offer proposed by China Star; (ii) acquire any shares in China Star; (iii) dispose of and/or transfer any of the 68,000,000 shares in China Star held by it; and (iv) dispose of and/or transfer and/or exercise any of the subscription rights attaching to the warrants issued by China Star on 29 June 2011 in an aggregate principal amount of HK\$26.25 million held by it, before the closing or lapse or termination of the proposed conditional cash offer as announced by China Star on 4 June 2012;

- (bb) the irrevocable undertaking dated 4 June 2012 given by Eternity Finance to China Star not to (i) acquire any shares in China Star; (ii) dispose of and/or transfer and/or exercise any of the conversion rights attaching to the convertible bonds in the aggregate principal of HK\$350.00 million issued by China Star held by it, before the closing or lapse or termination of the proposed conditional cash offer as announced by China Star on 4 June 2012; and (iii) require China Star to extend any offer notwithstanding the terms of the convertible bonds;
- (cc) the irrevocable undertaking dated 4 June 2012 given by the Company to China Star not to (i) acquire any shares in China Star; (ii) dispose of and/or transfer and/or exercise any of the conversion rights attaching to the convertible bonds in the aggregate principal of HK\$300.00 million to issued by China Star, if issued, before the closing or lapse or termination of the proposed conditional cash offer as announced by China Star on 4 June 2012; and (iii) require China Star to extend any offer notwithstanding the terms of the convertible bonds, if issued; and
- (dd) the supplemental agreement dated 29 June 2012 entered into between the Company and China Star relating to extend the completion date of the second tranche of the convertible bonds of HK\$300.00 million of the conditional subscription agreement dated 21 January 2011 from 30 June 2012 to 31 December 2013.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the head office and principal place of business of the Company at Unit 3811, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong during normal business hours on any weekday other than public holidays, up to and including the date of the SGM:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Company for the financial years ended 31 December 2010 and 2011;
- (c) the letter from HLB Hodgson Impey Cheng Limited on the unaudited pro forma financial information of the Enlarged Group, the text of which is set out in Appendix III to this circular;

- (d) the written consents referred to in the paragraph headed “Expert and Consent” to this Appendix;
- (e) the material contracts referred to in the paragraph headed “Material Contracts” to this Appendix; and
- (f) this circular.

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 (the “**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 Friday, 27 July 2012 at 2:00 p.m. for the purposes of considering and, if thought fit, passing with or without modifications, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT:**
 - (a) the sale and purchase agreement dated 28 May 2012 (the “**S&P Agreement**”) (a copy of the S&P Agreement has been produced at the meeting and marked “A” and initialed by the chairman of the Meeting for the purpose of identification) entered into between the Company and Culture Landmark Investment Limited (“**CLIL**”) in relation to the Company’s purchase of 146,640,000 shares of HK\$0.01 each in China Media and Films Holdings Limited (formerly known as KH Investment Holdings Limited) from CLIL and the transactions contemplated thereunder (the “**Transaction**”) be and are hereby approved, ratified and confirmed; and
 - (b) any one director of the Company be and is hereby authorised for and on behalf of the Company to execute all such documents and to do all such acts or things incidental to, ancillary to or in connection with the Transaction.”
2. “**THAT** subject to the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the shares of the Company (the “**Share**”) to be issued pursuant to the exercise of options which may be granted under the Scheme Mandate Limit (as defined below) and pursuant to the share option scheme of the Company adopted on 12 December 2011 (the “**Share Option Scheme**”), approval be and is hereby generally and unconditionally granted for refreshing and renewing the Scheme Mandate Limit (as defined below) under the Share Option Scheme provided that (i) the total number of Shares which may be

NOTICE OF SPECIAL GENERAL MEETING

allotted and issued upon the exercise of the options to be granted under the Share Option Scheme and other share option schemes of the Company shall not exceed 10 per cent. of the total number of Shares in issue as at the date of passing of this resolution (the “**Scheme Mandate Limit**”); and (ii) the overall limit on the number of Shares which may be issued upon the exercise of all options to be granted and yet to be exercised under the Share Option Scheme and other share option schemes of the Company must not exceed 30 per cent. of the Shares in issue from time to time and that the directors of the Company be and are hereby authorised, at their absolute discretion, to grant options under the Share Option Scheme up to the Scheme Mandate Limit and to exercise all the powers of the Company to allot, issue and deal with the Shares pursuant to the exercise of such options.”

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

Hong Kong, 11 July 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 Meeting 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 but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such 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 as soon as possible and in any event not later than 48 hours before the time appointed for holding the Meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the Meeting or any adjournment thereof, should he/she/it so wish and in such event, the form of proxy shall be deemed to be revoked.
3. In the case of joint holders of shares, any one of such holders may vote at the Meeting, either personally or by proxy, in respect of such share(s) as if he/she/it was solely entitled thereto, but if more than one of such joint holders are present at the 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 share(s) shall alone be entitled to vote in respect thereof.