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## **ETERNITY INVESTMENT LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 764)**

### **MAJOR TRANSACTION PROPOSED DISPOSAL OF LISTED SECURITIES**

#### **THE PROPOSED DISPOSAL**

The Board announces that, on 7 January 2021 (after trading hours), Eternity Finance as vendor and the Purchaser as purchaser entered into the Sale and Purchase Agreement relating to the Proposed Disposal of 12,000,000 Sale Shares at an aggregate consideration of HK\$186,000,000. The selling price of each Sale Share is HK\$15.50.

#### **LISTING RULES IMPLICATIONS**

As the Proposed Disposal takes place within a 12-month period from the date of the Previous Disposals, the Proposed Disposal is required to aggregate with the Previous Disposals in accordance with Rule 14.22 of the Listing Rules for the purpose of transaction classification set out in Rule 14.06 of the Listing Rules.

As the highest of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the Proposed Disposal and the Previous Disposals when aggregated is more than 25% but less than 75%, the Proposed Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

## **GENERAL**

A circular containing, among other things, (i) further details of the Sale and Purchase Agreement and the transactions contemplated thereunder; (ii) other information required to be disclosed under the Listing Rules; and (iii) a notice of the SGM, is expected to be despatched to the Shareholders on or before 29 January 2021 as additional time is required to finalise certain financial information to be included in the circular.

**Completion is subject to the satisfaction of the conditions as set out in the Sale and Purchase Agreement. As the Proposed Disposal may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in securities of the Company.**

The Board announces that, on 7 January 2021 (after trading hours), Eternity Finance as vendor and the Purchaser as purchaser entered into the Sale and Purchase Agreement relating to the Proposed Disposal of 12,000,000 Sale Shares at an aggregate consideration of HK\$186,000,000. The selling price of each Sale Share is HK\$15.50.

## **THE SALE AND PURCHASE AGREEMENT**

The principal terms and conditions of the Sale and Purchase Agreement are summarised as follows:

### **Date**

7 January 2021

### **Parties**

- (i) The vendor : Eternity Finance, a wholly-owned subsidiary of the Company
- (ii) The purchaser : The Purchaser

### **Subject of the Proposed Disposal**

An aggregate of 12,000,000 Sale Shares, representing approximately 3.56% of the issued share capital of BC Technology as at the date of this announcement, subject to the terms and conditions of the Sale and Purchase Agreement.

## **Consideration**

The consideration for the Proposed Disposal is HK\$186,000,000 and will be settled in cash;

- (i) as to HK\$10,000,000 on the date of signing of the Sale and Purchase Agreement; and
- (ii) as to the remaining of HK\$176,000,000 upon Completion.

The consideration was determined after arm's length negotiations between Eternity Finance and the Purchaser with reference to, among other things, (i) the prevailing trading price of the Sale Shares, (ii) the thin daily trading volume of the Sale Shares on the Exchange versus the number of the Sale Shares to be disposed of, (iii) the latest available public information of BC Technology relating to the placing of existing shares and top-up subscription of new shares of BC Technology announced on 5 January 2021; and (iv) the factors mentioned in the section headed "Reasons for and benefits of the Proposed Disposal" in this announcement. The Directors consider that the consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **Conditions precedent**

Completion is conditional upon the fulfillment of the following conditions:

- (i) the Shareholders having approved the transactions contemplated by the Sale and Purchase Agreement at the SGM in accordance with the Listing Rules; and
- (ii) the warranties given by both Eternity Finance and the Purchaser contained in the Sale and Purchase Agreement remaining true, accurate in all material respects and not misleading in any material respect.

If the above conditions have not been satisfied on or before 28 February 2021 or such other date as Eternity Finance and the Purchaser shall agree in writing, the Sale and Purchase Agreement shall cease and determine.

## **Completion**

Completion shall take place on the third business day after the satisfaction of the above conditions or such other date as Eternity Finance and the Purchaser shall agree.

## **INFORMATION OF THE PURCHASER**

The Purchaser is a company incorporated in the British Virgin Islands and its principal activity is investment holding. The ultimate beneficial owner of the Purchaser is Mr. Zhang Chong, who is a merchant.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquires, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

## INFORMATION OF BC TECHNOLOGY

BC Technology is a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Exchange under stock code: 863. BC Technology is an investment holding company and its subsidiaries are principally engaged in the provision for traditional advertising and business park area management services in the People's Republic of China and the digital assets and blockchain platform business in Hong Kong and Singapore.

The following audited financial information is extracted from the annual report of BC Technology for the year ended 31 December 2019:

	<b>For the year ended 31 December 2019 RMB</b>	<b>For the year ended 31 December 2018 RMB</b>
Revenue	164,688,445	144,960,209
Loss before taxation	(246,655,587)	(155,775,810)
Loss after taxation	(245,122,309)	(160,696,958)

According to the interim report of BC Technology for the six months ended 30 June 2020, the unaudited consolidated total assets and net asset value of BC Technology as at 30 June 2020 were RMB1,865,212,219 and RMB139,306,113 respectively.

Upon Completion, Eternity Finance shall cease to hold any Sale Shares.

## REASONS FOR AND BENEFITS OF THE PROPOSED DISPOSAL

The Company is an investment holding company and its subsidiaries are principally engaged in sale of financial assets, property investment, money lending, and design and sale of jewelry products.

After completing the Previous Disposals, the share price of BC Technology has further increased, and the Directors have considered realising the Group's remaining investment in BC Technology to take the profit. The Directors have also considered disposing of the 12,000,000 Sale Shares through on-market transactions on the Exchange. Having regarded the thin daily trading volume of the Sale Shares on the Exchange versus the number of the Sale Shares to be disposed of, the Directors consider that the Proposed Disposal provides an opportunity to the Group in realising the entire 12,000,000 Sale Shares efficiently. Given that the consideration of the Proposed Disposal is reached after arm's length negotiations between Eternity Finance and the Purchaser, the Directors consider that the Proposed Disposal is on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

The gross proceeds from the Proposed Disposal is HK\$186,000,000 and the net proceeds from the Proposed Disposal is approximately HK\$185,532,000. The Company intends to allocate the net proceeds from the Proposed Disposal for general working capital for the Group.

## **FINANCIAL EFFECTS OF THE PROPOSED DISPOSAL**

Upon Completion, the Group expects to recognise a gain on the Proposed Disposal (before taxation) of HK\$84,720,000, which is the difference between the aggregate consideration for the Proposed Disposal of HK\$186,000,000 and the carrying amount of the 12,000,000 Sale Shares of HK\$101,280,000 as at 30 June 2020.

## **LISTING RULES IMPLICATIONS**

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## **GENERAL**

A circular containing, among other things, (i) further details of the Sale and Purchase Agreement and the transactions contemplated thereunder; (ii) other information required to be disclosed under the Listing Rules; and (iii) a notice of the SGM, is expected to be despatched to the Shareholders on or before 29 January 2021 as additional time is required to finalise certain financial information to be included in the circular.

**Completion is subject to the satisfaction of the conditions as set out in the Sale and Purchase Agreement. As the Proposed Disposal may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in securities of the Company.**

## DEFINITIONS

In this announcement, the following words and expressions shall, unless the context otherwise requires, have the same meanings when used herein:

“BC Technology”	BC Technology Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Exchange under stock code: 863
“Board”	the board of Directors
“Company”	Eternity Investment Limited, an exempted company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Exchange under stock code: 764
“Completion”	the completion of the Proposed Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement
“Director(s)”	the director(s) of the Company
“Eternity Finance”	Eternity Finance Group Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Exchange”	The Stock Exchange of Hong Kong Limited
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) or entity(ies) independent of the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Exchange
“Previous Disposals”	the disposals in aggregate of 6,000,000 Sale Shares by Eternity Finance at an aggregate consideration of HK\$84,000,000 (excluding transaction costs) on 8 December 2020 and 9 December 2020, details of which are set out in the announcement of the Company dated 9 December 2020
“Proposed Disposal”	the proposed disposal of 12,000,000 Sale Shares by Eternity Finance for a consideration of HK\$186,000,000 pursuant to the Sale and Purchase Agreement

“Purchaser”	Ever Sure International Limited, a company incorporated in the British Virgin Islands with limited liability
“Sale and Purchase Agreement”	the sale and purchase agreement entered into between Eternity Finance and the Purchaser on 7 January 2021 in respect of the sale and purchase of 12,000,000 Sale Shares
“Sale Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of BC Technology
“SGM”	the special general meeting to be convened and held by the Company for the Shareholders to consider and, if thought fit, approve the Sale and Purchase Agreement and the transactions contemplated thereunder
“Shares”	the ordinary shares of HK\$0.01 each in the share capital of the Company
“Shareholders”	holders of the Shares
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Reminbi, the lawful currency of the People’s Republic of China
“%”	per cent.

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

Hong Kong, 7 January 2021

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