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ETERNITY INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 764)

DISCLOSEABLE TRANSACTION FURTHER DISPOSAL OF LISTED SECURITIES

Reference is made to the Company's announcement dated 9 January 2024 relating to the Previous Disposals.

THE FURTHER DISPOSAL

The Board announces that Eternity Finance further disposes of 1,870,000 shares in China Treasures for an aggregate consideration of HK\$4,938,000 (including transaction costs) through a series of trades executed on the Exchange on 19 January 2024. The average selling price (including transaction costs) of each share in China Treasures is approximately HK\$2.64.

Given that the Further Disposal is made on the Exchange at the prevailing market prices, the Directors (including the independent non-executive Directors) consider that the Further Disposal is on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

THE PREVIOUS DISPOSALS

During the period from 21 September 2023 to 9 January 2024, Eternity Finance disposed of an aggregate of 5,130,000 shares in China Treasures at an aggregate consideration of HK\$9,326,000 (including transaction costs) on the Exchange at the then prevailing market prices.

The Previous Disposals constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and the proceeds of the Previous Disposals were used as the general working capital of the Group. Further details of the Previous Disposals were disclosed in the Company's announcement dated 9 January 2024.

LISTING RULES IMPLICATIONS

The Further Disposal does not constitute a transaction of the Company under Chapter 14 of the Listing Rules as none of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the Further Disposal is more than 5%.

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

As one of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the Further Disposal and the Previous Disposals, when aggregated, is more than 5% but less than 25%, the Further Disposal and the Previous Disposals constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are only subject to the announcement requirement of the Listing Rules.

Reference is made to the Company's announcement dated 9 January 2024 relating to the Previous Disposals.

THE FURTHER DISPOSAL

The Board announces that Eternity Finance further disposes of 1,870,000 shares in China Treasures for an aggregate consideration of HK\$4,938,000 (including transaction costs) through a series of trades executed on the Exchange on 19 January 2024. The average selling price (including transaction costs) of each share in China Treasures is approximately HK\$2.64.

Listed securities to be disposed of under the Further Disposal

The 1,870,000 shares in China Treasures to be disposed of under the Further Disposal have been accounted for as financial assets at fair value through profit or loss in the consolidated financial statements of the Group in accordance with Hong Kong Financial Reporting Standard 9 *Financial Instruments* with an unaudited carrying amount of HK\$3,871,000 at 31 December 2023.

The 1,870,000 shares in China Treasures represent approximately 0.19% of the issued share capital of China Treasures as at the date of this announcement.

China Treasures 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: 2439. China Treasures is an investment holding company and its subsidiaries are principally engaged in the development and manufacture of biodegradable plastic products and non-biodegradable automobile plastic parts in the People's Republic of China.

The following audited financial information is extracted from the annual report of China Treasures for the year ended 31 December 2022:

	For the year ended 31 December 2022	For the year ended 31 December 2021
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	299,789	256,740
Profit before taxation	69,829	91,977
Profit after taxation	56,987	78,417
Total assets	304,845	225,522
Net assets value	198,004	140,946
Dividend paid/payable per share	Nil	Nil

Note: The total assets as at 30 June 2023 as disclosed in China Treasures' interim report for the six months ended 30 June 2023 was RMB518,420,000.

Consideration

The aggregate consideration from the Further Disposal is HK\$4,938,000 (including transaction costs) and the consideration of each trade of the Further Disposal is based on the bid and ask prices quoted on the Exchange at the time of the trade being executed.

The average selling price (including transaction costs) of each share in China Treasures is approximately HK\$2.64.

The aggregate consideration from the Further Disposal is settled in cash upon completion.

Purchasers of the 1,870,000 shares in China Treasures under the Further Disposal

As the trades of the Further Disposal are executed on the Exchange, the Directors are not aware of the identities of the purchasers of the 1,870,000 shares in China Treasures under the Further Disposal.

To the best of the knowledge, information, and belief of the Directors, having made all reasonable enquires, each of the purchasers and, if applicable, its ultimate beneficial owners is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

Completion

Completion of each trade of the Further Disposal takes place on the second trading day following the execution date of the trades.

Information on the Group and Eternity Finance

The Company is an investment holding company, and its subsidiaries are principally engaged in sale of financial assets, property investment, money lending, design and sale of jewelry products, and operation of a golf course in the People's Republic of China.

Eternity Finance, a wholly-owned subsidiary of the Company, is incorporated in the British Virgin Islands with limited liability and engaged in sale of financial assets business.

Reasons for and benefits of the Further Disposal

The Directors consider that the recent increase in the share price of China Treasures provides an opportunity to realise Eternity Finance's investment in China Treasures and obtain an additional cash flow. Given that the Further Disposal is made on the Exchange at the prevailing market prices, the Directors (including the independent non-executive Directors) consider that the Further Disposal is on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

The Directors intend to use the proceeds of the Further Disposal as the general working capital of the Group.

THE PREVIOUS DISPOSALS

During the period from 21 September 2023 to 9 January 2024, Eternity Finance disposed of an aggregate of 5,130,000 shares in China Treasures at an aggregate consideration of HK\$9,326,000 (including transaction costs) on the Exchange at the then prevailing market prices.

The Previous Disposals constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and the proceeds of the Previous Disposals were used as the general working capital of the Group. Further details of the Previous Disposals were disclosed in the Company's announcement dated 9 January 2024.

FINANCIAL EFFECTS OF THE FURTHER DISPOSAL

Upon completing the Further Disposal, Eternity Finance will hold 4,000,000 shares in China Treasures.

Eternity Finance expects to recognise a gain on the Further Disposal (before taxation) of HK\$1,067,000, which is the difference between the aggregate consideration for the Further Disposal of HK\$4,938,000 (including transaction costs) and the unaudited carrying amount of the 1,870,000 shares in China Treasures of HK\$3,871,000 at 31 December 2023.

LISTING RULES IMPLICATIONS

The Further Disposal does not constitute a transaction of the Company under Chapter 14 of the Listing Rules as none of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the Further Disposal is more than 5%.

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

As one of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the Further Disposal and the Previous Disposals, when aggregated, is more than 5% but less than 25%, the Further Disposal and the Previous Disposals constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are only subject to the announcement requirement of the Listing Rules.

DEFINITIONS

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

“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
“China Treasures”	China Treasures New Materials 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: 2439
“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

“Further Disposal”	the further disposal of 1,870,000 shares in China Treasures by Eternity Finance at an aggregate consideration of HK\$4,938,000 (including transaction costs) through a series of trades executed on the Exchange on 19 January 2024
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Exchange
“Previous Disposals”	the disposals of an aggregate of 5,130,000 shares in China Treasures for a consideration of HK\$9,326,000 (including transaction costs) on the Exchange by Eternity Finance during the period from 21 September 2023 to 9 January 2024
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 19 January 2024

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Lei Hong Wai, Mr. Cheung Kwok Wai Elton, and Mr. Cheung Kwok Fan; and four independent non-executive Directors, namely, Mr. Wan Shing Chi, Mr. Ng Heung Yan, Mr. Wong Tak Chuen, and Ms. Leung Man Yee Fanny.