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Timeless Software Limited
(incorporated in Hong Kong with limited liability)
(Stock Code: 8028)

**(1) OPEN OFFER ON THE BASIS OF ONE OFFER SHARE
FOR EVERY FIVE EXISTING SHARES
HELD ON THE RECORD DATE;
AND
(2) CHANGE IN BOARD LOT SIZE**

Underwriters to the Open Offer

Starmax Holdings Limited



太平基業證券有限公司
PACIFIC FOUNDATION SECURITIES LIMITED

(1) OPEN OFFER ON THE BASIS OF ONE OFFER SHARE FOR EVERY FIVE EXISTING SHARES HELD ON THE RECORD DATE

The Company proposes to raise not less than approximately HK\$39.8 million and not more than approximately HK\$40.3 million before expenses by issuing not less than 397,980,300 Offer Shares and not more than 402,680,300 Offer Shares at the Subscription Price of HK\$0.10 per Offer Share on the basis of one (1) Offer Share for every five (5) existing Shares held on the Record Date and payable in full upon application.

Qualifying Shareholders are entitled to apply for Offer Shares in excess of their respective entitlements under the Open Offer. The Open Offer is only available to the Qualifying Shareholders, and will not be extended to the Prohibited Shareholders.

The Subscription Price of HK\$0.10 per Offer Share represents (i) a discount of approximately 39.39% to the closing price of HK\$0.165 per Share as quoted on the Stock Exchange on the Last Trading Day; (ii) a discount of approximately 35.06% to the theoretical ex-entitlement price of HK\$0.154 based on the closing price of HK\$0.165 per Share as quoted on the Stock Exchange on the Last Trading Day; (iii) a discount of approximately 42.53% to the average closing price of approximately HK\$0.174 per Share for the last five consecutive

trading days immediately prior to and including the Last Trading Day; (iv) a discount of approximately 45.36% to the average closing price of approximately HK\$0.183 per Share for the last 10 consecutive trading days immediately prior to and including the Last Trading Day; (v) a discount of approximately 40.83% to the net asset value per Share of HK\$0.169 based on the audited net asset value as at 31 March 2015 and 1,989,901,503 Shares in issue as at the date of this announcement; and (vi) a discount of approximately 43.50% to the net asset value per Share of HK\$0.177 based on the unaudited net asset value as at 30 September 2015 and 1,989,901,503 Shares in issue as at the date of this announcement.

Assuming (i) no further issue of new Shares or repurchase of Shares; and (ii) 23,500,000 outstanding Options (which do not include the 3,000,000 outstanding Options held by Mr. Zhang) being exercised and the 23,500,000 Option Shares being allotted and issued on or before the Record Date, a maximum of 402,680,300 Offer Shares will be allotted and issued which represents approximately 20.24% of the Company's issued share capital as at the date of this announcement and approximately 16.67% of the Company's issued share capital of 2,416,081,803 Shares as enlarged by the allotment and issue of the 23,500,000 Option Shares and the 402,680,300 Offer Shares (being the maximum number of the Offer Shares to be allotted and issued under the Open Offer) immediately after completion of the Open Offer.

The gross proceeds from the Open Offer will be not less than approximately HK\$39.8 million and not more than approximately HK\$40.3 million. The net proceeds from the Open Offer after deducting all relevant expenses are estimated to be not less than approximately HK\$38.8 million but not more than approximately HK\$39.2 million, which are intended to be used for (i) repayment of the promissory note held by Starmax and accrued interest of approximately HK\$10.9 million; (ii) repayment of amount due by the Group to Starmax of approximately HK\$5.3 million; and (iii) general working capital of the Group.

To qualify for the Open Offer, all transfers of Shares must be lodged for registration with the Registrar by 4:30 p.m. on Wednesday, 9 December 2015. The register of members of the Company will be closed from Thursday, 10 December 2015 to Monday, 14 December 2015, both days inclusive, to determine the eligibility of the Open Offer. The Record Date is Monday, 14 December 2015. The last day of dealings in the Shares on cum-entitlement basis of the Open Offer is Monday, 7 December 2015. The Shares will be dealt in on ex-entitlement basis of the Open Offer from Tuesday, 8 December 2015.

(2) CHANGE IN BOARD LOT SIZE

The Board announces that the board lot size of the Shares for trading on the Stock Exchange will be changed from 2,000 Shares to 20,000 Shares with effect from 9:00 a.m. on Monday, 11 January 2016. The Company will arrange odd lot matching services in order to facilitate the trading of odd lots (if any).

(3) GENERAL

As the Open Offer will not increase the issued share capital or market capitalisation of the Company by more than 50% within the twelve-month period immediately preceding this announcement and the Company has made arrangement for application of the Offer Shares by the Qualifying Shareholders in excess of their respective entitlement under the Open Offer as referred to in Rule 10.42(1) of the GEM Listing Rules, the Open Offer is therefore not subject to Shareholders' approval requirement under the GEM Listing Rules.

The Prospectus Documents setting out details of the Open Offer will be despatched to the Qualifying Shareholders, and the Overseas Letter together with the Prospectus will be despatched to the Prohibited Shareholders for their information only on Tuesday, 15 December 2015.

(4) WARNING OF THE RISK OF DEALINGS IN THE SHARES

Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and the Underwriters not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed.

The Shares will be dealt in on an ex-entitlement basis commencing from Tuesday, 8 December 2015 and that dealing in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.

Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

OPEN OFFER ON THE BASIS OF ONE OFFER SHARE FOR EVERY FIVE EXISTING SHARES HELD ON THE RECORD DATE

On 20 November 2015 (after trading hours), the Company, the Underwriters and Mr. Tan entered into the Underwriting Agreement. The terms of the Open Offer are set out as follow:

The Open Offer

Under the Open Offer, the Company proposes to raise not less than approximately HK\$39.8 million and not more than approximately HK\$40.3 million before expenses by way of the Open Offer, details of which are set out as follows:

Issue statistics

Basis of the entitlement:	One (1) Offer Share for every five (5) existing Shares held on the Record Date
Subscription Price:	HK\$0.10 per Offer Share
Number of Shares in issue as at the date of this announcement:	1,989,901,503 Shares
Number of Shares in issue assuming all the Option Shares (save for 3,000,000 Options held by Mr. Zhang) being allotted and issued on or before the Record Date:	2,013,401,503 Shares
Number of Offer Shares:	Not less than 397,980,300 Offer Shares and not more than 402,680,300 Offer Shares
Number of Offer Shares to be taken up or procured to be taken up by Starmax pursuant to the Starmax Undertaking:	Starmax has irrevocably undertaken in favour of the Company and Pacific Foundation to accept or procure the acceptance for the 80,982,400 Offer Shares to be allotted and issued to it under its entitlement pursuant to the Open Offer
Number of Offer Shares to be taken up or procured to be taken up by Mr. Tan pursuant to the Tan Undertaking:	Mr. Tan has irrevocably undertaken in favour of the Company and the Underwriters to accept or procure the acceptance for 22,218,000 Offer Shares to be allotted and issued to Mr. Tan under his entitlement pursuant to the Open Offer
Number of Offer Shares to be taken up or procured to be taken up by Mr. Zhang pursuant to the Zhang Undertaking:	Mr. Zhang has irrevocably undertaken in favour of the Company and the Underwriters to accept or procure the acceptance for 15,100,000 Offer Shares to be allotted and issued to Mr. Zhang under his entitlement pursuant to the Open Offer
Number of Underwritten Shares:	Not less than 279,679,900 Offer Shares and not more than 284,379,900 Offer Shares. Accordingly, taken into account the Starmax Undertaking, the Tan Undertaking and the Zhang Undertaking, the Open Offer is fully underwritten
Number of enlarged Shares in issue upon completion of the Open Offer:	Not less than 2,387,881,803 Shares and not more than 2,416,081,803 Shares

Rights in excess applications: Qualifying Shareholders may apply for Offer Shares in excess of their assured allotment

As at the date of this announcement, save for the outstanding 26,500,000 Options, of which 3,000,000 Options are held by Mr. Zhang, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares. Pursuant to the Zhang Undertaking, Mr. Zhang has irrevocably undertaken to the Company and the Underwriters not to exercise the 3,000,000 Options held by him from the date of the Underwriting Agreement to the close of business on the Record Date.

Assuming (i) no further issue of new Shares or repurchase of Shares and; (ii) 23,500,000 outstanding Options (which do not include the 3,000,000 outstanding Options held by Mr. Zhang pursuant to the Zhang Undertaking) being exercised and the 23,500,000 Option Shares being allotted and issued on or before the Record Date, a maximum of 402,680,300 Offer Shares will be allotted and issued which represents approximately 20.24% of the Company's issued share capital as at the date of this announcement and approximately 16.67% of the Company's issued share capital of 2,416,081,803 Shares as enlarged by the allotment and issue of the 23,500,000 Option Shares and the 402,680,300 Offer Shares (being the maximum number of the Offer Shares to be allotted and issued under the Open Offer) immediately after completion of the Open Offer.

Basis of entitlement

The basis of the entitlement shall be one (1) Offer Share for every five (5) existing Shares held on the Record Date, being not less than 397,980,300 Offer Shares and not more than 402,680,300 Offer Shares at the Subscription Price. Acceptance for all or any part entitlement of a Qualifying Shareholder should be made by completing the Application Form and lodging the same with a remittance for the Offer Shares being accepted for.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders. The Company will send (a) the Prospectus Documents to the Qualifying Shareholders; and (b) the Overseas Letter together with the Prospectus, for information only, to the Prohibited Shareholders.

To qualify for the Open Offer, the Shareholders must (a) at the close of business on the Record Date be registered on the register of members of the Company; and (b) not be the Prohibited Shareholders.

Shareholders whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

In order to be registered as members of the Company prior to the close of business on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificates) for registration with Computershare Hong Kong Investor Services Limited of 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Wednesday, 9 December 2015.

Subscription Price

The Subscription Price is HK\$0.10 per Offer Share, payable in full upon application for the relevant assured allotment of Offer Shares and, where applicable, application for excess Offer Shares under the Open Offer.

The Subscription Price represents:

- (i) a discount of approximately 39.39% to the closing price of HK\$0.165 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 35.06% to the theoretical ex-entitlement price of HK\$0.154 based on the closing price of HK\$0.165 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (iii) a discount of approximately 42.53% to the average closing price of approximately HK\$0.174 per Share for the last five consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a discount of approximately 45.36% to the average closing price of approximately HK\$0.183 per Share for the last 10 consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a discount of approximately 40.83% to the net asset value per Share of HK\$0.169 based on the audited net asset value as at 31 March 2015 and 1,989,901,503 Shares in issue as at the date of this announcement; and
- (vi) a discount of approximately 43.50% to the net asset value per Share of HK\$0.177 based on the unaudited net asset value as at 30 September 2015 and 1,989,901,503 Shares in issue as at the date of this announcement.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriters with reference to, among others, the prevailing market price of the Shares. The Directors consider that each Qualifying Shareholder will be entitled to subscribe for the Offer Shares at the same Subscription Price in proportion to his/her/its shareholding held on the Record Date and the terms of the Open Offer, including the Subscription Price which has been set as a discount to the recent closing prices of the Shares with an objective of encouraging existing Shareholders to take up their entitlements so as to share in the potential growth of the Company, to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole. After deducting all relevant expenses relating to the Open Offer, the net price per Offer Share will be approximately HK\$0.097.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

In compliance with the necessary requirements of the GEM Listing Rules, the Company will make enquiries regarding the feasibility of extending the Open Offer to the Overseas Shareholders. If, based on legal opinions, the Directors consider that it is necessary or expedient not to offer the Offer Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Open Offer will not be available to such Overseas Shareholders. Accordingly, the Open Offer will not be extended to the Prohibited Shareholders.

Further information in this connection will be set out in the Prospectus Documents containing, among other things, details of the Open Offer, to be despatched to the Qualifying Shareholders on Tuesday, 15 December 2015. The Company will send copies of the Prospectus to the Prohibited Shareholders for their information only, but no Application Form and EAF will be sent to them.

Ranking of the Offer Shares

The Offer Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment of the Offer Shares in their fully-paid form.

Share certificates and refund cheques for the Open Offer

Subject to the fulfilment of the conditions of the Open Offer, certificates for all fully-paid Offer Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Friday, 8 January 2016. If the Open Offer is terminated, refund cheques will be despatched on or before Friday, 8 January 2016 by ordinary post at the respective Shareholders' own risk.

Application for excess Offer Shares

Qualifying Shareholders may apply, by way of excess application, for any unsold entitlements of the Prohibited Shareholders and for any assured allotment of the Offer Shares not accepted by the Qualifying Shareholders. Applications for excess Offer Shares can only be made by completing the EAFs for application for excess Offer Shares and lodging the same with a separate remittance for the excess Offer Shares being applied for with the Registrar by no later than the Latest Time for Acceptance.

The Directors will allocate the excess Offer Shares at their discretion on a fair and equitable basis and on a pro-rata basis to the excess Offer Shares applied for by the Qualifying Shareholders, except that preference will be given to applications for less than a board lot of Offer Shares where it appears to the Directors that such applications are made to round up odd-lot holdings to whole-lot holdings and that such applications are not made with intention to abuse the mechanism.

Investors with their Shares held by a nominee company should note that the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Offer Shares will not be extended to beneficial owners individually. Investors with their Shares held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

Investors whose Shares are held by their nominee(s) and who would like to have their names registered on the register of members of the Company, must lodge all necessary documents with the Registrar for completion of the relevant registration by 4:30 p.m. on Wednesday, 9 December 2015.

Fractions of the Offer Shares

Fractions of the Offer Shares will not be allotted to the Qualifying Shareholders and fractional entitlements will be rounded down to the nearest whole number of Offer Shares. Any Offer Shares created from the aggregation of fractions of the Offer Shares will be available for excess application by the Qualifying Shareholders. Should there be no excess application by the Qualifying Shareholders, those Offer Shares created from the aggregation of fractions of the Offer Shares will be taken up by the Underwriters.

Application for the Offer Shares

The Application Form in respect of the entitlement of the Offer Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Offer Shares as shown therein by completing such form and lodging the same with a remittance for the Offer Shares being taken up with the Registrar by the Latest Time for Acceptance.

Application for listing

The Company will apply to the GEM Listing Committee of the Stock Exchange for the listing of and permission to deal in, the Offer Shares. Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duty (if any) in Hong Kong and any other applicable fees and charges in Hong Kong

Subject to the granting of the approval for the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

Closure of register of members for the Open Offer

The Company's register of members will be closed from Thursday, 10 December 2015 to Monday, 14 December 2015, both days inclusive, to determine the eligibility of the Qualifying Shareholders. No transfer of Shares will be registered during this book closure period.

The Underwriting Agreement

Date: 20 November 2015 (after trading hours)

Underwriters: Starmax and Pacific Foundation

Number of Underwritten Shares: Taking into account the Undertakings, the Open Offer is fully underwritten. The total number of Offer Shares (excluding the 80,982,400 Offer Shares, the 22,218,000 Offer Shares and the 15,100,000 Offer Shares to be taken up or procured to be taken up by Starmax, Mr. Tan and Mr. Zhang respectively pursuant to the Undertakings), being not less than 279,679,900 Offer Shares and not more than 284,379,900 Offer Shares, will be underwritten severally by the Underwriters in the following manner:

- (i) Starmax shall have priority to underwrite the first 96,919,900 Underwritten Shares; and
- (ii) Pacific Foundation shall underwrite the remaining Underwritten Shares, i.e. not less than 182,760,000 Underwritten Shares (assuming no new Share being issued and no Share being repurchased by the Company on or before the Record Date) and not more than 187,460,000 Underwritten Shares (assuming no new Share being issued other than full exercise of the Options (save for 3,000,000 Options held by Mr. Zhang) and no Share being repurchased by the Company on or before the Record Date)

Such allocation of underwriting commitment between the Underwriters can be modified by mutual agreement between the Underwriters, provided that (i) other obligations of the Underwriters and all other terms and conditions of the Underwriting Agreement shall remain unchanged; and (ii) both the Underwriters shall notify the Company in writing such modification of underwriting commitment forthwith.

Commission: Payable by the Company to Pacific Foundation at 2.0% of the aggregate Subscription Price in respect of the maximum number of Underwritten Shares committed to be underwritten by Pacific Foundation.

The commission rate was determined after arms' length negotiations between the Company and Pacific Foundation with reference to, among other things, the market rate, and the Board considers that the underwriting commission rate is fair and reasonable so far as the Company and the Shareholders are concerned.

Starmax has agreed not to receive any underwriting commission in respect of 96,919,900 Underwritten Shares underwritten and committed by it.

As at the date of this announcement, Pacific Foundation does not hold any Shares. To the best of the Directors' knowledge and information, Pacific Foundation and its ultimate beneficial owners are Independent Third Parties. Starmax is wholly-owned by Mr. Tan who is an executive Director and substantial Shareholder. Starmax is principally engaged in investment holdings. The ordinary business of Starmax does not include underwriting.

Under the Underwriting Agreement, in the event of Pacific Foundation being called upon to subscribe for or procure subscribers for the Untaken Shares, Pacific Foundation shall use its best endeavours to ensure that each of the subscribers of the Untaken Shares procured by it shall be Independent Third Party.

Irrevocable undertakings given by Starmax, Mr. Tan and Mr. Zhang

(1) Starmax Undertaking:

As at the date of the Underwriting Agreement, Starmax, which is wholly-owned by Mr. Tan, is interested in 404,912,000 Shares, representing approximately 20.35% of the total issued share capital of the Company. Under the Underwriting Agreement, Starmax has irrevocably undertaken to the Company and Pacific Foundation:

- (i) not to dispose of, or agree to dispose of, any Shares held by it from the date of the Underwriting Agreement to the close of business on the Record Date;
- (ii) to accept or procure the acceptance for the 80,982,400 Offer Shares to be allotted and issued to Starmax under its entitlement pursuant to the Open Offer; and
- (iii) to lodge the Application Form(s) in respect of the 80,982,400 Offer Shares referred to in paragraph (ii) above accompanied by the appropriate remittances which shall be honoured on first presentation and otherwise

comply with the procedures for such acceptance and application as described in the Prospectus Documents prior to the Latest Time for Acceptance.

(2) Tan Undertaking:

As at the date of the Underwriting Agreement, Mr. Tan is the holder of 111,090,000 Shares, representing approximately 5.58% of the total issued share capital of the Company. Under the Underwriting Agreement, Mr. Tan has irrevocably undertaken to the Company and Pacific Foundation:

- (i) not to dispose of, or agree to dispose of, any Shares held by him from the date of the Underwriting Agreement to the close of business on the Record Date;
- (ii) to accept or procure the acceptance for the 22,218,000 Offer Shares to be allotted and issued to Mr. Tan under his entitlement pursuant to the Open Offer; and
- (iii) to lodge the Application Form(s) in respect of the 22,218,000 Offer Shares referred to in paragraph (ii) above accompanied by the appropriate remittances which shall be honoured on first presentation and otherwise comply with the procedures for such acceptance and application as described in the Prospectus Documents prior to the Latest Time for Acceptance.

(3) Zhang Undertaking:

As at the date of the Underwriting Agreement, Mr. Zhang is the holder of 75,500,000 Shares, representing approximately 3.79% of the total issued share capital of the Company. Mr. Zhang has irrevocably undertaken to the Company and Pacific Foundation:

- (i) not to dispose of, or agree to dispose of, any Shares held by him from the date of the Underwriting Agreement to the close of business on the Record Date;
- (ii) to accept or procure the acceptance for the 15,100,000 Offer Shares to be allotted and issued to Mr. Zhang under his entitlement pursuant to the Open Offer; and
- (iii) to lodge the Application Form(s) in respect of the 15,100,000 Offer Shares referred to in paragraph (ii) above accompanied by the appropriate remittances which shall be honoured on first presentation and otherwise comply with the procedures for such acceptance and application as described in the Prospectus Documents prior to the Latest Time for Acceptance; and
- (iv) not to exercise the 3,000,000 Options held by him from the date of the Underwriting Agreement to the close of business on the Record Date.

Termination of the Underwriting Agreement

If, prior to the Latest Time for Termination:

- (1) in the absolute opinion of any of the Underwriters, the success of the Open Offer would be materially and adversely affected by:**
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of any of the Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or**
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date thereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of any of the Underwriters materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or**
- (2) any material adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the absolute opinion of any of the Underwriters is likely to materially or adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or**
- (3) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of any of the Underwriters will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or**
- (4) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or**
- (5) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or**

- (6) the Prospectus Documents in connection with the Open Offer when published contain information (either as to business prospects or the financial condition of the Group or as to its compliance with any laws or the GEM Listing Rules or any applicable regulations) which has not prior to the date of the Underwriting Agreement been publicly announced or published by the Company and which may in the absolute opinion of any of the Underwriters is material to the Group as a whole and is likely to affect materially and adversely the success of the Open Offer or might cause a reasonably prudent investor not to apply for its assured entitlements of Offer Shares under the Open Offer; or**
- (7) any matter which, had it arisen or been discovered immediately before the date of the Prospectus Documents and not having been disclosed in the Prospectus Documents, would have constituted, in the absolute opinion of any of the Underwriters, a material omission in the context of the Open Offer; or**
- (8) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of this announcement or the Prospectus Documents or other announcements or circulars in connection with the Open Offer; or**
- (9) any moratorium, suspension or material restriction on trading of the shares on the Stock Exchange due to exceptional financial circumstances or otherwise,**

any of the Underwriters shall be entitled by notice in writing to the Company and the other Underwriter, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

Any of the Underwriters shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (1) any material breach of any of the representations, warranties or undertakings contained in Underwriting Agreement comes to the knowledge of any of the Underwriters; or**
- (2) any specified event as contained in the Underwriting Agreement comes to the knowledge of any of the Underwriters.**

Any such notice shall be served by any of the Underwriters prior to the Latest Time for Termination.

If prior to the Latest Time for Termination any such notice as is referred to above is given by any of the Underwriters, the obligations of all parties under the Underwriting Agreement, save in respect of any right or liability accrued before such termination, shall terminate forthwith and no party shall have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.

Conditions of the Open Offer

The Open Offer is conditional upon:

- (a) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by all Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the GEM Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Prospectus Posting Date;
- (b) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Prohibited Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the Prospectus Posting Date;
- (c) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Offer Shares by no later than the first day of their dealings;
- (d) the Underwriting Agreement is not being terminated by any of the Underwriters pursuant to the terms thereof at or before the Latest Time for Termination;
- (e) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement and the representations and warranties given by the Company under the Underwriting Agreement remaining true, correct and not misleading in all material respects;
- (f) compliance with and performance of all undertakings and obligations of Starmax under the Starmax Undertaking;
- (g) compliance with and performance of all undertakings and obligations of Mr. Tan under the Tan Undertaking;
- (h) compliance with and performance of all undertakings and obligations of Mr. Zhang under the Zhang Undertaking.

The above conditions of the Underwriting Agreement (other than condition (f) which can only be waived jointly by the Underwriters) are incapable of being waived. If the conditions of the Underwriting Agreement are not satisfied in whole or in part by the Company by the Latest Time for Termination or such other date as the Company and the Underwriters may agree, the Underwriting Agreement shall terminate and no party shall have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.

Shareholding structure of the Company

Set out below is the shareholding structure of the Company before and after the completion of the Open Offer:

(a) *Assuming that on or before the Record Date (i) no new Shares were issued or repurchased; and (ii) no Option were exercised and no Option Shares were allotted and issued:*

	As at the date of this announcement		Upon completion of the Open Offer (assuming all Offer Shares are subscribed for by the Qualifying Shareholders)		Upon completion of the Open Offer (assuming none of the Offer Shares are subscribed for by the Qualifying Shareholders other than Starmax, Mr. Tan and Mr. Zhang)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Starmax (Notes 1 & 2)	404,912,000	20.35	485,894,400	20.35	582,814,300	24.41
Mr. Tan (Note 3)	111,090,000	5.58	133,308,000	5.58	133,308,000	5.58
<i>Executive Directors (other than Mr. Tan)</i>						
Mr. Cheng Kin Kwan	123,800,000	6.22	148,560,000	6.22	123,800,000	5.19
Mr. Zhang (Note 4)	75,500,000	3.79	90,600,000	3.79	90,600,000	3.79
<i>Independent non-executive Directors</i>						
Mr. Chan Mei Ying, Spencer	1,500,000	0.08	1,800,000	0.08	1,500,000	0.06
Mr. Lam Kwai Yan	1,000,000	0.05	1,200,000	0.05	1,000,000	0.04
Ms. Chan Choi Ling	1,000,000	0.05	1,200,000	0.05	1,000,000	0.04
Pacific Foundation and subscribers procured by Pacific Foundation (Note 2)	-	-	-	-	182,760,000	7.66
Public Shareholders	1,271,099,503	63.88	1,525,319,403	63.88	1,271,099,503	53.23
Total	1,989,901,503	100.00	2,387,881,803	100.00	2,387,881,803	100.00

(b) Assuming that on or before the Record Date (i) no new Shares (other than the Option Shares) were issued or repurchased; and (ii) all Options (save for the 3,000,000 Options held by Mr. Zhang) were exercised and the Options Shares were allotted and issued on or before the Record Date:

	As at the date of this announcement		Upon issue of the Option Shares on or before the Record Date		Upon completion of the Open Offer (assuming all Offer Shares are subscribed for by the Qualifying Shareholders)		Upon completion of the Open Offer (assuming none of the Offer Shares are subscribed for by the Qualifying Shareholders other than Starmax, Mr. Tan and Mr. Zhang)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Starmax (Notes 1 & 2)	404,912,000	20.35	404,912,000	20.11	485,894,400	20.11	582,814,300	24.12
Mr. Tan (Note 3)	111,090,000	5.58	111,090,000	5.52	133,308,000	5.52	133,308,000	5.52
Executive Directors (other than Mr. Tan)								
Mr. Cheng Kin Kwan	123,800,000	6.22	123,800,000	6.15	148,560,000	6.15	123,800,000	5.13
Mr. Zhang (Note 4)	75,500,000	3.79	75,500,000	3.75	90,600,000	3.75	90,600,000	3.75
Ms. Lau Yun Fong Carman	-	-	2,400,000	0.12	2,880,000	0.12	2,400,000	0.10
Independent non-executive Directors								
Mr. Chan Mei Ying, Spencer	1,500,000	0.08	1,500,000	0.08	1,800,000	0.08	1,500,000	0.06
Mr. Lam Kwai Yan	1,000,000	0.05	1,000,000	0.05	1,200,000	0.05	1,000,000	0.04
Ms. Chan Choi Ling	1,000,000	0.05	1,000,000	0.05	1,200,000	0.05	1,000,000	0.04
Ms. Tsang Wai Chun Marianna	-	-	500,000	0.02	600,000	0.02	500,000	0.02
Pacific Foundation and subscribers procured by Pacific Foundation (Note 2)	-	-	-	-	-	-	187,460,000	7.76
Other Optionholders (Note 5)	-	-	20,600,000	1.02	24,720,000	1.02	20,600,000	0.85
Public Shareholders	1,271,099,503	63.88	1,271,099,503	63.13	1,525,319,403	63.13	1,271,099,503	52.61
Total	1,989,901,503	100.00	2,013,401,503	100.00	2,416,081,803	100.00	2,416,081,803	100.00

Notes:

1. Starmax is wholly-owned by Mr. Tan. Pursuant to the Starmax Undertaking, Starmax has irrevocably undertaken to the Company and Pacific Foundation (1) not to dispose of, or agree to dispose of, any Shares held by it from the date of the Underwriting Agreement to the close of business on the Record Date; (2) to accept or procure the acceptance for the 80,982,400 Offer Shares to be allotted and issued to Starmax under its entitlement pursuant to the Open Offer; and (3) to lodge the Application Form(s) accompanied by the appropriate remittances in respect of the 80,982,400 Offer Shares prior to the Latest Time for Acceptance.
2. Pursuant to the Underwriting Agreement, Starmax will underwrite the first 96,919,900 Underwritten Shares. The remaining Underwritten Shares (if any) will be underwritten by Pacific Foundation.
3. Pursuant to the Tan Undertaking, Mr. Tan has irrevocably undertaken to the Company and Pacific

Foundation (1) not to dispose of, or agree to dispose of, any Shares held by him from the date of the Underwriting Agreement to the close of business on the Record Date; (2) to accept or procure the acceptance for the 22,218,000 Offer Shares to be allotted and issued to Mr. Tan under his entitlement pursuant to the Open Offer; and (3) to lodge the Application Form(s) accompanied by the appropriate remittances in respect of the 22,218,000 Offer Shares prior to the Latest Time for Acceptance.

4. *Pursuant to the Zhang Undertaking, Mr. Zhang has irrevocably undertaken to the Company and Pacific Foundation (1) not to dispose of, or agree to dispose of, any Shares held by him from the date of the Underwriting Agreement to the close of business on the Record Date; (2) to accept or procure the acceptance for the 15,100,000 Offer Shares to be allotted and issued to Mr. Zhang under his entitlement pursuant to the Open Offer; (3) to lodge the Application Form(s) accompanied by the appropriate remittances in respect of the 15,100,000 Offer Shares prior to the Latest Time for Acceptance; and (4) not to exercise the 3,000,000 Options held by him from the date of the Underwriting Agreement to the close of business on the Record Date.*
5. *Assuming that all the Optionholders (save for Mr. Zhang) do not have any shareholding in the Company.*

Under the Underwriting Agreement, in the event of Pacific Foundation being called upon to subscribe for or procure subscribers for the Untaken Shares, Pacific Foundation shall use its best endeavours to ensure that each of the subscribers of the Untaken Shares procured by it shall be Independent Third Party.

Reasons for the Open Offer and use of proceeds

The Group is principally engaged in two business lines, namely (i) the provision of computer consultancy and software maintenance services, software development, sales of computer hardware and software and e-Commerce services; and (ii) the exploration and exploitation of mines.

The gross proceeds from the Open Offer will not be less than approximately HK\$39.8 million and not more than approximately HK\$40.3 million. The net proceeds from the Open Offer after deducting all relevant expenses are estimated to be not less than approximately HK\$38.8 million but not more than approximately HK\$39.2 million.

The Company intends to apply the proceeds from the Open Offer for (i) repayment of the promissory note held by Starmax and accrued interest of approximately HK\$10.9 million; (ii) repayment of amount due by the Group to Starmax of approximately HK\$5.3 million; and (iii) general working capital of the Group.

The Board also considers that the Open Offer represents an opportunity for the Group to broaden its shareholder and capital base thereby increasing the liquidity of the Shares, and will give the Qualifying Shareholders the opportunity to maintain their shareholding interests in the Company.

The Directors are of the view that fund raising through the Open Offer is in the interests of the Company and the Shareholders as a whole. Further, the Directors (including the independent non-executive Directors) consider the terms of the Open

Offer, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled should note that their shareholdings in the Company will be diluted.

Fund raising exercise of the Company in the past 12 months

Date of Announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds
30 March 2015	Placing of 125,000,000 existing Shares and subscription of 125,000,000 new Shares under general mandate	Approximately HK\$17.7 million	To reduce indebtedness and/or for general working capital of the Group	(i) Approximately HK\$11.2 million had been used for the repayment of the outstanding principal of the promissory note and the accrued interests thereof; and (ii) the remaining balance of the proceeds had been used for general working capital of the Group
3 December 2014	Placing of 201,700,000 existing Shares and subscription of 201,700,000 new Shares under general mandate	Approximately HK\$28.95 million	To reduce indebtedness and / or for general working capital of the Group	(i) Approximately HK\$20.9 million had been used for the repayment of the outstanding principal of the promissory note and the accrued default interests thereof; and (ii) the remaining balance of the proceeds had been used for general working capital of the Group

Save for the above, the Company had not conducted any other fund raising exercise in the past 12 months immediately preceding the date of this announcement.

CHANGE IN BOARD LOT SIZE

The Board announces that the board lot size of the Shares for trading on the Stock Exchange will be changed from 2,000 Shares to 20,000 Shares with effect from 9:00 a.m. on Monday, 11 January 2016.

The change in board lot size will not result in any change in the relative rights of the Shareholders. The Board is of the opinion that the change in board lot size is in the interests of the Company and its Shareholders as a whole.

Based on the theoretical ex-rights price of approximately HK\$0.154 per Share (calculated based on the closing price of HK\$0.165 per Share as quoted on the Stock Exchange on the Last Trading Day), the market value of each existing board lot is HK\$308 and the estimated market value of each proposed new board lot is HK\$3,080.

To alleviate the difficulties in trading odd lots of the Shares arising from the change in board lot size of the Shares, the Company has appointed Pacific Foundation as an agent to provide matching services to the Shareholders who wish to top up or sell their holdings of odd lots of the Shares during the period from 9:00 a.m. on Monday, 11 January 2016 to 4:00 p.m. on Friday, 29 January 2016 (both dates inclusive). Holders of the Shares in odd lots represented by the existing share certificates for the Shares who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up their odd lots to a full new board lot may directly or through their broker contact Mr. Sam Ng of Pacific Foundation at 11/F New World Tower II, 16-18 Queen's Road Central, Hong Kong (telephone: (852) 2879 8324 and facsimile: (852) 2877 2088) during such period. Holders of the Shares in odd lots should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. The Shareholders are recommended to consult their professional advisers if they are in doubt about the above facility.

EXPECTED TIMETABLE

The expected timetable for the Open Offer and change in board lot is set out below:

	2015
Last day of dealings in Shares on a cum-entitlement basis	Monday, 7 December
First day of dealings in Shares on an ex-entitlement basis	Tuesday, 8 December
Latest time for lodging transfer of Shares in order to qualify for the Open Offer	4:30 p.m. on Wednesday, 9 December
Register of members of the Company closes (both days inclusive)	Thursday, 10 December to Monday, 14 December
Record Date	Monday, 14 December

	2015
Register of members re-opens	Tuesday, 15 December
Despatch of Prospectus Documents	Tuesday, 15 December
Latest time for acceptance of and payment for the Offer Shares and application for excess Offer Shares	4:00 p.m. on Wednesday, 30 December
Latest time for the termination of Underwriting Agreement by the Underwriters	4:00 p.m. on Thursday, 31 December
	2016
Announcement of the results of the Open Offer	Thursday, 7 January
Despatch of share certificates for Offer Shares	Friday, 8 January
Despatch of refund cheques if the Open Offer is terminated	Friday, 8 January
Expected first day of dealings in the Offer Shares on the Stock Exchange	Monday, 11 January
Effective date and time of change in board lot size from 2,000 Shares to 20,000 Shares	9:00 a.m. on Monday, 11 January
Designated brokers starts to stand in the market to provide matching services for sale and purchase of odd lots of Shares	9:00 a.m. on Monday, 11 January
Designated brokers ceases to stand in the market to provide matching services for sale and purchase of odd lots of Shares	4:00 p.m. on Friday, 29 January

All times and dates stated in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to Shareholders as and when appropriate.

GENERAL

As the Open Offer will not increase the issued share capital or market capitalisation of the Company by more than 50% within the twelve-month period immediately preceding this announcement and the Company has made arrangement for application

of the Offer Shares by the Qualifying Shareholders in excess of their respective entitlement under the Open Offer as referred to in Rule 10.42(1) of the GEM Listing Rules, the Open Offer is therefore not subject to Shareholders' approval requirement under the GEM Listing Rules.

The Prospectus Documents setting out details of the Open Offer will be despatched to the Qualifying Shareholders, and the Overseas Letter together with the Prospectus will be despatched to the Prohibited Shareholders for their information only on Tuesday, 15 December 2015.

WARNING OF THE RISK OF DEALINGS IN THE SHARES

Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed.

The Shares will be dealt in on an ex-entitlement basis commencing from Tuesday, 8 December 2015 and that dealing in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.

Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

TERMS USED IN THIS ANNOUNCEMENT

In this announcement, unless the context otherwise required, the following terms and expressions shall have the following meanings when used herein.

“Application Form(s)”	the form(s) of application to be used by the Qualifying Shareholders to apply for the Offer Shares in the agreed form
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding a Saturday, Sunday, public holiday and any day on which a tropical cyclone warning no.8 or above or a “black” rainstorm warning signal is hoisted or remains hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered or discontinued at or before 12:00 noon) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Timeless Software Limited, a company incorporated in Hong Kong with limited liability whose issued Shares are listed on GEM
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong (as amended from time to time)
“Complying Applications”	valid applications under the Application Forms and EAFs made in accordance with the terms of the Prospectus Documents together with cheques or cashier’s orders or other remittances for the full amount payable in respect of the Offer Shares being applied for under such Application Forms and EAFs which are honoured on first or, at the discretion of the Underwriters, subsequent presentation
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the directors of the Company
“EAF(s)”	the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Offer Shares, which shall be in the agreed form
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	any person or company and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of and not connected with or acting in concert (as defined in the Takeovers Code) with any directors, chief executive or Substantial Shareholder(s) of the Company or any of its subsidiaries and their respective associates
“Last Trading Day”	20 November 2015, being the last trading day for the

	Shares being the date of this announcement and the date of the Underwriting Agreement
“Latest Time for Acceptance”	the latest time for acceptance for the Offer Shares at 4:00 p.m., on Wednesday, 30 December 2015 or such other time as may be agreed between the Company and the Underwriters
“Latest Time for Termination”	the latest time for terminating the Underwriting Agreement at 4:00 p.m., on Thursday, 31 December 2015, being the first Business Day after the Latest Time for Acceptance or such later time or date as may be agreed between the Company and the Underwriters
“Mr. Tan”	Mr. Tan Felipe, an executive Director and a substantial Shareholder, holder of 404,912,000 Shares as at the date of the Underwriting Agreement and the sole shareholder of Starmax
“Mr. Zhang”	Mr. Zhang Ming, an executive Director and a holder of 75,500,000 Shares and 3,000,000 Options
“Offer Shares”	not less than 397,980,300 new Shares and not more than 402,680,300 new Shares to be allotted and issued pursuant to the Open Offer
“Open Offer”	the proposed issue by way of open offer to the Qualifying Shareholders on the basis of one (1) Offer Share for every five (5) existing Shares held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Optionholders”	the holders of the 26,500,000 outstanding Options
“Options”	the options issued or to be issued under the Share Option Schemes
“Options Shares”	a maximum of 23,500,000 new Shares to be allotted and issued upon the exercise of the outstanding 23,500,000 Options (which do not include the 3,000,000 outstanding Options held by Mr. Zhang)
“Overseas Letter”	a letter from the Company to the Prohibited Shareholders explaining the circumstances in which the Prohibited Shareholders are not permitted to participate in the Open Offer
“Overseas Shareholder(s)”	the Shareholder(s) with registered address(es) (as shown in the register of members of the Company on the

	Record Date) are outside of Hong Kong
“Pacific Foundation”	Pacific Foundation Securities Limited, a licensed corporation to carry on type 1 (dealing in securities) and type 9 (asset management) regulated activities for the purposes of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Prohibited Shareholder(s)”	the Overseas Shareholder(s) whose address is/are in a place(s) outside Hong Kong where, the Directors, based on legal opinions provided by legal advisers of the Company, consider it is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Offer Shares to such Overseas Shareholders
“Prospectus”	the document containing details of the Open Offer to be despatched to the Qualifying Shareholders
“Prospectus Documents”	the Prospectus, the Application Form and the EAF
“Prospectus Posting Date”	Tuesday, 15 December 2015 or such later date as may be agreed between the Underwriters and the Company for the despatch of the Prospectus Documents to the Qualifying Shareholders (or the Prospectus only in case of Prohibited Shareholder(s))
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Prohibited Shareholders
“Record Date”	Monday, 14 December 2015, or such other date as may be agreed between the Company and the Underwriters for determining entitlements to the Open Offer
“Registrar”	Computershare Hong Kong Investor Services Limited of 46th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong, the share registrars of the Company
“Share Option Schemes”	the share option schemes adopted by the Company on 28 April 2003 or 25 September 2014 respectively
“Share(s)”	ordinary share(s) in share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Shares
“Starmax”	Starmax Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Mr. Tan as at the date of this

announcement

“Starmax Undertaking”	the irrevocable undertaking given by Starmax to the Company and Pacific Foundation under the Underwriting Agreement to take up in full its entitlements under the Open Offer to subscribe for 80,982,400 Offer Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.10 per Offer Share
“Substantial Shareholder(s)”	has the meaning as ascribed thereto under the GEM Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“Tan Undertaking”	the irrevocable undertaking given by Mr. Tan to the Company and Pacific Foundation under the Underwriting Agreement to take up in full his entitlements under the Open Offer to subscribe for 22,218,000 Offer Shares
“Undertakings”	collectively the Starmax Undertaking, the Tan Undertaking and the Zhang Undertaking
“Underwriters”	Starmax and Pacific Foundation, the underwriters to the Open Offer pursuant to the Underwriting Agreement
“Underwriting Agreement”	the underwriting agreement dated 20 November 2015 and entered into among the Company, the Underwriters and Mr. Tan in relation to the underwriting arrangement in respect of the Open Offer
“Underwritten Shares”	the Offer Shares which are fully underwritten by the Underwriters pursuant to the terms and conditions set out in the Underwriting Agreement
“Untaken Shares”	those (if any) of the Underwritten Shares in respect of which Complying Applications have not been received on or before the Latest Time for Acceptance
“Zhang Undertaking”	the irrevocable undertaking given by Mr. Zhang to the Company and Pacific Foundation with respect to the Underwriting Agreement to take up in full his entitlements under the Open Offer to subscribe for 15,100,000 Offer Shares and for not exercising the 3,000,000 Options held by him from the date of the Underwriting Agreement to the close of business on the

Record Date

“HK\$”

Hong Kong dollars, the lawful currency of Hong Kong

“%”

per cent.

By Order of the Board
Timeless Software Limited
Cheng Kin Kwan
Chairman & Chief Executive Officer

Hong Kong, 20 November 2015

As at the date hereof, Mr. Cheng Kin Kwan (Chairman), Mr. Felipe Tan, Mr. Zhang Ming and Ms. Lau Yun Fong Carman are executive directors of the Company; Mr. Lam Kai Ling Vincent is a non-executive director of the Company; and Ms. Tsang Wai Chun Marianna, Mr. Chan Mei Ying Spencer, Mr. Lam Kwai Yan and Ms. Chan Choi Ling are independent non-executive directors of the Company.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days from the date of its publication and on the Company’s website at www.timeless.com.hk.