

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement, for which the directors of Timeless Software Limited collectively and individually accept responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Timeless Software Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:— (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



Timeless Software Limited

(incorporated in Hong Kong with limited liability)

ANNOUNCEMENT

Timeless Software Limited (the “Company”) is issuing this announcement to clarify our position in relation to various matters mentioned in the articles that appeared in today’s press. The Company would like to confirm that we have signed various contracts worth a total of approximately HK\$36.8 million since 1 January 2000 to provide Internet-related services. The Company would also like to clarify that there is currently no plan for the issue or placing of new shares. We have also noted the decreases in the price of the Company’s shares and wish to state that we are not aware of any reasons for such decreases

We have noted that certain articles appeared in today’s press which reported on and made reference to a press release issued by the Company yesterday. We are issuing this announcement to clarify aspects in those reports, in particular, new orders received by the Company as of the beginning of the year and the Company’s position in respect of placing of shares.

The Company was pleased to reveal a number of new orders valuing approximately HK\$36.8 million and which were signed since 1 January 2000. The orders were selected because they were indicative of the Company’s ability as a technology provider in Internet-related services and as a provider in software consulting services. Below are a summary of the said orders:

Asia-Steel.com

The Company has signed a contract with Asia-Steel.com to build the first and biggest heavy metal trading portal. The contract is valued over HK\$27 million. The China site will be soft launched in one month, followed by a full-launch in April 2000. Other Pan-Asian sites in Korea, Thailand, Ukraine, Australia, Philippines, etc. will be deployed in a similar fashion.

The Company will make use of its well-developed internet components, modules, interfaces and platform to time-effectively establish this money-heavy business-to-business portal for Asia-Steel.com. The first China site is structured to support annual trading volume of over US\$40 billion.

Sino Smart Ltd.

Sino Smart Ltd. has commissioned the Company to construct a stock-trading portal in Shenzhen, the fastest economy growth city in South China. The agreement, amounted to HK\$2.88 million, was signed on 28 January 2000 between the Company and Sino Smart Ltd., a joint venture between Simsen International Corporation Limited and China OnLine, a well-known ISP in Shenzhen.

The portal is designed to provide on-line internet stock trading service to both of its registered traders and member brokers.

Smart-Player.com

The Company, once again proved itself as the Internet Technology provider by entering into an agreement with Smart-Player.com, the financial, sport and games information provider of the region. The agreement was signed on 3 February 2000 valued over HK\$0.88 million. The site will be soft-launched on 1 March 2000 and will be ready for members to register. Full launch will be in early May 2000. Smart-Player.com provides financial, sports, horse racing information. Detail information such as on-line score, bibliography will also be available.

MusikMax.com

The Company and MusikMax.com signed an agreement on 20 January 2000 to jointly develop the first ever music site in Beijing. Hong Kong music talent, Mahmood Rumjahn and his team in Hong Kong and Beijing will rely on the Company's internet technology to spec-build the nationwide music site to be centred in Beijing. Membership and popular music content will be deployed, then sophisticated flavour will be further injected during subsequent phases. Phase one of the contract was valued at HK\$0.77 million.

Environmental Protection Department (EPD)

The assignment is to conduct a combined feasibility study (FS) and system analysis and design (SA&D) for the phase 1 of Electronic Transaction System (ETS) for the operation of the Environment Impact Assessment Ordinance (EIAO) of EPD. The Company is also responsible for the overall project management and quality assurance for the 20-week project.

The project price is over HK\$1 million. The Company was the consultant for the FS of the previous EIAO project which was recently completed on time and within expectation. EPD is prepared and confident to appoint the Company for future IT consultancy.

Security Bureau (SB)

The Company was appointed again as the consultant for the feasibility study (FS) of the Integrated Law & Order Statistical System (ILOSS) for Security Bureau, the Government of HKSAR. The project sum is valued over HK\$1.5 million which is the majority stake of the project outsourcing fund.

The study will be completed in 28 weeks. Reports of this FS will help SB to decide the upgrade and changes to be made for the ILOSS. This ILOSS will also be used by the other four departments: Police Store, Correctional Services, Social Welfare and the Judiciary.

Hong Kong Examination Authority (HKEA)

The Company, together with Hewlett Packard Hong Kong have received a contract awarded by the HKEA to revamp its HK School Certificate of Education System. The contract values HK\$1.7 million. The work involves redeveloping the HK School Certificate of Education Examination from a COBOL based index file system to an Oracle based relational database system. Common data, such as students, schools, will then be shared between HKCE and HKALE.

Pacific Century Insurance Company Ltd. (PCI)

PCI, a prominent insurance organization in Hong Kong, is expanding their services by enhancing their Provision and Policy process and system. After a thorough search on technology partner, PCI has awarded a contract values close to HK\$ 0.8 million to the Company as the beginning of their project outsourcing.

This system allows them to streamline the process of document provision and report generation by assembling component of provision clauses. It also allows the policy package to be completed in both English and Chinese in record time. The project was completed in 6 weeks. The speed of our delivery by using existing reusable components was a major reason why the Company won the contract.

With regard to the newspaper article that reported on the Company's position in relation to share placing, the Company would like to clarify that currently the Company has no plan for the issue or placing of new shares. Further, the Company would like to clarify that it will definitely not issue or place shares within the first six months of its listing.

In addition, we have noted the decreases in the price of the shares of the Company and wish to state that we are not aware of any reasons for such decreases.

We also confirm that, save as mentioned herein or previously disclosed, there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapter 19 to 20 of the GEM Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

By order of the Board
Law Kwai Lam
Company Secretary

Hong Kong, 9 February 2000

This announcement will remain on the GEM website on the "Latest Company Announcements" page for 7 days from the day of its posting.