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- 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)*

Timeless Software Limited (the “Company”) has entered into a memorandum of understanding with China Electronics Corporation and SDIC Electronics Company to jointly develop the Zhuhai Southern Software Park (the “Transaction”).

The Transaction is subject to the entering into of a formal agreement and details of which will be announced in a later announcement.

The Company has entered into a non-legally binding memorandum of understanding with China Electronics Corporation (subsidiary of Ministry of Information Industry of PRC) and SDIC Electronics Company (subsidiary of State Development and Investment Corporation Group - SDIC Group of PRC) to jointly fund, develop and build the largest National Software Park in China, the Zhuhai Southern Software Park.

In connection to the Transaction, the above-mentioned three parties have reached common understanding to jointly develop the following three projects which are of significance to the Internet market in China and has nationwide adaptability.

The three projects are:

1. The development of a Chinese operating system (including a localized integrated platform for networking and Internet);
2. Internet platform development tools, infrastructures and standards;
3. ITP (Internet Technology and Solution Provider) and the development of total solution for e-Commerce;

The proposed Transaction is the continuation of the agreement dated 5th August, 1998 signed between Timeless Software Limited and Zhuhai Southern Software Park Development Co., Ltd. regarding the formation of "Timeless Southern (Zhuhai) Software Company Limited". This latest agreement will further strengthen, tighten and enhance the IT business development and cooperation between the Company and the relevant departments in China.

China Electronics Corporation ("CEC") was established in 1989 by the State Council with a registered capital of RMB¥6.15 billion and assets valued at RMB¥27 billion. CEC is a nationwide conglomerate in the China Information Industry covering multi regions and business lines.

SDIC Group ("SDIC") was founded in October 1997 with a total asset of RMB¥42.9 billion. SDIC is a designated national large-scale enterprise, endorsed by the State Council and approved by the State Planning Commission, the State Economic & Trade Commission and the State Commission for Restructuring the Economic System.

Timeless is a leading computer software services group based in Hong Kong which is principally engaged in the provision of computer software services, including Internet technology and related services and enterprise resource planning and consulting services.

The Transaction is subject to the entering into of a formal agreement. Upon the entering into of a formal agreement, a further announcement concerning the details will be made as soon as practicable thereafter.

By Order of the Board  
**Law Kwai Lam**  
Company Secretary

Hong Kong, 20th January, 2000

*This announcement will remain on the GEM Web site on the "Latest Company Announcements" page for 7 days from the date of its posting.*