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TIMELESS RESOURCES HOLDINGS LIMITED

天時資源控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 8028)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



PLACING OF NEW SHARES

On 4 March 2024 (after trading hours), the Placing Agent and the Company entered into the Placing Agreement pursuant to which the Placing Agent has conditionally agree to place, on a best effort basis, up to 56,000,000 Placing Shares to not less than six (6) independent Placees at the Placing Price of HK\$0.173 per Placing Share.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion, the maximum number of the Placing Shares represent (i) approximately 19.91% of the total number of Shares in issue of the Company as at the date of this announcement; and (ii) approximately 16.60% of the total number of Shares in issue of the Company as enlarged by the allotment and issue of the Placing Shares. The Placing Shares will be allotted and issued under the General Mandate, and will not be subject to approval by the Shareholders.

The Placing Price of HK\$0.173 was determined with reference to the prevailing market price of the Shares after arm's length negotiations between the Company and the Placing Agent, and represents (i) a discount of approximately 3.89% to the closing price of HK\$0.180 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 0.46% to the average closing price per Share of HK\$0.1738 as quoted on the Stock Exchange in the last five consecutive trading days immediately prior to the date of the Placing Agreement.

Assuming all the Placing Shares are fully placed, the gross proceeds will be approximately HK\$9.688 million and the net proceeds (after deducting the placing commission and other related expenses) arising from the Placing are estimated to be approximately HK\$9.338 million. The net price per Placing Share is estimated to be approximately HK\$0.1668.

Shareholders and potential investors of the Shares should note that Placing is subject to the fulfilment of the conditions precedent to the Completion and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date: 4 March 2024 (after trading hours)

Issuer: the Company

Placing Agent: Space Securities Limited

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

The Placing

Pursuant to the Placing Agreement, the Placing Agent has conditionally agreed to place, on a best effort basis, up to 56,000,000 Placing Shares at the Placing Price of HK\$0.173 to not less than six (6) independent Placees.

The Placing Agent will receive a placing commission of 3.5% of the aggregate amount equal to the Placing Price multiplied by the actual number of Placing Shares successfully placed by the Placing Agent. The terms of the Placing Agreement (including the Placing Price and the placing commission) were determined after arm's length negotiations between the Company and the Placing Agent.

The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Placees

The Placing Agent will, on the best effort basis, place the Placing Shares to not less than six (6) Placees (who are independent professional, institutional or other investors), who and whose ultimate beneficial owner(s) are Independent Third Parties. It is expected that none of the Placees nor their associates will become a substantial shareholder of the Company as a result of the Placing.

Number of Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion, the maximum number of the Placing Shares under the Placing represent (i) approximately 19.91% of the existing total number of Shares in issue of the Company as at the date of this announcement; and (ii) approximately 16.60% of the total number of Shares in issue of the Company as enlarged by the allotment and issue of the Placing Shares.

Ranking of Placing Shares

The Placing Shares under the Placing will rank, upon issue, pari passu in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

Application for Listing

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares successfully placed by the Placing Agent.

Placing Price

The Placing Price of HK\$0.173 per Placing Share represents:

- (i) a discount of approximately 3.89% to the closing price of HK\$0.180 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 0.46% to the average closing price of HK\$0.1738 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Placing Agreement.

The net price per Placing Share (after deducting related costs and expenses to be borne by the Company) is approximately HK\$0.1668.

The Placing Price was determined with reference to the prevailing market price of the Shares and after arm's length negotiations between the Company and the Placing Agent. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable based on the current market conditions. Hence, the Directors consider that the Placing is in the interests of the Company and the Shareholders as a whole.

Conditions of the Placing Agreement

The Placing is conditional upon the fulfillment of the following conditions:

- (i) there shall not have occurred any material breach or any event rendering materially untrue or inaccurate, any of the representations, warranties or undertakings by the Company under the Placing Agreement;
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares (and such listing and permission not subsequently being revoked); and
- (iii) the Placing Agreement not being terminated by the Placing Agent pursuant to the terms of the Placing Agreement.

In the event any of the conditions above is not fulfilled on or before 2 April 2024 (or such other date as may be agreed between the parties), the obligations and liabilities of the Placing Agent and the Company under the Placing shall be null and void and neither the parties shall have any claim against the other, save for any antecedent breach or liabilities under the Placing Agreement prior to such termination.

Termination

The Placing Agent may terminate the Placing Agreement without liability to the Company by giving notice in writing to the Company, which notice may be given at any time prior to 8:00 a.m. on the Closing Date upon the occurrence of the following events:

- (i) any new law or regulation or any change or development involving a prospective change in existing laws or regulations (or the judicial interpretation thereof) which is or is likely to be materially adverse to the financial position, business affairs, prospects, profits, losses or the financial or trading position or performance of any member of the Group and the success of the Placing, or makes or is likely to make it impracticable to proceed therewith; or
- (ii) any event, or series of events in the nature of force majeure involving Hong Kong, the PRC, the United Kingdom, the European Union or the United States, or the declaration by Hong Kong, the PRC, the United Kingdom, the European Union or the United States of war or a state of emergency or calamity or crisis; or
- (iii) any change or development in local, national or international financial, political, military, industrial, fiscal, regulatory, currency or market conditions which is or is likely to be materially adverse to the success of the Placing, or makes or is likely to make it impracticable to proceed therewith; or
- (iv) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise at any time prior to the Closing Date; or
- (v) any temporary suspension of trading of the Shares on the Stock Exchange (but excluding any suspension pending the approval of the press announcement or any other announcement relating to the transactions contemplated by the Placing Agreement) before the Closing Date; or
- (vi) any material breach of the Company's representations, warranties and undertakings set out in the Placing Agreement by the Company; or any material breach of the obligations imposed upon the Company; or any of the Company's representations, warranties and undertakings set out in the Placing Agreement would be untrue or inaccurate or misleading in any material respect if given at that time; or
- (vii) any material adverse change in the business or in the financial or trading position or prospects of any member of the Group taken as a whole which is material in the context of the Placing.

If notice is given pursuant to items (i) to (vii) above, the Placing Agreement shall be terminated and all obligations of each of the parties under the Placing Agreement shall cease and determine and no party shall have any claim against the other party in respect of any matter arising out of or in connection with the Placing Agreement except for any antecedent breach of any obligation and liabilities incurred prior to such termination.

Completion of the Placing

Completion of the Placing Agreement shall take place at 4:00 p.m. on the Closing Date at the registered office of the Company in Hong Kong after the fulfilment of all the conditions set out in the Placing Agreement or such other date, time and/or place as the Placing Agent and the Company may agree in writing.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Group are principally engaged in (i) the exploration, development and exploitation of mines and trading of metal; and (ii) research, development and sale agency of bio and nano materials products as well as software maintenance and development services.

Assuming the Placing Shares are fully placed, the net price per Placing Share will be approximately HK\$0.1668. The maximum gross proceeds and maximum net proceeds from the Placing are expected to be approximately HK\$9.688 million and HK\$9.338 million, respectively. The Company intends to use the net proceeds from the Placing for partial repayment of the outstanding liabilities due to a Director and substantial shareholder of the Company of up to approximately HK\$3 million and the remaining for the working capital of the Group's operating business.

The Directors have considered various ways of raising funds and consider that the Placing represents an attractive opportunity to raise capital for the Company while broadening the Shareholder base and capital base of the Company. In addition, the net proceeds of the Placing will strengthen the Group's financial position for its future operation. Accordingly, the Directors consider that the Placing is of the interest of the Company and the Shareholders as a whole.

Shareholders and potential investors of the Shares should note that Placing is subject to the fulfilment of the conditions precedent to the Completion and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below illustrates the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the Completion (assuming the Placing Shares were placed in full and assuming there is no other change in the issued share capital of the Company between the date of this announcement and the Completion):

	As at the date of this announcement		Immediately after the Completion	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>
Mr. Felipe Tan	15,912,800	5.66%	15,912,800	4.72%
Starmax Holdings Limited (<i>Note</i>)	67,807,440	24.11%	67,807,440	20.10%
Mr. Lam Kwai Yan	120,000	0.04%	120,000	0.04%
Ms. Chan Choi Ling	120,000	0.04%	120,000	0.04%
Public Shareholders	197,327,940	70.15%	197,327,940	58.50%
Independent Placees	-	-	56,000,000	16.60%
Total	281,288,180	100.00%	337,288,180	100.00%

Note: Mr. Felipe Tan ("Mr. Tan") legally and beneficially owns the entire issued share capital of Starmax Holdings Limited ("Starmax"). Therefore, Mr. Tan is deemed, or taken to be, interested in all the 67,807,440 Shares held by Starmax for the purpose of the SFO. Mr. Tan is the sole director of Starmax.

GENERAL MANDATE

The Placing Shares will be issued under the General Mandate granted to the Directors by resolution of the Shareholders passed at the AGM, subject to the limit up to 20% of the then total number of Shares in issue of the Company as at the date of the AGM. Under the General Mandate, the Company is authorised to issue up to 562,576,360 new Shares.

Reference is made to (1) the circular of the Company dated 6 December 2023 in relation to the Share consolidation; (2) the notice of the extraordinary general meeting (the “EGM”) dated 6 December 2023; and (3) the announcement of the poll results of the EGM dated 28 December 2023. With effect from 2 January 2024, every ten (10) then issued Shares in the share capital of the Company were consolidated into one (1) consolidated Share. As a result, the shares authorized to be issued under the General Mandate was adjusted from 562,576,360 new Shares to 56,257,636 new Shares.

As at the date of this announcement, the Company had not utilised the General Mandate. Accordingly, the issue of Placing Shares is not subject to any Shareholders’ approval.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company had not conducted any fund raising activities during the past twelve months immediately preceding the date of this announcement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the annual general meeting of the Company held on 25 September 2023 to approve the General Mandate
“Associates”	has the meaning ascribed thereto in the GEM Listing Rules
“Board”	the Board of Directors of the Company
“business day”	any day (excluding a Saturday and Sunday) on which banks are generally open for business in Hong Kong during normal working hours
“Closing Date”	the date on which all conditions to completion of the Placing set out of the Placing Agreement are fulfilled, but in any event no later than 2 April 2024, or such other date as the Company and the Placing Agent may agree in writing
“Company”	Timeless Resources Holdings Limited, a company incorporated in Hong Kong with limited liability whose issued share are listed on GEM (stock code: 8028)
“Completion”	the completion of the Placing
“connected person(s)”	has the meaning ascribed thereto in the GEM Listing Rules

“Director(s)”	director(s) of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“General Mandate”	the general mandate which was granted to the Directors pursuant to an ordinary resolution passed at the AGM to issue and allot up to 562,576,360 Shares (which was adjusted to 56,257,636 Shares upon the share consolidation of the Company effective on 2 January 2024), representing 20% of the number of Shares in issue on the date of passing such resolution
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquires, are third parties independent of and not connected with the Company and its connected persons
“Placee(s)”	any professional, institutional and other investor, independent of and not connected with the connected persons of the Company and their respective Associates, whom the Placing Agent has procured to subscribe for any of the Placing Shares under the Placing Agreement
“Placing”	the placing by or on behalf of the Placing Agent of the Placing Shares on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	Space Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO
“Placing Agreement”	the agreement entered into between the Placing Agent and the Company dated 4 March 2024 in relation to the Placing
“Placing Price”	HK\$0.173 per Placing Share
“Placing Share(s)”	up to 56,000,000 new Shares to be placed pursuant to the Placing Agreement

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board
TIMELESS RESOURCES HOLDINGS LIMITED
Felipe Tan
Chairman

Hong Kong, 4 March 2024

Executive Directors:

Mr. Felipe Tan (Chairman)

Mr. Ronald Tan

Independent non-executive Directors:

Ms. Chan Choi Ling

Mr. Lam Kwai Yan

Mr. Yu Leung Fai

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange 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 Listed Company Information” page of the Stock Exchange’s website at www.hkexnews.hk for at least seven days from the date of its publication and on the Company’s website at www.timeless.com.hk.