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This announcement, for which the directors of the Company (the “Directors”) collectively and individually accept full 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 the Company. 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 RELATING TO THE ISSUE OF A CORPORATE GUARANTEE TO A FINANCIAL INSTITUTION IN HONG KONG

The Board would like to announce that the Company has on 23 October 2003 issued a corporate guarantee to a financial institution in Hong Kong (the “**Corporate Guarantee**”) as a security for a loan facility of HK\$40,000,000 obtained by Timeless Laboratories Limited, a wholly-owned subsidiary of the Company, on the same date (the “**Loan Facility**”). The Loan Facility is to replace the Company’s current loan facility for the outstanding amount of HK\$25,000,000 with another financial institution, and will also be secured by a fixed legal mortgage over the ownership of the property located at 79/F., The Center, 99 Queen’s Road Central, Hong Kong and personal guarantees of Mr. Cheng Kin Kwan and Ms. Leung Mei Sheung Eliza, both directors of the Company, respectively. In respect of the personal guarantees of Mr. Cheng Kin Kwan and Ms. Leung Mei Sheung Eliza, Rule 17.20 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited does not apply as Mr. Cheng Kin Kwan and Ms. Leung Mei Sheung Eliza are not controlling shareholders of the Company.

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The Directors consider that the Loan Facility is entered into on normal commercial terms and that the terms are fair and reasonable and in the interests of the shareholders of the Company as a whole.

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

Hong Kong, 23 October 2003

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