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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)

**(1) BUSINESS UPDATE:**  
**TERMINATION OF PROPOSED LISTING OF CGA HOLDINGS;**  
**(2) DISCLOSEABLE TRANSACTIONS IN RELATION TO**  
**(i) THE SHARE TRANSFER;**  
**AND (ii) THE DISPOSAL**

**TERMINATION OF PROPOSED LISTING OF CGA HOLDINGS**

The Parties have decided not to extend the Listing Deadline after its expiry and agreed to terminate the Proposed Listing of CGA Holdings with effect from 11 July 2024 and the Parties have proceeded with the Share Transfer on even date. After the Share Transfer, all rights and obligations of the Parties in connection with the Proposed Listing shall cease to have any effect. No Party shall have any claim against each other in connection with the Proposed Listing.

**DISCLOSEABLE TRANSACTIONS IN RELATION TO:**

**(i) THE SHARE TRANSFER**

Pursuant to the termination of the Proposed Listing with effect from 11 July 2024, the Parties have proceeded with the Share Transfer on even date in which World Honor, as transferor, has transferred 8,733 shares and 3,737 shares of CGA Holdings, representing approximately 34.31% and 14.68% of the total issued shares of CGA Holdings, at a consideration of HK\$1.00 to Bloom Explorer and Time Rich, as the transferees respectively.

Upon completion of the Share Transfer, Bloom Explorer and Time Rich own approximately 70.03% and 29.97% in CGA Holdings respectively which has restored each of Bloom Explorer and Time Rich's shareholdings in CGA Holdings to their respective shareholdings prior to the WH-Subscription.

**(ii) THE DISPOSAL**

On 11 July 2024 (after trading hours), immediately after completion of the Share Transfer, Time Rich, a wholly-owned subsidiary of the Company, and the Purchaser entered into the Agreement pursuant to which Time Rich as the vendor agreed to dispose of and the Purchaser agreed to acquire the Sale Shares, representing 29.97% issued share capital of CGA Holdings, for a total consideration of HK\$150,000.

## **IMPLICATIONS UNDER THE GEM LISTING RULES**

As one or more of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of each of the Share Transfer and the Disposal are more than 5% but less than 25%, each of the Share Transfer and the Disposal constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting and announcement requirements, but is exempt from the approval of the shareholders of the Company under Chapter 19 of the GEM Listing Rules.

## **TERMINATION OF PROPOSED LISTING OF CGA HOLDINGS**

Reference is made to the announcement of Timeless Resources Holdings Limited (formerly “Timeless Software Limited”) (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 18 October 2021 in relation to the subscription (the “**WH-Subscription**”) of 12,470 shares of CGA Holdings Limited (“**CGA Holdings**”, together with its subsidiaries, the “**CGA Group**”) by World Honor Holdings Limited (“**World Honor**”) to provide funding for the proposed listing of CGA Holdings on an overseas stock exchange (“**Proposed Listing**”) on or before the expiry of eighteen months after 18 October 2021 (or such other time as mutually agreed) (the “**Listing Deadline**”). Immediately after the WH-Subscription, World Honor, Bloom Explorer Limited (“**Bloom Explorer**”), and Time Rich HK Limited (“**Time Rich**”), a wholly-owned subsidiary of the Company, owned approximately 49.00%, 35.72% and 15.28% of the issued shares of CGA Holdings respectively. In the event that the Proposed Listing shall be unsuccessful for any reason whatsoever by the Listing Deadline, World Honor shall transfer all its shareholding in CGA Holdings to Bloom Explorer and Time Rich at a consideration of HK\$1.00 so that their shareholdings shall be equal to the percentage of shareholdings prior to the WH-Subscription (“**Share Transfer**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to provide the shareholders of the Company with the latest development of CGA Holdings.

After taking into account the recent market conditions, Time Rich, World Honor, Bloom Explorer and Messrs. WAN Sai Ho (“**Mr. Wan**”), CHOW Kai Hong Ryan (“**Mr. Chow**”) and LI Ka Chun (“**Mr. Li**”), the three founders of CGA Holdings, (collectively, the “**Parties**” and each a “**Party**”) have decided not to extend the Listing Deadline after its expiry and agreed to terminate the Proposed Listing with effect from 11 July 2024 and proceed with the Share Transfer.

After the Share Transfer, all rights and obligations of the Parties in connection with the Proposed Listing shall cease to have any effect. No Party shall have any claim against each other in connection with the Proposed Listing.

## **DISCLOSEABLE TRANSACTIONS IN RELATION TO:**

### **(i) SHARE TRANSFER**

#### **Assets to be acquired**

Pursuant to the termination of the Proposed Listing with effect from 11 July 2024, the Parties have proceeded with the Share Transfer on even date in which World Honor, as transferor, has transferred 8,733 shares and 3,737 shares of CGA Holdings, representing approximately 34.31% and 14.68% of the total issued shares of CGA Holdings to Bloom Explorer and Time Rich, as the transferees respectively.

Upon completion of the Share Transfer, Bloom Explorer and Time Rich own 17,823 shares representing approximately 70.03% and 7,627 shares representing approximately 29.97% in CGA Holdings respectively which has restored each of Bloom Explorer and Time Rich's shareholdings in CGA Holdings to their respective shareholdings prior to the WH-Subscription.

Following the Share Transfer, Bloom Explorer as the chargor and Time Rich as the chargee entered into the amended and restated share charge (the "**Amended and Restated Share Charge**") to charge 17,823 shares of CGA Holdings, representing approximately 70.03% of the issued share capital of CGA Holdings, in favour of Time Rich as security for the obligations of Mr. Wan, Mr. Chow and Mr. Li under the deed of settlement (the "**Deed of Settlement**") dated 30 June 2021 and entered into between Time Rich and them.

As set out in the announcement (the "**2021 Announcement**") of the Company dated 30 June 2021, the relevant parties entered into the Deed of Settlement and the share charge (the "**Share Charge**") as security for the due and punctual performance of the obligations of the Guarantors (as defined below) under the Deed of Settlement, on 30 June 2021.

#### ***Deed of Settlement***

The principal terms of the Deed of Settlement are set out below:

- Date: 30 June 2021
- Parties: (i) Time Rich as the subscriber;  
(ii) Mr. Li as the guarantor;  
(iii) Mr. Wan as the guarantor; and  
(iv) Mr. Chow as the guarantor (collectively, the "**Guarantors**")

For the full and final settlement of the payment obligations and liabilities of the Guarantors in relation to the Profit Guarantee Compensation (as defined in the 2021 Announcement), the Guarantors irrevocably and unconditionally, jointly and severally, undertake to pay to Time Rich the settlement amount (the "**Settlement Amount**") in the following manner:

- (a) as to HK\$1,000,000 shall be paid to Time Rich upon the execution of the Deed of Settlement;
- (b) as to HK\$8,142,400 shall be paid to Time Rich (i) on or before 30 June 2023; or (ii) such earlier date as may be requested by Time Rich in its absolute discretion by given ten (10) business days' written notice to the Guarantors (whichever is earlier); and
- (c) a further sum accruing at the rate of 5% per annum on the outstanding amount payable by the Guarantors to Time Rich under paragraph (b) above, calculated on the actual number of days elapsed from the date of the Deed of Settlement and up to the date of payment of such outstanding amount on the basis of a 365-day year, shall be paid to Time Rich on the date of payment of such outstanding amount.

### *Share Charge*

The principal terms of the Share Charge are set out below.

- Date: 30 June 2021
- Parties: (i) Bloom Explorer as the chargor; and  
(ii) Time Rich as the chargee

As security for the due and punctual performance of the obligations of the Guarantors under the Deed of Settlement, Bloom Explorer as chargor executed the Share Charge in favour of Time Rich, pursuant to which Bloom Explorer shall charge the 9,090 shares of CGA Holdings legally and beneficially owned by Bloom Explorer in favour of Time Rich.

For further details of the Deed of Settlement, please refer to the 2021 Announcement.

As at 11 July 2024, the aggregate outstanding settlement amount under the Deed of Settlement in the sum of HK\$9,376,400, being the principal amount of HK\$8,142,400 and accrued interest of HK\$1,234,000 remains outstanding. As at the date of this Announcement, the Group has yet to take legal action and is still in active discussions with the Guarantors on the settlement of the Settlement Amount due to the following reasons:

- (i) To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Guarantors are in financial difficulty. In light of the financial conditions of the Guarantors, the Group is of the view that the costs and time involved in taking any legal action would not result in the recovery of a significant sum and may not even cover the legal costs involved. As such, the Group considers that taking legal action at this moment would not be in the interests of the Group; and
- (ii) based on the valuation of 29.97% equity interests in CGA Holdings as at 31 March 2024 conducted by Norton Appraisals Holdings Limited (the "Valuer"), an independent valuer, the Valuer has opined that such shares carry no commercial value. Therefore, the Group is of the view that

enforcing the Share Charge at this moment will not be commensurate to the settlement of the Settlement Amount.

Time Rich is now in active discussions with the Guarantors in deriving at a potential resolution, including, but not limited to other means for them to raise funds in order to settle the Settlement Amount.

The progress of the settlement of the Settlement Amount under the Deed of Settlement will not affect the Share Transfer or the Disposal as the settlement arrangements are not related to the transactions involving the Share Transfer and/or the Disposal.

### **Consideration**

The consideration of the Share Transfer is HK\$1.00 settled in cash by Bloom Explorer and Time Rich respectively, which is a nominal consideration for the purposes of effecting the Share Transfer.

### **Completion**

Completion of the Share Transfer has taken place on 11 July 2024 which is the same date as the effective date of the termination of the Proposed Listing.

### **Information on the Parties**

#### *The Group*

The Company is an investment holding company. The Group is principally engaged in (i) the exploration and exploitation of mines and trading of metals; and (ii) the research, development and sales agency of bio and nano materials as well as software maintenance and development services.

Time Rich is a wholly-owned subsidiary of the Company and is principally engaged in investment holding and the provision of business and agency services.

#### *World Honor*

World Honor is a limited liability company incorporated in the British Virgin Islands and is principally engaged in investment holding. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, World Honor is wholly-owned by Mr. Wong Pak To.

#### *Bloom Explorer*

Bloom Explorer is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Bloom Explorer is owned as to 50% by Mr. Wan, 25% by Mr. Chow and 25% by Mr. Li.

## *CGA Holdings*

CGA Holdings is a limited liability company incorporated in the British Virgin Islands and together with its subsidiaries, are principally engaged in e-sport business.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Mr. Wan, Mr. Chow and Mr. Li, World Honor and Bloom Explorer and their respective ultimate beneficial owners, are third parties independent of and not connected with the Company and its connected persons.

### **Financial Information of CGA Holdings**

Set out below is the financial information of CGA Holdings for the two financial years ended 31 March 2023 and 31 March 2024:

	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2024</b>
	(unaudited)	(unaudited)
	<i>HK\$</i>	<i>HK\$</i>
Revenue	24,650,000	21,926,000
Profit/(Loss) before income tax	2,802,000	(4,672,000)
Profit/(Loss) after income tax	2,802,000	(4,672,000)

Based on the management accounts of CGA Holdings, as at 31 March 2024, CGA Holdings has unaudited net liabilities of approximately HK\$7,738,000.

### **Reasons for and benefits of the Share Transfer**

As the Parties have decided not to extend the Listing Deadline after its expiry and agreed to terminate the Proposed Listing with effect from 11 July 2024, the Parties have proceeded with the Share Transfer.

As the Share Transfer restored each of Bloom Explorer and Time Rich's respective shareholdings in CGA Holdings prior to the WH-Subscription, the Directors are of the view that the Share Transfer is fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

### **(ii) DISPOSAL OF EQUITY INTEREST IN CGA HOLDINGS**

On 11 July 2024 (after trading hours), immediately after completion of the Share Transfer, Time Rich and Charm Point Holdings Limited (the "**Purchaser**") entered into the disposal agreement (the "**Disposal Agreement**") pursuant to which Time Rich agreed to dispose of (the "**Disposal**"), and the Purchaser agreed to acquire 7,627 shares (the "**Sale Shares**"), representing approximately 29.97% of the issued share capital in CGA Holdings for a total consideration of HK\$150,000. Details of the Disposal Agreement are as follows:

## **The Disposal Agreement**

**Date** : 11 July 2024 (after trading hours)

**Parties** : (i) Time Rich; and  
(ii) The Purchaser.

### **Assets to be disposed**

Pursuant to the Disposal Agreement, Time Rich has agreed to dispose of and the Purchaser has agreed to acquire the Sale Shares, representing approximately 29.97% of the issued share capital of CGA Holdings.

### **Consideration**

Pursuant to the Disposal Agreement, the consideration for the Sale Shares shall be HK\$150,000 (the “**Consideration**”), which shall be satisfied by the Purchaser in cash at completion of the Disposal .

The consideration for the disposal of the Sale Shares was arrived at after arm’s length negotiations between Time Rich and the Purchaser having considered: (i) unaudited net consolidated liabilities of the CGA Group of approximately HK\$7,738,000 as at 31 March 2024; (ii) loss making financial performance for the latest financial year; (iii) future business prospect of the CGA Group; (iv) a preliminary valuation of the entire issued share capital of the CGA Group of zero commercial value conducted by the Valuer using the asset-based approach; and (v) the costs to be incurred by the Company for the Disposal.

### **Conditions**

The Disposal Agreement is unconditional. The Share Transfer and the Disposal are not inter-conditional.

### **Completion**

Completion of the Disposal has taken place on 11 July 2024, i.e. the date of the Disposal Agreement.

After the completion of the Disposal, Time Rich does not hold any equity interest in CGA Holdings.

### **Valuation**

The preliminary valuation of the CGA Group of no commercial value as at 31 March 2024 (the “**Valuation Date**”) was prepared by an independent third party valuer, Norton Appraisals Holdings Limited on 11 July 2024. The Valuer has qualifications as a member of the Hong Kong Institute of Surveyors (General Practice) with more than 20 years’ experience in various valuation business in Hong Kong and the PRC. The valuation is based on fair value and the Valuer adopted an asset-based approach as at the Valuation Date.

Pursuant to the asset-based valuation assessment undertaken by the Valuer, the fair value of the CGA Group's identifiable assets and liabilities has been determined as of 31 March 2024. The Valuer has adopted an asset-based approach to ascertain the fair value of the CGA Group's individual assets and corresponding liabilities, as reflected in the entity's unaudited consolidated statement of financial position as of the Valuation Date.

In determining the valuation approaches, the Valuer considered three generally accepted valuation approaches, namely the income approach, asset-based approach and market approach. The asset-based approach was selected because all assets and liabilities on-and-off balance sheet are identifiable and can be independently appraised according to an appropriate valuation method respectively.

The valuation of the CGA Group will be derived from its existing assets and liabilities.

	Carrying amount HK\$'000	Fair value HK\$'000
<b><u>Assets</u></b>		
Property, plant and equipment	273	273
Right-of-use assets	1,049	1,049
Trade and other receivables	2,627	2,627
Bank balances and cash	963	963
	<hr/>	<hr/>
Total assets (Note i)	4,912	4,912
	<hr/>	<hr/>
<b><u>Liabilities</u></b>		
Trade and other payables	(9,019)	(9,019)
Borrowings	(2,500)	(2,500)
Lease liabilities	(1,131)	(1,131)
	<hr/>	<hr/>
Total liabilities (Note ii)	(12,650)	(12,650)
	<hr/>	<hr/>
Net liabilities	(7,738)	(7,738)
	<hr/>	<hr/>
Valuation		<u>No commercial value</u>

Notes:

- i) The carrying amounts of assets of the CGA Group in the unaudited statement of financial position reasonably represented their fair value as of the Valuation Date.
- ii) All liabilities of the CGA Group reflected the entire indebtedness of the CGA Group. The entire amount of liabilities has been adopted in the valuation without any adjustments.

Based on the asset-based valuation, the 29.97% equity interest in the CGA Group has no commercial value.

Having considered the above, the Directors concur with the valuation methodology selected by the valuer, and are of the view that the valuation is fair and reasonable.



## **Information on the Purchaser**

The Purchaser is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. The Purchaser is wholly-owned by Mr. Wong Kei Yuen.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Purchaser and its ultimate beneficial owner are third parties independent of and not connected with the Company and its connected persons; and (ii) World Honor, Bloom Explorer, the Purchaser and their ultimate beneficial owners are third party independent of each other.

## **Financial effect of the Disposal and use of proceeds**

It is estimated that upon completion of the Disposal, the Group will record a gain on Disposal of approximately HK\$150,000. The expected gain on Disposal is calculated based on difference between the consideration of HK\$150,000 and the net book value of the Sale Shares of nil as at 11 July 2024. The actual gain or loss from the Disposal shall be subject to relevant recognition under applicable accounting standards.

It is estimated that there will not be any net proceeds from the Disposal after deducting the costs incurred by the Group for the Disposal from the Consideration.

Before completion of the Share Transfer, the investment in CGA Holdings was previously classified as financial assets at fair value through profit or loss in the financial statements of the Group. Upon completion of the Share Transfer and immediately before the Disposal, the investment in CGA Holdings had been treated as an asset held for sale of the Group. Upon completion of the Disposal, the Group no longer has any equity interest in CGA Holdings other than security interest under the Amended and Restated Share Charge. The financial results of CGA Holdings had not been and will not be consolidated into the financial results of the Group either immediately prior to or upon completion of the Share Transfer and CGA Holdings had not historically declared dividends.

## **Reasons for and benefits of the Disposal**

During the year, the Group conducted a review of the financial status of CGA Group. Notwithstanding the uplift of anti-pandemic measures in early 2023 by the Hong Kong government, the promotion budgets of CGA Group's customers have not yet been resumed to the pre-pandemic level. Taking into account the unsatisfactory performance of CGA Holdings and the opportunity to reallocate the Group's resources after the Disposal, the Directors consider that the terms and conditions of the disposal of the Sale Shares are fair and reasonable and on normal commercial terms and are in the interests of the Company and shareholders of the Company as a whole.

## **IMPLICATIONS UNDER THE GEM LISTING RULES**

As one or more of the applicable percentage ratios (as defined under the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”)) in respect of each of the Share Transfer and the Disposal are more than 5% but less than 25%, each of the Share Transfer and the Disposal constitutes a discloseable transaction of the part of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the reporting and announcement requirements, but is exempt from the approval of the shareholders of the Company under Chapter 19 of the GEM Listing Rules.

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

Hong Kong, 11 July 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.*

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