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TIMELESS SOFTWARE LIMITED

天時軟件有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 8028)

**CONNECTED TRANSACTION:
SUPPLEMENTAL AGREEMENT
IN RELATION TO
THE SUBSCRIPTION OF SHARES IN
DRAGON SILVER HOLDINGS LIMITED**

Reference is made to the announcements (the “**Announcements**”) of Timeless Software Limited (the “**Company**”) dated 29 December 2017 and 2 March 2020 in relation to, among others, the subscription of approximately 8.86% of the issued share capital in Dragon Silver Holdings Limited which constituted a connected transaction of the Company under Chapter 20 of the GEM Listing Rules. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

SUPPLEMENTAL AGREEMENT TO THE SUBSCRIPTION AGREEMENT

On 24 April 2020 (after trading hours), the Target Company, the Subscriber and the Guarantor entered into a supplemental agreement to make certain amendments to the Subscription Agreement (the “**Supplemental Agreement**”). Pursuant to the Supplemental Agreement, the Subscriber agreed to waive the profit guarantee for the two financial years ending 30 June 2020 and 30 June 2021 given by the Guarantor (the “**PG Waiver**”) and in consideration of the PG Waiver, the Guarantor agreed to extend the profit guarantee period for three additional financial years for the financial years ending 30 June 2023, 30 June 2024 and 30 June 2025.

The Guaranteed Profit for the financial years ending 30 June 2023, 30 June 2024 and 30 June 2025 shall remain not less than HK\$15,000,000 for each of such financial year and the Profit Guarantee Compensation Amount shall remain 8.86% of the difference between the Guaranteed Profit and the Actual Profit for each of such financial year.

Save as disclosed above, all other terms and conditions of the Subscription Agreement remain unchanged.

REASONS FOR THE SUPPLEMENTAL AGREEMENT

The Company and its subsidiaries (the “**Group**”) are principally engaged in (i) the exploration and exploitation of mines; and (ii) research and development of bio and nano new materials as well as various investments in IT and innovation projects, including e-Sport tournament services, nano applications, IT startup fund, smart farming solution and services, provision of consultancy and software maintenance and development, and e-commerce services.

Due to the collective impact of the coronavirus pandemic, the continuing trade tension between the PRC and the United States of America, the slowdown of the PRC’s economic growth and the frustration in business’ global production lines and supply chains leading to the decrease in sales and trading, the Guarantor requested the Subscriber to waive the profit guarantee given by the Guarantor for the two financial years ending 30 June 2020 and 30 June 2021 and in return, the Guarantor is willing to extend the profit guarantee period for three additional financial years for the financial years ending 30 June 2023, 30 June 2024 and 30 June 2025.

Having taken into account that the current economic situation and prospect, the unprecedented impact of the coronavirus pandemic and the fact that the Guarantor is willing to extend the profit guarantee period for three additional financial years, the Directors (including the independent non-executive Directors) consider that the terms of the Supplemental Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Mr. Ronald Tan has abstained from voting on the relevant board resolution(s) approving the Supplemental Agreement and the transactions contemplated thereunder. Save as stated above, none of the Directors has any material interest in the Supplemental Agreement and the transactions contemplated thereunder, and hence no other Director has abstained from voting on the relevant Board resolution(s).

By Order of the Board
TIMELESS SOFTWARE LIMITED
Chan Mei Ying Spencer
Executive Director and Chief Executive Officer

Hong Kong, 24 April 2020

Executive Directors:

Mr. Chan Mei Ying Spencer (Chief Executive Officer)

Mr. Lam Kai Ling Vincent

Ms. Lau Yun Fong Carman

Mr. Ronald Tan

Independent non-executive Directors:

Ms. Chan Choi Ling

Mr. Lam Kwai Yan

Ms. Tsang Wai Chun Marianna

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