

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should immediately consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Timeless Software Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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TIMELESS SOFTWARE LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 8028)

**(1) RE-ELECTION OF DIRECTORS;
(2) GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

The notice of the annual general meeting of the Company to be held at Conference Hall 01, G/F., Core Building 1, No. 1 Science Park East Avenue, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong on Thursday, 25 September 2014 at 3:30 p.m. (the “**Annual General Meeting**”) is set out on pages 8 to 11 of this circular. A form of proxy for use at the Annual General Meeting is enclosed with this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the registered office of the Company at Units 111–113, 1st Floor, Enterprice Place, Phase One, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion of the proxy form and its return will not preclude you from attending, and voting at, the Annual General Meeting, or any adjournment thereof, should you so wish and in such event, the form of proxy shall be deemed to be revoked.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of posting and on the Company’s website at www.timeless.com.hk.

8 August 2014

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF
THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")**

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:

“Annual General Meeting”	the annual general meeting of the Company to be convened and held at Conference Hall 01, G/F., Core Building 1, No. 1 Science Park East Avenue, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong on Thursday, 25 September 2014 at 3:30 p.m. or any adjournment thereof
“Articles”	the articles of association of the Company as amended and adopted from time to time
“Associate”	shall have the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors or a duly authorised committee thereof
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Timeless Software Limited, a company incorporated in Hong Kong with limited liability under the Companies Ordinance, the Shares of which are listed on GEM
“Directors”	the director(s) of the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM as amended, supplemented or otherwise modified from time to time
“Group”	the Company and all of its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong for the time being

DEFINITIONS

“Latest Practicable Date”	6 August 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Notice of Annual General Meeting”	the notice convening the Annual General Meeting as set out on pages 8 to 11 of this circular
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the Notice of Annual General Meeting
“Repurchase Mandate”	the proposed general mandate to be granted to the Directors to exercise power of the Company to repurchase Shares on the Stock Exchange not exceeding 10% of the total number of Shares in issue as at the date of the Annual General Meeting
“Share(s)”	ordinary share(s) of the Company
“Shareholders”	holders of the Shares from time to time
“Share Issue Mandate”	the proposed general mandate to be granted to the Directors to allot, issue and deal with new Shares not exceeding 20% of the total number of Shares in issue as at the date of the Annual General Meeting
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder”	shall have the meaning ascribed to it under the GEM Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers issued by the Hong Kong Securities and Futures Commission

LETTER FROM THE BOARD



TIMELESS SOFTWARE LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 8028)

Executive Directors:

Mr. CHENG, Kin Kwan (*Chairman & Chief Executive Officer*)

Mr. LAW, Kwai Lam

Ms. LEUNG, Mei Sheung Eliza

Ms. ZHENG, Ying Yu

Mr. FUNG, Chun Pong Louis

Mr. LIAO, Yun

Mr. TAN, Felipe

Mr. ZHANG, Ming

Registered Office:

Units 111–113, 1st Floor

Enterprice Place, Phase One

Hong Kong Science Park

Pak Shek Kok

New Territories

Hong Kong

Independent non-executive Directors:

Ms. TSANG, Wai Chun Marianna

Mr. CHAN, Mei Ying Spencer

Mr. LAM, Kwai Yan

Ms. CHAN, Choi Ling

8 August 2014

To the Shareholders,

Dear Sir/Madam,

**(1) RE-ELECTION OF DIRECTORS;
(2) GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES; AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information relating to the Ordinary Resolutions to be proposed at the Annual General Meeting involving but not limited to (a) the re-election of retiring Directors; and (b) the Repurchase Mandate and the Share Issue Mandate.

LETTER FROM THE BOARD

2. RE-ELECTION OF DIRECTORS

The Board currently consists of twelve members, including the following executive Directors:

- (a) Mr. LAW, Kwai Lam
- (b) Mr. LIAO, Yun
- (c) Ms. LEUNG, Mei Sheung, Eliza

and the following independent non-executive Director:

- (d) Mr. LAM, Kwai Yan

In accordance with Article 105(A) of the Articles, Mr. Law Kwai Lam, Mr. Liao Yun, Ms. Leung Mei Sheung, Eliza and Mr. Lam Kwai Yan shall retire by rotation and, being eligible, have offered themselves for re-election at the Annual General Meeting.

Particulars of each of the retiring Directors proposed to be re-elected are set out in appendix II to this circular. At the Annual General Meeting, ordinary resolutions will be proposed to approve their re-election.

3. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the last annual general meeting of the Company held on 25 September 2013, the Directors were granted a general mandate to allot and issue Shares and a general mandate to repurchase Shares. These mandates will lapse at the conclusion of the Annual General Meeting.

Repurchase Mandate

An ordinary resolution will be proposed at the Annual General Meeting that the Directors be given the Repurchase Mandate to exercise all powers of the Company to purchase issued Shares of the Company on the Stock Exchange of an aggregate amount of up to 10 per cent. of the total number of Shares in issue as at the date of passing such resolution.

As at the Latest Practicable Date, the Company has aggregate of 1,625,051,503 Shares in issue. Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that no further Shares will be issued and no Shares will be repurchased between the Latest Practicable Date and the date of passing such resolution, the Directors would be authorised to repurchase Shares up to a limit of 162,505,150 Shares, representing 10 per cent. of the total number of Shares in issue as at the date of passing such resolution. The relevant resolution is set out as Ordinary Resolution number 5(i).

LETTER FROM THE BOARD

Share Issue Mandate

An ordinary resolution will be proposed at the Annual General Meeting that the Directors be given the Share Issue Mandate to exercise all powers of the Company to allot, issue and deal with additional Shares up to 20 per cent. of the total number of Shares in issue as at the date of passing such resolution.

Subject to the passing of the resolution for the approval of the Share Issue Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting, the Company would be allowed under the Share Issue Mandate to allot, issue and deal with up to a limit of 325,010,300 Shares, representing 20 per cent. of the total number of Shares in issue as at the date of passing such resolution. The relevant resolution is set out as Ordinary Resolution number 5(ii).

An ordinary resolution will also be proposed at the Annual General Meeting to authorise the extension of the general mandate to issue new Shares by adding to the mandate the number of Shares to be repurchased by the Company under the Repurchase Mandate in the terms set out in Ordinary Resolution number 5(iii).

In addition, Shareholders should note that the Repurchase Mandate and the Share Issue Mandate (including the extended Share Issue Mandate) will continue to be in force during the period from the date of passing of the resolutions for the approval of the Repurchase Mandate and the Share Issue Mandate until the conclusion of the next annual general meeting of the Company or an earlier date as referred to in paragraph (c) of the Ordinary Resolution number 5(i) or paragraph (d) of the Ordinary Resolution number 5(ii), as the case may be.

Explanatory statement

An explanatory statement as required under rule 13.08 of the GEM Listing Rules to provide the requisite information of the Repurchase Mandate is set out in appendix I to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate at the Annual General Meeting.

4. 2014 ANNUAL REPORT AND ANNUAL GENERAL MEETING

A copy of the annual report of the Company for the year ended 31 March 2014 was despatched to Shareholders on 30 June 2014. A copy of the Notice of Annual General Meeting, to be held at Conference Hall 01, G/F., Core Building 1, No. 1 Science Park East Avenue, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong on Thursday, 25 September 2014 at 3:30 p.m. is set out on pages 8 to 11 of this circular.

LETTER FROM THE BOARD

The Ordinary Resolutions to approve the re-election of Directors and the granting of the Repurchase Mandate and the Share Issue Mandate will be proposed at such meeting.

In accordance with rule 17.47(4) of the GEM Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. The Chairman of the meeting will therefore demand a poll for each of the resolutions put to the vote at the Annual General Meeting. An announcement on the poll vote results will be made by the Company after the Annual General Meeting in the manner prescribed under rule 17.47(5) of the GEM Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the registered office of the Company at Units 111–113, 1st Floor, Enterprise Place, Phase One, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong as soon as possible and, in any event, so as to be received not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not prevent you from attending and voting at the Annual General Meeting, or any adjournment thereof, should you so wish and in such event, the form of proxy should be deemed to be revoked.

5. CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining shareholders' entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 23 September 2014 to Thursday, 25 September 2014 (both days inclusive) during which period no transfer of Shares will be registered. In order to qualify for attending at the Annual General Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Computershare Hong Kong Investor Services Ltd. at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Monday, 22 September 2014.

6. RESPONSIBILITY STATEMENT

This circular, for which the Directors 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 circular 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 circular misleading.

LETTER FROM THE BOARD

7. RECOMMENDATION

The Directors consider that approvals for the re-election of Directors and the granting of the Repurchase Mandate and the Share Issue Mandate are in the best interests of the Company and its Shareholders and so recommend you to vote in favour of the Ordinary Resolutions to be proposed at the Annual General Meeting. Shareholders should note that the Directors will exercise their voting rights in respect of all of their shareholdings (if any) in favour of the Ordinary Resolutions.

8. GENERAL

Your attention is drawn to the additional information set out in the appendices to this circular.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolution to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board of
Timeless Software Limited
CHENG Kin Kwan
Chairman & Chief Executive Officer

NOTICE OF ANNUAL GENERAL MEETING



TIMELESS SOFTWARE LIMITED

(incorporated in Hong Kong with limited liability)

(Stock Code: 8028)

NOTICE IS HEREBY GIVEN that the annual general meeting of Timeless Software Limited (the “**Company**”) will be held at Conference Hall 01, G/F., Core Building 1, No. 1 Science Park East Avenue, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong on Thursday, 25 September 2014 at 3:30 p.m. (the “**Annual General Meeting**”) to consider and, if thought fit, pass the following ordinary resolutions of the Company:

AS ORDINARY RESOLUTIONS:

- (1) To receive and consider the audited financial statements together with the reports of the directors (the “**Directors**”) and auditors of the Company for the year ended 31 March 2014;
- (2)
 - (i) To re-elect Mr. Law Kwai Lam as the executive Director;
 - (ii) To re-elect Mr. Liao Yun as the executive Director;
 - (iii) To re-elect Ms. Leung Mei Sheung, Eliza as the executive Director; and
 - (iv) To re-elect Mr. Lam Kwai Yan as the independent non-executive Director;
- (3) To authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration;
- (4) To re-appoint HLB Hodgson Impey Cheng Limited as the Company’s auditors to hold office until conclusion of the next annual general meeting and to authorise the Board to fix their remuneration; and

As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions of the Company:

- (5)
 - (i) “**THAT**
 - (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined hereunder) of all powers of the Company to purchase ordinary shares (the “**Shares**”) of the Company in issue on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the Shares may be listed and which is recognised by the Securities and Future Commission of Hong Kong (the “**SFC**”) and the Stock Exchange for such purpose, in accordance with the rules and

NOTICE OF ANNUAL GENERAL MEETING

regulations of SFC, the Stock Exchange or of any such other exchange from time to time and all applicable laws in this regard be and is hereby generally and unconditionally approved;

(b) the total number of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall be no more than 10 per cent. of the total number of Shares in issue as at the date of passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;

(c) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

(A) the conclusion of the next annual general meeting of the Company;

(B) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company (the “Articles”) or any applicable law to be held; and

(C) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

(ii) **“THAT**

(a) subject to the limitation mentioned in paragraph (c) of this resolution, pursuant to the Rules Governing the Listing of Securities on GEM, the exercise by the Directors during the Relevant Period (as defined hereunder) of all the powers of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements and options (including bonds, warrants and securities convertible into Shares), which might require the exercise of such powers be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options, which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (A) a Rights Issue (as defined hereunder), (B) the exercise of options granted under any share option scheme adopted by the Company from time to time and (C) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles in force from time to time shall not exceed the aggregate of (i) 20 per cent. of the total number of Shares in issue at the date of passing this resolution; and (ii) (if the Directors are so authorised by separate ordinary resolution of the Company) the total number of Shares repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the total number of Shares in issue at the date of passing this resolution) and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:

- (A) the conclusion of the next annual general meeting of the Company;
- (B) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law to be held;
- (C) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Company or by the Directors to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

- (iii) “**THAT** the Directors be and they are hereby authorised to exercise the powers of the Company referred to in paragraph (a) of the resolution set out as resolution number 5(ii) in this notice in respect of the share capital of the Company referred to in sub-paragraph (ii) of paragraph (c) of such resolution.”

By Order of the Board
Timeless Software Limited
CHENG Kin Kwan
Chairman & Chief Executive Officer

Hong Kong, 8 August 2014

Registered Office:

Units 111–113, 1st Floor
Enterprise Place, Phase One
Hong Kong Science Park
Pak Shek Kok
New Territories
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting convened by the above notice may appoint one or more proxies to attend the Annual General Meeting and vote on a poll instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy and the power of authority or other authority (if any) under which it is signed or a notarially certified copy of such power of authority must be deposited at the registered office of the Company in Hong Kong at Units 111–113, 1st Floor, Enterprise Place, Phase One, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof.
3. In the case of joint holders of any shares in the Company any one of such joint holders may vote at the Annual General Meeting, either in person or by proxy, in respect of such shares as if he was solely entitled thereto, but if more than one of such joint holders are present at the meeting, either personally or by proxy, that one of the said persons so present whose name stand first on the register of members in respect of such shares shall be accepted to the exclusion of the votes of the other joint registered holders.
4. For the purpose of determining shareholders' entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 23 September 2014 to Thursday, 25 September 2014 (both days inclusive) during which period no transfer of Shares will be registered. In order to qualify for attending at the Annual General Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar, Computershare Hong Kong Investor Services Ltd. at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Monday, 22 September 2014.
5. Particulars of Mr. Law Kwai Lam, Mr. Liao Yun, Ms. Leung Mei Sheung, Eliza and Mr. Lam Kwai Yan who offer themselves for re-election are provided in appendix II to the Company's circular dated 8 August 2014.

APPENDIX I REPURCHASE MANDATE EXPLANATORY STATEMENT

This appendix serves as an explanatory statement, as required by Rule 13.08 of the GEM Listing Rules, to provide requisite information to you for your consideration of the proposal to permit the repurchase of Shares up to a maximum of 10 per cent. of the total number of Shares in issue as at the date of approval for the Repurchase Mandate. This explanatory statement also constitutes the memorandum required under section 49BA of the Companies Ordinance.

MAXIMUM NUMBER OF SHARES TO BE REPURCHASED

A maximum of 10 per cent. of the total number of Shares in issue at the date of the proposed resolution may be repurchased on the Stock Exchange. As at 6 August 2014, the Latest Practicable Date, the number of Shares in issue was 1,625,051,503 Shares. Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that no further Shares will be issued and no Shares will be repurchased between the Latest Practicable Date and the date of passing such resolution, the Directors would be authorised to repurchase Shares up to a limit of 162,505,150 Shares, representing 10 per cent. of the total number of Shares in issue as at the date of passing such resolution.

REASONS FOR THE REPURCHASE MANDATE

The Directors have no present intention to repurchase any Shares. It is not possible to anticipate in advance those circumstances in which the Directors might consider it appropriate to repurchase Shares, but Shares would only be purchased in circumstances where the Directors consider that the purchase would be in the best interests of the Company and its shareholders. Such purchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of net assets and/or earnings per Share.

SOURCE OF FUNDS

It is expected that the funds required for repurchases of Shares under the Repurchase Mandate would be derived from the capital paid up on the Shares being repurchased (if applicable) and from the distributable profits of the Company, which will be funds legally available for the purchase under the Companies Ordinance and in accordance with the Articles.

MATERIAL ADVERSE IMPACT

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published audited financial statements) in the event that authorised repurchases of Shares is carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the general mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their associates (as defined under the GEM Listing Rules) has any present intention, in the event that the Repurchase Mandate is granted by shareholders, to sell Shares to the Company.

No connected person of the Company as defined in the GEM Listing Rules has notified the Company that any such person has a present intention to sell any Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make purchases of Shares.

EFFECT OF TAKEOVERS CODE

The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any purchases made under the Repurchase Mandate.

In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Ordinary Resolution number (5)(i), then (based on the present shareholdings as at the Latest Practicable Date) the shareholdings of Mr. Felipe Tan (note), Mr. Cheng Kin Kwan, and Educational Information Technology (H.K.) Company Ltd. would be increased from approximately 19.07 per cent., 13.77 per cent. and 6.65 per cent. to approximately 21.19 per cent., 15.30 per cent. and 7.39 per cent. respectively. In the opinion of the Directors, such increase would not give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. However, the Directors have no present intention to exercise the repurchase of Shares to an extent that would result in such takeover obligations.

Note: Mr. Felipe Tan ("Mr. Tan") is deemed to have an interest in 309,974,000 Shares, representing approximately 19.07% of the issued share capital of the Company. The interest includes: (i) 5,062,000 Shares directly held by Mr. Tan; and (ii) 304,912,000 Shares held by Starmax Holdings Limited, a company which is beneficially owned as to 90.01% by Mr. Tan. By virtue of the Securities and Futures Ordinance, Mr. Tan is therefore deemed to have an interest in the Shares in which Starmax Holdings Limited is interested.

APPENDIX I REPURCHASE MANDATE EXPLANATORY STATEMENT

SHARE PRICES

During each of the 12 months preceding the Latest Practicable Date, the highest and lowest traded prices per Share on the Stock Exchange were as follows:

Year	Month	Highest HK\$	Lowest HK\$
2013	August	0.194	0.121
	September	0.183	0.140
	October	0.158	0.141
	November	0.155	0.134
	December	0.146	0.121
2014	January	0.177	0.129
	February	0.147	0.130
	March	0.148	0.115
	April	0.127	0.106
	May	0.124	0.100
	June	0.119	0.103
	July	0.196	0.100
	August (up to the Latest Practicable Day)	0.172	0.133

SHARES PURCHASED BY THE COMPANY

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the six months prior to the date of this circular.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and in accordance with the regulations set out in the Articles.

Mr. Law Kwai Lam (“Mr. Law”), aged 67, is the Consultant to Chairman of the Company. Mr. Law has been with the Group since its establishment. He holds a Bachelor degree in Biochemistry from the University of Kansas. Prior to joining the Group, Mr. Law was the Company Secretary of a listed company in Hong Kong for 10 years. Mr. Law has entered into a service contract with the Company which will continue until terminated by either party giving to the other party not less than three months’ notice in writing. For the year ended 31 March 2014, Mr. Law’s total emoluments, comprising salaries and other benefits, and retirement benefits scheme contributions, was approximately HK\$422,000. The emoluments of the directors of the Company are decided by the remuneration committee, having regard to the Company’s operating results, individual performance and comparable market statistics. At the Latest Practicable Date, Mr. Law is interested within the meaning of Part XV of the Securities and Futures Ordinance in 38,325,000 ordinary shares of the Company, and in 5,300,000 share options and underlying shares. Mr. Law is not related to any directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company and he did not hold any directorship in other listed companies in the last three years. Save as disclosed above, there are no information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules (particularly in relation to sub-paragraphs (h) to (w) therein) nor are there other matters that need to be brought to the attention of the Shareholders.

Mr. Liao Yun (“Mr. Liao”), aged 41, is the Head of Technology Development, responsible for planning and executing technological development of Timeless Consolidated Platform and overseeing the overall market development of the Company. He assists the Chief Executive Officer in establishing the Company’s strategy and planning of technological and marketing development directly. Mr. Liao holds a Bachelor’s Degree in Computer Software from South China University of Technology. He joined the Group in July 1998 and has over 18 years of experience in the IT industry. Mr. Liao has entered into a service contract with the Company which will continue until terminated by either party giving to the other party not less than three months’ notice in writing. For the year ended 31 March 2014, Mr. Liao’s total emoluments, comprising salaries and other benefits, retirement benefits scheme contributions and share-based payments, was approximately HK\$756,000. The emoluments of the directors of the Company are decided by the remuneration committee, having regard to the Company’s operating results, individual performance and comparable market statistics. At the Latest Practicable Date, Mr. Liao is interested within the meaning of Part XV of the Securities and Futures Ordinance in 8,800,000 ordinary shares of the Company, and in 3,000,000 share options and underlying shares. Mr. Liao is not related to any directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company and he did not hold any directorship in other listed companies in the last three years. Save as disclosed above, there are no information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules (particularly in relation to sub-paragraphs (h) to (w) therein) nor are there other matters that need to be brought to the attention of the Shareholders.

Ms. Leung Mei Sheung, Eliza (“Ms. Leung”), aged 50, is the Assistant to Chairman and Administration Director of the Company and is responsible for the overall administrative management of the Group and special assignments by the CEO. Ms. Leung joined the Group in June 1996. She has over 28 years of experience in office administration and accounting in the IT field. Ms. Leung has entered into a service contract with the Company which will continue until terminated by either party giving to the other party not less than three months’ notice in writing. For the year ended 31 March 2014, Ms. Leung’s total emoluments, comprising salaries and other benefits, and retirement benefits scheme contributions, was approximately HK\$698,000. The emoluments of the directors of the Company are decided by the remuneration committee, having regard to the Company’s operating results, individual performance and comparable market statistics. At the Latest Practicable Date, Ms. Leung is interested within the meaning of Part XV of the Securities and Futures Ordinance in 26,592,000 ordinary shares of the Company, and is not interested in any share options and underlying shares. Ms. Leung is not related to any directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company and she did not hold any directorship in other listed companies in the last three years. Save as disclosed above, there are no information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules (particularly in relation to sub-paragraphs (h) to (w) therein) nor are there other matters that need to be brought to the attention of the Shareholders.

Mr. Lam Kwai Yan (“Mr. Lam”), aged 54 and appointed as an independent non-executive director in December 2008. As at the Latest Practicable Date, Mr. Lam is also the chairman of the nomination committee and a member of each of the audit committee and the remuneration committee of the Company. He has a degree in Business Studies from the University of Southern Queensland, Australia. He is a member of the Hong Kong Institute of Certified Public Accountants and Institute of Singapore Chartered Accountants, and a fellow member of the CPA Australia. Mr. Lam has worked for various large corporations, and has vast experiences with SME’s, including auditing and consulting on re-organisation and restructuring businesses that have cross-border operations in China. His work also included advising and consulting for listed public companies. Mr. Lam’s appointment as an independent non-executive director of the Company was for a term of one year at a fee of HK\$126,000 per annum. For the year ended 31 March 2014, Mr. Lam’s total emoluments, comprising director’s fee and share-based payments, was approximately HK\$210,000. The emoluments of the directors of the Company are decided by the remuneration committee, having regard to the Company’s operating results, individual performance and comparable market statistics. As at the Latest Practicable Date, Mr. Lam is not interested in any ordinary shares but is interested in 1,000,000 share options and underlying shares, of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Lam is not related to any directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company and he did not hold any directorship in other listed companies in the last three years. Save as disclosed above, there are no information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules (particularly in relation to sub-paragraphs (h) to (w) therein) nor are there other matters that need to be brought to the attention of the Shareholders.