



TIMELESS SOFTWARE LIMITED

天時軟件有限公司

(incorporated in Hong Kong with limited liability)

(Stock code: 8028)

RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30 JUNE 2023

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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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This announcement, for which the directors (the “Directors” or individually a “Director”) of Timeless Software Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (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 shall 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.

The board of Directors (“Board”) of the Company is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the three months ended 30 June 2023 together with the comparative unaudited figures for the corresponding period in 2022 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 30 June 2023

	Notes	(Unaudited) Three months ended 30 June	
		2023 HK\$'000	2022 HK\$'000
Revenue	4	–	48
Other income and gains	5	1,044	1,166
Costs of sales		–	(7)
Staff costs		(1,504)	(1,458)
Depreciation and amortisation		(91)	(108)
Gain on disposal of property, plant and equipment		85	–
Loss on fair value changes of financial assets at fair value through profit or loss		(28)	(60)
Gain on derecognition of financial assets at fair value through profit or loss		–	140
Other operating expenses		(1,152)	(1,602)
Impairment loss on other receivables		–	(37)
Share of loss of associates		(58)	(32)
Finance costs		(26)	(86)
Loss before tax		(1,730)	(2,036)
Income tax expense	6	(162)	(676)
Loss for the period	7	(1,892)	(2,712)
Other comprehensive expense			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		(4,595)	(5,809)
Total comprehensive expense for the period		(6,487)	(8,521)
Loss attributable to:			
Owners of the Company		(1,594)	(1,821)
Non-controlling interests		(298)	(891)
		(1,892)	(2,712)
Total comprehensive expense attributable to:			
Owners of the Company		(2,788)	(3,332)
Non-controlling interests		(3,699)	(5,189)
		(6,487)	(8,521)
Loss per share		<i>HK cents</i>	<i>HK cents</i>
– Basic and diluted	9	(0.06)	(0.06)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2023

	Share capital <i>HK\$'000</i>	Share options reserve <i>HK\$'000</i>	General reserve <i>HK\$'000</i>	Property revaluation reserve <i>HK\$'000</i>	Translation reserve <i>HK\$'000</i>	Accumulated deficit <i>HK\$'000</i>	Attributable to owners of the Company <i>HK\$'000</i>	Non- controlling interests <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2022 (Audited)	906,074	1,747	2,205	964	(2,558)	(847,376)	61,056	87,300	148,356
Loss for the period	-	-	-	-	-	(1,821)	(1,821)	(891)	(2,712)
Other comprehensive expense for the period	-	-	-	-	(1,511)	-	(1,511)	(4,298)	(5,809)
Total comprehensive expense for the period	-	-	-	-	(1,511)	(1,821)	(3,332)	(5,189)	(8,521)
At 30 June 2022 (Unaudited)	<u>906,074</u>	<u>1,747</u>	<u>2,205</u>	<u>964</u>	<u>(4,069)</u>	<u>(849,197)</u>	<u>57,724</u>	<u>82,111</u>	<u>139,835</u>
At 1 April 2023 (Audited)	<u>906,074</u>	<u>1,479</u>	<u>2,205</u>	<u>964</u>	<u>(4,759)</u>	<u>(855,339)</u>	<u>50,624</u>	<u>67,246</u>	<u>117,870</u>
Loss for the period	-	-	-	-	-	(1,594)	(1,594)	(298)	(1,892)
Other comprehensive expense for the period	-	-	-	-	(1,194)	-	(1,194)	(3,401)	(4,595)
Total comprehensive expense for the period	-	-	-	-	(1,194)	(1,594)	(2,788)	(3,699)	(6,487)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	(5,390)	(5,390)
At 30 June 2023 (Unaudited)	<u>906,074</u>	<u>1,479</u>	<u>2,205</u>	<u>964</u>	<u>(5,953)</u>	<u>(856,933)</u>	<u>47,836</u>	<u>58,157</u>	<u>105,993</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 30 June 2023

1. GENERAL INFORMATION

The Company is a public limited company incorporated in Hong Kong and its shares are listed on GEM of the Stock Exchange. The address of the registered office and principal place of business of the Company is Room 2208, 118 Connaught Road West, Hong Kong.

The Company acts as an investment holding company. The Group is principally engaged in (i) the exploration, development and exploitation of mines and trading of metal (“Mining and Metal Business”); and (ii) research, development and sale agency of bio and nano materials products as well as software maintenance and development services (“Software and Innovation Business”). In addition to these operating segments, the Group has investments in various projects including e-sports tournament services, nano applications as well as smart farming solution and services.

These unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company. These unaudited condensed consolidated financial statements have not been audited but have been reviewed by the audit committee of the Company and were approved for issue by the Board on 10 August 2023.

2. BASIS OF PREPARATION

These unaudited condensed consolidated financial statements for the three months ended 30 June 2023 have been prepared in accordance with the applicable disclosure requirements of the GEM Listing Rules. These unaudited condensed consolidated financial statements do not include all information and disclosures required in a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”), and should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2023.

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis, except for an investment property and certain financial instruments that are measured at fair values at the end of the reporting period.

The preparation of these unaudited condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The financial information relating to the year ended 31 March 2023 included in these financial statements as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Cap. 622, Laws of Hong Kong) is as follows:

The Company will deliver the financial statements for the year ended 31 March 2023 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance (Cap. 622, Laws of Hong Kong). The Company’s auditor has reported on the financial statements for the year ended 31 March 2023. The auditor’s report was unqualified; did not include a reference to any matter to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance (Cap. 622, Laws of Hong Kong).

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and method of computation used in these unaudited condensed consolidated financial statements for the three months ended 30 June 2023 are same as those followed in the Group's audited consolidated financial statements for the year ended 31 March 2023, except for those related to new and revised HKFRSs effective for the first time for the periods beginning on or after 1 April 2023. The adoption of these new and revised HKFRSs during the three months ended 30 June 2023 has had no material impact on the Group's financial performance and positions for the three months ended 30 June 2023 and 2022 and/or on the disclosures set out in these unaudited condensed consolidated financial statements.

The Group has not early adopted any new and revised HKFRSs that has been issued but not yet effective in the current accounting period.

4. REVENUE AND SEGMENT INFORMATION

Information reported to the Board, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. These operating divisions are the basis upon which the information that is regularly reviewed by the CODM is prepared and are analysed under HKFRS8 *Operating Segments*.

Specifically, the Group's reportable segments under HKFRS 8 are (i) Mining and Metal Business; and (ii) Software and Innovation Business.

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segments:

For the three months ended 30 June 2023 (Unaudited)

	Mining and Metal Business HK\$'000	Software and Innovation Business HK\$'000	Total HK\$'000
Segment revenue			
External sales	–	–	–
Segment loss	(604)	(4)	(608)
Interest income			665
Unallocated other income and gains			72
Unallocated corporate expenses			(1,747)
Loss on fair value changes of financial assets at fair value through profit or loss			(28)
Share of loss of associates			(58)
Finance costs			(26)
Loss before tax			(1,730)

For the three months ended 30 June 2022 (Unaudited)

	Mining and Metal Business <i>HK\$'000</i>	Software and Innovation Business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue			
External sales	–	48	48
Segment (loss)/profit	(1,241)	39	(1,202)
Interest income			1,083
Unallocated other income and gains			76
Unallocated corporate expenses			(1,918)
Loss on fair value changes of financial assets at fair value through profit or loss			(60)
Gain on derecognition of a financial asset at fair value through profit or loss			140
Impairment loss on other receivables			(37)
Share of loss of associates			(32)
Finance costs			(86)
Loss before tax			(2,036)

Disaggregation of revenue from contracts with customers

	(Unaudited)	
	Three months ended 30 June	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Service fee income	–	44
Sales of water soluble bags	–	4
	–	48
Time of revenue recognition		
At a point in time	–	48

The Group has contracts with customers for the sale of water soluble bags. The Group has concluded that revenue from sale of goods are recognised at a point in time when a customer obtained control of goods.

The revenue from the provision of sales agency services is recognised at a point in time when services are performed.

5. OTHER INCOME AND GAINS

	(Unaudited)	
	Three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Interest income	665	1,083
Rental income	72	48
Employment Support Scheme	–	28
Other income	307	7
	<hr/>	<hr/>
Total other income and gains	1,044	1,166
	<hr/> <hr/>	<hr/> <hr/>

6. INCOME TAX EXPENSE

	(Unaudited)	
	Three months ended 30 June	
	2023	2022
	HK\$'000	HK\$'000
Current tax		
PRC Enterprise Income Tax		
– under provision in respect of prior years	–	357
Deferred tax	162	319
	<hr/>	<hr/>
	162	676
	<hr/> <hr/>	<hr/> <hr/>

No provision for Hong Kong profits tax has been made as the Group had no assessable profit arising in or derived from Hong Kong for the both periods.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates. Under the Law of the People's Republic of China ("PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation, the tax rate of the PRC subsidiaries is 25% for both periods.

7. LOSS FOR THE PERIOD

	(Unaudited)	
	Three months ended 30 June	
	2023	2022
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss for the period has been arrived at after charging/(crediting):		
Employee benefits expense (including Directors' and chief executive's emoluments)	<u>1,504</u>	<u>1,458</u>
Depreciation of property, plant and equipment	37	49
Depreciation of right-of-use assets	<u>54</u>	<u>59</u>
Depreciation and amortisation	<u>91</u>	<u>108</u>
Gross rental income arising from an investment property	(72)	(48)
Less: direct operating expenses incurred for an investment property that generate rental income during the period	<u>23</u>	<u>20</u>
Net rental income	<u>(49)</u>	<u>(28)</u>
Cost of inventories recognised as an expense	–	7
Expense relating to short-term leases not included in the measurement of lease liabilities	181	173
Net foreign exchange loss	<u>182</u>	<u>514</u>

8. INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the three months ended 30 June 2023 (three months ended 30 June 2022: nil).

9. LOSS PER SHARE

(Unaudited)
Three months ended 30 June
2023 **2022**

The calculation of the basic and diluted loss per share is based on the following data:

Loss:

Loss for the period attributable to owners of the Company for the purpose of basic and diluted loss per share

(HK\$1,594,000) **(HK\$1,821,000)**

Number of shares:

Weighted average number of ordinary shares for the purpose of basic and diluted loss per share

2,812,881,803 2,812,881,803

The computation of the diluted loss per share does not assume the exercise of the Company's outstanding share options since the exercise prices of those options were higher than the average market price of the shares for the three months ended 30 June 2023 and 2022.

10. RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in these unaudited condensed consolidated financial statements, the Group had the following significant transactions with related parties:

(Unaudited)
Three months ended 30 June
2023 **2022**
HK\$'000 **HK\$'000**

Rental and share of office expenses paid to related companies
(Note i)

227 203

Loans interest paid to related parties (Note ii)

25 86

Exploration expenses charged by a related company (Note iii)

345 1,006

Notes:

- i. Rental and share of office expenses in respect of the leasing of office premises were paid to related companies which are beneficially owned by Mr. Felipe Tan ("Mr. Tan"), an executive Director of the Company, at terms mutually agreed by both parties.
- ii. Interest expenses were charged at 4.5% per annum in respect of loan from Mr. Tan (2022: from related companies which are beneficially owned by Mr. Tan).
- iii. Exploration expenses were charged by a related company, which is the non-controlling shareholder of a subsidiary of the Company, at terms mutually agreed by both parties.

MANAGEMENT DISCUSSION AND ANALYSIS

About the Group

The Group is principally engaged in two business segments, namely (i) the Mining and Metal Business; and (ii) the Software and Innovation Business.

Business Review and Outlook

Mining and Metal Business

Overview

The Mining and Metal Business primarily comprises of exploration, development and exploitation of a nickel-copper mine in Mainland China and metal trading in Hong Kong.

During the period under review, the Group had completed the supplementary drilling of 4 surface drill holes for a total of approximately 1,030 meters in June 2023 under the additional drilling plan designed in response to the comments of the related authority. Samples were collected for updating the verification report of resources and reserve. For the three months ended 30 June 2023, the Group did not generate any revenue from the Mining and Metal Business (three months ended 30 June 2022: nil).

Outlook

Nickel price had been on a steady downward trend in the first half of 2023, declined more than 30% from its highest point of US\$31,118 in January 2023 to around US\$20,000 in June 2023 and this trend is likely to persist in the short term because of global economic slowdown and the sustained market supply surplus. However, due to the role of nickel in the global energy transition and the Chinese government's decision to extend value-added tax exemption for new energy vehicles by four years to 2027, nickel price should remain elevated compared to pre-pandemic levels in the long term. The Group will closely monitor the nickel price and assess the financial feasibility of the development of the phase two of the Baishiquan Nickel-copper Mine.

After the completion of the supplementary drilling in June 2023, we moved forward to the laboratory testing of the samples and are now updating the verification report of resources and reserves. According to our estimated timeline, we shall re-submit the updated report to the government for approval in the third quarter of 2023 and it is expected that the approval of report would be obtained within 2023. If the government approval of the verification report of resources and reserves can be obtained as scheduled, we will proceed to the development phase by preparing the feasibility study.

Exploration, Development and Mining Production Activities

The exploration, development and mining production activities of the mining zone (phase two) of the Group for the three months ended 30 June 2023 are summarised below:

Mine	Activity		
	Exploration	Development	Mining
Baishiquan Nickel-copper Mine	Completed 4 surface drill holes for a total of approximately 1,030 meters	No material activity	No material activity

Expenditure Incurred

During the three months ended 30 June 2023, the Group had incurred the following expenditure related to the exploration, development and mining production activities of approximately HK\$345,000:

	Total <i>HK\$'000</i>
1. Capital Expenditure	
1.1 Exploration activities	
Drilling and analysis	345
1.2 Development activities (including mine construction)	
Construction of drift	—
Total Capital Expenditure	345
2. Operating Expenditures for Mining Activities	
Staff cost	—
Consumables	—
Fuel, electricity, water and other services	—
Non-income taxes, royalties and other government charges	—
Others	—
Total Operating Expenditure	—
Total Capital and Operating Expenditure	345
3. Processing Expenditure	—
Total Expenditures	345

Infrastructure projects and subcontracting arrangements

No new contracts related to infrastructure projects and subcontracting arrangements were concluded during the three months ended 30 June 2023. As at 30 June 2023, there was no outstanding commitments (31 March 2023: nil).

Software and Innovation Business

Overview

Software and Innovation Business comprised of research, development and sale agency of bio and nano materials products as well as software maintenance and development services. For the three months ended 30 June 2023, there was no revenue generated from the Software and Innovation Business (three months ended 30 June 2022: HK\$48,000) and the segment loss was approximately HK\$4,000 (three months ended 30 June 2022: segment profit of approximately HK\$39,000).

Outlook

For Software and Innovation Business, we received a deposit in August 2023 for a project in relation to the provision of software development service to an independent third party. In addition to the current products, we shall look for new business opportunities, especially in the Greater Bay Area which offers to emerging industries an array of preferential policies. As AI has been developing fast over the past years, the Group will conduct market research in different aspects so as to unlock the business insights for future development of our software business.

Interests in Associates

The Group beneficially owned 36.04% (2022: 22.53%) equity interests in Nano Bubble Limited which mainly engaged in research and development for hygienic and sanitisation products, and the related solutions using the nano-ozone technology. The hydroponic machine is used for replacing chemical detergent to sterilisation and disinfection. It can also be applied to aquaculture and agriculture to enrich oxygen level in fish and vegetable cultivation media. During the period, we continue to seek for potential customers and an order was confirmed for leasing of hydroponic machine for one year.

For the three months ended 30 June 2023, the Group recorded share of loss of associates of approximately HK\$58,000 (three months ended 30 June 2022: HK\$32,000).

Other Investments

As at 30 June 2023, the Group owned 3,890 ordinary shares, representing 15.28% equity interests in CGA Holdings Limited (“CGA Holdings”). CGA Holdings and its subsidiaries (“CGA Group”) are principally engaged in e-sport business. As further detailed in the Company’s announcement dated 18 October 2021, the proposed listing of CGA Holdings has not been proceeded as planned by the deadline on 18 April 2023. CGA Holdings is actively negotiating with the subscriber for the subsequent arrangement.

As at 30 June 2023, the Group also had receivables from the founders of CGA Group amounting to approximately HK\$8,957,000 (31 March 2023: HK\$8,855,000) with pledge of ordinary shares of CGA Holdings held by the founders. Details of such receivables are set out in the Company’s announcement dated 30 June 2021. The Group is in active negotiation with the founders for the settlement plan and timing and will provide the updated information once the plan is finalized.

Financial Performance Review

For the three months ended 30 June 2023, there was no turnover from the Mining and Metal Business (three months ended 30 June 2022: nil) and from the Software and Innovation Business (three months ended 30 June 2022: HK\$48,000).

For the period under review, the segment loss for the Mining and Metal Business was approximately HK\$604,000 (three months ended 30 June 2022: HK\$1,241,000) and Software and Innovation Business was approximately HK\$4,000 (three months ended 30 June 2022: segment profit of approximately HK\$39,000).

Other income and gains of approximately HK\$1,044,000 for the period under review (three months ended 30 June 2022: HK\$1,166,000) mainly represented interest income and rental income. The decrease by 10% was due to the decrease in interest income as a result of decrease in average bank balance and cash.

For the three months ended 30 June 2023, the Group reported share of loss of associates of approximately HK\$58,000 (three months ended 30 June 2022: HK\$32,000).

For the three months ended 30 June 2023, loss for the period was approximately HK\$1,892,000 (three months ended 30 June 2022: HK\$2,712,000), representing a decrease by 30% as compared to the corresponding period in 2022. The decrease in loss was mainly due to the reduction in other operating expenses during the period.

OTHER INFORMATION

Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares of the Company

At 30 June 2023, the interests and short positions of the Directors and the chief executive of the Company and their associates in the shares, underlying shares or debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (“SFO”), or otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules, were as follows:

Long positions

(a) Interests in the shares of the Company

Name of Directors	Number of ordinary shares held in the capacity of		Total number of shares	Percentage of shareholding
	Beneficial owner	Controlled corporation		
Executive Director				
Felipe TAN	159,128,000	678,074,400*	837,202,400	29.76%
Independent Non-Executive Directors				
CHAN Choi Ling	1,200,000	–	1,200,000	0.04%
LAM Kwai Yan	1,200,000	–	1,200,000	0.04%

* The shares were held by Starmax Holdings Limited (“Starmax”) which is beneficially owned by Mr. Felipe Tan. By virtue of the SFO, Mr. Felipe Tan is deemed to have interests in the shares held by Starmax.

(b) Interests in shares of associated corporation of the Company

Name of Director	Name of associated corporation	Capacity	Number of shares/ registered capital	Percentage of interest in the registered capital of the associated corporation
Felipe TAN	Goffers Management Limited	Interest of controlled corporation	200	49%
	Goffers Resources Limited	Interest of controlled corporation	1,000	49%
	Kangshun HK Limited	Interest of controlled corporation	1,000	100%
	新疆天目礦業資源開發有限公司 Xinjiang Tianmu Mineral Resources Development Co. Ltd.*	Interest of controlled corporation	RMB36,000,000	51%

* Unofficial English name translated for identification purpose only.

(c) Options to subscribe for ordinary shares of the Company

Particulars of the Directors' interests in share options to subscribe for shares in the Company pursuant to the Company's 2013 share option scheme were as follows:

Name of Directors	Date of grant	Exercise period	Exercise price per share HK\$	Number of share options and underlying shares			Outstanding at 30.06.2023
				Outstanding at 01.04.2023	During the period		
				Cancelled	Lapsed		
Executive Directors							
Felipe TAN	02.03.2017	02.03.2017– 01.03.2027	0.1080	2,000,000	–	–	2,000,000
Ronald TAN	02.03.2017	02.03.2017– 01.03.2027	0.1080	2,000,000	–	–	2,000,000
Independent Non-Executive Directors							
CHAN Choi Ling	02.03.2017	02.03.2017– 01.03.2027	0.1080	1,000,000	–	–	1,000,000
LAM Kwai Yan	02.03.2017	02.03.2017– 01.03.2027	0.1080	1,000,000	–	–	1,000,000
				6,000,000	–	–	6,000,000
				6,000,000	–	–	6,000,000

Notes:

1. No share option was granted under the share option scheme during the period.
2. No share option granted under the share option scheme was exercised during the period.
3. All share options were vested upon granting.

Save as disclosed above, at 30 June 2023, none of the Directors or chief executive or any of their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations which fall to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO, or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which were required to be notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

Substantial Shareholder's Interests and Short Positions in Shares and Underlying Shares

As at 30 June 2023, the register maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain Directors and the chief executive, the following shareholder had notified the Company of relevant interest in the issued share capital of the Company.

Name of substantial shareholder	Nature of interests	Number of shares or underlying shares held			Percentage of the issued share capital as at 30 June 2023
		Ordinary shares	Share options	Total	
Starmax Holdings Limited*	Beneficial owner	678,074,400	–	678,074,400	24.11%
Zhang Ming	Beneficial owner	142,120,000	–	142,120,000	5.05%

* Starmax is beneficially owned by Mr. Felipe Tan.

Saved as disclosed above, as at 30 June 2023, the Company has not been notified by any persons (other than the Directors) who has interests or short positions in the Shares or underlying Shares of the Company which would fall to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein.

Competing Interest

None of the Directors is interested in any business apart from the Group's business which competes or is likely to compete either directly or indirectly, with the businesses of the Group.

Purchase, Sale or Redemption of the Company's Listed Securities

During the period under review, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Audit Committee

The primary duties of the audit committee are to review and supervise the financial reporting process, internal control and risk management systems of the Group.

Under the terms of reference of the audit committee, the committee is required, amongst other things, to oversee the relationship with the external auditors, review the Group's consolidated financial statements and annual report and accounts, half-year report and quarterly reports and the connected transactions, monitor compliance with statutory and GEM Listing Rules requirements, review the scope, extent and effectiveness of the activities of the Group's internal control, engage independent legal and other advisers as it determines is necessary and perform investigations.

The Group has designated staff with relevant experience and knowledge to oversee the internal control and internal audit function. The designated staff regularly (i) evaluates with the senior management on the risk assessment and risk mitigation measures; (ii) assesses the effectiveness of the internal control and risk management systems and ensure they are properly followed; and (iii) submits periodical reports to the audit committee for review and approval.

As at the date of the announcement, the audit committee comprises three independent non-executive Directors, Ms. Chan Choi Ling, Mr. Lam Kwai Yan and Mr. Yu Leung Fai. The audit committee has reviewed this quarterly results announcement and the quarterly report, including the unaudited condensed consolidated financial statements for the three months ended 30 June 2023.

On behalf of the Board
Timeless Software Limited
Felipe Tan
Chairman

Hong Kong, 10 August 2023

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