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匯聚科技有限公司
TIME Interconnect Technology Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1729)

CONNECTED AND CONTINUING CONNECTED TRANSACTIONS –
(1) THE LUXSHARE PRECISION MASTER SUPPLY AGREEMENT;
(2) THE LUXSHARE PRECISION MASTER PURCHASE
AGREEMENT;
(3) THE MASTER LEASE AGREEMENT; AND
(4) THE EQUIPMENT PURCHASE AGREEMENT

Financial advisor to the Company

FRONTPAGE 富比

THE LUXSHARE PRECISION MASTER SUPPLY AGREEMENT

On 19 July 2022, the Company entered into the Luxshare Precision Master Supply Agreement with Luxshare Precision, pursuant to which the Group agreed to sell Cable Products in accordance with specifications as requested by the Luxshare Precision Group.

THE LUXSHARE PRECISION MASTER PURCHASE AGREEMENT

On 19 July 2022, the Company entered into the Luxshare Precision Master Purchase Agreement with Luxshare Precision, pursuant to which the Group agreed to purchase Raw Materials from the Luxshare Precision Group.

THE MASTER LEASE AGREEMENT

On 19 July 2022, Da Chuang, an indirect wholly-owned subsidiary of the Company, as tenant entered into the Master Lease Agreement with Luxshare Electronic, an indirect wholly-owned subsidiary of Luxshare Precision, as landlord pursuant to which Luxshare Electronic agreed to lease the Premises to Da Chuang.

THE EQUIPMENT PURCHASE AGREEMENT

On 19 July 2022, the Company entered into the Equipment Purchase Agreement with Luxshare Precision, pursuant to which the Group agreed to purchase and the Luxshare Precision Group agreed to sell the equipment out of the list of Equipment at a total consideration of not more than HK\$25,000,000.

LISTING RULES IMPLICATIONS

As at the date of this announcement:

- (a) Luxshare Precision is a Controlling Shareholder of the Company interested in 70.95% of the Company through its wholly-owned subsidiary, namely Luxshare Precision Limited, and is ultimately controlled by Ms. Wang Laichun and Mr. Wang Laisheng. As such, Luxshare Precision is a connected person of the Company and the transactions with Luxshare Precision will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules;
- (b) Luxshare Electronic is an indirect wholly-owned subsidiary of Luxshare Precision. Hence, Luxshare Electronic is an associate of Luxshare Precision and is a connected person of the Company. Accordingly, the transactions with Luxshare Electronic will constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) for the proposed annual caps under the Luxshare Precision Master Supply Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Luxshare Precision Master Supply Agreement are subject to the reporting, annual review and announcement requirements but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) for the proposed annual caps under the Luxshare Precision Master Purchase Agreement is more than 5%, the transactions contemplated under the Luxshare Precision Master Purchase Agreement are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) in respect of the total value of the right-of-use assets to be recognised by the Group under the Master Lease Agreement is more than 0.1% but less than 5%, the rent payable for the Premises by Da Chuang under the Master Lease Agreement are subject to the reporting and announcement requirements but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) for consideration under the Equipment Purchase Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Equipment Purchase Agreement are subject to the reporting and announcement requirements but are exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Ms. Wang Laichun, the chairman of the Board and an executive Director, is regarded as having a material interest in the transactions contemplated under the Luxshare Precision Master Supply Agreement, the Luxshare Precision Master Purchase Agreement, the Master Lease Agreement and the Equipment Purchase Agreement, and has abstained from voting on the relevant resolutions of the Board for approving the Luxshare Precision Master Supply Agreement, the Luxshare Precision Master Purchase Agreement, the Master Lease Agreement and the Equipment Purchase Agreement. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save for Ms. Wang Laichun, none of the Directors has any material interest in the Luxshare Precision Master Supply Agreement, the Luxshare Precision Master Purchase Agreement, the Master Lease Agreement and the Equipment Purchase Agreement, and none of them is required to abstain from voting on the relevant resolutions of the Board.

(1) The Luxshare Precision Master Supply Agreement

On 19 July 2022, the Company entered into the Luxshare Precision Master Supply Agreement with Luxshare Precision, pursuant to which the Group agreed to sell Cable Products in accordance with specifications as requested by the Luxshare Precision Group.

Set out below is a summary of the principal terms of the Luxshare Precision Master Supply Agreement:

Date	:	19 July 2022
Parties	:	(i) Luxshare Precision (ii) the Company
Subject	:	Pursuant to the Luxshare Precision Master Supply Agreement, the Group agreed to sell Cable Products in accordance with specifications as requested by the Luxshare Precision Group.
Term	:	The Luxshare Precision Master Supply Agreement has a fixed term from 19 July 2022 to 31 March 2025 (both days inclusive)

Pricing policy

The terms of the sales shall be determined with reference to prevailing market terms and be on terms no less favourable to the Group than those made available to Independent Third Parties for similar products. In particular, the prices will be determined based on the standard price range of the relevant products set by the Group in accordance with its pricing policy. If a standard price range does not exist, pricing should be determined on a cost-plus basis, which is determined by the direct costs of producing the products (including materials, labour, utilities, equipment depreciation and subcontracting fees, if any) plus a profit margin to be agreed upon. In order to ensure the terms of sales and profit margin are in line with prevailing market rates and conditions, the Group will compare selling prices of similar products sold to other customers, which are Independent Third Parties, not less frequently than on a quarterly basis. The Group shall have the right to accept or reject the orders from the Luxshare Precision Group and would accept orders only if the Group will profit from the sales and would consider the Group's capacity to undertake purchase orders which are more profitable.

Historical transaction amounts

The table below sets out the historical sales amounts of Cable Products by the Group to the Luxshare Precision Group for the three years ended 31 March 2022:

	<i>HK\$'000</i>
Year ended 31 March 2020	393
Year ended 31 March 2021	363
Year ended 31 March 2022	568

Proposed annual caps

The table below sets out the proposed annual caps under the Luxshare Precision Master Supply Agreement for the three years ending 31 March 2025:

	<i>HK\$'000</i>
Year ending 31 March 2023	29,000
Year ending 31 March 2024	63,000
Year ending 31 March 2025	73,000

Basis of annual caps

The proposed annual caps for the sales amount of Cable Products by the Group have been determined taking into consideration (i) the existing and expected demand of the Cable Products from the Luxshare Precision Group; and (ii) the expected fluctuation of prices of the Group's cable products, exchange rate as well as the inflation.

Reasons for and benefits of the transaction

The Luxshare Precision Group is principally engaged in the research, development, manufacturing and sales of products in the fields of consumer electronics, communication, auto electronics and healthcare. Under the Luxshare Precision Master Supply Agreement, the Group will supply Cable Products to the Luxshare Precision Group in accordance with its specifications and requirements to apply in its products. The Directors believe the sale of Cable Products to the Luxshare Precision Group will provide a stable source of income to the Group and also strengthen the customer job reference of the Group which will be useful for tapping into further business opportunities in future.

Taking into consideration the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Luxshare Precision Master Supply Agreement and its proposed annual caps are entered into on normal commercial terms, in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Listing Rules implication

As at the date of this announcement, Luxshare Precision is a Controlling Shareholder of the Company interested in 70.95% of the Company through its wholly-owned subsidiary, namely Luxshare Precision Limited, and is ultimately controlled by Ms. Wang Laichun and Mr. Wang Laisheng. As such, Luxshare Precision is a connected person of the Company and the transactions contemplated under the Luxshare Precision Master Supply Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) for the proposed annual caps under the Luxshare Precision Master Supply Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Luxshare Precision Master Supply Agreement are subject to the reporting, annual review and announcement requirements but are exempt from the Independent Shareholders' approval requirement as set out under Chapter 14A of the Listing Rules. Ms. Wang Laichun, the chairman of the Board and an executive Director, is regarded as having a material interest in the transactions contemplated under the Luxshare Precision Master Supply Agreement, and has abstained from voting on the relevant resolutions of the Board for approving the Luxshare Precision Master Supply Agreement. To the best of the Directors' knowledge,

information and belief, having made all reasonable enquiries, save for Ms. Wang Laichun, none of the Directors has any material interest in the Luxshare Precision Master Supply Agreement and none of them is required to abstain from voting on the relevant resolutions of the Board.

(2) The Luxshare Precision Master Purchase Agreement

On 19 July 2022, the Company entered into the Luxshare Precision Master Purchase Agreement with Luxshare Precision, pursuant to which the Group agreed to purchase Raw Materials from the Luxshare Precision Group.

Set out below is a summary of the principal terms of the Luxshare Precision Master Purchase Agreement:

Date	:	19 July 2022
Parties	:	(i) Luxshare Precision (ii) the Company
Subject	:	Pursuant to the Luxshare Precision Master Purchase Agreement, the Group agreed to purchase Raw Materials from the Luxshare Precision Group
Term	:	The Luxshare Precision Master Purchase Agreement has a fixed term from 19 July 2022 to 31 March 2025 (both days inclusive)

Pricing policy

The Raw Materials supplied by the Luxshare Precision Group will comprise (i) Raw Materials ordered by the Luxshare Precision Group from ultimate suppliers that are Independent Third Parties on behalf of the Group; and (ii) the Luxshare Precision Group's own goods. Under the Luxshare Precision Master Purchase Agreement, the price payable for Raw Materials which are purchased from third parties by the Luxshare Precision Group on behalf of the Group shall be at the Luxshare Precision Group's purchase cost. The Group will be presented with the original invoices of the ultimate suppliers by the Luxshare Precision Group for settling the amounts payable.

For Raw Materials produced by the Luxshare Precision Group, the price payable shall be determined with reference to the prevailing market price for the same or similar raw materials charged by Independent Third Parties vendors or by the Luxshare Precision Group to other Independent Third Parties from time to time. In order to ensure that the prices are fair and reasonable and in line with prevailing market rate, the Group will obtain at least three quotations from Independent Third Party providers which provide raw

materials of similar specifications and quality not less frequently than on a quarterly basis. Such quotations will be compared against the quotations from Luxshare Precision and the Group will only accept Luxshare Precision's quotations if they are favourable to the Group.

Historical transaction amounts

The table below sets out the historical purchase amounts of Raw Materials by the Group from the Luxshare Precision Group for the three years ended 31 March 2022:

	<i>HK\$'000</i>
Year ended 31 March 2020	983
Year ended 31 March 2021	1,385
Year ended 31 March 2022	–

Proposed annual caps

The table below sets out the proposed annual caps under the Luxshare Precision Master Purchase Agreement for the three years ending 31 March 2025:

	Proposed annual caps for the purchase of Raw Material produced by the Luxshare Precision Group	Proposed annual caps for the purchase of Raw Material from third parties suppliers ordered by the Luxshare Precision Group on behalf of the Group	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Year ending 31 March 2023	10,000	1,200,000	1,210,000
Year ending 31 March 2024	10,500	–	10,500
Year ending 31 March 2025	11,000	–	11,000

Basis of annual caps

The proposed annual caps for the purchase of Raw Materials by the Group have been determined taking into consideration (i) the actual and expected demand of customers for the Group's server products and cable products; and (ii) the expected fluctuation of prices of raw materials, exchange rate as well as the inflation. In particular, the Group received purchase orders of server products from customers which require raw materials from

designated independent suppliers (the “**Designated Suppliers**”) but the Company’s customer account opening procedures have yet to be completed and hence the relevant Designated Suppliers cannot supply goods to the Group. The Luxshare Precision Group is an existing customer of those designated independent suppliers and is able to purchase the Raw Materials as required for fulfilling the Group’s purchase orders on behalf of the Group before the Group’s customer accounts with those independent suppliers are all opened. The Group has estimated the annual cap for the year ending 31 March 2023 to be HK\$1,200,000,000 for this purchase on behalf arrangement with reference to (i) the actual purchase orders received and estimated demand of the Group’s server products during the time of clearing the account opening procedures with designated suppliers; and (ii) the quotation from these independent suppliers for the volume of Raw Materials needed. After the customer accounts with designated suppliers are successfully opened, the Group will no longer purchase Raw Materials through the Luxshare Precision Group for the production of server products. In determining the annual caps for the purchase of Raw Materials produced by the Luxshare Precision Group, the Directors have taken into account the past sales volume and sales orders on hand for products which can apply the Raw Materials produced by the Luxshare Precision Group. The Group expects that demand for cable products requiring Raw Materials produced by the Luxshare Precision Group will remain stable for the next three years. Accordingly, the total amount of Raw Materials required for the production of cable products is estimated to be approximately HK\$10,000,000, HK\$10,000,000 and HK\$10,000,000 for the years ending 31 March 2023, 2024 and 2025, respectively. In addition, the Group has also allocated a buffer in the above proposed annual caps of approximately HK\$500,000 and HK\$1,000,000 for the year ended 31 March 2024 and 2025, respectively, to account for inflation and the fluctuation of exchange rate of Hong Kong dollars against Renminbi.

Reasons for and benefits of the transaction

Reference is made to the announcement of the Company dated 11 May 2022 in relation to the development of new server business of the Group. In order to diversify the Group’s business portfolio, the Group has decided to expand its business to server business and the Group has started to approach suppliers to source relevant raw materials for the production of server products. In order to meet the technical specification for the server products, certain key electronic or technical components have to be purchased from the Designated Suppliers. These Designated Suppliers are reputable multinational corporations which supply top-notch and essential electronic components in servers such as central processing units and hard disks. However, before the Group can purchase raw materials from the Designated Suppliers, the Group normally has to go through procedures adopted by the Designated Suppliers for opening customer account. As one of the leading electronics manufacturers in the PRC, the Luxshare Precision Group has established a long business relationship with the Designated Suppliers and is able to place orders from them. In order to cater to the production requirement of customers and meet the tight production schedule, as a transitional arrangement, the Group decides to acquire Raw Materials from the Luxshare Precision Group, which in turn orders the Raw Materials from the

Designated Suppliers on behalf the Group, before all the Group's customer accounts are successfully opened, then the Company will place orders with the Designated Suppliers directly without the reliance on the Luxshare Precision Group.

In addition, the Luxshare Precision Group has devoted its resources in research and technological development over the years and offers a wide range of electronic components with high quality and technical specifications. As the designated suppliers of some existing cable products customers, the Luxshare Precision Group has been supplying the Group with Raw Materials for the production of cable products in past years. With the Luxshare Precision Master Purchase Agreement, the Group can secure a stable supply of Raw Materials and leverage on the research and development capability of the Luxshare Precision Group to produce products with the highest standard and specifications.

Taking into consideration the above, the Directors (excluding the independent non-executive Directors) are of the view that the terms of the Luxshare Precision Master Purchase Agreement and its proposed annual caps are entered into on normal commercial terms, in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Listing Rules implication

As stated above, Luxshare Precision is a connected person of the Company and the transactions contemplated under the Luxshare Precision Master Purchase Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) for the proposed annual caps under the Luxshare Precision Master Purchase Agreement is more than 5%, the transactions contemplated under the Luxshare Precision Master Purchase Agreement are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements as set out under Chapter 14A of the Listing Rules. Ms. Wang Laichun, the chairman of the Board and an executive Director, is regarded as having a material interest in the transactions contemplated under the Luxshare Precision Master Purchase Agreement, and has abstained from voting on the relevant resolutions of the Board for approving the Luxshare Precision Master Purchase Agreement. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save for Ms. Wang Laichun, none of the Directors has any material interest in the Luxshare Precision Master Purchase Agreement and none of them is required to abstain from voting on the relevant resolutions of the Board.

The connected persons and their associates who have a material interest in the Luxshare Precision Master Purchase Agreement will be required to abstain from voting on the relevant resolutions at the extraordinary general meeting to be held by the Company.

(3) The Master Lease Agreement

On 19 July 2022, Da Chuang, an indirect wholly-owned subsidiary of the Company, as tenant entered into the Master Lease Agreement with Luxshare Electronic, an indirect wholly-owned subsidiary of Luxshare Precision, as landlord pursuant to which Luxshare Electronic agreed to lease the Premises to Da Chuang.

Set out below is a summary of the principal terms of the Master Lease Agreement:

Date	:	19 July 2022
Parties	:	(i) Luxshare Electronic as the landlord; and (ii) Da Chuang as the tenant
Premises	:	Certain buildings located at No. 699, Jinshang Road, Jinxi Town, Kunshan City, PRC, with gross floor area of approximately 37,099.56 square metres
Term	:	From 1 August 2022 to 31 March 2025 (both days inclusive)
Usage	:	For industrial production
Rent	:	The monthly rent payable for the Premises is RMB667,792.08 (tax included). Rent shall be payable in arrear with the first payment to be made on 1 October 2022 for the rent of first three months and the subsequent rent payments are to be made biannually.

The rent payable by Da Chuang was determined after arm's length negotiations between the parties taking into account the prevailing market rent and lease terms of similar premises in the proximity of the Premises. The rent for the Premises is expected to be funded through the internal resources of the Group.

Accounting implication

In accordance with HKFRS 16, the Group is required to recognise rent of the Premises under the Master Lease Agreement as right-of-use-assets and will be regarded as acquisitions of assets by the Group pursuant to the Listing Rules. The value of the right-of-use assets to be recognised by the Group under the Master Lease Agreement is estimated to be approximately HK\$21,892,000, being the present value of the aggregate rent under each of the Master Lease Agreement in accordance with HKFRS 16. Shareholders should note that the above figures are unaudited and may be subject to adjustment in the future.

Reasons for and benefits of the transaction

As the Group has decided to expand its business to server business, the Group has been looking for suitable premises as new production plant to commence the production for server products. Since the Premises is located in the proximity of other production facilities of the Group in Kunshan, it will optimise the efficiency of the Group's local management in managing the operations of new production plants. The Premises is also located near the highway in Kunshan, which is convenient for the transportation of raw materials and products for its daily operations. In addition, the Premises is in good condition and can be put to use by the Group without requiring material modification and refurbishment. Having considered that the lease of the Premises is in line with the prevailing market rents, the Directors decided to enter into the Master Lease Agreement to lease the Premises for use as a new production plant.

Taking into consideration the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Master Lease Agreement is entered into on normal commercial terms, in the ordinary and usual course of business of the Group, is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Listing Rules implication

As at the date of this announcement, Luxshare Electronic is an indirect wholly-owned subsidiary of Luxshare Precision. Hence, Luxshare Electronic is an associate of Luxshare Precision and is a connected person of the Company. Accordingly, the transactions with Luxshare Electronic will constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) in respect of the total value of the right-of-use assets to be recognised by the Group is more than 0.1% but less than 5%, the rent payable for the Premises by Da Chuang under the Master Lease Agreement is subject to the reporting and announcement requirements but are exempt from the Independent Shareholders' approval requirement as set out under Chapter 14A of the Listing Rules. Ms. Wang Laichun, the chairman of the Board and an executive Director, is regarded as having a material interest in the transactions contemplated under the Master Lease Agreement, and has abstained from voting on the relevant resolutions of the Board for approving the Master Lease Agreement. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save for Ms. Wang Laichun, none of the Directors has any material interest in the Master Lease Agreement and none of them is required to abstain from voting on the relevant resolutions of the Board.

(4) The Equipment Purchase Agreement

On 19 July 2022, the Company entered into the Equipment Purchase Agreement with Luxshare Precision, pursuant to which the Group agreed to purchase and the Luxshare Precision Group agreed to sell the equipment out of the list of Equipment at a total consideration of not more than HK\$25,000,000.

Set out below is a summary of the principal terms of the Equipment Purchase Agreement:

Date	:	19 July 2022
Parties	:	(i) Luxshare Precision as seller (ii) The Company as purchaser
Subject matter	:	Pursuant to the Equipment Purchase Agreement, the Group agreed to purchase and the Luxshare Precision Group agreed to sell the Equipment. The Luxshare Precision Group shall arrange delivery of the specified equipment out of the list of Equipment upon purchase order placed by the Group from 19 July 2022 and before 31 March 2025. There is no minimum quantity requirement for each purchase order and the Group can make purchase order(s) according to its production needs and schedule. It is not compulsory for the Group to order all of the Equipment under the Equipment Purchase Agreement.
Consideration and payment term	:	The consideration for the sale and purchase of the Equipment shall be settled by the Group to the Luxshare Precision Group within 60 days upon delivery of the equipment under each purchase order for equipment out of the list of Equipment and the total consideration shall be not more than HK\$25,000,000.

The consideration for the sale and purchase of the Equipment was determined as follows:

- (i) for new Equipment, with reference to the prevailing market price of similar Equipment sold by Independent Third Party vendors or by the Luxshare Precision Group to other Independent Third Parties; and

- (ii) for used Equipment, with reference to the net book value of the relevant Equipment as recorded in the accounts of the Luxshare Precision Group.

The aggregate original acquisition cost of the used Equipment as paid by the Luxshare Precision Group amounted to approximately RMB10,910,000. The Directors consider that the consideration under the Equipment Purchase Agreement is fair and reasonable. The consideration will be satisfied by the internal resources of the Group.

Delivery : Pursuant to the Equipment Purchase Agreement, Luxshare Precision shall deliver the Equipment to the Group in batches upon the requests by the Group.

Reasons for and benefits of the transaction

In addition to leasing the Premises, the Group also requires machinery and equipment to establish production lines for the production of server products. As some of the Luxshare Precision Group's Equipment are suitable for the production of server products and can be immediately used by the Group, the Group considers that it is convenient and cost effective to transfer these Equipment at the net book value for the commencement of the production. In addition, the Luxshare Precision Group also supplies new Equipment for the production of cable products, which are generally at a more favourable pricing as compared with that of other vendors. The Directors consider that the purchase of Equipment will allow the Group to accelerate and upgrade the existing production lines so as to improve the quality and effectiveness in the production of the Group's cable products.

Taking into consideration the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Equipment Purchase Agreement is entered into on normal commercial terms, in the ordinary and usual course of business of the Group, is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Listing Rules implication

As stated above, Luxshare Precision is a connected person of the Company and the transactions contemplated under the Equipment Purchase Agreement constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) for consideration under the Equipment Purchase Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Equipment Purchase Agreement is subject to the reporting and announcement requirements but are exempt from the Independent Shareholders' approval requirement as set out under Chapter 14A of the Listing Rules. Ms. Wang Laichun, the chairman of the Board and an executive Director, is regarded as having a material interest in the transactions contemplated under the Equipment Purchase Agreement, and has abstained from voting on the relevant resolutions of the Board for approving the Equipment Purchase Agreement. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save for Ms. Wang Laichun, none of the Directors has any material interest in the Equipment Purchase Agreement and none of them is required to abstain from voting on the relevant resolutions of the Board.

INFORMATION ON THE PARTIES

Information on the Group

The Company was incorporated in the Cayman Islands as an exempted company with limited liability, shares of which have been listed on Stock Exchange since February 2018. The Group is headquartered in Hong Kong, and has manufacturing facilities in Shanghai, Suzhou and Huizhou in the PRC. The Group is principally engaged in manufacture and sales of cable assembly and digital cable products. The Company supplies cable products to customers worldwide, including global network solutions and infrastructure provider, global internet related service provider, multinational medical equipment manufacturer and automotive manufacturer.

Information on Da Chuang

Da Chuang is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. Da Chuang is principally engaged in the sales and manufacturing of server products.

Information on Luxshare Precision

Luxshare Precision is a company incorporated in the PRC with limited liability whose shares are listed on the Shenzhen Stock Exchange (stock code: 002475). The Luxshare Precision Group is principally engaged in the research, development, manufacturing and sales of products in the fields of consumer electronics, communication, auto electronics and healthcare. As at the date of this announcement, Luxshare Precision is owned as to (i) approximately 38.6% by Luxshare Limited, which is in turn owned by Ms. Wang Laichun, the non-executive Director and the Chairman, and Mr. Wang Laisheng, the brother of Ms. Wang Laichun, as to 50% each; and (ii) approximately 0.07% by Mr. Wang Laisheng directly.

Information on Luxshare Electronic

Luxshare Electronic is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of Luxshare Precision. Luxshare Electronic is principally engaged in sales and manufacturing of computer, telecommunication and other electronic equipment.

GENERAL

The Independent Board Committee has been formed to consider, and to advise the Independent Shareholders on the terms of the Luxshare Precision Master Purchase Agreement and the transactions contemplated thereunder. The Company has appointed an Independent Financial Adviser to make recommendations to the Independent Board Committee and the Independent Shareholders on the terms of the Luxshare Precision Master Purchase Agreement and the transactions contemplated thereunder.

An extraordinary general meeting will be convened for the Independent Shareholders to consider and, if thought fit, to approve the Luxshare Precision Master Purchase Agreement and the transactions contemplated thereunder. A circular containing, among other things (i) details of the Luxshare Precision Master Purchase Agreement and its proposed annual caps; (ii) a letter from the Independent Board Committee containing its recommendation to the Independent Shareholders; (iii) a letter from the Independent Financial Adviser containing its advice and recommendation to the Independent Board Committee and the Independent Shareholders; and (iv) the notice of extraordinary general meeting, will be despatched to the Shareholders no more than 15 business days after the publication of this announcement in accordance with the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Cable Products”	various cable products to be supplied by the Group to the Luxshare Precision Group according to the specifications as requested by the Luxshare Precision Group under the Luxshare Precision Master Supply Agreement, including but not limited to high-speed cables, hybrid cables and fiber patch cords in relation to the production of the Luxshare Precision Group

“Company”	Time Interconnect Technology Limited (匯聚科技有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Da Chuang”	Da Chuang Precision Smart Manufacturing (Kunshan) Co., Ltd. (達創精密智造(昆山)有限公司), a company established in the PRC with limited liability and registered capital of RMB200,000,000 and paid-up capital of nil
“Director(s)”	the director(s) of the Company
“Equipment”	the machinery and equipment to be purchased by the Group under the Equipment Purchase Agreement from time to time, including but not limited to hot bar soldering machines, connector crimping machines, assembly machines, testing machines, packing machines, computers and office equipment
“Equipment Purchase Agreement”	the agreement entered into between the Company and Luxshare Precision on 19 July 2022, pursuant to which the Group agreed to purchase and the Luxshare Precision Group agreed to sell the equipment out of the list of Equipment from time to time for a term ending 31 March 2025
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	individual(s) or company(ies) who or which as far as the Directors are aware after having made all reasonable enquiries is/are not connected with the Company and its connected persons
“Independent Board Committee”	the independent committee of the Board, the members of which consist of all the independent non-executive Directors, formed to advise the Independent Shareholders with respect to the Luxshare Precision Master Purchase Agreement

“Independent Financial Adviser”	Shang International Finance Limited (尚融國際金融有限公司), a licensed corporation permitted to carry on Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, which is the independent financial adviser to the Independent Board Committee and the Independent Shareholders
“Independent Shareholder(s)”	the Shareholder(s) who are not required to abstain from voting in respect of the ordinary resolutions proposed for approval at the extraordinary general meeting pursuant to the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Luxshare Electronic”	Luxshare Electronic Technology (Kunshan) Co., Ltd. (立訊電子科技(昆山)有限公司), a company established in the PRC with limited liability and registered and paid-up capital of RMB2,200,000,000
“Luxshare Precision”	Luxshare Precision Industry Co., Limited (立訊精密工業股份有限公司), a company incorporated in the PRC with limited liability and listed on the Shenzhen Stock Exchange (stock code: 002475)
“Luxshare Precision Group”	Luxshare Precision and its subsidiaries but excluding the Group
“Luxshare Precision Master Purchase Agreement”	the agreement entered into between the Company and Luxshare Precision on 19 July 2022 for a term ending 31 March 2025, pursuant to which the Group agreed to purchase Raw Materials from the Luxshare Precision Group
“Luxshare Precision Master Supply Agreement”	the agreement entered into between the Company and Luxshare Precision on 19 July 2022 for a term ending 31 March 2025, pursuant to which the Group agreed to sell Cable Products in accordance with specifications as requested by the Luxshare Precision Group
“Master Lease Agreement”	the agreement entered into between Da Chuang as the tenant and Luxshare Electronic as the landlord on 19 July 2022 in relation to the lease of the Premises

“PRC” or “China”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Premises”	certain buildings located at No. 699, Jinshang Road, Jinxi Town, Kunshan City, PRC, with gross floor area of approximately 37,099.56 square metres
“Raw Materials”	raw materials to be purchased by the Group from the Luxshare Precision Group under the Luxshare Precision Master Purchase Agreement, including but not limited to central processing units, hard disks, cables, connectors, adapters, terminal products and parts, in relation to the production of the Group
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Time Interconnect Technology Limited
Cua Tin Yin Simon
Executive Director and Chief Executive Officer

Hong Kong, 19 July 2022

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Cua Tin Yin Simon and Mr. Wong Chi Kuen, one non-executive Director, namely Ms. Wang Laichun and three independent non-executive Directors, namely Mr. Ho Hin Shun, Mr. Luk Wai Shing and Mr. Chan Chung Shun Eric.