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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)

**CONTINUING CONNECTED TRANSACTION –
REVISION OF THE EXISTING ANNUAL CAP
FOR THE LUXSHARE PRECISION MASTER SUPPLY AGREEMENT**

REVISION OF THE EXISTING ANNUAL CAP FOR CONTINUING CONNECTED TRANSACTION

The Second Supplemental Master Supply Agreement

Reference is made to the announcement of the Company (i) dated 19 July 2022 in relation to, among other things, the Luxshare Precision Master Supply Agreement entered into between the Company and Luxshare Precision and (ii) dated 23 February 2024 in relation to, among other things, the First Supplemental Master Supply Agreement entered into between the Company and Luxshare Precision to revise the annual caps under the Luxshare Precision Master Supply Agreement for the year ended 31 March 2024 and the year ending 31 March 2025.

Pursuant to the Luxshare Precision Master Supply Agreement, the Group agreed to sell Products in accordance with specifications as requested by Luxshare Precision Group from time to time from 19 July 2022 to 31 March 2025 (both days inclusive). As the demand from Luxshare Precision Group for cable products in connection with medical equipment are expected to increase, it is expected that the existing annual cap for supply of Products for the year ending 31 March 2025 will not be sufficient and as a result, the Directors have decided to increase the existing annual cap under the Luxshare Precision Master Supply Agreement in order to accommodate the business needs of the Luxshare Precision Group. As such, on 23 January 2025, the Company entered into the Second Supplemental Master Supply Agreement with Luxshare Precision to increase the existing annual cap for the supply of Products under the Luxshare Precision Master Supply Agreement (as supplemented by the First Supplemental Master Supply Agreement).

LISTING RULES IMPLICATIONS

As at the date of this announcement, Luxshare Precision is a Controlling Shareholder interested in approximately 70.84% of issued Shares 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 connected transactions of the Company under Chapter 14A of the Listing Rules.

According to Rule 14A.54 of the Listing Rules, if the Company proposes to revise the annual cap for its continuing connected transactions, the Company will be required to re-comply with the provisions of Chapter 14A of the Listing Rules in relation to the relevant continuing connected transactions.

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

Due to her beneficial interests in Luxshare Precision Group, Ms. Wang Laichun, the chairman of the Board and the non-executive Director, is regarded as having a material interest in the transactions contemplated under the Second Supplemental Master Supply Agreement, and has abstained from voting on the relevant resolutions of the Board for approving the Second Supplemental 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 Second Supplemental Master Supply Agreement, and none of them are required to abstain from voting on the relevant resolutions of the Board.

REVISION OF THE EXISTING ANNUAL CAP FOR CONTINUING CONNECTED TRANSACTION

The Second Supplemental Master Supply Agreement

Reference is made to the announcements of the Company (i) dated 19 July 2022 in relation to, among other things, the Luxshare Precision Master Supply Agreement entered into between the Company and Luxshare Precision and (ii) dated 23 February 2024 in relation to, among other things, the First Supplemental Master Supply Agreement entered into between the Company and Luxshare Precision to revise the annual cap under the Luxshare Precision Master Supply Agreement for the year ended 31 March 2024 and year ending 31 March 2025.

Pursuant to the Luxshare Precision Master Supply Agreement, the Group agreed to sell Products in accordance with specifications as requested by the Luxshare Precision Group from time to time from 19 July 2022 to 31 March 2025 (both days inclusive). As the demand from Luxshare Precision Group for cable products in connection with medical equipment are expected to increase, it is expected that the existing annual cap for supply of Products for the year ending 31 March 2025 will not be sufficient and as a result, the Directors have decided to increase the existing annual cap under the Luxshare Precision Master Purchase Agreement in order to accommodate the business needs of the Luxshare Precision Group. As such, on 23 January 2025, the Company entered into the Second Supplemental Master Supply Agreement with Luxshare Precision to increase the existing annual cap for the supply of Products.

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

Date

23 January 2025

Parties

- (i) Luxshare Precision
- (ii) the Company

Subject matter

Pursuant to the Second Supplemental Master Supply Agreement, the Company and Luxshare Precision agreed to revise the existing annual cap for Products under the Luxshare Precision Master Supply Agreement (as supplemented by the First Supplemental Master Supply Agreement) from HK\$130,000,000 to HK\$170,000,000 for the year ending 31 March 2025.

Save for the Revised Master Supply Annual Cap, all other material terms of the Luxshare Precision Master Supply Agreement (as supplemented by the First Supplemental Master Supply Agreement) shall remain unchanged and in full force.

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 actual transaction amounts under the Luxshare Precision Master Supply Agreement (as supplemented by the First Supplemental Master Supply Agreement) for the year ended 31 March 2023, the nine months ended 31 December 2023 and the year ended 31 December 2024:

	Year ended 31 March 2023 <i>HK\$'000</i> (Audited)	Nine months ended 31 December 2023 <i>HK\$'000</i> (Audited)	Year ended 31 December 2024 <i>HK\$'000</i> (Unaudited)
Supply of Products	<u>19,642</u>	<u>56,956</u>	<u>150,768</u>

Revised Master Supply Annual Cap under the Second Supplemental Master Supply Agreement

The table below sets out the existing annual cap for the year ending 31 March 2025 under the Luxshare Precision Master Supply Agreement (as supplemented by the First Supplemental Master Supply Agreement) and the Revised Master Supply Annual Cap under the Second Supplemental Master Supply Agreement:

	Existing annual cap for the year ending 31 March 2025 <i>HK\$'000</i>	Revised annual cap for the year ending 31 March 2025 <i>HK\$'000</i>
Supply of Products	<u>130,000</u>	<u>170,000</u>

Basis of Revised Master Supply Annual Cap

The Revised Master Supply Annual Cap has been determined after taking into consideration (i) the actual transaction amounts for the supply of Products from the date of the Luxshare Precision Master Supply Agreement to 31 December 2024; (ii) the estimated demand of Products for the year ending 31 March 2025 from Luxshare Precision Group; and (iii) the expected fluctuation of prices of the Products, exchange rate as well as the inflation.

Reasons for and benefits of the Revised Master Supply Annual Cap

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. From time to time, Luxshare Precision Group procures certain electronic components such as medical equipment cables and server products for its communication and healthcare products. With the expansion of the Group's business in the medical equipment and server sectors, the Group is able to supply these electronic components to the Luxshare Precision Group in accordance with its specification and requirements for the production of the products. As the demand from the Luxshare Precision Group for cable products in connection with medical equipment are expected to increase, the Company believes the existing annual cap will be insufficient to meet the demand for Products from Luxshare Precision Group. Therefore, the Group has decided to revise the existing annual cap for the supply of Products for the year ending 31 March 2025. The Directors believe the increase in annual cap will allow the Group to further improve revenue and maintain a stable source of income for the Group.

Taking into consideration the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Second Supplemental Master Supply Agreement and the Revised Master Supply Annual Cap 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 interested in approximately 70.84% of issued Shares 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 connected transactions of the Company under Chapter 14A of the Listing Rules.

According to Rule 14A.54 of the Listing Rules, if the Company proposes to revise the annual cap for its continuing connected transactions, the Company will be required to re-comply with the provisions of Chapter 14A of the Listing Rules in relation to the relevant continuing connected transactions. As the highest of the applicable percentage ratios (as defined under the

Listing Rules) for the Revised Master Supply Annual Cap is more than 0.1% but less than 5%, the transactions contemplated under the Luxshare Precision Master Supply Agreement (as supplemented by the First Supplemental Master Supply Agreement and Second Supplemental Master Supply 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.

Due to her beneficial interests in Luxshare Precision, Ms. Wang Laichun, the chairman of the Board and the non-executive Director, is regarded as having a material interest in the transactions contemplated under the Second Supplemental Master Supply Agreement, and has abstained from voting on the relevant resolutions of the Board for approving the Second Supplemental 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 Second Supplemental Master Supply Agreement, and none of them are 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, Huizhou in the PRC, Japan and Mexico. The Group is principally engaged in the manufacture and sales of cable assembly and digital cable products as well as server products. The Group supplies its products to customers worldwide, including global network solutions and infrastructure providers, global internet related service provider, multinational medical equipment manufacturer and automotive manufacturer.

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). 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 37.74% by Luxshare Limited, which is in turn owned by Ms. Wang Laichun, the non-executive Director and the chairman of the Board, and Mr. Wang Laisheng, the brother of Ms. Wang Laichun, as to 50% each; and (ii) approximately 0.21% by Mr. Wang Laisheng directly.

DEFINITIONS

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

“Board”	the board of Directors
“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
“Controlling Shareholder”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“First Supplemental Master Supply Agreement”	the supplemental agreement dated 23 February 2024 and entered into between the Company and Luxshare Precision to amend and supplement the terms contained in the Luxshare Precision Master Supply Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	individuals or companies 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 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 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 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 Products in accordance with specifications as requested by the Luxshare Precision Group
“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
“Products”	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 (as supplemented by the First Supplemental Master Supply Agreement and the Second Supplemental Master Supply Agreement), which comprise cable products, medical equipment cables and server products in relation to the production of the Luxshare Precision Group
“Revised Master Supply Annual Cap”	the revised annual cap for the cable products as supplied by the Group to Luxshare Precision Group under the Second Supplemental Master Supply Agreement
“Share(s)”	the ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Second Supplemental Master Supply Agreement”	the second supplemental agreement dated 23 January 2025 entered into between the Company and Luxshare Precision to amend and supplement the terms contained in the Luxshare Precision Master Supply Agreement (as supplemented by the First Supplemental Master Supply Agreement)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“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, 23 January 2025

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.