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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 TRANSACTION –
THE SECOND EQUIPMENT PURCHASE AGREEMENT**

On 31 August 2022, the Company entered into the Second 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 II at a total consideration of not more than HK\$50,000,000.

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

Reference is made to the announcement of the Company dated 19 July 2022 in respect of, among others, the Equipment Purchase Agreement entered into between the Company and 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 I at a total consideration of not more than HK\$25,000,000. Since the Equipment Purchase Agreement and the Second Equipment Purchase Agreement were entered into between the Company with the same party within 12 months and were of similar nature, the transactions contemplated under the Equipment Purchase Agreement and the Second Equipment Purchase Agreement shall be aggregated as if they were one transaction pursuant to Rule 14A.81 of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) for the consideration under the Second Equipment Purchase Agreement in aggregate with the Equipment Purchase Agreement is more than 0.1% but less than 5%, the transactions

contemplated under the Second 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.

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

THE SECOND EQUIPMENT PURCHASE AGREEMENT

On 31 August 2022, the Company entered into the Second 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 II at a total consideration of not more than HK\$50,000,000.

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

Date	:	31 August 2022
Parties	:	(i) Luxshare Precision as seller (ii) The Company as purchaser
Subject matter	:	Pursuant to the Second Equipment Purchase Agreement, the Group agreed to purchase and the Luxshare Precision Group agreed to sell the Equipment II. The Luxshare Precision Group shall arrange delivery of the specified equipment out of the list of Equipment II upon purchase order by the Group for the period from 31 August 2022 and ending on 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 Equipment II under the Second Equipment Purchase Agreement.

Consideration and payment term : The consideration for the sale and purchase of the Equipment II 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 II and the total consideration shall be not more than HK\$50,000,000.

The consideration for the sale and purchase of the Equipment II was determined 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.

The Directors consider that the consideration under the Second Equipment Purchase Agreement is fair and reasonable. The consideration will be satisfied by the internal resources of the Group.

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

Reasons for and benefits of the transaction

Based on the latest orders on hand and the potential orders under negotiation, the Group expects that its existing production facilities will not be sufficient and more machinery and equipment are required in order to meet the demands of its customers. Having considered (i) the pricing of Equipment II offered by the Luxshare Precision Group are generally more favourable as compared with that of Independent Third Party vendors; and (ii) delivery time and relevant costs can be reduced in view of the close geographical location of the respective operations of the Luxshare Precision Group and the Group, the Group decided to purchase Equipment II from the Luxshare Precision Group for applying in its automated production lines so as to enhance its operational efficiency. With the Second Equipment Purchase Agreement, the Directors consider that it allows the Group to raise its production capacity to meet the production demands and support the continuous improvement in the quality of the Group's server products to meet the standards and requirements from customers.

Taking into consideration the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Second 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 at the date of this announcement, Luxshare Precision is a Controlling Shareholder of the Company interested in approximately 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 connected transactions of the Company under Chapter 14A of the Listing Rules.

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Due to her beneficial interests in the Luxshare Precision Group, Ms. Wang Laichun, the chairman of the Board and a non-executive Director, is regarded as having a material interest in the transactions contemplated under the Second Equipment Purchase Agreement, and has abstained from voting on the relevant resolutions of the Board for approving the Second 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 Second 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 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 provider, 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). 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 38.50% 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 0.17% by Mr. Wang Laisheng directly.

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
“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(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Equipment I”	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 II”	the machinery and equipment to be purchased by the Group under the Second Equipment Purchase Agreement from time to time, including but not limited to networks equipment, PDUs, SMT production line, single board automatic testing line, FATP assembly line, packaging line and fork lift.
“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 I 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
“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
“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
“Second Equipment Purchase Agreement”	the agreement entered into between the Company and Luxshare Precision on 31 August 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 II from time to time for a term ending 31 March 2025

“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, 31 August 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.