匯聚科技有限公司
TIME Interconnect Technology Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1729)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

	Year ended 31 December 2024	Nine months ended 31 December 2023	Change
Operating results ***(HK$'million)***			
Revenue	**7,388.8**	4,826.3	53.1%
Gross profit	**1,078.6**	679.9	58.6%
Profit for the year/period	**450.5**	277.6	62.3%
Adjusted profit for the year/period	**452.6**	277.6	63.0%
Basic earnings per share *(Hong Kong cents)*	**23.2**	14.2	63.4%
Adjusted basic earnings per share *(Hong Kong cents)*	**23.3**	14.2	64.1%
Financial position ***(HK$'million)***			
Cash generated from operations	**1,135.2**	1,055.7	7.5%
Bank balances and cash	**425.8**	338.0	26.0%
Shareholders' funds	**1,766.2**	1,361.2	29.8%
Capital expenditure	**179.7**	80.5	123.2%
Key ratios ***(%)***			
Gross profit margin	**14.6**	14.1	0.5pts
Net profit margin	**6.1**	5.8	0.3pts
Adjusted net profit margin	**6.1**	5.8	0.3pts
EBITDA/Revenue	**9.6**	10.5	-0.9pts
Adjusted EBITDA/Revenue	**9.6**	10.5	-0.9pts
Return on shareholders' funds	**25.5**	20.4	5.1pts

FINAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Time Interconnect Technology Limited (the "**Company**") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the year ended 31 December 2024 (the "**Current Year**" or "**FY2024**"), together with the comparative figures for the nine months ended 31 December 2023 (the "**Previous Financial Period**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	NOTES	**Year ended 31.12.2024** ***HK$'000***	Nine months ended 31.12.2023 *HK$'000*
Revenue	*4*	**7,388,751**	4,826,252
Cost of goods sold		**(6,310,137)**	(4,146,343)
Gross profit		**1,078,614**	679,909
Other income	*5*	**41,266**	50,450
Other gains and losses, net	*6*	**10,952**	(28,620)
Loss on revaluation of property, plant and equipment, and right-of-use assets, net		**(11,877)**	(2,389)
Impairment losses under expected credit loss ("**ECL**") on trade receivables		**(643)**	(1,331)
Gain on bargain purchase on acquisition of a subsidiary		**397**	–
Distribution and selling expenses		**(76,564)**	(48,114)
Administrative expenses		**(197,073)**	(123,208)
Professional fees and costs relating to acquisition of business		**(2,522)**	–
Research and development expenses		**(232,928)**	(95,655)
Share results of associates, net		**(648)**	–
Finance costs	*7*	**(73,243)**	(88,579)
Profit before taxation	*8*	**535,731**	342,463
Taxation	*9*	**(85,230)**	(64,856)
Profit for the year/period		**450,501**	277,607

	NOTES	Year ended 31.12.2024 HK$'000	Nine months ended 31.12.2023 HK$'000
Other comprehensive income (expense)			
Items that will not be reclassified to profit or loss:			
(Loss) gain on revaluation of right-of-use assets and property, plant and equipment		**(19,084)**	10,198
Deferred tax arising from revaluation of right-of–use assets and property, plant and equipment		**4,875**	(2,553)
Items that may be reclassified subsequently to profit or loss:			
Realisation of exchange reserve upon deregistration of subsidiaries		**(27)**	–
Exchange differences arising on translating financial statements of foreign operations		**(44,518)**	(55,185)
Other comprehensive expense for the year/period		**(58,754)**	(47,540)
Total comprehensive income for the year/period		**391,747**	230,067
Profit for the year/period attributable to:			
Owners of the Company		**450,872**	277,144
Non-controlling interests		**(371)**	463
		450,501	277,607
Total comprehensive income for the year/period attributable to:			
Owners of the Company		**392,402**	229,962
Non-controlling interests		**(655)**	105
		391,747	230,067
Earnings per share	*10*		
– Basic (HK cents)		**23.16**	14.24
– Diluted (HK cents)		**22.66**	14.24

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2024

	NOTES	**31.12.2024**	31.12.2023
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**920,146**	872,553
Right-of-use assets		**281,139**	332,100
Intangible assets		**458**	–
Deposits paid for acquisition of property, plant and equipment		**29,707**	11,175
Associates		**10,685**	–
Rental deposits		**2,537**	2,167
		1,244,672	1,217,995
Current assets			
Inventories		**1,391,133**	1,310,287
Derivative financial instrument		**10,231**	–
Trade and other receivables	*12*	**1,761,688**	2,313,745
Contract assets		**66,560**	20,279
Taxation recoverable		**3,674**	4,239
Pledged bank deposits		**124,403**	957,902
Bank balances and cash		**425,848**	338,013
		3,783,537	4,944,465
Current liabilities			
Trade and other payables	*13*	**1,592,123**	1,635,023
Contract liabilities		**76,656**	30,557
Amounts due to related companies		**13,022**	6,215
Lease liabilities		**19,441**	23,083
Taxation payable		**48,250**	36,448
Bank borrowings		**237,525**	1,166,575
Loans from related companies		**1,147,472**	1,172,042
Derivative financial instrument		**–**	5,088
		3,134,489	4,075,031
Net current assets		**649,048**	869,434
Total assets less current liabilities		**1,893,720**	2,087,429
Non-current liabilities			
Lease liabilities		**36,921**	41,934
Bank borrowings		**5,634**	80,000
Loans from related companies		**–**	499,034
Deferred tax liabilities		**71,670**	91,757
Long service payment obligation		**447**	1,693
		114,672	714,418
Net assets		**1,779,048**	1,373,011
Capital and reserves			
Share capital		**19,487**	19,460
Reserves		**1,746,665**	1,341,728
Equity attributable to owners of the Company		**1,766,152**	1,361,188
Non-controlling interests		**12,896**	11,823
Total equity		**1,779,048**	1,373,011

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

The Company is a limited company incorporated in the Cayman Islands and its shares are listed on Main Board of The Stock Exchange of Hong Kong Limited (the "**HK Stock Exchange**"). The address of the registered office of the Company is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and the principal place of business of the Company is Units 213-221, 2/F, Building 5E, 5 Science Park East Avenue, Hong Kong Science Park, Shatin, Hong Kong.

The immediate holding company of the Company is Luxshare Precision Limited. The Company's intermediate holding company is Luxshare Precision Industry Co., Ltd. ("**Luxshare**"), a company incorporated in the People's Republic of China (the "**PRC**") with its shares listed on the Shenzhen Stock Exchange.

In the opinion of the Directors, the ultimate controlling shareholder of Luxshare and the Company is Luxshare Limited, a company incorporated in Hong Kong.

The Company acts as an investment holding company. The principal activities of its principal subsidiaries are manufacturing and trading of cable assembly, digital cable and server products..

2. CHANGES IN ACCOUNTING POLICIES

2.1 Amendments to Hong Kong Financial Reporting Standards ("HKFRSs") that are mandatorily effective for the current period

In the current period, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (Revised)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HK Int 5 (revised)	Presentation of Financial Statements – Classification by Borrower of a Term Loan that Contains a Repayment on Demand Clause

The application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2.2 New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability[1]
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments[2]
Amendments to HKFRS 9 and HKFRS 7	Contract Referencing Nature-dependent Electricity[2]
Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards (Volume 11)[2]
HKFRS 18	Presentation and Disclosures in Financial Statements[3]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures[3]
Amendments to HK Int 5	Presentation of Financial Statements-Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]

1 Effective for annual periods beginning on or after 1 January 2025
2 Effective for annual periods beginning on or after 1 January 2026
3 Effective for annual periods beginning on or after 1 January 2027
4 Effective for annual periods beginning on or after a date to be determined

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the financial statements in the foreseeable future.

Amendments to HKFRS 9 and HKFRS 7 Classification and Measurement of Financial Instruments

Amendments to HKFRS 9 and HKFRS 7 provide guidance on a number of areas such as the derecognition of financial liabilities settled through an electronic payment system, classification of financial assets with Environmental, Social and Governance (ESG) and similar features, contractually linked instruments and certain new disclosure requirements.

HKFRS 18 Presentation and Disclosures in Financial Statements

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosures are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements. Management is currently assessing the detailed implications of applying the new standard on the Group's financial statements. Based on preliminary assessment, the line items presented in the primary financial statements might change as a result of the application of the concept of "useful structured summary" and the enhanced principles on aggregation and disaggregation. The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. Moreover, there will be significant new disclosures required for management-defined performance measures. HKFRS 18 is effective for annual periods beginning on or after 1 January 2027. Retrospective application is required and so the comparative information for the financial year ending 31 December 2026 will be restated in the accordance with HKFRS 18.

3. SEGMENT INFORMATION

HKFRS 8 “Operating Segments” (“**HKFRS 8**”) requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by Chief Operating Decision Maker (“**CODM**”) in order to allocate resources to segments and to assess their performance.

Specifically, the Group’s reportable segments under HKFRS 8 are as follows:

1. Cable assembly

2. Digital cable

3. Server

The accounting policies the Group used for segment reporting under HKFRS 8 are the same as those used in its HKFRS consolidated financial statements. Information reported to the Group’s chief executive officer, being the CODM, for the purposes of resources allocation and assessment of segment performance focuses on types of goods delivered.

Principal activities of the Group’s reportable segments are as follows:

Cable assembly	–	manufacturing and trading of cable assembly products, electronic medical instruments and other medical equipment and devices
Digital cable	–	manufacturing and trading of networking cable and specialty cable products
Server	–	manufacturing and trading of server products

These divisions are the basis on which the Group reports its operating segment information.

Segment results represent the profit earned by each segment without allocation of results attributable to other income, finance costs and unallocated expenses. There were asymmetrical allocations to operating segments because the Group allocates the pledged bank deposits and bank balances without allocating the related interest income to those segments. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

(a) Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments for the year/period:

	Cable assembly *HK$'000*	Digital cable *HK$'000*	Server *HK$'000*	Total reportable segments *HK$'000*	Eliminations *HK$'000*	Total *HK$'000*
For the year ended 31 December 2024						
Segment revenue						
External sales	**2,783,805**	**1,416,855**	**3,188,091**	**7,388,751**	**–**	**7,388,751**
Inter-segment sales	**1,332**	**27,470**	**161**	**28,963**	**(28,963)**	**–**
	2,785,137	**1,444,325**	**3,188,252**	**7,417,714**	**(28,963)**	**7,388,751**
Segment results	**531,679**	**50,879**	**16,935**	**599,493**	**–**	**599,493**
Unallocated finance costs						**(73,243)**
Unallocated income						**21,338**
Unallocated expenses						**(11,209)**
Share of results of associates, net						**(648)**
Profit before taxation						**535,731**
For the nine months ended 31 December 2023						
Segment revenue						
External sales	1,729,198	865,682	2,231,372	4,826,252	–	4,826,252
Inter-segment sales	16	18,075	986	19,077	(19,077)	–
	1,729,214	883,757	2,232,358	4,845,329	(19,077)	4,826,252
Segment results	237,320	27,498	145,687	410,505	–	410,505
Unallocated finance costs						(88,579)
Unallocated income						42,764
Unallocated expenses						(22,227)
Profit before taxation						342,463

(b) Segment assets and liabilities

An analysis of the Group's segment assets and segment liabilities by reportable and operating segments is as follows:

	Cable assembly *HK$'000*	Digital cable *HK$'000*	Server *HK$'000*	Consolidated *HK$'000*
At 31 December 2024				
Assets				
Reportable segment assets	**1,732,708**	**1,564,249**	**1,698,029**	**4,994,986**
Associates				**10,685**
Unallocated assets				**22,538**
Consolidated total assets				**5,028,209**
Liabilities				
Reportable segment liabilities	**662,587**	**336,784**	**855,322**	**1,854,693**
Unallocated bank borrowings				**243,159**
Unallocated loans from related companies				**1,147,472**
Unallocated liabilities				**3,837**
Consolidated total liabilities				**3,249,161**
At 31 December 2023				
Assets				
Reportable segment assets	1,648,358	1,378,068	3,121,036	6,147,462
Unallocated assets				14,998
Consolidated total assets				6,162,460
Liabilities				
Reportable segment liabilities	672,256	312,983	859,983	1,845,222
Unallocated bank borrowings				1,246,575
Unallocated loans from related companies				1,671,076
Unallocated liabilities				26,576
Consolidated total liabilities				4,789,449

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than associates, certain other receivables, derivative financial assets, bank balances and cash and other unallocated assets; and

- all liabilities are allocated to operating segments other than certain derivative financial liabilities, bank borrowings, loans from related companies, other payables and other unallocated liabilities.

(c) Other information

Amounts included in the measure of segment profit or segment assets.

	Cable assembly HK$'000	Digital cable HK$'000	Server HK$'000	Unallocated HK$'000	Consolidated HK$'000
For the year ended 31 December 2024					
Capital additions	**100,469**	**74,365**	**21,935**	**11,394**	**208,433**
Depreciation of property, plant and equipment	**27,232**	**29,500**	**14,237**	**878**	**71,847**
Depreciation of right-of–use assets	**16,063**	**3,289**	**7,727**	**2,601**	**29,680**
Amortisation of intangible assets	**48**	**–**	**–**	**–**	**48**
Loss on disposal and written off of property, plant and equipment	**607**	**2,337**	**366**	**–**	**3,310**
Impairment losses under ECL on trade receivables	**4**	**(75)**	**714**	**–**	**643**
Write-down of inventories	**9,238**	**1,017**	**3,094**	**–**	**13,349**
Income tax	**77,667**	**5,591**	**1,972**	**–**	**85,230**
For the nine months ended 31 December 2023					
Capital additions	74,768	12,784	6,457	32	94,041
Depreciation of property, plant and equipment	19,324	23,835	10,215	646	54,020
Depreciation of right-of–use assets	8,656	3,350	5,832	1,951	19,789
Loss on disposal and written off of property, plant and equipment	258	1,166	–	–	1,424
Impairment losses under ECL on trade receivables	724	706	(99)	–	1,331
Write-down of inventories	6,188	1,038	14,422	–	21,648
Income tax	30,711	3,895	30,250	–	64,856

Information about the Group's revenue from external customers presented based on the geographical location of the customers is as follows:

	Year ended 31.12.2024 HK$'000	Nine months ended 31.12.2023 HK$'000
Mainland China	**4,186,333**	3,272,664
The United States of America	**1,538,664**	836,618
Singapore	**862,282**	254,080
Netherlands	**220,839**	121,852
Hong Kong	**139,170**	93,793
Mexico	**108,106**	77,074
United Kingdom	**42,978**	16,905
Others	**290,379**	153,266
	7,388,751	4,826,252

Information about the Group's non-current assets (excluding rental deposits) is presented based on the geographical location of the assets:

	Year ended 31.12.2024 *HK$'000*	Nine months ended 31.12.2023 *HK$'000*
Mainland China	**1,158,486**	1,187,688
Hong Kong	**32,013**	24,462
Japan	**1,553**	–
Mexico	**39,398**	3,678
Others	**10,685**	–
	1,242,135	1,215,828

Information about major customers

Revenues from customers of the corresponding reporting year/period contributing over 10% of the total revenue of the Group are as follows:

	Year ended 31.12.2024 *HK$'000*	Nine months ended 31.12.2023 *HK$'000*
Customer A (from server segment)	**1,305,134**	612,967
Customer B (from cable assembly segment)	**1,101,591**	787,845
Customer C (from cable assembly and server segment)	**1,004,300**	793,877

4. REVENUE

Revenue represents the consideration expected to be entitled by the Group in respect of the manufacturing and sales of (i) cable assembly products, (ii) digital cable and (iii) server, during the year ended 31 December 2024 and the nine months ended 31 December 2023, excluding amounts collected on behalf of third parties.

The revenue of Group derives from manufacturing and sales of cable assembly products, digital cable and server. The Group's revenue is fixed price and short-term contracts. The normal credit term is 30 to 120 days upon delivery.

All sales contracts are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied and partially unsatisfied performance obligation in contracts is not disclosed.

Revenue from its major products

The following is an analysis of the Group's revenue from its major products:

	Year ended 31.12.2024 *HK$'000*	Nine months ended 31.12.2023 *HK$'000*
Cable assembly		
– Optical fibres	**1,349,133**	941,506
– Copper	**1,428,251**	787,692
– Others	**6,421**	–
Digital cable		
– Cat 6/6A cables	**1,058,728**	701,724
– Cat 5/5e cables	**65,998**	67,584
– Cat 7/7A cables	**55,159**	19,406
– Specialty cable	**236,970**	76,968
Server		
– Sales of server products	**3,188,091**	2,218,543
– Commission income from resales of server related components	**–**	12,829
	7,388,751	4,826,252
Over time	**1,124,338**	787,845
Point in time	**6,264,413**	4,038,407
	7,388,751	4,826,252

5. OTHER INCOME

	Year ended 31.12.2024 *HK$'000*	Nine months ended 31.12.2023 *HK$'000*
Government grants *(note)*	**5,746**	4,355
Interest income	**21,338**	42,764
Others	**14,182**	3,331
	41,266	50,450

Note: The government grants in both reporting periods were related to export and other incentive payments received by the Group from PRC authorities. There were no unfulfilled conditions attached to these grants.

6. OTHER GAINS AND LOSSES, NET

	Year ended 31.12.2024 *HK$'000*	Nine months ended 31.12.2023 *HK$'000*
Net foreign exchange loss	**(3,549)**	(21,805)
Loss on disposal of property, plant and equipment	**(3,310)**	(1,424)
Loss on change in fair value of financial assets at FVTPL	**–**	(114)
Net gain/(loss) on change in fair value of derivative financial instrument	**17,669**	(5,177)
Gain on deregistration of subsidiaries	**142**	–
Others	**–**	(100)
	10,952	(28,620)

7. FINANCE COSTS

	Year ended 31.12.2024 *HK$'000*	Nine months ended 31.12.2023 *HK$'000*
Interest on bank borrowings	**20,135**	32,109
Interest on loans from related companies	**50,050**	54,129
Interest on lease liabilities	**3,058**	2,341
	73,243	88,579

8. PROFIT BEFORE TAXATION

	Year ended 31.12.2024 *HK$'000*	Nine months ended 31.12.2023 *HK$'000*
Profit before taxation has been arrived at after charging/(crediting):		
Depreciation of property, plant and equipment	**71,847**	54,020
Depreciation of right-of-use assets	**29,680**	19,789
Less: capitalised in inventories	**(83,208)**	(59,603)
	18,319	14,206
Amortisation of intangible assets	**48**	–
Directors' emoluments	**21,986**	14,131
Other staff costs	**696,942**	357,999
Retirement benefits schemes contributions for other staff	**84,366**	63,980
Equity-settled share-based payment for other staff	**34,330**	19,573
Total staff costs	**837,624**	455,683
Less: capitalised in inventories	**(524,782)**	(305,722)
	312,842	149,961
Auditor's remuneration		
– BDO Limited	**2,500**	2,350
– Other auditors	**979**	159
	3,479	2,509
Cost of inventories recognised as expense (including the write-down of inventories during the year ended 31 December 2024 amounting to HK$13,349,000 (nine months ended 31 December 2023: HK$21,648,000))	**6,310,137**	4,146,343
Impairment loss under ECL on trade receivables	**643**	1,331

9. TAXATION

	Year ended 31.12.2024 HK$'000	Nine months ended 31.12.2023 HK$'000
Hong Kong Profits Tax		
Current tax	**36,290**	11,012
Under-provision in respect of prior years	**–**	10
	36,290	11,022
PRC Enterprise Income Tax ("**EIT**")		
Current tax	**63,047**	55,261
Over-provision in respect of prior years	**(959)**	(956)
	62,088	54,305
Other Jurisdication Income Tax		
Current tax	**613**	–
	613	–
Deferred tax	**(13,761)**	(471)
	85,230	64,856

(i) Hong Kong Profits Tax

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both reporting periods.

(ii) PRC EIT

Under the Law of the PRC on EIT (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%. Pursuant to the relevant laws and regulations in the PRC, certain entities of the Group operating in the PRC were awarded the Advanced-Technology Enterprise Certificate and are eligible for tax concessionary rate of 15% for the year ended 31 December 2024 and the nine months ended 31 December 2023.

Certain entities operating in the PRC that have taxable income of not more than RMB3 million, the quarterly average of total assets does not exceed RMB50 million as well as the quarterly average number of employees does not exceed 300 are qualified as small and micro enterprises for the year ended 31 December 2024 and the nine months ended 31 December 2023. For the first RMB1 million taxable income, 25% of its first RMB1 million taxable income would be taxed at a reduced rate of 20%. With effect from 1 January to 31 December 2022, these entities were entitled to a further reduced EIT rate of 10% on 25% of its first RMB1 million taxable income. For the portion over first RMB1 million and up to RMB3 million, only 25% of the taxable income would be taxed at a reduced EIT rate of 20% from 1 January 2023 to 31 December 2027.

According to relevant laws and regulations promulgated by the State Tax Bureau of the PRC that was effective from 2021 onwards, enterprises engaging in research and development activities are entitled to claim an additional 100% of their research and development expense ("**Super Deduction**") so incurred as tax deductible expenses when determining their assessable profits for both reporting periods. The Group has made its best estimate for the Super Deduction to be claimed for the Group's entities in ascertaining their assessable profits for the year ended 31 December 2024 and the nine months ended 31 December 2023.

10. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	Year ended 31.12.2024 *HK$'000*	Nine months ended 31.12.2023 *HK$'000*
Earnings for the purposes of calculating basic and diluted earnings per share (profit for the year/period attributable to owners of the Company)	**450,872**	277,144

	Number of shares *'000*	*'000*
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**1,946,579**	1,945,952
Effect of dilutive potential ordinary shares:		
– Share options	**43,371**	–
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**1,989,950**	1,945,952

11. DIVIDENDS

	Year ended 31.12.2024 *HK$'000*	Nine months ended 31.12.2023 *HK$'000*
Dividends recognised as distribution during the year/period:		
Final dividend in respect of previous financial year – HK0.7 cents (nine months ended 31 December 2023: final dividend in respect of previous financial year – HK0.5 cents) per ordinary share	**13,622**	9,730
Interim dividend – HK1.0 cent (nine months ended 31 December 2023: interim dividend – HK0.75 cents) per ordinary share	**19,470**	14,595
	33,092	24,325

On 28 March 2025, a final dividend of HK1.3 cents per ordinary share in respect of the year ended 31 December 2024, totalling HK$25,349,000 has been proposed by the board of directors of the Company. The final dividend is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

12. TRADE AND OTHER RECEIVABLES

	31.12.2024	31.12.2023
	HK$'000	*HK$'000*
Trade receivables	**1,386,839**	2,065,390
Trade receivables from related companies	**75,885**	60,812
Bills receivables	**24,318**	20,234
	1,487,042	2,146,436
Less: Allowance for credit losses	**(5,305)**	(4,662)
	1,481,737	2,141,774
Value added tax receivables	**177,759**	129,048
Other receivables	**5,274**	2,591
Deposits and prepayments	**96,918**	40,332
Deposits, prepayments and other receivables	**279,951**	171,971
Trade and other receivables	**1,761,688**	2,313,745

The Group allows credit period ranging from 30 days to 120 days to its trade customers. Before accepting any new customers, the Group will internally assess the credit quality of the potential customers and determine appropriate credit limits. The ageing analysis of trade and bills receivables net of allowance for credit losses at the end of the reporting periods as presented, based on the right to consideration became unconditional/ invoice date at the end of the reporting periods is as follows:

	31.12.2024	31.12.2023
	HK$'000	*HK$'000*
0 – 30 days	**839,558**	1,567,253
31 – 60 days	**342,810**	317,305
61 – 90 days	**191,026**	167,037
91 – 180 days	**73,047**	88,046
Over 180 days	**35,296**	2,133
	1,481,737	2,141,774

13. TRADE AND OTHER PAYABLES

	31.12.2024	31.12.2023
	HK$'000	*HK$'000*
Trade payables	**1,206,804**	793,459
Trade payables to related companies	**34,114**	52,125
Bills payables	**155,603**	648,263
Trade and bills payables	**1,396,521**	1,493,847
Other payables	**75,104**	22,834
Dividend payable	**–**	14,595
Salaries and staff related costs payables	**99,457**	84,164
Accrued charges	**12,959**	12,089
Other tax payables	**8,082**	7,494
Accruals and other payables	**195,602**	141,176
Trade and other payables	**1,592,123**	1,635,023

The average credit period of trade payables ranges from 30 days to 120 days.

The aging analysis of trade and bills payables at the end of the reporting periods based on invoice date is as follows:

	31.12.2024	31.12.2023
	HK$'000	*HK$'000*
0 – 30 days	**771,876**	536,614
31 – 60 days	**253,308**	211,053
61 – 90 days	**176,819**	657,545
91 – 180 days	**194,306**	88,530
Over 180 days	**212**	105
	1,396,521	1,493,847

MANAGEMENT DISCUSSION AND ANALYSIS

CHANGE OF FINANICAL YEAR END DATE

In order to align the financial year end date of the Company with that of Luxshare Precision Industry Co., Ltd. ("**Luxshare Precision Industry**") and its subsidiaries excluding the Group (collectively the "**Luxshare Group**") and the principal operating subsidiaries of the Company in the People's Republic of China, the financial year end date of the Company has been changed from 31 March to 31 December in July 2023. For details, please refer to the Company's announcement dated 24 July 2023. In view of this change, the consolidated financial statements of the Group cover the twelve-month period from 1 January 2024 to 31 December 2024 and the comparative figures cover the nine-month period from 1 April 2023 to 31 December 2023. It should be noted that the financial data presented herein are being compared with that for the nine-month period ended 31 December 2023. The difference in duration of the two financial periods should be considered when making year-on-year comparisons.

BUSINESS OVERVIEW

Since the beginning of the year, the pace of economic expansion has been slow, owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and longer-term effects from weak growth in productivity and increasing geoeconomic fragmentation. Subsequently, signs have emerged that cyclical imbalances are being gradually resorbed, with economic activity in major economies better aligned with their potential. These developments may have helped bring inflation rates across countries closer together, but the momentum in global disinflation appears to have slowed in the first half of the year. Goods prices have stabilized, and some are declining, but services price inflation remains high in many countries. This has forced some central banks to delay their policy-easing plans, putting public finances under more pressure, especially in countries where debt-servicing costs are already high and refinancing needs significant.

On the other hand, emerging market and developing economies surging demand for semiconductors and electronics, driven by significant investments in artificial intelligence, has bolstered growth. The sudden emergence of AI drove the growth and development of the Group's server and data centre business in 2023. The server industry set off a craze for AI servers. During the Current Year, the revenue of data centre sector and specialty cable sector have significantly increased by 53.4% and 207.8% respectively due to the upgrading of servers and the profitability was relatively improved. In addition, the Group paid more attention and efforts in the medical equipment cables business and continued to enhance its medical equipment customers base, as well as to strengthen its research and development (the "**R&D**") capabilities during the Current Year. Benefited from the setup of two new plants last year, Time Interconnect Technology (Kunshan) Limited ("**Time Kunshan**") and Time Interconnect Technology (Jiangxi) Limited ("**Time Jiangxi**"), and expanded production capacity and R&D capabilities for medical equipment cables products, the revenue of medical equipment sector has also significantly increased by 216.5%. The overall profitability of cables and wires has also improved due to these sectors are carrying a better margins.

Moreover, the Group completed the investment in two medical and health related companies in July 2024. One is a Japanese company, having a proven operating history of over 30 years. It has been engaged in the developing, manufacturing and selling of electronic medical instruments and other medical equipment and devices. Another one is a UK based startup company with 7 years' long professional experience in haptics and virtual reality. It has developed haptic technology that creates weight, resistance and assistive forces for users in virtual simulations. Its patented wearable haptics technology has opportunity to be applied to multiple industries, with its initial applications being in digital health and fitness within the spatial computing. It combines fitness, wellness and gaming for optimising human performance for the huge markets of games and neuromuscular recovery. The Group believes that the subscription of these two companies will allow it to leverage their extensive knowhow and bring synergy for the development of medical related products in terms of R&D, manufacturing capabilities and global market expansion. In the meantime, it will be a good opportunity for the Group to extend its product mix offered to the existing major customer and also tap into the new business sector so as to diversify the Group's business portfolio. Besides, two new liaison offices, Time Interconnect America Inc. ("**Time US**") and Time Interconnect MedTech UK Limited ("**Time UK**"), have been established since July 2024 and September 2024 respectively to seize more business opportunities in medical-related markets.

Besides, although factors such as the divergences between countries, war, high interest rates, strong US dollar and high inflation are remaining exist, overseas orders for networking cable sector continued to improve. The revenue of networking cable sector has increased by 49.6% during the Current Year. The rise in copper price indicated that market demand is continuing to increase. However, for the server sector, after a peak of new products shipments at the end of last year, there was a shortage of key components supply in the first half of year, the Group worked very hard to find all the business solutions to cope with this situation. Finally, the supply of these key components has been resolved and the production has been resumed immediately. The revenue of server sector has been resumed in the second half of year, and has increased by 42.9% during the Current Year.

During the Current Year, the average copper price was USD9,147 per ton, represented an increase of 9.9% as compared with USD8,324 for the Previous Financial Period. Based on the existing quotation mechanism that the Group has been using with its customers, the selling price will be automatically adjusted with the price of copper, which means the impact of the copper price fluctuation has been directly passed through to its customers. Although the amount of gross profit of the orders has not been affected by such copper price, the gross profit margin has been changed accordingly.

Meanwhile, central banks continued to maintain high interest rate policy, causing the US dollars exchange rate to remain at a high level. During the Current Year, the average foreign currency exchange rate from converting Renminbi into Hong Kong dollars was 2.8% lower than the Previous Financial Period. The Renminbi revenue converted into Hong Kong dollars decreased by HK$118.0 million, represented 1.6% of the Group's revenue. Furthermore, the closing rate of Renminbi converting into Hong Kong dollars as at 31 December 2024 was 2.1% lower than the one as at 31 December 2023, which created an exchange loss from RMB receivable and USD payable.

For the Current Year, the Group recorded revenue amounting to HK$7,388.8 million, represented an increase of HK$2,562.5 million or 53.1% as compared with HK$4,826.3 million for the Previous Financial Period. The increase was mainly attributable to the increase of revenue from medical equipment, data centre, networking cable, specialty cable and server sectors. Operating profit for the Current Year was HK$623.6 million, represented an increase of HK$190.2 million or 43.9%, as compared with HK$433.4 million for the Previous Financial Period. The increase of operating profit was mainly attributable to higher revenue from medical equipment, data centre and specialty cable sectors with all three market sectors having better profit margin. Net profit of the Current Year was HK$450.5 million, represented an increase of HK$172.9 million or 62.3%, as compared with HK$277.6 million for the Previous Financial Period, with the net profit margin slightly raised from 5.8% to 6.1% for the Current Year.

RESULTS OF OPERATIONS

Financial Overview

	Year ended 31.12.2024 *HK$'million*	Nine months ended 31.12.2023 *HK$'million*	Change *HK$'million*
Revenue	**7,388.8**	4,826.3	2,562.5
Gross profit	**1,078.6**	679.9	398.7
Gross profit margin	**14.6%**	14.1%	
Other income and other gains and losses	**52.2**	21.8	30.4
Total operating expenses	**(507.2)**	(268.3)	(238.9)
Total operating expenses as a percentage of revenue	**6.9%**	5.6%	
Operating profit	**623.6**	433.4	190.2
Operating profit margin	**8.4%**	9.0%	
Share of associated companies' result	**(0.6)**	–	(0.6)
Loss on revaluation of land and buildings	**(11.9)**	(2.4)	(9.5)
Gain on bargain purchase	**0.4**	–	0.4
Professional fee for acquisition	**(2.5)**	–	(2.5)
Finance costs	**(73.3)**	(88.6)	15.3
Profit before taxation	**535.7**	342.4	193.3
Taxation	**(85.2)**	(64.8)	(20.4)
Effective tax rate	**15.9%**	18.9%	
Profit for the year/period	**450.5**	277.6	172.9
Net profit margin	**6.1%**	5.8%	
Adjusted profit for the year/period	**452.6**	277.6	175.0
Adjusted net profit margin	**6.1%**	5.8%	

Revenue

During the Current Year, copper price has increased 9.9% from the average copper price USD8,324 per ton to USD9,147 per ton compared with the Previous Financial Period. Based on the existing quotation mechanism that the Group has been using with its customers, the selling price will be automatically adjusted to account for the price of copper, resulting in the impact of the copper price fluctuation being directly passed through to its customers. As such, the copper price impact was approximately HK$65.0 million, which represented 0.9% of the Group's revenue. On the other hand, RMB depreciation lead to a reduction in revenue. During the Current Year, the average foreign currency exchange rate for conversion of Renminbi into Hong Kong dollars was 2.8% lower than the Previous Financial Period. The Renminbi revenue converted into Hong Kong dollars decreased by HK$118.0 million, represented 1.6% of the Group's revenue. The Group's revenue for the Current Year increased by HK$2,562.5 million or 53.1% to HK$7,388.8 million from HK$4,826.3 million in the Previous Financial Period. The increase in revenue was mainly attributable to the increase from medical equipment, data centre, networking cable, specialty cable and server sectors.

	Year ended 31.12.2024		Nine months ended 31.12.2023		Change	
Market Sector	***HK$'million***	**%**	*HK$'million*	%	*HK$'million*	%
Cable assembly						
Data centre	**1,213.5**	**16.4%**	791.0	16.4%	422.5	53.4%
Telecommunication	**566.8**	**7.7%**	555.4	11.5%	11.4	2.1%
Medical equipment	**816.6**	**11.1%**	258.0	5.3%	558.6	216.5%
Industrial equipment	**29.2**	**0.4%**	24.4	0.5%	4.8	19.7%
Automotive	**157.7**	**2.1%**	100.4	2.1%	57.3	57.1%
	2,783.8	**37.7%**	1,729.2	35.8%	1,054.6	61.0%
Digital cable						
Networking cable	**1,179.9**	**16.0%**	788.7	16.4%	391.2	49.6%
Specialty cable	**237.0**	**3.2%**	77.0	1.6%	160.0	207.8%
	1,416.9	**19.2%**	865.7	18.0%	551.2	63.7%
Server	**3,188.1**	**43.1%**	2,231.4	46.2%	956.7	42.9%
Total	**7,388.8**	**100.0%**	4,826.3	100.0%	2,562.5	53.1%

Data centre sector: Benefited from the emergence of AI, which drove the growth and development of the Group's data centre business. During the Current Year, the revenue of data centre sector increased by HK$422.5 million or 53.4% to HK$1,213.5 million for the Current Year as compared to HK$791.0 million for the Previous Financial Period due to the upgrading of servers and the profitability was relatively improved. Orders from this sector maintained at a high shipment level during the Current Year, and remained the highest revenue sector in the cable assembly business.

Telecommunication sector: It recorded an increase of revenue from HK$555.4 million for the Previous Financial Period to HK$566.8 million for the Current Year, represented an increase of HK$11.4 million or 2.1%. Production capacity has been shifted to data centre sector due to its order volume increased. But better margin orders of telecommunication sector have been retained to improve the product portfolio of overall cable assembly business.

Medical equipment sector: During the Current Year, the Group paid more attention and efforts in the medical equipment cables business and continued to enhance its medical equipment customers base, as well as to strengthen its R&D capabilities during the Current Year. Benefited from the setup of two new plants last year, Time Kunshan and Time Jiangxi, and expanded production capacity and R&D capabilities for medical equipment cables products, the revenue of medical equipment sector for the Current Year was significantly increased to HK$816.6 million, represented an increase of HK$558.6 million or 216.5% as compared with HK$258.0 million for the Previous Financial Period.

Industrial equipment sector: The global economy recovered but the pace was slower than expected. The divergences between countries have continued to increase. Inflation remained high and continued to erode household purchasing power. High interest rates directly raised the cost of borrowing and constraining economic activity. The revenue of industrial equipment sector increased by HK$4.8 million or 19.7% from HK$24.4 million for the Previous Financial Period to HK$29.2 million for the Current Year.

Automotive sector: The revenue of automotive sector was HK$157.7 million for the Current Year, which compared with the revenue for the Previous Financial Period of HK$100.4 million, represented an increase of HK$57.3 million or 57.1%. Affected by geopolitics and trading war, the sales orders of automotive wire harness products maintained a low level during the Current Year. But the Group still believes that the automotive wiring products can help the Group to provide its customers with a broader product portfolio, and to step into a new business sector by enriching the Group's business portfolio and broadening its unique customer base, which can capture opportunities brought by the booming electric vehicle market. A new wholly-owned subsidiary, Linkz Cables Mexico, S. de R.L. de C.V. ("**Linkz Mexico**"), has been setup in Mexico to increase its market share in markets outside China and Asia.

Networking cable sector: Even a lot of negative factors, such as the divergences between countries, war, high interest rates, strong US dollar and high inflation, were remained exist, overseas orders for networking cable sector continued to improve. The revenue of networking cable for the Current Year was HK$1,179.9 million, represented an increase of HK$391.2 million or 49.6% as compared with HK$788.7 million for the Previous Financial Period. The rise in copper price indicated that market demand is continuing to improve. The establishment of Linkz Mexico also helps to increase its market share in the US and Mexico markets.

Specialty cable sector: Similar to the data centre sector, AI also stimulated the growth and development of high-speed cables in the specialty cable sector. For the Current Year, the revenue of specialty cable was HK$237.0 million, represented an increase of HK$160.0 million or 207.8% as compared with HK$77.0 million for the Previous Financial Period. High-speed cables also carried a better profit margin which benefited to the Group's overall profitability.

Server sector: For the Current Year, the revenue of server was HK$3,188.1 million, represented an increase of HK$956.7 million or 42.9% as compared with HK$2,231.4 million for the Previous Financial Period. After a peak of new products shipments at the end of last year, there was a shortage of key components supply in the first half of year, the Group worked very hard to find all the business solutions to cope with this situation. Finally, the supply of these key components has been resolved and the production has been resumed immediately. The revenue of server sector has been resumed in the second half of year, and has increased by 42.9% during the Current Year.

Segment Information

Segmental information is presented for the Group as disclosed on Note 3 to the consolidated financial statements.

Gross Profit/Margin

Gross profit for the Current Year was HK$1,078.6 million, represented an increase of HK$398.7 million or 58.6% as compared with HK$679.9 million for the Previous Financial Period. The increase of gross profit was mainly attributable to the revenue increase of data centre, medical equipment and digital cable sectors. The Group's gross profit margin was increased from approximately 14.1% for the Previous Financial Period to approximately 14.6% for the Current Year.

Operating Profit/Margin

Operating profit for the Current Year was HK$623.6 million, which represented an increase of HK$190.2 million or 43.9% as compared with HK$433.4 million recorded in the Previous Financial Period. Operating profit margin was 8.4% for the Current Year compared to 9.0% in the Previous Financial Period. The decrease of operating profit margin was mainly due to the increase of R&D cost. EBITDA of the Current Year was HK$710.6 million which represented an increase of HK$205.8 million or 40.8% as compared with HK$504.8 million for the Previous Financial Period. The ratio of EBITDA to revenue for the Current Year decreased to 9.6% from 10.5% for the Previous Financial Period.

Other income, which comprises primarily of bank interest income, government grants and handling income was in aggregate HK$41.3 million for the Current Year, represented a decrease of HK$9.1 million or 18.1% as compared with HK$50.4 million for the Previous Financial Period. Such decrease was mainly attributable to the decrease of interest income of HK$21.4 million.

Other gains and losses recorded a gain of HK$10.9 million for the Current Year compared to a loss of HK$28.6 million for the Previous Financial Period. Such gain was mainly due to the net gain increase on change in fair value of derivative financial instrument of HK$22.8 million and the decrease of net exchange loss from RMB depreciation of HK$18.3 million which was attributable to the Group's operations in the ordinary course of business in the Current Year.

The total operating expenses for the Current Year were HK$507.2 million, represented an increase of HK$238.9 million or 89.0% compared with HK$268.3 million recorded in the Previous Financial Period. The increase was mainly attributable to 1) the Previous Financial Period only covered 9-month period as compared with 12-month period of the Current Year; 2) due to the new products development, the R&D cost of server sector increased by HK$78.0 million; 3) the operation of Time Kunshan and Time Jiangxi started from September 2023, the operating expenses of medical equipment sector increased by HK$32.3 million as compared with the Previous Financial Period; and 4) HK$10.9 million share option expenses increased under 2023 Share Option Scheme. Total operating expenses as a percentage of Group's revenue increased from 5.6% to 6.9%.

Distribution and selling expenses increased from HK$48.1 million to HK$76.6 million during the Current Year, represented an increase of HK$28.5 million or 59.3% as compared with the Previous Financial Period. It was mainly attributable to the Previous Financial Period only covered 9-month period as compared with 12-month period of the Current Year. The percentage of distribution and selling expenses to the Group's revenue was remained as 1.0% as compared with the Previous Financial Period.

Administrative expenses (including impairment losses under expected credit loss on trade receivables) increased from HK$124.5 million to HK$197.7 million, which represented an increase of HK$73.2 million or 58.8% as compared with the Previous Financial Period. The increase was mainly due to the Previous Financial Year only covered 9-month period as compared with 12-month period of the Current Year, and HK$7.8 million share option expenses increased. The Administrative expenses as a percentage of Group's revenue increased 2.6% to 2.7% as compared with the Previous Financial Period.

During the Current Year, the research and development expenses were HK$232.9 million, which represented an increase of HK$137.2 million or 143.4% as compared with HK$95.7 million in the Previous Financial Period. Besides, the Previous Financial Year only covered 9-month period as compared with 12-month period of the Current Year, the R&D cost of server sector increased by HK$78.0 million due to the new products development. Research and development expenses as a percentage of Group's revenue increased from 2.0% to 3.2%. The Company continued to put great efforts into enhancing its R&D capabilities by expanding the R&D team, so as to launch more new products and technologies.

Loss on revaluation of land and buildings

During the Current Year, the net revaluation loss was recorded at HK$11.9 million against HK$2.4 million for the Previous Financial Period. The valuations by the independent qualified valuer are arrived by direct comparison approach assuming sale of the land and buildings in their existing states with their highest and best use and by making reference to comparable sales transactions as available in the relevant market. The direct comparison approach is based on market observable recent transactions of similar properties in similar locations. There has been no change to the valuation technique during the reporting period.

Gain on bargain purchase

During the Current Year, upon completion of the investment in a Japanese medical and health related company, a gain on bargain purchase of approximately HK$0.4 million was recognised as a result of the difference between the fair value of the consideration paid and payable, and the fair value of the net assets acquired, which are the fair value of the identifiable assets acquired and liabilities assumed to their values with reference to the valuation report prepared by an independent qualified professional valuer not connected to the Group.

Professional fee for acquisition

During the Current Year, the Company invested in two medical and health related companies by subscribing new shares of the target companies. The two subscriptions were completed in July 2024. The expenses incurred in connection with these share subscriptions were approximately HK$2.5 million for the year ended 31 December 2024, which included professional fee for financial advisor, legal counsel and due diligence cost.

Finance Costs

For the Current Year, the finance costs were recorded at HK$73.3 million against HK$88.6 million for the Previous Financial Period. The finance costs included (i) bank loan interest of HK$18.8 million for short-term bank borrowings for the Group's operating working capital; (ii) bank loan interest of HK$1.3 million for the bank loan financing its acquisition of the automotive wire harness business; (iii) interest expenses of HK$50.1 million for several loans from Luxshare Group for the operating working capital of the Group; and (iv) interest expenses of HK$3.1 million on the lease liabilities under adoption of HKFRS 16 "Leases".

Profit for the year/period and Earnings per Share

Profit before taxation for the Current Year was HK$535.7 million, represented an increase of HK$193.3 million or 56.5% as compared with HK$342.4 million in the Previous Financial Period.

Taxation represents the tax expenses arising from the assessable profit generated by the Group in Hong Kong and the PRC. Taxation was provided at the respective tax rate of 16.5% and 25% based on the profit from operating activities. The major manufacturing subsidiary, Time Interconnect Technology (Huizhou) Limited ("**Time Huizhou**") and Linkz Industries (Suzhou) Limited ("**Linkz Suzhou**"), were awarded the Advanced-Technology Enterprise Certificate and are eligible for tax concessionary rate of 15%. Taxation charges increased from HK$64.8 million in the Previous Financial Period to HK$85.2 million in the Current Year. The effective tax rate decreased from 18.9% to 15.9%, such decrease was mainly attributable to the profit decrease from server business which taxation was provided at the tax rate of 25%.

Profit of the Group for the Current Year was HK$450.5 million, represented an increase of HK$172.9 million or 62.3% as compared with HK$277.6 million for the Previous Financial Period. The net profit margin for the Current Year was recorded at 6.1% as compared to 5.8% for the Previous Financial Period.

Basic earnings per share for the Current Year was HK23.2 cents as compared to the basic earnings per share of HK14.2 cents in the Previous Financial Period.

Dividends

The Directors recommend to the shareholders the payment of a final dividend in respect of FY2024 of HK1.3 cents (nine months ended 31 December 2023: HK0.7 cents) per share, amounting to a total of approximately HK$25.3 million.

Dividend per share	**Year ended 31.12.2024** ***HK cents***	Nine months ended 31.12.2023 *HK cents*
Interim	**1.0**	0.75
Final*	**1.3**	0.70
Total	**2.3**	1.45

* Final dividend proposed after the end of the Current Year

Adjusted Performance

The reported results are prepared in accordance with HKFRSs as detailed in our financial statements. The Company also presents alternative performance measures (the "**non-GAAP financial measures**"). These include adjusted performance, which the Company use to align internal and external reporting, identify and quantify items management believes to be significant, and provide insight into how management assesses period-on-period performance. The non-GAAP financial measures are not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with HKFRSs. The non-GAAP financial measures facilitate investors' assessment of the Group's operating performance, enhance the understanding of the Group's past performance as well as the future prospects and allow for greater visibility with respect to key metrics used by the management in their financial and operational decision-making. The non-GAAP financial measures are generally defined as profit for the year adjusted by excluding non-recurring and one-off items from continuing operations, which includes the professional fee for acquisition.

The following information details the adjustments made to the reported results and the calculation of other alternative performance measures. All alternative performance measures are reconciled to the closest reported performance measure.

Reconciliations on Non-GAAP Financial Measures

	Year ended 31.12.2024 *HK$'million*	Nine months ended 31.12.2023 *HK$'million*	**Change**
Profit for the year/period	**450.5**	277.6	**62.3%**
Adjustment for Professional fee for acquisition	**2.5**	–	
Adjustment for Gain on bargain purchase	**(0.4)**	–	
Adjusted profit for the year/period	**452.6**	277.6	**63.0%**
Revenue	**7,388.8**	4,826.3	
Adjusted net profit margin (%)	**6.1**	5.8	**0.3pts**
Weighted average number of ordinary shares *('000)*	**1,946,579**	1,945,952	
Adjusted basic earnings per share (Hong Kong cents)	**23.3**	14.2	**64.1%**
Profit for the year/period	**450.5**	277.6	**62.3%**
Interest expense	**73.3**	88.6	
Taxation	**85.2**	64.8	
Depreciation and amortisation	**101.6**	73.8	
EBITDA	**710.6**	504.8	**40.8%**
Adjustment for Professional fee for acquisition	**2.5**	–	
Adjustment for Gain on bargain purchase	**(0.4)**	–	
Adjusted EBITDA	**712.7**	504.8	**41.2%**
EBITDA/Revenue (%)	**9.6**	10.5	**-0.9pts**
Adjusted EBITDA/Revenue (%)	**9.6**	10.5	**-0.9pts**

Adjusted profit for the year: By excluding the professional fee for acquisition and the gain on bargain purchase, the adjusted profit of FY2024 was HK$452.6 million, representing an increase of HK$175.0 million or 63.0% as compared with HK$277.6 million for the Previous Financial Period. The adjusted net profit margin was recorded at 6.1% as compared with 5.8% for the Previous Financial Period.

Adjusted basic earnings per share: Adjusted basic earnings per share for FY2024 was HK23.3 cents as compared to the adjusted basic earnings per share of HK14.2 cents in the Previous Financial Period.

Adjusted EBITDA: By excluding the professional fee for acquisition and the gain on bargain purchase, the adjusted EBITDA of FY2024 was HK$712.7 million, representing an increase of HK$207.9 million or 41.2% as compared with HK$504.8 million for the Previous Financial Period. The ratio of adjusted EBITDA to revenue decreased to 9.6% from 10.5% for the Previous Financial Period.

OUTLOOK

According to the latest forecast of the "World Economic Outlook" issued by the "International Monetary Fund" in January 2025, the latest global growth estimated at 3.3 percent in 2025 and 2026. The level of uncertainty surrounding the outlook is still high. Newly elected governments could introduce significant shifts in trade and fiscal policy. Moreover, the return of financial market volatility over the summer has stirred old fears about hidden vulnerabilities. This has heightened anxiety over the appropriate monetary policy stance, especially in countries where inflation is persistent and signs of slowdown are emerging. Further intensification of geopolitical rifts could weigh on trade, investment, and the free flow of ideas. This could affect long-term growth, threaten the resilience of supply chains, and create difficult trade-offs for central banks. The global outlook will be shaped largely by fiscal and monetary choices, their international spillovers, the intensity of geoeconomic fragmentation forces, and the ability of governments to implement long-overdue structural reforms. With inflation approaching central bank targets and governments striving to manage debt dynamics, the policy mix is expected to shift from monetary to fiscal tightening as monetary policy rates are brought down, closer to their natural levels. How fast such rotations occur in individual countries will have consequences for capital flows and exchange rates. On the other hand, further disruptions to the disinflation process, potentially triggered by new spikes in commodity prices amid persistent geopolitical tensions, could prevent central banks from easing monetary policy, which would pose significant challenges to fiscal policy and financial stability. An intensification of protectionist policies would exacerbate trade tensions, reduce market efficiency, and further disrupt supply chains. Rising social tensions could prompt social unrest, hurting consumer and investor confidence and potentially delaying the passage and implementation of necessary structural reforms. However, even the Group is facing such challenges and difficulties in the macro-economic environment, the management remains confident in its future business. With the support of Luxshare Group, the Group enjoys advantages in both product manufacturing capabilities and financial strength. The Group will continue to develop strategic businesses and markets, strengthen its business foundation and achieve impressive results during the economic downturn.

The PRC has continuously made great efforts to accelerate the research and development of telecommunication technology. With the rapid development of new cellular network technology and the network deployment announced by various mobile operators in recent years, more and more new devices and equipment will be gradually and massively replaced in the coming years. It drives the demand of cable assembly products and telecommunication sector and benefit the Group's business growth. In the meantime, the pandemic has changed many economic activities, such as work from home and online meetings have become a trend even not during the lockdown period and persistent social distancing, which will also directly increase the application and demand of network communication. So even when the Group is facing such challenges and difficulties in the macro-economic environment, the management remains confident in telecommunication business. On the other hand, considering the vigorous development of the automotive and electric vehicle markets, the Group believes that the automotive wire harness products can help the Group to provide its customers with a broader product portfolio, and to step in new business sector by enriching the Group's business portfolio and broadening its unique customer base, helping the Group to capture opportunities brought by the booming electric vehicle market. In view of these, the Group has set up a new wholly-owned subsidiary, Linkz Mexico in Mexico to increase its market share in markets outside China and Asia. The new factory will produce digital cables and automotive wire harness products. This is a "China-Plus-One" strategy that aims to avoid investing solely in China and diversify business into other countries, or to channel investments into manufacturing in other promising developing economies in order to protect supply chains and export markets against geopolitical tensions and unforeseen disruptions. The Group also believes that the enlarged production capacity and well-established business fundamentals would enable the Group to capture more market opportunities upon the arrival of new generation network and automotive markets.

Moreover, the utilisation rate of cloud technology in the companies around the world is continuously increasing. In cloud computing, the computing storage network must be placed in the data centre, therefore, the growing cloud technology is expected to drive the development of data centre. Meanwhile, the development of new telecommunication technology will boost the application of big data, IoT, internet gaming and video streaming through cloud platform. In view of the great market potential of cloud service, communications, transportation and electricity in the PRC, the Group expanded its business to server business with go-to-market strategy and JDM/ODM business model, which is deeply customized based on brand customers' requirements and the products offered are mainly applied in data centres. Having considered that (i) China is actively conducting investment activities to build digital infrastructure; (ii) the PRC manufacturers continue to increase the share of local supply chain due to geopolitics relationship; and (iii) Luxshare Precision Industry has extensive technological knowhow and good customers' relationships, the Group is optimistic on the potential demand in the market. The sudden emergence of AI drove the growth and development of the Group's server and data centre sector business in 2023. The Group believes that the development of AI will become mainstream, which will definitely continue to drive the growth of the Group's business. However, geoeconomic fragmentation continues to intensify, barriers to the flow of goods, capital and people continue to increase, and supply problems also arise in the supply chain. All of these have created challenges on the business operations of the Group. The Group will work very hard to find any business solutions to cope with the current economic environment as well as the complex geopolitical relationship around the globe, and continue to expand and consolidate the development of server business.

After the epidemic, people have paid more attention to health, the demand for medical equipment will continue to increase. As for the medical equipment sector, the Group expects the demand for medical equipment cables will continue to bring positive impact to the Group's medical equipment cables orders in the coming years. To catch up with the trend, the Group has established two wholly-owned subsidiaries last year, Time Kunshan and Time Jiangxi, to expand its production capacity and R&D capabilities for medical equipment cables products. Moreover, the Group completed the investment in two medical and health related companies in July 2024. One is a Japanese company, having a proven operating history of over 30 years. It has been engaged in the developing, manufacturing and selling of electronic medical instruments and other medical equipment and devices. The Group believes that the subscription will allow it to leverage on this Japanese company's extensive knowhow and existing production facilities to immediately deliver reliable and high quality medical products to its existing and new customers. It will certainly bring synergy to both parties for the development of medical related products in terms of R&D, manufacturing capabilities and global market expansion. Another one is a UK based startup company with 7 years' long professional experience in haptics and virtual reality. It has developed haptic technology that creates weight, resistance and assistive forces for users in virtual simulations. Its patented wearable haptics technology has opportunity to be applied to multiple industries, with its initial applications being in Digital Health and Fitness within the Spatial computing. It combines fitness, wellness and gaming for optimising human performance for the huge markets of games and neuromuscular recovery. The Group considered that the technology of this UK company will be a good opportunity for the Group to extend its product mix offered to the existing major customer and also tap into the new business sector so as to diversify the Group's business portfolio and broaden its income stream with distinct customer base. Besides, two new liaison office, Time US and Time UK, have been established since July 2024 and September 2024 respectively to seize more business opportunities in medical-related markets. Moving ahead, the Group believes that this sector will maintain its dynamic pace of growth, considering the arising demand from the medical equipment market. The Group will pay more attention and efforts in this sector and continue to enhance its medical equipment customers base, as well as to strengthen its R&D capabilities.

Riding on the PRC government's policy of "channelling computing resources from the eastern areas to the western regions" (東數西算), Luxshare Precision Industry will deploy the platform advantages and market position of the Luxshare Group and introduce strategic resources to the Company with intention to further strengthen the Company's potential for continuous growth and core competitiveness in its market and to enable the Company to develop strategically to become an all-rounded network solutions and infrastructure provider, so as to create greater value for the shareholders. In this regard, Luxshare Precision Industry is conducting a strategic review of the operations and financial position of the Company, and actively exploring business opportunities for the growth and development, in both organic and inorganic manners, for the Company. On 5 September 2024, the Company and Luxshare Precision Industry established a joint venture, Time Interconnect Singapore Pte Ltd. ("**Time Singapore**") in Singapore. The purpose of this joint venture is to evaluate potential investment opportunities in the overseas markets and pursue acquisition of overseas businesses. The Group is actively seeking various investment opportunities to diversify its business into other countries in order to mitigate the business risks and enhance resilience in an unpredictable global landscape. On 17 September 2024, Time Singapore entered into the sale and purchase agreement with an independent vendor to acquire a group of companies principally engaged in the provision of automobile cable solutions with headquarter located in the Germany. As the condition precedents of the sale and purchase agreement have not been fulfilled, the acquisition has not been completed as at the date of this announcement. The Company believes that the strategic alliance between Luxshare Precision Industry and the Company would enable the Company to further benefit from the development and synergy in the fields of telecommunication, data communication, healthcare, automotive, and industry, in terms of products, customers, and marketing, through integration of customer and market resources as well as technologies and R&D capabilities of the Luxshare Group. In the future, with the support of Luxshare Precision Industry, the Group will create more and more possibilities.

LIQUIDITY AND FINANCIAL RESOURCES

Shareholders' funds as at 31 December 2024 were approximately HK$1,766.2 million, which represented an increase of HK$405.0 million or 29.8% from HK$1,361.2 million as at 31 December 2023. The increase was mainly due to the profit attributable to shareholders equity for the year HK$388.7 million, although there was a decrease of HK$44.4 million in the translation reserve from converting Renminbi into Hong Kong dollars as recorded in the financial statements of the PRC subsidiaries due to the depreciation of RMB at the reporting date. As a result, shareholders' funds per share increased by 30.0% from HK$0.70 to HK$0.91.

As at 31 December 2024, the Group had bank balances and cash of HK$425.8 million, represented an increase of 26.0% as compared to HK$338.0 million as of 31 December 2023. Such increase was mainly due to the increase in cash generated from operating activities during the year. As at 31 December 2024, the Group's bank loan was HK$243.2 million, represented a decrease of HK$1,003.4 million or 80.5% from HK$1,246.6 million as at 31 December 2023. The Group believes it has sufficient committed and unutilised banking facilities as at 31 December 2024 to meet its current business operation and capital expenditure requirements.

Charge on Group Assets

Save for the bank deposits that were pledged to secure short-term bank loans and bills payables issued by the bank under the general banking facilities granted to the Group, as at 31 December 2024 and 31 December 2023, banking facilities extended to the Group were not secured with the Group's assets. Pledged bank deposits amounted to HK$124.4 million and HK$957.9 million as at 31 December 2024 and 31 December 2023 respectively.

Gearing Ratio

Gearing ratio is calculated as net debt (defined as bank loans, loans from parent company and lease liabilities less bank balances and cash and pledged deposits) divided by the sum of net debt and total equity and multiplied by 100%. As at 31 December 2024, the Group's gearing ratio was 33.5% as compared to 55.3% in the Previous Financial Period, the decrease was mainly attributable to the decrease of bank loans and loans provided from Luxshare Group for financing the Group's operating working capital.

CAPITAL STRUCTURE

The shares of the Company were listed on the Main Board of the HK Stock Exchange. There has been no change in the capital structure of the Group since then. The share capital of the Group only comprises of ordinary shares.

As at 31 December 2024, the Company's issued share capital was HK$19.5 million and the number of its issued ordinary shares were 1,948,744,000 of HK$0.01 each.

FOREIGN EXCHANGE EXPOSURE

Most of the Group's receipts and payments are denominated in United States dollars, Hong Kong dollars, Renminbi and Euro. The Group's management monitors the risk of related foreign exchange exposure by entering into forward foreign exchange contracts. Foreign currency exchange rates are volatile and may have an impact on the Group's results. The Group's management evaluates the Group's foreign currency exposure on a continuing basis and takes actions to minimise the Group's exposure whenever necessary.

TREASURY POLICIES

As an internal treasury policy, the Group continues to implement a prudent policy on financial management policy and does not participate in any high-risk speculative activities. However, the Group's management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. The Group will also monitor and maintain a Hong Kong dollar cash balance to minimise the need for unnecessary foreign exchange conversion which may result in exchange loss.

The reporting currency of the Group is presented in Hong Kong dollars, as the Directors consider that it is more relevant to the users of the consolidated financial statements as the Company listed its shares on the Stock Exchange.

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As of 31 December 2024, the Group had not provided any form of guarantee for any company outside the Group and had not been involved in any material legal proceedings for which provision for contingent liabilities was required.

The capital commitment of the Group is as follows:

	31.12.2024	31.12.2023
	HK$'million	*HK$'million*
Capital expenditure in respect of the acquisition of property, plant and equipment contracted but not provided for in the consolidated financial statements	**11.7**	25.2

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES AND PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this announcement, the Group did not have any significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures for the year ended 31 December 2024. There is no other plan for material investments or capital assets as at 31 December 2024.

MATERIAL EVENT SINCE THE END OF THE FINANCIAL PERIOD

The Company announced the board lot size of the ordinary shares of the Company for trading on the HK Stock Exchange will be changed from 8,000 shares to 1,000 shares with effect from 9:00 a.m. on 8 April 2025. As at the date of this announcement, the free exchange of existing share certificates and the change in board lot size have not been completed. For details, please refer to the Company's announcement dated 17 March 2025.

Save as disclosed in this announcement, there has been no other important event affecting the Group since 31 December 2024 and up to the date of this announcement.

EMPLOYEE

As of 31 December 2024, the total headcount for the Company was approximately 6,031, compared to 5,386 as at 31 December 2023. The increase was mainly driven by the increase of new hiring staff from Time Huizhou, Time Da Chuang Information (Shanghai) Limited, Time Kunshan, Time Jiangxi and Linkz Mexico. Fair and competitive remuneration package and benefits are offered to employees as well as discretionary bonus and share options. Various types of trainings were provided to the employees. Total employee benefit expenses including Directors' remuneration for the Current Year were approximately HK$837.6 million, as compared to approximately HK$455.7 million in the Previous Financial Period. Remuneration is determined with reference to performance, skills, qualifications and experience of the staff concerned and in accordance with the prevailing industry practice.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2024.

CORPORATE GOVERNANCE PRACTICE

The Company acknowledges the need and importance of corporate governance as one of the key elements in creating Shareholders' value. The Company is also committed to achieving high standard of corporate governance that can protect and promote the interests of all Shareholders and to enhance corporate value and accountability of the Company. For corporate governance purpose, the Company has adopted the Corporate Governance Code (the "**CG Code**") set out in Part 2 of Appendix C1 to the Listing Rules. During the year ended 31 December 2024, to the best knowledge of the Board, the Company had complied with all the applicable code provisions set out in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed companies (the "**Model Code**") as the code of conduct regarding securities transactions by directors. Having made specific enquiry, all Directors have fully complied with the required standards set out in the Model Code and there was no event of non-compliance during the year ended 31 December 2024.

CLOSURE OF REGISTER OF MEMBER

The forthcoming annual general meeting is scheduled to be held on Friday, 23 May 2025 (the "**AGM**"). For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 20 May 2025 to Friday, 23 May 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Monday, 19 May 2025.

In order to qualify for the entitlement to the proposed final dividend, the register of members of the Company will also be closed from Thursday, 29 May 2025 to Monday, 2 June 2025, both days inclusive, during which period no transfer of shares in the Company will be registered. All transfer of shares, accompanied by the relevant share certificates, must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 28 May 2025. If the resolution of the proposed final dividend is passed at the AGM, the proposed final dividend will be payable to Shareholders whose names appear on the register of members of the Company on Monday, 2 June 2025. The proposed final dividend is expected to be paid on or before Thursday, 26 June 2025.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") was established on 24 January 2018. The chairman of the Audit Committee is Mr. Chan Chung Shun Eric, the independent non-executive Director, and other members included Mr. Ho Hin Shun and Mr. Luk Wai Shing, the independent non-executive Directors. The written terms of reference of the Audit Committee are posted on the website of the HK Stock Exchange and on the Company's website.

The Company has complied with Rule 3.21 of the Listing Rules in that at least one of the members of the Audit Committee (which must comprise a minimum of three members and must be chaired by an independent non-executive Director) is an independent non-executive Director who possesses appropriate professional qualifications or accounting-related financial management expertise.

The primary duties of the Audit Committee are to review the financial information and oversee the financial reporting system, internal control systems and risk management system and relationship with external auditors and review arrangements to enable employees of the Company can use in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

SCOPE OF WORK OF BDO LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditors, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2024. The work performed by BDO Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by BDO Limited on the preliminary announcement.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR

The Audit Committee, which comprises three independent non-executive Directors, had reviewed the audited consolidated financial statements for the year in conjunction with the Group's auditors, BDO Limited. Based on this review and discussion with the management of the Company, the Audit Committee was satisfied that the audited consolidated financial statements were prepared in accordance with applicable accounting standards and fairly presented the Group's financial position as at the final results for the year ended 31 December 2024.

APPRECIATION

The Company would like to thank the Group's customers, suppliers, business partners for their support. Also, the Company would like to offer its highest gratitude to its shareholders for their devotion and to the Group's employees for their loyalty and contributions made during the Review Period.

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

Hong Kong, 28 March 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.