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**匯聚科技有限公司**  
**TIME Interconnect Technology Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1729)**

**CONTINUING CONNECTED TRANSACTION –  
THE LUXSHARE PRECISION MASTER  
SUBCONTRACTING AGREEMENT**

On 15 August 2022, the Company entered into the Luxshare Precision Master Subcontracting Agreement with Luxshare Precision, pursuant to which the Luxshare Precision Group agreed to provide subcontracting services to the Group in respect of the production of the Group's server products from time to time.

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 contemplated under the Luxshare Precision Master Subcontracting Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

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

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 Luxshare Precision Master Subcontracting Agreement and has abstained from voting on the relevant resolutions of the Board for approving the Luxshare Precision Master Subcontracting Agreement. To the best of the Directors' knowledge, information and belief, having made all reasonable

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

## **THE LUXSHARE PRECISION MASTER SUBCONTRACTING AGREEMENT**

On 15 August 2022, the Company entered into the Luxshare Precision Master Subcontracting Agreement with Luxshare Precision, pursuant to which the Luxshare Precision Group agreed to provide subcontracting services to the Group in respect of the production of the Group's server products from time to time.

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

Date : 15 August 2022

Parties : (i) Luxshare Precision  
(ii) the Company

Subject : Pursuant to the Luxshare Precision Master Subcontracting Agreement, the Luxshare Precision Group agreed to provide subcontracting services to the Group in respect of the production of the Group's server products from time to time.

Term : The Luxshare Precision Master Subcontracting Agreement has a fixed term from 15 August 2022 to 31 March 2025 (both days inclusive)

### **Pricing policy**

The subcontracting fee payable under the Luxshare Precision Master Subcontracting Agreement by the Group to the Luxshare Precision Group shall be determined after arm's length negotiations with reference to the prevailing market price for the same or similar services as charged by Independent Third Party subcontractors or by the Luxshare Precision Group to other Independent Third Parties from time to time. In order to ensure that the prices are fair and reasonable and in line with prevailing market rate, the Group will obtain at least three quotations from Independent Third Party subcontractors which provide the same or similar services not less frequently than on a quarterly basis. Such quotations will be compared against the quotations from the Luxshare Precision Group and the Group will only accept the Luxshare Precision Group's quotations if they are favourable to the Group.

## **Proposed annual caps**

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

	<i>HK\$'000</i>
Year ending 31 March 2023	15,000
Year ending 31 March 2024	30,000
Year ending 31 March 2025	35,000

## **Basis of annual caps**

The proposed annual caps for the Luxshare Precision Master Subcontracting Agreement have been determined taking into consideration (i) the actual and expected demand for the subcontracting services in respect of the production of the Group's server products; and (ii) the expected fluctuation of the subcontracting fees, exchange rate as well as inflation.

## **Reasons for and benefits of the transaction**

Reference is made to the announcement of the Company dated 11 May 2022 in relation to the development of new server business of the Group. In producing the server products, the Group may subcontract the labour intensive parts of production process to subcontractors depending on the available production capacity of the Group from time to time. As a leading electronics manufacturer in the PRC, the Luxshare Precision Group is able to deliver quality subcontracting services and meet the high standard and specifications as requested by the Group. With the Luxshare Precision Master Subcontracting Agreement, the Directors believe it will enable the Group to (i) meet customers' orders despite insufficient production capacity; (ii) schedule its production plans in a more flexible manner; and (iii) cater to unexpected circumstances especially under the outbreak of coronavirus epidemic.

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

## **Listing Rules implication**

As at the date of this announcement, Luxshare Precision is a Controlling Shareholder of the Company interested in 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 contemplated under the Luxshare Precision Master Subcontracting Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the applicable percentage ratios (as defined under the Listing Rules) for the proposed annual caps under the Luxshare Precision Master Subcontracting Agreement is more than 0.1% but less than 5%, the transactions contemplated under the Luxshare Precision Master Subcontracting Agreement are subject to the reporting, annual review and announcement requirements but are exempt from the independent shareholders' approval requirement as set out under Chapter 14A of the Listing Rules. 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 Luxshare Precision Master Subcontracting Agreement, and has abstained from voting on the relevant resolutions of the Board for approving the Luxshare Precision Master Subcontracting Agreement. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save for Ms. Wang Laichun, none of the Directors has any material interest in the Luxshare Precision Master Subcontracting 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. The Company supplies cable products to customers worldwide, including global network solutions and infrastructure provider, global internet related service provider, multinational medical equipment manufacturer and automotive manufacturer.

### **Information on 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 38.56% by Luxshare Limited, which is in turn owned by Ms. Wang Laichun, the non-executive Director and the chairman of the Board, and Mr. Wang Laisheng, the brother of Ms. Wang Laichun, as to 50% each; and (ii) approximately 0.07% 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
“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

“Luxshare Precision Master Subcontracting Agreement”	the agreement entered into between the Company and Luxshare Precision on 15 August 2022 for a term ending 31 March 2025, pursuant to which the Luxshare Precision Group agreed to provide subcontracting services to the Group in respect of the production of the Group’s server products from time to time
“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
“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, 15 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.*