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匯聚科技有限公司
TIME Interconnect Technology Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1729)

**CONNECTED TRANSACTION
IN RELATION TO
THE JI'AN PREMISES LEASE AGREEMENT**

THE LEASE AGREEMENT

On 20 July 2023, Jiangxi Time, an indirect wholly-owned subsidiary of the Company, as tenant entered into the Ji'an Premises Lease Agreement with Wanan Xiexun, a direct wholly-owned subsidiary of Luxshare Precision, as landlord with a term commencing from 1 August 2023 to 31 July 2026 (both days inclusive) for leasing the Premises for operation of the Group.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Wanan Xiexun is a direct wholly-owned subsidiary of Luxshare Precision. As Luxshare Precision is a Controlling Shareholder interested in approximately 70.95% of issued Shares through its wholly owned subsidiary, namely Luxshare Precision Limited, and is ultimately controlled by Ms. Wang Laichun and Mr. Wang Laisheng, Wanan Xiexun is an associate of Luxshare Precision and is a connected person of the Company. Accordingly the transactions with Wanan Xiexun will constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

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

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

INTRODUCTION

On 20 July 2023, Jiangxi Time, an indirect wholly-owned subsidiary of the Company, as tenant entered into the Ji'an Premises Lease Agreement with Wanan Xiexun, a direct wholly-owned subsidiary of Luxshare Precision, as landlord with a term commencing from 1 August 2023 to 31 July 2026 (both days inclusive) for leasing the Premises for operation of the Group.

The principal terms of the Ji'an Premises Lease Agreement are summarised below.

Ji'an Premises Lease Agreement

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|-------------|---|---|
| Date | : | 20 July 2023 |
| Parties | : | (i) Jiangxi Time, as tenant (ii) Wanan Xiexun, as landlord |
| Term | : | 1 August 2023 to 31 July 2026 (both days inclusive) |
| Termination | : | Jiangxi Time or Wanan Xiexun may terminate the Ji'an Premises Lease Agreement anytime with a one-month prior written notice, with a compensation in the sum of being no more than 3 months of the monthly rent of the relevant period |
| Rent | : | RMB114,862 per month, inclusive of tax. The rent payable by Jiangxi Time was determined after arm's length negotiations between the parties taking into account the prevailing market rent and lease terms of similar premises in the proximity of the Premises. The rent for the Premises is expected to be funded through the internal resources of the Group |

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| Payment terms | : | The rent is accrued and payable in arrears with the first payment to be made on 31 October 2023 for the rent of first three months and the subsequent rent payments are to be made biannually |
| Area | : | 4,000 square meters |
| Address of the Premises | : | Xinyuan 1st Road, Phase I Development, Wan'an County, Ji'an City, Jiangxi Province |
| Use of the Premises | : | For industrial production |

Accounting implication

In accordance with HKFRS 16, the Group is required to recognise rent of the Premises under the Ji'an Premises Lease Agreement as right-of-use-assets and will be regarded as acquisitions of assets by the Group pursuant to the Listing Rules. The value of the right-of-use assets to be recognised by the Group under the Ji'an Premises Lease Agreement is estimated to be approximately HK\$3,854,000, being the present value of the aggregate rent under the Ji'an Premises Lease Agreement in accordance with HKFRS 16. Shareholders should note that the above figures are unaudited and may be subject to adjustment in the future.

Reasons for and benefits of the transaction

The Group has decided to expand its medical equipment cable business, and has been looking for suitable premises to operate as an additional production plant so as to expand the production of its medical equipment cable products. The Premises are in good condition and can be put to use by the Group without requiring material modification and refurbishment. Having considered that the rental payable for lease of the Premises is in line with the prevailing market rent for comparable premises in the vicinity of the Premises, the Directors are of the view that entering into the Ji'an Premises Lease Agreement is in line with its business development needs and will help to expand its medical equipment cable business.

The Directors (including the independent non-executive Directors) consider that the terms of the Ji'an Premises Lease Agreement are on normal commercial terms and in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Listing Rules implication

As at the date of this announcement, Wanan Xiexun is a direct wholly-owned subsidiary of Luxshare Precision. As Luxshare Precision is a Controlling Shareholder interested in approximately 70.95% of issued Shares through its wholly owned subsidiary, namely Luxshare Precision Limited, and is ultimately controlled by Ms. Wang Laichun and Mr.

Wang Laisheng, Wanan Xiexun is an associate of Luxshare Precision and a connected person of the Company. Accordingly the transactions with Wanan Xiexun constitute a connected transaction of the Company under Chapter 14A of the Listing Rules.

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

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

INFORMATION ON THE PARTIES

Information on Jiangxi Time and the Group

Jiangxi Time is a company established in the PRC with limited liability and is principally engaged in the manufacture and sales of medical equipment cable assembly products. Jiangxi Time is an indirect wholly-owned subsidiary of the Company.

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

Information on Wanan Xiexun and Luxshare Precision

Wanan Xiexun is a company established in the PRC with limited liability and is principally engaged in the manufacture and sales of computer component and equipment products. Wanan Xiexun is a direct wholly-owned subsidiary of Luxshare Precision.

Luxshare Precision is a company incorporated in the PRC with limited liability whose shares are listed on the Shenzhen Stock Exchange (stock code: 002475). Luxshare Precision Group is principally engaged in the research, development, manufacturing and sales of products in the fields of consumer electronics, communication, auto electronics and healthcare. As at the date of this announcement, Luxshare Precision is owned as to (i) approximately 38.27% 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 0.17% by Mr. Wang Laisheng directly.

DEFINITIONS

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

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| “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 same 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 Shareholder(s)” | the Shareholder(s) who are not required to abstain from voting in respect of the ordinary resolutions proposed for approval at the extraordinary general meeting pursuant to the Listing Rules |
| “Jiangxi Time” | Jiangxi Time Interconnect Precision Industries Limited (江西匯聚精密工業有限公司), a company incorporated in the PRC with limited liability, an indirect wholly-owned subsidiary of the Company |

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| “Ji’an Premises Lease Agreement” | the lease agreement dated 20 July 2023 entered into between Jiangxi Time (as tenant) and Wanan Xiexun (as landlord) in relation to the lease of the Premises from 1 August 2023 to 31 July 2026 (both days inclusive) |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Luxshare Precision” | Luxshare Precision Industry Co., Limited (立訊精密工業股份有限公司), a company incorporated in the PRC with limited liability and listed on the Shenzhen Stock Exchange (stock code: 002475) |
| “Luxshare Precision Group” | Luxshare Precision and its subsidiaries but excluding the Group |
| “PRC” or “China” | the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan |
| “Premises” | Xinyuan 1st Road, Phase I Development, Wan’an County, Ji’an City, Jiangxi Province |
| “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 |
| “subsidiary” | has the meaning ascribed to it under the Listing Rules |
| “Wanan Xiexun” | Wanan Xiexun Electronics Co., Ltd.* (萬安協訊電子有限公司), a company incorporated in the PRC with limited liability, a direct wholly-owned subsidiary of Luxshare Precision |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “%” | per cent. |

* *The English translation of the Chinese name is for identification purposes only, and should not be regarded as the official English translation of such name.*

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

Hong Kong, 20 July 2023

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.