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**Luxshare Precision Limited**  
**立訊精密有限公司**  
*(Incorporated in Hong Kong with limited liability)*

  
**匯聚科技有限公司**  
**TIME Interconnect Technology Limited**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 1729)**

## **JOINT ANNOUNCEMENT**

**(1) THE SALE AND PURCHASE AGREEMENT IN RELATION TO APPROXIMATELY 74.67% OF THE ISSUED SHARE CAPITAL OF TIME INTERCONNECT TECHNOLOGY LIMITED;**

**AND**

**(2) POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS BY CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED FOR AND ON BEHALF OF LUXSHARE PRECISION LIMITED TO ACQUIRE ALL THE ISSUED SHARES AND TO CANCEL ALL THE OUTSTANDING OPTIONS OF TIME INTERCONNECT TECHNOLOGY LIMITED (OTHER THAN THOSE ALREADY OWNED BY LUXSHARE PRECISION LIMITED AND PARTIES ACTING IN CONCERT WITH IT)**

**Financial Adviser to the Offeror**



## **THE SALE AND PURCHASE AGREEMENT**

Reference is made to the Rule 3.7 Announcement.

The Company was notified by the Offeror and the Sellers after trading hours of the Stock Exchange on 11 February 2022 that the Sellers and the Offeror entered into the SPA, pursuant to which the Sellers have agreed to sell and the Offeror has agreed to purchase the Sale Shares (being an aggregate of 1,380,000,000 Shares, amongst which 204,930,000 Shares, representing approximately 11.09% of the issued Shares as at the date of this joint announcement, are from the First Seller (the “**First Sale Shares**”) and 1,175,070,000 Shares, representing approximately 63.58% of the issued Shares as at the date of this joint announcement, are from the Second Seller (the “**Second Sale Shares**”), representing approximately 74.67% of the issued Shares as at the date of this joint announcement, for a total cash consideration of HK\$1,104,000,000 (being HK\$0.80 per Share).

The SPA is subject to certain conditions precedent described in the section headed “Conditions precedent” in this joint announcement.

There is no provision in the SPA stating that the Completion for the First Sale Shares and the Completion for the Second Sale Shares are inter-conditional. As at the date of this joint announcement, the First Sale Shares are subject to the Share Charge and the Debenture. The release of the Share Charge and the Debenture constitutes one of the conditions precedent under the SPA. The SPA provides that in the event such condition precedent is not satisfied, the Offeror may elect to waive, in whole or in part, the satisfaction of such condition precedent and accordingly, the Offeror may proceed to Completion for the Second Sale Shares.

The Acquisition will be completed when the transfer of the First Sale Shares and/or the Second Sale Shares through the CCASS system has been completed. In the event that the Completion for all the Sale Shares takes place in accordance with the SPA, the total cash consideration in respect of the Acquisition after deducting the Deposits will be paid in full by the Offeror to the Sellers upon Completion. In the event that the Completion for the First Sale Shares fails to take place while the Completion for the Second Sale Shares takes place in accordance with the SPA, the cash consideration in respect of the Second Sale Shares after deducting the Second Deposit will be paid in full by the Offeror to the Second Seller upon Completion.

## **POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS**

As at the date of this joint announcement, none of the Offeror and parties acting in concert with it have any interests in the Shares. Immediately upon Completion for all of the Sale Shares, the Offeror will be interested in 1,380,000,000 Shares, representing approximately 74.67% of issued Shares as at the date of this joint announcement.

In the event that Completion for the First Sale Shares fails to take place, the Offeror and the Second Seller may still proceed to the Completion for the Second Sale Shares. In the event that Completion for the First Sale Shares fails to take place and the Completion for the Second Sale Shares takes place, immediately upon Completion for the Second Sale Shares, the Offeror will be interested in 1,175,070,000 Shares, representing approximately 63.58% of the issued Shares as at the date of this joint announcement.

In the event that Completion for all Sale Shares or the Second Sale Shares takes place, given the Offeror will acquire more than 30% of the voting rights of the Company as a result of the Acquisition, pursuant to Rule 26.1 of the Takeovers Code, the Offeror will be required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned by the Offeror and parties acting in concert with it). Pursuant to Rule 13 of the Takeovers Code, the Offeror will make an appropriate cash offer to the Offer Optionholders to cancel all Offer Options.

In the event that Completion for the Second Sale Shares fails to take place and the Completion for the First Sale Shares takes place, immediately upon Completion for the First Sale Shares, the Offeror will be interested in 204,930,000 Shares, representing approximately 11.09% of the issued Shares as at the date of this joint announcement, and the Offeror will not be required to make a mandatory cash offer pursuant to Rule 26.1 of the Takeovers Code.

As at the date of this joint announcement, the Company has 1,848,040,000 Shares in issue and 143,208,000 outstanding Options, and has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this joint announcement.

### **Principal terms of the Offers**

Subject to the Completion for all Sale Shares or the Second Sale Shares, CICC will, for and on behalf of the Offeror, make the Offers in compliance with the Takeovers Code on the following basis:

#### **The Share Offer**

For each Offer Share . . . . . HK\$0.80 in cash

#### **The Option Offer**

For each of 78,240,000 Offer Options with an  
exercise price of HK\$0.349 . . . . . HK\$0.451 in cash

For each of 64,968,000 Offer Options with  
an exercise price of HK\$0.320 . . . . . HK\$0.480 in cash

The Share Offer Price of HK\$0.80 for each Offer Share under the Share Offer is the same as the price to be paid per Sale Share by the Offeror pursuant to the SPA. Pursuant to Rule 13 and Practice Note 6 of the Takeovers Code, the Option Offer Price would normally represent the difference between the exercise prices of the Options and the Share Offer Price. Under the Option Offer, since the exercise prices of the Offer Options, being HK\$0.349 and HK\$0.320, are below the Share Offer Price of HK\$0.80, the Offer Options are in-the-money and the Option Offer Prices are set at the see-through prices of HK\$0.451 and HK\$0.480 respectively.

**The Offeror will not increase the Share Offer Price. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Share Offer Price and the Offeror does not reserve the right to increase the Share Offer Price.**

The Offer Shares to be acquired under the Share Offer shall be fully paid and free from any Encumbrances together with all rights attaching to them, including all rights to any dividend or other distribution declared, made or paid on or after the date of this joint announcement. In the event that the Company pays or makes any dividends on or after the date of this joint announcement and up to closing of the Offers, the Offeror intends to reduce the Share Offer Price by the amount of such dividends.

The Company confirms that as at the date of this joint announcement, (a) it has not declared any dividend which is outstanding and not yet paid and (b) it does not have any intention to make, declare or pay any future dividend or make other distributions prior to the close of the Offers.

The Offers, if and when made, will be unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

Principal terms of the Offers are set out in the section headed “Possible Mandatory Unconditional Cash Offers” below.

### **Total consideration of the Offers**

In the event that Completion for all of the Sale Shares takes place, based on the Share Offer Price of HK\$0.80 per Offer Share and 468,040,000 Offer Shares and 143,208,000 Offer Options:

- (a) Assuming no Offer Options are exercised and the Share Offer is accepted in full:
  - (i) the value of the Share Offer will be approximately HK\$374,432,000; and

(ii) the total amount to satisfy the cancellation of all Offer Options will be approximately HK\$66,470,880.

(b) Assuming all Offer Options are exercised and the Share Offer is accepted in full:

(i) the value of the Share Offer will be approximately HK\$488,998,400; and

(ii) no amount will be payable by the Offeror under the Option Offer.

In the event that Completion for the First Sale Shares fails to take place and the Completion for the Second Sale Shares takes place, the First Sale Shares will become subject to the Share Offer and based on the Share Offer Price of HK\$0.80 per Offer Share and 672,970,000 Offer Shares and 143,208,000 Offer Options:

(a) Assuming no Offer Options are exercised and the Share Offer is accepted in full:

(i) the value of the Share Offer will be approximately HK\$538,376,000; and

(ii) the total amount to satisfy the cancellation of all Offer Options will be approximately HK\$66,470,880.

(b) Assuming all Offer Options are exercised and the Share Offer is accepted in full:

(i) the value of the Share Offer will be approximately HK\$652,942,400; and

(ii) no amount will be payable by the Offeror under the Option Offer.

### **Financial Resources available to the Offeror**

The Offeror intends to finance the total consideration of the Acquisition and the Offers (i.e. HK\$1,592,998,400, being the aggregate sum of the Acquisition and the Offers calculated using the higher amount of scenarios (a) and (b) above) by internal resources.

CICC, the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are available to the Offeror to satisfy the consideration for the Acquisition and the full acceptance of the Offers.

### **Intentions of the Offeror**

The Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offers.

## **DESPATCH OF COMPOSITE DOCUMENT**

The Offeror and the Company intend to combine the offer document and the Company's board circular in the Composite Document which contains, among other things, (i) details of the Offers and their respective terms and conditions (including the expected timetable); (ii) the letter from the Independent Board Committee containing its recommendation in respect of the Offers; (iii) the letter of advice from the independent financial adviser to the Independent Board Committee in respect of the Offers; and (iv) relevant forms of acceptance and transfer, to the Offer Shareholders and Offer Optionholders.

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document is required to be despatched within 21 days of the date of this joint announcement. As the Offers are subject to the Completion for all Sale Shares or for the Second Sale Shares, which is in turn subject to satisfaction and/or waiver of the conditions precedent contained in the SPA, the despatch of the Composite Document may not take place within 21 days from the date of this joint announcement. In such circumstances, an application will be made to the Executive for a waiver under Note 2 to Rule 8.2 of the Takeovers Code to extend the date of posting of the Composite Document.

Further announcement(s) will be made by the Offeror and the Company on the timing of despatch of the Composite Document.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee has been established by the Company to make a recommendation to the Offer Shareholders and Offer Optionholders in respect of the Offers pursuant to Rule 2.1 of the Takeovers Code.

An independent financial adviser will be appointed, with the approval of the Independent Board Committee, to advise the Independent Board Committee in respect of the Offers and, in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code. A further announcement will be made by the Company as soon as possible after the appointment of the independent financial adviser. The advice of the independent financial adviser and the recommendation of the Independent Board Committee will be included in the Composite Document to be despatched to the Offer Shareholders and Offer Optionholders.

## **WARNING**

**The Offers will only be made if the Completion for all Sale Shares or for the Second Sale Shares takes place. The Completion is subject to satisfaction and/or waiver of the conditions precedent contained in the SPA. Accordingly, the Completion for all Sale Shares or for the Second Sale Shares may or may not take place and the Offers may or may not be made.**

**Shareholders, Optionholders and potential investors should note that the Independent Board Committee has yet to consider and evaluate the Offers. The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement. Shareholders should read the Composite Document, including the recommendations of the Independent Board Committee in respect of the Offers and a letter of advice from the independent financial adviser, before forming a view on the Offers.**

**Shareholders, Optionholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If Shareholders, Optionholders and potential investors are in any doubt about their position, they should consult their professional advisers.**

## **THE SALE AND PURCHASE AGREEMENT**

Reference is made to the Rule 3.7 Announcement.

The Company was notified by the Offeror and the Sellers after trading hours of the Stock Exchange on 11 February 2022 that the Sellers and the Offeror entered into the SPA, pursuant to which the Sellers have agreed to sell and the Offeror has agreed to purchase the Sale Shares (being an aggregate of 1,380,000,000 Shares, amongst which 204,930,000 Shares, representing approximately 11.09% of the issued Shares as at the date of this joint announcement, are from the First Seller (the “**First Sale Shares**”) and 1,175,070,000 Shares, representing approximately 63.58% of the issued Shares as at the date of this joint announcement, are from the Second Seller (the “**Second Sale Shares**”), representing approximately 74.67% of the issued Shares as at the date of this joint announcement, for a total cash consideration of HK\$1,104,000,000 (being HK\$0.80 per Share).

Set out below are the principal terms of the SPA.

Date: 11 February 2022

Parties: (1) The Offeror;  
(2) The First Seller;

(3) The Second Seller; and

(4) The Guarantor.

### **Subject matter of the SPA**

Pursuant to the SPA, the First Seller and the Second Seller conditionally agreed to sell, and the Offeror conditionally agreed to acquire the Sale Shares, comprising a total of 1,380,000,000 Shares (204,930,000 Shares and 1,175,070,000 Shares of which are from the First Seller and the Second Seller respectively), representing approximately 74.67% of the issued Shares as at the date of this joint announcement, free from all Encumbrances and with all the rights attaching or accruing to the Sale Shares after Completion.

In consideration of the Offeror entering into the SPA, the Guarantor guarantees to the Offeror the due and punctual performance, observance and discharge by the Sellers of all the obligations of the Sellers if and when they become performable or due under the SPA. The Guarantor also agrees to indemnify and keep indemnified the Offeror or its representatives in full and on demand from and against all and any losses, costs, claims, liabilities, damages, demands and expenses suffered or incurred by the Offeror or its representatives arising out of, or in connection with, the obligations of any of the Sellers not being recoverable for any reason, or any of the Sellers' failure to perform or discharge any of its obligations under the SPA.

### **Consideration**

The aggregate cash consideration for the Sale Shares pursuant to the SPA was HK\$1,104,000,000 (equivalent to HK\$0.80 per Sale Share), of which HK\$163,944,000 and HK\$940,056,000 are payable to the First Seller and the Second Seller, respectively.

The cash consideration for the Sale Shares was agreed between the Offeror and the Sellers after arm's length negotiations, taking into account, among other things, (i) the financial position of the Company; and (ii) the recent market prices of the Shares as further described in the section headed "The Share Offer" below.

Ten percent of the cash consideration for the Sale Shares (i.e. HK\$110,400,000 in aggregate, of which HK\$16,394,400 and HK\$94,005,600 are payable to the First Seller (the "**First Deposit**") and the Second Seller (the "**Second Deposit**", together with the First Deposit, the "**Deposits**") respectively) shall be payable within three (3) Business Days of the date of the SPA as deposit.

Subject to the arrangement as elaborated further in the next paragraph, the remainder of the cash consideration for the Sale Shares (i.e. HK\$993,600,000 in aggregate, of which HK\$147,549,600 and HK\$846,050,400 are payable to the First Seller and the Second Seller respectively) shall be payable upon Completion.



In the event that the Completion for all the Sale Shares takes place in accordance with the SPA, the deposit paid by the Offeror shall be applied and counted as part payment of the consideration. In the event that the Completion for the First Sale Shares fails to take place while the Completion for the Second Sale Shares takes place in accordance with the SPA:

- (a) on the Completion Date, the First Seller shall (i) refund to the Offeror the First Deposit and its accrued interest (excluding tax and costs, if any); and (ii) additionally pay to the Offeror an amount equal to the First Deposit as liquidated damages; and
- (b) the Second Deposit shall be applied and deemed as part payment of the Consideration payable to the Second Seller upon Completion.

### **Conditions precedent**

The sale and purchase of the Sale Shares under the SPA is subject to the satisfaction (or waiver, if applicable) of the following conditions on or before the Long Stop Date:

- (1) The current listing of the Shares not having been withdrawn, the Shares continuing to be traded on the Stock Exchange prior to the Completion Date (save for any temporary suspension for no longer than ten (10) consecutive trading days or such other period as the Offeror may reasonably agree or the temporary suspension in connection with the Acquisition) and neither Stock Exchange nor the SFC having indicated that either one of them will object to such continued listing for reasons related to or arising from the SPA;
- (2) The Share Charge and the Debenture having been released and the Sale Shares are free from all Encumbrances as at Completion;
- (3) No action, decision, order or proceeding having been taken or made by any Authority at any time prior to the Completion Date that has the effect of making unlawful or otherwise prohibiting or restricting the consummation of the Acquisition or any part thereof;
- (4) All Authorisations, consents, waivers, notifications of any party that are required to be obtained or completed in connection with the consummation of the Acquisition as applicable, any waivers of rights of first refusal, put or call rights or other similar rights, if any, in respect of the Sale Shares, having been duly completed or obtained and effective as of the Completion;
- (5) As at Completion, none of the Seller's warranties and representations are untrue or inaccurate to an extent that would amount to a material adverse change to the financial condition or results of operation of the Group as a whole or lead to damages being irrecoverable by the Offeror under the SPA (after any breach has been remedied or rectified by the Sellers and taking into account the limitations set out in the SPA);

- (6) Each of the Sellers, the Guarantor and Warrantors having performed and complied with all obligations and conditions contained in the SPA and other transaction documents (if any) that are required to be performed or complied with by them, on or before the Completion;
- (7) The merger control filings and approvals, consents, confirmation of non-objection or clearances necessary for Completion having been obtained from SAMR and other applicable Authorities, or all applicable waiting periods in respect of a review of the Acquisition by SAMR and other applicable Authorities having expired;
- (8) All legally and regulatory required and applicable corporate approvals and procedure of the Group and the Sellers in connection with the Acquisition to be completed on or prior to the Completion Date, including but not limited to the approvals of the board of directors and the shareholders of Linkz Industries Limited (an intermediate holding company of the Second Seller), having been obtained and completed, and remain valid and effective as of the Completion;
- (9) The Offeror having completed and, in its sole and absolute discretion, being satisfied with the results of its due diligence exercise on the Group, including but not limited to legal, financial and operational aspects; and
- (10) There having been no material adverse change to the principal business currently conducted by the Group, assets, liabilities, financial condition, prospects or operations of the Group Companies.

Conditions (1), (3), (4) and (7) may not be waived in any event by any of the parties. All other conditions may be waived in whole or in part by the Offeror in writing.

As at the date of this joint announcement and based on information available to the Offeror and the Company, merger control filing application for approval of the Acquisition from the SAMR is required pursuant to the Anti-monopoly Law of the PRC as the Acquisition involves acquisition of majority equity by the Offeror in the Company and the size of the Company and the Offeror reached the thresholds imposed by the relevant laws above which filing is required. If the SAMR has not given its approval or disapproval within the applicable waiting period of up to a total of 180 days after the merger control filing application is officially received by the SAMR, the parties are entitled to proceed to Completion without approval from the SAMR.

As at the date of this joint announcement and based on information available to the Offeror and the Company, save for merger control filing application that needs to be made with the SAMR in respect of the transactions contemplated under the SPA and the Offers and the consent required from certain lending banks of the Group for the consummation of the Acquisition, the Offeror and the Company are not aware of any Authorisations, approvals, consents, waivers or notifications that is required to be obtained or completed in connection with the consummation of the Acquisition, and the Offeror and the Company are not aware of any other circumstances which may result in any of conditions (4), (7) and (8) not being satisfied.

Completion shall be conditional upon satisfaction or (if applicable) waiver of the conditions listed above, on or before the Long Stop Date.

As at the date of this announcement, none of the conditions above has been satisfied (or waived, if applicable).

### **Warranties and undertakings of the SPA**

Each of the Sellers has agreed to give certain warranties and undertakings in favour of the Offeror. The warranties and undertakings given by the Sellers relate mostly to the condition and business of the Company.

Pursuant to the SPA, each of the Sellers and the Warrantors also undertakes to the Offeror that each of them shall not, and shall procure that its affiliates shall not, be concerned in any business which is of the same or substantially similar type as the business of the Group, solicit orders for services or goods being provided by or to any member of the Group and solicit any employees of the Group for a period of two years after the Completion Date (or such shorter period (but the longer period permissible) as may need to be applied in accordance with law in order to be enforceable) (the “**Non-Compete and Non-Solicitation Undertaking**”). The Sellers shall also procure each of the Warrantors which is not a party to the SPA to execute a deed of undertaking that reflects the Non-Compete and Non-Solicitation Undertaking under the SPA and deliver the same to the Offeror on or prior to the Completion Date.

### **Completion**

Completion shall take place on the date that is within seven Business Days after the date on which the last of the conditions precedents have been satisfied (or waived, if applicable), or such other date that the parties may agree in writing. In the event that the Completion for all the Sale Shares takes place in accordance with the SPA, the total cash consideration in respect of the Acquisition after deducting the Deposits will be paid in full by the Offeror to the Sellers upon Completion. In the event that the Completion for the First Sale Shares fails to take place while the Completion for the Second Sale Shares takes place in accordance with the SPA, the cash consideration in respect of the Second Sale Shares after deducting the Second Deposit will be paid in full by the Offeror to the Second Seller upon Completion.

There is no provision in the SPA stating that the Completion for the First Sale Shares and the Completion for the Second Sale Shares are inter-conditional. As at the date of this joint announcement, the First Sale Shares are subject to the Share Charge and the Debenture. The release of the Share Charge and the Debenture constitutes one of the conditions precedent under the SPA. The SPA provides that in the event such condition precedent is not satisfied, the Offeror may elect to waive, in whole or in part, the satisfaction of such condition precedent in part and accordingly, the Offeror may proceed to Completion for the Second Sale Shares.

The Company will publish a further announcement upon Completion.

## **POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS**

As at the date of this joint announcement, each of the Offeror and parties acting in concert with it does not have any interests in the Shares. Immediately upon Completion for all of the Sale Shares, the Offeror will be interested in 1,380,000,000 Shares, representing approximately 74.67% of issued Shares as at the date of this joint announcement.

In the event that Completion for the First Sale Shares fails to take place, the Offeror and the Second Seller may still proceed to the Completion for the Second Sale Shares. In the event that Completion for the First Sale Shares fails to take place and the Completion for the Second Sale Shares takes place, immediately upon Completion for the Second Sale Shares, the Offeror will be interested in 1,175,070,000 Shares, representing approximately 63.58% of the issued Shares as at the date of this joint announcement.

In the event that Completion for all Sale Shares or the Second Sale Shares takes place, given the Offeror will acquire more than 30% of the voting rights of the Company as a result of the Acquisition, pursuant to Rule 26.1 of the Takeovers Code, the Offeror will be required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned by the Offeror and parties acting in concert with it). Pursuant to Rule 13 of the Takeovers Code, the Offeror will make an appropriate cash offer to the Offer Optionholders to cancel all Offer Options.

In the event that Completion for the Second Sale Shares fails to take place and the Completion for the First Sale Shares takes place, immediately upon Completion for the First Sale Shares, the Offeror will be interested in 204,930,000 Shares, representing approximately 11.09% of the issued Shares as at the date of this joint announcement, and the Offeror will not be required to make a mandatory cash offer pursuant to Rule 26.1 of the Takeovers Code.

Subject to the Completion for all Sale Shares or the Second Sale Shares, CICC will, for and on behalf of the Offeror, make the Offers in compliance with the Takeovers Code on the following basis:

### **The Share Offer**

For each Offer Share . . . . . HK\$0.80 in cash

The Share Offer Price of HK\$0.80 for each Share under the Share Offer is the same as the price to be paid per Sale Share by the Offeror pursuant to the SPA.

The Share Offer Price of HK\$0.80 per Offer Share represents:

- (a) a discount of approximately 1.23% to the closing price of HK\$0.81 per Share as quoted on the Stock Exchange on 11 February 2022, being the Last Trading Day;

- (b) a discount of approximately 7.83% to the average closing price of HK\$0.87 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- (c) a discount of approximately 4.42% to the average closing price of HK\$0.84 per Share as quoted on the Stock Exchange for the ten consecutive trading days immediately prior to and including the Last Trading Day;
- (d) a premium of approximately 1.78% over the average closing price of HK\$0.79 per Share as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- (e) a premium of approximately 23.12% over the average closing price of HK\$0.65 per Share as quoted on the Stock Exchange for the 90 consecutive trading days immediately prior to and including the Last Trading Day;
- (f) a premium of approximately 73.54% over the audited consolidated net assets per Share of approximately HK\$0.461 as at 31 March 2021, calculated based on the Group's audited consolidated net assets attributable to the Shareholders of approximately HK\$852,474,000 as at 31 March 2021 and 1,848,040,000 Shares in issue as at the date of this joint announcement; and
- (g) a premium of approximately 59.05% over the unaudited consolidated net assets per Share of approximately HK\$0.503 as at 30 September 2021, calculated based on the Group's unaudited consolidated net assets attributable to the Shareholders of approximately HK\$930,280,000 as at 30 September 2021 and 1,848,040,000 Shares in issue as at the date of this joint announcement.

## **The Option Offer**

For each of the 78,240,000 Offer Options with  
 an exercise price of HK\$0.349 . . . . . HK\$0.451 in cash

For each of the 64,968,000 Offer Options with  
 an exercise price of HK\$0.320 . . . . . HK\$0.480 in cash

Pursuant to Rule 13 and Practice Note 6 of the Takeovers Code, the Option Offer Price would normally represent the difference between the exercise prices of the Options and the Share Offer Price. Under the Option Offer, since the exercise prices of the Offer Options, being HK\$0.349 and HK\$0.320, are below the Share Offer Price of HK\$0.80, the Offer Options are in-the-money and the Option Offer Prices are set at the see-through prices of HK\$0.451 and HK\$0.480 respectively.

**The Offeror will not increase the Share Offer Price. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Share Offer Price and the Offeror does not reserve the right to increase the Share Offer Price.**

As at the date of this joint announcement, the Company has 1,848,040,000 Shares in issue and 143,208,000 outstanding Options, and has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this joint announcement.

The Offers, if and when made, will be unconditional in all respects and will not be conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

### **Highest and lowest closing prices of the Shares**

The offer period has commenced on 7 February 2022.

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately preceding the commencement of the offer period on 7 February 2022 and up to and including the Last Trading Day (i.e. from 9 August 2021 to 11 February 2022) were HK\$0.97 per Share on 31 January 2022 and HK\$0.40 per Share on 26 August 2021, respectively.

### **Value of the Offers**

In the event that Completion for all of the Sale Shares takes place, based on the Share Offer Price of HK\$0.80 per Share and 468,040,000 Offer Shares and 143,208,000 Offer Options:

- (a) Assuming no Offer Options are exercised and the Share Offer is accepted in full:
  - (i) the value of the Share Offer will be approximately HK\$374,432,000; and
  - (ii) the total amount to satisfy the cancellation of all Offer Options will be approximately HK\$66,470,880.
  
- (b) Assuming all Offer Options are exercised and the Share Offer is accepted in full:
  - (i) the value of the Share Offer will be approximately HK\$488,998,400; and
  - (ii) no amount will be payable by the Offeror under the Option Offer.

In the event that Completion for the First Sale Shares fails to take place and the Completion for the Second Sale Shares takes place, the First Sale Shares will become subject to the Share Offer and based on the Share Offer Price of HK\$0.80 per Offer Share and 672,970,000 Offer Shares and 143,208,000 Offer Options:

- (a) Assuming no Offer Options are exercised and the Share Offer is accepted in full:
  - (i) the value of the Share Offer will be approximately HK\$538,376,000; and
  - (ii) the total amount to satisfy the cancellation of all Offer Options will be approximately HK\$66,470,880
- (b) Assuming all Offer Options are exercised and the Share Offer is accepted in full:
  - (i) the value of the Share Offer will be approximately HK\$652,942,400; and
  - (ii) no amount will be payable by the Offeror under the Option Offer.

#### **Confirmation of financial resources**

The Offeror intends to finance the maximum consideration for the Acquisition and the Offers (i.e. HK\$1,592,998,400, being the aggregate sum of the Acquisition and the Offers calculated using the higher amount of scenarios (a) and (b) above) by internal resources.

CICC, the financial adviser to the Offeror in respect of the Offers, is satisfied that sufficient financial resources are available to the Offeror to satisfy the maximum consideration payable by the Offeror for the Acquisition and upon full acceptance of the Offers.

#### **Effect of accepting the Offers**

By validly accepting the Share Offer, the Offer Shareholders shall sell their Offer Shares free from all Encumbrances together with all rights attaching to them, including all rights to any dividend or other distribution declared, made or paid on or after the date of this joint announcement. In the event that the Company pays or makes any dividends on or after the date of this joint announcement and up to closing of the Offers, the Offeror intends to reduce the Share Offer Price by the amount of such dividends.

The Company confirms that as at the date of this joint announcement, (a) it has not declared any dividend which is outstanding and not yet paid and (b) it does not have any intention to make, declare or pay any future dividend or make other distributions prior to the close of the Offers.

By validly accepting the Option Offer, the Offer Options tendered by the Offer Optionholders will be cancelled, together with all rights attached to them with effect from the date on which the Option Offer is made.

Acceptance of the Offers would be irrevocable and would not be capable of being withdrawn, subject to the provisions of the Takeovers Code.

## **Payment**

Subject to the Offers having become, or have been declared, unconditional in all respects, payment in cash in respect of acceptances of the Offers will be made as soon as possible but in any event within seven (7) Business Days following the date of receipt of a duly completed and valid acceptance of the Offer.

Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offers complete and valid. If the Offers are withdrawn or lapse, pursuant to Rule 20.2 of the Takeovers Code, the Offeror is required to, as soon as possible but in any event within 10 days thereof, post the Share certificates and Option certificates lodged with the forms of acceptance and transfer to, or make such Share certificates and Option certificates available for collection by, those Shareholders and Optionholders who have accepted the Offers.

No fractions of a cent will be payable and the amount of the consideration payable to an Offer Shareholder and Offer Optionholders who accepts the Offers will be rounded up to the nearest cent.

## **Overseas Shareholders and Overseas Optionholders**

The Offeror intends to make the Offers available to all Offer Shareholders and Offer Optionholders, including the Overseas Shareholders and Overseas Optionholders. However, the Offers to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident. The making of the offers to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Overseas Shareholders and/or Overseas Optionholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek independent legal advice. It is the responsibility of Overseas Shareholders and the Overseas Optionholders who wish to accept the Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offers (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Overseas Shareholders and Overseas Optionholders in respect of such jurisdictions).

**Any acceptance of the Offers by any Overseas Shareholder and/or Overseas Optionholder will be deemed to constitute a representation and warranty from such Overseas Shareholder and/or Overseas Optionholder to the Offeror that the local laws and requirements have been complied with. Overseas Shareholders and Overseas Optionholders should consult their professional advisers if in doubt.**



## **Hong Kong Stamp duty**

Offer Shareholders' Hong Kong ad valorem stamp duty arising in connection with acceptance of the Share Offer at a rate of 0.13% of the consideration payable in respect of the relevant acceptances, or (if higher) the value of the Shares as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), will be deducted from the amount payable to the Offer Shareholders who accept the Share Offer. The Offeror will then arrange for payment of the stamp duty on behalf of those Offer Shareholders who accepted the Share Offer. The Offeror will bear Offeror's ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfer of the Offer Shares.

No stamp duty is payable in connection with the acceptance of the Option Offer.

## **Tax Advice**

Offer Shareholders and Offer Optionholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the Offers. It is emphasised that none of the Company, the Offeror or parties acting in concert with it or any of their respective directors, officers or associates or any other person involved in the Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

## **OFFEROR'S INTERESTS IN SECURITIES OF THE COMPANY**

The Offeror confirms that, as at the date of this joint announcement:

- (a) neither the Offeror nor any person acting in concert with it owned or had control or direction over any voting rights or rights over the Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities;
- (b) neither the Offeror nor any person acting in concert with it had dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities in the six months prior to and including the date of this joint announcement;
- (c) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offers;
- (d) there are no conditions to which the Offers are subject;
- (e) save for the SPA, there is no agreement or arrangement to which the Offeror or any person acting in concert with it, is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Offers;

- (f) neither the Offeror nor any person acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (g) neither the Offeror nor any person acting in concert with it has received any irrevocable commitment to accept the Offers;
- (h) there is no outstanding derivative in respect of the securities in the Company entered into by the Offeror or any person acting in concert with it;
- (i) there is no special deal (as defined under Rule 25 of the Takeovers Code) between the Sellers and parties acting in concert with either of them on one hand, and the Offeror or parties acting concert with it on the other hand;
- (j) there is no special deal (as defined under Rule 25 of the Takeovers Code) between (a) any Shareholders; and (b)(i) the Offeror and any parties acting in concert with it, or (b)(ii) the Company, its subsidiaries or associated companies; and
- (k) save for the consideration payable under the SPA, none of the Sellers and parties acting in concert with either of them has received or will receive any other consideration, compensation or benefit, in whatever form from the Offeror or parties acting in concert with it, and none of the Offeror and parties acting in concert with it has given or will give any other consideration, compensation or benefit, in whatever form to the Sellers or parties acting in concert with either of them.

## **INFORMATION OF 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 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.

## **SHAREHOLDING STRUCTURE OF THE COMPANY**

Pursuant to the information on shareholding available to the Offeror and Company as at the date of this joint announcement, the shareholding structure of the Company (i) immediately prior to Completion and as at the date of this joint announcement; (ii) immediately following Completion for all Sale Shares but before commencement of the Offers; and (iii) immediately following Completion for the Second Sale Shares only (in the event that Completion for the First Sale Shares fails to take place) but before commencement of the Offers are as follows:

Name of shareholder	Immediately prior to Completion and as at the date of this joint announcement		Immediately following Completion for all Sale Shares but before commencement of the Offers		Immediately following Completion for the Second Sale Shares only but before commencement of the Offers	
	Number of Shares	% of shareholding (approximate) (Note 4)	Number of Shares	% of shareholding (approximate) (Note 4)	Number of Shares	% of shareholding (approximate) (Note 4)
The Offeror and parties acting in concert with it	nil	nil	1,380,000,000	74.67%	1,175,070,000	63.58%
The First Seller (Note 1)	204,930,000	11.09%	nil	nil	204,930,000	11.09%
The Second Seller (Note 2)	1,175,070,000	63.58%	nil	nil	nil	nil
Public Shareholders	<u>468,040,000</u>	<u>25.33%</u>	<u>468,040,000</u>	<u>25.33%</u>	<u>468,040,000</u>	<u>25.33%</u>
Total	<u>1,848,040,000</u>	<u>100.00%</u>	<u>1,848,040,000</u>	<u>100.00%</u>	<u>1,848,040,000</u>	<u>100.00%</u>

*Notes:*

- (1) The First Seller is held as to 100% by Lacosta Harness Limited (“**Lacosta**”), which is in turn held as to 100% by the Guarantor, a non-executive director of the Company. Therefore, each of Lacosta and the Guarantor is deemed to be interested in all the Shares held by the First Seller for the purpose of the SFO;
- (2) The Second Seller is held as to 100% by Linkz Industries Limited (“**Linkz Industries**”), which is in turn held as to approximately (a) 38.13% by GP Industries Limited (“**GP Industries**”), a company incorporated in the Republic of Singapore and listed on the Singapore Stock Exchange (Stock Code: G20), which is in turn held as to 85.47% by Gold Peak Industries (Holdings) Limited (“**Gold Peak**”), a company incorporated in Hong Kong and listed on the Stock Exchange (Stock Code: 0040); (b) 20.14% by Nickson Holdings Limited (“**Nickson Holdings**”), which is in turn held as to 100% by the Guarantor; (c) 39.68% by the Guarantor; (d) 1.09% by Mr. Cua Tin Yin Simon, an executive director of the Company; (e) 0.73% by Mr. Sy Yuk Tsan, a former director of a Group Company; and (f) 0.23% by four employees of members of the Group. Therefore, each of the Guarantor, Nickson Holdings, Gold Peak, GP Industries and Linkz Industries is deemed to be interested in all the shares held by the Second Seller for the purpose of the SFO;
- (3) Save as disclosed in Notes (1) and (2) above, no other Directors hold Shares; and
- (4) Due to rounding off of numbers, the shareholding percentage for each of the member of the shareholders in the above table may not add up to the aggregate shareholding percentage of the Company.

## FINANCIAL INFORMATION OF THE GROUP

The following table is a summary of certain audited consolidated financial information of the Group for the financial years ended 31 March 2020 and 31 March 2021, and certain unaudited consolidated financial information of the Group for the six months ended 30 September 2021, as extracted from the annual reports of the Company for the years ended 31 March 2020 and 31 March 2021, and the interim report of the Company for the six months ended 30 September 2021, respectively:

	Year ended 31 March		Six months ended 30 September
	2020	2021	2021
	(audited, restated) <i>HK\$'000</i>	(audited) <i>HK\$'000</i>	(unaudited) <i>HK\$'000</i>
Revenue	2,780,150	3,008,019	1,740,522
Gross Profit	499,614	580,217	308,364
Profit/(loss) before income tax	188,852	268,111	134,925
Profit/(loss) for the year			
attributable to Shareholders	154,080	226,361	91,187
Consolidated net asset value			
attributable to Shareholders	1,158,042	852,474	930,280

## INFORMATION OF THE OFFEROR

The Offeror is a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of Luxshare Precision, a company incorporated in the PRC with limited liability and listed on the Shenzhen Stock Exchange (stock code: 002475). The Offeror is the trading company of Luxshare Precision and its subsidiaries and takes business orders for Luxshare Precision and its subsidiaries. Luxshare Precision is principally engaged in the research, development, manufacturing and sales of products in the fields of consumer electronics, communication, auto electronics and healthcare. The ultimate holding company of Luxshare Precision is Luxshare Limited. The Offeror and Luxshare Precision are ultimately controlled by Ms. Wang Laichun and Mr. Wang Laisheng.

Ms. Wang Laichun is currently the sole director of the Offeror. Ms. Wang Laichun is also chairperson and general manager of Luxshare Precision. Mr. Wang Laisheng is the vice chairman of Luxshare Precision. Ms. Wang Laichun and Mr. Wang Laisheng are each interested in 50% of the share capital of Luxshare Limited which is in turn directly interested in approximately 38.6% of the registered capital of Luxshare Precision. Mr. Wang Laisheng is also directly interested in approximately 0.07% of the registered capital of Luxshare Precision.

## **Intentions of the Offeror regarding the Group**

It is the intention of the Offeror that the Group's existing principal activities will be maintained after the close of the Offers. Time Interconnect is a reputable supplier of customised wire interconnect solutions. Following the close of the Offers, the Offeror and the Company believe that the strategic alliance between the Offeror and the Company could enable the Company to further benefit from the development and synergy in the fields of consumer electronics, communications, healthcare, automobile industry in terms of products, customers, and marketing, through integration of customer and market resources as well as technologies and R&D capabilities. The Offeror would also deploy its platform advantages and introduce strategic resources to the Company to further strengthen the Company's competitiveness in its market with a view to promote business growth and to create greater value for its shareholders.

Subject to the above and save for the proposed changes to the Board composition as set out below, the Offeror has no intention to (i) discontinue the employment of the existing management and employees of the Group; or (ii) redeploy the fixed assets of the Company other than those in its ordinary and usual course of business.

## **Proposed change of the Board composition**

The Board is currently made up of six Directors, comprising of one non-executive Director, being the Guarantor, two executive Directors, being Mr. Cua Tin Yin Simon and Mr. Wong Chi Kuen; and three independent non-executive Directors, being Mr. Ho Hin Shun, Mr. Luk Wai Shing and Mr. Chan Chung Shun Eric.

It is intended that all of the existing Directors will resign from the Board at the earliest time permitted under the Takeovers Code.

The Offeror intends to nominate new Directors to the Board with effect immediately after the posting of the Composite Document or such other date as permitted under the Takeovers Code. Details of the new Directors will be disclosed in the Composite Document.

Any changes to the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcement will be made by the Company as and when appropriate.

## **Public float and listing status of the Company**

The Offeror intends to maintain the listing of the Shares on the Stock Exchange following the close of the Offers.

The Stock Exchange has stated that if, at the close of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public at all times, or if the Stock Exchange believes that:

- (a) a false market exists or may exist in the trading of the Shares; or
- (b) that there are insufficient Shares in public hands to maintain an orderly market,

then it will consider exercising its discretion to suspend dealings in the Shares until the prescribed level of public float is restored.

The Offeror will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares. The Offeror considers that the appropriate actions to be taken after the close of the Offers shall include placing down of sufficient number of accepted Shares by the Offeror and/or issue of additional Shares by the Company for this purpose. The Company and the Offeror will issue a separate announcement as and when necessary in this regard.

#### **DESPATCH OF COMPOSITE DOCUMENT**

The Offeror and the Company intend to combine the offer document and the Company's board circular in the Composite Document which contains, among other things, (i) details of the Offers and their respective terms and conditions (including the expected timetable); (ii) the letter from the Independent Board Committee containing its recommendation in respect of the Offers; (iii) the letter of advice from the independent financial adviser to the Independent Board Committee in respect of the Offers; and (iv) relevant forms of acceptance and transfer, to the Offer Shareholders and Offer Optionholders.

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document is required to be despatched within 21 days of the date of this joint announcement. As the Offers are subject to the Completion for all Sale Shares or for the Second Sale Shares, which is in turn subject to satisfaction and/or waiver of the conditions precedent contained in the SPA, the despatch of the Composite Document may not take place within 21 days from the date of this joint announcement. In such circumstances, an application will be made to the Executive for a waiver under Note 2 to Rule 8.2 of the Takeovers Code to extend the date of posting of the Composite Document.

Further announcement(s) will be made by the Offeror and the Company on the timing of despatch of the Composite Document.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee comprising Mr. Ho Hin Shun, Mr. Luk Wai Shing and Mr. Chan Chung Shun Eric, being all the non-executive Directors of the Company who have no direct or indirect interest in the Offers, has been established by the Company pursuant to Rule 2.1 of the Takeovers Code to make a recommendation to the Offer Shareholders and Offer Optionholders in respect of the Offers, as to whether the terms of the Offers are fair and reasonable and as to the acceptance of the Offers. The Guarantor, a non-executive Director of the Company but also the ultimate controlling shareholder of the Sellers, is deemed to have material interest in the Offers and therefore excluded from the Independent Board Committee.

An independent financial adviser will be appointed, with the approval of the Independent Board Committee, to advise the Independent Board Committee in respect of the Offers and, in particular, as to whether the Offers are fair and reasonable and as to the acceptance of the Offers pursuant to Rule 2.1 of the Takeovers Code.

A further announcement will be made by the Company as soon as possible after the appointment of the independent financial adviser. The advice of the independent financial adviser and the recommendation of the Independent Board Committee will be included in the Composite Document to be despatched to the Offer Shareholders and Offer Optionholders.

## **DISCLOSURE OF DEALINGS**

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company or the Offeror (including persons holding 5% or more of a class of relevant securities of the Company or the Offeror) are reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

The full text of Note 11 of Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

*“Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*





“associates”	has the meaning ascribed thereto under the Takeovers Code
“Authority”	any competent governmental, administrative, supervisory, regulatory, judicial, determinative, disciplinary, enforcement or Tax raising body, authority, agency, board, department, court or tribunal of any jurisdiction (including any relevant securities exchange) and whether supranational, national, regional or local
“Authorisation”	any license, permit, consent, authorisation, permission, clearance or approval of any Authority
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“CCASS”	the Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited
“CICC”	China International Capital Corporation Hong Kong Securities Limited, the financial adviser to the Offeror in relation to the Offers. CICC is a licensed corporation under the SFO, licensed to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities
“Company”	Time Interconnect Technology Limited, a company incorporated in the Cayman Islands with limited liability, and the Shares of which are listed on the Stock Exchange (Stock Code: 1729)
“Completion”	completion of the Acquisition under the SPA
“Completion Date”	the date on which Completion takes place
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company to the Offer Shareholders and Offer Optionholders in connection with the Offers in compliance with the Takeovers Code

“Debenture”	the debenture incorporating the fixed charge and floating charge over all assets and rights of the First Seller executed by the First Seller in favour of UOB
“Deposits”	has the meaning given to it in the section headed “THE SALE AND PURCHASE AGREEMENT – Consideration” in this joint announcement
“Director(s)”	director(s) of the Company
“Encumbrance”	a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, or other Encumbrance or security interest having similar effect
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
“First Deposit”	has the meaning given to it in the section headed “THE SALE AND PURCHASE AGREEMENT – Consideration” in this joint announcement
“First Sale Shares”	the Sale Shares of the First Seller comprising 204,930,000 Shares, representing approximately 11.09% of the issued Shares as at the date of this joint announcement
“First Seller”	Datatech Investment Inc., a company incorporated in the Republic of Seychelles with limited liability and which is ultimately beneficially owned by the Guarantor
“Group”	the Company and its subsidiaries
“Group Company”	any company in the Group
“Guarantor”	Mr. Lo Chung Wai, Paul, the sole ultimate beneficial owner of the First Seller and the ultimate controlling shareholder of the Second Seller through a 59.82% interest in Linkz Industries Limited which owns the entire issued share capital of the Second Seller
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	the independent board committee of the board of Directors, comprising Mr. Ho Hin Shun, Mr. Luk Wai Shing and Mr. Chan Chung Shun Eric, being all the independent non-executive Directors of the Company, formed for the purpose of advising the Offer Shareholders and Offer Optionholders in respect of the Offers
“Last Trading Day”	11 February 2022, being the last trading day of the Shares immediately prior to the date of this joint announcement
“Law”	all civil and common law, statute, subordinate legislation, treaty, rule, regulation, directive, decision, by-law, ordinance, circular, code, order, notice, decree, injunction, resolution or judgment of any Authority (including the Listing Rules and the Takeovers Code): <ul style="list-style-type: none"> <li>(a) as to any person, in each case applicable to or binding upon such person or any of its property or which such person or any of its property is subject; or</li> <li>(b) applicable to any or all of the transactions contemplated or referred to in the SPA</li> </ul>
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	30 June 2022, or such other date as the parties may agree in writing
“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)
“Offers”	collectively, the Share Offer and the Option Offer
“Offer Shareholder(s)”	holder(s) of Share(s), other than the Offeror and parties acting in concert with it
“Offer Share(s)”	all and any of the Shares that are subject to the Share Offer
“Offer Optionholder(s)”	holder(s) of Option(s), other than the Offeror and parties acting in concert with it

“Offer Option(s)”	all and any of the Options that are subject to the Option Offer
“Offeror”	Luxshare Precision Limited, a limited liability company incorporated in Hong Kong which is wholly-owned by Luxshare Precision
“Option Offer”	the possible mandatory unconditional cash offer to be made by CICC for and on behalf of the Offeror to cancel all the Offer Options in accordance with the Takeovers Code
“Option Offer Price”	HK\$0.451 and HK\$0.480 respectively, being the prices at which the Option Offer will be made for the Offer Options with exercise prices of HK\$0.349 and HK\$0.320 respectively
“Optionholder(s)”	holder(s) of the Option(s)
“Option(s)”	outstanding share options granted by the Company pursuant to the Share Option Scheme
“Overseas Shareholder(s)”	Offer Shareholder(s) whose address(es), as shown on the register of members of the Company, is/are outside Hong Kong
“Overseas Optionholder(s)”	Offer Optionholder(s) whose address(es), as shown on the register of Optionholders of the Company, is/are outside Hong Kong
“PRC”	the People’s Republic of China (excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purpose of this joint announcement)
“RMB”	Renminbi, the lawful currency of the PRC
“Rule 3.7 Announcement”	the announcement dated 7 February 2022 made by the Company pursuant to Rule 3.7 of the Takeovers Code
“Sale Shares”	1,380,000,000 Shares, being such number of Shares to be acquired by the Offeror from the Sellers pursuant to the SPA, representing approximately 74.67% of the issued Shares as at the date of this joint announcement
“SAMR”	the State Administration for Market Regulation of the PRC

“Second Deposit”	has the meaning given to it in the section headed “THE SALE AND PURCHASE AGREEMENT – Consideration” in this joint announcement
“Second Sale Shares”	the Sale Shares of the Second Seller comprising 1,175,070,000 Shares, representing approximately 63.58% of the issued Shares as at the date of this joint announcement
“Second Seller”	Time Interconnect Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and whose ultimate controlling shareholder is the Guarantor who is indirectly interested in 59.82% of the issued shares of the Second Seller
“Sellers”	the First Seller and the Second Seller
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Charge”	the share charge over the Sale Shares of 204,930,000 Shares held by the First Seller executed by the First Seller in favour of UOB
“Share Offer”	the possible mandatory unconditional cash offer to be made by CICC, for and on behalf of the Offeror, to acquire all the issued Shares not already owned by the Offeror in accordance with the Takeovers Code
“Share Offer Price”	HK\$0.80 per Share, being the price at which the Share Offer will be made
“Share Option Scheme”	the share option scheme of the Company adopted on 24 January 2018
“SPA”	the sale and purchase agreement dated 11 February 2022 entered into between the Sellers and the Offeror in relation to Sale Shares
“Shareholder(s)”	holder(s) of Share(s)
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.01 each in the issued share capital of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers of Hong Kong
“Tax”	all forms of taxation, duties, levies, imposts and other similar impositions of any jurisdiction whether statutory, governmental, central, state, provincial, regional, local or municipal, together with any interest and levies and all penalties, charges, costs and additions to tax in relation to any of the foregoing or resulting from failure to comply with the provisions of any legislation, enactment or other Law relating to the foregoing
“UOB”	the United Overseas Bank Limited Hong Kong Branch
“Warrantors”	means the Guarantor, Nickson Holdings Limited, Lacosta Harness Limited, Gold Peak Industries (Holdings) Limited, GP Industries Limited, Linkz Industries Limited, each being a direct or indirect shareholder of the First Seller and/or the Second Seller
“%”	per cent.

By Order of the sole director of  
**Luxshare Precision Limited**  
**Wang Laichun**  
*Director*

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

Hong Kong, 11 February 2022

*As of the date of this joint announcement, the Board comprises six Directors, of which one is non-executive Director, namely Mr. Lo Chung Wai Paul; two are executive Directors, namely Mr. Cua Tin Yin Simon and Mr. Wong Chi Kuen; and three are independent non-executive Directors, namely Mr. Ho Hin Shun, Mr. Luk Wai Shing and Mr. Chan Chung Shun Eric.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror and any parties acting in concert with it), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.*

*As of the date of this joint announcement, Ms. Wang Laichun is the sole director of the Offeror.*

*The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this joint announcement (other than the information relating to the Group, the Sellers or any of their associates or any parties acting in concert with them) and confirm, having made all reasonable inquiries, that to the best of her knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*