匯聚科技有限公司
TIME Interconnect Technology Limited

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

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

For the six months ended	**Unaudited 30.6.2025**	30.6.2024 (restated)	Change
Operating results ***(HK$'million)***			
Revenue	**4,853.7**	2,666.1	82.1%
Gross profit	**642.8**	492.8	30.4%
Profit for the period	**313.7**	213.3	47.1%
Adjusted profit for the period *(Note)*	**314.4**	214.6	46.5%
Basic earnings per share *(Hong Kong cents)*	**16.1**	10.9	47.7%
Adjusted basic earnings per share *(Hong Kong cents) (Note)*	**16.1**	11.0	46.4%
Key ratios *(%)*			
Gross profit margin	**13.2**	18.5	-5.3pts
Net profit margin	**6.5**	8.0	-1.5pts
Adjusted net profit margin *(Note)*	**6.5**	8.0	-1.5pts
EBITDA/Revenue	**10.6**	13.4	-2.8pts
Adjusted EBITDA/Revenue *(Note)*	**10.6**	13.5	-2.9pts

Note:

For reconciliations of the reported results to an adjusted basis, including lists of adjustment items, see page 25.

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Time Interconnect Technology Limited (the "**Company**") hereby announces the condensed consolidated interim results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2025, together with the comparative figures for the six months ended 30 June 2024.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

For the six months ended	*Notes*	**Unaudited 30.6.2025** *HK$'000*	Unaudited 30.6.2024 (restated) *HK$'000*
Revenue	*5*	**4,853,745**	2,666,123
Cost of goods sold		**(4,210,953)**	(2,173,329)
Gross profit		**642,792**	492,794
Other income		**8,871**	22,365
Other gains and losses	*6*	**11,262**	6,049
Impairment losses under expected credit loss on trade receivables, net of reversal		**(2,605)**	1,098
Distribution and selling expenses		**(37,400)**	(35,570)
Administrative expenses		**(99,664)**	(86,748)
Professional fees and costs relating to acquisition of business		**(700)**	(1,354)
Research and development expenses		**(110,531)**	(87,562)
Share results of associates, net		**(542)**	–
Finance costs		**(26,811)**	(42,504)
Profit before taxation	*7*	**384,672**	268,568
Taxation	*8*	**(70,966)**	(55,285)
Profit for the period		**313,706**	213,283
Other comprehensive income (expense)			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translating financial statements of foreign operations		**30,811**	(11,997)
Other comprehensive income (expense) for the period		**30,811**	(11,997)
Total comprehensive income for the period		**344,517**	201,286

For the six months ended	Notes	**Unaudited** **30.6.2025** ***HK$'000***	Unaudited 30.6.2024 (restated) *HK$'000*
Profit (loss) for the period attributable to:			
Owners of the Company		**314,015**	212,731
Non-controlling interests		**(309)**	552
		313,706	213,283
Total comprehensive income (expense) for the period attributable to:			
Owners of the Company		**344,837**	200,789
Non-controlling interests		**(320)**	497
		344,517	201,286
Earnings per share	*10*		
– Basic (HK cents)		**16.10**	10.93
– Diluted (HK cents)		**15.55**	10.93

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	**Unaudited 30.6.2025 HK$'000**	Unaudited 31.12.2024 (restated) HK$'000
Non-current assets			
Property, plant and equipment	11	**819,027**	856,232
Right-of-use assets	11	**149,400**	125,615
Intangible assets		**450**	458
Deposits paid for acquisition of property, plant and equipment		**33,146**	29,707
Associates		**10,114**	10,685
Other investment		**2,448**	–
Rental deposits		**2,540**	2,537
Deferred tax assets		**23,001**	13,655
		1,040,126	1,038,889
Current assets			
Inventories		**3,260,451**	1,391,133
Trade and other receivables	12	**2,789,988**	1,761,688
Contract assets		**9,297**	66,560
Taxation recoverable		**2,381**	3,674
Derivative financial instrument		**5,382**	10,231
Pledged bank deposits		**270,772**	124,403
Bank balances and cash		**363,678**	425,848
		6,701,949	3,783,537
Current liabilities			
Trade and other payables	13	**3,459,344**	1,592,123
Contract liabilities		**137,383**	76,656
Amounts due to related companies		**3,733**	13,022
Lease liabilities		**28,488**	19,441
Taxation payable		**94,004**	48,250
Bank borrowings		**337,096**	237,525
Loans from related companies		**1,654,268**	1,147,472
		5,714,316	3,134,489
Net current assets		**987,633**	649,048
Total assets less current liabilities		**2,027,759**	1,687,937
Non-current liabilities			
Lease liabilities		**50,339**	36,921
Bank borrowings		**5,513**	5,634
Deferred tax liabilities		**20,607**	29,460
Long service payment obligation		**447**	447
		76,906	72,462
Net assets		**1,950,853**	1,615,475
Capital and reserves			
Share capital		**19,526**	19,487
Reserves		**1,923,171**	1,585,265
Equity attributable to owners of the Company		**1,942,697**	1,604,752
Non-controlling interests		**8,156**	10,723
Total equity		**1,950,853**	1,615,475

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 June 2025 has been prepared in accordance with the Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and leasehold land and buildings, which are measured at fair values at the end of the reporting period respectively.

Other than change in accounting policies set out in note 3, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the annual financial statements of the Group for the year ended 31 December 2024.

The Group has applied the following amendments to standards issued by the HKICPA to this interim financial report for the current accounting period:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability

None of the application of the amendments to standards in the current accounting period has had material impact on the Group's performance and financial positions for the current and prior periods and/or on the disclosures set out in the condensed consolidated financial statements nor a change in accounting policies.

3. CHANGES OF ACCOUNTING POLICY AND ACCOUNTING ESTIMATE

Change of accounting policy for measurement of land and buildings

The Group re-assessed its accounting policy for leasehold land and buildings in the People's Republic of China (the "**PRC**") held by the Group ("**Land and Buildings**") after initial recognition. The Group had previously adopted the revaluation model to measure the carrying amount of its Land and Buildings whereby, after initial recognition, the Land and Buildings were stated at revaluated amounts, based on valuations by independent professional qualified valuer, less subsequent accumulated depreciation and impairment losses, if any.

The Group elected to change its accounting policy for the measurement of the Land and Buildings, as the Group believes that the cost model would align the accounting policy of the Group with those of its holding companies and industry practice, results in the financial statements providing reliable and more relevant information on the Group's financial position and performance. Under the cost model, the Land and Buildings were measured at their costs less accumulated depreciation and impairment. The Group applied the cost model retrospectively and the comparative figures in the condensed consolidated statements of financial position as at 31 December 2024, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months ended 30 June 2024 have been restated.

Condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2024

	As previously reported HK$'000	Effect HK$'000	As restated HK$'000
Cost of goods sold	(2,175,927)	2,598	(2,173,329)
Gross profit	490,196	2,598	492,794
Loss on revaluation of property, plant and equipment and right-of-use assets, net	(9,949)	9,949	–
Administrative expenses	(87,331)	583	(86,748)
Profit before taxation	255,438	13,130	268,568
Taxation	(52,279)	(3,006)	(55,285)
Profit for the period	203,159	10,124	213,283
Attributable to:			
Owners of the Company	202,597	10,134	212,731
Non-controlling interests	562	(10)	552
	203,159	10,124	213,283
Other comprehensive expense			
Item that maybe reclassified subsequently to profit or loss:			
Exchange differences arising on translating financial statements of foreign operations	(13,328)	1,331	(11,997)
Item that will not be reclassified to profit or loss:			
Loss on revaluation of right-of-use assets and property, plant and equipment, net	(13,260)	13,260	–
Deferred tax arising from revaluation of right-of-use assets and property, plant and equipment	3,199	(3,199)	–
Other comprehensive expense for the period, net of tax	(23,389)	11,392	(11,997)
Total comprehensive income for the period	179,770	21,516	201,286
Attributable to:			
Owners of the Company	179,335	21,454	200,789
Non-controlling interests	435	62	497
	179,770	21,516	201,286
Basic and diluted earnings per share	10.41 cents	0.52 cents	10.93 cents

Condensed consolidated statement of financial position as at 31 December 2024

	As previously reported *HK$'000*	Effect *HK$'000*	As restated *HK$'000*
Property, plant and equipment	**920,146**	**(63,914)**	**856,232**
Right-of-use assets	**281,139**	**(155,524)**	**125,615**
Deferred tax assets	**–**	**13,655**	**13,655**
Total non-current assets	**1,244,672**	**(205,783)**	**1,038,889**
Total assets less current liabilities	**1,893,720**	**(205,783)**	**1,687,937**
Deferred tax liabilities	**71,670**	**(42,210)**	**29,460**
Total non-current liabilities	**114,672**	**(42,210)**	**72,462**
Net assets	**1,779,048**	**(163,573)**	**1,615,475**
Reserves	**1,746,665**	**(161,400)**	**1,585,265**
Equity attributable to owners of the Company	**1,766,152**	**(161,400)**	**1,604,752**
Non-controlling interests	**12,896**	**(2,173)**	**10,723**
Total equity	**1,779,048**	**(163,573)**	**1,615,475**

Condensed consolidated statement of cash flows for the six months ended 30 June 2024

	As previously reported *HK$'000*	Effect *HK$'000*	As restated *HK$'000*
Operation activities			
Profit before taxation	**255,438**	**13,130**	**268,568**
Adjustment for:			
Other non-cash and operating items	**137,220**	**(13,130)**	**124,090**

Change in accounting estimate for measurement of plant and machinery

In order to align the accounting policy of the Group with those of its holding companies and closely reflect the expected pattern of using the plant and machinery, the Group has determined to change the depreciation method for its plant and machinery from the reducing balance method to the straight-line method, with effect from the reporting period commencing on 1 January 2025.

The Group had previously adopted the reducing balance method to measure the carrying amount of its plant and machinery. They considered to use the reducing balance method for its plant and machinery initially because they were expected to be most productive in its early years. After continuously investing in a maintenance programme, a review of the asset's performance shows that the economic benefits are now consumed evenly over time. To reflect this, the Group switches to the straight-line method, as it better matches the revised usage pattern.

The change of depreciation method from the reducing balance method to the straight-line method constitutes a change in accounting estimate, which requires prospective application without retroactive adjustment, and will not have an impact on the financial position and operating results of the Group in previous years.

As a result of a change in depreciation method, the depreciation expenses of the Group under the straight-line method are higher than that under the reducing balance method for the six months ended 30 June 2025 by approximately HK$13.8 million, which are also expected to affect the net profit of the Group for the year ending 31 December 2025.

The Group evaluates constantly the significant accounting estimates and critical judgments in accordance with the historical experience and other factors, including reasonable expectations of future events.

4. SEGMENT INFORMATION

Information reported to the Group's chief executive officer, being the chief operating decision maker (the "**CODM**"), for the purposes of resources allocation and assessment of segment performance focuses on types of goods delivered.

The Group's operating and reportable segments under HKFRS 8 "Operating Segments" are (i) cable assembly, (ii) digital cable, and (iii) server.

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

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

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

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

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

Segment revenue and results

	Cable assembly *HK$'000*	Digital cable *HK$'000*	Server *HK$'000*	Total reportable segment *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
For the six months ended 30 June 2025 (unaudited)						
Segment revenue						
External sales	**1,719,042**	**570,513**	**2,564,190**	**4,853,745**	**–**	**4,853,745**
Inter-segment sales	**–**	**11,071**	**5**	**11,076**	**(11,076)**	**–**
	1,719,042	**581,584**	**2,564,195**	**4,864,821**	**(11,076)**	**4,853,745**
Segment results	**354,063**	**5,374**	**53,331**	**412,768**	**–**	**412,768**
Unallocated income						**5,465**
Unallocated finance costs						**(26,811)**
Unallocated expenses						**(6,208)**
Share of results of associates, net						**(542)**
Profit before taxation						**384,672**
For the six months ended 30 June 2024 (unaudited) (restated)						
Segment revenue						
External sales	1,326,587	726,215	613,321	2,666,123	–	2,666,123
Inter-segment sales	38	13,398	–	13,436	(13,436)	–
	1,326,625	739,613	613,321	2,679,559	(13,436)	2,666,123
Segment results	246,962	30,112	32,344	309,418	–	309,418
Unallocated income						13,139
Unallocated finance costs						(42,504)
Unallocated expenses						(11,485)
Profit before taxation						268,568

Segment assets and liabilities

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

	Cable assembly *HK$'000*	Digital cable *HK$'000*	Server *HK$'000*	Consolidated *HK$'000*
As at 30 June 2025 (unaudited)				
Assets				
Reportable segment assets	**2,132,844**	**1,288,741**	**4,280,151**	**7,701,736**
Associates				**10,114**
Unallocated assets				**30,225**
Consolidated total assets				**7,742,075**
Liabilities				
Reportable segment liabilities	**776,548**	**219,492**	**2,788,547**	**3,784,587**
Unallocated bank borrowings				**342,609**
Unallocated loans from related companies				**1,654,268**
Unallocated liabilities				**9,758**
Consolidated total liabilities				**5,791,222**
As at 31 December 2024 (unaudited) (restated)				
Assets				
Reportable segment assets	1,748,684	1,341,850	1,698,669	4,789,203
Associates				10,685
Unallocated assets				22,538
Consolidated total assets				4,822,426
Liabilities				
Reportable segment liabilities	672,386	284,135	855,962	1,812,483
Unallocated bank borrowings				243,159
Unallocated loans from related companies				1,147,472
Unallocated liabilities				3,837
Consolidated total liabilities				3,206,951

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

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

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

5. REVENUE

Revenue represents the consideration expected to be entitled by the Group in respect of the manufacturing and sales of cable assembly products, digital cable products and server products, excluding amounts collected on behalf of third parties.

Revenue from its major products

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

For the six months ended	**Unaudited 30.6.2025** *HK$'000*	Unaudited 30.6.2024 *HK$'000*
Cable assembly		
Optical fibres	**893,911**	660,860
Copper	**825,131**	665,727
	1,719,042	1,326,587
Digital Cable		
Cat 6/6A cables	**401,025**	545,586
Cat 5/5e cables	**12,995**	43,592
Cat 7/7A cables	**20,668**	25,489
Specialty cable	**135,825**	111,548
	570,513	726,215
Server		
Sales of server products	**2,559,104**	613,321
Commission income from resales of server related components	**5,086**	–
	2,564,190	613,321
	4,853,745	2,666,123
Disaggregated by timing of revenue recognition		
Over time	**688,520**	560,732
Point in time	**4,165,225**	2,105,391
	4,853,745	2,666,123

Geographical information

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

For the six months ended	**Unaudited 30.6.2025** *HK$'000*	Unaudited 30.6.2024 *HK$'000*
Mainland China	**2,972,015**	1,262,868
The United States of America	**1,087,575**	678,536
Singapore	**405,398**	313,829
Netherlands	**112,421**	127,332
Hong Kong	**79,429**	60,696
Others	**196,907**	222,862
	4,853,745	2,666,123

6. OTHER GAINS AND LOSSES

For the six months ended	**Unaudited 30.6.2025** *HK$'000*	Unaudited 30.6.2024 *HK$'000*
Net foreign exchange gain/(loss)	**12,625**	(1,167)
Loss on disposal of property, plant and equipment	**(2,531)**	(630)
Loss on change in fair value of other investment	**(64)**	–
Gain on change in fair value of derivative financial instrument	**155**	6,378
Others	**1,077**	1,468
	11,262	6,049

7. PROFIT BEFORE TAXATION

For the six months ended	**Unaudited 30.6.2025** *HK$'000*	Unaudited 30.6.2024 (restated) *HK$'000*
Profit before taxation has been arrived at after charging/(crediting):		
Interests on:		
– lease liabilities	**1,713**	1,637
– bank borrowings	**4,341**	12,654
– loans from related parties	**20,757**	28,213
	26,811	42,504
Depreciation of property, plant and equipment	**86,749**	33,622
Depreciation of right-of-use assets	**15,670**	13,047
Write-down/(reversal) of inventories	**3,470**	(4,184)
Impairment losses under expected credit loss on trade receivables, net of reversal	**2,605**	(1,098)
Government grants *(note)*	**(2,634)**	(3,008)
Bank interest income	**(5,442)**	(13,113)

Note: The government grants were received by the Group from relevant government departments. There were no unfulfilled conditions attached to these grants. Such government grants were included under "other income".

8. TAXATION

For the six months ended	**Unaudited 30.6.2025** *HK$'000*	Unaudited 30.6.2024 (restated) *HK$'000*
Current tax		
– Hong Kong Profits Tax	**32,852**	16,558
– PRC Enterprise Income Tax ("**EIT**")	**55,591**	39,060
– Other Jurisdiction Income Tax	**545**	–
	88,988	55,618
Deferred taxation credit	**(18,022)**	(333)
	70,966	55,285

(i) Hong Kong Profits Tax

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

(ii) PRC EIT

Under the Law of the PRC on EIT (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%. Pursuant to the relevant laws and regulations in the PRC, certain entities of the Group operating in the PRC were awarded the Advanced-Technology Enterprise Certificate and are eligible for tax concessionary rate of 15% for the period ending 30 June 2025 and year ended 31 December 2024.

Certain entities operating in the PRC that have taxable income of not more than RMB3 million, the quarterly average of the total assets does not exceed RMB50 million as well as the quarterly average number of employees does not exceed 300 are qualified as small and micro enterprises for the period ending 30 June 2025 and year ended 31 December 2024. For the first RMB1 million taxable income, 25% of its first RMB1 million taxable income would be taxed at a reduced rate of 20%. For the portion over first RMB1 million and up to RMB3 million, only 25% of the taxable income would be taxed at a reduced EIT rate of 20% from 1 January 2023 to 31 December 2027.

According to relevant laws and regulations promulgated by the State Tax Bureau of the PRC that was effective from 2021 onwards, enterprises engaging in research and development activities are entitled to claim an additional 100% of their research and development expense ("**Super Deduction**") so incurred as tax deductible expenses when determining their assessable profits. The Group has made its best estimate for the Super Deduction to be claimed for the Group's entities in ascertaining their assessable profits for the period 30 June 2025 and 30 June 2024.

9. DIVIDENDS

During the current interim period ended 30 June 2025, a final dividend of HK1.3 cents per ordinary share in respect of the year ended 31 December 2024 (six months ended 30 June 2024: HK0.7 cents per ordinary share in respect of the nine months ended 31 December 2023) was declared to the shareholders of the Company. The aggregate amount of the interim dividend of six months ended 30 June 2024 paid, and the final dividend declared and paid in the current interim period amounted to nil (six month ended 30 June 2024 (unaudited): HK$14,595,000) and HK$25,362,000 (nine months ended 31 December 2023: HK$13,622,000) respectively.

On 28 August 2025, the Board has resolved to declare an interim dividend of HK1.6 cents per ordinary share totalling HK$31,289,000 for the six months ended 30 June 2025.

10. EARNINGS PER SHARE

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

For the six months ended	**Unaudited 30.6.2025 *HK$'000***	Unaudited 30.6.2024 *HK$'000* (restated)
Earnings for the purpose of calculating basic and diluted earnings per share (profit for the period attributable to owners of the Company)	**314,015**	212,731
	Number of shares	
	'000	*'000*
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**1,950,455**	1,945,952
Effect of dilutive potential ordinary shares:		
– share options	**69,138**	–
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	**2,019,593**	1,945,952

11. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT/RIGHT-OF-USE ASSETS

Additions of property, plant and equipment/right-of-use assets

During the six months ended 30 June 2025, the Group incurred approximately HK$41,028,000 (six months ended 30 June 2024 (unaudited): HK$58,859,000) to acquire property, plant and equipment for its operations. In addition, during the six months ended 30 June 2025, the Group paid HK$874,000 (six months ended 30 June 2023 (unaudited): HK$4,969,000 for construction of factory premises) for construction of factory premises.

During the six months ended 30 June 2025, the Group entered into 4 new lease agreements for staff dormitories and manufacturing operations with lease terms of 3-4 years. Upon lease commencement, the Group recognised HK$42,254,000 (six months ended 30 June 2024 (unaudited): HK$4,940,000) of right-of-use assets and HK$42,231,000 (six months ended 30 June 2024 (unaudited): HK$4,940,000) of lease liabilities.

12. TRADE AND OTHER RECEIVABLES

	Unaudited	Unaudited
	30.6.2025	31.12.2024
	HK$'000	*HK$'000*
Trade receivables	**2,270,517**	1,386,839
Trade receivables from related companies	**143,047**	75,885
Bills receivables	**9,547**	24,318
	2,423,111	1,487,042
Less: Allowance for credit losses	**(8,009)**	(5,305)
Trade and bills receivables	**2,415,102**	1,481,737
Value-added tax receivables	**331,993**	177,759
Other receivables	**3,530**	5,274
Deposits and prepayments	**39,363**	96,918
Deposits, prepayments and other receivables	**374,886**	279,951
Trade and other receivables	**2,789,988**	1,761,688

The aging analysis of trade and bills receivables net of allowance for credit losses at the end of the reporting periods as presented, based on the right to consideration became unconditional/invoice date at the end of the reporting periods is as follows:

	Unaudited	Unaudited
	30.6.2025	31.12.2024
	HK$'000	*HK$'000*
0 to 30 days	**1,610,523**	839,558
31 to 60 days	**389,595**	342,810
61 to 90 days	**225,181**	191,026
91 to 180 days	**186,321**	73,047
Over 180 days	**3,482**	35,296
	2,415,102	1,481,737

The Group allows a credit period ranging from 30 to 120 days to its trade customers. Expected credit loss of HK$8,009,000 (six months ended 30 June 2024 (unaudited): HK$3,535,000) was recognised for the period ended 30 June 2025.

13. TRADE AND OTHER PAYABLES

	Unaudited	Unaudited
	30.6.2025	31.12.2024
	HK$'000	*HK$'000*
Trade payables	**3,084,029**	1,206,804
Trade payables to related companies	**48,969**	34,114
Bills payables	**83,228**	155,603
Trade and bills payables	**3,216,226**	1,396,521
Other payables	**139,847**	75,104
Salaries and staff related costs payables	**76,631**	99,457
Accrued charges	**14,663**	12,959
Other tax payables	**11,977**	8,082
Accruals and other payables	**243,118**	195,602
Trade and other payables	**3,459,344**	1,592,123

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

	Unaudited	Unaudited
	30.6.2025	31.12.2024
	HK$'000	*HK$'000*
0 to 30 days	**2,468,656**	771,876
31 to 60 days	**347,636**	253,308
61 to 90 days	**195,762**	176,819
91 to 180 days	**200,006**	194,306
Over 180 days	**4,166**	212
	3,216,226	1,396,521

The credit period granted by suppliers ranges from 30 to 120 days.

14. EVENTS AFTER THE REPORTING DATE

In July 2025, Time Interconnect Singapore Pte. Ltd. ("**Time Singapore**"), the associate of the Company, completed the acquisitions of 100% of the equity interest in Leoni Kabel GmbH.

In August 2025, the Group entered into a sales and purchase agreement for the acquisitions of 100% of the equity interest in Dejinchang Investment Limited.

As the acquisitions were effected shortly before the date of approval of these financial statements, it is not practicable to disclose further details about the acquisition.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

During the six months ended 30 June 2025 (the "**Current Interim Period**"), global financial conditions have eased. United States equity markets have largely rebounded, erasing losses from the April 2 tariff fallout and reaching new heights. Other global equity markets have also rallied, swayed by tariff-related announcements and releases of macroeconomic data that turned out to be better than expected. Notably, the US dollar has depreciated further, defying expectations that tariffs and larger fiscal deficits would cause the currency to appreciate. Implied paths for policy rates have flattened for advanced economies, while continued dollar weakness has provided some monetary policy space for emerging market and developing economies. Yield curves have steepened in the context of fiscal concerns, although the steepening thus far is not unusual by historical standards despite very high debt and deficit levels in many countries. With these forces in place, the global economy has continued to hold steady, but the composition of activity points to distortions from tariffs, rather than underlying robustness. In spite of these challenges and difficulties posed by the macroeconomic environment, the Group strives to improve its business operations and financial position by proactively seeking potential investment opportunities that would diversify the Group's existing business portfolio, broaden its source of income and enhance value to the shareholders of the Company.

On the other hand, emerging market and developing economies continue to invest heavily in Artificial intelligence ("**AI**"), which has stimulated a surge in demand for semiconductors and electronic products, and driven the growth of the Group. The craze for AI continues to drive the Group's server business and cable assembly business in data centres. During the Current Interim Period, the revenue of server sector and data centre sector have significantly increased by 318.1% and 66.8% respectively as compared to the six months ended 30 June 2024 (the "**Previous Interim Period**"). The increase in revenue from data centre sector drove the Group's profit increase. However, due to the significant increase in revenue from the lower-margin server sector, the Group's profit margin has declined accordingly.

Besides, the Group has paid more attention and efforts in the medical equipment cables business and continued to enhance its medical equipment customers base, as well as to strengthen its research and development (the "**R&D**") capabilities during the Current Interim Period. The Company's chief executive officer and executive Director, Mr. Simon Cua, took the initiative to promote and establish the Medical Engineering and Innovation Council ("**MEIC**") under the Federation of Hong Kong Industries ("**FHKI**") in January 2025, with Mr. Simon Cua and Professor Steve Chuang, Chairman of FHKI, serving as co-chairman of the MEIC. The MEIC acts as a super-connector and driving force in the development of medical engineering in Hong Kong. It aims to enhance members' understanding of the latest innovations and investment opportunities in medical engineering and serve as a bridge connecting industry with government, industry, research, academia, and financier for the sharing of services and information, facilitating product commercialization. It also helps to gather relevant industries' participation and promote awareness of Hong Kong's strengths and capabilities in medical engineering in both domestic and overseas markets. The MEIC is also committed to assisting traditional industries in transformation, financing startups, promoting integration of the industrial chains between China and Hong Kong, and exploring overseas markets.

In addition to the Group's completion of the investment in two medical and health related companies last year, the Group successfully invested one more UK based startup company in April this year. This company's products are positioned as wearable robotic devices. It combines textiles, copper wire and AI technology through non-invasive wearable products to enhance muscle strength and promote bone-healing. At the same time, it can detect human activities in real time and intervene in time to prevent the wearer from falling when human activities are found to have a risk of falling. This company fits the current investment policy of the Group and can bring corresponding synergies, including the use of the Group's upstream copper wire procurement, as well as Luxshare Precision Industry Co., Ltd. ("**Luxshare Precision Industry**") and its subsidiaries excluding the Group's (collectively the "**Luxshare Group**") production and automation capabilities, which revealed its investment value. The Group believes that the investment in this company will allow it to leverage its extensive knowhow and bring synergy for the development of medical related products in terms of R&D, manufacturing capabilities and global market expansion. In the meantime, it will be a good opportunity for the Group to extend its product mix offered to the existing major customer and tap into the new business sector to diversify the Group's business portfolio.

However, the landscape has changed as governments around the world reorder policy priorities. Since January 2025, a series of new tariff measures by the United States and countermeasures by its trading partners have been announced and implemented, ending up in near-universal US tariffs on April 2 and bringing effective tariff rates to levels not seen in a century. This itself is a major negative shock to growth. The unpredictability with which these measures have been unfolding also has a negative impact on economic activity and the outlook. Inevitably, overseas orders for networking cable sector have also been affected. The revenue of networking cable sector has decreased by 29.3% during the Current Interim Period.

During the Current Interim Period, the average copper price was USD9,431 per ton, represented an increase of 3.8% as compared with USD9,090 for the Previous Interim Period. Based on the existing quotation mechanism that the Group has been using with its customers, the selling price will be automatically adjusted with the price of copper, which means the impact of the copper price fluctuation has been directly passed through to its customers. Although the amount of gross profit of the orders has not been affected by such copper price, the gross profit margin has been changed accordingly.

Meanwhile, central banks still maintained high interest rate policy, causing the US dollars exchange rate to remain at a high level. During the Current Interim Period, the average foreign currency exchange rate for conversion of Renminbi into Hong Kong dollars was 1.0% lower than the Previous Interim Period. The Renminbi revenue converted into Hong Kong dollars decreased by HK$35.9 million, represented 0.7% of the Group's revenue. However, the closing rate of Renminbi converting into Hong Kong dollars as of 30 June 2025 was 1.5% higher than the one as of 31 December 2024, which created an exchange profit raised from RMB receivable and USD payable.

For the Current Interim Period, the Group recorded revenue amounting to HK$4,853.7 million, represented a significant increase of HK$2,187.6 million or 82.1% as compared with HK$2,666.1 million for the Previous Interim Period. The increase was mainly attributable to the increase of revenue from server and data centre in cable assembly sector. Operating profit for the Current Interim Period was HK$412.7 million, represented an increase of HK$100.3 million or 32.1%, as compared with HK$312.4 million (restated) for the Previous Interim Period, with the operating profit margin dropped from 11.7% (restated) to 8.5% for the Current Interim Period. The increase of operating profit was mainly attributable to the increase in revenue from data centre sector. However, the operating profit margin decreased was due to the significant increase in revenue from server sector with lower profit margin.

RESULTS OF OPERATIONS

Financial Overview

For the six months ended	**30.6.2025**	30.6.2024 (restated)	Change
	HK$'million	*HK$'million*	*HK$'million*
Revenue	**4,853.7**	2,666.1	2,187.6
Gross profit	**642.8**	492.8	150.0
Gross profit margin	**13.2%**	18.5%	
Other income and other gains and losses	**20.1**	28.4	(8.3)
Total operating expenses	**(250.2)**	(208.8)	(41.4)
Total operating expenses as a percentage of revenue	**5.2%**	7.8%	
Operating profit	**412.7**	312.4	100.3
Operating profit margin	**8.5%**	11.7%	
Share of associated companies' result	**(0.5)**	–	(0.5)
Professional fee for acquisition	**(0.7)**	(1.3)	0.6
Finance costs	**(26.8)**	(42.5)	15.7
Profit before taxation	**384.7**	268.6	116.1
Taxation	**(71.0)**	(55.3)	(15.7)
Effective tax rate	**18.5%**	20.6%	
Profit for the period	**313.7**	213.3	100.4
Net profit margin	**6.5%**	8.0%	
Adjusted profit for the period	**314.4**	214.6	99.8
Adjusted net profit margin	**6.5%**	8.0%	

Revenue

During the Current Interim Period, the copper price has increased 3.8% from the average copper price USD9,090 per ton to USD9,431 per ton compared with the Previous Interim Period. Based on the existing quotation mechanism that the Group has been using with its customers, the selling price will be automatically adjusted to account for the price of copper, resulting in the impact of the copper price fluctuation being directly passed through to its customers. As such, the copper price impact was approximately HK$10.5 million, which represented 0.2% of the Group's revenue. On the other hand, RMB depreciation led to a reduction in revenue. During the Current Interim Period, the average foreign currency exchange rate for conversion of Renminbi into Hong Kong dollars was 1.0% lower than the Previous Interim Period. The Renminbi revenue converted into Hong Kong dollars decreased by HK$35.9 million, represented 0.7% of the Group's revenue. The Group's revenue for the Current Interim Period significant increased by HK$2,187.6 million or 82.1% to HK$4,853.7 million from HK$2,666.1 million for the Previous Interim Period. The increase was mainly attributable to the increase of revenue from server and data centre in cable assembly sector driven by the AI boom.

For the six months ended	**30.6.2025**		30.6.2024		Change	
Market Sector	***HK$'million***	**%**	*HK$'million*	%	*HK$'million*	%
Cable assembly						
Data centre	**941.4**	**19.4%**	564.4	21.2%	377.0	66.8%
Telecommunication	**261.5**	**5.4%**	286.5	10.7%	(25.0)	-8.7%
Medical equipment	**413.1**	**8.5%**	386.0	14.5%	27.1	7.0%
Industrial equipment	**26.2**	**0.5%**	21.3	0.8%	4.9	23.0%
Automotive	**76.8**	**1.6%**	68.4	2.6%	8.4	12.3%
	1,719.0	**35.4%**	1,326.6	49.8%	392.4	29.6%
Digital cable						
Networking cable	**434.7**	**9.0%**	614.7	23.0%	(180.0)	-29.3%
Specialty cable	**135.8**	**2.8%**	111.5	4.2%	24.3	21.8%
	570.5	**11.8%**	726.2	27.2%	(155.7)	-21.4%
Server	**2,564.2**	**52.8%**	613.3	23.0%	1,950.9	318.1%
Total	**4,853.7**	**100.0%**	2,666.1	100.0%	2,187.6	82.1%

Data centre sector: Benefited from the emergence of AI, which drove the growth and development of the Group's fibre cable assembly business in data centres. During the Current Interim Period, the revenue of data centre sector significant increased by HK$377.0 million or 66.8% to HK$941.4 million for the Current Interim Period as compared to HK$564.4 million for the Previous Interim Period due to the upgrading of servers and the profitability was relatively improved. Orders from this sector maintained at a high shipment level during the Current Interim Period and remained the highest revenue sector in the cable assembly business.

Telecommunication sector: It recorded a decrease of revenue from HK$286.5 million for the Previous Interim Period to HK$261.5 million for the Current Interim Period, represented a decrease of HK$25.0 million or 8.7%. The main reason was to use limited production capacity for data centre sector with better margin, while gave up the less profitable orders from telecommunication sector.

Medical equipment sector: The announcement and implementation of a series of new tariffs by the United States and countermeasures by its trading partners have had a significant negative impact on economic growth. The unpredictability of the implementation of these measures has also had a negative impact on economic activity and the outlook. Part of overseas orders for medical equipment sector have also been affected. The revenue of the medical equipment sector has only increased to HK$413.1 million, represented an increase of HK$27.1 million or 7.0% as compared with HK$386.0 million for the Previous Interim Period.

Industrial equipment sector: Inflation remained high and continuing to erode household purchasing power. High interest rates still raised the cost of borrowing and constraining economic activity. However, there was slight improvement in the industrial equipment sector. The revenue of industrial equipment sector increased by HK$4.9 million or 23.0% from HK$21.3 million for the Previous Interim Period to HK$26.2 million for the Current Interim Period.

Automotive sector: The revenue of automotive sector was HK$76.8 million for the Current Interim Period, compared with the revenue for the Previous Interim Period of HK$68.4 million, represented an increase of HK$8.4 million or 12.3%. Linkz Cables Mexico, S. de R.L. de C.V. ("**Linkz Mexico**") has started production this year. Due to the impact of tariffs, more customers are willing to transfer orders to Mexico for production.

Networking cable sector: Same as medical equipment sector, new tariffs measures created a negative impact on economic activity and outlook. Overseas orders for networking cable sector have also been affected inevitably. The revenue of networking cable for the Current Interim Period was HK$434.7 million, represented a decrease of HK$180.0 million or 29.3% as compared with HK$614.7 million for the Previous Interim Period.

Specialty cable sector: Same as data centre sector, AI also stimulated the growth and development of high-speed cables in the specialty cable sector. For the Current Interim Period, the revenue of specialty cable was HK$135.8 million, represented an increase of HK$24.3 million or 21.8% as compared with HK$111.5 million for the Previous Interim Period. High-speed cables also carried a better profit margin which benefited to the Group's overall profitability.

Server sector: Also benefited from the emergence of AI, which drove the growth and development of the Group's server business in data centres. For the Current Interim Period, the revenue of server was HK$2,564.2 million, represented a significant increase of HK$1,950.9 million or 318.1% as compared with HK$613.3 million for the Previous Interim Period. In 2024, the shortage of key components supply affected revenue during the Previous Interim Period.

Segment Information

Segmental information is presented for the Group as disclosed on Note 4 to the condensed consolidated financial statements.

Gross Profit/Margin

Gross profit for the Current Interim Period was HK$642.8 million, an increase of HK$150.0 million or 30.4% compared with HK$492.8 million (restated) for the Previous Interim Period. The increase of gross profit was mainly attributable to the increase in revenue from data centre sector. However, the Group's gross profit margin decreased from 18.5% (restated) to 13.2% as compared with the Previous Interim Period, which due to the significant increase in revenue from server sector with lower profit margin.

Operating Profit/Margin

Operating profit for the Current Interim Period was HK$412.7 million, which represented an increase of HK$100.3 million or 32.1% as compared with HK$312.4 million (restated) for the Previous Interim Period. Operating profit margin was 8.5% for the Current Interim Period compared to 11.7% (restated) for the Previous Interim Period. EBITDA of the Current Interim Period was HK$513.9 million which represented an increase of HK$156.2 million or 43.7% as compared with HK$357.7 million (restated) for the Previous Interim Period. The ratio of EBITDA to revenue for the Current Interim Period decreased to 10.6% from 13.4% (restated) for the Previous Interim Period.

Other income, which comprises primarily of bank interest income, government grants and handling income was in aggregate HK$8.9 million for the Current Interim Period, represented a decrease of HK$13.5 million as compared with HK$22.4 million for the Previous Interim Period. Such decrease was mainly attributable to the decrease of bank interest income of HK$7.7 million and other sundry income of HK$5.5 million.

Other gains and losses were recorded a gain of HK$11.2 million for the Current Interim Period compared to a gain of HK$6.0 million for the Previous Interim Period. It was mainly due to the increase of net exchange gain from RMB appreciation of HK$13.8 million which was attributable to the Group's operations in the ordinary course of business during the Current Interim Period.

The total operating expenses were HK$250.2 million, an increase of HK$41.4 million or 19.8% compared with HK$208.8 million (restated) for the Previous Interim Period. As the Group's revenue significantly increased by 82.1%, total operating expenses as a percentage of the Group's revenue decreased from 7.8% (restated) to 5.2%.

Distribution and selling expenses increased from HK$35.6 million to HK$37.4 million during the Current Interim Period, represented an increase of HK$1.8 million or 5.1% compared with the Previous Interim Period. It was mainly attributable to the increase of consultancy fee, staff cost and insurance cost of credit and marine cargo. The percentage of distribution and selling expenses to the Group's revenue decreased from 1.3% to 0.8% as compared with the Previous Interim Period.

Administrative expenses increased to HK$102.3 million in the Current Interim Period, represented an increase of HK$16.7 million or 19.5% as compared with HK$85.6 million (restated) for the Previous Interim Period. The increase was mainly due to the increase in staff cost, allowance for credit losses and impairment loss on assets. Administrative expenses as a percentage of revenue decreased from 3.2% (restated) to 2.1% for the Current Interim Period.

During the Current Interim Period, the research and development expenses were HK$110.5 million, which represented an increase of HK$22.9 million or 26.1% compared with HK$87.6 million for the Previous Interim Period. It was mainly attributable to the increase of staff cost, materials and testing cost. Research and development expenses as a percentage of the Group's revenue decrease from 3.3% to 2.3% for the Current Interim Period. The Company continuously puts great efforts to enhance its R&D capabilities by expanding the R&D team, so as to launch more new products and technologies.

Professional fee for acquisition

During the Current Interim Period, the Company intended to invest in companies involved in various business opportunities. The expenses incurred in connection with these investigations were HK$0.7 million as of 30 June 2025 (Previous Interim Period: HK$1.3 million), which included professional fee of legal counsel.

Finance Costs

For the Current Interim Period, the finance costs were recorded at HK$26.8 million against HK$42.5 million for the Previous Interim Period. The finance costs included (i) bank loan interest of HK$4.3 million for short-term bank borrowings for the Group's operating working capital; (ii) interest expenses of HK$20.8 million for several loans from Luxshare Group for the operating working capital of the Group; and (iii) interest expenses of HK$1.7 million on the lease liabilities under adoption of HKFRS 16 "Leases".

Profit for the six months ended 30 June 2025 and Earnings per Share

Profit before taxation for the Current Interim Period was HK$384.7 million, represented an increase of HK$116.1 million or 43.2% as compared with HK$268.6 million (restated) for the Previous Interim Period.

Taxation represents the tax expenses arising from the assessable profit generated by the Group in Hong Kong and the PRC. Taxation was provided at the respective tax rate of 16.5% and 25% based on the profit from operating activities. The major manufacturing subsidiaries, Time Interconnect Technology (Huizhou) Limited and Linkz Industries (Suzhou) Limited, were awarded the Advanced-Technology Enterprise Certificate and are eligible for tax concessionary rate of 15%. Taxation charges increased from HK$55.3 million (restated) in the Previous Interim Period to HK$71.0 million for the Current Interim Period. The effective tax rate decreased from 20.6% (restated) to 18.5%, such decrease was mainly attributable to the profit increase from data centre sector which taxation was provided at the respective tax rate of 15% and 16.5%.

Profit of the Group for the Current Interim Period was HK$313.7 million, represented an increase of HK$100.4 million or 47.1% as compared with HK$213.3 million (restated) for the Previous Interim Period and net profit margin was recorded at 6.5% as compared with 8.0% (restated) for the Previous Interim Period.

Basic earnings per share for the Current Interim Period was HK16.1 cents as compared to HK10.9 cents (restated) for the Previous Interim Period.

Dividends

The Board is pleased to declare an interim dividend of HK1.6 cents per share, amounting to a total of approximately HK$31.3 million.

Adjusted Performance

The reported results are prepared in accordance with HKFRSs as detailed in our financial statements starting on page 2. The Company also present alternative performance measures (non-GAAP financial measures). These include adjusted performance, which the Company use to align internal and external reporting, identify and quantify items management believes to be significant, and provide insight into how management assesses period-on-period performance. The non-GAAP financial measures are not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with HKFRSs. The non-GAAP financial measures facilitate investors' assessment of the Group's operating performance, enhance the understanding of the Group's past performance as well as the future prospects and allow for greater visibility with respect to key metrics used by the management in their financial and operational decision-making. The non-GAAP financial measures are generally defined as profit for the year adjusted by excluding non-recurring and one-off items from continuing operations, which includes the professional fee for acquisition.

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

Reconciliations on Non-GAAP Financial Measures

For the six months ended	**30.6.2025**	30.6.2024 (restated)	Change
	HK$'million	*HK$'million*	
Profit for the period	**313.7**	213.3	47.1%
Adjustment for Professional fee for acquisition	**0.7**	1.3	
Adjusted profit for the period	**314.4**	214.6	46.5%
Revenue	**4,853.7**	2,666.1	
Adjusted net profit margin *(%)*	**6.5**	8.0	-1.5pts
Weighted average number of ordinary shares *('000)*	**1,950,455**	1,945,952	
Adjusted basic earnings per share *(Hong Kong cents)*	**16.1**	11.0	46.4%
Reported profit for the period	**313.7**	213.3	47.1%
Interest expense	**26.8**	42.5	
Taxation	**71.0**	55.3	
Depreciation and amortisation	**102.4**	46.6	
EBITDA	**513.9**	357.7	43.7%
Adjustment for Professional fee for acquisition	**0.7**	1.3	
Adjusted EBITDA	**514.6**	359.0	43.3%
EBITDA/Revenue *(%)*	**10.6**	13.4	-2.8pts
Adjusted EBITDA/Revenue *(%)*	**10.6**	13.5	-2.9pts

Adjusted profit for the period: By excluding the professional fee for acquisition, the adjusted total profit of the Current Interim Period was HK$314.4 million which representing an increase of HK$99.8 million or 46.5% as compared with HK$214.6 million (restated) for the Previous Interim Period. The adjusted net profit margin was recorded at 6.5% as compared with 8.0% (restated) for the Previous Interim Period.

Adjusted basic earnings per share: Adjusted basic earnings per share for the Current Interim Period was HK16.1 cents as compared to the adjusted basic earnings per share of HK11.0 cents (restated) in the Previous Interim Period.

Adjusted EBITDA: By excluding the professional fee for acquisition, the adjusted EBITDA of the Current Interim Period was HK$514.6 million which representing an increase of HK$155.6 million or 43.3% as compared with HK$359.0 million (restated) for the Previous Interim Period. The ratio of adjusted EBITDA to revenue was 10.6% as compared with 13.5% (restated) for the Previous Interim Period.

OUTLOOK

According to the latest forecast of the "World Economic Outlook Update" issued by the "International Monetary Fund" in July 2025, global growth is projected at 3.0 percent for 2025 and 3.1 percent in 2026. Risks to the outlook are tilted to the downside, a rebound in effective tariff rates could lead to weaker growth. Elevated uncertainty could start weighing more heavily on activity, also as deadlines for additional tariffs expire without progress on substantial and permanent agreements. Geopolitical tensions could disrupt global supply chains and push commodity prices up. Larger fiscal deficits or increased risk aversion could raise long-term interest rates and tighten global financial conditions. Combined with fragmentation concerns, this could reignite volatility in financial markets. On the upside, global growth could be lifted if trade negotiations lead to a predictable framework and to a decline in tariffs. Policies need to bring confidence, predictability, and sustainability by calming tensions, preserving price and financial stability, restoring fiscal buffers, and implementing much-needed structural reforms. However, even the Group is facing such challenges and difficulties in the macro-economic environment, the management remains confident in its future business. With the support of Luxshare Group, the Group enjoys advantages in both product manufacturing capabilities and financial strength. The Group will continue to develop strategic businesses and markets, strengthen its business foundation and continue to achieve impressive results during the economic downturn.

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

The sudden emergence of AI drove the growth and development of the Group's server sector and data centre sector business in the recent years. Emerging market and developing economies continue to invest heavily in AI, which has stimulated a surge in demand for semiconductors and electronic products, and driven the growth of the Group. The Group believes that AI will continue to develop and become mainstream in the future. In the meantime, Time Singapore, an associated company owned by the Group as to 49%, has successfully acquired Leoni Kable GmbH ("**Leoni Kable**"), a subsidiary of Leoni AG on 9 July 2025. The Leoni brand has a history of over 100 years and is well-known in the cable industry. Leoni Kable is committed to the development, manufacture and sale of connection systems, especially for cables transmitting power and signals as well as automotive cables, with manufacturing and R&D facilities in Germany, Poland, Hungary, Slovakia, Turkey, USA, Mexico and China. With Leoni Kable's technology strength and brand advantage, it will be a good opportunity for the Group to expand its product portfolio and strengthen its global presence. The Company is planning to take advantage of Leoni Kable's global footprint to expand the current hot data centre sector business in an orderly manner. The Group could promote the technology and experience accumulated in the data centre sector business to more global potential customers, which could expand the Group's market share, as well as improve the Group's profitability. The Director believes that the collaboration between the Company and Leoni Kable can generate powerful synergies which will further consolidate and enhance the Group's position in the wire and cable industry and accelerate the development of its global roadmap.

On the other hand, after the epidemic, people have paid more attention to health, as a result the demand for medical equipment will continue to increase. As for the medical equipment sector, the Group expects the demand for medical equipment cables will continue to bring positive impact to the Group's medical equipment cables orders in the coming years. In addition to the Group's completion of the investment in two medical and health related companies last year, the Group has successfully invested one more UK based startup company in April this year. This company's products are positioned as wearable robotic devices. They combine textiles, copper wire and AI technology through non-invasive wearable products to enhance muscle strength and promote bone-healing. At the same time, it can detect human activities in real time and intervene in time to prevent the wearer from falling when human activities are found to have a risk of falling. This company fits the current investment policy of the Group and can bring corresponding synergies, including the use of the Group's upstream copper wire procurement, as well as Luxshare's production and automation capabilities, which revealed its investment value. The Group believes that the investment in this company will allow it to leverage its extensive knowhow and bring synergy for the development of medical related products in terms of R&D, manufacturing capabilities and global market expansion. It will also be a good opportunity for the Group to extend its product mix offered to the existing major customer and tap into the new business sector to diversify the Group's business portfolio.

In addition, the Company's chief executive officer and executive Director, Mr. Cua Tin Yin Simon, took the initiative to promote and establish the MEIC under the FHKI in January 2025. The MEIC acts as a super-connector and driving force in the development of medical engineering in Hong Kong. It aims to enhance members' understanding of the latest innovations and investment opportunities in medical engineering and serve as a bridge connecting industry with government, industry, research, academia, and financier for the sharing of services and information, facilitating product commercialization. It also helps to gather relevant industries' participation and promote awareness of Hong Kong's strengths and capabilities in medical engineering in both domestic and overseas markets. The MEIC is also committed to assisting traditional industries in transformation, financing startups, promoting integration of the industrial chains between China and Hong Kong, and exploring overseas markets. The Company looks forward to the leadership of Mr. Cua Tin Yin Simon in driving innovation and excellence in medical engineering, further strengthening Hong Kong's position as a global hub in this field. The MEIC and the Company have the intention to find regional partner for the realisation of a Hong Kong based Healthcare Innovation World Cup, leveraging the development of innovative healthcare solutions, and promoting innovative solutions for patient treatment, rehabilitation, and monitoring. The challenge provides a unique opportunity for Hong Kong to partner with healthcare techpreneurs and foster collaboration with the entire ecosystem, from startups to scaleups to established healthcare companies. By engaging innovators through this open innovation platform, Hong Kong will gain direct access to cutting-edge innovations and achieve global visibility as a leading source of medical device manufacturing, investment, and global supply chain support for medical device innovation. By celebrating the award ceremony in Hong Kong in line with a dedicated Wearable Technologies Conference in March 2026 will foster this international recognition as the place to be for medical engineering. Moving ahead, the Group believes that this sector will maintain its dynamic pace of growth, considering the arising demand from the medical equipment market. The Group will continue pay more attention and efforts in this sector and continue to enhance its medical equipment customers base, as well as to strengthen its R&D capabilities.

Riding on the PRC government's policy of "channelling computing resources from the eastern areas to the western regions" (東數西算), Luxshare Precision Industry will deploy the platform advantages and market position of the Luxshare Group and introduce strategic resources to the Company with intention to further strengthen the Company's potential for continuous growth and core competitiveness in its market and to enable the Company to develop strategically to become an all-rounded network solutions and infrastructure provider, so as to create greater value for the shareholders. In this regard, Luxshare Precision Industry is conducting a strategic review of the operations and financial position of the Company, and actively exploring business opportunities for the growth and development, in both organic and inorganic manners, for the Company. Last year, the Company and Luxshare Precision Industry established a joint venture, Time Singapore in Singapore. The purpose of this joint venture is to evaluate potential investment opportunities in the overseas markets and pursue acquisition of overseas businesses. In addition to the acquisition of Leoni Kable, which was just completed in July this year. The Group will continue to actively seek various investment opportunities to diversify its business into other countries in order to mitigate the business risks and enhance resilience in an unpredictable global landscape. The Company believes that the strategic alliance between Luxshare Precision Industry and the Company would enable the Company to further benefit from the development and synergy in the fields of telecommunication, data communication, healthcare, automotive, and industry, in terms of products, customers, and marketing, through integration of customer and market resources as well as technologies and R&D capabilities of the Luxshare Group. In the future, with the support of Luxshare Precision Industry, the Group will create more and more possibilities.

LIQUIDITY AND FINANCIAL RESOURCES

Shareholders' funds as at 30 June 2025 were HK$1,942.7 million, which represented an increase of HK$337.9 million or 21.1% from HK$1,604.8 million (restated) as at 31 December 2024. The increase was mainly due to the profit attributable to shareholders equity for the Current Interim Period of HK$283.8 million. As a result, shareholders' funds per share increased by 22.0% from HK$0.82 (restated) to HK$1.00.

As at 30 June 2025, the Group had bank balances and cash of HK$363.7 million, represented a decrease of 14.6% as compared to HK$425.8 million as of 31 December 2024. It was mainly due to the increase in raw materials purchases to meet the increase in customer orders during the Current Interim Period. As at 30 June 2025, the Group's bank loan was HK$342.6 million, an increase of HK$99.4 million or 40.9% from HK$243.2 million as of 31 December 2024. The Group believes it has sufficient committed and unutilised banking facilities as at 30 June 2025 to meet its current business operation and capital expenditure requirements.

Capital Expenditure

For the Current Interim Period, the Group invested HK$28.3 million in the purchase of tangible assets including machinery and equipment, leasehold improvements, office equipment, as well as the improvement of manufacturing working environment. All of these capital expenditures were financed from internal resources.

Charge on Group Assets

Save for the bank deposits that were pledged in order to secure the bank borrowings and bills payables issued by the bank under the general banking facilities granted to the Group, as at 30 June 2025 and 31 December 2024, banking facilities extended to the Group were not secured with the Group's assets. Pledged bank deposits amounted to HK$270.8 million and HK$124.4 million as at 30 June 2025 and 31 December 2024 respectively.

Gearing Ratio

Gearing ratio is calculated as net debt (defined as bank loans, loans from related companies and lease liabilities less bank balances and cash and pledged bank deposits) divided by the sum of net debt and total equity, and multiplied by 100%. As at 30 June 2025, the Group's gearing ratio was 42.5%, as compared to 35.7% (restated) as of 31 December 2024. The increase was mainly attributable to the increase in loans provided from Luxshare Group for financing the Group's operating working capital since the Group's revenue increased 82.1% as compared with the Previous Interim Period.

CAPITAL STRUCTURE

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

As at 30 June 2025, the Company's issued share capital was HK$19.5 million and the number of its issued ordinary shares were 1,952,560,000 of HK$0.01 each.

FOREIGN EXCHANGE EXPOSURE

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

TREASURY POLICIES

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

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

CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2025, the capital commitment of the Group is as follows:

	30.6.2025	31.12.2024
	HK$'million	*HK$'million*
Capital expenditure in respect of the acquisition of property, plant and equipment contracted but not provided for in the condensed consolidated financial statements	**35.7**	11.7

As of 30 June 2025, the Group had not provided any form of guarantee for any company outside the Group and had not been involved in any material legal proceedings for which provision for contingent liabilities was required.

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

Save as disclosed in this announcement, the Group did not have any significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures for the Current Interim Period. There is no other plan for material investments or capital assets as at 30 June 2025.

EMPLOYEE

As of 30 June 2025, the total headcount for the Group was 6,699, as compared to 5,599 as of 30 June 2024. Fair and competitive remuneration package and benefits are offered to employees as well as discretionary bonuses and share options. Various types of trainings were provided to the employees. Total employee benefit expenses including Directors' remuneration for the Current Interim Period were HK$419.9 million, as compared with HK$387.9 million for the Previous Interim Period. Remuneration is determined with reference to performance, skills, qualifications and experience of the staff concerned and in accordance with the prevailing industry practice.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2025.

MATERIAL EVENTS SINCE THE END OF THE FINANCIAL PERIOD

In July 2025, Time Singapore, an associated company owned by the Group as to 49%, completed the acquisition of 100% of the equity interest in Leoni Kabel.

In August 2025, the Group entered into a sale and purchase agreement for the acquisitions of 100% of the equity interest in Dejinchang Investment Limited, subject to the fulfilment of the conditions precedent set out in the sale and purchase agreement.

Save as disclosed in this announcement, there has been no other important event affecting the Group since 30 June 2025 and up to the date of this announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by Directors. Having made specific enquiry, all Directors have fully complied with the required standards set out in the Model Code and there was no event of non-compliance during the six months ended 30 June 2025.

SHARE OPTION SCHEMES

Pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 21 March 2023, the Company conditionally adopted a new share option scheme (the "**2023 Share Option Scheme**"). The summary of the 2023 Share Option Scheme is set out in a circular to the shareholders of the Company dated 2 March 2023. The terms of the 2023 Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules and other relevant rules and regulations. As at the date of this announcement, the total number of shares available for issue under the 2023 Share Option Scheme was 184,977,200, representing 9.5% of the issued shares of the Company as at such date.

CORPORATE GOVERNANCE PRACTICE

The Directors are committed to the maintenance of good corporate governance practices and procedures. The Company believes that good corporate governance provides a framework that is essential for effective management, a healthy corporate culture, successful business growth and enhancing shareholders' value. The corporate governance principles of the Company emphasise a quality Board, sound internal controls, and transparency and accountability to all shareholders of the Company.

The Company has adopted the code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules. The Company has fully complied with the CG Code during the six months ended 30 June 2025.

AUDIT COMMITTEE

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

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

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

The Audit Committee has reviewed with the management of the Company on the accounting principles and practices adopted by the Group, this announcement and the interim results announcement of the Group for the six months ended 30 June 2025 and is of the view that such results comply with the applicable accounting standards, the requirements under the Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

INTERIM DIVIDEND

The Board has declared the payment of an interim dividend, details of the interim dividend are set out in Note 9 of the condensed consolidated financial statements. Interim dividend will be payable to shareholders whose names appear on the register of members of the Company on Tuesday, 16 September 2025.

CLOSURES OF REGISTER OF MEMBERS

In order to qualify for the entitlement to the proposed interim dividend, the register of members of the Company will be closed from Friday, 12 September 2025 to Tuesday, 16 September 2025 both days inclusive, during which period no transfer of shares in the Company will be registered. All transfer of shares, accompanied by the relevant share certificates, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 11 September 2025 The proposed interim dividend is expected to be paid on or before Thursday, 9 October 2025.

REVIEW OF INTERIM RESULTS

The interim results of the Group for the six months ended 30 June 2025 are unaudited, but have been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by Hong Kong Institute of Certified Public Accountants, by Messrs. BDO Limited whose unmodified review report is set out on the interim report. The interim results of the Group for the six months ended 30 June 2025 have also been reviewed by the Audit Committee.

APPRECIATION

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

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

Hong Kong, 28 August 2025

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Cua Tin Yin Simon and Mr. Wong Chi Kuen, one non-executive Director, namely Ms. Wang Laichun and four independent non-executive Directors, namely Mr. Ho Hin Shun, Mr. Luk Wai Shing, Mr. Chan Chung Shun Eric and Ms. Chan Kit Fun Fanny.