OVERVIEW

Pursuant to Chapter 14A of the Listing Rules, our Directors, substantial shareholders and chief executive or those of our subsidiaries (other than the directors, substantial shareholders and chief executive of our insignificant subsidiaries), any person who was a director of our Company or our subsidiaries within 12 months preceding the [**REDACTED**] and any of their respective associates will become a connected person of our Company upon [**REDACTED**]. Upon the [**REDACTED**], our transactions with such connected persons will constitute connected transactions under Chapter 14A of the Listing Rules.

CONNECTED PERSONS

We have entered into transactions with the following parties which will become our connected persons upon [**REDACTED**]:

Name of connected person	Relationship
MediaTek Singapore Pte. Ltd., MediaTek China Co., Ltd. (聯發科中國有限公司) and MediaTek Capital Co..	MediaTek is a substantial shareholder of our Company, by virtue of being the indirect sole shareholder of SigmaStar Technology Inc. which in turn directly holds 28.74% of the equity interest in our Company as of the Latest Practicable Date. Each of MediaTek Singapore Pte. Ltd., MediaTek China Co., Ltd. (聯發科中國有限公司) and MediaTek Capital Co. is a direct or indirect subsidiary of MediaTek
Mr. Lin Yongyu	Mr. Lin Yongyu is an executive Director and the general manager of our Company

SUMMARY OF OUR CONNECTED TRANSACTIONS

Nature of transactions	Applicable Listing Rules	Waiver sought	Proposed annual caps for the year ending December 31		
			2026	2027	2028
			(RMB in millions)		
One-off connected transaction					
1. Car Park Space Lease Agreement	14A.34	N/A	N/A	N/A	N/A
Fully exempted continuing connected transaction					
2. Guarantee by Mr. Lin Yongyu	14A.34 14A.73 14A.74 14A.90	N/A	N/A	N/A	N/A
Partially-exempt continuing connected transaction					
3. Solution Development Framework Agreement . .	14A.34 14A.35 14A.53 14A.76 14A.105	Announcement	20.0	20.0	20.0

ONE-OFF CONNECTED TRANSACTION

1. Car Park Space Lease Agreement

On March 2, 2026, the Taiwan branch of our Company entered into an agreement with MediaTek, pursuant to which MediaTek agreed to lease to us 26 car park spaces located in Taiyuan section, Zhubei city, Hsinchu county of Taiwan, China (the "**Car Park Space Lease Agreement**"). The rent under the Car Park Space Lease Agreement, on an annual basis, is approximately RMB0.2 million, and shall be payable by us on a monthly basis. The Car Park Space Lease Agreement has a fixed term of one year from April 1, 2026 to March 31, 2027, and can be renewed upon its expiry on terms as agreed by the parties to the Car Park Space Lease Agreement. Under the Car Park Space Lease Agreement, the balance of the lease liabilities and the value of the right-of-use assets acquired by us from MediaTek according to IFRS 16 as of the date of the agreement amounted to approximately RMB0.21 million. The Car Park Space Lease Agreement was entered into: (i) in the ordinary and usual course of business of our Group, (ii) on arm's length basis, and (iii) on normal commercial terms with the rent being determined with reference to, among others, the prevailing market rates for similar car park spaces in the neighbouring areas.

In accordance with IFRS 16 "Leases", our Company recognized a right-of-use asset on its balance sheet in connection with the lease of the car park spaces from MediaTek. As such, the transactions under the Car Park Space Lease Agreement will be recorded as an acquisition of a capital asset and an one-off connected transaction of our Group for the purpose of the Listing Rules. Accordingly, the reporting, announcement, annual review and independent Shareholders' approval requirements with respect to continuing connected transactions in Chapter 14A of the Listing Rules will not be applicable.

FULLY EXEMPTED CONTINUING CONNECTED TRANSACTION

2. Guarantee by Mr. Lin Yongyu

Mr. Lin Yongyu has provided guarantee ("**Connected Guarantee**") in favour of our Group in respect of the NT$300 million short-term working capital loan for our Taiwan branch. Such loan underlying Connected Guarantee will expire upon the next annual Shareholders' meeting of our Company. Our Directors are of the view that the Connected Guarantee is in the interest of our Group and the Shareholders as a whole, as such we have no current intention to discharge such Connected Guarantee prior to the [**REDACTED**] and we expect that the Connected Guarantee will continue to be in effect immediately after the [**REDACTED**].

As Mr. Lin Yongyu is a connected person of our Company, the Connected Guarantee provided by him in favor of our Group constitutes financial assistance received by our Group from our connected person under Rule 14A.90 of the Listing Rules. As the Connected Guarantee is provided for the benefit of our Group on normal commercial terms or better to our Group, and no security over our assets has been granted to Mr. Lin Yongyu in respect of the provision of the Connected Guarantee, the Connected Guarantee will be fully exempted from the reporting, annual review, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

PARTIALLY-EXEMPT CONTINUING CONNECTED TRANSACTION

Our Group have sought in the ordinary and usual course of our business and will, after the [**REDACTED**], continue to seek from the Relevant MediaTek Group (as defined below) certain solution development services (the "**Partially-Exempt Continuing Connected Transaction**").

As the highest applicable percentage ratios (other than the profits ratio) under the Listing Rules in respect of the annual caps for the Partially-Exempt Continuing Connected Transaction is expected to, on an annual basis, exceed 0.1% but be less than 5%, such Partially-Exempt Continuing Connected Transaction will be subject to the reporting, annual review and announcement requirements, but will be exempted from the circular and independent Shareholders' approval requirements, under Chapter 14A of the Listing Rules. Details of the Partially-Exempt Continuing Connected Transaction are set forth below.

3. Solution Development Services Framework Agreement

Description of the transaction

On [●], we entered into a solution development services framework agreement (the "**Solution Development Services Framework Agreement**") with MediaTek Singapore Pte. Ltd., MediaTek China Co., Ltd. (聯發科中國有限公司) and MediaTek Capital Co. (for and on behalf of the their respective subsidiaries) (collectively, the "**Relevant MediaTek Group**"), pursuant to which the Relevant MediaTek Group will provide various supporting and ancillary solution development services to our Group, including but not limited to development services with respect to basic and ancillary functions of non-core software solutions of our Group and non-core software solutions of universal nature.

The initial term of the Solution Development Services Framework Agreement shall commence on the [**REDACTED**] until [December 31, 2028], which may be renewed as the parties may mutually agree, subject to compliance with the requirements under the Listing Rules and all other applicable laws and regulations. Relevant members of the group for both parties will enter into separate underlying agreements and/or orders which will set out the specific terms and conditions according to the principles provided in the Solution Development Services Framework Agreement. The execution, delivery and/or performance of the Solution Development Services Framework Agreement, as well as the separate underlying agreements and/or orders contemplated thereunder, will not be subject to any shareholders' approval of MediaTek, considering the size of the proposed annual caps as set out below.

Reasons for and benefits of the transaction

Our Directors believe that continuing to outsource the development of supporting and ancillary solutions after the [**REDACTED**] would allow our Group to concentrate our technical talent, R&D funds and management efforts on tackling key technologies, optimizing core algorithms, upgrading key system architecture and conducting innovative core R&D, thereby consolidating and enhancing our technological leadership and market competitiveness in the core aspects of our business. And taking into consideration our previous transaction experience with the Relevant MediaTek Group, our Directors believe that the Relevant MediaTek Group is capable of fulfilling our demand for supporting and ancillary solution development efficiently and reliably with a stable and high quality supply of services, and entering into the Solution Development Services Framework Agreement would minimize disruption to our Group's operation and internal procedures.

Pricing policies

The service fee to be paid by us to the Relevant MediaTek Group will be determined through arm's length negotiations between the relevant parties taking into account factors including nature of the services, transaction volume and anticipated manpower number and hours required from the Relevant MediaTek Group, fee rate and employee salary rate of the Relevant MediaTek Group, and shall be in line with fees offered by the Relevant MediaTek Group to Independent Third Parties for similar services. The service fee shall be at least in line with the market rates (if any).

Historical transaction amounts

The amount of fees paid by our Group to the Relevant MediaTek Group for the solution development services for the years ended December 31, 2023, 2024 and 2025 are 22,371 thousand, 22,259 thousand and 25,000 thousand, respectively.

Proposed annual caps

It is estimated that the maximum annual amounts of fees payable by our Group to the Relevant MediaTek Group in relation to the solution development services under the Solution Development Services Framework Agreement for the three years ending December 31, 2026, 2027 and 2028 will not, in aggregate, exceed the amounts of 20,000 thousand, 20,000 thousand and 20,000 thousand, respectively.

Basis of annual caps

In determining the annual caps for the transactions contemplated under the Solution Development Services Framework Agreement, we have considered, among other things, the following: (a) the historical transaction amounts; (b) the consistent hourly fee rate based on industry standard which the Relevant MediaTek Group charged our Group for such services throughout the Track Record Period; (c) the manpower number and hours expected to be required by the Relevant MediaTek Group based on industry standard for the specifications of the solutions which we anticipate to demand the solution development services of the Relevant MediaTek Group during the three years ending December 31, 2026, 2027 and 2028; (d) the expected reduced demand by our Group for further development services with respect to non-core solutions of universal nature for the three years ending December 31, 2026, 2027 and 2028; and (e) the estimated consistent demand for such services during the three years ending December 31, 2026, 2027 and 2028, taking into account the prospects of our Group's businesses relating to such services.

INTERNAL CONTROL MEASURES

Our Group has an independent internal control, accounting and financial management system as well as an independent finance department which makes financial decisions according to our Group's own business needs.

In order to ensure that the terms under the Solution Development Services Framework Agreement for the Partially-Exempt Continuing Connected Transaction are fair and reasonable, and are carried out under normal commercial terms, we will adopt the following internal control and corporate governance measures:

- our Board (including our independent non-executive Directors) will be responsible for reviewing and evaluating the terms of the Solution Development Services Framework Agreement for the Partially-Exempt Continuing Connected Transaction (including any renewal thereof), in particular the pricing principles and annual caps, to ensure that such terms are fair and reasonable to our Group and compliant with relevant laws and regulations, our Group's internal policies and the Listing Rules;

- various internal departments of our Company (including but not limited to our finance department and legal department) will regularly monitor the implementation of the Partially-Exempt Continuing Connected Transaction and keep track of the aggregate transaction amounts under the Solution Development Services Framework Agreement to ensure that the pricing principles and annual caps contained therein are complied with;

- when determining the fees payable to the Relevant MediaTek Group by our Group under the Solution Development Services Framework Agreement, our Group will regularly research into prevailing market conditions and practices and make reference to the pricing and terms offered to our Group by Independent Third Parties for similar transactions, to ensure that the terms and conditions offered by the Relevant MediaTek Group are fair and reasonable and are no less favorable to our Group than those offered by other comparable Independent Third Parties;

- our independent non-executive Directors and auditors will conduct annual review of the Partially-Exempt Continuing Connected Transaction under the Solution Development Services Framework Agreement and provide annual confirmations in accordance with Rules 14A.55 and 14A.56 of the Listing Rules; and

- when considering any renewal or revisions to the Solution Development Services Framework Agreement after the [**REDACTED**], the interested Directors and Shareholders (if any) shall abstain from voting on the resolutions to approve such transaction at board meetings or shareholders' meetings (as applicable). If the independent Directors' or independent Shareholders' approvals (as applicable) cannot be obtained, we will not continue the transaction under the Solution Development Services Framework Agreement to the extent that it constitutes non-exempt or partially-exempt continuing connected transaction under Chapter 14A of the Listing Rules.

APPLICATION FOR WAIVER

As the above Partially-Exempt Continuing Connected Transaction is expected to be carried out on a recurring basis, our Directors (including our independent non-executive Directors) consider that strict compliance with the aforesaid announcement requirement will be impractical, and such requirement will lead to unnecessary administrative costs and create an onerous burden on our Group. In addition, our Directors (including the independent non-executive Directors) believe that it is in our Group's interests to continue the Partially-Exempt Continuing Connected Transaction after the [**REDACTED**].

Pursuant to Rule 14A.105 of the Listing Rules, we have applied for[, and the Stock Exchange has granted,] a waiver from strict compliance with the announcement requirement under Chapter 14A of the Listing Rules in respect of the Partially-Exempt Continuing Connected Transaction, subject to the condition that the aggregate amounts of the Partially-Exempt Continuing Connected Transaction for each financial year shall not exceed the relevant amounts set forth in the respective annual caps (as stated above).

Our independent non-executive Directors and auditors of our Company shall review whether the Partially-Exempt Continuing Connected Transaction has been entered into pursuant to the principal terms and pricing policies under the Solution Development Services Framework Agreement as disclosed in this section. The confirmation from our independent non-executive Directors and our auditors will be disclosed annually according to the requirements of the Listing Rules. Apart from the announcement requirement for which a waiver is sought, our Company will comply with the applicable requirements under Chapter 14A of the Listing Rules in relation to the Partially-Exempt Continuing Connected Transaction.

DIRECTORS' VIEW

Our Directors (including our independent non-executive Directors) consider that the Partially-Exempt Continuing Connected Transaction has been and will be carried out (i) in the ordinary and usual course of our business, (ii) on normal commercial terms or better, and (iii) in accordance with the terms that are fair and reasonable and in the interests of our Company and our Shareholders as a whole.

Our Directors (including our independent non-executive Directors) are also of the view that the proposed annual caps of the Partially-Exempt Continuing Connected Transaction are fair and reasonable and are in the interests of our Company and our Shareholders as a whole.

JOINT SPONSORS' VIEW

The Joint Sponsors have reviewed the relevant information and historical figures prepared and provided by our Company relating to the Partially-Exempt Continuing Connected Transaction. Based on the Joint Sponsors' due diligence, the Joint Sponsors are of the view that (i) the Partially-Exempt Continuing Connected Transaction has been and will be entered into in the ordinary and usual course of our business, on normal commercial terms or better, and is fair and reasonable and in the interests of our Company and our Shareholders as a whole, and (ii) that the proposed annual caps of the Partially-Exempt Continuing Connected Transaction are fair and reasonable and in the interests of our Company and our Shareholders as a whole.