

CONNECTED TRANSACTIONS

OVERVIEW

Our Group has entered into a number of agreements with parties who will, upon completion of [REDACTED], become our connected persons, and the transactions disclosed in this section will constitute continuing connected transactions of our Company under Chapter 14A of the Listing Rules upon [REDACTED].

OUR CONNECTED PERSONS

Our Group has entered into agreements with the following connected persons, the transactions contemplated under such agreements will constitute our continuing connected transactions upon [REDACTED]:

Connected persons	Connected relationship
Luxshare Precision (for itself and on behalf of the Luxshare Precision Group)	As of the Latest Practicable Date, Luxshare Precision was owned as to (i) approximately 37.21% by Luxshare Limited, a company owned as to 50% by Ms. Wang Laichun and 50% by Mr. Wang Laisheng; and (ii) approximately 0.27% by Mr. Wang Laisheng. Ms. Wang Laichun is our non-executive Director, chairlady of our Board and one of our Controlling Shareholders and Mr. Wang Laisheng is one of our Controlling Shareholders.
Time Interconnect (for itself and on behalf of its subsidiaries)	As of the Latest Practicable Date, Time Interconnect was owned as to approximately 61.84% by Luxshare Precision.
Luxshare Limited (for itself and on behalf of the Luxshare Limited Associates)	Luxshare Limited is owned as to 50% by Ms. Wang Laichun and 50% by Mr. Wang Laisheng. Ms. Wang Laichun is our non-executive Director, chairlady of our Board and one of our Controlling Shareholders and Mr. Wang Laisheng is one of our Controlling Shareholders.

SUMMARY OF OUR CONTINUING CONNECTED TRANSACTIONS

			Proposed annual caps for the years ending December 31,		
Continuing connected transactions	Applicable Listing Rules	Waiver sought	2026	2027	2028
(RMB in million)					
A.	Fully-exempt continuing connected transactions				
1.	Property Leasing Framework Agreement	14A.76(1)	N/A	2.1	2.1
2.	Receipt of Labor Services Framework Agreement	14A.76(1)	N/A	18.1	19.9
B.	Non-exempt continuing connected transactions (subject to the reporting, annual review and announcement requirements)				
1.	Products Supply Framework Agreements	14A.76(2)	Announcement	104.7	110.0
C.	Non-exempt continuing connected transactions (subject to the reporting, annual review, announcement, circular and independent Shareholders' approval requirements)				
1.	Products and Machinery Purchase Framework Agreements	—	Announcement, circular and independent Shareholders' approval	3,299.3	3,633.3
					3,980.1

CONNECTED TRANSACTIONS

Note:

Cowell is a non-wholly owned subsidiary of our Company. As Cowell is listed on the Main Board of the Stock Exchange (stock code: 1415), it is required to comply independently with the Listing Rules. Accordingly, Cowell it has entered into separate connected transaction agreements with each of its connected persons in accordance with the applicable Listing Rules requirements. As a result, the connected transaction agreements between our Company (for ourselves and on behalf of the Luxvisions Innovation Group) and our connected persons have been entered into separately and excludes the Cowell Group.

A. CONTINUING CONNECTED TRANSACTIONS FULLY EXEMPT FROM THE REPORTING, ANNUAL REVIEW, ANNOUNCEMENT, CIRCULAR AND INDEPENDENT SHAREHOLDERS’ APPROVAL REQUIREMENTS

1. Property Leasing Framework Agreement

On [•], 2026, our Company (for ourselves and on behalf of the Luxvisions Innovation Group) entered into a property leasing framework agreement (the “**Property Leasing Framework Agreement**”) with Luxshare Precision (for itself and on behalf of the Luxshare Precision Group), pursuant to which the Luxvisions Innovation Group agreed to lease certain premises to the Luxshare Precision Group for production and operation uses.

The Property Leasing Framework Agreement has a term commencing from the [REDACTED] to December 31, 2028, which may be renewed for a further term of not exceeding three years as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules. Relevant members of both parties shall enter into separate property leasing agreements setting out the specific terms and conditions based on the principles provided in the Property Leasing Framework Agreement.

Consideration and pricing policies

The fees to be paid by the Luxshare Precision Group to the Luxvisions Innovation Group for the lease of premises under the Property Leasing Framework Agreement shall be mainly determined based on arm’s length negotiations between the parties and with reference to, among others, the historical transaction amounts paid by the Luxshare Precision Group to the Luxvisions Innovation Group for the lease of the premises and the prevailing market rent of comparable properties in the proximity of the premises.

Historical transaction amounts

For each of the three years ended December 31, 2025 and the five months ended May 31, 2026, the total transaction amounts for the lease of the premises paid by the Luxshare Precision Group to the Luxvisions Innovation Group were RMB0.6 million, RMB1.2 million, RMB2.0 million and RMB0.8 million, respectively.

Annual caps

Our Directors estimate that the maximum transaction amount payable by the Luxshare Precision Group to the Luxvisions Innovation Group under the Property Leasing Framework Agreement for each of the three years ending December 31, 2028 will not exceed RMB2.1 million, RMB2.1 million and RMB2.1 million, respectively.

CONNECTED TRANSACTIONS

In arriving at the above annual caps, our Directors have considered the following reasonable factors: (i) the historical transaction amounts for the lease of premises during the Track Record Period; (ii) the geographical locations of the premises rent to the Luxshare Precision Group and the prevailing market rent of comparable properties in the proximity of the premises; and (iii) the estimated demand of the premises rent to the Luxshare Precision Group for the three years ending December 31, 2028.

Reasons for the transaction

Having considered (i) the leasing of premises can expand the source of revenue of our Group and optimize our Group’s resources utilization; and (ii) the continuing friendly business relationship between the Luxshare Precision Group and Luxvisions Innovation Group, we believe that the entering into of the Property Leasing Framework Agreement and the transactions contemplated thereunder are in the interest of our Company and our Shareholders as a whole.

Listing Rules implications

As each of the applicable percentage ratios (other than the profit ratio) under the Listing Rules in respect of the annual caps under the Property Leasing Framework Agreement is expected to be less than 5% on an annual basis and the total consideration is less than HK\$3,000,000, the transactions contemplated under the Property Leasing Framework Agreement for the corresponding period will be within the *de minimis* threshold provided under Rule 14A.76(1) of the Listing Rules and will, upon the [REDACTED], be fully exempt from the reporting, annual review, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

2. Receipt of Labor Services Framework Agreement

On December 29, 2025, Cowell (for itself and on behalf of the Cowell Group) entered into a receipt of labor services framework agreement (the “**Receipt of Labor Services Framework Agreement**”) with Luxshare Precision (for itself and on behalf of the Luxshare Precision Group), pursuant to which the Cowell Group will receive from the Luxshare Precision Group certain labor supporting services, including but not limited to labor of certain non-key positions in connection with the equipment and system maintenance and technical consulting services, as required by the Cowell Group from time to time.

The Receipt of Labor Services Framework Agreement has a term commencing from January 1, 2026 to December 31, 2028, which may be renewed for a further term of not exceeding three years as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules. Relevant members of both parties shall enter into separate receipt of labor services agreements setting out the specific terms and conditions based on the principles provided in the Receipt of Labor Services Framework Agreement.

Consideration and pricing policies

The fees to be paid by the Cowell Group to the Luxshare Precision Group under the Receipt of Labor Services Framework Agreement shall be mainly determined on the basis of the costs and expenses for providing such labor services according to the techniques and experience required for the relevant work tasks, plus a service markup of 6% of such costs and expenses.

CONNECTED TRANSACTIONS

Historical transaction amounts

For each of the three years ended December 31, 2025 and the five months ended May 31, 2026, the total transaction amounts for the receipt of labor services from the Luxshare Precision Group were RMB0.1 million, RMB4.5 million, RMB12.3 million and RMB9.0 million, respectively.

Annual caps

Our Directors estimate that the maximum transaction amount payable by the Cowell Group to the Luxshare Precision Group under the Receipt of Labor Services Framework Agreement for each of the three years ending December 31, 2028 will not exceed RMB18.1 million, RMB19.9 million and RMB21.9 million, respectively.

In arriving at the above annual caps, our Directors have considered the following reasonable factors: (i) the historical transaction amounts in relation to the labor services provided by the Luxshare Precision Group during the Track Record Period; (ii) the expected increase of approximately 50% in the transaction amount from 2025 to 2026, having considered (a) the Cowell Group’s plan to upgrade process automation and enhance its overseas production capacity, which will drive more demand for technical consulting, automation system development and maintenance services from the Luxshare Precision Group in 2026; and (b) the higher costs and expenses associated with labor services overseas and the level of techniques and experience required to upgrade process automation; (iii) the expected annual increase of approximately 10% in the transaction amount for each year from 2026 to 2028, having considered (a) the ongoing technical consulting and automation system maintenance services following the upgrade of process automation and procurement of automated machines; (b) the estimated costs and expenses of labor services; and (c) the potential fluctuation in foreign exchange rate.

Reasons for the transaction

It is the commitment of the Cowell Group to continuously enrich the product categories and accelerate process automation. Based on the potential orders under negotiation with the customers, the Cowell Group will regularly monitor our operational efficiency and evaluate the need for additional skilled and experienced labor with relevant technical and operational skills in order to meet the demand of such potential orders from time to time.

Having considered that (i) the exceptional technological capabilities of Luxshare Precision Group and labor with relevant technical and operational skills in the maintenance of automated equipment and system which would be required during our automation process; and (ii) the Receipt of Labor Services Framework Agreement can allow the Cowell Group to operate efficiently with additional labor services from skilled and experienced labor with relevant technical and operational skills as and when needed while saving the costs and time to search for, hire and handle direct employment of relevant talents in the long run when the actual demand of such labor services is yet to ascertain and/or no suitable candidates are readily available, we believe that the entering into of the Receipt of Labor Services Framework Agreement and the transactions contemplated thereunder are in the interest of our Company and our Shareholders as a whole.

Listing Rules implications

As each of the applicable percentage ratios (other than the profit ratio) under the Listing Rules in respect of the aggregated annual caps under the Receipt of Labor Services Framework Agreement is expected to be less than 0.1% on an annual basis, the transactions contemplated under the Receipt of Labor Services Framework Agreement will be within the *de minimis* threshold provided under Rule

CONNECTED TRANSACTIONS

14A.76 of the Listing Rules and will, upon the [REDACTED], be fully exempt from the reporting, annual review, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

B. CONTINUING CONNECTED TRANSACTIONS SUBJECT TO THE REPORTING, ANNUAL REVIEW AND ANNOUNCEMENT REQUIREMENTS BUT EXEMPT FROM THE CIRCULAR AND INDEPENDENT SHAREHOLDERS’ APPROVAL REQUIREMENTS

1. Products Supply Framework Agreements

(1) Luxvisions Innovation and Luxshare Precision Products Supply Framework Agreement

On June 26, 2026, our Company (for ourselves and on behalf of the Luxvisions Innovation Group) entered into a products supply framework agreement (the “**Luxvisions Innovation and Luxshare Precision Products Supply Framework Agreement**”) with Luxshare Precision (for itself and on behalf of the Luxshare Precision Group), pursuant to which the Luxvisions Innovation Group agreed to supply consumer electronics products, including smart camera modules and XR modules to the Luxshare Precision Group in accordance with its specifications and requirements from time to time.

The Luxvisions Innovation and Luxshare Precision Products Supply Framework Agreement has a term commencing from July 9, 2026 to December 31, 2028, which may be renewed for a further term of not exceeding three years as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules. Relevant members of both parties shall enter into separate products supply agreements setting out the specific terms and conditions based on the principles provided in the Luxvisions Innovation and Luxshare Precision Products Supply Framework Agreement.

Consideration and pricing policies

The fees to be paid by the Luxshare Precision Group to the Luxvisions Innovation Group for the purchases under the Luxvisions Innovation and Luxshare Precision Products Supply Framework Agreement shall be mainly determined based on arm’s length negotiations between the parties and with reference to, among others, the number and specifications of products purchased by the Luxshare Precision Group and the prevailing market price of similar products to be sold by independent third party vendors or by the Luxvisions Innovation Group to independent third party customers.

Historical transaction amounts

For each of the three years ended December 31, 2025 and the five months ended May 31, 2026, the total transaction amounts for the supply of products by the Luxvisions Innovation Group to the Luxshare Precision Group were RMB0.5 million, RMB9.1 million, RMB48.3 million and RMB39.2 million, respectively.

Annual caps

Our Directors estimate that the maximum transaction amount payable by the Luxshare Precision Group to the Luxvisions Innovation Group under the Luxvisions Innovation and Luxshare Precision Products Supply Framework Agreement for each of the three years ending December 31, 2028 will not exceed RMB100.0 million, RMB110.0 million and RMB121.0 million, respectively.

CONNECTED TRANSACTIONS

In arriving at the above annual caps, our Directors have considered the following reasonable factors: (i) the historical transaction amounts for the purchase of products for the Track Record Period, representing a 430.8% increase from 2024 to 2025; (ii) the expected demand of the relevant products required by the Luxshare Precision Group which is based on the current discussion between the Luxshare Precision Group and their customers and the business and production plan of the Luxshare Precision Group and is expected to increase due to the mass production of new products. In particular, the Luxvisions Innovation Group has been supplying substantial volume of XR modules to the Luxshare Precision Group since June 2025 for their production of XR smart devices. Specifically, the Luxvisions Innovation Group supplied less than 5,000 XR modules to the Luxshare Precision Group in the first half of 2025 and more than 50,000 XR modules in the second half of 2025, reflecting the substantial increase in the demand of XR modules since the second half of 2025. It is expected that the demand for the relevant products for 2026 will continue the growth trend observed since the second half of 2025 as compared to the historical demand; (iii) an expected annual increase of 10% in the transaction amounts from 2026 to 2028, having considered the (a) the Luxshare Precision Group’s growing revenue at an approximate annual rate of 23.6% from 2024 to 2025; (b) potential fluctuations in foreign exchange rates; and (c) potential fluctuations in raw material costs for the production of the relevant products, which may impact supply prices; (iv) the estimated costs of production of the required products; and (v) the estimated market price of the required products.

(2) Luxvisions Innovation and Luxshare Limited Products Supply Framework Agreement

On [•], 2026, our Company (for ourselves and on behalf of the Luxvisions Innovation Group) entered into a products supply framework agreement (the “**Luxvisions Innovation and Luxshare Limited Products Supply Framework Agreement**”) with Luxshare Limited (for itself and on behalf of the Luxshare Limited Associates), pursuant to which the Luxvisions Innovation Group agreed to supply to the Luxshare Limited Associates products including but not limited to automotive camera modules, in accordance with the specifications and requirements by the Luxshare Limited Associates from time to time.

The Luxvisions Innovation and Luxshare Limited Products Supply Framework Agreement has a term commencing from the [REDACTED] to December 31, 2026, which may be renewed for a further term of not exceeding three years as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules. Relevant members of both parties shall enter into separate products supply agreements setting out the specific terms and conditions based on the principles provided in the Luxvisions Innovation and Luxshare Limited Products Supply Framework Agreement.

Consideration and pricing policies

The fees to be paid by the Luxshare Limited Associates to the Luxvisions Innovation Group for the purchases under the Luxvisions Innovation and Luxshare Limited Products Supply Framework Agreement shall be mainly determined based on arm’s length negotiations between the parties and with reference to, among others, the number and specifications of products purchased by the Luxshare Limited Associates and the prevailing market price of similar products to be sold by independent third party vendors or by the Luxvisions Innovation Group to independent third party customers.

Historical transaction amounts

For each of the three years ended December 31, 2025 and the five months ended May 31, 2026, the total transaction amounts for the supply of products by the Luxvisions Innovation Group to the Luxshare Limited Associates were RMB93.5 million, RMB36.5 million, RMB13.5 million and RMB0.7

CONNECTED TRANSACTIONS

million, respectively. The decrease in the transaction amount since 2024 was primarily attributable to the change in the requirements of a major customer who required the Luxvisions Innovation Group to supply automotive camera modules to the customer’s assembly plant directly instead of supplying to the Luxshare Limited Associates for assembly.

Annual caps

Our Directors estimate that the maximum transaction amount payable by the Luxshare Limited Associates to the Luxvisions Innovation Group under the Luxvisions Innovation and Luxshare Limited Products Supply Framework Agreement for the year ending December 31, 2026 will not exceed RMB4.7 million.

In arriving at the above annual caps, our Directors have considered the following reasonable factors: (i) the historical transaction amounts for the purchase of products during the Track Record Period; (ii) the expected decrease in the supply of automotive camera modules to the Luxshare Limited Associates due to the change in the requirements of a major customer; (iii) the estimated costs of production of the required products; and (iv) the estimated market price of the required products.

Aggregation

Since the Luxvisions Innovation and Luxshare Precision Products Supply Framework Agreement and the Luxvisions Innovation and Luxshare Limited Products Supply Framework Agreement (the “**Products Supply Framework Agreements**”) are similar in nature, the transactions under the Products Supply Framework Agreements should be aggregated pursuant to Rule 14A.81 of the Listing Rules.

The aggregated annual cap amounts for the three years ending December 31, 2028 in respect of the Products Supply Framework Agreements are as follows:

	For the year ending December 31,		
	2026	2027	2028
	RMB million	RMB million	RMB million
Annual caps			
Luxvisions Innovation and Luxshare Precision Products Supply Framework Agreement	100.0	110.0	121.0
Luxvisions Innovation and Luxshare Limited Products Supply Framework Agreement . . .	4.7	N/A	N/A
Aggregate	104.7	110.0	121.0

As each of the applicable percentage ratios (other than the profit ratio) under the Listing Rules in respect of the aggregated annual caps under the Products Supply Framework Agreements is expected to be more than 0.1% but less than 5% on an annual basis, the transactions contemplated under the Products Supply Framework Agreements constitute continuing connected transactions for our Company which will, upon the [REDACTED], be subject to the reporting, annual review and announcement requirements but exempt from the circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

CONNECTED TRANSACTIONS

Reasons for the transactions

Having considered (i) the supply of products can expand the source of revenue of our Group and broaden our customer base as well as the sale network for our products; and (ii) the continuing friendly business relationship between the Luxshare Precision Group, the Luxshare Limited Associates and our Group, we believe that the entering into of the Products Supply Framework Agreements and the transactions contemplated thereunder are in the interest of our Company and our Shareholders as a whole.

C. CONTINUING CONNECTED TRANSACTIONS SUBJECT TO THE REPORTING, ANNUAL REVIEW, ANNOUNCEMENT, CIRCULAR AND INDEPENDENT SHAREHOLDERS’ APPROVAL REQUIREMENTS

1. Products and Machines Purchase Framework Agreements

(1) Cowell and Luxshare Precision Products and Machines Purchase Framework Agreement

On September 29, 2025, Cowell (for itself and on behalf of the Cowell Group) entered into a products and machines purchase framework agreement (the “**Cowell and Luxshare Precision Products and Machines Purchase Framework Agreement**”) with Luxshare Precision (for itself and on behalf of the Luxshare Precision Group), pursuant to which the Cowell Group agreed to purchase from the Luxshare Precision Group consumer electronics products and manufacturing equipment, including voice coil motors and automated machines, in accordance with its specifications and requirements from time to time.

The Cowell and Luxshare Precision Products and Machines Purchase Framework Agreement has a term commencing from the January 1, 2026 to December 31, 2028, which may be renewed for a further term of not exceeding three years as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules. Relevant members of both parties shall enter into separate products and machines purchase agreements setting out the specific terms and conditions based on the principles provided in the Cowell and Luxshare Precision Products and Machines Purchase Framework Agreement.

Consideration and pricing policies

The fees to be paid by the Cowell Group to the Luxshare Precision Group for the purchases under the Cowell and Luxshare Precision Products and Machines Purchase Framework Agreement shall be mainly determined based on arm’s length negotiations between the parties and with reference to, among others, the number and specifications of products and machines to be purchased by the Cowell Group and the prevailing market price of similar products to be sold by independent third party vendors or by the Luxshare Precision Group to independent third party customers.

Historical transaction amounts

For each of the three years ended December 31, 2025 and the five months ended May 31, 2026, the total transaction amounts for the purchase of products and machines by the Cowell Group from the Luxshare Precision Group were RMB57.3 million, RMB1,672.1 million, RMB2,042.9 million and RMB824.5 million, respectively. The increase in the transaction amount since 2024 was primarily attributable to the launch of new products which led to an increase in the demand for voice coil motors.

CONNECTED TRANSACTIONS

Annual caps

Our Directors estimate that the maximum transaction amount payable by the Cowell Group to the Luxshare Precision Group under the Cowell and Luxshare Precision Products and Machines Purchase Framework Agreement for each of the three years ending December 31, 2028 will not exceed RMB3,027.2 million, RMB3,330.0 million and RMB3,663.0 million, respectively.

In arriving at the above annual caps, our Directors have considered the following reasonable factors: (i) the historical transaction amounts for the purchase of products and machines during the Track Record Period. In particular, the increase in the transaction amount since 2024 was primarily attributable to the launch of new products which led to an increase in the purchase units of voice coil motor products for the production of front-end and rear-end camera modules; (ii) the expected increase in the demand of the relevant products including voice coil motors and automated machines required by the Cowell Group based on the average monthly transaction amount of approximately RMB250 million in the second half of 2025 and the latest product design, development and production plan of the Cowell Group; (iii) an expected annual increase of 10% in the transaction amounts from 2026 to 2028, having considered (a) the Cowell Group’s growing revenue at an annual rate of 40.3% from 2024 to 2025; (b) potential fluctuations in foreign exchange rates; and (c) potential fluctuations in raw material costs for the production of the relevant products, which may impact purchase prices; (iv) the estimated costs of production of the required products; (v) the estimated market price of the required products; and (vi) a buffer of 10% was applied to the estimated transaction amounts for the three years ending December 31, 2028 to accommodate any unexpected increase in the demands on the products and machines, unexpected increase in the costs of the products and machines and any unexpected change such as advancement of the product launch cycle of the customers of the Cowell Group.

(2) Luxvisions Innovation and Luxshare Precision Products and Machines Purchase Framework Agreement

On June 26, 2026, our Company (for ourselves and on behalf of the Luxvisions Innovation Group) entered into a products and machines purchase framework agreement (the “**Luxvisions Innovation and Luxshare Precision Products and Machines Purchase Framework Agreement**”) with Luxshare Precision (for itself and on behalf of the Luxshare Precision Group), pursuant to which the Luxvisions Innovation Group agreed to purchase from the Luxshare Precision Group consumer electronics products, industrial equipment and electronic components, including automated machines, cables and connectors in accordance with its specifications and requirements from time to time.

The Luxvisions Innovation and Luxshare Precision Products and Machines Purchase Framework Agreement has a term commencing from July 9, 2026 to December 31, 2028, which may be renewed for a further term of not exceeding three years as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules. Relevant members of both parties shall enter into separate products and machines purchase agreements setting out the specific terms and conditions based on the principles provided in the Luxvisions Innovation and Luxshare Precision Products and Machines Purchase Framework Agreement.

Consideration and pricing policies

The fees to be paid by the Luxvisions Innovation Group to the Luxshare Precision Group for the purchases under the Luxvisions Innovation and Luxshare Precision Products and Machines Purchase Framework Agreement shall be mainly determined based on arm’s length negotiations between the parties and with reference to, among others, the number and specifications of products and machines to

CONNECTED TRANSACTIONS

be purchased by the Luxvisions Innovation Group and the prevailing market price of similar products to be sold by independent third party vendors or by the Luxshare Precision Group to independent third party customers.

Historical transaction amounts

For each of the three years ended December 31, 2025 and the five months ended May 31, 2026, the total transaction amounts for the purchase of products and machines by the Luxvisions Innovation Group from the Luxshare Precision Group were RMB132.9 million, RMB189.3 million, RMB196.2 million and RMB119.2 million, respectively.

Annual caps

Our Directors estimate that the maximum transaction amount payable by the Luxvisions Innovation Group to the Luxshare Precision Group under the Luxvisions Innovation and Luxshare Precision Products and Machines Purchase Framework Agreement for each of the three years ending December 31, 2028 will not exceed RMB262.1 million, RMB288.3 million and RMB317.1 million, respectively.

In arriving at the above annual caps, our Directors have considered the following reasonable factors: (i) the historical transaction amounts for the purchase of products and machines during the Track Record Period; (ii) the expected demand of the relevant products and machines required by the Luxvisions Innovation Group. In particular, the demand of automated machines is estimated to increase due to the plan of the Luxvisions Innovation Group to accelerate process automation to upgrade its production capacity. It is expected that the Luxshare Precision Group will supply automated machines to 20 projects of the Luxvisions Innovation Group with an average automation upgrade related fee of RMB13 million for 2026; (iii) an expected annual increase of 10% in the transaction amounts from 2026 to 2028, having considered (a) the Luxvisions Innovation Group’s growing revenue; (b) potential fluctuations in foreign exchange rates; and (c) potential fluctuations in raw material costs for the production of the relevant products, which may impact supply prices; (iv) the estimated costs of production of the required products; and (v) the estimated market price of the required products.

(3) Luxvisions Innovation and Time Interconnect Products Purchase Framework Agreement

On May 6, 2025, our Company (for ourselves and on behalf of the Luxvisions Innovation Group) entered into a products purchase framework agreement (the “**Luxvisions Innovation and Time Interconnect Products Purchase Framework Agreement**”) with Time Interconnect (for itself and on behalf of the Time Interconnect Group), pursuant to which the Luxvisions Innovation Group agreed to purchase from the Time Interconnect Group consumer electronics products, including fiber optic jumper, in accordance with its specifications and requirements from time to time.

The Luxvisions Innovation and Time Interconnect Products Purchase Framework Agreement has a term commencing from May 6, 2025 to December 31, 2027, which may be renewed for a further term of not exceeding three years as the parties may mutually agree, subject to compliance with the requirements under Chapter 14A of the Listing Rules. Relevant members of both parties shall enter into separate products purchase agreements setting out the specific terms and conditions based on the principles provided in the Luxvisions Innovation and Time Interconnect Products Purchase Framework Agreement.

CONNECTED TRANSACTIONS

Consideration and pricing policies

The terms of the sales shall be determined with reference to prevailing market terms for similar products. In particular, the prices will be determined based on the standard price range of the relevant products set by the Time Interconnect Group and the Luxvisions Innovation Group in accordance with their pricing policies. If a standard price range does not exist, pricing should be determined on a cost-plus basis, which is determined by the direct costs of producing the products (including materials, labor, utilities, equipment depreciation and subcontracting fees, if any) plus a profit margin to be agreed upon.

Historical transaction amounts

For each of the three years ended December 31, 2025 and the five months ended May 31, 2026, the total transaction amounts for the purchase of products by the Luxvisions Innovation Group from the Time Interconnect Group were nil, RMB0.09 million, RMB0.8 million and RMB0.8 million, respectively.

Annual caps

Our Directors estimate that the maximum transaction amount payable by the Luxvisions Innovation Group to the Time Interconnect Group under the Luxvisions Innovation and Time Interconnect Products Purchase Framework Agreement for each of the two years ending December 31, 2027 will not exceed HK\$10.0 million and HK\$15.0 million, respectively.

In arriving at the above annual caps, our Directors have considered: (i) the expected demand of the relevant products including fiber optic jumper required by the Luxvisions Innovation Group for a new project currently in its pilot production phase. The Luxvisions Innovation Group began procuring fiber optic jumper from the Time Interconnect Group in November 2025 for this project, with a total transaction amount of RMB0.8 million for the two months ended December 31, 2025; (ii) the expected substantial increase in the demand of the relevant products from 2026 based on the latest product design, development and production plan of the Luxvisions Innovation Group and its customers, as the new project is expected to commence mass production in the second half of 2026; and (iii) the expected prices of the relevant products, exchange rate as well as the inflation.

Aggregation

Since the Cowell and Luxshare Precision Products and Machines Purchase Framework Agreement, the Luxvisions Innovation and Luxshare Precision Products and Machines Purchase Framework Agreement and the Luxvisions Innovation and Time Interconnect Products Purchase Framework Agreement (the “**Products and Machines Purchase Framework Agreements**”) are similar in nature, the transactions under the Products and Machines Purchase Framework Agreements should be aggregated pursuant to Rule 14A.81 of the Listing Rules.

CONNECTED TRANSACTIONS

The aggregated annual cap amounts for the three years ending December 31, 2028 in respect of the Products and Machines Purchase Framework Agreements are as follows:

	For the year ending December 31,		
	2026	2027	2028
	RMB million	RMB million	RMB million
Annual caps			
Cowell and Luxshare Precision Products and Machines Purchase Framework Agreement .	3,027.2	3,330.0	3,663.0
Luxvisions Innovation and Luxshare Precision Products and Machines Purchase Framework Agreement	262.1	288.3	317.1
Luxvisions Innovation and Time Interconnect Products Purchase Framework Agreement . .	10.0 ⁽¹⁾	15.0 ⁽¹⁾	N/A
Aggregate	3,299.3	3,633.3	3,980.1

Note:

- (1) The amounts of annual caps under the Luxvisions Innovation and Time Interconnect Products Purchase Framework Agreement are in Hong Kong dollars, which are included in the aggregated annual cap amounts without taking into account of exchange rate between HKD and RMB due to the fluctuations in exchange rate.

As one or more of the applicable percentage ratios (other than the profit ratio) under the Listing Rules in respect of the aggregated annual caps under the Products and Machines Purchase Framework Agreements is expected to be more than 5% on an annual basis, the transactions contemplated under the Products and Machines Purchase Framework Agreements constitute continuing connected transactions for our Company which will, upon the [REDACTED], be subject to the reporting, annual review, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Reasons for the transactions

Having considered (i) our Group has been purchasing the relevant products and/or machines from the Luxshare Precision Group and the Time Interconnect Group for our production; (ii) the products and/or machines purchased from the Luxshare Precision Group and the Time Interconnect Group are of high and stable quality; and (iii) the continuing friendly business relationship between the Luxshare Precision Group, the Time Interconnect Group and our Group, we believe that the entering into of the Products and Machines Purchase Framework Agreements and the transactions contemplated thereunder enable our Group to procure the relevant products and machines in high and stable quality standards that meet our specific requirements through a reliable source, thereby saving time and costs for us in sourcing such products and machines as required, and are in the interest of our Company and our Shareholders as a whole.

APPLICATION FOR WAIVER

The transactions described in “— (B) Continuing Connected Transactions subject to the Reporting, Annual Review and Announcement Requirements but exempt from the Circular and Independent Shareholders’ Approval Requirements” in this section constitutes our continuing connected transactions under the Listing Rules, which are subject to the reporting, annual review and announcement requirements but exempt from the circular and independent Shareholders’ approval requirements of the Listing Rules.

CONNECTED TRANSACTIONS

The transactions described in “— (C) Continuing Connected Transactions subject to the Reporting, Annual Review, Announcement, Circular and Independent Shareholders’ Approval Requirements” in this section constitutes our continuing connected transactions under the Listing Rules, which are subject to the reporting, annual review, announcement, circular and independent Shareholders’ approval requirements of the Listing Rules.

In respect of these continuing connected transactions, pursuant to Rule 14A.105 of the Listing Rules, we have applied for, and the Stock Exchange [has granted], waivers exempting us from strict compliance with (i) the announcement requirement under Chapter 14A of the Listing Rules in respect of the continuing connected transactions as disclosed in “— (B) Continuing Connected Transactions subject to the Reporting, Annual Review and Announcement Requirements but exempt from the Circular and Independent Shareholders’ Approval Requirements” in this section; and (ii) the announcement, circular and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules in respect of the continuing connected transactions as disclosed in “— (C) Continuing Connected Transactions subject to the Reporting, Annual Review, Announcement, Circular and Independent Shareholders’ Approval Requirements” in this section, subject to the condition that the aggregate amounts of the continuing connected transactions for each financial year shall not exceed the relevant amounts set forth in the respective annual caps (as stated above).

Apart from the above waivers sought on the strict compliance of the announcement requirement, we will comply with the relevant requirements under Chapter 14A of the Listing Rules. In the event of any future amendments to the Listing Rules imposing more stringent requirements than those applicable as of the Latest Practicable Date on the continuing connected transaction referred to in this document, we will take immediate steps to ensure compliance with such new requirements within a reasonable time.

DIRECTORS’ VIEWS

Our Directors (including our independent non-executive Directors) consider that all the non-exempt continuing connected transactions as set out above have been and will be carried out: (i) in the ordinary and usual course of our business; (ii) on normal commercial terms; and (iii) in accordance with the respective 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 annual caps of the non-exempt continuing connected transactions are fair and reasonable and are in the interests of our Shareholders as a whole.

JOINT SPONSORS’ VIEW

Based on (i) the relevant documents and information provided by our Company in relation to the aforesaid non-exempt continuing connected transactions; (ii) the confirmation from our Directors disclosed above; and (iii) their participation in the due diligence and discussions with the management of our Company, the Joint Sponsors are of the view (i) that the non-exempt continuing connected transactions described in “B. Non-exempt continuing connected transactions (subject to the reporting, annual review and announcement requirements)” and “C. Non-exempt continuing connected transactions (subject to the reporting, annual review, announcement, circular and independent Shareholders’ approval requirements)” have been entered into in the ordinary and usual course of our business, on normal commercial terms, and are fair and reasonable and in the interests of our Company and our Shareholders as a whole; and (ii) that the proposed annual caps (where applicable) of the non-exempt continuing connected transactions are fair and reasonable and in the interests of our Company and our Shareholders as a whole.