Company	:	SKYECHIP BERHAD
Stock Name	:	SKYECHIP
Subject	:	MEMORANDUM OF UNDERSTANDING
Description	:	SKYECHIP BERHAD MEMORANDUM OF UNDERSTANDING WITH SIPEARL SAS

1. INTRODUCTION

The Board of Directors of SkyeChip Berhad ("**SkyeChip**" or "**Company**") ("**Board**") wishes to announce that the Company had, on 17 November 2026, entered into a Memorandum of Understanding with SiPearl SAS ("**SiPearl**") ("**MOU**").

The MOU sets out the framework for the proposed collaboration between SkyeChip and SiPearl to jointly define, develop and commercialise a compute platform based on Arm Limited's ("**Arm**") compute subsystem N4 ("**Arm CSS N4**") through a joint venture company to be incorporated in Malaysia ("**JV**") ("**Project**"). It also provides for SkyeChip to evaluate a potential strategic equity investment in SiPearl.

2. INFORMATION ON SIPEARL

SiPearl is a France-based fabless integrated circuit design house that designs sovereign European server processors. Its 80-core Arm Neoverse V1-based processor, Rhea1, was powered on in May 2026 and will equip the JUPITER exascale supercomputer.

3. SALIENT TERMS OF THE MOU

The salient terms of the MOU are set out below:

(a) **Scope of collaboration**

The Project is intended to combine SiPearl's system-level expertise with SkyeChip's intellectual property ("**IP**") and silicon development capabilities, while widening market access for SkyeChip's and SiPearl's (collectively, the "**Parties**" and each, a "**Party**") products.

Together, these complementary capabilities are intended to enable a differentiated platform, including the lead processor chip and system solutions, with accelerated development, lower cost and access to two home markets. The specific allocation of tasks between the Parties will be defined in the definitive transaction agreement(s).

(b) **Formation of JV**

The JV is contemplated to be majority owned by SkyeChip, with SkyeChip holding 51% and SiPearl holding 49%. The JV will hold the Arm CSS N4 licence and carry out the Project. The Parties target to incorporate the JV by December 2026, subject to the approval of each Party's Board of Directors.

(c) **Licence for Arm CSS N4 ("Licence")**

The JV (or SkyeChip in the name and on behalf of the JV, pending the JV's incorporation) will apply to the relevant Malaysian authorities in relation to the Licence, targeted for submission by 15 December 2026. SkyeChip will lead the engagement with Arm and the relevant authorities on the Licence, while SiPearl will lead the engagement with the relevant European Union and French bodies.

If the Licence is not granted by 30 June 2027 and the Parties fail to agree on alternatives within 30 days, either Party may terminate the MOU, in which case the JV will be deregistered.

(d) **Technical development**

Upon obtaining the Licence on terms acceptable to the Parties, acting reasonably, the Parties will (i) define the joint platform specification and carry out an IP fit assessment; (ii) undertake joint silicon development through the JV; and (iii) proceed through the JV to production, including design tape-out and post-silicon activities.

(e) **Engineering resources**

The Parties will contribute qualified engineering personnel and technical expertise to the Project through the JV, leveraging their respective experience in Arm technologies, core competencies and track record in integrated circuit design, in compliance with applicable export and trade control regulations.

Before the submission of the application for the Licence ("**Application**"), the initial team composition, including manpower contributions, relevant technical experience and respective responsibilities, will be jointly defined and agreed through a steering committee led by both Chief Executive Officers which shall meet on a bi-weekly basis, for inclusion in the Application.

(f) **Proposed investment in SiPearl ("Proposed Investment")**

SkyeChip will separately evaluate participating in SiPearl's Series B funding round through a strategic equity investment, subject to satisfactory due diligence, agreement on valuation and investor rights, and the necessary Board and regulatory approvals. The Project is not conditional on the Proposed Investment.

(g) **Definitive transaction agreement(s)**

The Parties intend to negotiate the definitive transaction agreement(s) within 90 days from the date of the MOU.

(h) **Cooperation**

The Parties shall cooperate in good faith and, subject to the prior approval of their respective Boards of Directors, incorporate the JV on the basis of a shareholders' term sheet and proceed with the Application, ahead of the definitive transaction agreement(s). The amounts and timing of the staged capitalisation of the JV will be agreed in the shareholders' term sheet. The JV's share capital upon incorporation will be set at the legal minimum required by law.

(i) **Confidentiality**

Information exchanged between the Parties will remain confidential and is governed by their existing non-disclosure agreement (as amended). No public announcement may be made without prior mutual consent, subject to the applicable disclosure requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Listing Requirements**").

(j) **Exclusivity**

During the term of the MOU, neither Party shall, alone or with any third party, apply for or support any application for a licence for Arm CSS sponsored by Malaysian authorities other than through the JV. SiPearl shall also not do so for 12 months following the termination of the MOU, other than together with SkyeChip.

(k) **Non-binding nature**

The MOU is non-binding in nature, save for certain provisions of the MOU, which include the provisions relating to IP, cooperation, costs, confidentiality, public announcements, governing law and dispute resolution, exclusivity, termination and non-solicitation.

(l) **Governing law and dispute resolution**

The MOU shall be governed by the laws of Singapore, with disputes to be resolved by arbitration at the Singapore International Arbitration Centre.

(m) **Termination**

The MOU will remain in effect for 36 months and may be terminated by either Party on 30 days' written notice.

4. RATIONALE FOR THE MOU

The MOU serves as a framework for strategic collaboration, allowing SkyeChip to combine SiPearl's system-level expertise with its IP and silicon development capabilities to jointly develop a compute platform based on Arm CSS N4, while widening market access for the Parties' products.

The Board believes that the collaboration will strengthen the profile of SkyeChip and its subsidiaries ("**SkyeChip Group**" or "**Group**") and, barring any unforeseen circumstances, is expected to contribute positively to the future growth of the Group.

5. FINANCIAL EFFECTS

The MOU is not expected to have any immediate or material effect on the earnings per share, net assets per share and gearing of the Group for the financial year ending 31 March 2027, and will not have any effect on the issued and paid-up share capital as well as shareholdings of the substantial shareholders of the Company as the MOU will not involve the issuance of any securities of the Company.

Any potential financial effects arising from the Project will depend on the terms of the shareholders' term sheet and/or definitive transaction agreement(s) to be entered into by the Parties.

6. RISK FACTORS

The Board is not aware of any material potential risk arising from the MOU as it is non-binding in nature (save for certain provisions of the MOU) and does not impose any material financial or operational obligations on the Company at this juncture. The risks associated with the Project will be addressed through the terms of the shareholders' term sheet and/or the definitive transaction agreement(s) to be entered into between the Parties.

7. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND/OR PERSONS CONNECTED WITH THEM

None of the directors and major shareholders of the Company, as well as persons connected with them have any interest, direct or indirect, in the MOU.

8. DIRECTORS' STATEMENT

The Board, after taking into consideration all aspects of the MOU, is of the opinion that the MOU is in the best interest of the Company.

9. APPROVALS REQUIRED

The execution of the MOU does not require the approval of the shareholders of the Company or any relevant authorities. The implementation of the Project or the execution of the definitive transaction agreement(s) may be subject to the relevant approvals being obtained, where applicable. The Company will make further announcements on any material developments in accordance with the Listing Requirements.

10. DOCUMENTS AVAILABLE FOR INSPECTION

The MOU is available for inspection at the registered office of the Company at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang during normal office hours from Mondays to Fridays (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 17 November 2026.