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SKYWORTH
SKYWORTH GROUP LIMITED
創維集團有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 00751)

**CLOSE AND RESULTS
OF THE CASH OFFER
BY DBS ASIA CAPITAL LIMITED
ON BEHALF OF SKYWORTH GROUP LIMITED
TO BUY-BACK UP TO 392,800,000 SHARES
AT HK\$2.80 PER SHARE**

Financial Adviser to the Company



The Company announces that the Offer has closed at the Latest Acceptance Time, being 4:00 p.m. (Hong Kong time) on Thursday, 3 September 2020. As at the Latest Acceptance Time, valid acceptances in respect of a total of 755,800,700 Shares, i.e. the Tendered Shares, were received by the Registrar from the Accepting Shareholders under the Offer, representing approximately 24.69% of the total number of issued Shares as at the date of this announcement and approximately 192.41% of the maximum number of 392,800,000 Shares to be bought-back by the Company under the Offer.

As the Shares tendered under the Offer exceeded the Maximum Number, the total number of Shares to be bought-back by the Company from each Accepting Shareholder will be determined in accordance with the formula set out in the Offer Document. A total of 392,800,000 Shares, being the Maximum Number, will be bought back by the Company on Completion, which is expected to take place on Monday, 14 September 2020. The total consideration payable by the Company for buying back the said Shares pursuant to the Offer is HK\$1,099.84 million.

Immediately after Completion, the aggregate interests of the Wong Concert Party Group in the issued Shares will be increased from approximately 40.88% to approximately 46.90% (assuming no Share Options have been exercised on or before the date of Completion) and to approximately 44.84% (assuming all Share Options have been fully exercised on or before the date of Completion), respectively.

The Registrar will send, by ordinary post at the Accepting Shareholder's own risk, a remittance for such total amount due to the individual Accepting Shareholder under the Offer (subject to deduction of the seller's ad valorem stamp duty payable on the Shares bought-back from such Accepting Shareholder) and, if the Shares of the Accepting Shareholder have not been bought-back by the Company in full, the Title Documents in respect of the balance of such Shares or a replaced certificate therefor, within 7 Business Days after the close of the Offer, i.e. on or before Monday, 14 September 2020.

References are made to (i) the offer document (the “**Offer Document**”) of Skyworth Group Limited (the “**Company**”) dated 27 July 2020 in relation to the Offer and the application for the Whitewash Waiver, and (ii) the announcement of the Company dated 20 August 2020 in relation to the poll results of the adjourned SGM (the “**Poll Results Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Offer Document.

As disclosed in the Poll Results Announcement, following approval of the Independent Shareholders for the Offer and the Whitewash Waiver at the adjourned SGM, the Offer has become unconditional on Thursday, 20 August 2020 and would remain open for acceptance for a period of 14 days thereafter. The Offer has closed at 4:00 p.m. on Thursday, 3 September 2020.

CLOSE AND RESULTS OF THE OFFER

The Company announces that the Offer has closed at 4:00 p.m. (Hong Kong time) on Thursday, 3 September 2020 (the “**Latest Acceptance Time**”). As at the Latest Acceptance Time, valid acceptances in respect of a total of 755,800,700 Shares (the “**Tendered Shares**”) were received by the Registrar from the Accepting Shareholders under the Offer, representing approximately 24.69% of the total number of issued Shares as at the date of this announcement and approximately 192.41% of the maximum number of 392,800,000 Shares to be bought-back by the Company under the Offer.

As the Shares tendered under the Offer exceeded the Maximum Number, the total number of Shares to be bought-back by the Company from each Accepting Shareholder will be determined in accordance with the below formula:

$$\frac{A}{B} \times C$$

A = 392,800,000, being the Maximum Number

B = Total number of Shares tendered by all Accepting Shareholders under the Offer

C = Total number of Shares tendered by the relevant individual Accepting Shareholder under the Offer

As a result, a total of 392,800,000 Shares, being the Maximum Number, will be bought back by the Company. The total consideration payable by the Company for buying back the said Shares pursuant to the Offer is HK\$1,099.84 million. The completion of the Offer upon cancellation of the Shares bought-back by the Company (the “**Completion**”) is expected to take place on Monday, 14 September 2020.

SHAREHOLDING STRUCTURE OF THE COMPANY

The table below shows the shareholding structure of the Company (i) as at the date of this announcement and after the close of the Offer but prior to Completion, which is expected to take place on Monday, 14 September 2020; (ii) immediately after Completion (assuming no Share Options have been exercised on or before the date of Completion); and (iii) immediately after Completion (assuming all Share Options have been exercised on or before the date of Completion):

Name of Shareholder	As at the date of this announcement and after the close of the Offer but prior to Completion		Immediately after Completion (assuming no Share Options have been exercised on or before the date of Completion)		Immediately after Completion (assuming all Share Options have been fully exercised on or before the date of Completion)	
	Number of Shares	Approx. %	Number of Shares	Approx. %	Number of Shares	Approx. %
Wong Concert Party Group						
Target Success (Note 1)	1,200,958,799	39.23	1,200,958,799	45.01	1,200,958,799	43.03
Mr. Wong (Note 2)	37,300,000	1.22	37,300,000	1.40	37,300,000	1.34
Ms. Lin (Note 3)	9,160,382	0.30	9,160,382	0.34	9,160,382	0.33
Mr. Lin (Note 4)	3,898,719	0.13	3,898,719	0.15	3,898,719	0.14
Sub-total	<u>1,251,317,900</u>	<u>40.88</u>	<u>1,251,317,900</u>	<u>46.90</u>	<u>1,251,317,900</u>	<u>44.84</u>
Undertaking Directors (apart from Mr. Lin) and Ms. Tang Yan						
Mr. Lai Weide (Note 5)	6,002,000	0.20	6,002,000	0.22	26,002,000	0.93
Mr. Liu Tangzhi (Note 6)	7,884,675	0.26	7,884,675	0.30	17,884,675	0.64
Mr. Shi Chi (Note 7)	5,184,825	0.17	5,184,825	0.19	5,184,825	0.19
Ms. Tang Yan (Note 8)	5,446,466	0.18	5,446,466	0.20	5,446,466	0.20
Mr. Lam Shing Choi, Eric (Note 9)	2,000,000	0.07	2,000,000	0.07	4,000,000	0.14
Mr. Li Weibin (Note 10)	1,000,000	0.03	1,000,000	0.04	1,000,000	0.04
Other Shareholders	<u>1,782,093,554</u>	<u>58.22</u>	<u>1,389,293,554</u>	<u>52.07</u>	<u>1,479,891,554</u>	<u>53.03</u>
Total	<u><u>3,060,929,420</u></u>	<u><u>100.00</u></u>	<u><u>2,668,129,420</u></u>	<u><u>100.00</u></u>	<u><u>2,790,727,420</u></u>	<u><u>100.00</u></u>

Notes:

- 1,200,958,799 Shares are held by Target Success in its capacity as trustee of the Skysource Unit Trust in which all of the units and issued shares of Target Success are held by Mr. Wong. As such, Mr. Wong is deemed to be interested in those 1,200,958,799 Shares.
- Mr. Wong is interested in 1,247,419,181 Shares, which comprise 37,300,000 Shares held by himself, the deemed interests in 1,200,958,799 Shares held by Target Success and the deemed interests in 9,160,382 Shares held by his spouse Ms. Lin.
- Ms. Lin is an executive Director. Ms. Lin is the spouse of Mr. Wong. Accordingly, Ms. Lin is deemed to be interested in such Shares held by Mr. Wong under the SFO.
- Mr. Lin is an executive Director and the son of Mr. Wong and Ms. Lin.
- Mr. Lai Weide is an executive Director and the Chairman of the Company. As at the date of this announcement, Mr. Lai Weide also holds 20,000,000 Share Options.
- Mr. Liu Tangzhi is an executive Director and the chief executive officer of the Company. As at the date of this announcement, Mr. Liu Tangzhi also holds 10,000,000 Share Options.
- Mr. Shi Chi is an executive Director. Mr. Shi Chi is interested in 10,631,291 Shares, which comprise 5,184,825 Shares held by himself and the deemed interests in 5,446,466 Shares held by his spouse Ms. Tang Yan.
- Ms. Tang Yan is the spouse of Mr. Shi Chi.
- Mr. Lam Shing Choi, Eric is an executive Director. As at date of this announcement, Mr. Lam Shing Choi, Eric also holds 2,000,000 Share Options.
- Mr. Li Weibin is an independent non-executive Director.

11. DBSAC is the financial adviser to the Company in respect of the Offer. Accordingly, DBSAC and relevant members of the DBS Group which hold Shares are presumed to be acting in concert with the Company in accordance with class (5) of the definition of “Acting in concert” in the Takeovers Code (except in respect of Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Codes). As at the date of this announcement, DBSAC and relevant members of the DBS Group did not hold any Shares on a proprietary basis.

Immediately after Completion, the aggregate interests of the Wong Concert Party Group in the issued Shares will be increased from approximately 40.88% to approximately 46.90% (assuming no Share Options have been exercised on or before the date of Completion) and to approximately 44.84% (assuming all Share Options have been fully exercised on or before the date of Completion) respectively.

Immediately before 17 June 2020 (being the commencement date of the Offer Period), the Company and parties acting in concert with it were interested in an aggregate of 1,278,835,866 Shares, representing approximately 41.78% of the total number of issued Shares as at 17 June 2020 and the date of this announcement. Save as the foregoing, neither the Company nor parties acting in concert with it held, controlled or directed any Shares and rights over Shares before the Offer Period.

None of the Company nor parties acting in concert with it has acquired or agreed to acquire any Shares or rights over Shares during the Offer Period.

None of the Company nor parties acting in concert with it has borrowed or lent any relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) in the Company during the Offer Period.

SETTLEMENT

The Registrar will send, by ordinary post at the Accepting Shareholder’s own risk, a remittance for such total amount due to the individual Accepting Shareholder under the Offer (subject to deduction of the seller’s ad valorem stamp duty payable on the Shares bought-back from such Accepting Shareholder) and, if the Shares of the Accepting Shareholder have not been bought-back by the Company in full, the Title Documents in respect of the balance of such Shares or a replaced certificate therefor, within 7 Business Days after the close of the Offer, i.e. on or before Monday, 14 September 2020.

ODD LOTS ARRANGEMENT

Computershare Hong Kong Investor Services Limited, whose address is at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong (telephone number: (852) 2862 8555 during office hours (i.e. 9:00 a.m. to 6:00 p.m.)) has been appointed by the Company as the designated broker to match sales and purchases of odd lot holdings of Shares in the market for a period of six weeks from the date of Completion to enable Shareholders to dispose of their odd lots or to top up their odd lots to whole board lots of 2,000 Shares, i.e. from Monday, 14 September 2020 to Tuesday, 27 October 2020. Shareholders should note that the matching of odd lots is not guaranteed.

By order of the Board
Skyworth Group Limited
Lai Weide
Chairman of the Board

Hong Kong, 3 September 2020

As at the date of this announcement, the Board of the Company comprises Mr. Lai Weide as the Chairman of the Board; Mr. Liu Tangzhi as executive Director and the chief executive officer; Ms. Lin Wei Ping, Mr. Shi Chi, Mr. Lin Jin and Mr. Lam Shing Choi, Eric as executive Directors; and Mr. Li Weibin, Mr. Cheong Ying Chew, Henry and Mr. Hung Ka Hai, Clement as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.