SKYWORTH

SKYWORTH GROUP LIMITED
創維集團有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 00751)

UNAUDITED RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021

SKYWORTH GROUP LIMITED (the "Company", together with its subsidiaries referred to as the "Group") is an investment holdings company with subsidiaries principally engaged in manufacturing and selling smart TV systems, home access systems, smart white appliances, internet value-added services, property development and property holding.

Highlights of Results

The Group recorded the following results for the Current Period:

- Revenue amounted to RMB35,891 million (64.9% of which was recorded from sales in the mainland China market). The revenue of the Same Period of Previous Year was RMB26,954 million.

- Revenue from multimedia business and smart systems technology business accounted for 60.9% and 21.4% of the Group's total revenue, respectively; compared to 59.6% and 22.6% in the Same Period of Previous Year, respectively.

- Gross profit achieved RMB5,838 million, while the gross profit margin was 16.3%. The gross profit margin of the Same Period of Previous Year was 17.9%.

- Profit for the year and profit for the year attributable to owners of the Company amounted to RMB999 million and RMB763 million, respectively.

The board (the "**Board**") of directors (the "**Directors**") of the Company is pleased to announce the unaudited consolidated results of the Group for the nine months ended 30 September 2021 (the "**Current Period**") together with the comparative figures for the nine months ended 30 September 2020 (the "**Same Period of Previous Year**"). The nine months results have been reviewed by the audit committee of the Company (the "**Audit Committee**"). The Company's auditor, Messrs. Deloitte Touche Tohmatsu, has reviewed the condensed consolidated statement of financial position as of 30 September 2021 and the related condensed consolidated statement of profit or loss and other comprehensive income and statement of cash flows for the nine-month period then ended 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 the Hong Kong Institute of Certified Public Accountants.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021
Amounts expressed in millions of Renminbi

	Nine months ended 30 September	
	2021 (unaudited)	2020 (unaudited)
Revenue		
Sales of goods	35,529	26,629
Leases	349	304
Interest under effective interest method	13	21
Total revenue	35,891	26,954
Cost of sales	(30,053)	(22,121)
Gross profit	5,838	4,833
Other income	828	756
Other gains and losses	589	477
Impairment loss recognised in respect of financial assets, net	(269)	(27)
Selling and distribution expenses	(2,874)	(2,390)
General and administrative expenses	(948)	(910)
Research and development expenses	(1,475)	(1,276)
Finance costs	(370)	(366)
Share of results of associates	6	4
Profit before taxation	1,325	1,101
Income tax expense	(326)	(263)
Profit for the period	999	838
Other comprehensive (expense) income		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations	(12)	(5)
Fair value loss on trade receivables at fair value through other comprehensive income (“FVTOCI”)	(16)	-
Cumulative loss reclassified to profit or loss upon disposal of trade receivables at FVTOCI	14	-
	(14)	(5)

	Nine months ended 30 September	
	2021 (unaudited)	2020 (unaudited)
Items that will not be reclassified to profit or loss:		
Fair value gain (loss) on investments in equity instruments at FVTOCI	406	(525)
Income tax relating to item that will not be reclassified subsequently	(63)	79
	343	(446)
Other comprehensive income (expense) for the period	329	(451)
Total comprehensive income for the period	1,328	387
Profit for the period attributable to:		
Owners of the Company	763	545
Non-controlling interests	236	293
	999	838
Total comprehensive income for the period attributable to:		
Owners of the Company	1,092	114
Non-controlling interests	236	273
	1,328	387
Earnings per share (expressed in Renminbi cents)		
Basic	29.01	18.08
Diluted	29.01	14.86

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 September 2021
Amounts expressed in millions of Renminbi

	As at 30 September 2021 (unaudited)	As at 31 December 2020 (audited)
Non-current Assets		
Property, plant and equipment	6,273	5,803
Right-of-use assets	2,438	2,470
Deposits paid for purchase of property, plant and equipment	360	132
Investment properties	1,507	1,566
Goodwill	443	447
Intangible assets	99	99
Interests in associates	247	197
Interests in joint ventures	17	17
Financial assets at fair value through profit and loss ("FVTPL")	1,230	1,032
Equity instruments at FVTOCI	1,621	1,216
Finance lease receivables	-	1
Loan receivables	278	598
Deferred tax assets	667	498
	15,180	14,076
Current Assets		
Inventories	8,151	6,004
Stock of properties	5,107	5,045
Financial assets at FVTPL	1,353	607
Trade and bills receivables	12,259	13,251
Trade receivables at FVTOCI	545	400
Other receivables, deposits and prepayments	3,881	2,890
Derivative financial instruments	11	9
Loan receivables	957	1,115
Finance lease receivables	127	127
Prepaid tax	150	119
Pledged and restricted bank deposits	1,657	1,627
Bank balances and cash	9,056	8,214
	43,254	39,408
Assets classified as held for sale	-	200
	43,254	39,608

	As at 30 September 2021 (unaudited)	As at 31 December 2020 (audited)
Current Liabilities		
Trade and bills payables	11,669	11,899
Other payables	5,147	4,672
Other financial liabilities	262	199
Derivative financial instruments	2	25
Corporate bond	77	-
Lease liabilities	43	54
Contract liabilities	3,358	3,107
Provision for warranty	205	205
Tax liabilities	217	265
Bank borrowings	9,100	7,401
Deferred income	167	180
	30,247	28,007
Liabilities associated with assets classified as held for sale	-	84
	30,247	28,091
Net Current Assets	13,007	11,517
Total Assets less Current Liabilities	28,187	25,593
Non-current Liabilities		
Other financial liabilities	98	98
Lease liabilities	132	141
Provision for warranty	96	97
Bank borrowings	5,169	3,986
Convertible bonds	945	913
Corporate bond	798	874
Deferred income	335	270
Deferred tax liabilities	287	120
Derivative financial instruments	132	103
	7,992	6,602
NET ASSETS	20,195	18,991
Capital and Reserves		
Share capital	273	273
Reserves	17,013	16,037
Equity attributable to owners of the Company	17,286	16,310
Non-controlling interests	2,909	2,681
	20,195	18,991

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021

Amounts expressed in millions of Renminbi

	Nine months ended 30 September 2021 (unaudited)	2020 (unaudited)
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(518)	2,198
NET CASH USED IN INVESTING ACTIVITIES		
Interest received	145	185
Deposits paid for acquisition of property, plant and equipment	(235)	(286)
Purchase of property, plant and equipment	(994)	(688)
Proceeds on disposal of property, plant and equipment	14	39
Investments in financial assets at FVTPL	(2,038)	(410)
Proceeds on disposal of financial assets at FVTPL	1,635	52
Loans advanced	(1,217)	-
Repayments of loans receivables	1,696	-
Placement of pledged and restricted bank deposits	(1,181)	(1,028)
Withdrawal of pledged and restricted bank deposits	1,151	1,160
Placement of other deposit	(680)	-
Refund of other deposit	680	-
Deposit received from disposal of a subsidiary	-	75
Net cash inflow from disposal of a subsidiary	-	258
Net cash inflow from acquisition of a subsidiary	-	7
Other investing cash flows	(30)	84
	(1,054)	(552)
NET CASH FROM (USED IN) FINANCING ACTIVITIES		
Dividends paid	(82)	(96)
Interest paid	(358)	(160)
Contribution from non-controlling interests	50	-
Proceed from partial disposal of interest in a subsidiary	4	-
Repurchase of shares	-	(967)
Purchase of shares for unvested shares under the share award scheme of the Company	(79)	-
Consideration paid in acquisition of additional interest in a subsidiary	(17)	-
New bank borrowings raised	13,559	13,446
Repayments of bank borrowings	(10,676)	(11,294)
Repayments of lease liabilities	(47)	(94)
New corporate bonds raised, net of transaction costs and interest	-	797
Repayments of corporate bonds	-	(1,913)
Other financing cash flows	57	(13)
	2,411	(294)

	Nine months ended 30 September	
	2021	2020
	(unaudited)	(unaudited)
NET INCREASE IN CASH AND CASH EQUIVALENTS	839	1,352
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	8,214	4,806
Bank balances and cash transferred to assets held for sale	-	(2)
Effect of foreign exchange rate changes	3	9
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by bank balances and cash	9,056	6,165

BUSINESS PERFORMANCE REVIEW

Revenue

For the nine months ended 30 September 2021, the Group's overall revenue amounted to RMB35,891 million, representing an increase of RMB8,937 million or 33.2% compared with RMB26,954 million recorded in the Same Period of Previous Year.

For the nine months ended 30 September 2021 and 2020, the Group's smart TV systems sales volume by market is as follows:

	Nine months ended 30 September 2021	Nine months ended 30 September 2020	Nine months ended 30 September 2021 vs Nine months ended 30 September 2020
	Unit ('000)	*Unit ('000)*	*Increase/(decrease)*
PRC Market	**4,331**	**5,410**	**(19.9%)**
Overseas Markets	**5,602**	**6,646**	**(15.7%)**
Total smart TV systems sales volume	**9,933**	**12,056**	**(17.6%)**

(a) Business Review by Geographical Segment

The Group's operations have been expanded worldwide, including mainland China and other regions in Asia, Africa, Europe and America, with mainland China being the primary market.

Mainland China Market

For the nine months ended 30 September 2021, revenue from the mainland China market amounted to approximately RMB23,310 million, representing an increase of RMB6,732 million or 40.6% compared with RMB16,578 million recorded in the Same Period of Previous Year.

During the Current Period, the Group's multimedia business, smart systems technology business and smart appliances business each accounted for 59.8% (the Same Period of Previous Year: 58.0%), 21.0% (the Same Period of Previous Year: 21.8%) and 9.0% (the Same Period of Previous Year: 12.4%) of its revenue from the mainland China market, while modern services business and other operations attributed the remaining 10.2% (the Same Period of Previous Year: 7.8%).

Overseas Markets

For the nine months ended 30 September 2021, revenue from overseas markets amounted to RMB12,581 million, equivalent to 35.1% of the Group's overall revenue, representing an increase of RMB2,205 million or 21.3% compared with RMB10,376 million recorded in the Same Period of Previous Year.

Geographical distribution of revenue in overseas markets

The Group's main overseas markets are Asia, Europe and Middle East. The geographical distribution of the revenue in proportion for overseas markets is illustrated as follows:

	Nine months ended 30 September	
	2021	2020
	(%)	(%)
Asia (excluding Middle East)	62	61
Europe	11	13
America	10	7
Middle East	9	10
Africa	7	8
Oceania	1	1
	100	100

For revenue analysis by business sector concerning the mainland China market and overseas markets, please refer to the section headed "Business Review by Business Sector".

(b) Business Review by Business Sector

The Group has announced its overall strategic direction for upgrading through reformation for the next five years (also known as the "1334 Strategy"), covering four key business sectors, including: 1. Multimedia Business; 2. Smart Systems Technology Business; 3. Smart Appliances Business; and 4. Modern Services Business.

1. Multimedia Business

The Group's multimedia business primarily covers, among others, smart TV systems, provision of internet valued-added services of Coocaa System and photovoltaic power business.

For the nine months ended 30 September 2021, the Group's revenue of multimedia business recorded revenue of RMB21,854 million, representing an increase of RMB5,792 million or 36.1% compared with RMB16,062 million recorded in the Same Period of Previous Year.

1.1 Smart TV Systems Products (PRC Market)

For the nine months ended 30 September 2021, the Group's smart TV systems products recorded revenue of RMB8,930 million in the mainland China market, representing an increase of RMB871 million or 10.8% compared with RMB8,059 million recorded in the Same Period of Previous Year.

During the Current Period, the Group adjusted its sales strategy and shifted its focus to high-end OLED TV products in response to the sluggish growth in the PRC market. Although the Group's sales volume in the PRC market dropped by 19.9% year-on-year, the increase in sales of high-end OLED TV products led to an increase in the average unit price, resulting in a significant increase in sales revenue. In response to the impact of the epidemic and the intense competition in the market, the Group will continue to adjust its sales strategy and unit prices accordingly to increase its market share.

1.2 Smart TV Systems Products (Overseas Markets)

For the nine months ended 30 September 2021, the Group's smart TV systems products recorded revenue of RMB7,279 million in overseas markets, representing an increase of RMB1,887 million or 35.0% compared with RMB5,392 million recorded in the Same Period of Previous Year.

During the Current Period, the COVID-19 epidemic persisted and most overseas countries suffered from the Delta variant, leading to lock-downs to different extent. The Group continued to adopt relatively stable and prudent sales strategies and optimised its customers and sales channels in different countries, resulting in a continuous growth in the international TV market. During the Current Period, the Group launched two new OLED products which were quickly recognised by the market. Benefited from the expansion of e-commerce, the overall overseas brand business of the Group maintained a rapid growth and actively expanded into new markets, such as Southern Europe, Eastern Europe, Russia, North-eastern Asia, Central America and South America.

By sponsoring the famous Italian football club Juventus and the AFF Championship, Skyworth's brand awareness and image were enhanced among consumers, and the Group was able to set foot in core e-commerce channels in Vietnam and Italy. The Group also achieved significant increment of sales volume in both India and Indonesia by improving production efficiency and product quality, and keeping up with customers' expectations of rising costs.

1.3 Internet Value-added Services of Coocaa System

For the nine months ended 30 September 2021, the Group recorded a significant growth of RMB167 million or 21.9% in revenue from the internet value-added services of Coocaa System, which increased from RMB763 million recorded in Same Period of Previous Year to RMB930 million.

For the nine months ended 30 September 2021, the accumulated smart terminal of Coocaa System in the PRC market was over 110 million.

As the system supporting carrier of smart terminal, Shenzhen Coocaa Network Technology Company Limited* (深圳市酷開網絡科技有限公司) ("Shenzhen Coocaa", an indirect non-wholly owned subsidiary of the Company) promoted the innovation and collaboration of large-screen and home internet businesses, assisted the long-term development in the industry of smart human habitat and achieved a leap-forward enhancement of our operating efficiency. With a team engaged in scaled large-screen internet operation, Shenzhen Coocaa enjoyed the advantages of Coocaa system, including a flexible technology structure, reliable and secured connections, accurate data and algorithm, and efficient technical application flexibility. Leveraging on its quality of internet products based on the co-development according to customers' experience, successful exploration of user's statistical value and precise digital marketing by cooperating with its strategic partners, Shenzhen Coocaa was recognised by the industry players and users. In particular, during the COVID-19 outbreak, when Chinese citizens went out less and their time spent in watching TV at home increased significantly, "Otaku economy" drove a consistent growth in revenue from content-based operations. It is our opinion that building on technologies of greater sophistication and reliability, our smart home and smart city businesses will enjoy accelerated development through collaborative projects with strategic partners including internet giants and internet TV service providers.

1.4 Photovoltaic Power Business

For the nine months ended 30 September 2021, the Group recorded a revenue of RMB2,190 million from the photovoltaic power business, representing an increase of RMB2,182 million or 27,275.0% compared with RMB8 million recorded in the Same Period of Previous Year.

In the wake of global climate change, major countries have put forward their new energy strategies. Since the "13th Five-Year" Plan, the PRC government has set a clear policy on environmental protection and new energy. In view of the huge market potential ahead, the Group is actively considering entering the clean energy industry. After several years of study, the Group has decided to make photovoltaic power system integration, the most commercialised and standardised industry, as the entry point. Within the photovoltaic power industry, distributed photovoltaic power has become the ultimate early-stage main business choice of the Group as it is the sector closest to the ultimate downstream market and the customer-side retail sector that the Group is familiar with. The Group plans to start with residential photovoltaic power and gradually expands its business into industrial and commercial photovoltaic powers as well as integrated smart energy management on the consumption side, with a goal to be an industry leader on the Internet of the clean energy industry on the consumption side.

2. Smart Systems Technology Business

Smart systems technology business covers, among others, home access systems, intelligent manufacturing, automotive electronic systems and other electronic products.

For the nine months ended 30 September 2021, revenue recorded for smart systems technology business in the mainland China market amounted to RMB4,892 million, representing an increase of RMB1,287 million or 35.7% from RMB3,605 million recorded in the Same Period of Previous Year. For the nine months ended 30 September 2021, revenue recorded for smart systems technology business in overseas markets amounted to RMB2,773 million, representing an increase of RMB288 million or 11.6% from RMB2,485 million recorded in the Same Period of Previous Year.

3. Smart Appliances Business

Smart appliances business covers, among others, smart air conditioners, smart refrigerators and smart washing machines.

For the nine months ended 30 September 2021, revenue recorded for smart appliance products in the mainland China market amounted to RMB2,101 million, representing an increase of RMB49 million or 2.4% compared with RMB2,052 million recorded in the Same Period of Previous Year. Revenue in overseas markets amounted to RMB1,213 million, representing an increase of RMB166 million or 15.9% compared with RMB1,047 million recorded in the Same Period of Previous Year.

Through continuous investment, the Group has increased its input in research and development of intelligent, healthy and energy-saving products to enhance their intelligence and excellence, and thus competitiveness. With joint efforts of the local government and the Group, the Skyworth Chuzhou production base with a construction area of 270,000 square metres was put into full operation in March 2021, facilitating the advancement of the Group's smart manufacturing technology and promoting the upgrade of I-DD technology and the research and development of key technologies such as the new generation of smart air conditioners, thereby taking the smart appliance business to a new level. The production base in close proximity to core suppliers helped to improve production capacity comprehensively and achieve cost reduction.

4. *Modern Services Business*

Modern services business covers, among others, maintenance and repair for home appliances, macro-logistics services, international trades, construction development, financial lease and property operation for industrial parks.

The Group's modern services business is mainly based in the mainland China market. For the nine months ended 30 September 2021, revenue recorded for modern services business in the mainland China market amounted to RMB2,320 million, representing an increase of RMB1,030 million or 79.8% compared with RMB1,290 million recorded in the Same Period of Previous Year. Revenue in overseas markets amounted to RMB550 million, representing an increase of RMB159 million or 40.7% compared with RMB391 million recorded in the Same Period of Previous Year.

The Group has determined the development direction of the segments of modern services business and accelerated its integration of different segments of modern services business under COVID-19 epidemic. It also strengthened the management of supply chain and facilitated the strategic cooperation with major suppliers to provide diversified services to its customers. In view of this, the Group optimised different segments under modern services business and established a clear development model for the modern services business during the Current Period, such as financial services, macro-logistics services, supply chain operation, foreign trade, as well as park-based property management and construction development. The Group continued to focus on a financial business platform with financial companies as the main body and supplemented by venture capital and small loans to broaden the Group's financing channels; formulated a specific plan for the development of macro-logistics service of the Group to promote the development of supply chain logistics, factory logistics, sales and after-sales logistics for a full business integration; set up branches for the development of supply chain business centering on the corporate internal support; completed professional restructuring of the development and operation business of the science and technology park by making full use of the construction opportunities of the three major bases to drive the development of Skyworth's smart human habitat industry, including green buildings, smart control systems and terminals, and a variety of content services. Leveraging on the construction of industrial parks at strategic locations across the country, the Group actively adjusted its asset structure and built its value-adding modern services business catering to ever changing market conditions.

Gross profit margin

For the nine months ended 30 September 2021, the overall gross profit margin of the Group was 16.3%, representing a decrease of 1.6 percentage points in comparison to 17.9% recorded in the Same Period of Previous Year.

In order to ensure robust operations across the Group, we continued to refine operations management, adopting multiple integrated methods to increase the gross profit margin of our products and reduce group-wide operating costs. During the Current Period, due to the continuous impact of COVID-19, a lot of activities in upstream supply chain were restricted, leading to increasing costs. The prices of upstream materials for smart TV system products, such as glass and ICs, continued to increase, with some materials climbing by more than 50%, which lowered the gross profit margin. Prices of raw materials of other businesses, such as copper and IC, also went up, affecting the gross profit margin of smart home appliances. During the Current Period, the Group continued to implement various measures to cope with rising costs of raw materials and intensified competition, including strict control of selling price, increment of proportion of products with high gross profit margin and higher research and development input for improvement of product quality, to enhance the pricing power and gross profit margins of the Group.

Expenses

For the nine months ended 30 September 2021, the Group's selling and distribution expenses amounted to RMB2,874 million, representing an increase of RMB484 million or 20.3% compared with RMB2,390 million for the Same Period of Previous Year. The selling and distribution expenses to revenue ratio for the nine months ended 30 September 2021 was 8.0%, which decreased by 0.9 percentage points from 8.9% recorded in the Same Period of Previous Year.

For the nine months ended 30 September 2021, the Group's general and administrative expenses amounted to RMB948 million, representing an increase of RMB38 million or 4.2% compared with RMB910 million for the Same Period of Previous Year. The general and administrative expenses to revenue ratio for the nine months ended 30 September 2021 was 2.6%, which dropped by 0.8 percentage points from 3.4% recorded in the Same Period of Previous Year.

The Group continued to devote enormous resources to the research and development of premium smart products and the improvement of its corporate competitiveness. As the COVID-19 epidemic in mainland China was under control during the Current Period, the Group's investment in research and development was increased over the Same Period of Previous Year. For the nine months ended 30 September 2021, the Group's research and development expenses amounted to RMB1,475 million, representing an increase of RMB199 million or 15.6% compared with RMB1,276 million for the Same Period of Previous Year. The research and development expenses to revenue ratio for the nine months ended 30 September 2021 was 4.1%, which dropped by 0.6 percentage points from 4.7% recorded in the Same Period of Previous Year.

OUTLOOK

As proposed by the board of directors of the Group, Skyworth aims to achieve "efficiency enhancement" in 2021. Under the dynamic circumstances, each business unit of the Group focuses on innovation, reform, investment and development, implement the Group's development policy and accelerate the promotion of synergistic development from manufacturing to modern services, from hardware to software, and from terminal products to smart systems, with an aim of demonstrating the brand strength of Skyworth Group under diversified scenarios to maximise corporate value. In the first three quarters of 2021, the Group maintained good progress in its development in the post-epidemic era. The Group will make objective judgements in a prudent manner based on the analysis of the geopolitical impacts and market changes in the post-epidemic era. According to the current situation, the Group will adjust its operation plans of scientific research, production, marketing, procurement and construction, produce according to demand, control expenses strictly, increase income and reduce costs. On one hand, the Group will seize market opportunities to dive deeper into domestic market focusing on developing 5G application products. On the other hand, the Group will actively expand overseas markets by establishing production bases in Southeast Asia, India and Africa and proactively develop OEM business to utilise the advantages of production capacity of each production base.

The Group will define products based on the current market trend and the idea of "5G+AI+terminal" technology development, and accelerate the development and application of new technologies, materials and processes, to enhance product competitiveness and corporate innovation. The research and development of 5G smart TV, 5G home access systems, home smart control systems, new generations of smart appliances and other products shall be expedited to form new product series and continuously seize market share.

Focused on the development strategies and leveraging on the leading position in the TV and digital technology industries of Skyworth Group, we will maintain the synergy of hardware and software to fulfil the needs in multi-scenarios with the use of the big data from Coocaa System. Based on the three elements of "connectivity, intelligence and ecology", the Group will facilitate the construction of green buildings which are "healthy, safe, convenient, comfortable and energy-saving", develop and promote smart system control centre (system) products, and expand a full range of smart home content services. With "Green building + Smart systems + Content services" as the core, we can achieve the one-stop smart control for home, office and vehicle, providing borderless and interactive sharing experience.

EVENTS AFTER THE CURRENT PERIOD

The spread of COVID-19 and its variants around the world has caused continuous uncertainties in the business environment. COVID-19 epidemic has not caused any material financial difficulties of the Group up to the date of this report, but it is expected that our overseas business would be affected in a certain period. The length of the period and scale of its impact are difficult to predict and subject to the development of the situation.

APPRECIATION

On behalf of the Board, I would like to express our gratitude to the shareholders of the Company and business associates for their continuing support, and extend our sincere appreciation to all management and staff for their ongoing dedication, commitments and contributions to the Group throughout the Current Period.

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

Hong Kong, 26 October 2021

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.

** For identification purposes only*