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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)**

#### OVERSEAS REGULATORY ANNOUNCEMENT

#### 2022 FIRST QUARTERLY RESULTS OF SKYWORTH DIGITAL CO., LTD.

This announcement is made by the board of directors (the “**Board**”) of Skyworth Group Limited (the “**Company**”) pursuant to Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Skyworth Digital Co., Ltd. (“**Skyworth Digital**”, Shenzhen Stock Code: 000810), an A-share listed company on the Shenzhen Stock Exchange and a non-wholly owned subsidiary of the Company, has issued an announcement relating to its unaudited first quarterly results for the three months ended 31 March 2022 (the “**Announcement**”). The Announcement has been reproduced in the Appendix hereto.

Shareholders of the Company and potential investors should take note that the financial information of the first quarterly results of Skyworth Digital in the Announcement has not been audited and the full version of the 2022 first quarterly report of Skyworth Digital in Chinese has been published on the information website of the Shenzhen Stock Exchange (<http://www.cninfo.com.cn>).

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

Hong Kong, 20 April 2022

*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.*

Stock Code: 000810

Stock Name: Skyworth Digital

Announcement Number: 2022-036

# SKYWORTH DIGITAL CO., LTD.

## 2022 FIRST QUARTERLY REPORT

**The Company and all members of the board of directors warrant that the information disclosed is true, accurate and complete and there are no misleading statements or material omissions contained in this announcement.**

### IMPORTANT NOTES :

1. The board of directors, the board of supervisors and the directors, supervisors and senior executives of the Company guarantee that the quarterly report is true, accurate and complete, and there are no false records, misleading statements or material omissions and bear individual and joint legal liability.
2. The legal representative, the person in charge of accounting, and the responsible person of the accounting institution (head of the Accounting Department) of the Company declare that the financial statements contained in this quarterly report are true, accurate and complete.
3. Has this first quarterly report been audited?  
 Yes  No

### I. Major Financial Figures

#### (1) Major accounting figures and financial indicators

Is it necessary for the Company to retrospectively adjust or restate accounting figures in previous years?

Yes  No

	The reporting period	Same period prior year	Increase or decrease in the reporting period compared with the same period prior year
Turnover (RMB)	2,770,410,679.21	2,219,713,806.49	24.81%
Net profit attributable to shareholders of the Company (RMB)	208,134,915.06	155,628,930.67	33.74%
Net profit attributable to shareholders of the Company after non-recurring gain or loss (RMB)	195,809,006.36	59,556,731.06	228.78%
Net cash from operating activities (RMB)	2,546,171.59	23,027,205.11	-88.94%
Basic earnings per share (RMB/share)	0.1958	0.1464	33.74%
Diluted earnings per share (RMB/share)	0.1923	0.1462	31.53%
Weighted average return on net assets	4.49%	3.64%	0.85%
	At the end of the reporting period	At the end of prior year	Increase or decrease at the end of the reporting period compared with the end of prior year
Total assets (RMB)	11,276,021,176.26	11,197,233,579.56	0.70%
Owners' equity attributable to shareholders of the Company (RMB)	4,738,462,297.22	4,526,477,416.13	4.68%

**(2) Items and amounts of non-recurring gains or losses**√ Applicable  Not applicable

Unit: RMB

Item	The reporting period	Remark
Profit or loss on disposal of non-current assets (including the offset part of asset impairment provisions)	570,765.81	Gains on disposal of fixed assets
Government subsidies included in profit or loss for the current period (except for those closely related to Company's normal operations, which comply with national policies and regulations and are continuously granted at fixed quotas or amounts according to certain standards)	26,993,912.85	Government subsidies
Profit or loss of debt restructuring	-112,884.75	Losses from debt restructuring
Other than effective hedging activities associated with the Company's normal operations, gains and losses from changes in fair value of financial assets held for trading and trading financial liabilities, as well as investment gains from disposal of trading financial assets, trading financial liabilities and available-for-sale financial assets	-14,768,434.93	Gains and losses on changes in fair value of forward foreign exchange and gains and losses on investments
Non-operating income and expenses other than the above	1,372,272.72	Other items of non-recurring gains or losses
Less: income tax effects	1,728,638.99	Income tax effects
Effects of minority interests (after tax)	1,084.01	Effects of minority interests
Total	12,325,908.70	--

Details for defining other gains or losses items as non-recurring gains or losses:

 Applicable  Not applicable

The Company did not define any gains or losses item defined as non-recurring gains or losses.

Details for defining items of non-recurring gains or losses set out in "Explanatory Announcement No.1 on Information Disclosure for Companies Publicly Issuing Securities - Non-recurring Gains or Losses" as items of recurring gains or losses.

 Applicable  Not applicable

The Company did not define any item classified as non-recurring gains or losses according to "Explanatory Announcement No.1 on Information Disclosure for Companies Publicly Issuing Securities - Non-recurring Gains or Losses" as an item of recurring gains or losses.

**(3) Details and reasons for changes in major accounting figures and financial indicators**√ Applicable  Not applicable

Unit: RMB

Item	31 March 2022	31 December 2021	Increase or decrease	Reason for change
Derivative financial assets	490,940.31	11,479,598.75	-95.72%	Change in fair value of outstanding forward foreign exchange contracts at the end of the current period
Bills receivables	638,817,939.02	481,112,009.20	32.78%	Increase in bank acceptance bill during the current period
Prepayments	165,849,013.89	100,528,325.26	64.98%	Increase in advance procurement payment during the current period
Other current assets	120,127,154.29	80,955,934.73	48.39%	Increase in value-added tax credit during the current period
Other non-current assets	105,762,848.88	66,610,262.87	58.78%	Increase in advance payment for Huizhou land during the current period
Derivative financial liabilities	6,705,337.69	-	100.00%	Change in fair value of outstanding forward foreign exchange contracts at the end of the current period
Receipts in advance	304,503.43	507,996.85	-40.06%	Decrease in advance rental income during the current period
Contract liabilities	287,994,850.14	208,094,476.35	38.40%	Increase in advance payment during the current period

Taxes and surcharges payables	44,994,394.68	29,657,830.10	51.71%	Increase in the profit of the subsidiary resulting in the increase in the corporate income tax payable during the current period
Deferred income tax liabilities	385,433.16	1,970,247.18	-80.44%	Decrease in deferred income tax liabilities recognised by changes in the fair value of outstanding forward foreign exchange contracts during the current period
Other comprehensive income	-4,015,089.32	-7,260,749.58	44.70%	Change in exchange rate resulting in changes in other comprehensive income
Item	Current amount	Amount in the previous period	Increase or decrease	Reason for change
Finance costs	-17,719,103.13	2,565,978.32	-790.54%	Increase in interest income and decrease in exchange losses during the current period
Other gains	42,369,964.65	27,898,528.56	51.87%	Increase in Government subsidies related to income during the current period
Investment gains	-2,256,502.90	95,447,441.81	-102.36%	Investment gains from the disposal of equity interests in a subsidiary from the previous period
Gain on changes in fair value	-14,002,429.09	-578,889.67	-2318.84%	Change in fair value of forward foreign exchange contracts
Loss on credit impairment	51,551,877.71	-4,010,791.92	-1385.33%	Expected change in balance receivables during the current period
Loss on asset impairment	2,168,410.60	-534,317.47	-505.83%	Decrease in the loss on accrued inventory value during the current period
Gain on disposal of assets	612,788.01	-1,728,468.96	135.45%	Increase in income from disposal of fixed assets during the current period
Non-operating income	621,062.79	1,377,023.60	-54.90%	Decrease in non-operating income during the current period
Non-operating expenses	167,110.76	10,182,044.50	-98.36%	Decrease in non-operating expense during the current period
Income tax expenses	22,197,298.91	-768,338.34	2989.00%	Increase in deferred income tax expenses during the current period
Net cash flows for/from operating activities	2,546,171.59	23,027,205.11	-88.94%	Increase in raw material procurement and reserves during the current period
Net cash flows for/from investing activities	-72,629,937.74	-162,362,395.51	55.27%	Bank wealth management expenses in the previous period
Net cash flows for/from financing activities	-188,874,258.33	-223,325,032.43	15.43%	Decrease in the deposit payment during the current period

## II. Shareholder Information

### (1) Total number of holders of ordinary shares, number of holders of preference shares with voting rights restored, and shareholdings of the top 10 shareholders

Unit: Share(s)

Total number of holders of ordinary shares as at the end of the reporting period	44,918	Total number of the shareholders of restored voting right preference shares as at the end of the reporting period (if any)	0			
Status of top 10 shareholders						
Name of shareholders	Shareholder capacity	Shareholding %	Number of shares	Number of conditional shares	Pledged, earmarked or frozen	
					Shares status	Number of shares
Shenzhen Chuangwei-RGB Electronics Co., Ltd.	Domestic non-state-owned legal person	54.98%	584,548,508		Pledged	20,000,000
Shi Chi	Overseas natural person	3.46%	36,770,524	27,577,893		
Suining Xing Ye Asset Management Co., Ltd.	State-owned legal entity	2.06%	21,916,008			
Xie Xiongqing	Domestic natural person	1.91%	20,350,000			
Skyworth LCD Technology Limited	Overseas legal person	1.87%	19,864,751			

Lin Weijian	Domestic natural person	1.50%	16,000,061			
Li Pu	Domestic natural person	1.09%	11,583,310			
Guangzhou office of Huaxia Securities	Other	0.79%	8,400,000			
Agricultural Bank of China Limited – CIFM China Emerging Power Fund	Other	0.64%	6,791,798			
Tang Yan	Overseas natural person	0.61%	6,507,500			
Shareholdings of top 10 holders of shares not subject to trading moratorium						
Name of shareholders	Number of shares not subject to trading moratorium held	Type of shares				
		Type of shares	Number of shares			
Shenzhen Chuangwei-RGB Electronics Co., Ltd.	584,548,508	RMB ordinary shares	584,548,508			
Suining Xing Ye Asset Management Co., Ltd.	21,916,008	RMB ordinary shares	21,916,008			
Xie Xiongqing	20,350,000	RMB ordinary shares	20,350,000			
Skyworth LCD Technology Limited	19,864,751	RMB ordinary shares	19,864,751			
Lin Weijian	16,000,061	RMB ordinary shares	16,000,061			
Li Pu	11,583,310	RMB ordinary shares	11,583,310			
Shi Chi	9,192,631	RMB ordinary shares	9,192,631			
Guangzhou office of Huaxia Securities	8,400,000	RMB ordinary shares	8,400,000			
Agricultural Bank of China Limited – CIFM China Emerging Power Fund	6,791,798	RMB ordinary shares	6,791,798			
Tang Yan	6,507,500	RMB ordinary shares	6,507,500			
Description of the connected relationship or acting in concert of the above shareholders:	<p>① Shenzhen Chuangwei-RGB Electronics Co., Ltd. and Skyworth LCD Technology Limited are subsidiaries of Skyworth Digital Holdings Limited, and are persons acting in concert legally. ② Lin Weijian was the supervisor of Yingtian City Pengsheng Investment Co., Ltd.* (鷹潭市鵬盛投資有限公司), Lin Weijing was the executive director and general manager of Yingtian City Pengsheng Investment Co., Ltd.*, Xie Xiongqing was the executive director and general manager of Yingtian City Pengsheng Investment Co., Ltd.*, Lin Weijian, Lin Weijing and Xie Xiongqing are relatives. Yingtian City Pengsheng Investment Co., Ltd.*, Lin Weijian, Xie Xiongqing, Lin Weijing are persons acting in concert legally. ③ Shi Chi is a director and general manager of the Company, while Tang Yan is his spouse and they are therefore persons acting in concert legally. ④ Apart from the aforesaid, the Company is not aware of any connected relationship that may exist among the other shareholders, nor does it know whether they are persons acting in concert according to the “Measures for the Administration of the Takeover of Listed Companies”.</p>					
Status of engagement in securities financing business of the top 10 holders of ordinary shares (If any)	As at 31 March 2022, Xie Xiongqing held an aggregate of 20,350,000 shares of the Company, of which 20,350,000 shares were held through the “investor credit securities account”.					

## (2) Total number of holders of preference shares of the Company and shareholdings of the top 10 holders of preference shares

Applicable  Not applicable

## III. Other Important Matters

Applicable  Not applicable

## IV. Quarterly Financial Statements

### (1) Financial statements

#### 1. Consolidated Balance Sheet

Prepared by: Skyworth Digital Co., Ltd.

31 March 2022

Unit: RMB

Item	Balance at the end of current period	Balance at the beginning of the year
<b>Current Assets:</b>		
Bank balances and cash	3,196,917,686.14	3,444,739,086.20
Deposit reservation for balance		
Lendings to banks and other financial institutions		
Financial assets held for trading		
Derivative financial assets	490,940.31	11,479,598.75
Bills receivables	638,817,939.02	481,112,009.20
Trade receivables	3,081,946,246.73	3,165,007,189.43
Financing balance receivables		
Prepayments	165,849,013.89	100,528,325.26
Premiums receivables		
Reinsurance premium receivables		
Reserves for reinsurance contract receivables		
Other receivables	118,945,626.22	142,205,377.17
Including: Interest receivables		
Dividend receivables		
Redemptory monetary capital for sale		
Inventories	2,334,092,745.24	2,156,709,532.44
Contract assets		
Held-for-sale assets		
Non-current assets maturing within one year		
Other current assets	120,127,154.29	80,955,934.73
<b>Total Current Assets:</b>	<b>9,657,187,351.84</b>	<b>9,582,737,053.18</b>
<b>Non-current Assets:</b>		
Loan receivables		
Debt investments		
Other debt investment		
Long-term receivables		
Long-term equity investments	123,942,036.09	120,357,138.06
Other equity instrument investments		
Other non-current financial assets	50,000,000.00	50,000,000.00
Investment properties		
Fixed assets	724,259,145.20	745,386,909.31
Construction-in-progress		
Productive biological assets		

Oil and gas assets		
Right-of-use assets	38,912,507.02	43,133,216.08
Intangible assets	250,436,586.62	253,858,739.60
Development costs		
Goodwill	91,648,801.54	91,648,801.54
Long-term deferred expenses	51,506,707.71	57,603,074.29
Deferred income tax assets	182,365,191.36	185,898,384.63
Other non-current assets	105,762,848.88	66,610,262.87
Total Non-current Assets	1,618,833,824.42	1,614,496,526.38
Total Assets	11,276,021,176.26	11,197,233,579.56
Current Liabilities:		
Short-term loan	1,125,019,010.24	1,304,214,905.17
Borrowings from central bank		
Borrowings to banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities	6,705,337.69	
Bills payables	893,721,516.59	794,785,100.63
Trade payables	2,480,168,045.47	2,664,621,015.92
Receipts in advance	304,503.43	507,996.85
Contract liabilities	287,994,850.14	208,094,476.35
Financial assets sold for repurchase		
Deposits from customers and interbank		
Receiving from vicariously traded securities		
Receiving from vicariously sold securities		
Wages and salaries payables	201,838,714.47	190,269,534.25
Taxes and surcharges payables	44,994,394.68	29,657,830.10
Other payables	249,244,207.12	252,088,467.26
Including: Interest payables		
Dividend payables		
Service charges and commission payables		
Reinsured accounts payables		
Held-for-sale liabilities		
Non-current liabilities maturing within one year	26,125,409.60	23,805,570.20
Other current liabilities	65,287,940.17	56,766,347.04
Total Current Liabilities	5,381,403,929.60	5,524,811,243.77
Non-current Liabilities:		
Reserves for insurance contract		
Long-term borrowings	767,710.97	839,565.85
Bonds payables	965,106,599.91	955,149,428.47
Including: Preferred shares		
Perpetual bond		
Lease liabilities	24,495,723.74	28,241,833.45
Long-term payables		
Long-term wages and salaries payables		
Provisions liabilities	33,060,051.87	27,360,544.92

Deferred income	75,427,675.79	75,903,994.54
Deferred income tax liabilities	385,433.16	1,970,247.18
Other non-current liabilities	25,688,400.31	24,433,346.53
Total Non-current Liabilities	1,124,931,595.75	1,113,898,960.94
Total Liabilities	6,506,335,525.35	6,638,710,204.71
Owners' Equity:		
Share capital	1,063,291,192.00	1,063,237,105.00
Other equity instruments	131,799,790.05	131,882,189.43
Including: Preferred shares		
Perpetual bond		
Capital reserves	522,077,249.31	521,444,630.98
Less: Treasury stock		
Other comprehensive income	-4,015,089.32	-7,260,749.58
Special reserves		
Surplus reserves	230,776,483.10	230,776,483.10
Provision for general risk		
Undistributed profit	2,794,532,672.08	2,586,397,757.20
Total Owner's Equity Attributable to the Owners of the Company	4,738,462,297.22	4,526,477,416.13
Minority interests	31,223,353.69	32,045,958.72
Total Owners' Equity	4,769,685,650.91	4,558,523,374.85
Total Liabilities and Owners' Equity	11,276,021,176.26	11,197,233,579.56

Legal representative: Lai Weide

Person in charge of accounting: Wang Yin

Responsible person of the accounting institution: Yun Chunyu

## 2. Consolidated income statement

Unit: RMB

Item	Current amount	Amount in the previous period
1. Total operating income	2,770,410,679.21	2,219,713,806.49
Including: Operating income	2,770,410,679.21	2,219,713,806.49
Interest income		
Earned premium		
Service charges and commission income		
2. Total cost of sales	2,622,045,175.30	2,171,836,337.13
Including: Cost of sales	2,300,587,173.75	1,862,144,630.54
Interest expenses		
Service charges and commission expenses		
Load value		
Net claims paid		
Net change in appropriation of deposit for duty		
Policy dividend payout		
Reinsurance expenses		
Taxes and surcharges	7,179,236.31	7,418,326.58
Selling expenses	144,171,586.45	125,450,611.01
General and administrative expenses	49,775,172.61	43,294,932.01



Research and development costs	138,051,109.31	130,961,858.67
Finance costs	-17,719,103.13	2,565,978.32
Including: Interest expenses	16,837,380.54	16,273,764.98
Interest income	27,655,356.66	23,117,812.59
Add: Other income	42,369,964.65	27,898,528.56
Investment income (loss shall be stated as “-”)	-2,256,502.90	95,447,441.81
Including: Share of profits of associates and joint ventures	1,384,898.03	2,700,011.73
Income from derecognition of financial assets at amortised cost	-2,875,395.09	-1,508,978.93
Exchange gains (loss shall be stated as “-”)		
Net exposure hedging gains (loss shall be stated as “-”)		
Gain on fair values changes (loss shall be stated as “-”)	-14,002,429.09	-578,889.67
Loss on credit impairment (loss shall be stated as “-”)	51,551,877.71	-4,010,791.92
Loss on impairment of assets (loss shall be stated as “-”)	2,168,410.60	-534,317.47
Gain on disposal of assets (loss shall be stated as “-”)	612,788.01	-1,728,468.96
3. Operating profit (loss shall be stated as “-”)	228,809,612.89	164,370,971.71
Add: Non-operating income	621,062.79	1,377,023.60
Less: Non-operating expense	167,110.76	10,182,044.50
4. Profit before tax (loss shall be stated as “-”)	229,263,564.92	155,565,950.81
Less: Income tax expenses	22,197,298.91	-768,338.34
5. Profit for the period (loss shall be stated as “-”)	207,066,266.01	156,334,289.15
(1) Classified by business continuity		
1. Net profit from continuing operations (loss shall be stated as “-”)	207,066,266.01	156,334,289.15
2. Net profit from discontinued operation (loss shall be stated as “-”)		
(2) Classified by ownership		
1. Profit attributable to equity owners of the company	208,134,915.06	155,628,930.67
2. Loss attributable to non-controlling interests	-1,068,649.05	705,358.48
6. Net other comprehensive income after tax	3,491,704.16	-4,635,835.96
Net other comprehensive income after tax attributable to owners of the parent company	3,245,660.10	-3,856,785.58
(1) Other comprehensive income not to be reclassified to profit or loss		
1. Re-measurement of changes in defined benefit plans		
2. Other comprehensive income not to be transferred to profit or loss under the equity method		
3. Changes in the fair value of other equity instrument investments		
4. Changes in fair value of corporate credit risk		
5. Others		
(2) Other comprehensive income to be reclassified to profit or loss	3,245,660.10	-3,856,785.58
1. Other comprehensive income to be transferred to profit or loss under the equity method		
2. Changes in the fair value of other debt investments		
3. Amount of financial assets reclassified and included in other comprehensive income		
4. Other debt investment credit impairment reserves		
5. Cash flow hedge reserves		
6. Exchange differences arising on translation of financial statements denominated in foreign currencies	3,245,660.10	-3,856,785.58
7. Others		
Net other comprehensive income after tax attributable to non-controlling shareholders	246,044.06	-779,050.38

7. Total comprehensive income	210,557,970.17	151,698,453.19
Total comprehensive income attributable to owners of the parent company	211,380,575.16	151,772,145.09
Total comprehensive income attributable to non-controlling shareholders	-822,604.99	-73,691.90
8. Earnings per share:		
(1) Basic earnings per share	0.1958	0.1464
(2) Diluted earnings per share	0.1923	0.1462

Business combinations under common control occurred in the current period, the net profit realised by the merged party before the merger was RMB0.00, and the net profit realised by the merged party in the previous period was RMB0.00.

Legal representative: Lai Weide      Person in charge of accounting: Wang Yin      Responsible person of the accounting institution: Yun Chunyu

### 3. Consolidated statement of cash flow

Unit: RMB

Item	Current amount	Amount in the previous period
1. Cash flows from operating activities:		
Proceeds from sales of commodities and rendering of services	3,031,352,544.31	2,520,634,873.40
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from central bank		
Net increase in loan from other financial institutions		
Cash received from the original insurance contract premium		
Net cash received from reinsurance business		
Net increase in insurance deposits and investment funds		
Interests, service charges and commission received		
Net increase in loan		
Net increase in repurchase business funds		
Net increase from securities trading brokerage		
Taxes and surcharges refunded	155,481,214.48	119,370,321.99
Cash received from other operating activities	80,163,265.29	46,285,097.26
Subtotal of cash generated from operating activities	3,266,997,024.08	2,686,290,292.65
Payments for commodities and services	2,751,271,996.13	2,154,002,329.52
Net increase in loans and advances to customers		
Net increase in central bank deposits and interbank deposits		
Cash paid for the original insurance contract compensation payment		
Net increase in borrowed funds		
Interests, service charges and commission paid		
Policy dividend paid		
Cash paid to and for employees	271,876,976.47	247,664,224.12
Taxes and surcharges paid	57,601,377.09	54,898,328.95
Cash paid for other operating activities	183,700,502.80	206,698,204.95
Subtotal of cash used in operating activities	3,264,450,852.49	2,663,263,087.54
Net cash flows from operating activities	2,546,171.59	23,027,205.11
2. Cash flows from investing activities:		
Proceeds from realisation of investment	1,859,235.29	
Proceeds from returns on investments	2,205,925.16	5,858,128.77
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	1,725,100.40	5,518,958.16

Net proceeds from disposal of subsidiaries and other operating units		
Cash received from other investing activities		
Subtotal of cash generated from investing activities	5,790,260.85	11,377,086.93
Payments for acquisition of fixed assets, intangible assets and other long-term assets	75,310,908.31	52,343,721.41
Payments for investments	3,109,290.28	108,684,788.18
Net increase in pledged loan		
Payments for acquisition of subsidiaries and other operating units		
Cash used in other investing activities		12,710,972.85
Subtotal of cash used in investing activities	78,420,198.59	173,739,482.44
Net cash flows form investing activities	-72,629,937.74	-162,362,395.51
3. Cash flows from financing activities:		
Cash received from capital contribution		
Including: Cash received by the subsidiary from capital contribution of minority shareholders		
Cash received from borrowings	329,088,276.40	351,814,008.91
Cash received from other financing activities	35,856,291.14	15,864,881.94
Subtotal of cash generated from financing activities	364,944,567.54	367,678,890.85
Repayment of borrowings	501,149,633.56	507,720,532.35
Distribution of dividends or profits and payments for interest expenses	2,167,856.76	3,389,429.11
Including: Dividends or profits paid by subsidiaries to minority shareholders		
Cash paid for other financing activities	50,501,335.55	79,893,961.82
Subtotal of cash used in financing activities	553,818,825.87	591,003,923.28
Net cash flows from financing activities	-188,874,825.87	-223,325,032.43
4. Effect of foreign exchange rate changes	1,905,534.89	-5,723,231.09
5. Net increase in cash and cash equivalents	-257,052,489.59	-368,383,453.92
Add: Cash and cash equivalents at the beginning of the period	3,325,258,059.55	3,195,773,505.79
6. Cash and cash equivalents at the end of the period	3,068,205,569.96	2,827,390,051.87

## (2) Audit Report

Has the first quarterly report been audited?

Yes  No

The first quarterly report of the Company has not been audited.

The board of directors of Skyworth Digital Co., Ltd.

21 April 2022

\* For identification purposes only

**Note:** If there is any inconsistency between the English and Chinese versions of this Appendix, the Chinese version shall prevail.