SKYWORTH

SKYWORTH GROUP LIMITED
創 維 集 團 有 限 公 司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00751)

INSIDE INFORMATION

PROFIT WARNING

This announcement is made by Skyworth Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 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).

The board of directors (the "**Board**") of the Company would like to inform the shareholders of the Company (the "**Shareholders**") and potential investors of the Company that, based on the information currently available to the Company and the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2024, the Group is expected to record a decrease in the profit for the year of approximately 35% as compared with the profit for the year for the year ended 31 December 2023. The above expected decrease is mainly attributable to impairment provisions to be made to the Group's stock of properties and other inventories. A substantial portion of provision is in respect of the Group's properties in some regions of the construction development business under the Group's modern services business sector due to the prolonged downturn in China's real estate market, and the value of the inventories in the Group's other business segments have also suffered a decline. The Group increased the impairment provision for the related property inventories and other inventories in accordance with the accounting standards, which mainly reflected the changes in the current market environment. In the future, the Group will continue to monitor market trends and if necessary, may make further adjustments to reflect the value of its assets according to market changes.

In addition, the Group's results for the year ended 31 December 2024 are also expected to be affected by the performance of its smart systems technology business sector due to competitive market environment, the significant reduction in sales unit price of smart devices, the small and medium-sized display modules business undergoing pressure, resulting in a year-on-year decrease in revenue and gross profit margin.

The Company is still in the process of finalising the Group's audited consolidated results for the year ended 31 December 2024. The information contained in this announcement is only based on a preliminary assessment on the unaudited consolidated management accounts of the Group and the information currently available to the Company, which has not been audited or reviewed by the Company's audit committee and independent auditor, and may be subject to amendments. The Company's audited consolidated results for the year ended 31 December 2024, which are expected to be announced by the end of March 2025, may be different from what are disclosed herein.

Shareholders and potential investors are advised to exercise caution when dealing or contemplating in dealing in the shares of the Company and, in case of doubt, to seek independent advice from professional or financial advisers.

By order of the Board
Skyworth Group Limited
Lin Jin
Chairman of the Board

Hong Kong, 14 February 2025

As at the date of this announcement, the Board of the Company comprises five executive Directors, namely Mr. Lin Jin (Chairman), Mr. Shi Chi (Chief Executive Officer), Ms. Lin Wei Ping, Mr. Wu Qinan and Mr. Lam Shing Choi, Eric; and three independent non-executive Directors, namely Mr. Li Weibin, Mr. Cheong Ying Chew, Henry and Mr. Hung Ka Hai, Clement.