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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)

DISCLOSEABLE TRANSACTION THE INVESTMENT AGREEMENT

THE INVESTMENT AGREEMENT

On 11 April 2025, Shenzhen Skyworth Photovoltaic, an indirect non wholly-owned subsidiary of the Company, entered into the Investment Agreement with Zhejiang Aixu Solar and the Baise Government under which the parties agreed to implement the Photovoltaic Project through the establishment of the Project Company.

Pursuant to the terms of the Investment Agreement, the initial total registered capital of the Project Company will be RMB900,000,000. Shenzhen Skyworth Photovoltaic will contribute RMB550,000,000 towards the initial total registered capital of the Project Company. Zhejiang Aixu Solar and the Baise Government will contribute RMB250,000,000 and RMB100,000,000, respectively, towards the initial total registered capital of the Project Company.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transaction under the Investment Agreement is more than 5% but less than 25%, the transaction under the Investment Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from the circular and shareholder's approval requirement under the Listing Rules.

INTRODUCTION

The Board is pleased to announce that, on 11 April 2025, Shenzhen Skyworth Photovoltaic, an indirect non wholly-owned subsidiary of the Company, entered into the Investment Agreement with Zhejiang Aixu Solar and the Baise Government in relation to the Photovoltaic Project.

A summary of the principal terms of the Investment Agreement is set out below.

Date

11 April 2025

Name of the Project Company

Skyworth Aixu (Baise) Solar Technology Co., Ltd.* (創維愛旭（百色）太陽能科技有限公司)

Parties

- (i) Shenzhen Skyworth Photovoltaic;
- (ii) Zhejiang Aixu Solar; and
- (iii) Baise Government.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Zhejiang Aixu Solar and the Baise Government and their respective ultimate beneficial owners are Independent Third Parties.

Overview of the Investment Agreement

The parties to the Investment agreed to implement the Photovoltaic Project through the establishment of the Project Company.

The Baise Government is responsible for (i) facilitating project approvals, (ii) overseeing facility construction, (iii) implementing the policies that benefit enterprises, (iv) offering talent support for key personnel and (v) promoting new energy support measures.

Shenzhen Skyworth Photovoltaic and Zhejiang Aixu Solar are responsible for registering the Project Company and managing it in accordance with legal and regulatory requirements. Shenzhen Skyworth Photovoltaic will lead project financing and marketing efforts while Zhejiang Aixu Solar will be responsible for project production, technical support and necessary resources and will enter into a technical consulting service agreement with the Project Company in this regard.

Project Company

Pursuant to the terms of the Investment Agreement, the parties will establish the Project Company for the implementation of the Photovoltaic Project. The Project Company will be owned as follows upon its establishment:-

Shareholder	Registered Capital (RMB)	Shareholding Percentage (%)
Shenzhen Skyworth Photovoltaic (or its wholly-owned subsidiary)	550,000,000	61.11%
Zhejiang Aixu Solar	250,000,000	27.78%
Baise Government (through Baise Industrial Investment Group)	100,000,000	11.11%
Total	<u>900,000,000</u>	<u>100.00%</u>

Within 1 month after the establishment of the Project Company, the Baise Government will, through the Fund, make further investment into the Project Company in return for an additional 10% shareholding in the Project Company.

Shareholder	Registered Capital (RMB)	Shareholding Percentage (%)
Shenzhen Skyworth Photovoltaic (or its wholly-owned subsidiary)	550,000,000	55.00%
Zhejiang Aixu Solar	250,000,000	25.00%
Baise Government (through Baise Industrial Investment Group)	100,000,000	10.00%
Fund	100,000,000	10.00%
Total	<u>1,000,000,000</u>	<u>100.00%</u>

The parties shall make their capital contribution in the following manner:

- 1) 40% of the respective capital contribution will be made within 5 working days after the establishment of the Project Company;
- 2) 40% of the respective capital contribution will be made within 5 months after the establishment of the Project Company; and
- 3) the remaining 20% of the respective capital contribution shall be made within 13 months after the establishment of the Project Company.

The amount of the capital contribution was determined after arm's length negotiations between the parties with reference to the registered capital of the Project Company.

The Group intends to finance its investment in the Project Company from its internal resources.

Termination

If the Baise Government fails to fulfil its obligations in the Investment Agreement, Shenzhen Skyworth Photovoltaic and Zhejiang Aixu Solar may extend the requisite timeline. If delay exceeds specified periods, Shenzhen Skyworth Photovoltaic and Zhejiang Aixu Solar may terminate the Investment Agreement.

If Shenzhen Skyworth Photovoltaic and Zhejiang Aixu Solar fail to meet their contractual obligations, including but not limited to commencing construction on time or achieving specified project milestones, the Baise Government may demand rectification within a set timeframe. If the issues are not resolved within two years, the Baise Government may terminate the Investment Agreement.

REASONS AND BENEFITS

The Group is principally engaged in manufacture and sales of smart TV, home access systems, photovoltaic products, smart white appliances, intelligent manufacturing, internet value-added services, property development, property holding, modern services and trading of other products.

The Group's new energy business involves the sale and installation of distributed photovoltaic power stations in the customer-side retail section in the PRC market for residential and commercial uses. The Group also manufactures and sell photovoltaic products. By investing in the Photovoltaic Project, the Group will be able to quickly deploy high-efficiency solar cell and module production and manufacturing capabilities, enhance product technical barriers and product premium capabilities in the market, and create

differentiated products for the high-end market. The Photovoltaic Project provides opportunity for the parties to leverage on the capability and expertise of each other.

The terms of the Investment Agreement were negotiated after arm's length negotiations. The Directors are of the view that the terms of the Investment Agreement are fair and reasonable and the Investment Agreement is in the interests of the Company and the Shareholders as a whole.

Upon establishment, the results of the Project Company will be consolidated into the accounts of the Group.

INFORMATION ON THE PARTIES

Shenzhen Skyworth Photovoltaic

Shenzhen Skyworth Photovoltaic is an indirect non wholly-owned subsidiary of the Company and is principally engaged in investment holding and trading of photovoltaic products. Its equity interests are held as to 70% by Shenzhen Chuangwei-RGB and as to 30 % by members of the management and staff of the Group.

Zhejiang Aixu Solar

Zhejiang Aixu Solar is a limited liability company established under the laws of the PRC and an indirectly wholly-owned subsidiary of Shanghai Aiko Solar Energy Co., Ltd. which is a company incorporated in the PRC with limited liability with its shares listed on the Shanghai Stock Exchange (stock code: SH600732).

Baise Government

Baise Government is a governmental body established by the PRC government and is responsible for the administrative management of Baise City, Guangxi Zhuang Autonomous Region, the PRC.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transaction under the Investment Agreement is more than 5% but less than 25%, the transaction under the Investment Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from the circular and shareholder's approval requirement under the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context otherwise requires:

“Board” the board of Directors;

“Baise Government” The People's Government of Baise* (百色市人民政府) is a governmental body established by the PRC government and is responsible for the administrative management of Baise City,

Guangxi Zhuang Autonomous Region, the PRC;

“Baise Industrial Investment Group”	Guangxi Baise Industrial Investment and Development Group Co. Ltd.* (廣西百色工業投資發展集團有限公司), a company established under the laws of the PRC with limited liability and which entire equity interest is held by the Baise Government;
“Company”	Skyworth Group Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (Stock Code: 00751);
“Director(s)”	the director(s) of the Company;
“Fund”	A fund through which the Baise Government will invest in the registered capital of the Project Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Independent third party(ies)”	person(s) who are independent of the Company and its connected persons;
“Investment Agreement”	the investment agreement dated 11 April 2025 entered into between Shenzhen Skyworth Photovoltaic, Zhejiang Aixu Solar and the Baise Government in relation to the Photovoltaic Project;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Photovoltaic Project”	the manufacturing facility project for high-efficiency solar cells and modules, being the subject matter under the Investment Agreement;
“Project Company”	Skyworth Aixu (Baise) Solar Technology Co., Ltd.* (創維愛旭（百色）太陽能科技有限公司), the project company to be established pursuant to the terms of the Investment Agreement and the name of which is subject to approval by the relevant industry and commerce department in the PRC;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Shareholder(s)”	shareholder(s) of the Company;

“Shenzhen Chuangwei-RBG”	Shenzhen Chuangwei-RBG Electronic Co., Ltd.* (深圳創維-RGB 電子有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of the Company;
“Shenzhen Skyworth Photovoltaic”	Shenzhen Skyworth Photovoltaic Technology Co., Ltd. (深圳創維 光伏科技有限公司), a company established under the laws of the PRC with limited liability and an indirect non wholly-owned subsidiary of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Zhejiang Aixu Solar”	Zhejiang Aixu Solar Technology Co., Ltd. * (浙江愛旭太陽能科技 有限公司), a company established under the laws of the PRC with limited liability and an indirectly wholly-owned subsidiary of Shanghai Aiko Solar Energy Co., Ltd. (stock code: SH600732); and
“%”	per cent.

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

Hong Kong, 11 April 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.

** For identification purposes only*