SKYWORTH

SKYWORTH GROUP LIMITED
創 維 集 團 有 限 公 司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00751)

OVERSEAS REGULATORY ANNOUNCEMENT
2021 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 2021 (the "**Announcement**"). Set out in the Appendix hereto is an extract of certain information in the Announcement.

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 2021 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, 21 April 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.

Stock Code: 000810 Stock Name: Skyworth Digital Announcement Number: 2021-034

Extract of 2021 first quarterly results announcement of

Skyworth Digital Co., Ltd.

Section I Important Notes

The board of directors, the board of supervisors and the directors, supervisors and senior executives of the Company guarantee that the contents of the quarterly results announcement are true, accurate and complete, and there are no false records, misleading statements or material omissions and bear individual and joint legal liability.

All directors attended the board meeting to resolve this quarterly results announcement.

Lai Weide, the legal representative, Wang Yin, the person in charge of accounting, and Yun Chunyu, the responsible person of the accounting institution (head of the Accounting Department) of the Company declare that the financial statements contained in this quarterly results announcement are true, accurate and complete.

Section II Basic Corporate Information

(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

Reasons for retrospective adjustments or restatements

Merger of enterprises under control of the same parent company

	The reporting period	Same period of the prior year		Increase or decrease between the reporting period and the same period prior year
		Before adjustment	After adjustment	After adjustment
Turnover (RMB)	2,219,713,806.49	1,709,529,147.46	1,710,574,334.62	29.76%
Net profit attributable to shareholders of the Company (RMB)	155,628,930.67	78,286,291.64	76,090,768.79	104.53%
Net profit attributable to shareholders of the Company after non-recurring gain or loss (RMB)	59,556,731.06	39,521,732.81	39,521,732.81	50.69%
Net cash from operating activities (RMB)	23,027,205.11	734,411,685.73	732,004,518.88	-96.85%
Basic earnings per share (RMB/share)	0.1464	0.0748	0.0727	101.38%
Diluted earnings per share (RMB/share)	0.1462	0.0733	0.0713	105.05%
Weighted average return on net assets	3.64%	2.04%	1.98%	1.66%
	At the end of the reporting period	At the end of prior year		Increase or decrease at the end of the reporting period from the end of prior year
		Before adjustment	After adjustment	After adjustment
Total assets (RMB)	10,202,534,027.61	10,250,139,368.19	10,250,139,368.19	-0.46%
Net assets attributable to listing company shareholders (RMB)	4,352,985,972.06	4,202,130,475.86	4,202,130,475.86	3.59%

Items and amounts of non-recurring gains or losses.

√ Applicable ☐ Not Applicable

Unit: RMB

Item	Beginning of year to end of reporting period	Remark
Profit or loss on disposal of non-current assets (including the offset part of asset impairment provisions)	90,728,490.21	Mainly due to the loss from disposal of long-term equity investment
Government subsidies included in profit or loss for the current period (except for those closely related to corporate operations, which are granted at fixed quotas or amounts according to the government's unified standards)	14,920,618.11	Government subsidies
Profit or loss on debt restructuring	-782,768.24	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, derivative financial assets, trading financial liabilities and derivative financial liabilities, as well as investment gains from disposal of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities and other debt investment	593,601.66	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	-8,182,729.65	Other items of non-recurring gains or losses
Less: income tax effects	2,130,456.31	Income tax effects
Effects of minority interests (after tax)	-925,443.83	Effects of minority interests
Total	96,072,199.61	--

For extraordinary profit and loss items as defined by the Company according to the definition of " *Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public - Extraordinary Profit and Loss*", and the "*Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public - Extraordinary Profit and Loss*" are defined as extraordinary profit and loss, and the reasons should be explained

☐ Applicable √ Not applicable

During the reporting period, the Company did not define any item of non-recurring profit or loss defined or classified under "*Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public - Extraordinary Profit and Loss"* as an item of recurring profit or loss.

(2) Total number of shareholders and shareholdings of the top 10 shareholders as at the end of the reporting period

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 reporting period			49,426	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 or locked-up	
					Shares status	Number of shares
Shenzhen Chuangwei-RGB Electronics Co., Ltd.	Domestic non-state-owned legal person	54.97%	584,548,508		Pledged	20,000,000
Shi Chi	Overseas natural person	3.46%	36,770,524	27,577,893		
Suining Xingye Asset Operation Company	State-owned legal entity	2.06%	21,916,008		Pledged	10,950,000
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	1.79%	19,021,531			
Li Pu	Domestic natural person	1.29%	13,683,310			
Hong Kong Securities Clearing Company Limited	Overseas legal person	1.00%	10,665,390			
Guangzhou office of Huaxia Securities	Other	0.88%	9,400,000			
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	19,021,531	RMB ordinary shares	19,021,531
Li Pu	13,683,310	RMB ordinary shares	13,683,310
Hong Kong Securities Clearing Company Limited	10,665,390	RMB ordinary shares	10,665,390
Guangzhou office of Huaxia Securities	9,400,000	RMB ordinary shares	9,400,000
Shi Chi	9,192,631	RMB ordinary shares	9,192,631
Tang Yan	6,507,500	RMB ordinary shares	6,507,500
Description of the connected relationship or acting in concert of the above shareholders:	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 Yingtan 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 Yingtan City Pengsheng Investment Co., Ltd.* Xie Xiongqing was the executive director and general manager of Yingtan City Pengsheng Investment Co., Ltd.* Lin Weijian, Lin Weijing and Xie Xiongqing are relatives. Yingtan 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".		
Status of engagement in securities financing business of the top 10 holders of ordinary shares (If any)	As at 31 March 2021, 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”.		

Did the Company’s top 10 holders of ordinary shares and the top 10 holders of ordinary shares not subject to trading moratorium make the agreed repurchase transactions during the reporting period?

□ Yes √ No

The Company’s top 10 holders of ordinary shares and the top 10 holders of ordinary shares not subject to trading moratorium did not make the agreed repurchase transactions during the reporting period

2. Total number of holders of preference shares of the Company and shareholdings of the top 10 holders of preference shares

□ Applicable √ Not applicable

Section III Important Matters

(1) Details and reasons for changes in major accounting figures and financial indicators during the reporting period

√ Applicable ☐ Not applicable

Item	As at 31 March 2021	As at 31 December 2020	% Change	Reason for change
Financial assets held for trading	100,000,000.00		-	Structured deposit
Derivative financial assets	321,044.40	5,612,125.21	-94.28%	Fair value of outstanding forward foreign exchange contracts
Other receivables	243,123,133.19	112,763,989.38	115.60%	Mainly due to the increase in receivables in the equity disposal of Qun Xin Company in the current period
Assets held for sale	-	199,844,394.83	-100.00%	The assets held for sale measured at the completed equity disposal of Qun Xin Company in the current period
Other current assets	110,546,544.76	79,632,402.07	38.82%	Increase in additional tax and tax credit
Derivative financial liabilities	15,299,158.91	23,392,138.43	-34.60%	Fair value of outstanding forward foreign exchange contracts
Salaries payable	175,394,443.01	133,808,213.01	31.08%	Increase in salaries in the current period
Taxes payable	48,585,984.64	21,008,735.35	131.27%	Mainly due to the increase in profit leads to the increase in corporate income tax payable
Liabilities held for sale	-	83,672,283.93	-100.00%	The liabilities held for sale measured at the completed equity disposal of Qun Xin Company in the current period
Deferred income tax liabilities	198,413.34	1,024,395.34	-80.63%	Decrease in income tax liabilities recognised by changes in the fair value of outstanding forward foreign exchange contracts
Item	**Current amount**	**Amount in the previous period**	**Change**	**Reason for change**
Operating cost	1,862,144,630.54	1,396,402,980.48	33.35%	Expansion of sales scale leads to the increase in operating costs
Finance costs	2,565,978.32	39,212,807.18	-93.46%	Mainly due to the fluctuations of exchange rate resulted in the reduction of exchange losses
Investment gains (loss shall be stated as "-")	95,447,441.81	557,091.56	17033.17%	Mainly due to the increase in gain from the disposal of equity interests of Qun Xin Company
Gain on changes in fair value (loss shall be stated as "-")	-578,889.67	23,262,812.82	-102.49%	Losses on changes in fair value of undelivered forward foreign exchange
Loss on credit impairment (loss shall be stated as "-")	-4,010,791.92	-2,124,304.35	88.80%	Mainly due to the increase in expected credit impairment losses
Loss on asset impairment (loss shall be stated as "-")	-534,317.47	-6,264,583.44	-91.47%	Decrease in inventory price loss accrued in the current period
Gain on disposal of asset (loss shall be stated as "-")	-1,728,468.96	319,805.01	-640.48%	Increase in loss from fixed asset disposal

Non-operating income	1,377,023.60	781,362.37	76.23%	Increase in non-operating income
Non-operating expenses	10,182,044.50	660,119.49	1442.45%	Increase in non-operating expenses
Income tax expense	-768,338.34	4,596,824.51	-116.71%	Increase in deferred income tax assets in the current period
Net cash flows generated from operating activities	23,027,205.11	732,004,518.88	-96.85%	Increase in purchase payment in the current period
Net cash flows generated from investing activities	-162,362,395.51	-36,093,793.79	-349.83%	Invested RMB 100 million in structured deposits in the current period
Net cash flows generated from financing activities	-223,325,032.43	-707,546,308.24	68.44%	Decrease in cash due to repayment of bank loans in the current period

(2) Progress of significant events and analysis of their implications and solutions

√ Applicable □ Not applicable

(1) The Company held the 26th meeting of the 10th board of directors on 29 December 2020 to review and approve the "Proposal on the disposal of 55% equity interest in the subsidiary Skyworth Qun Xin Security Technology Company Limited"* (《關於公司子公司出售深圳市創維群欣安防科技股份有限公司55%股份的議案》), the Company agreed that Shenzhen Skyworth Digital Technology Co., Ltd.* (深圳創維數字技術有限公司), a wholly-owned subsidiary of the Company, to dispose 55% equity interest in Skyworth Qun Xin Security Technology Company Limited* (深圳市創維群欣安防科技股份有限公司) (hereinafter referred to as "Qun Xin Company") to Shenzhen Yaxinwan Technology Co., Ltd.* (深圳亞新灣科技有限公司) (hereinafter referred to as "Yaxinwan Company") for RMB 165,581,600, following the appraised value of RMB 301,057,300 as pricing basis based on the "Asset Appraisal Report" issued by Shenzhen Pengxin Real Estate Appraisal Co., Ltd.* (深圳市鵬信資產評估土地房地產估價有限公司) on 2 December 2020 (Pengxin Asset Appraisal Report [2020] No. S151). Pursuant to the "Share Transfer Agreement" signed by the Company and Yaxinwan Company, Shenzhen Skyworth Digital, a subsidiary of the Company, has received the first equity transfer consideration of RMB 10 million (in aggregated) paid by Yaxinwan Company for this transaction on 19 January 2021. Qun Xin Company has completed the filing procedures for the registration of changes in shareholder information, legal representatives, directors, supervisors and senior management in the Market Supervision Commission of Shenzhen Municipality, and obtained the "Notice of Change (record)" and the new "Business License". At the same time, Yaxinwan Company pledged its 55% equity interest in Qun Xin Company to Shenzhen Skyworth Digital, and obtained the "Notice of Establishment Registration of Equity Pledge". The second instalment of equity transfer consideration of RMB 74,450,000 shall be paid before 31 March 2021; the third instalment of equity transfer consideration of RMB 81,131,600 shall be paid before 30 June 2021, for a total amount of RMB 165,581,600. As of the disclosure date of this announcement, Yaxinwan Company has paid RMB 10,000,000, the amount of overdue payments amounting to RMB 74,450,000. Recently, the Company has been communicating with Yaxinwan Company to confirm the payment of the purchase of equity. Since Yaxinwan Company is unable to fulfill payment on schedule due to capital turnover, it negotiates with the Company and requests to postpone the settlement of the aforesaid unpaid consideration by 31 May 2021. Currently, the two parties are still negotiating on the deferred payment, while the Company attaches great importance to the payment that Yaxinwan Company to be paid on time, and will urge it to fulfill its payment obligation as soon as possible. The Company will fulfill its information disclosure obligations in accordance with the follow-up progress. Investors are kindly requested to pay attention to investment risks. Please refer to the "Announcement on the progress of the proposal on the disposal of 55% equity interest in the subsidiary Skyworth Qun Xin Security Technology Company Limited" * (《關於公司子公司出售深圳市創維群欣安防科技股份有限公司55%股份的進展公告》) (Announcement Number: 2021-026) published on the information website (http://www.cninfo.com.cn/) on 9 April 2021 for detailed information.

(2) On 26 March 2021, Skyworth Group Co., Ltd.* (創維集團有限公司) (hereinafter referred to as "Skyworth Group"), an indirect wholly-owned subsidiary of Skyworth Group Limited (00751.HK), entered into the Trademark Transfer Agreement with Sky-well New Energy Automobile Group Co. Ltd.* (開沃新能源汽車集團有限公司) (hereinafter referred to as "Sky-well New

Energy"). Skyworth Group agreed to transfer all its title and interest in the Subject Trademarks bearing the marks "創維""SKYWORTH" as registered with the Trademark Office of the State Administration for Industry and Commerce of the PRC under Class 12 of the Nice Classification. At the same time, Sky-well New Energy agreed to grant a license at no charge in favour of Skyworth Automobile Electronics (Shenzhen) Co., Ltd.* (深圳創維汽車智能有限公司) (hereinafter referred to as "Automobile Electronics") in respect of Automobile Electronics' products to use the Subject Trademarks in the scope of automotive display screens, automotive digital LCD meters, automotive driving recorders, automotive interior rearview mirrors, car central control system, remote control vehicles (other than toys) (Trademark Nice Classification: 120257), reversing alarms for vehicles (Trademark Nice Classification: 120026), vehicle running boards (Trademark Nice Classification: 120141), rearview mirrors (Trademark Nice Classification: 120173), signal arms for vehicles (Trademark Nice Classification: 120228), tailboard lifts (parts of land vehicles) (Trademark Nice Classification: 120243), elevating tailgates (parts of land vehicles) (Trademark Nice Classification: 120243), power tailgates (parts of land vehicles) (Trademark Nice Classification: 120243), sun-blinds adapted for automobiles (Trademark Nice Classification: 120245), cigar lighters for automobiles (Trademark Nice Classification: 120266), anti-theft devices for vehicles (Trademark Nice Classification: C120020), windshield wipers (Trademark Nice Classification: 120121), windscreen wipers (Trademark Nice Classification: 120121), anti-theft devices for vehicles (Trademark Nice Classification: 120200), anti-dazzle devices for vehicles* (Trademark Nice Classification: 120204), anti-glare devices for vehicles* (Trademark Nice Classification: 120204), anti-theft alarms for vehicles (Trademark Nice Classification: 120211), horns for vehicles (Trademark Nice Classification: 120212), headlight wipers (Trademark Nice Classification: 120262), side view mirrors for vehicles (Trademark Nice Classification: 120276). If Sky-well New Energy subsequently registered a new trademark, and the products covered by the new trademark belong to the business scope of automotive intelligence, Sky-well New Energy also agrees to grant a perpetual license at no charge in favour of Automobile Electronics' use of the new trademarks in the corresponding product from the date of successful registration of the new trademark. The Licensing Agreement has an initial term of three years, upon expiry of which Automobile Electronics has the sole discretion to renew the Licensing Agreement for another three-year term. Upon expiry of each subsequent renewed term, Automobile Electronics has the sole discretion to renew the Licensing Agreement for another three-year term. In addition, Automobile Electronics may terminate the Licensing Agreement by three months' written notice to Sky-well New Energy. Sky-well New Energy is not entitled to terminate the Licensing Agreement unless Automobile Electronics has committed a fundamental breach of the Licensing Agreement. Meanwhile, Sky-well New Energy undertakes in favour of Automobile Electronics not to participate in the production of the specified products referred to under the Licensing Agreement or otherwise engage in competing business activities with Automobile Electronics.

Pursuant to which Skyworth Automobile may use such trademarks bearing the marks "創維""SKYWORTH" in a range of specified electronic products/electric appliances relating to automobile and vehicles, e.g. display boards, navigation devices, detectors, rear mirrors etc.

<table>
<tr><th>Summary of important matters</th><th>Date of disclosure</th><th>Search index of the ad-hoc report disclosure website</th></tr>
<tr><td rowspan="3">Regarding the "Announcement on the proposal on the disposal of 55% equity interest in the subsidiary Skyworth Qun Xin Security Technology Company Limited"* (《公司子公司出售深圳市創維群欣安防科技股份有限公司[1]55%股份的公告》) (2020-067, 2021-004, 2021-026)</td><td>30 December 2020</td><td>www.cninfo.com.cn</td></tr>
<tr><td>21 January 2021</td><td>www.cninfo.com.cn</td></tr>
<tr><td>9 April 2021</td><td>www.cninfo.com.cn</td></tr>
</table>

Progress in the repurchase of shares

□ Applicable √ Not applicable

[1] "The name of Skyworth Qun Xin Security Technology Company Limited* (深圳市創維群欣安防科技股份有限公司) has changed to Shenzhen Baolong Qunxin Technology Co., Ltd.* (深圳寶龍群欣科技有限公司).

Progress in reducing repurchased shares through centralised bidding

□ Applicable √ Not applicable

(3) Undertakings of the Company's actual controller, shareholders, related parties, acquirers and the Company (being the promised parties) that had not been fulfilled during the reporting period

□ Applicable √ Not applicable

The Company did not have any undertaking of its actual controller, shareholders, related parties, acquirers and the Company (being the promised parties) that had not been fulfilled during the reporting period.

(4) Situation of investment in securities

1. Investment in securities

√ Applicable ☐ Not applicable

Unit: RMB

Name of securities	Securities code	Securities abbreviation	Initial investment cost	Measurement models in accounting	Book value at beginning of reporting period	Gains and losses from changes in fair value in the current period	Accrued cumulative changes in fair value	Current amount purchased	Current amount sold	Profit or loss during reporting period	Book value at end of reporting period	Accounting accounts	Source of funding
Bank WMPs	Not applicable	Corporate structured deposit	100,000,000.00	Fair value measurement	0.00	0.00	0.00	100,000,000.00	0.00	0.00	100,000,000.00	Trading financial assets	Idle raised funds
Total			100,000,000.00	--	0.00	0.00	0.00	100,000,000.00	0.00	0.00	100,000,000.00	--	--
Date of announcement relating to the securities investment approved at the board meeting			28 September 2020										
Date of announcement relating to the securities investment approved at the shareholders' (if any)			Not applicable										

Note: The above structured deposits will be expired on 13 April 2021, with a retracted principal amount of RMB 100,000,000.00 and gains of RMB 700,000.00.

2. Situation of investment in derivative

√ Applicable □ Not applicable

Unit: RMB ten thousand

Name of the entity operating derivative investment	Connected relationship	Connected transaction (Yes/No)	Type of derivative investment	Initial investment amount	Commencement date	Termination date	Investment amount at beginning of reporting period	Amount purchased during reporting period	Amount sold during reporting period	Amount of provision for impairment (if any)	Investment amount at end of reporting period	Percentage of investment amount at period end in net assets of the Company at end of reporting period	Actual profit or loss during reporting period
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	1,298.28	17 January 2020	10 January 2021	1,298.28		1,298.28			0.00%	58.72
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	909.82	18 June 2020	11 January 2021	909.82		909.82			0.00%	50.87
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	337.34	11 September 2020	11 January 2021	337.34		337.34			0.00%	18.84
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	2,547.66	18 June 2020	10 February 2021	2,547.66		2,547.66			0.00%	-4.3
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	1,612.57	27 July 2020	10 March 2021	1,612.57		1,612.57			0.00%	52.92
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	1,639.67	27 July 2020	12 April 2021	1,639.67				1,639.67	0.37%	1.22
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	1,649.69	27 July 2020	10 May 2021	1,649.69				1,649.69	0.38%	2.31
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	1,832.83	27 July 2020	10 June 2021	1,832.83				1,832.83	0.42%	3.76

Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	1,833.11	27 July 2020	12 July 2021	1,833.11				1,833.11	0.42%	5.02
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	1,761.56	3 September 2020	10 August 2021	1,761.56				1,761.56	0.40%	6.09
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	202.45	11 September 2020	10 February 2021	202.45		202.45			0.00%	-0.41
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	342.59	7 December 2020	14 October 2021	342.59				342.59	0.08%	1.74
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	1,677.47	7 December 2020	10 November 2021	1,677.47				1,677.47	0.38%	9.76
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	569.99	11 January 2021	10 September 2021		569.99			569.99	0.13%	-33.39
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	650.52	11 January 2021	10 November 2021		650.52			650.52	0.15%	-37.92
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	1,626.69	11 January 2021	10 December 2021		1,626.69			1,626.69	0.37%	-93.57
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	1,756.31	16 March 2021	10 January 2022		1,756.31			1,756.31	0.40%	-11.52
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	1,464.24	16 March 2021	10 February 2022		1,464.24			1,464.24	0.33%	-8.62

Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	1,516.97	16 March 2021	10 March 2022		1,516.97			1,516.97	0.35%	-8.48
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	20,166	20 October 2020	7 January 2021	20,166		20,166			0.00%	1.29
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	6,477.11	29 January 2021	31 December 2021		6,477.11			6,477.11	1.47%	-65.03
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	191.86	30 October 2020	20 January 2021	191.86		191.86			0.00%	2.97
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	188.31	17 November 2020	10 February 2021	188.31		188.31			0.00%	3.04
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	188.31	5 November 2020	10 March 2021	188.31		188.31			0.00%	6.47
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	593.26	29 January 2021	8 April 2021		593.26			593.26	0.13%	10.63
Standard Chartered Bank (China) Limited	No	No	Forward foreign exchange	318.33	8 February 2021	9 June 2021		318.33			318.33	0.07%	-3.26
Erste Bank der oesterreichischen Sparkassen AG	No	No	Forward foreign exchange	787.19	6 November 2020	28 January 2021	787.19		787.19			0.00%	5.5

Erste Bank der oesterreichischen Sparkassen AG	No	No	Forward foreign exchange	787.19	30 November 2020	26 February 2021	787.19		787.19			0.00%	6.05
Erste Bank der oesterreichischen Sparkassen AG	No	No	Forward foreign exchange	1,605	31 December 2020	29 March 2021	1,605		1,605			0.00%	52
Erste Bank der oesterreichischen Sparkassen AG	No	No	Forward foreign exchange	802.5	31 December 2020	29 March 2021	802.5		802.5			0.00%	26.05
Erste Bank der oesterreichischen Sparkassen AG	No	No	Forward foreign exchange	647.13	1 February 2021	29 April 2021		647.13			647.13	0.15%	20.3
Erste Bank der oesterreichischen Sparkassen AG	No	No	Forward foreign exchange	2,299.96	30 March 2021	29 April 2021		2,299.96			2,299.96	0.52%	0.04

Erste Bank der oesterreichischen Sparkassen AG	No	No	Forward foreign exchange	985.7	30 March 2021	27 May 2021		985.7			985.7	0.22%	0.03
Erste Bank der oesterreichischen Sparkassen AG	No	No	Forward foreign exchange	1,314.26	31 March 2021	27 May 2021		1,314.26			1,314.26	0.30%	-0.01
Erste Bank der oesterreichischen Sparkassen AG	No	No	Forward foreign exchange	657.13	31 March 2021	29 June 2021		657.13			657.13	0.15%	-0.03
Erste Bank der oesterreichischen Sparkassen AG	No	No	Forward foreign exchange	1,314.26	31 March 2021	29 June 2021		1,314.26			1,314.26	0.30%	-0.06
Industrial Bank Co., Ltd. Shenzhen High-tech Zone Sub-branch	No	No	Forward foreign exchange	841.27	22 February 2021	31 March 2021		841.27	841.27			0.00%	-11.28
China Minsheng Bank Shenzhen Branch	No	No	Forward foreign exchange	1,314.26	19 March 2021	31 May 2021		1,314.26			1,314.26	0.30%	-8.36
Total				66,708.79	--	--	42,361.4	24,347.39	32,465.75		34,243.04	7.79%	59.38

Derivative investment sources	Private capital
Litigation involved (if applicable)	Nil
Date of announcement relating to the derivative investment approved at the board meeting (if any)	19 March 2021
Date of announcement relating to the derivative investment approved at the shareholders' meeting (if any)	15 April 2021
Risk analysis of positions in derivatives and control measures (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.) in the reporting period approved at the shareholders' meeting (if any)	Risk analysis of forward foreign exchange business: The Company does not conduct forward foreign exchange transactions solely for profit purposes. All forward foreign exchange transactions are based on ordinary operation, and are based on specific business operations to avoid and guard against exchange rate risks. Forward foreign exchange transactions can reduce the impact of exchange rate fluctuations on the Company when the exchange rate fluctuates significantly, so that the Company can focus on its production operation. However, there are some possible risks in the forward foreign exchange business: ① Exchange Rate Fluctuation Risk: In the case of significant fluctuation of exchange rate, the bank's forward exchange offer rate may be lower than the Company's offer rate to the customer. In that case, the Company would not be able to lock down the rate according to the customer offer rate, which may result in exchange losses; ② Internal Control Risk: A lack of internal control proficiency could create internal control risk due to forward foreign exchange transactions being highly professional and complex; ③ Customer Default Risk: Due to overdue on customer accounts receivable, the loan cannot be recovered within the forecast receivable period, which will result in delayed long-term settlement of the transaction and lead to losses of the Company; ④ Receivable Forecasting Risk: The internal import and export departments forecast receivables according to existing customer orders and future expected orders. Customer may request to adjust the orders during the actual implementation process; such adjustments will affect the accuracy of forecast receivable and lead to long-term settlement delay delivery risk. Risk response to forward foreign exchange transactions: ① The Company has formulated the "Forward Foreign Exchange Business Internal Control System" 《遠期外匯交易業務內部控制制度》, which clearly stipulates the principles of business operation, approval authority and scope of duties, internal operation flow, follow-up management, information isolation measures, information disclosure and file management. According to the system, the Company will arrange strictly in accordance with the provisions in terms of professional staff arrangement, establishment of strict authorisation hierarchy and position containment system to strengthen the relevant personnel on professional ethics learnings and business training to improve the overall quality of the relevant personnel. At the same time, the Company is committed to the establishment of a timely abnormality reporting system and the formation of efficient risk management procedures; ②The Company's Finance Department serves as the daily competent authority of the foreign exchange forward trading business, the department has set up corresponding professional positions, which are led by the Financial Controller, who is responsible for the business and compliance with the "Forward Foreign Exchange Business Internal Control System"《遠期外匯交易業務內部控制制度》, while ensuring that the system is carried out with greater efficiency. All staff who participate in the forward foreign exchange business have fully understood the characteristics and risks of the forward foreign exchange business, and strictly implemented the operation and risk management system within the derivatives business; ③ The Company has strict control on the scale of funds in foreign exchange forward transactions. All foreign exchange forward transactions must be entered into in accordance with foreign currency receipt and payment plans developed by relevant operating departments. Such transactions must comply with the Company's "Forward Foreign Exchange Business Internal Control System" 《遠期外匯交易業務內部控制制度》, which provides the authority to disseminate operation instructions. The proceeding of operation must be in compliance with internal guidelines after the approval process. Strict prohibition of any amount of one-way transaction, for there is a risk of exposure to forward foreign exchange transactions; ④ The Company's proposed forward foreign exchange trading business is aimed at guarding against and avoiding exchange rate risk. The Company's board of directors has put forward specific risk control requirements, while the internal audit department and the audit committee of the board of directors will verify the actual transaction contract and the implementation process on a regular and irregular basis.

During the reporting period, if the market price or the fair value of the derivative is changed, the analysis of the fair value of the derivative shall disclose the method and the relevant assumptions with parameters	The Company's auditing for the fair value of derivatives is mainly due to the unexpired contract of forward-to-date foreign exchange settlement transactions signed by the Company and the Bank within the reporting period. The fair value gains and losses are recognised accordingly to the difference between the forward offer and the forward exchange rate agreed upon in the contract, which had not expired as of the transactional financial asset or liability date.
Remarks on whether any significant change has occurred to the accounting policy of the Company's derivatives and the specific principles of accounting during the reporting period in comparison with the previous reporting period	Nil.
Special opinions of independent directors on the Company's derivative investment and risk control	The Company's auditing for the fair value of derivatives is mainly due to the unexpired contract of forward-to-date foreign exchange settlement transactions signed by the Company and the Bank within the reporting period. The fair value gains and losses are recognised accordingly to the difference between the forward offer and the forward exchange rate agreed upon in the contract, which had not expired as of the transactional financial asset or liability date, the proposal was agreed

(5) Progress of fund-raising investment projects

√ Applicable ☐ Not applicable

As approved by the China Securities Regulatory Commission ("CSRC") in the "Approval in Relation to the Public Issuance of Convertible Corporate Bonds by Skyworth Digital Co., Ltd. (Zheng Jian Xu Ke [2018] No. 1913)"* (《關於核准創維數字股份有限公司公開發行可轉換公司債券的批復》), the Company publicly issued RMB 10.4 million convertible corporate bonds on 15 April 2019 at an issuance price of RMB100 each. The total amount of capital raised was RMB 1,040,000,000, while the net proceeds, after deducting the underwriting fees, sponsorship fees and other issuance expenses of RMB 8,713,600, amounted to RMB 1,031,286,400. The Company has received the actual net proceeds of RMB 1,031,286,400 (after deducting the issuance costs) on 19 April 2019. The above-mentioned fund-raising situation has been verified by Dahua Certified Public Accountants (Special General Partnership) and the "Verification Report on Funds Raised by the Public Issuance of Convertible Corporate Bonds by Skyworth Digital Co., Ltd. (Dahua Verification [2019] No. 000082)"* (《創維數字股份有限公司公開發行可轉換公司債券募集資金驗證報告》) was issued. The Company has carried out special account storage management for the raised funds, and signed a fund-raising supervision agreement with special account banks and sponsors. Please refer to the "Announcement on Signing the Supervision Agreement for Raised Funds"* (《關於簽訂募集資金監管協定的公告》) published on the information website （http://www.cninfo.com.cn）on 26 April 2019 for detailed information.

On 27 May 2019, the Company held the 16th meeting of the 10th board of directors, at which the Company deliberated and approved the "Proposal for using convertible bonds to raise funds to replace the pre-invested funds in fund-raising projects"* (《關於使用可轉債募集資金置換預先投入募投項目自籌資金的議案》) for using the same amount of the raised funds to replace the self-raised funds of RMB 81,489,900 which have been invested in fund-raising projects in advance.

On 27 May 2019, the Company held the 16th meeting of the 10th board of directors, in which the Company reviewed and approved the "Proposal for using partially idle convertible bonds to raise funds to temporarily supplement the working capital"*(《關於使用部分閒置可轉債募集資金暫時補充流動資金的議案》), in order to ensure the investment projects with raised funds are implemented on schedule, it was proposed to use the idle raised funds of RMB 300 million (including RMB 300 million) to temporarily supplement the working capital. The use period shall not exceed 12 months and return to the special account for raised funds after mature. During the above-mentioned authorisation period, the Company made reasonable arrangements for the use of the funds and withdrew RMB 116 million from the special account of raised funds to temporary supplement the working capital. On 6 March 2020, RMB 116 million of the idle funds used to supplement the working capital have been returned to the Company's special fund-raising account, and the Company's sponsor and sponsor representatives have been notified. On 19 March 2021, the Company held the 27th meeting of the 10th board of directors, in which the Company reviewed and approved the "Proposal for using partially idle convertible bonds to raise funds to temporarily supplement the working capital"*(《關於使用部分閒置可轉債募集資金暫時補充流動資金的議案》), it was proposed to use the idle raised funds of not more than RMB 180 million (including RMB 180 million) to temporarily supplement the working capital. The use period shall not exceed 12 months from the date of approval granted by the Company's board of director. As of 31 March 2021, the Company's actual use of idle funds to supplement the working capital was RMB 0.

On 28 September 2020, the Company held the 24th meeting of the 10th board of directors, in which the Company reviewed and approved the "Proposal for using partially idle raised funds and own capital to purchase WMPs" *(關於使用部分閒置募集資金和自有資金購買理財產品的議案), in order to make full use of idle raised funds and increase capital returns. While guaranteeing the smooth progress of investment projects with raised funds and the safety of raised funds, the Company agreed that the Company and its wholly-owned subsidiaries shall use idle raised funds of not more than RMB 150 million to purchase high security, good liquidity bank guaranteed WMPs within 12 months from the date of approval granted by the board of directors. Within the above cap, funds can be used on a rolling basis. As of 31 March 2021, the Company's actual use of idle raised funds to purchase bank WMPs with capital protection was RMB 100 million.

As of 31 March 2021, the special account of raised funds has accumulatively obtained bank interest and expenditure of net bank fees of RMB 64,723,500; the cumulative use of raised funds was RMB 254,953,900. Among them, a total of RMB 154,953,900 (including replacement of pre-invested fund-raising projects with raised funds of RMB 81,489,900) has been invested in fund-raising projects and RMB 10,000,000 of partially idle raised funds has been used to purchase WMPs; the remaining balance of the special account of raised funds was RMB 841,056,000. According to the aforementioned fund-raising supervision agreement, the above-mentioned raised funds are deposited in the special account for raised funds.

(6) January-June 2021 business performance forecast

A warning and explanation of the reason for predicting that the cumulative net profit from the beginning of the year to the end of the next reporting period may be a loss or a significant change as compared with the same period of the previous year

□ Applicable √ Not applicable

(7) Material contracts for daily operations

□ Applicable √ Not applicable

(8) Entrust wealth management

√ Applicable ☐ Not applicable

Unit: ten thousand

Type	Source of funds for entrusted wealth management	Amount of entrusted wealth management	Unexpired balance	Amount not recovered overdue
Bank WMPs	Idle raised funds	10,000	10,000	0
Total		10,000	10,000	0

The detailed situation of high-risk entrusted wealth management with large single amount or low security, poor liquidity and no capital protection

√ Applicable ☐ Not applicable

Unit: ten thousand

Trustee name (or name of trustee)	Type of Trustee (or trustee)	Type of product	Amount	Source of fund	Commencement date	Termination date	Investment direction	Method for return determining	Annual rate for reference	Expected return (if any)	Actual profit and loss amount during the reporting period	Actual recovery of profits and losses during the reporting period	Amount of provision for impairment (if any)	Whether through legal procedures	Any entrusted wealth management plans in the future	Summary of matters and connected query index (if any)
China Everbright Bank Co., Ltd. Shenzhen Branch	Bank	Floating income with capital protection	10,000	Idle raised funds	13 January 2021	13 April 2021	Corporate structured deposit	Linked exchange rate to corporate structured deposit	2.80%	0	0	-	0	Yes	Yes	2021-003
Total			10,000	--	--	--	--	--	--	0	0	--	0	--	--	--

Entrusted wealth management is expected to be unable to recover the principal or there are other situations that may cause impairment

☐ Applicable √ Not applicable

(9) Situation of illegal external guarantee

☐ Applicable √ Not applicable

No illegal external guarantee during the reporting period.

(10) Controlling shareholder(s) and its/their connected parties occupy the funds of the listed company for non-operating purpose

☐ Applicable √ Not applicable

No controlling shareholder(s) and its/their connected parties occupied the funds of the listed company for non-operating purpose during the reporting period.

(11) No controlling shareholder(s) and its/their connected parties occupied the funds of the listed company for non-operating purpose during the reporting period.

√ Applicable ☐ Not applicable

Reception time	Reception place	Type of reception	Reception party	Party involved	The main content of the discussion and the information provided	The basic situation index of research
26 March 2021	Online results presentation	Other	Other	Company's investors	Understanding of Company's business development	See the website (http://www.cninfo.com.cn) Investor Relations Activity List

** For identification purpose only*[i]

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