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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

2024 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 2024 (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 2024 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
Lin Jin
Chairman of the Board

Hong Kong, 23 April 2024

As at the date of this announcement, the Board of the Company comprises five executive Directors, namely Mr. Lin Jin (Chairman), Mr. Liu Tangzhi (Vice Chairman), Mr. Shi Chi (Chief Executive Officer), Ms. Lin Wei Ping 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.

Stock Code: 000810

Stock Name: Skyworth Digital

Announcement Number: 2024-025

SKYWORTH DIGITAL CO., LTD.

2024 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 (%)
Revenue (RMB)	2,283,683,700.17	2,342,266,376.99	-2.50%
Net profit attributable to shareholders of the Company (RMB)	106,194,152.75	117,354,536.34	-9.51%
Net profit attributable to shareholders of the Company after non-recurring gain or loss (RMB)	97,587,306.54	112,193,107.36	-13.02%
Net cash from operating activities (RMB)	-306,241,411.51	-318,165,319.35	3.75%
Basic earnings per share (RMB/share)	0.0930	0.1028	-9.53%
Diluted earnings per share (RMB/share)	0.0930	0.1028	-9.53%
Weighted average return on net assets	1.65%	1.93%	-0.28%
	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)	11,299,010,689.42	11,447,113,246.47	-1.29%
Owners' equity attributable to shareholders of the Company (RMB)	6,472,169,921.98	6,367,875,641.42	1.64%

(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)	65,212.38	Gains on disposal of fixed assets
Government subsidies included in profit or loss for the reporting period (except for those closely related to Company's normal operations, which comply with national policies and regulations, granted according to determined standards, and have a lasting impact on the company's profits and losses)	15,599,607.48	Government subsidies
Other than effective hedging activities associated with the Company's normal operations, gains and losses from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, and gains and losses on disposal of financial assets and financial liabilities	-187,873.44	Gains and losses on forward foreign exchange, and gains on structured deposit interest
Profit or loss of debt restructuring	-5,112,705.16	Losses on debt restructuring of accounts receivables and gains on debt restructuring of accounts payables
Non-operating income and expenses other than the above	-20,191.54	Other items of non-recurring gains or losses
Less: income tax effects	1,478,392.15	
Effects of minority interests (after tax)	258,811.36	
Total	8,606,846.21	

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

Balance sheet item	Balance at the end of reporting period (RMB)	Balance at the beginning reporting period (RMB)	Increase or decrease	Reason for change
Financial assets held for trading	90,000,000.00	0.00	100.00%	Subscription of structured deposits in the reporting period
Bills receivables	345,448,722.36	208,547,923.42	65.64%	Increase in income from bill settlement customers
Other non-current assets	31,291,112.72	20,714,208.84	51.06%	Increase in prepaid long-term assets purchase
Short-term loan	1,081,495,469.96	725,113,803.65	49.15%	Increase in foreign currency bank loan
Derivative financial liabilities	178,712.75	26,876.84	564.93%	Increase in fair value of undelivered forward foreign exchange
Receipts in advance	527,976.58	887,462.54	-40.51%	Year-on-year decrease in receipt in advance for housing rental income
Contract liabilities	80,489,175.53	120,148,810.36	-33.01%	Advance payments at the beginning of the reporting period are carried forward to income during the reporting period
Taxes and surcharges payables	56,788,092.95	41,575,868.01	36.59%	Increase in corporate income tax payables
Estimated liabilities	28,726,306.76	21,813,718.96	31.69%	Increase in accrued product quality deposits
Income statement item	Current amount (RMB)	Amount in the previous period (RMB)	Increase or decrease	Reason for change
Finance costs	-8,598,649.99	-20,315,552.50	57.67%	Decrease in interest income
Gain on fair value changes (loss shall be stated as "-")	-218,745.53	1,954,299.91	-111.19%	Gains and losses from changes in fair value of forward foreign exchange
Loss on credit impairment (loss shall be stated as "-")	33,132,426.43	4,538,306.48	630.06%	Decrease in credit impairment losses on accounts receivable during the reporting period
Loss on impairment of assets (loss shall be stated as "-")	-5,298,402.19	-2,055,579.73	157.76%	Increase in inventory depreciation losses during the reporting period
Gain on disposal of assets (loss shall be stated as "-")	76,974.25	2,245,501.50	-96.57%	Decrease in income from disposal of fixed assets
Non-operating income	376,101.50	749,287.38	-49.81%	Decrease in non-operating income
Income tax expenses	4,962,055.28	12,516,601.59	-60.36%	Decrease in deferred income tax expenses during the reporting period
Statement of cash flow item	Current amount (RMB)	Amount in the previous period (RMB)	Increase or decrease	Reason for change
Net cash flows from investing activities	-175,766,686.69	-256,249,499.60	31.41%	Decrease in payments for the purchase and construction of long-term assets and equity investments during the reporting period compared with the previous period
Net cash flows from financing activities	217,939,119.55	-103,194,397.63	311.19%	Increase in bank loan during the reporting period compared with the previous 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	66,109	Total number of the shareholders of restored voting right preference shares as at the end of the reporting period (If any)	0			
Shareholdings of top 10 shareholders (excluding share lend through securities lending and refinancing)						
Name of shareholders	Shareholder capacity	Shareholding %	Number of shares held	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	50.83%	584,631,166.00	0.00	N/A	0.00
Shi Chi	Overseas natural person	3.20%	36,770,524.00	27,577,893.00	N/A	0.00
Xie Xiongqing	Domestic natural person	2.26%	25,954,342.00	0.00	N/A	0.00
Suining Xing Ye Asset Management Co., Ltd.	State-owned legal entity	1.91%	21,916,008.00	0.00	N/A	0.00
Skyworth LCD Technology Limited	Overseas legal person	1.73%	19,864,751.00	0.00	N/A	0.00
Hong Kong Securities Clearing Company Limited	Overseas legal person	1.51%	17,338,950.00	0.00	N/A	0.00
Lin Weijing	Domestic natural person	0.93%	10,683,291.00	0.00	N/A	0.00
National Social Security Fund 604 Portfolio	Other	0.64%	7,393,993.00	0.00	N/A	0.00
Li Pu	Domestic natural person	0.52%	6,000,000.00	0.00	N/A	0.00
Basic Pension Insurance Fund 1202 Portfolio	Other	0.43%	4,941,800.00	0.00	N/A	0.00
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.	584,631,166.00	RMB ordinary shares	584,631,166.00			
Xie Xiongqing	25,954,342.00	RMB ordinary shares	25,954,342.00			
Suining Xing Ye Asset Management Co., Ltd.	21,916,008.00	RMB ordinary shares	21,916,008.00			
Skyworth LCD Technology Limited	19,864,751.00	RMB ordinary shares	19,864,751.00			
Hong Kong Securities Clearing Company Limited	17,338,950.00	RMB ordinary shares	17,338,950.00			
Lin Weijing	10,683,291.00	RMB ordinary shares	10,683,291.00			
Shi Chi	9,192,631.00	RMB ordinary shares	9,192,631.00			
National Social Security Fund 604 Portfolio	7,393,993.00	RMB ordinary shares	7,393,993.00			
Li Pu	6,000,000.00	RMB ordinary shares	6,000,000.00			
Basic Pension Insurance Fund 1202 Portfolio	4,941,800.00	RMB ordinary shares	4,941,800.00			
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 Weijing and Xie Xiongqing are relatives, and are persons acting in concert legally; ③ 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 2024, Suining Xing Ye Asset Management Co., Ltd. held an aggregate of 21,916,008 shares of the Company, of which 19,272,787 shares were held through the “investor credit securities account”; Xie Xiongqing held an aggregate of 25,954,342 shares of the Company, of which 21,377,633 shares were held through the “investor credit securities account”.					

Note: Skyworth Digital Co., Ltd.’s repurchase special securities account held 8,620,493 shares at the end of the reporting period, with a shareholding ratio of 0.75%.

The situation of shareholders who hold more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares participating in lending shares through securities lending and refinancing business

Applicable Not applicable

The top 10 shareholders and the top 10 shareholders of unrestricted tradable shares have changed from the previous period due to securities lending and refinancing/returning

Applicable Not applicable

(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 2024

Unit: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Current Assets:		
Bank balances and cash	3,416,037,215.78	3,673,208,125.26
Deposit reservation for balance	0.00	0.00
Loans to banks and other financial institutions	0.00	0.00
Financial assets held for trading	90,000,000.00	0.00
Derivative financial assets	0.00	0.00
Bills receivables	345,448,722.36	208,547,923.42
Trade receivables	3,116,988,747.57	3,125,950,572.47
Financing balance receivables	0.00	0.00
Prepayments	131,654,762.84	181,898,059.20
Premiums receivables	0.00	0.00
Reinsurance premium receivables	0.00	0.00
Reserves for reinsurance contract receivables	0.00	0.00
Other receivables	119,802,402.25	121,390,570.33
Including: Interest receivables	0.00	0.00
Dividend receivables	0.00	0.00
Redemptory monetary capital for sale	0.00	0.00
Inventories	1,794,924,271.88	1,865,179,415.41
Including: Data resources	0.00	0.00
Contract assets	0.00	0.00
Held-for-sale assets	0.00	0.00
Non-current assets maturing within one year	0.00	0.00
Other current assets	162,636,705.69	227,073,291.91
Total Current Assets:	9,177,492,828.37	9,403,247,958.00
Non-current Assets:		
Payment of loans and advances	0.00	0.00
Debt investments	0.00	0.00
Other debt investment	0.00	0.00
Long-term receivables	0.00	0.00
Long-term equity investments	171,661,027.22	172,571,543.73
Other equity instrument investments	0.00	0.00

Other non-current financial assets	54,366,345.50	54,366,345.50
Investment properties	0.00	0.00
Fixed assets	606,585,787.19	623,618,616.38
Construction-in-progress	583,729,216.54	503,680,004.83
Productive biological assets	0.00	0.00
Oil and gas assets	0.00	0.00
Right-of-use assets	26,690,109.58	30,247,190.28
Intangible assets	312,757,115.21	315,563,089.05
Including: Data resources	0.00	0.00
Development costs	0.00	0.00
Including: Data resources	0.00	0.00
Goodwill	91,648,800.54	91,648,800.54
Long-term deferred expenses	19,473,038.56	23,377,143.41
Deferred income tax assets	223,315,307.99	208,078,345.91
Other non-current assets	31,291,112.72	20,714,208.84
Total Non-current Assets	2,121,517,861.05	2,043,865,288.47
Total Assets	11,299,010,689.42	11,447,113,246.47
Current Liabilities:		
Short-term loan	1,081,495,469.96	725,113,803.65
Borrowings from central bank	0.00	0.00
Borrowings to banks and other financial institutions	0.00	0.00
Financial liabilities held for trading	0.00	0.00
Derivative financial liabilities	178,712.75	26,876.84
Bills payables	612,492,734.62	579,312,159.08
Trade payables	1,972,988,028.25	2,681,269,542.49
Receipts in advance	527,976.58	887,462.54
Contract liabilities	80,489,175.53	120,148,810.36
Financial assets sold for repurchase	0.00	0.00
Deposits from customers and interbank	0.00	0.00
Receiving from vicariously traded securities	0.00	0.00
Receiving from vicariously sold securities	0.00	0.00
Wages and salaries payables	231,392,302.33	224,598,476.74
Taxes and surcharges payables	56,788,092.95	41,575,868.01
Other payables	524,999,633.07	455,789,814.68
Including: Interest payables	0.00	0.00
Dividend payables	0.00	0.00
Service charges and commission payables	0.00	0.00
Reinsured accounts payables	0.00	0.00
Held-for-sale liabilities	0.00	0.00
Non-current liabilities maturing within one year	10,673,039.83	12,175,661.91
Other current liabilities	63,256,294.43	71,790,090.06
Total Current Liabilities	4,635,281,460.30	4,912,688,566.36
Non-current Liabilities:		
Reserves for insurance contract	0.00	0.00
Long-term borrowings	0.00	0.00
Bonds payables	0.00	0.00
Including: Preferred shares	0.00	0.00
Perpetual bond	0.00	0.00

Lease liabilities	20,528,415.23	21,766,057.34
Long-term payables	0.00	0.00
Long-term wages and salaries payables	0.00	0.00
Provisions liabilities	28,726,306.76	21,813,718.96
Deferred income	126,667,657.37	101,700,637.67
Deferred income tax liabilities	8,459,012.93	10,056,940.04
Other non-current liabilities	9,878,435.54	10,049,147.67
Total Non-current Liabilities	194,259,827.83	165,386,501.68
Total Liabilities	4,829,541,288.13	5,078,075,068.04
Owners' Equity:		
Share capital	1,150,216,072.00	1,150,216,072.00
Other equity instruments	0.00	0.00
Including: Preferred shares	0.00	0.00
Perpetual bond	0.00	0.00
Capital reserves	1,472,642,482.42	1,472,642,482.42
Less: Treasury stock	125,230,622.21	125,230,622.21
Other comprehensive income	-39,676,824.51	-37,776,952.32
Special reserves	0.00	0.00
Surplus reserves	381,028,057.48	381,028,057.48
Provision for general risk	0.00	0.00
Undistributed profit	3,633,190,756.80	3,526,996,604.05
Total Owner's Equity Attributable to Owners of the Parent Company	6,472,169,921.98	6,367,875,641.42
Minority interests	-2,700,520.69	1,162,537.01
Total Owners' Equity	6,469,469,401.29	6,369,038,178.43
Total Liabilities and Owners' Equity	11,299,010,689.42	11,447,113,246.47

Legal representative: Zhang Enli 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	2,283,683,700.17	2,342,266,376.99
Including: Operating income	2,283,683,700.17	2,342,266,376.99
Interest income	0.00	0.00
Earned premium	0.00	0.00
Service charges and commission income	0.00	0.00
2. Total cost of sales	2,230,227,556.58	2,245,385,944.22
Including: Cost of sales	1,947,110,944.01	1,945,807,095.19
Interest expenses	0.00	0.00
Service charges and commission expenses	0.00	0.00
Load value	0.00	0.00
Net claims paid	0.00	0.00
Net change in appropriation of deposit for duty	0.00	0.00
Policy dividend payout	0.00	0.00
Reinsurance expenses	0.00	0.00
Taxes and surcharges	8,121,547.53	10,103,836.90
Selling expenses	116,157,636.00	129,389,678.25
General and administrative expenses	44,185,242.76	38,912,250.75

Research and development costs	123,250,836.27	141,488,635.63
Finance costs	-8,598,649.99	-20,315,552.50
Including: Interest expenses	6,369,149.25	4,659,114.31
Interest income	24,600,051.09	33,613,819.74
Add: Other income	35,120,463.42	30,408,489.92
Investment income (loss shall be stated as "-")	-8,880,076.94	-10,058,881.47
Including: Share of profits of associates and joint ventures	-982,530.85	885,831.27
Income from derecognition of financial assets at amortised cost	-7,928,418.14	-1,400,693.52
Exchange gains (loss shall be stated as "-")	0.00	0.00
Net exposure hedging gains (loss shall be stated as "-")	0.00	0.00
Gain on fair values changes (loss shall be stated as "-")	-218,745.53	1,954,299.91
Loss on credit impairment (loss shall be stated as "-")	33,132,426.43	4,538,306.48
Loss on impairment of assets (loss shall be stated as "-")	-5,298,402.19	-2,055,579.73
Gain on disposal of assets (loss shall be stated as "-")	76,974.25	2,245,501.50
3. Operating profit (loss shall be stated as "-")	107,388,783.03	123,912,569.38
Add: Non-operating income	376,101.50	749,287.38
Less: Non-operating expense	406,415.39	318,441.26
4. Profit before tax (loss shall be stated as "-")	107,358,469.14	124,343,415.50
Less: Income tax expenses	4,962,055.28	12,516,601.59
5. Profit for the period (net loss shall be stated as "-")	102,396,413.86	111,826,813.91
(1) Classified by business continuity		
1. Net profit from continuing operations (net loss shall be stated as "-")	102,396,413.86	111,826,813.91
2. Net profit from discontinued operation (net loss shall be stated as "-")	0.00	0.00
(2) Classified by ownership		
1. Profit attributable to equity owners of the parent company	106,194,152.75	117,354,536.34
2. Loss attributable to non-controlling interests	-3,797,738.89	-5,527,722.43
6. Net other comprehensive income after tax	-1,965,191.00	700,279.67
Net other comprehensive income after tax attributable to owners of the parent company	-1,899,872.19	739,881.89
(1) Other comprehensive income not to be reclassified to profit or loss	0.00	0.00
1. Re-measurement of changes in defined benefit plans	0.00	0.00
2. Other comprehensive income not to be transferred to profit or loss under the equity method	0.00	0.00
3. Changes in the fair value of other equity instrument investments	0.00	0.00
4. Changes in fair value of corporate credit risk	0.00	0.00
5. Others	0.00	0.00
(2) Other comprehensive income to be reclassified to profit or loss	-1,899,872.19	739,881.89
1. Other comprehensive income to be transferred to profit or loss under the equity method	0.00	0.00
2. Changes in the fair value of other debt investments	0.00	0.00
3. Amount of financial assets reclassified and included in other comprehensive income	0.00	0.00
4. Other debt investment credit impairment reserves	0.00	0.00
5. Cash flow hedge reserves	0.00	0.00
6. Exchange differences arising on translation of financial statements denominated in foreign currencies	-1,899,872.19	739,881.89
7. Others	0.00	0.00

Net other comprehensive income after tax attributable to non-controlling shareholders	-65,318.81	-39,602.22
7. Total comprehensive income	100,431,222.86	112,527,093.58
Total comprehensive income attributable to owners of the parent company	104,294,280.56	118,094,418.23
Total comprehensive income attributable to non-controlling shareholders	-3,863,057.70	-5,567,324.65
8. Earnings per share:		
(1) Basic earnings per share	0.0930	0.1028
(2) Diluted earnings per share	0.0930	0.1028

No business combinations under common control occurred during the reporting period.

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

3. Consolidated statement of cash flows

Unit: RMB

Item	Current amount	Amount in the previous period
1. Cash flows from operating activities:		
Cash received from sales of commodities and rendering of services	2,905,455,105.12	2,433,219,127.46
Net increase in customer deposits and interbank deposits	0.00	0.00
Net increase in borrowings from central bank	0.00	0.00
Net increase in loan from other financial institutions	0.00	0.00
Cash received from the original insurance contract premium	0.00	0.00
Net cash received from reinsurance business	0.00	0.00
Net increase in insurance deposits and investment funds	0.00	0.00
Interests, service charges and commission received	0.00	0.00
Net increase in borrowings	0.00	0.00
Net increase in repurchase business funds	0.00	0.00
Net increase from securities trading brokerage	0.00	0.00
Taxes and surcharges refunded	147,135,560.04	111,668,653.34
Cash received from other operating activities	78,704,104.55	87,646,965.64
Subtotal of cash generated from operating activities	3,131,294,769.71	2,632,534,746.44
Payments for commodities and services	3,001,748,161.26	2,453,966,524.31
Net increase in loans and advances to customers	0.00	0.00
Net increase in central bank deposits and interbank deposits	0.00	0.00
Cash paid for the original insurance contract compensation payment	0.00	0.00
Net increase in borrowed funds	0.00	0.00
Interests, service charges and commission paid	0.00	0.00
Policy dividend paid	0.00	0.00
Cash paid to and for employees	240,062,044.91	234,704,957.69
Taxes and surcharges paid	43,870,752.67	46,142,369.87
Cash paid for other operating activities	151,855,222.38	215,886,213.92
Subtotal of cash used in operating activities	3,437,536,181.22	2,950,700,065.79
Net cash flows from operating activities	-306,241,411.51	-318,165,319.35
2. Cash flows from investing activities:		
Cash received from realisation of investment	60,202,717.81	0.00
Cash received from returns on investments	759,444.66	5,234,958.01
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	28,056.19	4,391,183.18

Net cash received from disposal of subsidiaries and other operating units	0.00	0.00
Cash received from other investing activities	11,560,563.75	720,146.36
Subtotal of cash generated from investing activities	72,550,782.41	10,346,287.55
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	94,667,752.94	121,436,872.01
Cash paid for investments	150,998,200.00	142,583,915.14
Net increase in pledged loan	0.00	0.00
Net cash paid for acquisition of subsidiaries and other operating units	0.00	0.00
Cash used in other investing activities	2,651,516.16	2,575,000.00
Subtotal of cash used in investing activities	248,317,469.10	266,595,787.15
Net cash flows from investing activities	-175,766,686.69	-256,249,499.60
3. Cash flows from financing activities:		
Cash received from capital contribution	0.00	0.00
Including: Cash received by the subsidiary from capital contribution of minority shareholders	0.00	0.00
Cash received from borrowings	345,190,780.66	31,666,106.47
Cash received from other financing activities	9,338,349.71	10,032,599.03
Subtotal of cash generated from financing activities	354,529,130.37	41,698,705.50
Cash paid for debt	127,535,975.97	123,255,361.23
Cash paid for distribution of dividends, profits or interest expenses	3,090,945.28	16,639,141.67
Including: Dividends or profits paid by subsidiaries to minority shareholders	0.00	10,364,498.27
Cash paid for other financing activities	5,963,089.57	4,998,600.23
Subtotal of cash used in financing activities	136,590,010.82	144,893,103.13
Net cash flows from financing activities	217,939,119.55	-103,194,397.63
4. Effect of foreign exchange rate changes	-239,833.72	-1,035,382.32
5. Net increase in cash and cash equivalents	-264,308,812.37	-678,644,598.90
Add: Cash and cash equivalents at the beginning of the period	3,471,306,354.12	3,887,876,112.89
6. Cash and cash equivalents at the end of the period	3,206,997,541.75	3,209,231,513.99

(2) The first implementation of the new accounting standards from 2024 and the adjustment of relevant items in the financial statements at the beginning of the year of first implementation

Applicable Not applicable

(3) 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.

24 April 2024

** For identification purposes only*

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