

DEED OF IRREVOCABLE UNDERTAKING

17 June 2020

To: Skyworth Group Limited (the “Company”)

Proposed conditional cash offer to buy-back up to 392,800,000 Shares of the Company at HK\$2.80 per Share

1. I, Mr. Liu Tangzhi, understand that the Company proposes to make the Offer (as defined in paragraph 4 below) at the price of HK\$2.80 per ordinary share in the issued share capital of the Company (the “Shares”) subject to, amongst other things, (i) the Company having obtained clearance from the Securities and Futures Commission (“SFC”) and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) to publish the announcement in respect of the Offer and the Whitewash Waiver (as defined below), an advanced draft of which is annexed hereto (the “Announcement”) and to despatch to shareholders of the Company the formal offer document containing the Offer (the “Offer Document”); (ii) independent shareholders of the Company having approved at the special general meeting the Offer and the waiver (the “Whitewash Waiver”) to be granted by the Executive of the SFC (the “Executive”) in respect of the obligations under the Codes on Takeovers and Mergers and Share Buy-backs (the “Codes”) of me to make a mandatory general offer for all the Shares not already owned by me and parties acting in concert with me; (iii) the granting of the Whitewash Waiver by the Executive; and (iv) such other terms and conditions as may be required pursuant to the Codes and/or the requirements of the Stock Exchange and/or the Executive and/or as are customarily included in offers made under the Codes.
2. By this Deed, I, the undersigned, hereby irrevocably and unconditionally undertake, represent and warrant to the Company that:
 - (a) I, by virtue of Part XV of the Securities and Futures Ordinance (Cap. 571) (the “SFO”), am interested in or deemed to be interested in 7,884,675 Shares, (representing approximately 0.26% of the Company’s issued share capital as at the date of this undertaking) and 10,000,000 share options granted pursuant to the Company’s share option scheme adopted on 20 August 2014 (representing approximately 0.33% of the Company’s issued share capital as at the date of this undertaking) (the “Relevant Shares”);
 - (b) I confirm that as at the date of this undertaking, apart from the Relevant Shares, I, together with any holders of Shares whose Shares I am deemed to be interested in by virtue of Part XV of the SFO (the “Relevant Shareholders”), have no other rights or interests in relation to any shares or other securities of the Company;
 - (c) in connection with the Offer, and on the assumption that there will be no change in my interests in the Relevant Shares from the date hereof and prior to the closing, lapsing or withdrawal of the Offer, I shall not acquire, enter into any agreement or arrangement to acquire or otherwise deal in any Shares or other securities of the Company or any interest therein, including any derivatives referenced to such securities, and I shall procure any Relevant Shareholders not to do so;

- (d) I shall not, and I shall procure any Relevant Shareholders not to, from the date hereof and prior to the closing, lapsing or withdrawal of the Offer:
 - (i) accept the Offer in respect of the Relevant Shares (whether in part or in full), and I shall procure the Offer in respect of the Relevant Shares not to be accepted (whether in part or in full) by any of the Relevant Shareholders;
 - (ii) sell, transfer, lend, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, lending, charging or other disposition of or creation or grant of any other encumbrance or option over all or any of the Relevant Shares or interest therein; or
 - (iii) enter into any agreement or arrangement with any person, whether conditionally or unconditionally, to do any of the acts prohibited by the above terms of this paragraph (d); and
 - (e) I shall promptly supply you with all information at my disposal and provide assistance within my power as requested by you which is required by you in connection with the Announcement, the Offer Document, the Offer and the application for the Whitewash Waiver in order for you to comply with the Codes, and in particular but without prejudice to the generality of the foregoing General Principle 6, and the requirements of the Stock Exchange and any legal or regulatory requirements, and promptly notify you in writing of any material change in the accuracy or import of any information previously supplied to you by me. I shall also procure any Relevant Shareholders to do the same.
3. The obligations and provisions set out in paragraphs 2(a) to (e) of this undertaking apply equally to any persons that I am to procure not to accept the Offer pursuant to the terms of paragraph 2(d) above and I shall procure the observance by such persons of the terms hereof as if they were each specifically a party hereto.
 4. I further undertake and covenant that I have full power and authority to give all of the covenants and undertakings contained in this undertaking in respect of all the Relevant Shares.
 5. In this undertaking, the “Offer” means the offer to be made on behalf of the Company to buy-back for cancellation up to 392,800,000 Shares (representing approximately 12.83% of the issued share capital of the Company) substantially on the terms as set out in the Announcement or as may be required to comply with the requirements of the Executive or the Stock Exchange. A reference in this undertaking to the Offer also includes any new, increased, renewed or revised offer made on behalf of the Company to buy-back Shares, provided that the terms of such offer are no less favourable to the terms set out in the Announcement.

Issue of documents

6. I consent, and shall procure any Relevant Shareholders to give consent, to the issue of an announcement incorporating references to me (and parties acting in concert with me) and to this undertaking substantially in the form and context as set out in the Announcement.

I understand that, if the Offer is made, this undertaking will be made available for inspection during the Offer Period (within the meaning of the Codes) and that particulars of it will be contained in the Offer Document and I hereby consent, and shall procure any Relevant Shareholders to give consent, to that.

7. I undertake to provide you with all such further information in relation to my interests and those of any persons connected with me as you may require in order to comply with the requirements of the Stock Exchange, the Executive, the Codes and any other legal or regulatory requirements for inclusion in the Offer Document (or any other document required in connection with the Offer), including details of my holdings of and dealings in relevant securities of the Company. I shall also procure any Relevant Shareholders to undertake the same.

Dealings and exercise of voting rights

8. From the date of this undertaking up to and including the completion of the Offer, I shall not, and shall procure that any parties acting in concert with me not to, deal in the Shares or any other securities which carry rights to subscribe for or convert into new Shares.
9. I shall abstain, and I shall procure that the parties acting in concert with me to abstain, from voting on the resolution(s) in respect of the Offer and the Whitewash Waiver to be proposed at the special general meeting of the Company.
10. I further warrant and represent to the Company that:
 - (a) I have full power and authority to enter into this undertaking and perform my undertakings given by me hereunder; and
 - (b) apart from the Relevant Shares, neither me or any Relevant Shareholder has any interest (direct or indirect) in any other Shares or securities in the Company.

Governing law

11. This undertaking shall be governed by and construed in accordance with the laws of Hong Kong Special Administrative Region of the People's Republic of China and I submit to the jurisdiction of the courts of Hong Kong Special Administrative Region for all purposes in connection herewith.

GIVEN
on this 17th day of June 2020

SIGNED as a deed by MR. LIU TANGZHI
in the presence of:



刘唐志

Liu Tangzhi

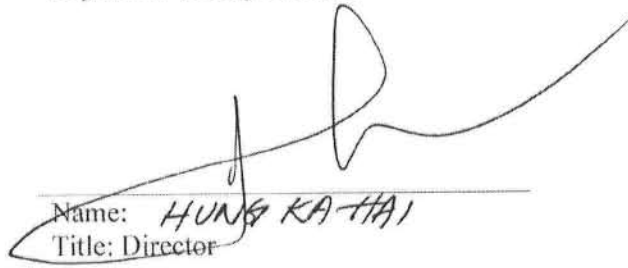
Signature of witness:

陈戈

Name: CHEN GE

Title: Manager

Acknowledged and agreed
for and on behalf of
Skyworth Group Limited



Name: HUNG KA HAI
Title: Director

Annexure
Advanced Draft Announcement