

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Skyworth Digital Holdings Limited (the “Company”) will be held at Chatham Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong, on Wednesday, 28 August 2002 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the Directors and the auditors for the year ended 31 March 2002;
2. To approve and declare final dividend for the year ended 31 March 2002;
3. To re-elect Directors of the Company and to authorize the Board of Directors to fix their remuneration;
4. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company and to authorize the Board of Directors to fix their remuneration;

ORDINARY RESOLUTIONS

5. As special business, to consider and, if thought fit, to pass, with or without amendments, the following resolutions as Ordinary Resolution:

“**THAT**, subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting the listing of, and permission to deal in, 10% of the shares of the Company in issue at the date of approval of this Resolution to be issued pursuant to the exercise of any such options granted under the new share option scheme of the Company (the “Scheme”), the rules of which are contained in the document marked “A” produced to the Meeting and for the purposes of identification signed by the Chairman thereof, the Scheme be and is hereby approved and adopted and the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Scheme including, but without limitation:

- (i) to administer the Scheme under which options may be granted to Eligible Persons (as defined in the Scheme) to subscribe for shares in the share capital of the Company;
- (ii) to modify and/or amend the Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Scheme relating to modifications and/or amendment;
- (iii) to make application at the appropriate time or times to the Stock Exchange, and other stock exchanges upon which the issued shares of the Company may for the time being be listed, for listing of and permission to deal in any shares of the Company which may hereafter from time to time be issued and allotted pursuant to the exercise of any options granted under the Scheme; and
- (iv) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the Scheme,

and accordingly **THAT** the existing share option scheme of the Company adopted on 27 March 2000 be and is hereby terminated with effect from the close of this meeting (without prejudice to the rights and benefits of and attached to all those options granted thereunder which are outstanding.)”

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6. As special business, to consider and, if thought fit, to pass, with or without amendments, the following resolutions as Ordinary Resolutions:

(A) **“THAT,**

- (a) subject to sub-paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined”) of all the powers of the Company to allot, issue and deal with additional shares or securities convertible into shares, or options, warrants or similar rights to subscribe for any shares and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in sub-paragraph (a) above shall authorize the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to options or otherwise) by the Directors of the Company pursuant to the approval in sub-paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under any share option scheme or similar arrangement of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution, and the authority pursuant to sub-paragraph (a) of this Resolution shall be limited accordingly; and
- (d) for the purposes of this Resolution:

“Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda or any other applicable law to be held; and

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- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors of the Company by this Resolution; and

“Rights Issue” means an offer of shares, or an offer or issue of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the Directors of the Company to holders of shares of the Company or any class thereof on the register of members of the Company on a fixed record date in proportion to their then holdings of shares or class thereof (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction or any recognized regulatory body or any stock exchange).”

(B) **“THAT:**

- (a) subject to sub-paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase issued shares in the capital of the Company (“Shares”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the Shares may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act 1981 of Bermuda and all other applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the Shares which may be purchased by the Company pursuant to the approval in sub-paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this Resolution and the authority pursuant to sub-paragraph (a) of this Resolution shall be limited accordingly; and
- (c) for the purposes of this Resolution:

“Relevant Period” means the period from the date of the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next Annual General Meeting of the Company;
- (ii) the expiration of the period within which the next Annual General Meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda or any other applicable law to be held; and

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- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors of the Company by this Resolution.”

(C) **“THAT:**

conditional upon the Resolutions numbered 6(A) and 6(B) set out in the notice convening this Meeting being duly passed, the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue and deal with shares of the Company pursuant to Resolution numbered 6(A) in the notice convening this Meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors of the Company pursuant to such general mandate, an amount representing the aggregate nominal amount of shares in the share capital of the Company which has been purchased by the Company under the authority granted pursuant to Resolution numbered 6(B) in the notice convening this Meeting, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this Resolution.”

Special Resolution

7. As special business, to consider and, if thought fit, to pass, with or without amendments, the following resolution as Special Resolution:

“THAT:

「創維數碼控股有限公司」be adopted as the Company’s Chinese name for the purpose of registration with the Registrar of Companies in Hong Kong.”

By Order of the Board
Wong Wang Sang, Stephen
Chairman

Hong Kong Special Administrative Region
of the People’s Republic of China
25 July 2002

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Notes:

- (1) A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, vote on his behalf. A proxy need not be a member of the Company.
- (2) In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, must be deposited at the office of the Company's Branch Registrar in Hong Kong, Hong Kong Registrars Limited, at Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the meeting or adjourned meeting thereof. Completion and return of the form of proxy will not preclude any member from attending and voting in person should he so wishes.
- (3) The Register of Members of the Company will be closed from 22 August, 2002 (Thursday) to 28 August, 2002 (Wednesday), both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and determine who are entitled to attend the meeting convened by the above notice, all transfers accompanied by the relevant share certificates must be lodged with the Company's Branch Registrar in Hong Kong, Hong Kong Registrars Limited, at Rooms 1901-5, 19th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on 21 August, 2002 (Wednesday) for registration.
- (4) In relation to the proposed resolution set out in paragraph (A) of item 6 of the above notice, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorize the allotment and issue of shares under the Listing Rules. The Directors have no immediate plans to issue any new shares of the Company.
- (5) In relation to the proposed resolution set out in paragraph (B) of item 6 of the above notice, the Directors wish to state that they will exercise the powers conferred thereby to repurchase shares in circumstances which they deem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision as to how to vote on the proposed resolution as required by the Listing Rules will be set out in a circular to be despatched to the shareholders together with the annual report for the year ended 31 March, 2002.

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business in Hong Kong:

Room 1601-04, Westlands Centre
20 Westlands Road
Quarry Bay
Hong Kong