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SKYWORTH

SKYWORTH DIGITAL HOLDINGS LIMITED

(創維數碼控股有限公司)

(Incorporated in Bermuda with limited liability)

(Stock Code: 751)

**FURTHER POSTPONEMENT OF RELEASING THE AUDITED INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2004
AND
CHANGE OF BOARD MEETING DATE
AND
UPDATE ON THE TRADING STATUS OF THE COMPANY**

FURTHER POSTPONEMENT OF RELEASING THE AUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2004

The release of the audited Interim Results and the despatch of the Interim Report are postponed until further notice. The Company will issue an announcement in this regard as and when appropriate.

The further postponement of the release of the audited Interim Results and despatch of the Interim Report constitute breaches of Rules 13.48(1) and 13.49(6) of the Listing Rules. The Stock Exchange reserves its right to take appropriate action against the Company regarding such breaches.

CHANGE OF BOARD MEETING DATE

A meeting of the Board which is originally scheduled to be held on 31 March 2005 to approve the audited Interim Results is postponed. The Company will notify the Stock Exchange for the holding of the meeting of the Board once the accounts for the six months ended 30 September 2004 are finalised.

UPDATE ON THE TRADING STATUS OF THE COMPANY

The Board announces that the Group recorded increase in its sales volume in television sets for the two months ended 28 February 2005 as compared with the two months ended 29 February 2004. The Group, however, recorded decrease in its sales volume in television sets in February 2005 as compared with February 2004.

Trading in the shares of the Company has been suspended with effect from 9:44 a.m. on 30 November 2004 and will remain suspended until further notice.

FURTHER POSTPONEMENT OF RELEASING THE AUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2004

Reference is made to the announcement of the Company dated 28 February 2005 (the "Announcement") in which it was announced, among others, that the release of the audited interim results for the six months ended 30 September 2004 and the despatch of the interim report of the Company for the same period were postponed from around mid February 2005 to on or before the end of March 2005. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context otherwise requires.

On 28 March 2005, the Company was verbally informed by the tax authorities (the “Tax Authorities”) of the People’s Republic of China (the “PRC”) that tax inspection would be carried out on certain subsidiaries of the Company in the PRC on 29 March 2005. Certain documents and accounting records were collected from the Group by the Tax Authorities on 29 March 2005 for the purpose of carrying out the tax inspection and which are essential for the clarification of certain outstanding matters discussed during the audit committee meeting held on the same date in respect of the audit of the accounts of the Company for the six months ended 30 September 2004. As such, the publication of the audited Interim Results and the despatch of the Interim Report are postponed until further notice. The Company will liaise with the Tax Authorities to seek the return of those documents and accounting records. The Company will issue a further announcement in respect of the timing of the release of the audited Interim Results and despatch of the Interim Report as and when appropriate.

The Company is in breach of Rules 13.48(1) and 13.49(6) of the Listing Rules which require the Company to publish its Interim Results and despatch the Interim Report to its shareholders by not later than three months after the end of the interim period ended 30 September 2004, i.e. by 31 December 2004. The Stock Exchange reserves its right to take appropriate action against the Company in respect of the breaches of the Listing Rules.

CHANGE OF BOARD MEETING DATE

A meeting of the Board to approve the audited Interim Results is scheduled to be held on 31 March 2005 originally. Owing to the reason as mentioned above, the meeting of the Board to approve the audited Interim Results is postponed. The Company will notify the Stock Exchange for the holding of the meeting of the Board once the accounts for the six months ended 30 September 2004 are finalised.

UPDATE ON THE TRADING STATUS OF THE COMPANY

Further to the information on the trading status of the Company as disclosed in the Announcement, the Board announces that the Group recorded increase in its sales volume in television sets for the two months ended 28 February 2005 as compared with the two months ended 29 February 2004. The Group, however, recorded decrease in its sales volume in television sets in February 2005 as compared with February 2004. The following table shows the sales volume of television sets in February 2005, the two months ended 28 February 2005 and the corresponding periods which are based on the unaudited management report of the Company:

	February 2005 <i>Unit ('000)</i>	February 2004 <i>Unit ('000)</i>	January & February 2005 <i>Unit ('000)</i>	January & February 2004 <i>Unit ('000)</i>
Television sets				
PRC market	382.1	378.2	1,508.0	1,321.0
which comprises:				
– HDTV – CRT <i>(Note 1)</i>	46.6	35.5	225.4	122.4
– LCD-TV <i>(Note 2)</i> , Plasma and Projection TV	10.7	4.7	44.3	15.2
Overseas market	87.0	152.0	255.0	298.0
Total	<u>469.1</u>	<u>530.2</u>	<u>1,763.0</u>	<u>1,619.0</u>

Notes:

1. HDTV-CRT represents high-definition television with cathode ray tube.
2. LCD-TV represents liquid crystal display television.

GENERAL

Trading in the shares of the Company has been suspended with effect from 9:44 a.m. on 30 November 2004 and will remain suspended until further notice.

For and on behalf of the Board
Skyworth Digital Holdings Limited
Leung Chi Ching, Frederick
Executive Director

Hong Kong, 30 March 2005

As at the date of this announcement, the Board comprises Mr. Wang Dianfu as executive Chairman of the Board, Ms. Ding Kai, Mr. Leung Chi Ching, Frederick and Mr. Zhang Xuebin as executive Directors, Mr. Wong Wang Sang, Stephen as non-executive Chairman of the Board, and Mr. So Hon Cheung, Stephen, Mr. Li Weibin and Mr. Xie Zhengcai as independent non-executive Directors.

* *For identification purpose only*

“Please also refer to the published version of this announcement in South China Morning Post”