



Report of the Auditors

Deloitte. 德勤

TO THE SHAREHOLDERS OF SKYWORTH DIGITAL HOLDINGS LIMITED

創維數碼控股有限公司

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Skyworth Digital Holdings Limited (the "Company") and its subsidiaries (the "Group") on pages 73 to 163 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's directors are responsible for the preparation of consolidated financial statements which give a true and fair view. In preparing consolidated financial statements which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

BASIS OF OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants, except that the scope of our work was limited as explained below.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the consolidated financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the consolidated financial statements, and of whether the accounting policies are appropriate to the circumstances of the Group, consistently applied and adequately disclosed.



Report of the Auditors

BASIS OF OPINION *(continued)*

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the consolidated financial statements are free from material misstatement. However, the evidence available to us was limited in respect of an Allegation, as mentioned in the note 46 to the consolidated financial statements. In the absence of any further information about the Allegation, the directors of the Company are unable to determine the financial impact that might arise in respect of the Allegation and which might result in material adjustments to the net assets as at 1 April 2005 and 31 March 2006 and to the results for the year ended 31 March 2006.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

QUALIFIED OPINION ARISING FROM LIMITATION IN AUDIT SCOPE

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning the Allegation, in our opinion the consolidated financial statements give a true and fair view of state of affairs of the Group as at 31 March 2006 and of its profit and cash flows for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

In respect alone of the limitation on our work relating to the Allegation:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether proper books of account had been kept.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

24 July 2006