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SKYWORTH DIGITAL HOLDINGS LIMITED

(創維數碼控股有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00751)

TV SALES IN FEBRUARY 2013

The China TV business unit of the Group recorded the following year-on-year growth in February 2013 and in April 2012 to February 2013:

- 10% and 25% in its total TV sales volume, respectively; and
- 40% and 25% in its total TV sales revenue, respectively.

Highlights of the TV sales in February 2013 for the China TV business unit are as follows:

- 62% and 109% year-on-year growth in its sales volume of LED LCD TV in February 2013 and in April 2012 to February 2013, respectively;
- sales volume of LED LCD TV accounted for approximately 96% in April 2012 to February 2013, compared to 58% in the same period last year, of the sales volume of Flat Panel TV;
- sales volume of 3D LCD TV (including Cloud TV, 3D LED LCD TV and 3D CCFL LCD TV) accounted for approximately 49% in April 2012 to February 2013, compared to 28% in April 2011 to February 2012, of its Flat Panel TV sales volume of the business unit; and
- sales volume of Cloud TV reached 25% and 18% of its Flat Panel TV sales volume in February 2013 and in April 2012 to February 2013, respectively.

In January 2013 and for the 12 months ended 31 January 2013, the China TV business unit continuously ranked at number 1 in both sales volume and revenue market shares, in LCD TV market and 3D LCD TV market in mainland China.

In February 2013 and April 2012 to February 2013, the overseas TV business unit of the Group recorded:

- growth of 207% and 21% in its total TV sales volume, respectively; and
- growth of 164% and 96% in its total TV sales revenue, respectively.

In February 2013 and April 2012 to February 2013, the overseas TV business unit recorded year-on-year growth of approximately 164% and 114%, respectively, in its Flat Panel TV sales volume.

The Group recorded the following year-on-year growth in February 2013 and in April 2012 to February 2013:

- 47% and 24% in its overall TV sales volume, respectively; and
- 53% and 31% in its overall TV sales revenue, respectively.

TV SALE IN FEBRUARY 2013

The board of directors (the "Board") of Skyworth Digital Holdings Limited (the "Company", together with its subsidiaries, the "Group") wishes to present the following unaudited figures relating to the Group's sale of television sets ("TV"):

	February 2013	February 2012	February 2013 vs. February 2012	April 2012 to February 2013	April 2011 to February 2012	April 2012 to February 2013 vs. April 2011 to February 2012
	Unit ('000)	Unit ('000)	Increase/ (Decrease)	Unit ('000)	Unit ('000)	Increase/ (Decrease)
<u>TV sales volume</u>						
China TV business unit (Note 1)	327	296	10%	8,175	6,558	25%
which comprises:						
- Flat Panel TV (Note 2)	327.3	295.4	11%	8,175.0	6,545.1	25%
- LED LCD TV	327.1	201.4	62%	7,874.4	3,768.9	109%
- Cloud TV	82.1	0.0	n/a	1,476.4	0.0	n/a
- 3D LED LCD TV	105.4	76.7	37%	2,475.2	1,215.7	104%
- Other LED LCD TV	139.6	124.7	12%	3,922.8	2,553.2	54%
- Other Flat Panel TV	0.2	94.0	(100%)	300.6	2,776.2	(89%)
- 3D CCFL LCD TV	0.0	23.5	(100%)	69.6	640.9	(89%)
- Other Flat Panel TV	0.2	70.5	(100%)	231.0	2,135.3	(89%)
- CRT TV (Note 2)	0.0	0.3	(100%)	-0.1	13.3	(101%)
Overseas TV business unit (Note 3)	209	68	207%	2,471	2,040	21%
which comprises:						
- Flat Panel TV	151.9	57.5	164%	2,031.7	947.3	114%
- LED LCD TV	133.7	38.0	252%	1,560.1	643.4	142%
- Other Flat Panel TV	18.2	19.5	(7%)	471.6	303.9	55%
- CRT TV	57.4	10.6	442%	439.5	1,092.4	(60%)
Total TV sales volume	536	364	47%	10,646	8,598	24%
<u>TV sales revenue</u>						
China TV business unit (Note 1)			40%			25%
Overseas TV business unit (Note 3)			164%			96%
Total TV sales revenue			53%			31%

Note 1: The TV sales volume or revenue of the China TV business unit relates to sale of TV, all under **Skyworth** brand, entirely in mainland China market.

Note 2: Flat Panel TV refers to TV with liquid crystal display ("LCD TV") and light emitting diode backlights ("LED"), LCD TV with cold cathode fluorescent lamp backlights ("CCFL"), LCD TV with three dimensional ("3D") display technology, 3D LED LCD TV using cloud computing and storage technology ("Cloud TV") and also TV with plasma panels. CRT TV refers to TV with cathode ray tubes ("CRT").

Note 3: The great majority of TV manufactured by the overseas TV business unit is manufactured for foreign TV brands owned by third parties for sale in overseas and mainland China markets. The business unit also designs, manufactures and sells TV under **Skyworth** brand in Hong Kong, Macau and overseas markets, the volume and amount of which are currently insignificant. Furthermore, the sales volume or revenue of the overseas TV business unit includes that relating to TV sold in complete-knocked down and semi-knocked down forms.

China TV Business Unit

TV Sales Volume

The China TV business unit of the Group recorded year-on-year growth of 11% and 25% in its sales volume of Flat Panel TV (mostly CCFL and LED LCD TV) in February 2013 and in April 2012 to February 2013.

Product mix of Flat Panel TV continues to upgrade from CCFL to LED LCD TV. The China TV business unit recorded 62% and 109% year-on-year growth in its sales volume of LED LCD TV, which included 144% and 225% year-on-year growth in its sales volume of 3D LED LCD TV, in February 2013 and in April 2012 to February 2013, respectively. Sales volume of LED LCD TV accounted for approximately 96% in April 2012 to February 2013, compared to approximately 58% in the same period last year, of the sales volume of Flat Panel TV.

Sales volume of 3D LCD TV (including Cloud TV, 3D CCFL LCD TV and 3D LED LCD TV) in February 2013 accounted for approximately 57% of the sales volume of Flat Panel TV compared to 34% in February 2012. Sales volume of 3D LCD TV accounted for approximately 49% of the sales volume of Flat Panel TV in April 2012 to February 2013, compared to 28% in the same period of last year.

The China TV business unit has launched Cloud TV since October 2011. Sales volume of Cloud TV in the business unit in February 2013 was 25% of its Flat Panel TV sales volume compared to 23% in January 2013. In April 2012 to February 2013, Cloud TV accounted for 18% of its Flat Panel TV sales volume. Gross profit margin of Cloud TV is generally higher than that for TV without cloud function.

Sales volume of other LED LCD TV represented approximately 43% in February 2013 versus approximately 42% in February 2012, of the sales volume of Flat Panel TV. It represented approximately 48% in April 2012 to February 2013 of the sales volume of Flat Panel TV versus approximately 39% in the same period of last year.

The total TV sales volume of the business unit in February 2013 and in April 2012 to February 2013 increased by 10% and 25%, respectively, on a year-on-year basis.

TV Sales Revenue

The China TV business unit recorded year-on-year revenue growth of 40% and 25% in February 2013 and in April 2012 to February 2013, respectively.

TV Market Shares

According to the extrapolated TV sales data based on the market survey covering 711 cities with 6,023 retail terminals in mainland China performed by All View Consulting Co., Ltd. (a market research and marketing consulting company focusing on consumer electronic and home appliance industry, the establishment of which was initiated and advocated by China Video Industry Association in China) the Group's market shares among local and foreign TV brands in mainland China for the 12 months ended 31 January 2013 are as follows:

	Ranking	Market share
All TV		
- Volume	1	16.2%
- Revenue	1	15.8%
LCD TV (included CCFL and LED LCD TV)		
- Volume	1	17.3%
- Revenue	1	17.1%
3D TV (included CCFL and LED LCD TV)		
- Volume	1	26.0%
- Revenue	1	22.1%

The Group's market shares for January 2013 are as follows:

	Ranking	Market share
All TV		
- Volume	1	16.7%
- Revenue	1	16.2%

LCD TV (included CCFL
and LED LCD TV)

- Volume	1	17.6%
- Revenue	1	17.3%

3D TV (included CCFL and
LED LCD TV)

- Volume	1	24.8%
- Revenue	1	21.4%

Overseas TV Business Unit

TV Sales Volume

Growth of 164% and 114% in sales volume of Flat Panel TV was recorded by the overseas TV business unit of the Group in February 2013 and in April 2012 to February 2013, respectively, on a year-on-year basis. Out of which, year-on-year growth in sales volume of LED LCD TV was 252% and 142% in February 2013 and April 2012 to February 2013, compared with that in the same periods of last year.

The total TV sales volume of the business unit in February 2013 and in April 2012 to February 2013 increased by 207% and 21%, respectively, on a year-on-year basis.

TV Sales Revenue

Owing to the significant year-on-year growth of Flat Panel TV sales volume in February 2013 and in April 2012 to February 2013, the sales revenue of the overseas TV business unit increased by 164% and 96% in February 2013 and in April 2012 to February 2013, respectively, on a year-on-year basis.

Overall TV Sales Volume & Revenue

The total TV sales volume of the Group in February 2013 and in April 2012 to February 2013 increased by 47% and 24%, respectively, on a year-on-year basis. The Group recorded growth of 53% and 31% in its overall TV sales revenue in February 2013 and in April 2012 to February 2013, respectively, on a year-on-year basis.

Please note that all data above are unaudited and therefore may differ from the audited data.

For and on behalf of the Board
Skyworth Digital Holdings Limited
Leung Chi Ching, Frederick
Executive Director, Chief Financial Officer
& Company Secretary

Hong Kong, 7 March 2013

As at the date of this announcement, the Board comprises Mr. Zhang Xuebin as the executive chairman of the Board, Mr. Yang Dongwen as executive director and the chief executive officer, Ms. Lin Wei Ping, Mr. Lu Rong Chang, Mr. Leung Chi Ching, Frederick and Mr. Shi Chi as executive directors, and Mr. So Hon Cheung, Stephen, Mr. Li Weibin and Ms. Chan Wai Kay, Katherine as independent non-executive directors.

** For identification purpose only*