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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 APRIL 2014

TV SALES VOLUME TARGETS IN FY2014/15

The TV business unit in China market recorded the following year-on-year changes in April 2014:

- decline of 15% in its total TV sales volume
- decline of 22% in its total TV sales revenue

Highlights of the TV sales in China market in April 2014 are as follows:

- sales volume of 4K Cloud TV recorded a growth of 970% year-on-year in April 2014
- sales volume of 4K Cloud TV accounted for approximately 15% in April 2014, compared to 1% year-on-year
- sales volume of all Cloud TV (including 4K Cloud TV) reached approximately 47% in April 2014, compared to 22% in April 2013

For the 12 months ended 31 March 2014, the TV business unit continuously ranked at number 1 in both sales volume and revenue market shares in LCD TV and 3D TV in China market. In March 2014, it also continuously ranked at number 1 in both sales volume and revenue market share in 4K Cloud TV.

The TV business unit in overseas market recorded the following year-on-year changes in April 2014:

- decline of 13% in its total TV sales volume
- growth of 6% in its total TV sales revenue, thanks for its product mix improvement

It recorded year-on-year growth of approximately 57% in its LED LCD TV sales volume.

The TV business unit recorded the following year-on-year changes in April 2014:

- 14% decline in its overall TV sales volume
- 19% decline in its overall TV sales revenue

TV sales volume targets of the Group for FY2014/15:

- 9.0 million units for the China market, representing year-on-year growth of 4.6%
- 3.0 million units for the overseas market, representing year-on-year growth of 9.2%
- 12.0 million units for the Group, representing year-on-year growth of 5.7%

TV SALES IN APRIL 2014

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”):

	April 2014 Unit (‘000)	April 2013 Unit (‘000)	April 2014 vs. April 2013 Increase/ (Decrease)
TV business unit TV sales volume			
China Market (Note 1)	677	793	(15%)
which comprises:			
- 4K Cloud TV (Note 2)	100.6	9.4	970%
- Cloud TV (Note 2)	218.4	162.0	35%
- Other Flat Panel TV (Note 2)	357.5	621.1	(42%)
Overseas Market (Note 3)	220	252	(13%)
which comprises:			
- LED LCD TV (Note 2)	220.0	140.4	57%
- Other TV (Note 2)	0.0	111.4	(100%)
Total TV sales volume	897	1,045	(14%)
TV business unit TV sales revenue			
China market (Note 1)			(22%)
Overseas market (Note 3)			6%
Total TV sales revenue			(19%)

Note 1: The TV sales volume or revenue of the TV business unit in China market relates to sale of TV, substantially under **Skyworth** brand, entirely in 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 Cloud TV with 4Kx2K Ultra high-definition panels (“4K Cloud TV”). Other TV included CRT TV which refers to TV with cathode ray tubes (“CRT”).

Note 3: The great majority of TV manufactured by the TV business unit in the overseas market is manufactured for foreign TV brands owned by third parties for sale in overseas. The business unit also designs, manufactures and sells TV under **Skyworth** brand in Hong Kong, Macau and overseas markets, the sales volume and revenue of which have been increasing but have not become a major part of its sales volume and revenue. Furthermore, the sales volume or revenue in the overseas market includes that relating to TV sold in complete-knocked down and semi-knocked down forms.

As April 2014 is the first month of this new financial year ending 31 March 2015 (“FY2014/15”), year to date figures are not shown in the above table.

TV Business Unit in China Market

Product Mix

Sales volume of Cloud TV with ultra-high definition (4Kx2K) panel (“4K Cloud TV”) recorded a growth of 970% year-on-year in April 2014. It accounted for approximately 15% of TV sales volume in April 2014 compared to around 1% in April 2013. Gross profit margin of 4K Cloud TV is the highest among all TV series. Since December 2012, 4K Cloud TV with the highest average selling price among all TV series was launched.

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 China for the 12 months ended 31 March 2014 are as follows:

	Ranking	Market share
All TV		
- Volume	1	16.8%
- Revenue	1	15.7%
LCD TV (included CCFL and LED LCD TV)		
- Volume	1	17.4%
- Revenue	1	16.3%
3D TV (included CCFL and LED LCD TV)		
- Volume	1	25.4%
- Revenue	1	20.0%

The Group's market shares for March 2014 are as follows:

	Ranking	Market share
All TV		
- Volume	2	16.7%
- Revenue	2	15.5%
LCD TV (included CCFL and LED LCD TV)		
- Volume	2	17.0%
- Revenue	2	15.8%
3D TV (included CCFL and LED LCD TV)		
- Volume	1	22.7%
- Revenue	1	17.8%

TV Sales Volume Targets for FY2014/15

In the China market, target of TV business unit in FY2014/15 is 9.0 million units, representing year-on-year growth of 4.6%, which includes 1.8 million units of 4K Cloud TV, 3.6 million units of Cloud TV and 3.6 million other flat panel TV. 4K Cloud TV and Cloud TV year-on-year growth are 183% and 81%, respectively.

In the overseas market, the target is 3.0 million units, representing growth of 9.2% year-on-year.

Overall TV sales volume target of the TV business unit in FY2014/15 is 12.0 million units, representing year-on-year growth of 5.7%.

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

By order of the Board
Skyworth Digital Holdings Limited
Chan Wai Kay, Katherine
Executive Director

Hong Kong, 8 May 2014

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

** For identification purpose only*