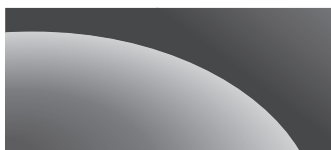


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SKYWORTH
SKYWORTH DIGITAL HOLDINGS LIMITED

(創維數碼控股有限公司*)

(Incorporated in Bermuda with limited liability)

(Stock Code: 751)

ANNOUNCEMENT

The Board wishes to announce that the Company noted that a further Court hearing for the Charge took place on 2 March 2005. At this hearing, the Court ordered that the hearing be further adjourned to 1 June 2005. The Company also noted from the website of the ICAC that Mr. Stephen Wong and Mr. P.S. Wong faced Additional Charges. The Board wishes to announce that, since the occurrence of the Incident on 2 December 2004, the business operations of the Group have been normal. The Board considers that the Charge, the Additional Charges and the Incident would not have any material adverse impact on the business operations of the Group.

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.

Reference is made to the announcement (the “Announcement”) of Skyworth Digital Holdings Limited (the “Company”, and together with its subsidiaries, the “Group”) dated 22 December 2004 in relation to, among others, the charge with one count of conspiracy to steal (the “Charge”) on Mr. Wong Wang Sang, Stephen (“Mr. Stephen Wong”), a non-executive director of the Company and the non-executive Chairman of the Board, and Mr. Wong Pui Sing (“Mr. P.S. Wong”), a former executive director of the Company. Terms used in this announcement have the same meanings as those defined in the Announcement unless otherwise stated.

The Board wishes to announce that the Company noted that a further Court hearing for the Charge took place on 2 March 2005. At this hearing, the Court ordered that the hearing be further adjourned to 1 June 2005. The Company also noted from the website of the ICAC that Mr. Stephen Wong and Mr. P.S. Wong faced additional charges (the “Additional Charges”). According to the website of the ICAC, one of the Additional Charges alleged that Mr. Stephen Wong and Mr. P.S. Wong had conspired with other persons to steal \$2.2 million belonging to Skyworth Computer & Network Company Limited (now renamed as Skyworth Optical-Electronic Company Limited), a wholly-owned subsidiary of the Company. Mr. Stephen Wong and Mr. P.S. Wong were also alleged to have conspired with other persons to defraud the Company in relation to the granting of a share option. The remaining additional charge alleged Mr. Stephen Wong of conspiring together with another person to steal \$500,000 belonging to Skyworth (Group) Company Limited (now renamed as Skyworth TV Holdings Limited), a wholly-owned subsidiary of the Company. The above information regarding the Additional Charges was extracted from the website of the ICAC which did not specify the currency of the amounts involved in the Additional Charges.

The Board wishes to announce that, since the occurrence of the Incident on 2 December 2004, the business operations of the Group have been normal. As mentioned in the announcements of the Company dated 25 January and 28 February 2005, based on the unaudited management reports of the Company, the Group recorded increases in the sales volume in television sets in December 2004 and January 2005 on a month-on-month basis. Set out below is a summary of the Group's sales volume of television sets for the two months ended 31 January 2005 and the corresponding periods in the previous year based on the unaudited management report of the Company:

	For the 2 months from 1 December 2004 to 31 January 2005 <i>Unit ('000)</i>	For the 2 months from 1 December 2003 to 31 January 2004 <i>Unit ('000)</i>	Increase %
Sales volume of television sets in the PRC	2,099.1	1,934.0	8.5%
Sales volume of television sets in overseas	372.1	334.0	11.4%
Total	<u>2,471.2</u>	<u>2,268.0</u>	<u>9.0%</u>

The Board considers that the Charge, the Additional Charges and the Incident would not have any material adverse impact on the business operations of the Group.

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, 4 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 the South China Morning Post”