SKYWORTH DIGITAL HOLDINGS LIMITED
（創維數碼控股有限公司*）

(Incorporated in Bermuda with limited liability)

(Stock Code: 0751)

ANNOUNCEMENT

UPDATE ON THE TRADING STATUS OF THE GROUP

The board of directors (the "Board") of Skyworth Digital Holdings Limited (the "Company", together with its subsidiaries, the "Group") wishes to announce that, based on the unaudited management reports of the Company, the Group recorded a decrease of 15.3% and 38.5% in its total sales volume of television sets in March 2007 as compared with that in March 2006 and February 2007, respectively. During the year ended 31 March 2007, the Group recorded an increase of 0.8% in its total sales volume of television sets, as compared with that in the year ended 31 March 2006.

The Group's sales volume of television sets in March 2007, as compared with that in March 2006, recorded a decline of 15.3%. Such decline can be analyzed by a slight fall in the Group's sales volume of television sets for the China market by 2.1% and a 46.7% decrease in the Group's sales volume of television sets for the overseas markets. With the Group's continuous focus on developing high-end television markets, the Group was able to achieve an substantial increase of 119.6% in its sales volume of liquid crystal display television sets ("LCD-TV") and plasma television sets ("Plasma TV") for the China market.

March is usually a month with less sales in the television market in China for the Group as distributors and retailers would commence their inventory clearance after the Lunar New Year. This can explain the main reasons for the significant decrease in the Group's sales volume of television sets for the China market by 46.1% in March 2007, as compared with that in February 2007. However, the Group's sales volume of television sets for the overseas markets in March 2007 recorded a significant increase of 62.2% from that in February 2007.

During the year ended 31 March 2007, the Group recorded sales of 6,874,000 units of television sets for the China market, representing an increase of 6.4% as compared with that in the year ended 31 March 2006. Such increase includes a 22.2% increase in sales volume of high-definition television sets with cathode ray tubes ("HDTV-CRT") and a 176.4% increase in sales volume of LCD-TV and Plasma TV. As for the overseas markets, during the year ended 31 March 2007, the Group recorded sales of 1,678,000 units of television sets, representing a decrease of 16.9% as compared with that in the last fiscal year.

Set out below is a summary of the Group's sales volume of television sets for March 2007, the corresponding period in 2006 and February 2007, and for April 2006 to March 2007 and April 2005 to March 2006, based on the unaudited management reports of the Company:

	March 2007	**March 2006**	**March 2007 VS. March 2006**	**February 2007**	**March 2007 VS. February 2007**	**April 2006 to March 2007**	**April 2005 to March 2006**	**April 2006 to March 2007 VS. April 2005 to March 2006**
	Unit ('000)	*Unit ('000)*	*Increase/ (Decrease)*	*Unit ('000)*	*Increase/ (Decrease)*	*Unit ('000)*	*Unit ('000)*	*Increase/ (Decrease)*
		(Note b)				*(Note b)*	*(Note b)*	
Television sets								
China market	**320**	**327**	**(2.1%)**	**594**	**(46.1%)**	**6,874**	**6,461**	**6.4%**
which comprises:								
– HDTV-CRT	70.0	71.8	(2.5%)	135.1	(48.2%)	1,604.1	1,312.7	22.2%
– LCD-TV and Plasma TV	35.8	16.3	119.6%	70.8	(49.4%)	693.2	250.8	176.4%
Overseas markets *(Note a)*	**73**	**137**	**(46.7%)**	**45**	**62.2%**	**1,678**	**2,020**	**(16.9%)**
	393	**464**	**(15.3%)**	**639**	**(38.5%)**	**8,552**	**8,481**	**0.8%**

Notes:

(a) The sales volume of television sets for overseas markets includes sales volume of products in semi-knocked down form.

(b) The sales volume for overseas markets for the previous periods disclosed in the previous announcements included the sales volume of audio-visual products which are now excluded in the above summary for comparison purpose since May 2005.

As disclosed in the annual report of the Company for the year ended 31 March 2006 and the announcement of the Company dated 25 January 2007, the Group's target sales volume of television sets for the China market and the overseas markets for the year ended 31 March 2007 are 6,500,000 units and 2,000,000 units, respectively. Based on the unaudited management reports of the Company, the target completion rate for the sales volume of television sets for the year ended 31 March 2007 is summarized below:

	Target sales volume of television sets for the year ended 31 March 2007 *Unit ('000)*	**Completed sales volume of television sets for the year ended 31 March 2007** *Unit ('000)*	**Target completion rate**
China market	6,500	6,874	105.8%
Overseas markets	2,000	1,678	83.9%
Total	8,500	8,552	100.6%

According to the information shown in the table above, the Group attained 100.6% completion on its target for the total sales volume of television sets for the year ended 31 March 2007, with a 105.8% completion for the China market and a 83.9% completion for the overseas markets.

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

Hong Kong, 25 April 2007

As at the date of this announcement, the Board comprises Mr. Zhang Xuebin as executive Chairman of the Board, Ms. Ding Kai, Mr. Leung Chi Ching, Frederick, Ms. Lin Weiping and Mr. Yang Dongwen as executive Directors 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"