

<For immediate release>



AV Concept Forms JV to Expand Memory Distribution Business

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Enlarges Market Share with Diversified Product Mix

(Hong Kong, 16 December 2009) – Leading electronic components distributor **AV Concept Holdings Limited** (“AV Concept” or the “Group”) (stock code: 595) announced today that its wholly-owned subsidiary AV Electronics Group Limited entered into a joint venture agreement with Good Profit HK Group Limited, a wholly-owned subsidiary of major electronic components distributor in domestic and the PRC market, Protech Components Limited (“Protech”), to set up United Benefits Limited which will operate memory distribution business, including but not limited to distributing solid-state drive (“SSD”). Pursuant to the agreement, each of the Group and Protech will initially hold 50% interest in the joint venture company. The Group intends to finance its investment in the joint venture company by its internal resources.

Mr. So Chi On, Chief Executive Officer of AV Concept, commented, “We are delighted to be setting up a joint venture with Protech to further expand our memory distribution business. Both AV Concept and Protech boast solid market experience in the memory distribution industry and have long-term relationship with global electronic manufacturers. We are confident that the new company can capture greater market share and enjoy optimum synergies which will enable us to enhance our profit margin.

“In addition, the joint venture company also targets to tap the growing SSD market. Using a special type of flash memory that offers impressive storage capacity in very compact form, SSD application is expected to gradually extend to personal computers and netbooks predicting a significant growth in the coming years. Samsung Electronics is the leading supplier in the SSD market as according to the Gartner Technology Business Research report, we see promising prospect for our business in the SSD market riding on the 20 years cooperation with Samsung both AV Concept and Protech established as its distributor. We will continue to look for opportunities to diversify our distribution product mix and enrich our ‘one-stop solutions’ to customers and in turn generate greater value for our shareholders.”

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About AV Concept Holdings Limited

AV Concept Holdings Limited is a dynamic and fast growing electronics group listed on Hong Kong Stock Exchange. The Group's businesses include marketing and distribution of electronic components; design and development as well as sale of electronic products and niche medical products. Its wholly owned subsidiary – AV Concept Limited – is one of Asia's leading electronic component distributors for Samsung Electronics and Fairchild Semiconductors. It is also a "One-stop Service Provider" with strong ability and intelligence in sourcing all kinds of application software designs and electronic components that match customer needs. Headquartered in Hong Kong with major sales offices in Shenzhen, Shanghai, Beijing, Singapore, the Philippines, Indonesia and India, AV Concept Limited boasts a comprehensive distribution network and strong sales expertise in China and the South East Asia region.

Visit AV Concept at www.avconcept.com

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