

<For immediate release>



AV Concept Proposes Issue of Convertible Redeemable Preference Shares by Memoriki Holdings Limited

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Aims to Capture Huge Market Potential in Social Media Marketing and Social Game Publishing

(Hong Kong, 12 July 2011) – **AV Concept Holdings Limited** (“AV Concept” or the “Group”) (stock code: 595) is pleased to announce today that Memoriki Holdings (an associated company of the Company) and Memoriki Limited (a wholly-owned subsidiary of Memoriki Holdings) (“Memoriki”) entered into a Subscription Agreement for Convertible Redeemable Preference Shares with OZ Master Fund, Ltd., OZ Asia Master Fund, Ltd. and OZ Global Special Investments Master Fund, L.P. (collectively, the “Investors”).

Pursuant to which the Investors have conditionally agreed to subscribe for 22,500 convertible redeemable preference shares of par value US\$0.01 each in the capital of Memoriki Holdings (“Convertible Redeemable Preference Shares”) at the total subscription price of US\$2,999,925. It is expected that the Convertible Redeemable Preference Shares will represent 22.5% of the then total outstanding share capital of Memoriki Holdings immediately upon completion of the Subscription (as enlarged by the allotment and issue of the Convertible Redeemable Preference Shares).

Memoriki was founded in 2009. It is principally engaged in social media marketing and social game publishing. Memoriki has already become one of the largest Facebook applications developers and game publishing platforms in the industry due to a team of highly innovative, knowledgeable and efficient professionals. Memoriki has managed to create numerous popular applications – some have become top-ten Chinese applications. Aside from Chinese applications, Memoriki has launched applications globally in more than fifteen languages such as English, Spanish, French, Indonesian, and Arabic, and has over 35 million Facebook users spanning a wide spectrum of cultures and age groups.

Mr. So Chi On, Chief Executive Officer of AV Concept, said, “We are delighted by our investors’ endorsement of Memoriki’s business strategy and the Share Agreement provides significant proof of AV Concept’s investment insight. We originally founded Memoriki in order to promote our consumer electronics products on Facebook and therefore turned into a business with contribution to the Group. We believe Memoriki will continue to benefit from exponential growth of the social network platform through the leadership of its professional management team. Memoriki will be run by an independent team lead by professionals, while we co-work with them in development strategy and market positioning. AV Concept will remain focused on developing its major businesses, mainly semiconductor distribution, LED and consumer electronic products to generate maximum shareholder value”.

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About AV Concept Holdings Limited (Stock Code: 595)

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. Its wholly owned subsidiary – AV Concept Limited – is one of Asia's leading electronic component distributors for Samsung Electronics and Fairchild Semiconductor. It is also engaged in LED business through holding 31.84% issued share capital of Wavesquare Inc. which is a Korean-based company engaging in the research, development and manufacturing of blue high brightness LED chips. 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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