

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **AV CONCEPT HOLDINGS LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 595)

### **ANNOUNCEMENT**

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (“**Board**”) of AV Concept Holdings Limited (“**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that on 8 December 2010, Wavesquare China Limited (“**Wavesquare China**”), a wholly-owned subsidiary of the Company entered into a memorandum of understanding (“**Memorandum**”) with Wavesquare Inc. (“**Wavesquare**”), an associated company of the Company.

Pursuant to the Memorandum,

(1) Wavesquare China agrees that it shall:

- (i) by itself or via its subsidiaries, set up a factory (“**Factory**”) in Korea which shall be engaged in manufacturing of LED wafer in one year. The Factory shall be wholly owned by Wavesquare China (or a wholly owned subsidiary of the Company) and shall be engaged in manufacturing of LED wafer in Korea (“**Business**”);
- (ii) be responsible for the funding of the total capital expenditure of the Factory (which is expected to be not more than US\$25 million) required for manufacturing of LED wafer carried out by the Factory;
- (iii) be responsible for setting up the Factory, including the construction of the factory plant and applying for necessary permits and authorisation for carrying out the Business by the Factory; and

- (2) Wavesquare agrees that it shall:
- (i) purchase all the LED wafer manufactured by the Factory at fair market price; and
  - (ii) at its own cost, provide the Factory with all the technology, management and technical supports required for manufacture of LED wafer.

By order of the Board  
**AV Concept Holdings Limited**  
**So Yuk Kwan**  
*Chairman*

Hong Kong, 9 December 2010

*As at the date of this announcement, the Board comprises two executive Directors, Dr. Hon. So Yuk Kwan (Chairman) and Mr. So Chi On, and three independent non-executive Directors, Dr. Hon. Lui Ming Wah, SBS, JP, Mr. Charles E. Chapman and Mr. Wong Ka Kit.*