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## **AV CONCEPT HOLDINGS LIMITED**

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

(Stock Code: 595)

### **VOLUNTARY ANNOUNCEMENT – UPDATE ON INVESTMENT IN WAVESQUARE**

The Board is pleased to announce that on 31 March 2011, completion of the Group's acquisition of 77,602 Wavesquare Shares from Mr. Ng pursuant to the 2010 Share Purchase Agreement took place. In addition, 267,000 Wavesquare Shares were transferred from Mr. Lee to New Concept on 31 March 2011. Immediately after completion of the two share transfers on 31 March 2011, the Group holds 2,213,680 Wavesquare Shares, representing approximately 31.84% of the total issued share capital of Wavesquare.

This is a voluntary announcement made by the Company.

Reference is made to the announcement of the Company dated 1 June 2010 (“**Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

#### **CURRENT INVESTMENT IN WAVESQUARE**

The Board is pleased to announce that on 31 March 2011, completion of the Group's acquisition of 77,602 Wavesquare Shares from Mr. Ng pursuant to the 2010 Share Purchase Agreement took place.

As set out in the Announcement, New Concept and Mr. Lee entered into the Termination Agreement pursuant to which, within six months from the date of the Termination Agreement, Mr. Lee shall return and remit the consideration of US\$2.2 million received from New Concept under the 2009 Share Purchase Agreement back to New Concept. However, such consideration was not returned to New Concept within six months from the date of the Termination Agreement; and thereafter, subsequent to further negotiations between Mr. Lee and New Concept, the parties have mutually agreed that 267,000 Wavesquare Shares would be transferred from Mr. Lee to New Concept at consideration of US\$2.2 million. As a result, 267,000 Wavesquare Shares were transferred from Mr. Lee to New Concept on 31 March 2011. Such acquisition does not constitute any transaction discloseable under Chapter 14 or Chapter 14A of the Listing Rules for the Company.

Taking into account the Group's interest in Wavesquare prior to the above transactions, the Group's subscription for Wavesquare Shares pursuant to the 2010 Tranche 1 Subscription Agreement and the 2010 Tranche 2 Subscription Agreement as set out in the Announcement and the Group's acquisition of 139,048 Wavesquare Shares from Mr. Lee Rae Hwan as set out in the Company's announcement dated 31 August 2010, each of which took place prior to 31 March 2011, immediately after completion of the two share transfers on 31 March 2011, the Group holds 2,213,680 Wavesquare Shares, representing approximately 31.84% of the total issued share capital of Wavesquare, and Wavesquare remains an associated company of the Company.

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

Hong Kong, 6 April 2011

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