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AV CONCEPT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 595)

VOLUNTARY ANNOUNCEMENT COMPLETION OF SUBSCRIPTION FOR CONVERTIBLE NOTES AND CONVERSION OF CONVERTIBLE NOTES

The Board is pleased to announce that:

- (1) on 18 March 2011, Completion took place in accordance with the terms of the Subscription Agreement;
- (2) on 21 March 2011 the Subscriber exercised the conversion rights attaching to the Convertible Notes in full; and
- (3) on 22 March 2011, 300,007 Conversion Shares were issued and allotted to the Subscriber pursuant to the terms and conditions of the Convertible Notes.

This is a voluntary announcement made by the Company.

Reference is made to the announcement of the Company dated 11 January 2011 (“**Announcement**”). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

COMPLETION OF SUBSCRIPTION FOR THE CONVERTIBLE NOTES

The Board is pleased to announce that on 18 March 2011, Completion took place in accordance with the terms of the Subscription Agreement, and the Convertible Notes in the aggregate principal amount of US\$800,000 were issued to the Subscriber.

CONVERSION OF THE CONVERTIBLE NOTES

The Board is pleased to announce that on 21 March 2011, the Subscriber exercised the conversion rights attaching to the Convertible Notes at the Conversion Price of US\$2.6666 per share in full. Upon such conversion of the Convertible Notes (“**Conversion**”), on 22 March 2011, 300,007 Conversion Shares were allotted and issued to the Subscriber pursuant to the terms and conditions of the Convertible Notes. Immediately after the issue and allotment of the Conversion Shares to the Subscriber, the Subscriber holds 300,007 shares of HK\$1 each in the capital of Signeo (representing approximately 75% of the entire issued share capital of Signeo as enlarged by the Conversion Shares), and Signeo becomes a subsidiary of the Company.

Taking into account that the Conversion will result in consolidating the financial results of Signeo into the Group and is expected to enhance the financial performance of the Group, the Directors are of the view that the Conversion is in the interests of the Company and its shareholders as a whole.

The Conversion does not constitute transaction discloseable under Chapter 14 or 14A of the Listing Rules.

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

Hong Kong, 22 March 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.