

&lt;For immediate release&gt;



## **AV Concept Expands into High Profit Margin 3D TV Glasses Market through Share Subscription Agreement**

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### ***Enhances Portfolio of Consumer Electronic Products Global Distribution to Tap Huge Potential in Aftermarket Demand***

(Hong Kong, 16 March 2010) – Leading electronic components distributor **AV Concept Holdings Limited** (“AV Concept” or the “Group”) (stock code: 595) announced today that its wholly-owned subsidiary, New Concept Capital Limited, entered into a share subscription agreement on 15 March 2010 to develop and distribute the 3D shutter glasses and tap the huge potential of the 3D TV market.

Pursuant to the share subscription agreement, AV Concept will subscribe for 730,000 new shares of Accupix Co., Ltd. (“ACCUPIX”), representing 20% of the enlarged issued shares of ACCUPIX. The total consideration for the subscription of approximately US\$3,600,000 (equivalent to approximately HK\$27,900,000) will be funded by the Group’s internal resources. Upon completion of the subscription, ACCUPIX will become an associated company of AV Concept. With its well-established distribution network, the Group has also obtained the global distribution rights (ex-Korea) for ACCUPIX’s 3D shutter glasses, with a focus on the US and the PRC markets. This strategic move allows the Group to further enhance its portfolio of consumer electronic products.

Established in 2000, ACCUPIX is a specialist in designing and providing solutions of 3DTV LCD shutter glasses, as well as offering niche service and business development in the entertainment industry and mobile computing sectors. With more than 8 years of research and development invested, ACCUPIX has commenced production since February in 2010 and is set to be the pioneer in the technology of 3D TV shutter glasses for TV. In addition to supplying the respective technology to Samsung and other two leading brands of electronics products in Japan, ACCUPIX signed a one-year supply agreement with LG-Electronics (“LGE”) in late 2009, to become the exclusive manufacturer of 3D shutter glasses for LGE’s 3D TVs. It has already received orders from LGE of more than 400,000 units. In October 2009, LGE announced its target to achieve sales of 0.4 million units in 2010 and 3.4 million units in 2011.

**Mr. So Chi On, Chief Executive Officer of AV Concept**, said, “Major Korean and Japanese TV makers are planning to launch 3D TV in the market from year 2010, together with the booming of 3D contents in movie and game industry, the company can capture enormous business opportunities through ACCUPIX’s advanced technological know-how in 3D shutter glasses. Thus, we believe this acquisition is a good investment for the Group”.

According to Insight Media, a market research in the display industry, the global 3D TV market is expected to grow from 6.4 million units at 2010 to 18 million units at 2012, representing a CAGR of approximately 68%.

“In addition, the Group will also distribute ACCUPIX’s 3D shutter glasses globally with its own brand, focusing initially on the US and the PRC markets, which will be launched to retail channel soon. As most 3D TV set will be sold bundled with only 1 to 2 pairs of shutter glasses, we see huge potential in the aftermarket of extra 3D shutter glasses as our 3D shutter glasses are adaptable to most TV brands. Tapping our well-established distribution network, the Group believes this new move with high profit margin would help to maximise the return to our shareholders”, Mr So added.

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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](http://www.avconcept.com)

#### **About Accupix Co. Ltd.**

Established in May 2000, ACCUPIX is a limited liability company incorporated in Korea. Currently, ACCUPIX’s main function is to design and provide solutions of 3DTV LCD shutter glasses. 3D presentation is the latest technology in the movie and television industry which provides a realistic vision experience to its audience. Having co-worked and developed 3D glasses for two of the largest players in the industry, Samsung Electronics and LG Electronics, ACCUPIX has many development projects regarding 3D display planned ahead for 2010 and beyond.

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