AV CONCEPT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 595)

POSITIVE PROFIT ALERT

This announcement is made by AV Concept Holdings Limited ("**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules).

The board ("**Board**") of directors of the Company wishes to inform the shareholders of the Company and potential investors that based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 March 2016 ("**FY2016**") and the information currently available to the Group, the Company is expected to record a profit for FY2016, as opposed to a loss of approximately HK$64.9 million for the year ended 31 March 2015 ("**FY2015**").

It is expected that such profit for FY2016 was primarily attributable to (i) an increase of more than 70% in the Company's share of profits and losses of joint ventures and associates for FY2016 as compared with that for FY2015, and (ii) a substantial decrease of more than 60% in the fair value losses on equity investments at fair value through profit or loss for FY2016 as compared with that for FY2015.

Notwithstanding a profit for FY2016 expected to be recorded above, the Board wishes to further inform the shareholders of the Company and potential investors that, the revenue for FY2016 is expected to substantially decrease as compared with that for FY2015, due to a drop of more than 40% of revenue from the semiconductor distribution business segment of the Group as compared with that for FY2015.

The Company is still in the process of finalising its audited consolidated financial results of the Group for FY2016. The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the unaudited consolidated management accounts and information currently available to the Group, which have not yet been audited nor reviewed by the auditors of the Company and may be subject to adjustment. Shareholders of the Company and potential investors are advised to read the finalised annual results of the Group for FY2016 which will be disclosed in the annual results announcement for FY2016 to be published by the Company when it is published.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
AV Concept Holdings Limited
So Yuk Kwan
Chairman

Hong Kong, 16 June 2016

As at the date of this announcement, the Board comprises four executive directors, Dr. So Yuk Kwan (Chairman), Mr. So Chi On, Mr. So Kevin Chi Heng and Mr. So Chi Sun Sunny and three independent non-executive directors, Dr. Lui Ming Wah, SBS, JP, Mr. Charles E. Chapman and Mr. Wong Ka Kit.