



AV CONCEPT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 595)

PROFIT WARNING

The Group may record substantial losses for the year ended 31 March 2007. Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.

It is expected that AV Concept Holdings Limited (the "Company") and its subsidiaries (together with the Company, the "Group") may record substantial losses for the year ended 31 March 2007 for the reasons set out below.

After preliminary review by the Company's management based on the management accounts of the Company, it is expected that the Group may record substantial losses for the year ended 31 March 2007 in contrast with the results for the last corresponding year, principally due to the recognition of impairment loss against the carrying value of the Warrant as at 31 March 2007, the details of the Warrant in relation to the disposal of AV Chaseway Limited have been set out in the Company's annual report 2006. The amount of such impairment loss is still subject to further adjustment and confirmation by the Company's auditors.

This profit warning announcement is only based on the preliminary calculations by the Company's management according to the management accounts of the Company. Investors should read the Company's results announcement for the year ended 31 March 2007 carefully, which is expected to be published before 31 July 2007.

Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
AV Concept Holdings Limited
So Chi On
Director

Hong Kong, 18 June 2007

As at the date of this announcement, the Board comprises three executive directors, Mr. So Yuk Kwan (Chairman), Mr. Lee Jeong Kwan, 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.