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PROSTEN TECHNOLOGY HOLDINGS LIMITED

長達科技控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8026)

PROFIT WARNING

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules. The Board would inform the Company's shareholders and potential investors that based on the unaudited management accounts of the Group for the three-month and nine-month periods ended 31 December 2011, it is expected that the Group's revenue for the three-month and nine-month periods ended 31 December 2011 would decrease substantially as compared to the same periods of last year. It is also expected that the Group would record losses before tax for the three-month and nine-month periods ended 31 December 2011 as compared to profits before tax for the same periods of last year.

The information contained in this announcement is only the preliminary assessment of the Board based on the unaudited consolidated management accounts of the Group for three-month and nine-month periods ended 31 December 2011, which have not been reviewed nor audited by the Company's auditors.

The Company's shareholders and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by the board (the "Board") of directors ("Directors") of Prosten Technology Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") pursuant to Rule 17.10 of The Rules Governing the Listing of Securities on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Exchange").

Reference is made to the Company's announcements ("Announcements") dated 8 August 2011, 27 October 2011, 7 November 2011 and 25 November 2011 in relation to, among others, the Group's first quarterly results for the three months ended 30 June 2011, interim results for the six months ended 30 September 2011 and a voluntary announcement. Unless the context requires otherwise, capitalised terms used herein shall have the same meaning as defined in the Announcements.

Following the expiration of the Cooperation Agreement on 5 July 2011, pursuant to which the Group provided the Services of operational support of wireless music search to Sichuan Mobile and derived a significant portion of its revenue, the Board would like to inform the Company's shareholders and potential investors that, based on the information currently available to the Board, it is expected that the revenue for the three-month and nine-month periods ended 31 December 2011 will decrease substantially compared to the same periods of last year. Due to the above reason and the increase in cost of sales for the three-month and nine-month periods ended 31 December 2011, it is also expected that the Group would record losses before tax for the three-month and nine-month periods ended 31 December 2011 as compared to profits before tax for same periods of last year.

As disclosed in the Company's voluntary announcement dated 25 November 2011, notwithstanding the expiry of the Cooperation Agreement on 5 July 2011, the Group has continued to deliver the Services during the period from 6 July 2011 up to the date of this announcement. However, as the negotiation on the renewal of the Cooperation Agreement is still on-going, no conclusion has been reached on, among others, the income model of the Services (the Old Income Model under the Cooperation Agreement was based on utilisation rate of the Services, however, the New Income Model which may be based on a fixed supporting charge payable to the Group, is still under negotiation and has not yet been finalised) as at the date of this announcement. For prudence's sake and in accordance with the Group's accounting policies, the Group did not record any revenue arising from the Cooperation Agreement since its expiry.

The information contained in this announcement is only based on a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group for three-month and nine-month periods ended 31 December 2011, which have not yet been reviewed nor audited by the Company's auditors or the Company's audit committee. The Group's third quarterly results for the periods ended 31 December 2011 have not yet been finalized as at the date of this announcement. Unaudited financial information of the Group for the three-month and nine-month periods ended 31 December 2011 will be disclosed in the third quarterly results announcement in due course.

The Company's shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
PROSTEN TECHNOLOGY HOLDINGS LIMITED
Yip Heon Keung
Chairman

Hong Kong, 20 January 2012

As at the date of this announcement, the Board comprises the following Directors:

Mr. Yip Heon Keung (*Executive Director (Chairman)*)

Mr. Yip Heon Ping (*Executive Director*)

Ms. Li Luyi (*Executive Director*)

Mr. Chen Xiaoxin (*Non-executive Director*)

Mr. Mah Yong Sun (*Non-executive Director*)

Mr. Tam Chun Wan (*Independent Non-executive Director*)

Ms. Tse Yuet Ling, Justine (*Independent Non-executive Director*)

Ms. Lai May Lun (*Independent Non-executive Director*)

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading. This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the day of its posting and on the Company’s website at www.prosten.com.

* *For identification purpose only*