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DYNAMIC PEAK LIMITED

(incorporated in the British Virgin Islands with limited liability)

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)

JOINT ANNOUNCEMENT

- (1) Purchase of 294,276,619 shares
in Prosten Technology Holdings Limited by Dynamic Peak Limited**
(2) Conditional mandatory cash offers by



**for and on behalf of Dynamic Peak Limited for all the issued shares
(other than those already owned by Dynamic Peak Limited and parties acting
in concert with it) in, and the cancellation of all outstanding share options of,
Prosten Technology Holdings Limited
and**

- (3) Resumption of trading in the shares of Prosten Technology Holdings Limited**

Financial adviser to Dynamic Peak Limited



KINGSTON CORPORATE FINANCE LTD.

THE S&P AGREEMENT

The Board was informed by the Vendors that, on 1 April 2015, the Offeror and the Vendors entered into a S&P Agreement, pursuant to which the Offeror conditionally agreed to purchase and the Vendors conditionally agreed to sell the Sale Shares, being an aggregate of 294,276,619 Shares, for a total consideration of HK\$79,454,687.13 (representing HK\$0.27 per Sale Share). The Sale Shares in aggregate represent approximately 36.96% of the issued share capital of the Company as at the date of this joint announcement. The S&P Completion took place on 29 April 2015.

CONDITIONAL MANDATORY CASH OFFERS

Prior to entering into the S&P Agreement, the Offeror and parties acting in concert with it were not interested in any Shares, warrants, options, derivatives or other securities that are convertible or exchangeable into Shares or other types of equity interest in the Company. Immediately after the S&P Completion, the Offeror and parties acting in concert with it were interested in an aggregate of 294,276,619 Shares, representing approximately 36.96% of the issued share capital of the Company. The Offeror is therefore, upon the S&P Completion, required under Rules 26.1 and 13.5 of the Takeovers Code to make conditional mandatory cash offers for all the issued Shares which are not already owned by it and parties acting in concert with it and to cancel all the outstanding Options.

One China Securities will, for and on behalf of the Offeror and parties acting in concert with it and in compliance with the Takeovers Code, make the Offers on the following basis:

for each Offer Share HK\$0.27 in cash

for each Option

(a) with an exercise price of HK\$0.162 HK\$0.108 in cash

(b) with an exercise price of HK\$0.165 HK\$0.105 in cash

(c) with an exercise price of HK\$0.410 HK\$0.0001 in cash

(d) with an exercise price of HK\$0.417 HK\$0.0001 in cash

The Offer Price of HK\$0.27 per Offer Share equals to the purchase price per Sale Share paid by the Offeror under the S&P Agreement. The Option Offer Price for each In-the-Money Option represents the difference between the Offer Price and the respective exercise prices of these Options. However, as the exercise prices of the Out-of-Money Options are above the Offer Price, their Option Offer Price is a nominal HK\$0.0001 per Option.

The principal terms of the Offers are set out under the section headed “Conditional mandatory cash offers” of this joint announcement. Kingston Corporate Finance, as financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offers.

Conditional Offers

The Offers will be conditional upon the Offeror having received valid acceptances of the Share Offer in respect of such number of Shares which, together with the Shares already owned by the Offeror and parties acting in concert with it, will result in the Offeror and parties acting in concert with it holding more than 50% of the voting rights of the Company by 4:00 p.m. on or prior to the Offer Closing Date (or such later time(s) and/or date(s) as the Offeror may decide and the Executive may approve).

The Offeror reserves the right to extend the Offer Closing Date as permitted under and in accordance with the provisions of the Takeovers Code. If the Share Offer has been extended but the Offer Condition is not satisfied on or before the Long Stop Date, the Share Offer will lapse.

The Option Offer is subject to and conditional upon the Share Offer becoming unconditional.

INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising Ms. Li Luyi, being the non-executive Director, and Mr. Tam Chun Wan, Ms. Tse Yuet Ling, Justine and Ms. Lai May Lun, the three of them being the independent non-executive Directors, has been formed to advise the Independent Shareholders and the Optionholders and to make recommendations as to the fairness and reasonableness of the Offers and as to their acceptances. Gram Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offers and in particular as to whether the Offers are fair and reasonable and as to the acceptance of the Offers. Such appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

COMPOSITE DOCUMENT

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document (accompanied by the Form of Acceptance) in connection with the Offers setting out, inter alia, (i) details of the Offers (including the expected timetable); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders and the Optionholders; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offers, will be despatched jointly by the Offeror and the Company to the Shareholders and the Optionholders within 21 days of the date of this joint announcement or such later date as the Executive may approve.

WARNING:

SHAREHOLDERS AND POTENTIAL INVESTORS ARE ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SHARES, AND IF THEY ARE IN ANY DOUBT ABOUT THEIR POSITION, THEY SHOULD CONSULT THEIR PROFESSIONAL ADVISERS.

IF THE TOTAL NUMBER OF SHARES IN RESPECT OF WHICH THE OFFEROR RECEIVES VALID ACCEPTANCES UNDER THE SHARE OFFER TOGETHER WITH THE SHARES ALREADY OWNED OR TO BE ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT DURING THE OFFER PERIOD, WILL RESULT IN THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT HOLDING 50% OR LESS OF THE VOTING RIGHTS OF THE COMPANY, THE OFFERS WILL NOT BECOME UNCONDITIONAL AND WILL LAPSE.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 1:29 p.m. on 30 March 2015 pending the issue of this joint announcement.

Application has been made by the Company to the Stock Exchange for the resumption of trading in Shares on the Stock Exchange with effect from 9:00 a.m. on 30 April 2015.

THE S&P AGREEMENT

The Board was informed by the Vendors that, on 1 April 2015, the Offeror and the Vendors entered into a S&P Agreement, pursuant to which the Offeror conditionally agreed to purchase and the Vendors conditionally agreed to sell the Sale Shares, being an aggregate of 294,276,619 Shares, for a total consideration of HK\$79,454,687.13 (representing HK\$0.27 per Sale Share). The Sale Shares in aggregate represent approximately 36.96% of the issued share capital of the Company as at the date of this joint announcement. The S&P Completion took place on 29 April 2015.

Set out below are the principal terms of the S&P Agreement.

Date:

1 April 2015

Parties:

- (a) Century Technology Holding (PTC) Limited, Bakersfield Global (PTC) Corporation and Greenford Company (PTC) Limited (as vendors); and
- (b) The Offeror (as purchaser).

The Offeror has confirmed that immediately before entering into the S&P Agreement, each of the Offeror, its beneficial owner and parties acting in concert with any of them is a third party independent of and not connected with the Company and its connected persons.

Immediately prior to the S&P Completion, the Vendors were together beneficially interested in 295,534,619 Shares, representing approximately 37.12% of the entire issued share capital of the Company. In addition, the following persons were interested in such number of Shares and Options as listed next to their names as follows:

Name of the Shareholders	Number of Shares	% of shareholding in the Company <i>(Note 1)</i>	Number of outstanding Options immediately prior to the S&P Completion <i>(Note 2)</i>	Number of underlying Shares under the Options <i>(Note 2)</i>	Number of Shares held assuming full exercise of the Options <i>(Note 2)</i>	% of shareholding in the Company assuming full exercise of the Options <i>(Note 1 and 2)</i>
Vendors						
Century Technology Holding (PTC) Limited <i>(Note 3)</i>	114,851,701 <i>(Note 4)</i>	14.43	Nil	Nil	114,851,701	14.32
Bakersfield Global (PTC) Corporation <i>(Notes 5 and 7)</i>	59,085,216	7.42	Nil	Nil	59,085,216	7.37
Greenford Company (PTC) Limited <i>(Notes 6 and 7)</i>	121,597,702	15.27	Nil	Nil	121,597,702	15.16
Sub-total	295,534,619 <i>(Note 8)</i>	37.12	Nil	Nil	295,534,619	36.85
Yip Seng Mun <i>(Notes 9 and 10)</i>	3,761,000 <i>(Note 12)</i>	0.47	800,000	800,000	4,561,000	0.57
Yip Heon Ping <i>(Note 10)</i>	5,600,000 <i>(Note 12)</i>	0.70	1,400,000	1,400,000	7,000,000	0.87
Yip Heon Keung <i>(Note 10)</i>	5,600,000 <i>(Note 12)</i>	0.70	1,400,000	1,400,000	7,000,000	0.87
Yip Heon Wai <i>(Note 10)</i>	4,000,000 <i>(Note 12)</i>	0.50	1,000,000	1,000,000	5,000,000	0.62
Chan Fu Kuen, Gladys <i>(Note 11)</i>	3,200,000 <i>(Note 12)</i>	0.40	800,000	800,000	4,000,000	0.50
Other Optionholders	Nil	0.00	450,000	450,000	450,000	0.06
Other Shareholders	478,409,381	60.09	Nil	Nil	478,409,381	59.66
Total	796,105,000	100.00	5,850,000	5,850,000	801,955,000	100.00

Notes:

1. The aggregate of the percentage figures stated in this column does not add up to 100 percent due to rounding issue of the decimal places.

2. As at the date of this joint announcement, the total number of outstanding Options granted to the Optionholders were 5,850,000. However, the outstanding Options are subject to certain vesting conditions, pursuant to which 3,137,500 Options have been vested and become exercisable, and the remaining 2,712,500 Options shall become exercisable subject to the vesting conditions. Nevertheless, according to the terms of the Share Option Schemes, where a general offer is made to all Shareholders and such offer becomes or is declared unconditional, the Optionholders shall, notwithstanding any other terms on which his Options were granted, be entitled to exercise the Option (to the extent not already exercised) to its full extent at any time thereafter and up to the close of such offer (or any revised offer). As such, should the current Offers become or are declared unconditional, 5,850,000 outstanding Options shall become exercisable by the Optionholders thereafter and up to the close of the Offers (or the revised Offers, if any).
3. Century Technology Holding (PTC) Limited (“**Century**”) is a company incorporated in the British Virgin Islands and is one of the Vendors. Its entire issued share capital is beneficially owned by Mr. Yip Seng Mun, a former Director. Century is a trustee of a unit trust, the units of which are held by Ultra Fame Investments (PTC) Ltd as trustee of a discretionary family trust. Mr. Yip Seng Mun is the sole director and sole shareholder of Ultra Fame Investments (PTC) Ltd.
4. Century has agreed to sell 113,593,701 Sale Shares, representing approximately 14.27% of the issued share capital of the Company, to the Offeror under the S&P Agreement only and the remaining 1,258,000 Shares, representing approximately 0.16% of the issued share capital of the Company, will continue to be held by it after the S&P Completion and the Share Offer will be extended to these 1,258,000 Shares.
5. Bakersfield Global (PTC) Corporation (“**Bakersfield**”) is a company incorporated in the British Virgin Islands and is one of the Vendors. Its entire issued share capital is beneficially owned by Mr. Yip Seng Mun, a former Director.
6. Greenford Company (PTC) Limited (“**Greenford**”) is a company incorporated in the British Virgin Islands and is one of the Vendors. Its entire issued share capital is beneficially owned by Mr. Yip Heon Ping, a Director.
7. An aggregate of 180,682,918 Shares are held through Greenford and Bakersfield as trustees of The Greenford Unit Trust and The Bakersfield Unit Trust (collectively referred to as the “**Unit Trusts**”), respectively. The entire issued units of the Unit Trusts are held by Ace Central Group (PTC) Limited (“**Ace Central**”) as the trustee of The New Millennium Trust. The New Millennium Trust is a discretionary family trust which was established with Mr. Yip Seng Mun as the founder and Mr. Yip Heon Ping as one of the discretionary objects as at the date of this joint announcement. Mr. Yip Heon Keung is the sole director and sole shareholder of Ace Central.
8. Out of the 295,534,619 Shares owned by the Vendors, only 294,276,619 Sale Shares, representing approximately 36.96% of the issue share capital of the Company, would be sold to the Offeror under the S&P Agreement. The remaining 1,258,000 Shares, which are owned by Century and represent approximately 0.16% of the issued share capital of the Company, will continue to be held by it after the S&P Completion, as referred to in note 4 above. The Share Offer will be extended to these remaining 1,258,000 Shares.
9. By virtue of the SFO, Mr. Yip Seng Mun is deemed to be interested in 180,682,918 Shares as the founder of The New Millennium Trust, 114,851,701 Shares as the beneficial owner of Century and personally interested in 3,761,000 Shares. The Share Offer will be extended to these 3,761,000 Shares held by Mr. Yip Seng Mun.
10. Mr. Yip Seng Mun is the father of Mr. Yip Heon Ping, Mr. Yip Heon Keung and Mr. Yip Heon Wai.
11. Ms. Chan Fu Kuen, Gladys is the spouse of Mr. Yip Heon Wai.
12. The Share Offer will be extended to these Shares.

Sale and Purchase of the Sale Shares

Under the S&P Agreement, the Vendors shall sell all (but not part of) 294,276,619 Sale Shares out of the 295,534,619 Shares owned by them, representing approximately 36.96% of the issued share capital of the Company as at the date of this joint announcement and the Offeror shall purchase all (but not part of) the Sale Shares, free from all liens, claims, equities, charges, encumbrances or third-party rights of whatsoever nature and with all rights attached thereto with effect from the S&P Completion (including, the right to receive all dividends and distributions paid or declared on and from the S&P Completion). The remaining 1,258,000 Shares, which are owned by Century Technology Holding (PTC) Limited and represent approximately 0.16% of the issued share capital of the Company, will continue to be held by it after the S&P Completion. The Share Offer will be extended to these 1,258,000 Shares.

Consideration

The Share Purchase Consideration is HK\$79,454,687.13, representing a price of HK\$0.27 per Sale Share, which shall be payable to the respective Vendors in the proportion set out below:

Name of the Vendors	Number of Sale Shares	Approximate % of shareholding in the Company	Amount of Share Purchase Consideration attributable (HK\$)
Century Technology Holding (PTC) Limited	113,593,701 <i>(Note 1)</i>	14.27	30,670,299.27
Bakersfield Global (PTC) Corporation	59,085,216	7.42	15,953,008.32
Greenford Company (PTC) Limited	<u>121,597,702</u>	<u>15.27</u>	<u>32,831,379.54</u>
Total	<u>294,276,619</u>	<u>36.96</u>	<u>79,454,687.13</u>

Note:

1. Out of the 114,851,701 Shares owned by Century Technology Holding (PTC) Limited, only 113,593,701 Sale Shares would be sold to the Offeror under the S&P Agreement and the remaining 1,258,000 Shares will continue to be held by Century Technology Holding (PTC) Limited. The Share Offer will be extended to these 1,258,000 Shares.

The Share Purchase Consideration was arrived at after arm's length negotiations between the Offeror and the Vendors, with reference to the listing status of the Company and the prevailing market price of the Shares.

The Share Purchase Consideration has been and will be paid by the Offeror to the Vendors in the following manner:

- (a) an aggregate sum of HK\$5,000,000.00 as deposit and part payment of the Share Purchase Consideration has been paid by the Offeror to Mr. Yip Seng Mun (as irrevocably and unconditionally directed by the Vendors) upon signing of the S&P Agreement; and
- (b) an aggregate sum of HK\$74,454,687.13, being the balance of the Share Purchase Consideration shall be paid by the Offeror to Mr. Yip Seng Mun (as irrevocably and unconditionally directed by the Vendors) upon the S&P Completion.

Conditions precedent to the S&P Completion

Completion of the S&P Agreement is conditional upon the following conditions being fulfilled or waived (other than item (a) below) by the Offeror as described below:

- (a) the Stock Exchange and the SFC having approved this joint announcement to be published by the Vendors and the Offeror in respect of the transactions contemplated under the S&P Agreement;
- (b) the current listing of the Shares not having been cancelled or withdrawn and the Shares continuing to be traded on the Stock Exchange prior to the S&P Completion (save for any temporary suspension for no longer than seven consecutive trading days or such other period as the Offeror may agree or the temporary suspension in connection with transactions contemplated under the S&P Agreement);
- (c) neither the Stock Exchange nor the SFC having indicated that the trading of the Shares on the Stock Exchange will be suspended, cancelled or withdrawn after the S&P Completion, whether or not for reasons related to or arising from the transactions contemplated under the S&P Agreement;
- (d) the warranties set out in the S&P Agreement given as at the date of the S&P Agreement remaining true and accurate in all material respects upon repetition of the same immediately prior to the S&P Completion with reference to the facts and circumstances then existing; and
- (e) the Vendors producing a legal opinion to the reasonable satisfaction of the Offeror (issued by lawyer(s) reasonably acceptable to the Offeror practising in the British Virgin Islands) on (i) the due execution, validity and enforceability of, and the capacity of the Vendors to enter into the S&P Agreement and the transactions contemplated under the S&P Agreement, as well as the power and authority of the Vendors to sell and transfer the Sale Shares to the Offeror; and (ii) that no consent or approval from the relevant trustees nor discretionary objects under the relevant family trusts for the relevant Vendors to sell and transfer the Sale Shares to the Offeror is required.

The Offeror and the Vendors proceeded to the S&P Completion on 29 April 2015 upon the fulfillment of all of the above conditions.

Completion date

The S&P Completion took place on 29 April 2015. Immediately after the S&P Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it were interested in an aggregate of 294,276,619 Shares, representing approximately 36.96% of the issued share capital of the Company.

SHAREHOLDING STRUCTURE

Set out below are (i) the shareholding structure of the Company immediately before S&P Completion; and (ii) the shareholding structure of the Company immediately after the S&P Completion and as at the date of this joint announcement:

Shareholders	Shareholding structure of the Company immediately before the S&P Completion		Shareholding structure of the Company immediately after the S&P Completion and as at the date of this joint announcement	
	Number of Shares	Approximate % of shareholding (Note 1)	Number of Shares	Approximate % of shareholding (Note 1)
Century Technology Holding (PTC) Limited (Note 2)	114,851,701	14.43	1,258,000 (Note 2)	0.16
Bakersfield Global (PTC) Corporation (Notes 3 and 5)	59,085,216	7.42	0.00	—
Greenford Company (PTC) Limited (Notes 4 and 5)	121,597,702	15.27	0.00	—
The Offeror and parties acting in concert with it	0.00	—	294,276,619	36.96
First League Investments Limited (Note 6)	17,819,381	2.24	17,819,381	2.24
Yip Seng Mun (Note 7)	3,761,000	0.47	3,761,000 (Note 7)	0.47
Yip's Family (Note 8)	18,400,000	2.31	18,400,000 (Note 8)	2.31
Right Advance Management Limited (Note 9)	150,000,000	18.84	150,000,000	18.84
Will City Limited (Note 10)	100,000,000	12.56	100,000,000	12.56
Public Shareholders	210,590,000	26.45	210,590,000	26.45
Total	796,105,000	100.00	796,105,000	100.00

Notes:

1. The aggregate of the percentage figures stated in this column does not add up to 100 percent due to rounding issue of the decimal places.
2. Century Technology Holding (PTC) Limited (“**Century**”) is a company incorporated in the British Virgin Islands and is one of the Vendors. Its entire issued share capital is beneficially owned by Mr. Yip Seng Mun, a former Director. Century is a trustee of a unit trust, the units of which are held by Ultra Fame Investments (PTC) Ltd as trustee of a discretionary family trust. Mr. Yip Seng Mun is the sole director and sole shareholder of Ultra Fame Investments (PTC) Ltd. Century has agreed to sell 113,593,701 Sale Shares to the Offeror under the S&P Agreement only and the Share Offer will be extended to the remaining 1,258,000 Shares held by Century.
3. Bakersfield Global (PTC) Corporation (“**Bakersfield**”) is a company incorporated in the British Virgin Islands and is one of the Vendors. Its entire issued share capital is beneficially owned by Mr. Yip Seng Mun, a former Director.
4. Greenford Company (PTC) Limited (“**Greenford**”) is a company incorporated in the British Virgin Islands and is one of the Vendors. Its entire issued share capital is beneficially owned by Mr. Yip Heon Ping, a Director.
5. An aggregate of 180,682,918 Shares are held through Greenford and Bakersfield as trustees of The Greenford Unit Trust and The Bakersfield Unit Trust (collectively referred to as the “**Unit Trusts**”), respectively. The entire issued units of the Unit Trusts are held by Ace Central Group (PTC) Limited (“**Ace Central**”) as the trustee of The New Millennium Trust. The New Millennium Trust is a discretionary family trust which was established with Mr. Yip Seng Mun as the founder and Mr. Yip Heon Ping as one of the discretionary objects as at the date of this joint announcement. Mr. Yip Heon Keung is the sole director and sole shareholder of Ace Central.
6. First League Investments Limited is a company incorporated in the British Virgin Islands and its issued share capital is held as to 60% by Ms. Leung Chan Yuet Fu and as to the remaining 40% by a former Director, who is an independent third party otherwise than his being a former Director. Ms. Leung Chan Yuet Fu is the sister-in-law of Mr. Yip Heon Wai, a former Director, who in turn is a son of Mr. Yip Seng Mun and a brother of Mr. Yip Heon Ping and Mr. Yip Heon Keung.
7. By virtue of the SFO, Mr. Yip Seng Mun is deemed to be interested in 180,682,918 Shares as the founder of The New Millennium Trust, 114,851,701 Shares as the beneficial owner of Century and personally interested in 3,761,000 Shares. The Share Offer will be extended to these 3,761,000 Shares held by Mr. Yip Seng Mun.
8. Yip’s family refers to the executive Directors and their associates personally interested in 18,400,000 Shares, namely Mr. Yip Heon Ping, Mr. Yip Heon Keung, Mr. Yip Heon Wai and his spouse, Ms. Chan Fu Kuen, Gladys, who are personally interested in 5,600,000 Shares, 5,600,000 Shares, 4,000,000 Shares and 3,200,000 Shares, respectively and the Share Offer will be extended to these 18,400,000 Shares held by the Yip’s family.
9. Right Advance Management Limited (“**Right Advance**”) is a company incorporated in the British Virgin Islands and its entire issued share capital is registered in the name of Ms. Wang Li Mei, and such Shares are ultimately owned by Mr. Wang Leilei. Ms. Wang Li Mei is the sole director of Right Advance.
10. Will City Limited is a company incorporated in the British Virgin Islands and its entire issued share capital is held by Ms. Zhang Yingnan.

CONDITIONAL MANDATORY CASH OFFERS

Prior to entering into the S&P Agreement, the Offeror and parties in concert with it were not interested in any Shares, warrants, options, derivatives or other securities that are convertible or exchangeable into Shares or other types of equity interest in the Company. Immediately after the S&P Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it were interested in 294,276,619 Shares, representing approximately 36.96% of the issued share capital of the Company. The Offeror is therefore, upon the S&P Completion, required under Rules 26.1 and 13.5 of the Takeovers Code to make conditional mandatory cash offers for all the issued Shares which are not already owned by it and parties acting in concert with it and to cancel all the outstanding Options.

The Offeror has received the Letters of Undertaking executed by Mr. Wang Leilei and Ms. Zhang Yingnan respectively, pursuant to which each of Mr. Wang Leilei and Ms. Zhang Yingnan has unconditionally and irrevocably undertaken to the Offeror and the Company that he/she (i) will not accept the Share Offer and will procure that any registered holder(s) controlled by him/her will not accept the Share Offer or sell any of the Non-acceptance Shares to the Offeror or parties acting in concert with it under the Share Offer; (ii) will not take any other action to make the Non-acceptance Shares available for acceptance of the Share Offer; and (iii) shall keep the Non-acceptance Shares and will not sell, transfer, dispose of any Non-acceptance Share to the Offeror or other third parties or otherwise create any interest on the Non-acceptance Shares before the close of the Offers. The Share Offer therefore will not be extended to the Non-acceptance Shares.

As at the date of this joint announcement, the Company has 796,105,000 Shares in issue and 5,850,000 outstanding Options, with an exercise price of HK\$0.162 (Option period from 27 March 2013 to 26 March 2023), HK\$0.165 (Option period from 5 December 2013 to 4 December 2023), HK\$0.410 (Option period from 3 April 2008 to 2 April 2018) or HK\$0.417 (Option period from 3 June 2008 to 2 June 2018) per Share respectively. The outstanding Options are subject to certain vesting conditions, pursuant to which 3,137,500 Options have been vested and become exercisable, and the remaining 2,712,500 Options shall become exercisable subject to the vesting conditions.

Nevertheless, according to the terms of the Share Option Schemes, where a general offer is made to all the Shareholders and such offer becomes or is declared unconditional, the Optionholders are, notwithstanding any other terms on which his Options were granted, entitled to exercise the Option (to the extent not already exercised) to its full extent at any time thereafter and up to the close of such offer. Subject to the above, the Options will lapse automatically (to the extent not exercised) on the date which such offer (or, as the case may be, the revised offer) closes. As such, should the current Offers become or are declared unconditional, 5,850,000 outstanding Options shall become exercisable by the Optionholders thereafter and up to the close of the Offers (or, as the case may be, the revised Offers).

Save for the Options, there are no outstanding options, derivatives or securities convertible into Shares and the Company had not entered into any agreement for the issue of such securities, options, derivatives or warrants of the Company as at the date of this joint announcement.

Accordingly, (i) (assuming none of the Options have been exercised prior to the close of the Offers), excluding the Non-acceptance Shares under the Letters of Undertaking, 251,828,381 Offer Shares will be subject to the Share Offer and 5,850,000 Options will be subject to the Option Offer; or (ii) (assuming all the Options have been fully exercised prior to the close of the Share Offer, excluding the Non-acceptance Shares under the Letters of Undertaking, the Company will have to issue 5,850,000 new Shares, representing approximately 0.73% of the enlarged issued share capital of the Company following such allotment and issue), 257,678,381 Offer Shares will be subject to the Share Offer.

Principal terms of the Offers

One China Securities will, for and on behalf of the Offeror and parties acting in concert with it and in compliance with the Takeovers Code, make the Offers on the terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

The Share Offer:

for each Offer ShareHK\$0.27 in cash

The Option Offer:

for each Option

(a) with an exercise price of HK\$0.162HK\$0.108 in cash

(b) with an exercise price of HK\$0.165HK\$0.105 in cash

(c) with an exercise price of HK\$0.410HK\$0.0001 in cash

(d) with an exercise price of HK\$0.417HK\$0.0001 in cash

The Offer Price of HK\$0.27 per Offer Share equals to the purchase price per Sale Share paid by the Offeror under the S&P Agreement. The Option Offer Price for each In-the-Money Option represents the difference between the Offer Price and the respective exercise prices of these Options. However, as the exercise prices of the Out-of-Money Options are above the Offer Price, their Option Offer Price is a nominal HK\$0.0001 per Option.

Except for the transactions contemplated under the S&P Agreement, there have been no dealings in the securities of the Company by the Offeror and parties acting in concert with it during the six months immediately before the date of this joint announcement.

Comparisons of value

The Offer Price of HK\$0.27 for each Offer Share equals to the price per Sale Share payable by the Offeror under the S&P Agreement and represents:

- (a) a discount of approximately 32.5% to the closing price of HK\$0.40 per Share as quoted by the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 15.63% to the average closing price of approximately HK\$0.32 per Share for the 5 trading days up to and including the Last Trading Day;

- (c) a discount of approximately 10.00% to the average closing price of approximately HK\$0.30 per Share for the 10 trading days up to and including the Last Trading Day;
- (d) a discount of approximately 3.57% to the average closing price of approximately HK\$0.28 per Share for the 30 consecutive trading days up to and including the Last Trading Day; and
- (e) a premium of approximately 2,600.00% over the audited consolidated net asset value per Share of approximately HK\$0.01 per Share as at 31 March 2014 based on the audited accounts of the Company for the financial year ended 31 March 2014.

Highest and lowest Share price

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately preceding the Last Trading Day from 30 September 2014 to 30 March 2015 were HK\$0.4 on 30 March 2015 and HK\$0.2 on 30 September 2014 respectively.

Letters of Undertaking

On 2 April 2015, each of Mr. Wang Leilei and Ms. Zhang Yingnan, ultimately holding 150,000,000 Shares (representing approximately 18.84% of the issued share capital of the Company as at the date of this joint announcement) and 100,000,000 Shares (representing approximately 12.56% of the issued share capital of the Company as at the date of this joint announcement) respectively, has executed the Letters of Undertaking, pursuant to which each of Mr. Wang Leilei and Ms. Zhang Yingnan has unconditionally and irrevocably undertaken to the Offeror and the Company that he/she:

- (i) will not accept the Share Offer and each of Mr. Wang Leilei and Ms. Zhang Yingnan will procure that any registered holder(s), namely Right Advance Management Limited and Will City Limited controlled by him/her respectively, will not accept the Share Offer or sell any of the Non-acceptance Shares to the Offeror or parties acting in concert with it under the Share Offer;
- (ii) will not take any other action to make the Non-acceptance Shares available for acceptance of the Share Offer; and
- (iii) shall keep the Non-acceptance Shares and will not sell, transfer, dispose of any Non-acceptance Share to the Offeror or other third parties or otherwise create any interest on the Non-acceptance Shares before the close of the Offers.

Total consideration of the Offers

As at the date of this joint announcement, there were 796,105,000 Shares in issue. At the Offer Price of HK\$0.27 per Offer Share, the entire issued share capital of the Company is valued at HK\$214,948,350.

Assuming that none of the 5,850,000 outstanding Options is exercised prior to the close of the Offers and there is no change in the issued share capital of the Company up to the close of the Offers, excluding the Non-acceptance Shares under the Letters of Undertaking, 251,828,381 Offer Shares, representing approximately 31.63% of the issued share capital of the Company, will be subject to the Share Offer which will be valued at HK\$67,993,662.87.

As at the date of this joint announcement, the Company had 50,000, 5,400,000, 200,000 and 200,000 outstanding Options with exercise prices of HK\$0.162, HK\$0.165, HK\$0.410 and HK\$0.417 respectively. Based on the Option Offer Price of HK\$0.108 for cancellation of each Option with an exercise price of HK\$0.162, HK\$0.105 for cancellation of each Option with an exercise price of HK\$0.165 and HK\$0.0001 for cancellation of each Option with exercise prices of HK\$0.410 and HK\$0.417, the consideration payable by the Offeror under the Option Offer for the cancellation of all outstanding Options is HK\$572,440. Accordingly, assuming none of the Options is exercised prior to the close of the Offers, the Offers are valued at HK\$68,566,102.87 in aggregate.

Assuming all of the aforesaid outstanding Options are exercised by the Optionholders before the close of the Offers, 5,850,000 Shares will be issued and, based on the Offer Price of HK\$0.27 per Offer Share, an additional sum of HK\$1,579,500 shall be payable by the Offeror under the Share Offer. Accordingly, the Offers are valued at HK\$69,573,162.87 in aggregate on a fully-diluted basis.

Save and except for the Letters of Undertaking, the Offeror has not received any indication or irrevocable commitment from any Shareholder or Optionholder that he/she/it will accept or reject the Offers as at the date of this joint announcement.

Financial resources available to the Offeror

The maximum amount of cash payable by the Offeror in respect of the Offers is approximately HK\$69,573,162.87. The Offeror intends to finance the cash consideration payable under the Offers with the standby facility granted by One China Securities. Kingston Corporate Finance, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror to satisfy the full acceptance of the Offers as set out in the section “Total consideration of the Offers” above.

Condition of the Offers

The Offers will be conditional upon the Offeror having received valid acceptances of the Share Offer in respect of such number of Shares which, together with the Shares already owned by the Offeror and parties acting in concert with it, will result in the Offeror and parties acting in concert with it holding more than 50% of the voting rights of the Company by 4:00 p.m. on or prior to the Offer Closing Date (or such later time(s) and/or date(s) as the Offeror may decide and the Executive may approve).

The Offeror reserves the right to extend the Offer Closing Date as permitted under and in accordance with the provisions of the Takeovers Code. If the Share Offer has been extended but the Offer Condition is not satisfied on or before the Long Stop Date, the Share Offer will lapse.

The Option Offer is subject to and conditional upon the Share Offer becoming unconditional.

Shareholders should note that if the total number of Shares in respect of which the Offeror receives valid acceptances under the Share Offer together with the Shares already owned or to be acquired by the Offeror and parties acting in concert with it during the offer period, will result in the Offeror and parties acting in concert with it holding 50% or less of the voting rights of the Company, the Offers will not become unconditional and will lapse. In such circumstances, pursuant to Rule 20.2 of the Takeover Code, the Offeror is required to, as soon as possible but in any event within 10 days thereof, post the Share certificate or Option certificates (as the case may be) lodged with the Forms of Acceptance to, or make such Share certificates or Option certificates (as the case may be) available for collection by, those Shareholders or Optionholders who have accepted the Offers.

Effect of accepting the Offers

By accepting the Share Offer, the accepting Shareholders will sell their Shares free from all encumbrances and together with all rights attached to them, including the right to receive all dividends and distributions recommended, declared, paid or made, if any, on or after the date on which the Share Offer is made, being the date of despatch of the Composite Document.

By accepting the Option Offer, Optionholders will cancel their Options and all rights attached thereto with effect from the date on which the Option Offer is made, being the date of despatch of the Composite Document.

Acceptance of the Offers shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Hong Kong stamp duty

Seller's ad valorem stamp duty arising from the acceptance of the Share Offer amounting to 0.1% of the amount payable in respect of relevant acceptances by the Shareholders, or (if higher) the value of the Shares as determined by the Collector of Stamp Revenue under the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong), will be deducted from the amount payable to the Shareholders who accept the Share Offer. The Offeror will then pay the stamp duty so deducted on their behalf. The Offeror will bear buyer's ad valorem stamp duty.

No stamp duty is payable in connection with the acceptance of the Option Offer.

Payment

Payment in cash in respect of acceptances of the Offers (after deducting the accepting Shareholders' share of stamp duty) will be made as soon as possible but in any event within seven business days (as defined under the Takeovers Code) of the date of receipt of a duly completed acceptance. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offers complete and valid.

Overseas Shareholders and overseas Optionholders

As the Offers to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident, the overseas Shareholders and the overseas Optionholders who are citizens or residents or nationals of a jurisdiction outside Hong Kong should satisfy themselves about and observe any applicable legal or regulatory requirements and where necessary seek legal advice. It is the responsibility of the overseas Shareholders and/or overseas Optionholders who wish to accept the Share Offer and/or the Option Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due from such accepting Shareholders in respect of such jurisdiction).

Any acceptance by any Shareholder or Optionholder will be deemed to constitute a representation and warranty from such Shareholder or Optionholder to the Offeror that the local laws and requirements have been complied with. The Shareholders and Optionholders should consult their professional advisers if in doubt.

Other arrangements

The Offeror confirms that as at the date of this joint announcement:

- (a) save for the Non-acceptance Shares under the Letters of Undertaking, the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them have not received any irrevocable commitment to accept or reject the Offers;
- (b) there is no outstanding derivative in respect of the Shares and other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of in the Company which has been entered into by the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them;
- (c) there are no arrangements in relation to shares and other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Offeror or the Company and which might be material to the Offers (as referred to in Note 8 to Rule 22 of the Takeovers Code);
- (d) save for the purchase of 294,276,619 Shares (representing approximately 36.96% of the issued share capital of the Company) pursuant to the S&P Agreement, none of the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them owns or has control or direction over any rights or voting rights over the Shares, convertible securities, options, warrants or derivatives of the Company;
- (e) save for the S&P Agreement, there are no agreements or arrangements to which the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them is a party which relate to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offers;

- (f) there is no Share or other relevant security (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them has borrowed or lent; and
- (g) save for the S&P Agreement, neither the Offeror, its ultimate beneficial owners, nor any party acting in concert with any of them had any dealings in the Shares nor in any convertible securities, warrants, options or derivatives in respect of the Shares during the period beginning six months prior to the date of this joint announcement.

INFORMATION ON THE COMPANY

The Company, incorporated in the Cayman Islands with limited liability, is an investment holding company and its issued Shares are listed on GEM since 2000. The Group is principally engaged in the provision of wireless music search and entertainment services, as well as the development of applications supporting internet and mainstream mobile phone platforms.

Set out below is the audited consolidated results of the Group for each of the two years ended on 31 March 2013 and 2014 and its unaudited results for the nine months ended on 31 December 2014, as extracted from the audited consolidated accounts of the Company for the year ended 31 March 2014 and the third quarterly report of the Company for the nine months ended on 31 December 2014 respectively.

	For the nine months ended 31 December 2014	For the year ended 31 March	
	<i>(unaudited)</i>	2014	2013
	<i>HK\$'000</i>	<i>(audited)</i>	<i>(audited)</i>
		<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	8,218	24,209	57,161
Loss before taxation	(22,077)	(41,607)	(29,444)
Loss attributable to owners of the Company	(22,077)	(41,613)	(29,377)

The audited consolidated net asset of the Group attributable to Shareholders as at 31 March 2014 was approximately HK\$10,816,000, which was equivalent to approximately HK\$0.01 per Share and the audited consolidated net asset of the Group attributable to Shareholders as at 31 March 2013 was approximately HK\$49,475,000, which was equivalent to approximately HK\$0.07 per Share.

INFORMATION ON THE OFFEROR

The Offeror was incorporated in the British Virgin Islands with limited liability and is beneficially owned by Mr. Chen Weixi and Mr. Xu Zhigang as to 80% and 20% respectively. The Offeror is an investment holding company and did not carry on any business since its incorporation until the entering into the S&P Agreement.

As at the date of this joint announcement, the directors of the Offeror are Mr. Chen Weixi and Mr. Xu Zhigang. Both of them do not hold any directorships in any public or listed companies. The Offeror and its ultimate beneficial owners are third parties independent of, and not acting in concert with, the Vendors.

OFFEROR'S INTENTION REGARDING THE GROUP

It is the intention of the Offeror that the Group will continue its existing principal business. Following completion of the Offers, the Offeror will conduct a review of the business operations and financial position of the Group for the purpose of formulating suitable business plans and strategies for the future business development of the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider future development of the Group's existing business, or acquisition of assets and/or business by the Group in order to enhance its profitability. As at the date of this joint announcement, the Offeror has no plan for any acquisition or disposal of the existing assets or business of the Group.

Proposed change of board composition of the Company

The Board is currently made up of seven Directors, comprising three executive Directors, namely Mr. Yip Heon Keung, Mr. Yip Heon Ping and Mr. Han Jun, one non-executive Director, namely Ms. Li Luyi, and three independent non-executive Directors, namely Mr. Tam Chun Wan, Ms. Tse Yuet Ling, Justine and Ms. Lai May Lun. Upon completion of the Offers, it is intended that save for Mr. Yip Heon Keung and Mr. Han Jun, all existing executive Directors, non-executive Director and independent non-executive Directors will resign from their office with effect from the earliest time permitted under the GEM Listing Rules, the Takeovers Code or other applicable laws (whichever is the latest).

In addition, the Vendors shall cause such persons as the Offeror may nominate to be validly appointed as Directors with effect from the earliest time permitted under the GEM Listing Rules, the Takeovers Code or other applicable laws (whichever is the latest).

Any changes to the Board composition will be made in compliance with the Takeovers Code and the GEM Listing Rules.

MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on GEM after the close of the Offers. In the event that after the close of the Offers, the public float of the Company falls below 25%, Mr. Yip Heon Keung and Mr. Han Jun (each of them being the current executive Director who currently intends to remain on the Board following the close of the Offers) and the new Directors to be nominated by the Offeror will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure sufficient public float exists for the Shares.

The Stock Exchange has indicated that if, upon the close of the Offers, less than 25% of the issued Shares are held by the public or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or**
- (ii) there are insufficient Shares in public hands to maintain an orderly market,**

it will consider exercising its discretion to suspend trading in the Shares.

INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising Ms. Li Luyi, being the non-executive Director, and Mr. Tam Chun Wan, Ms. Tse Yuet Ling, Justine and Ms. Lai May Lun, the three of them being the independent non-executive Directors, has been formed to advise the Independent Shareholders and the Optionholders and to make recommendations as to the fairness and reasonableness of the Offers and as to their acceptances. Gram Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offers and in particular as to whether the Offers are fair and reasonable and as to the acceptance of the Offers. Such appointment has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

COMPOSITE DOCUMENT

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document (accompanied by the Form of Acceptance) in connection with the Offers setting out, *inter alia*, (i) details of the Offers (including the expected timetable); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders and the Optionholders; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the Offers, will be despatched jointly by the Offeror and the Company to the Shareholders and the Optionholders within 21 days of the date of this joint announcement or such later date as the Executive may approve.

DEALINGS DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, the associates (as defined under the Takeovers Code) of each of the Company and the Offeror (including persons who own or control 5% or more of any class of relevant securities issued by the Company or the Offeror) are reminded to disclose their dealings in the securities of the Company under Note 11 to Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

Stockbrokers, banks and others who deal in relevant securities) on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 of the Takeovers Code and those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules pursuant to the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any seven day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquires. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 1:29 p.m. on 30 March 2015 pending the issue of this joint announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 30 April 2015.

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associates”	has the meaning as ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Business Day”	a business day is a day on which the Stock Exchange is open for the transaction of business
“Company”	Prosten Technology Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM

“Composite Document”	the composite offer and response document in respect of the Offers to be despatched jointly by the Offeror and the Company in accordance with the Takeovers Code
“Director(s)”	the director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
“Form of Acceptance”	the form of acceptance and transfer and the form of acceptance of cancellation in respect of the Offers accompanying the Composite Document
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Company whose members comprise Ms. Li Luyi, being the non-executive Director, and Mr. Tam Chun Wan, Ms. Tse Yuet Ling, Justine and Ms. Lai May Lun, the three of them being the independent non-executive Directors, which has been formed to advise the Independent Shareholders and the Optionholders in respect of the Offers
“Independent Financial Adviser”	Gram Capital Limited (a licensed corporation under the SFO to carry out type 6 (advising on corporate finance) regulated activity), being the independent financial adviser to the Independent Board Committee in respect of the Offers
“Independent Shareholders”	Shareholders other than the Vendors, their respective associates, the Offeror and parties acting in concert with any of them
“In-the-Money Option(s)”	the Option(s) with exercise prices of HK\$0.162 or HK\$0.165 (as the case may be)
“Kingston Corporate Finance”	Kingston Corporate Finance Limited, a corporation licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO and the financial adviser to the Offeror

“Last Trading Day”	30 March 2015, being the last trading day prior to the release of this joint announcement
“Letters of Undertaking”	the letters of undertaking issued by each of Mr. Wang Leilei and Ms. Zhang Yingnan dated 2 April 2015 whereby each of them has undertaken not to accept the Share Offer in respect of the Non-acceptance Shares
“Long Stop Date”	the date which is 60 calendar days after the posting of the Composite Document, unless the date has been extended by the Offeror with the consent of the Company and the Executive pursuant to Rule 15.5 of the Takeovers Code
“Non-acceptance Shares”	the 150,000,000 Shares ultimately and beneficially owned by Mr. Wang Leilei and the 100,000,000 Shares ultimately and beneficially owned by Ms. Zhang Yingnan, which are held through Right Advance Management Limited and Will City Limited respectively
“Offers”	the Share Offer and the Option Offer
“Offer Closing Date”	the date to be stated in the Composite Document as the first offer closing date of the Share Offer, which is 21 calendar days after the date of posting of the Composite Document, or any subsequent offer closing date of the Share Offer as may be extended in accordance with the Takeovers Code
“Offer Condition”	the condition to the Offers as set out in this joint announcement
“Offer Price”	the amount of HK\$0.27 payable by the Offeror for each Offer Share under the Share Offer
“Offer Share(s)”	issued Share(s) other than those already owned by the Offeror and parties acting in concert with it
“Offeror”	Dynamic Peak Limited, a company incorporated in the British Virgin Islands with limited liability which is beneficially owned by Mr. Chen Weixi and Mr. Xu Zhigang as to 80% and 20% respectively
“One China Securities”	One China Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 2 (dealing in futures contracts) regulated activities under the SFO which shall made the Offers on behalf of the Offeror

“Option(s)”	the outstanding share option(s) granted by the Company in accordance with the Share Option Schemes to subscribe for up to an aggregate of 5,850,000 Shares as at the date of this joint announcement
“Optionholders”	holders of the Options
“Option Offer”	the conditional mandatory cash offer to be made by One China Securities, for and on behalf of the Offeror, to cancel all outstanding Options
“Option Offer Price(s)”	The price(s) at which the Option Offer will be made, i.e. at HK\$0.108 per outstanding Option with exercise price of HK\$0.162, at HK\$0.105 per outstanding Option with exercise price of HK\$0.165 and at HK\$0.0001 per outstanding Option with exercise prices of HK\$0.410 or HK\$0.417
“Out-of-Money Option(s)”	the Option(s) with exercise prices of HK\$0.410 or HK\$0.417 (as the case may be)
“Sale Shares”	an aggregate of 294,276,619 Shares sold by the Vendors to the Offeror pursuant to the S&P Agreement
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Share Offer”	the conditional mandatory cash offer to be made by One China Securities, for and on behalf of the Offeror, to acquire all the Offer Shares
“Share Option Schemes”	the share option schemes of the Company adopted on 9 April 2002 and 5 August 2011 respectively
“Share Purchase Consideration”	the consideration paid by the Offeror to the Vendors for the purchase of the Sale Shares under the S&P Agreement as more particularly set out in the sub-section “Consideration” under the section “The S&P Agreement” in this joint announcement
“S&P Agreement”	the agreement dated 1 April 2015 for the sale and purchase of 294,276,619 Shares between the Vendors and the Offeror

“S&P Completion”	the completion of the sale and purchase of the Sale Shares by the Vendors and the Offeror in accordance with the provisions under the S&P Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers and Share Buy-backs as in force and as amended from time to time
“Vendors”	Century Technology Holding (PTC) Limited, Bakersfield Global (PTC) Corporation and Greenford Company (PTC) Limited
“HK\$” and “cents”	Hong Kong Dollars and cents respectively, the lawful currency of Hong Kong
“%”	per cent.

By Order of the board of directors of
Dynamic Peak Limited
Xu Zhigang
Director

By Order of the Board of
Prosten Technology Holdings Limited
Yip Heon Keung
Chairman

Hong Kong, 29 April 2015

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

Mr. Yip Heon Keung (*Chairman and Executive Director*)
Mr. Yip Heon Ping (*Executive Director*)
Mr. Han Jun (*Executive Director*)
Ms. Li Luyi (*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*)

Mr. Chen Weixi and Mr. Xu Zhigang, directors and shareholders of the Offeror, jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group, the Vendors and parties acting in concert with each of them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Group, the Directors, the Vendors, the directors of Vendors (where applicable) and parties acting in concert with each of them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any of the statements in this joint announcement misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror and parties acting in concert with it) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any of the statements in this joint announcement misleading.

This joint 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 joint announcement (other than the information relating to the Offeror and parties acting in concert with it) 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 joint announcement misleading.

This joint announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days from the date of its posting and on the website of the Company at <http://www.prosten.com>.

In the case of inconsistency, the English text of this joint announcement shall prevail over the Chinese text.

** For identification purpose only*