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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)

**(A) WRIT OF SUMMONS SERVED ON THE COMPANY
IN RELATION TO CONVERTIBLE BONDS: PROGRESS UPDATE
(B) POSSIBLE FUND-RAISING**

This announcement is made in accordance with Rule 17.10 of the GEM Listing Rules.

The board of directors (the “**Board**”) of Prosten Technology Holdings Limited (the “**Company**”) noted the recent increases in both the price and trading volume of the shares of the Company and wish to state that save as disclosed below, they are not aware of any reasons for such fluctuations.

The Board would also confirm that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Chapters 19 to 20 of the GEM Listing Rules, neither is the Board aware of any matter (save as disclosed below) discloseable under the general obligation imposed by rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

**(A) WRIT OF SUMMONS SERVED ON THE COMPANY IN RELATION TO
CONVERTIBLE BONDS: PROGRESS UPDATE**

Reference is made to the Company's announcements (collectively, the “**Announcements**”) dated 11 and 24 March 2009 respectively and its first quarterly report 2009. Terms defined in the Announcement dated 11 March 2009 shall, unless the context otherwise require, have the same meanings when used in this announcement.

As indicated in the Company's first quarterly report 2009 in August 2009, the Plaintiff applied for summary judgment against the Company and another defendant to the proceedings. The application was heard in the High Court on 18 September 2009.

The summary judgment was handed down on 20 October 2009, under which the High Court gave a judgment for the Plaintiff for payment by the Company to the Plaintiff of HK\$36 million plus interest at the judgment rate from 10 March 2009 until the date of judgment. The Company was also held liable to the Plaintiff for the costs of such action.

The Company is now seeking legal advice as to further action to be taken. The Board is also considering to continue discussing with the Plaintiff on arrangement to settle the matters in an amicable manner. As at the date of this announcement, the Board has not entered into any settlement agreement with the Plaintiff nor made any decision as to its course of action.

As indicated in the Announcements and the Company's annual report, the Convertible Bonds have been recorded as current liabilities and the 25% premium over the principal amount of the Convertible Bonds (i.e. the total sum of HK\$36,000,000) was accounted for in the audited consolidated balance sheet of the Group as at 31 March 2009. If the Company decides to pay the amount in full as held under the above judgment, the cashflow of the Group will be reduced. However, having regard to the current financial position of the Group, the Board is of the view that the Group (after making the said payment) will have sufficient working capital for running its business in the ordinary course.

(B) POSSIBLE FUND-RAISING

The Company has started some discussion with potential investors for raising funds for the Company. Proposal as to the form of investment and/or the amount of funds to be raised is still under discussion. **Such discussion may or may not materialize into fund-raising activities.**

Should any of the above matters have any material progress, a further announcement will be made by the Company in compliance with the GEM Listing Rules.

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

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

Hong Kong, 21 October 2009

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

Mr. Yip Heon Keung (*Executive Director*)
Mr. Yip Heon Ping (*Executive Director*)
Dr. Xu Zhiming (*Non-executive Director*)
Mr. Zhang Ying (*Non-executive Director*)
Mr. James T. Siano (*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 of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: (1) the information contained in this

announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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*