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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)

WRIT OF SUMMONS SERVED ON THE COMPANY IN RELATION TO CONVERTIBLE BONDS: PROGRESS UPDATE

The Board is pleased to announce that the Company entered into the Settlement Agreement with Tallmany and CBC on 24 December 2009, pursuant to which the Company agreed to pay to Tallmany HK\$36 million plus interest at the judgment rate from 10 March 2009 until date of actual payment, which is to be made on or before 31 December 2009, as well as legal costs of HK\$1,650,000 for full and final settlement of liabilities and obligations of the Company under the Summary Judgment, the High Court Action, the CB Subscription Agreement and the CB Terms and Conditions (defined below).

This announcement is made in accordance with Rule 17.10 of The Rules (“**GEM Listing Rules**”) Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited.

Reference is made to the announcements of Prosten Technology Holdings Limited (the “**Company**”) dated 21 October 2009 and 20 November 2009 respectively. As mentioned in such announcements, summary judgment (the “**Summary Judgment**”) was entered against the Company on 20 October 2009 in respect of High Court Action No. 669 of 2009 (the “**High Court Action**”), under which the High Court gave judgment for Tallmany Enterprises Limited (“**Tallmany**”) for payment by the Company to Tallmany of HK\$36 million plus interest at the judgment rate from 10 March 2009 until the date of judgment. In late October 2009, the Company issued a Notice of Appeal against the Summary Judgment (the “**Appeal**”) and on 13 November 2009, an order was given that (amongst other things) execution of the Summary Judgment be stayed (i.e. suspended) until conclusion of the Appeal, subject to payment into court of a certain amount of money.

On 24 December 2009, the Company entered into a settlement agreement (the “**Settlement Agreement**”) with Tallmany and China Broadband Capital Partners L.P. (“**CBC**”). Under the Settlement Agreement, the Company agreed to pay to Tallmany on or before 31 December 2009 HK\$36 million being the judgment sum under the Summary Judgment and interest accrued at the judgment rate from 10 March 2009 to the date of actual payment (the “**Settlement Amount**”). The Company's agreement to pay the Settlement Amount shall constitute full and final settlement of the Company's liabilities and obligations under the Summary Judgment and the High Court Action, as well as the subscription agreement for convertible bonds in the principal amount of HK\$28.8 million (the “**Convertible Bonds**”).

dated 30 April 2007 (the “**CB Subscription Agreement**”) and the terms and conditions of the Convertible Bonds contained in a deed poll and in terms and conditions attached to Certificate No. CB2012-001 issued on 6 June 2007 (together the “**CB Terms and Conditions**”) to which the Summary Judgment relates. Under the Settlement Agreement, the Company would also pay a sum of HK\$1,650,000 to Tallmany in respect of part of Tallmany legal costs arising from the above action and the Appeal. The part of the Appeal in respect of the Company will be withdrawn.

Should there be any material progress in the above matters, 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, 24 December 2009

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*)
Dr. Xu Zhiming (*Non-executive Director*)
Mr. Zhang Ying (*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*