



(For immediate release)

Prosten Technology Announces 2008/2009 Annual Results

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Achieved Steady Growth and Healthy Financial Position

Highlights:

For the year ended 31 March 2009:

- Revenue reached HK\$109,477,000, a significant growth of 31% compared to the previous financial year;
- Gross profit amounted to HK\$90,128,000, up 23% from FY07/08;
- Profit attributable to equity holders of the Company was HK\$15,636,000 (HK\$10,809,000 excluding convertible bonds impact);
- Bank and cash balances increased to HK\$81,927,000, maintaining a healthy financial position.

(22 June 2009, Hong Kong) China's leading wireless search services provider, Prosten Technology Holdings Limited ("Prosten"; Stock Code: 8026, and its subsidiaries, collectively the "Group") today announced its audited consolidated results for the fiscal year ended 31 March 2009.

The Group's revenue has achieved growth for the second consecutive year mainly due to increase in mobile search user base and increase in frequency of searching and download rate per user. During the year under review, revenue was HK\$109,477,000, representing an increase of 31%. Gross profit was HK\$90,128,000, an increase of 23% as compared to last year. Gross margin was 82%, compared to 88% for the last fiscal year. Profit for the year attributable to equity holders amounted to HK\$15,636,000. Excluding a HK\$4,827,000 impact of fair value gain on convertible bonds, profit attributable to equity holders would have been HK\$10,809,000.

"Amid overall economic challenges, we are pleased to report another profitable year as we focused on executing initiatives that drove our top line revenue and maintained solid operation performance," said Mr. Guan Mingjie, CEO of Prosten. "We accomplished all financial and operating goals as we continued to position ourselves as one of the leaders within the rapidly growing wireless search market and we strived to improve our mobile users' experience."

During the fiscal year, efficient internal management allowed the Group to maintain healthy financial position while continued to invest in developing new channels and search products. As at 31 March 2009, bank and cash balances was HK\$81,927,000, an increase of HK\$48,725,000 over the previous financial year. Furthermore, debtor turnover days was 58 days, significantly



improved from 186 days for the last fiscal year, reflecting faster collection of debtors. As a result, the current ratio improved from 1.3 in 2008 to 1.7 in 2009.

During the year, the Group has collaborated with an international renowned consultancy company to develop a new data mining based sales model. The new sales model was successfully applied whereby its sales and marketing activities, as well as operational efficiency, were notably enhanced. To improve users experience, the Group focuses on expanding its “STK cards” and “products embedded in mobile phones” business channels, as well as development of new products offering such as the SMS interactive service system. Also, while working closely with China Mobile and other provincial telecom operators, the Group has obtained certain breakthroughs in its business cooperation with new telecom operators

Looking forward, Mr. Dennis Yip, Chairman of Prosten commented, “We still face various competitions and challenges, including a possible slowdown in the growth of the telecommunication industry in the PRC. In addition, there is a potential change in our cooperation with China Mobile due to the adjustment of their business policy. However, we remain optimistic with the long-term prospects given the increasing demand in wireless mobile search services and the large-scale rollout of 3G in China. In response, we will continue to expand our business channels and to further improve our services. We believe these business opportunities will enable Prosten to achieve healthy, profitable growth and enhance its return to shareholders.”

About Prosten

Prosten Technology Holdings Limited, was listed on GEM (Stock Code: 8026) in March 2000. Through its subsidiary, Unison Networking Services (Shanghai) Co., Ltd, Prosten became the sole provider of wireless music search services for China Mobile since January 2007. The wireless search services are delivered through SMS and WAP, etc on portable devices and are available over the country, with total mobile users of more than 170 million.

For investor and media enquiries:

Prosten
Winsome Cheung
Tel: 852-2838 8873
Email: winsome.cheung@prosten.com.cn

PRChina
Henry Chik
Tel: 852 2522 1838
Email: hchik@prchina.com.hk

PRChina
David Shiu
Tel: 852 2522 1368
Email: dshiu@prchina.com.hk