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PROSTEN TECHNOLOGY HOLDINGS LIMITED

長達科技控股有限公司 *

(a limited company incorporated in the Cayman Islands)

(Stock Code: 8026)

DISCLOSEABLE TRANSACTION

PROVISION OF LOAN

THE LOAN AGREEMENT

On 22 April 2016 (after trading hours), the Lender, an indirect wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Borrower, pursuant to which the Lender has agreed to lend to the Borrower a term loan in the principal amount of HK\$6,000,000.00.

THE GEM LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios as defined in Rule 19.06 of the GEM Listing Rules is 5% or more but none of them is 25% or above, the Loan constitutes a discloseable transaction of the Group under Chapter 19 of the GEM Listing Rules. In light of the above, the Loan shall be subject to the reporting and announcement requirements under the GEM Listing Rules.

THE LOAN AGREEMENTS

Date:	22 April 2016
Lender:	SZ Enterprise Union Finance Limited (深企聯合小額貸款有限公司), an indirect wholly-owned subsidiary of the Company
Borrower:	Mr. Yu Shaoheng
Principal Loan Amount:	HK\$6,000,000.00

Drawdown Date:	22 April 2016
Term:	6 months from the drawdown date
Final Repayment Date:	21 October 2016, but early repayment is also allowed.
Interest:	10% per annum. Accrued interest shall be paid in the first instance upon the end of the third month of the term, and thereafter on the final repayment date together with repayment of the principal.

The terms of the Loan Agreement were arrived at after arm's length negotiations between the Lender and the Borrower. The Lender is a licensed money lender and its principal business activity is provision of money lending services. The provision of the Loan denotes a transaction of a revenue nature and carried out as part of the ordinary and usual course of business of the Lender.

The Loan will be funded by the net proceeds raised from the recent placing of shares in the Company completed on 10 March 2016.

INFORMATION ON THE COMPANY, THE GROUP AND THE LENDER

The Company is an investment holding company. The Group is principally engaged in the provision of wireless mobile value-added services. Apart from its core business, the Group has recently expanded its business into the advertising, pharmaceutical, jewellery and financial services industries. Reference is made to the voluntary announcements of the Company dated 23 December 2015 and 22 January 2016 respectively in relation to business updates.

The Lender is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. The Lender is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163, Laws of Hong Kong), and is principally engaged in the business of provision of money lending services.

INFORMATION ON THE BORROWER

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower is a merchant and independent third party not connected with the Company and its connected persons.

REASON FOR AND BENEFITS OF THE LOAN ARRANGEMENT

The Lender is a licensed money lender and its principal business activity is provision of money lending services. The provision of the Loan constitutes a transaction carried out as part of the ordinary and usual course of business of the Lender, and will bring in interest income to the Lender.

The Lender has conducted internal risk assessment on the subject loan arrangement. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower has substantial investments and assets in the PRC which support his financial capability to repay the Loan. The purpose of the Loan is to enhance his short-term cash flow. Therefore, the Lender has not sought additional securities or collaterals for his repayment of the Loan.

The Directors consider that the transactions contemplated by the Loan Agreement are on normal commercial terms, and the terms of the Loan Agreement are fair and reasonable and in the interests of the Group and the shareholders of the Company as a whole having considered the current market norm in relation to similar transactions.

The Loan will be recorded as loan receivable of the Group.

THE GEM LISTING RULES IMPLICATIONS

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DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Board”	the board of Directors
“Borrower”	Mr. Yu Shaoheng, the borrower under the Loan Agreement
“Company”	Prosten Technology Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the GEM (stock code: 8026)
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries collectively
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong Dollars, the prevailing lawful currency of Hong Kong
“Lender”	SZ Enterprise Union Finance Limited (深企聯合小額貸款有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Loan”	a term loan in the principal amount of HK\$6,000,000.00 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 22 April 2016 entered into between the Lender and the Borrower in relation to the provision of the Loan

“PRC”	the People’s Republic of China which excludes Hong Kong and Macau Special Administrative Regions for the purpose of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
PROSTEN TECHNOLOGY HOLDINGS LIMITED
Xu Zhigang
Chairman

Hong Kong, 22 April 2016

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

Mr. Xu Zhigang (Executive Director (Chairman))
Mr. Han Jun (Executive Director)
Mr. Yeung Yiu Bong Anthony (Executive Director)
Mr. Chen Weixi (Non-Executive Director)
Mr. Yip Heon Keung (Non-Executive Director)
Mr. Poon Yan Wai (Independent Non-Executive Director)
Mr. Xu Xiaoping (Independent Non-Executive Director)
Mr. Lam Kwok Cheong (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 GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and the Company’s website at www.prosten.com.

** for identification purpose only*