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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)

PROFIT WARNING

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules. The Board would inform the Company's shareholders and potential investors that based on the unaudited management accounts of the Group for the three months ended 30 June 2012, it is expected that the Group's revenue for the 2012/13 First Quarter would decrease substantially as compared to the corresponding period of last year. As a result of the decrease in revenue and a relatively significant increase in cost of sales, it is also expected that the Group would record loss before tax for the said quarter as compared to the making of profit before tax for the corresponding period of last year.

The information contained in this announcement is only the preliminary assessment of the Company based on its management accounts which has not been reviewed nor audited by the Company's auditors.

The Company's shareholders and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by the board (the "**Board**") of directors ("**Directors**") of Prosten Technology Holdings Limited (the "**Company**", which together with its subsidiaries are collectively referred to as the "**Group**" in this announcement) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**").

References are made to the Company's announcements dated 31 May 2012, 20 January 2012, 25 November 2011, 7 November 2011, 27 October 2011 and 8 August 2011 (the "**Announcements**"). As disclosed in the Announcements, the cooperation agreement ("**Cooperation Agreement**") previously made between the Group and a subsidiary of China Mobile Limited ("**China Mobile**") in respect of the Group's provision of wireless music search services provided via China Mobile's network expired in early July 2011. Following expiry of the Cooperation Agreement, the Group continued to provide wireless music search services from early July 2011 to the date of this announcement.

The negotiations of a new agreement ("**New Agreement**") with China Mobile were concluded on 6 July 2012 (subsequent to the three-month period ended 30 June 2012 ("**2012/13 First Quarter**"). Pursuant to the New Agreement, the Group agreed with China Mobile (through its subsidiary) on a different charging model regarding the Group's operational support services provided to China Mobile for the period from July 2011 to July 2012. During the said period, the Group would charge China Mobile a fixed operational support service fee (subject to adjustment) for its services rendered.

Please refer to the Company's announcement dated 6 July 2012 for further details. The income recorded as a result of the signing of the New Agreement for the 2012/13 First Quarter was lower than that from the Cooperation Agreement for the corresponding period of last year.

For the above reasons and based on the best knowledge of the Board and information currently available to the Board, the Board would inform the shareholders of the Company and potential investors it is expected that the Group's revenue for 2012/13 First Quarter would decrease substantially as compared to the three months ended 30 June, 2011. It is also expected that the Group would record loss before tax for 2012/13 First Quarter as compared to the Group's before-tax profit position for corresponding period of last year. Apart from the above, the decrease in profit of the Group for 2012/13 First Quarter is also attributable to a relatively significant increase in cost of sales for the three months ended 30 June 2012 as compared with the corresponding period of last year as a result of the development of new businesses and products which had lower profit margins.

The information contained in this announcement is only based on a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group for 2012/13 First Quarter, which have not yet been reviewed or audited by the Company's auditor or the Company's audit committee.

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

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

Hong Kong, 31 July 2012

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*)
Ms. Li Luyi (*Executive Director*)
Mr. Chen Xiaoxin (*Non-executive Director*)
Mr. Mah Yong Sun (*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*)

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 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 "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