



(For immediate release)

Prosten Technology Announces 2009/2010 Interim Results

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Records Moderate Growth and Maintains Solid Financial Position

Highlights:

For the six months ended 30 September 2009:

- Consolidated revenue totaled HK\$33,004,000
- Gross profit was HK\$25,869,000
- Excluding the fair value loss on derivative component of convertible bonds and provision for litigation related to the convertible bonds, profit attributable to equity holders of the Company was HK\$1,593,000
- Maintained health financial position by adhering to prudent cash and financial management policy; current ratio was approximately 1.7 as at 30 September 2009

(9 November 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 unaudited consolidated quarterly results for the three months period ended 30 September 2009 and for the unaudited 2009/2010 interim results.

During the three months period ended 30 September 2009, the Group maintained moderate growth and recorded revenue of HK\$17,770,000, representing a 17% increase compared to the previous quarter. For the six months period ended 30 September 2009, revenue was HK\$33,004,000, representing a decrease of 51% as compared to HK\$66,925,000 for the corresponding period last year. Gross profit amounted to HK\$25,869,000 as compared to HK\$57,591,000 to last year. The Group recorded a loss for the period attributable to equity holders of the Company of HK\$1,683,000. The loss was mainly attributed to fair value loss on derivative component of convertible bonds of HK\$1,654,000, which were non-cash items and will not affect the Group's cash flow, and a provision for litigation of HK\$1,622,000. Excluding these two items, the Group would record a profit attributable to equity holders of HK\$1,593,000.

"The recent rapid GDP growth in China is a strong positive for the development of the telecommunication industry, though mobile users spending remained cautious during the first half of 2009. With the arrival of the 3G era, mobile value added service market is increasingly competitive. We successfully implemented of our new business strategy to expand our services and establish cooperation with new telecom



operators.,” said Mr. Yip Heon Keung, Chairman of the Company.

Through stringent measures to reduce costs, overall operating expenses including selling, administrative and other expenses were reduced by HK\$4,239,000 or 14% to HK\$26,834,000. Under the prudent working capital and balance sheet management, the Group continued to be well funded and capitalised. At 30 September 2009, the Group’s current ratio, was approximately 1.7 (31 March 2009: 1.7) and the gearing ratio was 71% (31 March 2009: 67%). The Group’s cash and cash equivalents amounted to HK\$76,713,00 as at 30 September 2009 (31 March 2009: HK\$81,771,000).

During the six months period under review, the Group has successfully contracted with some provincial telecom operators on the development of a precision marketing model based on data mining. Such marketing model will cater to the specific needs and preferences of mobile users for various value added services such as mobile music, mobile games and mobile TV. At the same time, the Group obtained some progress in cooperation with new telecom operators. These activities provided the Group with a broadening revenue base and more opportunities for exploring new income streams. To enhanced users’ loyalty, the Group constantly improved users’ experience with greater functionality of the Group’s patented search engine.

Looking forward, Mr. Yip Heon Keung commented, “The operating environment is still full of challenges including potential changes in business policies by telecom operators, though we remain optimistic about the outlook of our industry. We are confident that our focus on expanding through organic growth while remaining disciplined in cost management will help us to deliver long-term sustainable growth.”

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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 in January 2007. Prosten’s wireless search services are delivered through SMS and WAP, etc on portable devices and are available throughout the country, with more than 199 million total mobile users.

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