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**SYS SOLUTIONS HOLDINGS LIMITED**

**軟迅科技控股有限公司**

**Colpo Mercantile Inc.**

*(Incorporated in the British Virgin Islands with limited liability)*

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8182)**

**JOINT ANNOUNCEMENT**

- (1) CLOSING OF THE UNCONDITIONAL MANDATORY CASH OFFER BY  
BARON CAPITAL LIMITED  
ON BEHALF OF COLPO MERCANTILE INC.  
FOR ALL THE ISSUED SHARES IN  
SYS SOLUTIONS HOLDINGS LIMITED  
(OTHER THAN THOSE SHARES ALREADY OWNED BY OR AGREED  
TO BE ACQUIRED BY COLPO MERCANTILE INC. AND  
PARTIES ACTING IN CONCERT WITH IT)  
AND  
(2) CHANGE OF DIRECTORS  
AND  
(3) CHANGE OF COMPLIANCE OFFICER  
AND  
(4) CHANGE OF CHAIRMAN  
AND  
(5) REMUNERATIONS OF EXECUTIVE DIRECTORS**

**Financial adviser to Colpo Mercantile Inc.**

 **Baron Capital Limited**

**CLOSING OF THE OFFER AND ACCEPTANCE LEVEL**

The Offer closed at 4:00 p.m. on 20 December 2006, being the latest time and date for acceptance of the Offer as set out in the Composite Offer Document. The Offeror did not extend the period of the Offer.

As at 4:00 p.m. on 20 December 2006, the Offeror received valid acceptances in respect of a total of 89,181,572 Shares under the Offer, representing as at the date of this announcement approximately 22.51% of the entire issued share capital of the Company and of the voting rights which may be exercised at general meetings of the Company.

Taking into account (i) the 269,768,428 Sale Shares beneficially held by the Offeror upon the completion of Share Sale Agreement on 10 November 2006; (ii) the valid acceptances received in respect of a total of 89,181,572 Shares under the Offer; and (iii) other than the said acquisition of the 269,768,428 Sale Shares by the Offeror together with the Shares tendered for acceptance under the Offer, the Offeror and the parties acting in concert with it did not deal in or acquire or agree to acquire any securities of the Company during the offer period from 8 November 2006 to 20 December 2006, the Offeror and the parties acting in concert with it in aggregate hold 358,950,000 Shares, representing as at the date of this announcement approximately 90.60% of the entire issued share capital of the Company and of the voting rights which may be exercised at general meetings of the Company.

Upon closing of the Offer, the balance of approximately 9.40% of the entire issued share capital of the Company remains to be held by the public who are not connected persons of the Company and are independent from the Offeror or parties acting in concert with it. The Company and/or the Offeror will take appropriate steps as soon as practicable to ensure that at least 25% of the issued share capital of the Company will be held in public hands in order to comply with the minimum public float requirement under Rule 11.23 of the GEM Listing Rules. **The Company has applied to the Stock Exchange for the suspension of trading in the Shares from 9:30 a.m. on 21 December 2006. The Company will apply to the Stock Exchange to resume trading in the Shares once the 25% minimum public float of the Shares has been restored. Further announcement will be made by the Company in respect of its compliance with Rule 11.23 of the GEM Listing Rules. The Company has applied for a temporary waiver for the period from 20 December 2006 to 19 January 2007 from strict compliance with Rule 11.23 of the GEM Listing Rules on the 25% minimum public float requirement.**

## **CHANGE OF DIRECTORS**

With effect from 20 December 2006 immediately after the close of the Offer, Mr. Lam Chi Shing, Mr. Yuen Kin Tong and Mr. Chan Chi Hung resigned as executive Directors, and Mr. Lau Siu Ki Kevin, Mr. Wang Yat Yee Mark and Mr. Zhang Guo Xuan resigned as independent non-executive Directors. Such resignations of Directors take effect in compliance with Rule 7 of the Takeovers Code. Each of the resigning Directors has confirmed that he has no disagreement with the Board and that there are no matters relating to his resignation that needs to be brought to the attention of the holders of the securities of the Company.

Further, with effect from 20 December 2006, Mr. Poon Lai Yin, Michael, Mr. Lo Chi Kit and Mr. Tam Hang Chuen were appointed as independent non-executive Directors and members of the audit committee and the remuneration committee of the Company while Mr. Poon Lai Yin Michael was appointed as the chairman of the audit committee and the remuneration committee of the Company.

## **CHANGE OF COMPLIANCE OFFICER**

With effect from 20 December 2006 immediately after the close of the Offer, Mr. Lam Chi Shing resigned as the compliance officer of the Company, and Mr. Chan Man Ching, an executive director of the Company and its subsidiaries, was appointed as the compliance officer of the Company.

## **CHANGE OF CHAIRMAN**

With effect from 20 December 2006 immediately after the close of the Offer, Mr. Lam Chi Shing resigned as the chairman of the Company, and Mr. Chan Wing Him, Kenny, an executive director of the Company and its subsidiaries, was appointed as the chairman of the Company.

## **REMUNERATIONS OF EXECUTIVE DIRECTORS**

The Board announces that a monthly fee of HK\$150,000 and HK\$55,000 be paid to Mr. Chan Wing Him, Kenny and Mr. Chan Man Ching as executive Directors respectively, which have been determined on the basis of the prevailing market conditions and their roles and responsibilities.

Reference is made to the composite offer and response document jointly issued by Sys Solutions Holdings Limited (the “Company”) and Colpo Mercantile Inc. (the “Offeror”) dated 29 November 2006 (the “Composite Offer Document”) in relation to the Offer. Unless otherwise defined, the terms used in this announcement have the same meanings as those defined in the Composite Offer Document.

## **CLOSING OF THE OFFER AND ACCEPTANCE LEVEL**

The Offer closed at 4:00 p.m. on 20 December 2006, being the latest time and date for acceptance of the Offer as set out in the Composite Offer Document. The Offeror did not extend the period of the Offer.

As at 4:00 p.m. on 20 December 2006, the Offeror received valid acceptances in respect of a total of 89,181,572 Shares under the Offer, representing as at the date of this announcement approximately 22.51% of the entire issued share capital of the Company and of the voting rights which may be exercised at general meetings of the Company.

Taking into account (i) the 269,768,428 Sale Shares beneficially held by the Offeror upon the Completion of Share Sale Agreement on 10 November 2006; (ii) the valid acceptances received in respect of a total of 89,181,572 Shares under the Offer; and (iii) other than the said acquisition of the 269,768,428 Sale Shares by the Offeror together with the Shares tendered for acceptance under the Offer, the Offeror and the parties acting in concert with it did not deal in or acquire or agree to acquire any securities of the Company during the offer period from 8 November 2006 to 20 December 2006, the Offeror and the parties acting in concert with it in aggregate hold 358,950,000 Shares, representing as at the date of this announcement approximately 90.60% of the entire issued share capital of the Company and of the voting rights which may be exercised at general meetings of the Company.

Upon closing of the Offer, the balance of approximately 9.40% of the entire issued share capital of the Company remains to be held by the public who are not connected persons of the Company and are independent from the Offeror or parties acting in concert with it. The Company and/or the Offeror will take appropriate steps as soon as practicable to ensure that at least 25% of the issued share capital of the Company will be held in public hands in order to comply with the minimum public float requirement

under Rule 11.23 of the GEM Listing Rules. **The Company has applied to the Stock Exchange for the suspension of trading in the Shares from 9:30 a.m. on 21 December 2006. The Company will apply to the Stock Exchange to resume trading in the Shares once the 25% minimum public float of the Shares has been restored. Further announcement will be made by the Company upon its due compliance with Rule 11.23 of the GEM Listing Rules. The Company has applied for a temporary waiver for the period from 20 December 2006 to 19 January 2007 from strict compliance with Rule 11.23 of the GEM Listing Rules on the 25% minimum public float requirement.**

## **CHANGE OF DIRECTORS**

With effect from 20 December 2006 immediately after the close of the Offer, Mr. Lam Chi Shing, Mr. Yuen Kin Tong and Mr. Chan Chi Hung resigned as executive Directors, and Mr. Lau Siu Ki Kevin, Mr. Wang Yat Yee Mark and Mr. Zhang Guo Xuan resigned as independent non-executive Directors. Such resignations of Directors take effect in compliance with Rule 7 of the Takeovers Code. Each of the resigning Directors has confirmed that he has no disagreement with the Board and that there are no matters relating to his resignation that needs to be brought to the attention of the holders of the securities of the Company. The Board would like to express its gratitude to the resigning Directors for their services and contribution to the Company during their terms of office.

Further, with effect from 20 December 2006, Mr. Poon Lai Yin, Michael, Mr. Lo Chi Kit, and Mr. Tam Hang Chuen were appointed as independent non-executive Directors and members of the audit committee and the remuneration committee of the Company while Mr. Poon Lai Yin Michael was appointed as the chairman of the audit committee and the remuneration committee of the Company.

Mr. Poon Lai Yin, Michael, aged 34, is the financial controller and company secretary of Sonavox International Holdings Limited, a company listed on GEM. He is responsible for financial reporting and monitoring the operations of the finance and accounting department of Sonavox International Holdings Limited. Mr. Poon has over six years of experience in providing business advisory assurance, taxation and accounting services. Before joining Sonavox International Holdings Limited, he had provided business advisory and assurance services to certain listed companies. He graduated with a bachelor's degree in administrative studies with York University in Canada and a master's degree in practicing accounting with Monash University in Australia. He is also a CPA member of Hong Kong Institute of Certified Public Accountants and a member of CPA Australia.

Mr. Lo Chi Kit, aged 46, is a businessman who has extensive experience in senior management and business operations, in particular, in the waste treatment and the sale and purchase of fruit and vegetables business.

Mr. Tam Hang Chuen, aged 51, is a businessman who has more than 20 years experience in senior management and business operations, in particular, in the printing industry. He also has broad networks and close relationships with business communities in Asian countries.

The length of service of each of Mr. Poon Lai Yin, Michael, Mr. Lo Chi Kit and Mr. Tam Hang Chuen will be for a term of two years and is subject to the articles of association of the Company. The remuneration of Mr. Poon Lai Yin, Michael, Mr. Lo Chi Kit and Mr. Tam Hang Chuen is HK\$5,000 per month respectively, which has been determined on the basis of the prevailing market conditions and their roles and responsibilities.

Mr. Poon Lai Yin, Michael, Mr. Lo Chi Kit and Mr. Tam Hang Chuen are not connected with any directors, management shareholders, substantial shareholders or controlling shareholder of the Company and are not interested in the Company's shares and other securities within the meaning of Part XV of the SFO. They are independent of the Company's directors, senior management, management shareholders, substantial shareholders, or controlling shareholder and is not an associate (as defined in the GEM Listing Rules) of any of them.

Save as disclosed above, there is no other matter about Mr. Poon Lai Yin, Michael, Mr. Lo Chi Kit, and Mr. Tam Hang Chuen which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.

#### **CHANGE OF COMPLIANCE OFFICER**

With effect from 20 December 2006 immediately after the close of the Offer, Mr. Lam Chi Shing resigned as the compliance officer, and Mr. Chan Man Ching, an executive director of the Company and its subsidiaries, was appointed as the compliance officer.

Mr. Chan Man Ching, aged 38, is currently an executive director of the Company and SYSCAN Technology Holdings Limited, a company listed on GEM. He graduated from the University of South Australia with a bachelor's degree in accountancy. He has over 13 years' experience in accounting, auditing and taxation.

Mr. Chan Man Ching is not connected with any directors, management shareholders, substantial shareholders or controlling shareholders of the Company. As at the date of this announcement, he does not have any interests in the securities in the Company within the meaning of Part XV of the SFO. Save as disclosed above, he did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange in the three years preceding the date of this announcement.

Save as disclosed above, there is no other matter about Mr. Chan Man Ching which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.

The Board would like to express its gratitude to the resigning officers for their services and contribution to the Company during their terms of office.

#### **CHANGE OF CHAIRMAN**

With effect from 20 December 2006 immediately after the close of the Offer, Mr. Lam Chi Shing resigned as the chairman of the Company, and Mr. Chan Wing Him, Kenny ("Mr. Kenny Chan"), an executive director of the Company and its subsidiaries, was appointed as the chairman of the Company.

Mr. Kenny Chan is also a director, co-chairman and the chief executive officer of Petromin Resources Limited, a company listed on the Toronto Stock Exchange Venture Board. As at the date of this announcement, Mr. Kenny Chan held approximately 3.9% of the shares of Petromin Resources Limited. Concurrently, Mr. Kenny Chan is a director of Hollingport Venture Inc., a company listed on the Toronto Stock Exchange Venture Board with approximately 15% shareholding of the company. He is a businessman with extensive experience in senior management and financing. He also has broad overseas networks and close relationships with business communities in Asian countries.

Save as being the sole director and the sole shareholder of the Offeror, which owns approximately 90.60% of the entire issued share capital of the Company as at the date of this announcement, Mr. Kenny Chan is not connected with any directors, management shareholders, substantial shareholders or controlling shareholders of the Company. Other than Mr. Chan's interests in the 358,950,000 Shares held by the Offeror, Mr. Kenny Chan does not have any interests in the securities in the Company within the meaning of Part XV of the SFO as at the date of this announcement. Save as disclosed above, Mr. Kenny Chan did not hold any positions in the Company or any of its subsidiaries and did not hold any directorships in any other listed companies on the Stock Exchange and any other stock exchange in the three years preceding the date of this announcement.

Save as disclosed above, there is no other matter about Mr. Kenny Chan which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules or need to be brought to the attention of the Shareholders.

## **REMUNERATIONS OF EXECUTIVE DIRECTORS**

The Board announces that a monthly fee of HK\$150,000 and HK\$55,000 be paid to Mr. Kenny Chan and Mr. Chan Man Ching as the executive Directors respectively, which has been determined on the basis of the prevailing market conditions and their roles and responsibilities.

By order of the sole director  
**Colpo Mercantile Inc.**  
**Chan Wing Him Kenny**  
*Sole Director*

By order of the board of directors  
**Sys Solutions Holdings Limited**  
**Chan Wing Him Kenny**  
*Executive Director*

Hong Kong, 20 December 2006

*As at the date of this announcement, the executive directors of the Company are Mr. Chan Wing Him, Kenny and Mr. Chan Man Ching, and the independent non-executive directors of the Company are Mr. Lo Chi Kit, Mr. Poon Lai Yin, Michael and Mr. Tam Hang Chuen.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating to the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than information expressed by the Offeror) have been arrived at after due and careful consideration and there are no other facts (other than information relating to the Offeror) not contained in this announcement, the omission of which would make any statement in this announcement (other than information relating to the Offeror) misleading.*

*The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this announcement (other than information relating to the Group) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this announcement (other than information expressed by the Group) have been arrived at after due and careful consideration and there are no other facts (other than information relating to the Group) not contained in this announcement the omission of which would make any statement in this announcement (other than information relating to the Group) misleading.*

*This announcement will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the "Latest Company Announcements" page for at least 7 days from the date of its posting.*