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**EZCOM**  
BRING TECHNOLOGY TO LIFE  
**EZCOM HOLDINGS LIMITED**  
**易通控股有限公司\***  
*(incorporated in Bermuda with limited liability)*  
(Provisional Liquidators Appointed)  
(Stock Code: 312)

**ANNOUNCEMENT  
PURSUANT TO RULE 13.09 OF THE LISTING RULES**

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Company announces that the Debt Restructuring Agreement was entered into on 13 February 2007 between the Company, the Investor, the Provisional Liquidators and the Escrow Agent. Pursuant to the terms of the Debt Restructuring Agreement, the Investor has agreed to acquire all the outstanding debts owed by the Restructured Group to their respective creditors by way of the implementation of the respective Schemes, subject to the results of a due diligence review on the financial position of the Company being acceptable to the Investor.

The restructuring proceeds (being the Initial Escrow Amount, the Further Escrow Amount and the Final Installment) which amount to HK\$12.5 million, together with proceeds which may be recovered from the Excluded Assets, after deducting all the fees, costs and expenses of the Provisional Liquidators and the costs and expenses of Ezcom Electronic and Ezcom Technology with respect to the implementation of the Restructuring Proposal, will be applied to form a single fund which will be distributed to all creditors of the Restructured Group on a pro-rata basis as a dividend in accordance with the terms of the Schemes. Completion of the Debt Restructuring Agreement shall have no material impact on the financial position of the Restructured Group.

It is the present intention of the Investor to extend a loan in an amount of approximately RMB4.6 million to Ezcom Technology (or its nominee) to finance the establishment and the operations of a joint venture in the PRC. The joint venture will be established by Ezcom Technology (or its nominee) and an Independent Third Party. Ezcom Technology (or its nominee) is expected to have a 92% interest in the proposed joint venture and the remaining 8% interest in the proposed joint venture will be held by the Independent Third Party. The principal business of the proposed joint venture will be the distribution of mobile handsets in the PRC. Notwithstanding that Ezcom Technology (or its nominee) intends to set up a joint venture in the PRC with the Independent Third Party and that a loan will be extended to Ezcom Technology (or its nominee) by the Investor for the purpose of setting up such joint venture, the Investor and the Independent Third Party acknowledge and confirm that such arrangement shall not be a condition to the Debt Restructuring Agreement and that neither, inter alia, Ezcom Technology nor its nominee which entered into the joint venture agreement with the Independent Third Party shall be responsible for the repayment of the said loan to the Investor in the event that Completion fails to occur in accordance with the terms of the Debt Restructuring Agreement. However, in the event that Completion fails to occur in accordance with the terms of the Debt Restructuring Agreement, the registered capital of the joint venture held by Ezcom Technology (or its nominee) will be transferred to the Investor. Detailed terms of the relevant loan agreement and the joint venture agreement for setting up the proposed joint venture are yet to be finalized. Further announcements in respect of the proposed joint venture will be made in accordance with the Listing Rules as and when appropriate.

Trading in the Shares has been suspended with effect from 17 May 2005 and will remain suspended until further notice. **Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **THE DEBT RESTRUCTURING AGREEMENT**

Date: 13 February 2007

Parties: the Company, the Provisional Liquidators, the Investor and the Escrow Agent

Pursuant to the Debt Restructuring Agreement, the Investor has conditionally agreed to acquire all the rights, title and interest of (i) all the outstanding debts owed by the Company to its creditors (including the guaranteed debts of the Company guaranteeing the principal debts owed by Ezcom Electronics and Ezcom Technology); (ii) all the outstanding debts owed by Ezcom Electronics to its creditors; and (iii) all the outstanding debts owed by Ezcom Technology to its creditors. The Provisional Liquidators have agreed to grant the Investor an exclusivity period of fourteen (14) Business Days from the date of the Debt Restructuring Agreement which would allow the Investor to conduct a due diligence review of the financial position of the Company. Subject to satisfaction of the results of the due diligence review, the Investor will implement a restructuring of the Company by way of the Schemes in which all the rights, title and interest of the outstanding debts owed, guaranteed and security or quasi-security given by the Restructured Group will be transferred to the Investor.

Pursuant to the terms and conditions of the Debt Restructuring Agreement, the Investor shall pay:

- (i) the sum of HK\$1,000,000 in full and without deduction to the Escrow Agent upon the execution of the Debt Restructuring Agreement;
- (ii) the sum of HK\$2,000,000 in full and without deduction to the Escrow Agent within fourteen (14) Business Days from the date of the Debt Restructuring Agreement;

- (iii) the sum of HK\$4,000,000 in full and without deduction to the Escrow Agent on or before the date of filing of the applications to the High Court of Hong Kong for the purpose of convening the respective creditors' meetings of the Company, Ezcom Electronics and Ezcom Technology to vote on the respective Schemes; and
- (iv) the sum of HK\$5,500,000 in full and without deduction to the Provisional Liquidators upon the satisfaction of the conditions precedent set forth in the Debt Restructuring Agreement.

The Initial Escrow Amount is non-refundable and shall be immediately released (together with all interest accrued thereon) to the Provisional Liquidators by the Escrow Agent upon (i) Completion; or (ii) termination of the Debt Restructuring Agreement prior to Completion; or (iii) the obtaining of the respective orders approving or sanctioning each of the Schemes from the High Court of Hong Kong, whichever is the earlier. The Investor shall not be liable for the costs and expenses of the Provisional Liquidators (other than the Initial Escrow Amount) should the Debt Restructuring Agreement terminate prior to Completion or should the Company fail to obtain an order approving or sanctioning the EHL Scheme from the High Court of Hong Kong.

The Further Escrow Amount (together with all interest accrued thereon) shall be refunded to the Investor by the Escrow Agent in the event that the applications for convening meetings of the respective creditors of the Company, Ezcom Electronics and Ezcom Technology to vote on the respective Schemes are not filed with the High Court of Hong Kong within three (3) months (or such other period as may be agreed between the Provisional Liquidators and the Investor) after receipt of the written confirmation of satisfactory due diligence from the Investor by the Provisional Liquidators. The Further Escrow Amount (together with all interest accrued thereon) shall be immediately released to the Provisional Liquidators by the Escrow Agent upon Completion.

The restructuring proceeds (being the aggregate of the Initial Escrow Amount, the Further Escrow Amount and the Final Installment), together with proceeds which may be recovered from the Excluded Assets, after deducting all the fees, costs and expenses of the Provisional Liquidators (including, without limitation, their legal costs) and the costs and expenses of Ezcom Electronic and Ezcom Technology with respect to the implementation of the Restructuring Proposal, will be applied to form a single fund which will be distributed to all creditors of the Restructured Group on a pro-rata basis as dividends in accordance with the terms of the Schemes, as soon as practicable after the Schemes become effective. Completion of the Debt Restructuring Agreement shall no material impact on the financial position of the Restructured Group.

**It is the present intention of the** Investor to extend a loan in the amount of approximately RMB4.6 million to Ezcom Technology (or its nominee) to finance the establishment of a joint venture in the PRC with an Independent Third Party. Ezcom Technology (or its nominee) is expected to have a 92% interest in the proposed joint venture and the remaining 8% interest in the proposed joint venture will be held by the Independent Third Party. The principal business of the proposed joint venture will be the distribution of mobile handsets in the PRC. Notwithstanding that Ezcom Technology (or its nominee) intends to set up a joint venture in the PRC with the Independent Third Party and that a loan will be extended to Ezcom Technology (or its nominee) by the Investor for the purpose of setting up such joint venture, the Investor and the Independent Third Party acknowledge and confirm that such arrangement shall not be a condition to the Debt Restructuring Agreement and that neither, inter alia, Ezcom Technology nor its nominee which entered into the joint venture agreement with the Independent Third Party shall be responsible for the repayment of the said loan to the Investor in the event that Completion fails to occur in accordance with the terms of the Debt Restructuring Agreement. However, in the event that Completion fails to occur in accordance with the terms of the Debt Restructuring Agreement, the registered capital of the joint venture held by Ezcom Technology (or its nominee) will be transferred to the Investor. Detailed terms of the relevant loan agreement and the joint venture agreement for setting up the proposed joint venture are yet to be finalized. Further announcements in respect of the proposed joint venture will be made in accordance with the Listing Rules as and when appropriate.

## BACKGROUND INFORMATION OF THE INVESTOR

The Investor is a company incorporated in the British Virgin Islands with limited liability. The Investor and its sole ultimate beneficial owner are Independent Third Parties.

Prior to the entering into of the Debt Restructuring Agreement, the Investor and its shareholder are not connected or acting in concert with the directors, chief executive(s) or substantial shareholders of the Company, any of its subsidiaries or an associate of any of them.

It is expected that, upon Completion, the Investor will become the major creditor of the Restructured Group. The Investor enters into the Debt Restructuring Agreement and proposes to finance Ezcom Technology (or its nominee) with respect to the establishment of the proposed joint venture in the PRC with the intention to support the Company to revive its trading and financial positions.

## GENERAL

The Restructured Group is principally engaged in the trading of mobile phones and spare parts.

As announced by the Company on 28 April 2005 and 30 August 2005, petitions to wind up the Company and Ezcom Technology were presented to the High Court of Hong Kong by Sojitz Corporation, one of their suppliers, on 25 April 2005, and at the court hearing held on 29 August 2005, the Provisional Liquidators were appointed by the High Court of Hong Kong.

On 21 December 2006, the Stock Exchange announced that the Company would be placed into the third stage of the delisting procedures in accordance with Practice Note 17 of the Listing Rules, and that a viable resumption proposal should be submitted by the Company at least 10 business days (as defined in the Listing Rules) before 20 June 2007, failing which the listing of the Company would be cancelled.

Trading in the Shares has been suspended with effect from 17 May 2005 and will remain suspended until further notice. **Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## DEFINITIONS

The terms used in this announcement have the following meanings unless the context otherwise requires:

“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Business Day”	a day (other than a Saturday, Sunday or a public holiday) in Hong Kong
“Companies Ordinance”	Companies Ordinance (Chapter 32 of the Laws of Hong Kong)
“Company”	Ezcom Holdings Limited (Provisional Liquidators Appointed), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Completion”	satisfaction of all the conditions precedent set out in the Debt Restructuring Agreement

“Debt Restructuring Agreement”	a debt restructuring agreement dated 13 February 2007 entered into between the Company, the Investor, the Provisional Liquidators and the Escrow Agent in relation to the acquisition of the outstanding debts owed by the Restructured Group to their respective creditors by way of the Schemes
“Director(s)”	director(s) of the Company
“EEL Scheme”	a scheme of arrangement pursuant to Section 166 of the Companies Ordinance to be implemented by Ezcom Electronics for the purpose of transferring to the Investor all of the outstanding debts owed by Ezcom Electronics to its creditors (including the inter-company debts owed by Ezcom Electronics to the Company)
“EHL Scheme”	a scheme of arrangement pursuant to Section 166 of the Companies Ordinance to be implemented by the Company for the purpose of transferring to the Investor all of the outstanding debts owed by the Company to its creditors (including the guaranteed debts of the Company guaranteeing the principal debts owed by Ezcom Electronics and Ezcom Technology)
“Escrow Agent”	Alvarez & Marsal Asia Limited acting as escrow agent in accordance with the terms of the Debt Restructuring Agreement and without personal liability
“ETL Scheme”	a scheme of arrangement pursuant to Section 166 of the Companies Ordinance to be implemented by Ezcom Technology for the purpose of transferring to the Investor all of the outstanding debts owed by Ezcom Technology to its creditors (including the inter-company debts owed by Ezcom Technology to the Company)
“Excluded Assets”	all the shares in the Ezze Companies and all the inter-company liabilities owed by the Ezze Companies to the Company, which shall be transferred to a special purpose vehicle controlled by the Provisional Liquidators and held on trust for the Company’s creditors, together with all security rights over any of the assets, property and shares of the Ezze Companies, all cash held in the Provisional Liquidators’ bank accounts prior to Completion and certain club memberships (including the proceeds of sale of such club memberships) held by the Company and Ezcom Technology
“Ezcom Electronics”	Ezcom Electronics Limited (In Compulsory Liquidation), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Ezcom Technology”	Ezcom Technology Limited (Provisional Liquidators Appointed), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company

“Ezze Companies”	Global Direction Limited, Scom (Holdings) Limited and Ezze Mobile Tech., Inc
“Final Installment”	the sum of HK\$5,500,000 which shall be paid in full and without deduction by the Investor to the Provisional Liquidators upon the satisfaction of the conditions precedent set forth in the Debt Restructuring Agreement
“Further Escrow Amount”	the aggregate sum of HK\$6,000,000 which shall be paid in full and without deduction by the Investor to the Escrow Agent, of which the first payment of HK\$2,000,000 shall be made within fourteen (14) Business Days from the date of the Debt Restructuring Agreement and the second payment of HK\$4,000,000 shall be made on or before the date of filing of the applications to the High Court of Hong Kong for the purpose of convening the respective creditors’ meetings of the Company, EEL and ETL to vote on the respective Schemes
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	party(ies) independent of and not connected with the Directors, chief executive(s) or substantial shareholders of the Company, any of its subsidiaries or their respective associate(s)
“Initial Escrow Amount”	the sum of HK\$1,000,000 which shall be paid in full by the Investor to the Escrow Agent upon the execution of the Debt Restructuring Agreement
“Investor”	Solid Linkage Group Limited, a company incorporated in the British Virgin Islands with limited liability
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	The People’s Republic of China
“Provisional Liquidators”	Mr Kelvin Edward Flynn and Mr Cosimo Borrelli, both being appointed as the joint and several provisional liquidators of the Company by the High Court of Hong Kong on 29 August 2005 acting without personal liability
“Restructured Group”	the Company, Ezcom Electronics and Ezcom Technology
“Restructuring Proposal”	the proposal of the Investor regarding the financial restructuring of the Company (including, without limitation, the implementation of the Schemes)
“Schemes”	together the EEL Scheme, the EHL Scheme and the ETL Scheme
“Shareholders”	holders of the shares of the Company



“Shares”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC

For and on behalf of  
**Ezcom Holdings Limited**  
(Provisional Liquidators Appointed)  
**Kelvin Edward Flynn**

**Joint and Several Provisional Liquidator**  
acting as agent for and on behalf of the Company  
without personal liability

Hong Kong, 15 February 2007

*\* for identification purposes only*

*As at the date hereof, the executive directors of the Company are Mr. Kok Kin Hok and Mr. Li Tung Wai, the independent non-executive directors are Dr. Li Jianhua and Mr. Chu Po Tien.*

Please also refer to the published version of this announcement in the China Daily.