

Alyst Acquisition Corp.  
Form PRER14A  
May 22, 2009

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Amendment No. 3 To  
SCHEDULE 14A  
Proxy Statement Pursuant to Section 14(a)  
of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement  Confidential, for Use of the Commission Only  
(as permitted by  
Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to  
§240.14a-12

ALYST ACQUISITION CORP.  
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(a) Title of each class of securities to which transaction applies:

(b) Aggregate number of securities to which transaction applies:

(c) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): Pursuant to Rule 0-11(c)(1) and 0-11(c)(4) under the Exchange Act as follows:

(d) Proposed maximum aggregate value of transaction:

(e) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(a) Amount Previously Paid:

(b) Form, Schedule or Registration Statement No.:

(c) Filing Party:

(d) Date Filed:

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ALYST ACQUISITION CORP.

233 East 69th Street, #6J  
New York, NY 10021

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS OF ALYST ACQUISITION CORP. TO BE HELD JUNE 23, 2009

A Special Meeting of stockholders of Alyst Acquisition Corp. (“Alyst”), a Delaware corporation, will be held at 9:30 a.m., Eastern time, on June 23, 2009, at 340 Madison Avenue, 2nd Floor, New York, New York 10173, to consider and vote upon proposals to approve:

- (a) The redomestication of Alyst from the State of Delaware to the British Virgin Islands by merging Alyst with and into China Networks International Holdings Ltd. (“CN Holdings”), its wholly-owned British Virgin Islands subsidiary (the “Redomestication Merger”), in conjunction with the acquisition of China Networks Media, Ltd. (“China Networks Media”), a private British Virgin Islands company with limited liability, as set out in paragraph (b) below. This proposal is called the “Redomestication Proposal” and is conditioned upon approval of the Business Combination Proposal discussed in paragraph (b) below.
- (b) The proposed merger of China Networks Merger Co., Ltd., a wholly-owned British Virgin Islands subsidiary of CN Holdings (“China Networks Merger Co.”), with and into China Networks Media, resulting in China Networks Media becoming a wholly-owned subsidiary of CN Holdings (the “Business Combination”), and the related transactions contemplated by the Agreement and Plan of Merger, dated August 13, 2008, by and among Alyst, China Networks Media, CN Holdings, China Networks Merger Co., Ltd., Mr. Li Shuangqing, Kerry Proper and MediaInv Ltd. (the “Merger Agreement”). This proposal is called the “Business Combination Proposal” and is conditioned upon approval of the Redomestication Proposal discussed in paragraph (a) above.
- (c) The 2008 Omnibus Securities and Incentive Plan pursuant to which directors, officers, employees and consultants of CN Holdings or its subsidiaries may be granted options to purchase up to 2,500,000 million ordinary shares of CN Holdings. This proposal is called the “Share Incentive Plan Proposal.”
- (d) Any adjournment or postponement of the Special Meeting for the purpose of soliciting additional proxies in the event Alyst does not receive the requisite stockholder vote for approval of the Redomestication Proposal and the Business Combination Proposal. This proposal is called the “Adjournment and Postponement.”

Pursuant to Alyst’s amended and restated certificate of incorporation and the Merger Agreement, Alyst is required to obtain stockholder approval of the Business Combination with China Networks Media. Pursuant to the Merger Agreement, the Redomestication Merger will not be consummated unless the Business Combination is approved. Similarly, the Business Combination will not take place if the Redomestication Merger is not approved. If China Networks Media’s Board of Directors chooses to waive those conditions to the Business Combination, Alyst will still not be able to go forward with the Business Combination. Consequently, each of the Redomestication Proposal and the Business Combination Proposal must be approved for either transaction to be completed.

As of May 15, 2009, there were 9,794,400 shares of Alyst common stock issued and outstanding and entitled to vote. The Board of Directors has fixed the record date as the close of business on May 29, 2009, as the date for determining Alyst stockholders entitled to receive notice of and to vote at the Special Meeting and any adjournment or postponement thereof. Only holders of record of Alyst common stock on that date are entitled to have their votes counted at the Special Meeting or any adjournment or postponement. In order for the Business Combination Proposal to be approved, holders of a majority of the votes cast of the shares issued in Alyst's public offering must be voted in favor of such proposal. In addition, regardless of the number of votes cast in favor of the Business Combination Proposal, we cannot proceed with the Business Combination if holders of 2,413,320 (representing 30% of the shares sold in the IPO) or more shares of Alyst common stock sold in the IPO vote against the Business Combination Proposal and exercise their conversion rights to have their shares converted for cash.

Your vote is important. Whether or not you plan to attend the Special Meeting, please sign, date and return your proxy card as soon as possible to make sure that your shares are represented and your vote counted. You may also vote by telephone, as described on the proxy card. If you are a stockholder of record, you may also cast your vote in person at the Special Meeting. If your shares are held in an account at a brokerage firm or bank, you must instruct your broker or bank how to vote your shares, or you may cast your vote in person at the Special Meeting by obtaining a proxy from your brokerage firm or bank. If you fail to return your proxy card or instruct your broker or bank how to vote, your shares will not be counted for purposes of determining whether a quorum is present at the Special Meeting. An abstention or failure to vote will have the effect of voting against the Redomestication Proposal and the Share Incentive Plan Proposal.

After careful consideration of all relevant factors, Alyst's Board of Directors has determined that all four proposals are fair to and in the best interests of Alyst and its stockholders, and has recommended that you vote or give instruction to vote "FOR" adoption of each of them.

Dated: June , 2009

By Order of the Board of Directors,  
/s/ Robert A. Schriesheim  
Robert A. Schriesheim  
Chairman

### HOW TO OBTAIN ADDITIONAL INFORMATION

If you would like to receive additional information or if you want additional copies of this document, agreements contained in the appendices or any other documents filed by Alyst with the Securities and Exchange Commission, or “SEC”, such information is available without charge upon written or oral request to:

Alyst Acquisition Corp.  
233 East 69th Street, Suite 6J  
New York, New York 10021  
Attention: Michael E. Weksel  
Tel: 646-290-6104

If you would like to request documents, please do so no later than June 16 , 2009, to receive them before Alyst’s Special Meeting. Please be sure to include your complete name and address in your request. Please see “Where You Can Find Additional Information” to find out where you can find more information about Alyst and CN Holdings. You should rely only on the information contained in this proxy statement/prospectus in deciding how to vote on the Business Combination and related proposals. Neither Alyst nor CN Holdings has authorized anyone to give any information or to make any representations other than those contained in this proxy statement/prospectus. Do not rely upon any information or representations made outside of this proxy statement/prospectus. The information contained in this proxy statement/prospectus may change after the date of this proxy statement/prospectus. Do not assume after the date of this proxy statement/prospectus that the information contained in this proxy statement/prospectus is still correct.

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The information contained in this proxy statement/prospectus is not complete and may be changed. We may not sell these securities until the Registration Statement we filed with the Securities and Exchange Commission is effective. This proxy statement/prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state or jurisdiction where the offer or sale is not permitted.

PRELIMINARY PROXY STATEMENT/PROSPECTUS  
SUBJECT TO COMPLETION, DATED MAY 22, 2009

PROXY STATEMENT FOR SPECIAL MEETING OF STOCKHOLDERS  
OF ALYST ACQUISITION CORP.  
AND PROSPECTUS FOR ORDINARY SHARES, WARRANTS AND UNITS,  
OF CHINA NETWORKS INTERNATIONAL HOLDINGS LTD.

Proxy Statement/Prospectus, dated June •, 2009  
and first mailed to stockholders on or about June •, 2009

To the Stockholders of Alyst Acquisition Corp.:

You are invited to attend a special meeting (the “Special Meeting”) of the stockholders of Alyst Acquisition Corp. (“Alyst”) relating to the agreement and plan of merger, dated August 13, 2008 (the “Merger Agreement”), by and among Alyst, China Networks Media Co., Ltd. (“China Networks Media”), China Networks International Holdings, Ltd. (“CN Holdings”), China Networks Merger Co., Ltd. (“China Networks Merger Co.”), Mr. Li Shuangqing, Kerry Propper and MediaInv. This document constitutes a proxy statement of Alyst and a prospectus of Alyst’s wholly-owned subsidiary, CN Holdings, a British Virgin Islands company, with respect to the securities to be issued to Alyst’s public stockholders.

Pursuant to the Merger Agreement and subject to stockholder approval, (a) Alyst will merge with and into CN Holdings, thereby redomesticating to the British Virgin Islands (the “Redomestication Merger”), and then (b) China Networks Merger Co., a wholly-owned subsidiary of CN Holdings, will merge with and into China Networks Media, a British Virgin Islands company (the “Business Combination”). China Networks Media will be the surviving entity of that merger. In the Business Combination, CN Holdings will issue to China Networks Media’s shareholders aggregate merger consideration of (i) 2,880,000 CN Holdings ordinary shares, (ii) an aggregate of \$17,000,000 in cash, (iii) deferred cash payments of up to \$6,000,000 and deferred share payments of up to 9,000,000 ordinary shares of CN Holdings, in each case subject to the achievement of specified financial milestones set forth in the Merger Agreement, and (iv) \$22,110,000 of proceeds from the exercise of CN Holdings warrants. If all merger consideration, including the deferred portion, is issued to China Networks Media, the market value thereof (based upon the closing price of Alyst’s common stock on the NYSE Amex on May 20, 2009, of \$7.81 per share) would be approximately \$137,892,800.

In the Redomestication Merger, CN Holdings will issue registered securities to the public stockholders of Alyst in exchange for their outstanding securities. The holders of the unit purchase option issued by Alyst to the representatives of the underwriters in Alyst’s IPO will receive an equivalent option from CN Holdings. In addition, 1,750,000 ordinary shares and 1,820,000 warrants, each exercisable for the purchase of one ordinary share, will be issued to the existing initial stockholders and warrant holders of Alyst who acquired their securities in a private placement. CN Holdings will issue its securities on the same terms as the outstanding corresponding securities of Alyst.

China Networks Media is a joint-venture provider of broadcast television services in the People’s Republic of China (“PRC”), operating in partnership with two local state-owned enterprises in the cities of Kunming and Yellow River which have been authorized by the PRC government to control the distribution of broadcast TV services. China

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Networks Media owns 100% of Advertising Networks Ltd., a Hong Kong holding company that owns PRC joint-venture advertising companies which provide services to the television stations. Alyst is a blank check company formed for the purpose of acquiring, through a merger, stock exchange, asset acquisition, reorganization or similar business combination, one or more operating businesses.

In addition to the proposals to approve the Redomestication Merger and the Business Combination, stockholders are being asked to approve (i) a proposal to adopt and approve the 2008 Omnibus Securities and Incentive Plan (the “Share Incentive Plan”) for the surviving corporation, CN Holdings, and (ii) a proposal to adjourn or postpone the Special Meeting in the event Alyst does not receive the requisite vote by the stockholders to approve the Redomestication Merger and the Business Combination. Each of these four proposals has been unanimously approved by the Alyst Board of Directors.

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Alyst's common stock, warrants and units are currently listed on the NYSE Amex under the symbols AYA, AYA.WS and AYA.U, respectively. CN Holdings has applied to the NYSE Amex for the continued listing of the combined entity's securities post-closing. On May 20, 2009, the last reported sale price of Alyst's common stock on the NYSE Amex was \$7.81.

Holder of a majority of shares of Alyst's common stock must vote in favor of the Redomestication Merger for it to be approved. The approval of the Business Combination requires the affirmative vote of a majority of the outstanding shares of common stock present in person or by proxy and entitled to vote at the Special Meeting, including the affirmative vote of a majority of the shares of common stock issued in the IPO present, in person or by proxy and entitled to vote at the Special Meeting, provided that there is a quorum. All of Alyst's initial stockholders, including its directors and officers, have agreed to vote the shares of common stock acquired by them prior to Alyst's initial public offering, or IPO, in accordance with the majority of the shares of common stock voted by the public stockholders. Each Alyst stockholder who holds shares of common stock issued as part of the units issued in the IPO (including shares purchased in the public market following the IPO) has the right to vote against the Redomestication Merger and Business Combination and demand that such shares be converted into cash equal to a pro rata portion of the trust account in which the net proceeds of Alyst's IPO and private placement are deposited. As of April 30, 2009, there was approximately \$63,372,927 in the Alyst trust account (inclusive of deferred underwriting compensation) including accrued interest on the funds in the trust account and less accrued taxes, or approximately \$7.88 per share issued in the IPO. Alyst will not be permitted to consummate the Business Combination if public stockholders of 2,413,320 (which number represents 30% of the shares sold in Alyst's IPO) or more shares vote against the Business Combination and demand conversion of their shares. Prior to exercising their conversion rights, stockholders should verify the market price of Alyst's common stock, as they may receive higher proceeds from the sale of such stock in the public market than from exercising their conversion rights.

Holder of Alyst securities will not be entitled to any appraisal rights under the Delaware General Corporation Law in connection with the Business Combination or the Redomestication Merger.

Each stockholder's vote is very important. Please submit your proxy card without delay even if you plan to attend the Alyst Special Meeting in person. You may revoke your proxy at any time before it is voted at the meeting. Voting by proxy will not prevent you from voting your shares in person if you subsequently choose to attend the Alyst Special Meeting.

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The place, date and time of the Alyst Special Meeting is as follows: 340 Madison Avenue, 2nd Floor, New York, New York, 10173, on June 23 , 2009 at 9:30 a.m., Eastern time.

We encourage you to read this proxy statement/prospectus carefully. In particular, you should review the matters discussed under the caption “RISK FACTORS” beginning on page 11.

Alyst’s board of directors unanimously recommends that Alyst stockholders vote “FOR” approval of each of the proposals.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in the Redomestication Merger or otherwise, or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.

/s/ Robert A. Schriesheim  
Robert A. Schriesheim  
Chairman of the Board of Directors of  
Alyst Acquisition Corp.

June , 2009

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ANNEXES

A — Agreement and Plan of Merger

B — Amendment No. 1 to the Merger Agreement

C — Amendment No. 2 to the Merger Agreement

D — Form of Amended and Restated Memorandum of Association of CN Holdings

E — Form of Amended and Restated Articles of Association of CN Holdings

F — Section 262 of the Delaware General Corporation Law

G — Section 179 of the British Virgin Islands Business Companies Act, 2004

H — Form of 2008 Omnibus Securities and Incentive Plan

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## SUMMARY

This section summarizes information related to the proposals to be voted on at the Special Meeting. These items are described in greater detail elsewhere in this proxy statement/prospectus. You should carefully read this entire proxy statement/prospectus and the other documents to which it refers.

### MATERIAL TERMS OF THE TRANSACTION

- The parties to the Merger Agreement are Alyst, China Networks Media, CN Holdings, China Networks Merger Co., Mr. Li Shuangqing, MediaInv Ltd., and Kerry Propper. See the section entitled “The Business Combination Proposal.”
- Alyst will merge with and into CN Holdings, Alyst’s wholly-owned subsidiary incorporated in the British Virgin Islands, or BVI, resulting in CN Holdings as the surviving corporation, for the purpose of redomesticating Alyst from the State of Delaware to the BVI as part of the acquisition of China Networks Media in the Business Combination. See the section entitled “The Redomestication Proposal.”
- In connection with the Redomestication Merger, all of Alyst’s issued and outstanding securities immediately prior to the Redomestication Merger will be converted into securities of CN Holdings as set forth in the Merger Agreement. See the section entitled “The Business Combination Proposal – Terms of the Merger Agreement – Basic Deal Terms.”
- China Networks Merger Co., a company incorporated in the BVI and a wholly-owned subsidiary of CN Holdings, will merge with and into China Networks Media, whereupon China Networks Media will be the surviving entity and the wholly-owned subsidiary of CN Holdings. See the section entitled “The Business Combination Proposal.”
- In connection with the Business Combination, each ordinary share of China Networks Media issued and outstanding prior to the business combination will be converted automatically into one ordinary share of CN Holdings and each class A preferred share of China Networks Media outstanding immediately prior to the business combination will be converted into one ordinary share of CN Holdings. See the section entitled “The Business Combination Proposal – Terms of the Merger Agreement – Basic Deal Terms.”
- The current market value of the aggregate maximum merger consideration payable to China Networks Media in the Business Combination is approximately \$137, 892,800 based upon the closing price of Alyst’s common stock on the NYSE Amex on May 20 , 2009 of \$7. 81 per share. CN Holdings will issue to China Networks Media’s shareholders aggregate merger consideration of (i) 2,880,000 CN Holdings ordinary shares (with a current market value of \$22, 492,800 ), (ii) an aggregate of \$17,000,000 in cash, (iii) deferred cash payments of up to \$6,000,000 and deferred share payments of up to 9,000,000 ordinary shares of CN Holdings, in each case subject to the achievement of specified financial milestones set forth in the Merger Agreement, and (iv) \$22,110,000 of proceeds from the exercise of CN Holdings warrants. The deferred cash and deferred stock consideration will be payable as follows: (x) \$3,000,000 cash and 2,850,000 shares of stock upon China Networks Media achieving pro forma net income for fiscal year 2009 of greater than \$20,000,000; (y) \$3,000,000 cash and 3,075,000 shares of stock upon China Networks Media achieving pro forma net income for fiscal year 2010 of greater than \$30,000,000; and (z) 3,075,000 shares of stock upon China Networks Media achieving pro forma net income for fiscal year 2011 of greater than \$40,000,000. The pro forma net income of China Networks Media is calculated by determining the net income of China Networks Media in accordance with U.S. generally accepted accounting principles (“GAAP”), but excluding (i) equity-based compensation charges, (ii) extraordinary one-time charges, and (iii) charges related to the Business Combination or impairment of goodwill; and including the net income generated by acquired businesses or persons

only to the extent that such acquisitions are accretive on a net income per share basis. In addition, if acquisitions are included in the calculation of pro forma net income for any year, the calculation will assume that all such acquisitions occurred on the first day of such year.

- China Networks Media is a venture provider of broadcast television services in the People’s Republic of China, or PRC, operating in partnership with a local state-owned enterprise authorized by the PRC government to control the distribution of broadcast TV services. See the section entitled “Information about China Networks Media.”
- The closing of the acquisition of China Networks Media is subject to the satisfaction by each party of various conditions prior to closing. See the section entitled “The Business Combination Proposal – Terms of the Merger Agreement – Closing Conditions.”
- The Business Combination will not be consummated unless the Redomestication Proposal is approved, and the Redomestication Merger will not be consummated unless the Business Combination Proposal is approved. See the section entitled “The Alyst Special Meeting – Vote Required.”
- Stockholders are also being asked to approve the 2008 Omnibus Securities and Incentive Plan pursuant to which directors, officers, employees and consultants of the surviving corporation, CN Holdings, or its subsidiaries may be granted options to purchase up to 2,500,000 ordinary shares of CN Holdings. See the section entitled “The Share Incentive Plan Proposal.”

QUESTIONS AND ANSWERS ABOUT THE PROPOSALS TO BE CONSIDERED AT THE ALYST SPECIAL MEETING

These Questions and Answers are only summaries of the matters they discuss.  
Please read this entire proxy statement/prospectus.

Q. What is being voted on?

A. You are being asked to vote on four proposals:

- The merger of Alyst with and into its wholly-owned British Virgin Islands (“BVI”) subsidiary, CN Holdings, for the purpose of redomesticating Alyst to the BVI and increasing the authorized share capital to accommodate the Business Combination. This proposal is called the “Redomestication Merger Proposal.”
- The proposed merger of CN Holdings’ wholly-owned subsidiary, China Networks Merger Co., with and into China Networks Media, resulting in China Networks Media becoming a wholly-owned subsidiary of CN Holdings. This proposal is called the “Business Combination Proposal.”
- The approval of the 2008 Omnibus Securities and Incentive Plan pursuant to which directors, officers, employees and consultants of the surviving corporation, CN Holdings, or its subsidiaries may be granted up to 2.5 million ordinary shares of CN Holdings. This proposal is called the “Share Incentive Plan Proposal.”
- The approval of any adjournment or postponement of the Special Meeting for the purpose of soliciting additional proxies. This proposal is called the “Adjournment and Postponement Proposal.”

Q. Why are stockholders of Alyst being asked to approve actions that will be taken by CN Holdings?

A. Alyst stockholders are being asked to approve the entry into the Business Combination by CN Holdings. The Memorandum and Articles of Association of CN Holdings will include protective provisions identical in substance to those contained in Alyst’s amended and restated certificate of incorporation at the time of its IPO, although CN Holdings will have a perpetual, rather than limited, existence and its authorized share capital will increase to 75 million ordinary shares (compared to 30 million common and 1 million preferred shares for Alyst). As a result, immediately following the completion of the Redomestication Merger, the constitutional documents of CN Holdings will require that the majority of the shares issued in Alyst’s IPO approve its Business Combination with China Networks Media, as well as the Share Incentive Plan Proposal. Since the laws of the BVI also require the affirmative vote of a majority of the shares of China Networks Media and China Network Merger Co., the shareholders of each such corporation will be approving such actions by written consent, effective upon receipt of corresponding approval of Alyst’s

stockholders. Such action by written consent, together with the approval by Alyst's stockholders at the Special Meeting, will be effective under BVI law and CN Holdings' amended constitutional documents.

Q. Who is entitled to vote?

A. Holders of Alyst's outstanding common stock as of the close of business on May 29, 2009, (the "Record Date") are entitled to vote on all proposals at the Special Meeting by proxy or in person.

Q. What vote is required to approve the Redomestication Merger Proposal?

A. Approval of the Redomestication Merger Proposal will require the affirmative vote of a majority of the outstanding shares of Alyst's common stock as of the Record Date, provided there is a quorum and that the Business Combination is also approved.

Q. What vote is required to approve the Business Combination Proposal?

A. The approval of the Business Combination requires the affirmative vote of a majority of the outstanding shares of common stock present in person or by proxy and entitled to vote at the Special Meeting, including the affirmative vote of a majority of the shares of common stock issued in the IPO present, in person or by proxy and entitled to vote at the Special Meeting, provided that there is a quorum. Alyst's initial stockholders have agreed to vote their 1,750,000 shares acquired prior to the IPO and as part of the insider units sold simultaneously with the consummation of the IPO in accordance with the holders of a majority of the public shares voting in person or by proxy at the meeting. Any other shares that may be acquired by Alyst's initial stockholders prior to the record date may be voted in any manner that they choose. Alyst's initial stockholders have not acquired any additional shares of common stock entitled to vote beyond their initial shares.

If the stockholders approve the Business Combination, the Business Combination will only proceed if holders of less than 30% of the shares of common stock sold in Alyst's IPO exercise their conversion rights and vote against the Business Combination. If the holders of 2,413,320 or more shares purchased in Alyst's IPO vote against the Business Combination and demand that Alyst convert their shares into their pro rata portion of the trust account established at the time of the IPO (as described below), Alyst will not be permitted to consummate the Business Combination pursuant to its amended and restated certificate of incorporation.



- Q. What vote is required to approve the Share Incentive Plan Proposal?
- A. Approval of the Share Incentive Plan Proposal will require the affirmative vote of a majority of the outstanding shares of Alyst's common stock represented in person or by proxy and entitled to vote at the Special Meeting, provided there is a quorum. Approval of this Proposal is not a condition to approval of the Business Combination Proposal or Redomestication Proposal.
- Q. What vote is required to adopt the proposal to adjourn or postpone the Special Meeting for the purpose of soliciting additional proxies?
- A. Approval of the Adjournment and Postponement Proposal will require the affirmative vote of holders of a majority of the shares of Alyst's common stock represented in person or by proxy and entitled to vote at the Special Meeting, provided there is a quorum.
- Q. Do Alyst stockholders have appraisal rights under Delaware law?
- A. The Alyst stockholders do not have appraisal rights under Delaware corporate law in connection with either the Redomestication Merger or the Business Combination.
- Q. How will the Redomestication Merger be accomplished?
- A. Alyst will merge into CN Holdings, Alyst's wholly - owned subsidiary that is incorporated as a BVI company. As a result of the Redomestication Merger, each currently issued outstanding security of Alyst will automatically convert into one corresponding security of CN Holdings. This procedure will result in your becoming a securityholder in CN Holdings instead of Alyst.
- Q. What happens post-Business Combination to the funds deposited in the trust account?
- A. Alyst stockholders exercising conversion rights will receive their pro rata portion of the trust account. The balance of the funds in the trust account will be released to CN Holdings and will be utilized to pay to the former shareholders of China Networks Media the cash portion of the merger consideration in the amount of \$17 million, and any remaining funds will be retained by CN Holdings to make payments aggregating \$13.6 million to the PRC TV Stations (as defined below under "The Companies") and approximately \$2 million in transaction expenses and commissions due on closing and for operating capital subsequent to the closing of the Business Combination.
- Q. What happens if the Business Combination and Redomestication Merger are not consummated?
- A. If Alyst does not redomesticate and acquire China Networks Media in the Business Combination, Alyst may seek an alternative business combination. However, under its amended and restated certificate of incorporation, if Alyst does not acquire at least majority control of a target business by June 29, 2009, Alyst must dissolve and distribute to its public stockholders the amount in the trust account plus any remaining net assets. Following dissolution, Alyst would no longer exist as a corporation.
- In any liquidation, the funds held in the trust account, plus any interest earned thereon (net of taxes payable), together with any remaining out-of-trust net assets, will be distributed pro rata to Alyst's common

stockholders who hold shares issued in Alyst's IPO (other than the initial stockholders, each of whom has waived any right to any liquidation distribution with respect to them). See the risk factor on page 26 of this proxy statement/prospectus relating to risks associated with the dissolution of Alyst.

Q. If Alyst uses funds in the trust account to purchase, directly or indirectly, shares of common stock sold in the IPO, do I have any legal remedies?

A. You should be aware that Alyst's IPO prospectus did not specifically disclose that funds in its trust account might be used, directly or indirectly, to purchase common stock issued in the IPO from holders thereof who intend to vote against the Business Combination Proposal and convert their common stock into a pro rata share of the trust account (as Alyst may contemplate doing). However, the IPO prospectus states that Alyst may use funds from the trust account to, among other things, enter into arrangements with third parties, or otherwise use available working capital, as may be necessary to effectuate a business combination. Nonetheless, if trust funds are used to purchase common stock, a holder of common stock at the time of the consummation of the Business Combination who purchased such shares in the IPO might assert a securities law claim against Alyst for rescission (under which a successful claimant has the right to receive the total amount paid for his or her securities pursuant to an allegedly deficient prospectus, plus interest and less any income earned on the securities, in exchange for surrender of the securities) or damages (compensation for loss on an investment caused by alleged material misrepresentations or omissions in the sale of a security). If successful (with respect to which there can be no assurance), such a claim may entitle the stockholder to up to \$8.00 per share, based on the initial offering price of the IPO units comprised of stock and warrants, less any amount received from sale of the original warrants purchased with them, plus interest from the date of Alyst's IPO (which, in the case of holders of common stock issued in the IPO, may be more than the pro rata share of the trust account to which they are entitled on conversion or liquidation). See "The Business Combination Proposal – Rescission Rights."

Q. Do Alyst stockholders have conversion rights?

A. If you hold shares of common stock issued in Alyst's IPO, then you have the right to vote against the Business Combination Proposal and demand that Alyst convert these shares into a pro rata portion of the trust account in which a substantial portion of the net proceeds of Alyst's IPO are held. These rights to vote against the Business Combination and demand conversion of the shares into a pro rata portion of the trust account are sometimes referred to herein as conversion rights. Holders of warrants issued by Alyst do not have any conversion rights. Pursuant to the arrangements established at the time of Alyst's IPO, shareholders of Alyst representing 30% less one share of the outstanding shares issued in Alyst's IPO may exercise conversion rights in the event they vote against the Business Combination.

**SIMPLY VOTING AGAINST THE BUSINESS COMBINATION OR CHECKING THE "EXERCISE CONVERSION RIGHTS" BOX ON A PROXY CARD DOES NOT PERFECT YOUR CONVERSION RIGHTS – YOU MUST ALSO SEND ALYST THE WRITTEN DEMAND LETTER DESCRIBED UNDER "THE ALYST SPECIAL MEETING – CONVERSION RIGHTS."**

Q. Will the Alyst stockholders be taxed as a result of the Redomestication Merger?

A. It is anticipated that Alyst stockholders or warrant holders generally should not recognize gain or loss as a result of the Redomestication Merger for U.S. federal income tax purposes. We urge you to consult your own tax advisors with regard to the particular tax consequences to you of the Redomestication Merger.

Q. Will Alyst be taxed on the Redomestication Merger?

A. It is anticipated that for U.S. federal income tax purposes, as to each of its assets, Alyst will recognize gain (but not loss) realized as a result of the Redomestication Merger in an amount equal to the excess (if any) of the fair market value of such asset over such asset's adjusted tax basis at the effective time of the Redomestication Merger. Any U.S. federal income tax liability incurred by Alyst as a result of the recognition of such gain should become a liability of CN Holdings by reason of the Redomestication Merger.

Q. If I am not going to attend the Special Meeting in person, should I return my proxy card instead?

A. Yes. After carefully reading and considering the information in this proxy statement/prospectus, please fill out and sign your proxy card. Then return it in the return envelope as soon as possible, so that your shares may be represented at the Special Meeting. You may also vote by telephone, as explained on the proxy card. A properly executed proxy will be counted for the purpose of determining the existence of a quorum.

Q. If I have conversion rights, how do I exercise them?

A. If you wish to exercise your conversion rights, you must vote against the Business Combination Proposal in person, by submitting a proxy card, or by telephone, and at the same time send a written

demand that Alyst convert your shares for cash. In addition, prior to the Special Meeting, you must deliver your shares to the transfer agent in the manner described below. If, notwithstanding your vote, the Business Combination is completed, then you will be entitled to receive a pro rata portion of the trust account, including any interest earned thereon through the record date. You will be entitled to convert each share of common stock that you hold for approximately \$7.88. If you exercise your conversion rights, then you will be converting your shares of Alyst common stock for cash and will no longer own these shares. You will be entitled to receive cash for these shares only if you tender your stock certificate to our transfer agent, Continental Stock Transfer & Trust Company, at any time prior to the conclusion of the vote on the Business Combination. Alternatively, you may deliver your shares to the transfer agent electronically prior to the Special Meeting, at a nominal cost, using the Depository Trust Company's DWAC System. If you do not make a written demand to exercise your conversion rights prior to the Special Meeting (or if you do not vote against the Business Combination Proposal and tender your shares to the transfer agent prior to the vote), you will lose your conversion rights, and that loss cannot be remedied.

- Q. How do I withdraw my request for conversion?
- A. You may withdraw a request for conversion of your shares any time prior to the date of the Special Meeting by requesting that the transfer agent return your share certificate(s) either physically or electronically.
- Q. What will happen if I abstain from voting or fail to instruct my broker to vote?
- A. An abstention or the failure to instruct your broker how to vote (also known as a broker non-vote) is not considered a vote cast at the meeting with respect to the Business Combination Proposal. Therefore your vote will have no effect on the vote relating to the Business Combination, and you will not be able to convert your shares into a pro rata portion of the trust account. An abstention or failure to vote will have the effect of voting against the Redomestication Merger Proposal and the Share Incentive Plan Proposal.
- Q. If my shares are held in “street name,” will my broker automatically vote them for me?
- A. No. Your broker can vote your shares only if you provide instructions on how to vote. You should instruct your broker to vote your shares. Your broker can tell you how to provide these instructions.
- Q. How do I change my vote?
- A. You may send a later-dated, signed proxy card to Alyst’s secretary no later than 9:00 a.m. on June 23 , 2009, prior to the commencement of the Special Meeting, or attend the Special Meeting in person and vote. You also may revoke your proxy no later than June 22 , 2009 by sending a notice of revocation to Michael Weksel, Alyst Acquisition Corp., 233 E. 69th Street, #6J, New York, New York 10021.
- Q. Do I need to turn in my old certificates?
- A. If you wish to exercise your conversion rights, you must tender your shares to the transfer agent prior to the Special Meeting. If the Business Combination Proposal is approved and you hold your securities in Alyst in certificate form, as opposed to holding them through your broker, you do not need to exchange them for certificates issued by CN Holdings. Your current certificates will represent your rights in CN Holdings. You may exchange them by contacting the transfer agent, Continental Stock Transfer & Trust Company, Reorganization Department, and following their requirements for reissuance.
- Q. Who can help answer my questions?
- A. If you have questions, you may write or call Alyst Acquisition Corp., at 233 E. 69th Street, #6J, New York, New York 10021, (646) 290-6104, Attention: Michael Weksel.
- Q. When and where will the Special Meeting be held?
- A. The meeting will be held at 9:30 a.m. Eastern time on June 23 , 2009 at 340 Madison Avenue, 2nd Floor, New York, New York.

#### The Companies

Alyst is a Delaware corporation incorporated on August 16, 2006 in order to serve as a vehicle for the acquisition of an operating business in any industry, with a focus on the telecommunications industry, through a merger, capital

stock exchange, asset acquisition or other similar business combination. The initial stockholders purchased 1,750,000 shares of common stock, par value \$0.0001 per share ("Common Stock"), in a private placement for \$25,000. On July 5, 2007, Alyst consummated its IPO of 8,044,400 of its units ("Units"). Each Unit consists of one share of Common Stock and one warrant to purchase one share of Common Stock at an exercise price of \$5.00 per share. The Units were sold at an offering price of \$8.00 per Unit, generating gross proceeds of \$64,355,200. Simultaneously with the consummation of the IPO, Alyst consummated a private placement of 1,820,000 warrants at a price of \$1.00 per warrant, generating total proceeds of \$1,820,000. After deducting the underwriting discounts and commissions and offering expenses, an amount of \$63,154,286 was placed in an interest-bearing trust account and the remaining proceeds of approximately \$50,000, plus interest of up to \$1,680,000 earned on the amount held in trust became available to be used to provide for business, legal, accounting, due diligence on prospective business combinations and continuing operating expenses. Alyst's management has broad discretion with respect to the specific application of the net proceeds of the private placement and the public offering, although substantially all of the net proceeds of the offerings are intended to be generally applied toward consummating a business combination. As of April 30, 2009, approximately \$63,372,927 was held in the trust account.

The warrants issued in Alyst's private placement were purchased by Robert A. Schriesheim, Alyst's Non-Executive Chairman of the Board, Dr. William Weksel, Alyst's Chief Executive Officer, Robert H. Davies, Alyst's Chief Strategist, Michael E. Weksel, one of Alyst's directors, Paul Levy, one of Alyst's former directors, and Ira Hollenberg IRA, Silverman Realty Group, Inc. Profit Sharing Plan (LCPSP), Norbert W. Strauss, David Strauss and Jonathan Strauss, each a stockholder of Alyst. The warrants are identical to the warrants included in the Units sold in the IPO except that they are exercisable on a cashless basis if Alyst calls the warrants for redemption so long as they are held by these purchasers or their affiliates. The purchasers of the warrants issued in the private placement have agreed that the warrants issued in the private placement will not be sold or transferred by them until Alyst has completed a business combination. The mailing address of Alyst's principal executive office is 233 E. 69th Street, #6J, New York, NY 10021 and its telephone number is (646) 290-6104. Alyst's home page on the internet is at <http://www.alyst.net>, but the information on Alyst's website is not a part of this proxy statement/prospectus.

CN Holdings is a wholly-owned subsidiary of Alyst, incorporated in the British Virgin Islands on April 17, 2008. CN Holdings was formed to facilitate the proposed Business Combination and, assuming the Business Combination Proposal and Redomestication Proposal are approved at the Special Meeting, will become the surviving corporation of Alyst and ultimate parent of China Networks Media. The principal executive offices of CN Holdings are located at 233 E. 69th Street, Suite 6J, New York, NY 10021, telephone (646) 290-6104.

China Networks Media is a joint-venture provider of broadcast television services in the People's Republic of China ("PRC"), operating in partnership with two local state-owned enterprises ("SOE") in the cities of Kunming and Yellow River which have been authorized by the PRC government to control the distribution of broadcast TV services (collectively, "PRC TV Stations"). China Networks Media owns 100% of Advertising Networks Ltd., a Hong Kong holding company ("ANT"), that: (i) owns 50% of each of Shanxi Yellow River and Advertising Networks Cartoon Technology Co., Ltd. and Kunming Taishi Information Cartoon Co., Ltd., (collectively "JV Tech Cos"), PRC joint venture companies formed with PRC TV Stations, and (ii) controls Beijing Guangwang Hetong Advertising & Media Co., Ltd., a PRC company ("Hetong"), which in turn, owns (a) 50% of Kunming Kaishi Advertising Co. Ltd., and (b) 50% of Taiyuan Advertising Networks Advertising Co., Ltd. (collectively "JV Ad Cos") with PRC TV Stations. China Networks Media acquired its interests in these joint ventures in two transactions which were consummated in July 2008 and August 2008, and therefore China Networks Media has a limited operating history. JV Ad Cos collects 100% of advertising revenue earned by JV Tech Cos, joint ventures holding assets of PRC TV Stations, through a series of asset purchase and services agreements. In each locale, these companies form a group comprising of one JV Tech Co and one JV Ad Co (collectively referred to as the "Local JV Cos"). PRC TV Stations are owned directly or indirectly by local branches of the State Administration of Radio, Film and Television ("SARFT"). Due to restrictions on foreign ownership of PRC media and broadcasting entities, China Networks Media's 50% joint venture interest is held through a series of contractual arrangements intended to result in the risks and benefits of JV Ad Cos' operations being primarily borne by China Networks Media, rather than through a direct ownership of equity securities. In addition to seeking to avoid a violation of PRC law, these arrangements provide, under relevant principles of US generally accepted accounting principles ("U.S. GAAP"), for the consolidation of the results of operations, financial position and cash flows of JV Ad Cos by China Networks Media. In view of these PRC legal restrictions and prevailing industry practice with regard to structuring foreign direct investment in China, Alyst has determined that the Business Combination with China Networks Media satisfies the requirement contained in its amended and restated certificate of incorporation that it effect a business combination with an operating business. The principal executive offices of China Networks Media are located at 801 Block C, Central International Trade Center, 6A Jianguomenwai Avenue, Chaoyang District, Beijing, 100022, PRC, telephone +1-86-10-5904-0888.





## Rationale for the Business Combination

After careful consideration of the terms and conditions of each proposal, the board of directors of Alyst has determined that the Redomestication Merger, the Business Combination and the related transactions and each proposal made in this proxy statement/prospectus are fair to and in the best interests of Alyst and its stockholders. In reaching its decision with respect to the Redomestication Merger, the Business Combination and the related transactions, the board of directors of Alyst reviewed various industry and financial data and considered the due diligence and evaluation materials provided by China Networks Media and due diligence regarding the PRC television advertising market in order to determine that the consideration to be paid in connection with the Business Combination is reasonable. Based on such materials and information and on its own financial and business expertise the board of directors of Alyst also has concluded that the fair market value of China Networks Media was at least equal to 80% of the balance of the trust account. Accordingly, Alyst's board of directors concluded that the Business Combination meets the requirements for a business combination set forth in Alyst's IPO prospectus and amended and restated certificate of incorporation and recommends that Alyst stockholders vote "FOR" the Redomestication Proposal, the Business Combination Proposal, the Share Incentive Plan Proposal and the Adjournment and Postponement Proposal.

## The Merger Agreement

Pursuant to the Merger Agreement and subject to stockholder approval, (a) Alyst will merge with and into CN Holdings, thereby redomesticating to the British Virgin Islands (the "Redomestication Merger"), and then (b) China Networks Merger Co., a wholly-owned subsidiary of CN Holdings, will merge with and into China Networks Media, a British Virgin Islands company (the "Business Combination"). China Networks Media will be the surviving entity of that merger. In the Business Combination, CN Holdings will issue to China Networks Media shareholders aggregate merger consideration of (i) 2,880,000 CN Holdings ordinary shares, (ii) an aggregate of \$17,000,000 cash, (iii) deferred cash payments of up to \$6,000,000 and deferred share payments of up to 9,000,000 ordinary shares of CN Holdings, in each case subject to the achievement of specified financial milestones set forth in the Merger Agreement, and (iv) \$22,110,000 of proceeds from the exercise of CN Holdings warrants. If all merger consideration, including the deferred portion, is issued to China Networks Media, the market value thereof (based upon the closing price of Alyst's common stock on the NYSE Amex on May 20, 2009, of \$7.81 per share) would be approximately \$137,892,800.

The Redomestication Merger will result in all of Alyst's issued and outstanding shares of common stock immediately prior to the Redomestication Merger converting into ordinary shares of CN Holdings, and all units, warrants and other rights to purchase Alyst's common stock immediately prior to the Redomestication Merger being exchanged for substantially equivalent securities of CN Holdings at the rate set forth in the Merger Agreement. CN Holdings has applied to the NYSE Amex for the continued listing of the ordinary shares, units and warrants effective upon consummation of the Redomestication Merger. Alyst will cease to exist and CN Holdings will be the surviving corporation. See "Listing" below for additional information.

The Business Combination will be effected immediately after the Redomestication Merger. Each ordinary share of China Networks Media issued and outstanding prior to the Business Combination will be converted automatically into one ordinary share of CN Holdings, and each class A preferred share of China Networks Media outstanding immediately prior to the Business Combination will convert into one share of CN Holdings. The stockholders of China Networks Media will also receive the cash and other consideration described above. China Networks Merger Co. will cease to exist and China Networks Media will be the surviving corporation.

Upon the consummation of the Redomestication Merger and the Business Combination, CN Holdings will own 100% of the issued and outstanding shares of China Networks Media. As of the closing, the shares of CN Holdings will be owned 77% by the previous stockholders of Alyst, 15% by the previous holders of ordinary shares of China Networks Media and 8% by the previous holders of class A preferred shares of China Networks Media. However, these percentages will be affected by the amount of Alyst stockholders that elect to convert their shares into cash. For example, if the maximum number of Alyst stockholders (holding 2,413,319 common shares) elect to convert their shares into cash, the percentage of shares of CN Holdings held by the previous Alyst stockholders would decline to 72% with a corresponding increase in the percentage held by previous China Networks Media shareholders. In addition, in the years after the closing, subject to the achievement of certain financial milestones, up to 9,000,000 ordinary shares of CN Holdings may be issued to the previous holders of China Networks Media securities. If all 9,000,000 of these shares are issued, the percentage of shares of CN Holdings held by the previous Alyst stockholders would decline to 45%. A portion of the deferred consideration to be received by the former holders of shares of China Networks Media in connection with the Business Combination consists of ordinary shares of CN Holdings. The potential recipients of such shares will not have any voting rights with respect thereto prior to the issuance of the shares. In an effort to secure the approval of the Business Combination, Alyst, its officers, directors and founding stockholders, China Networks Media and the holders of China Networks Media common stock may enter into arrangements to provide for the purchase of the common stock issued in the IPO from holders thereof who indicate their intention to vote against the Business Combination and seek conversion or otherwise wish to sell their common stock issued in the IPO or other arrangements that would induce holders of common stock issued in the IPO not to vote against the Business Combination proposal. Definitive arrangements have not yet been determined but some possible methods are described in the section entitled "The Business Combination Proposal — Actions That May Be Taken to Secure Approval of Alyst's Stockholders." As it is not possible as of the date of this proxy statement/prospectus to determine the number of common stock issued in the IPO that may be purchased pursuant to such arrangements, if any, the actual percentage of the Alyst shares outstanding after the Business Combination that Alyst stockholders will own cannot presently be determined.

If Alyst does not consummate the Business Combination with China Networks Media, it will be required to liquidate and dissolve. Under its amended and restated certificate of incorporation, if Alyst does not acquire at least majority control of a target business by June 29, 2009, Alyst must dissolve and distribute to its public stockholders the amount in the trust account plus any remaining net assets. Following dissolution, Alyst would no longer exist as a corporation. See the risk factor on page 26 of this proxy statement/prospectus relating to risks associated with the dissolution of Alyst.

Management. The current management of China Networks Media and its subsidiaries is led by Mr. Li Shuangqing, its chief executive officer. After consummation of the Redomestication Merger and the Business Combination, Mr. Li will be the Chief Executive Officer and Chairman of China Networks Media and Zhou Chuansheng will be the Vice President of Sales and Marketing. CN Holdings' board of directors after the Redomestication Merger and the Business Combination is expected to consist of Li Shuangqing, Kerry Propper, Michael Weksel, J.P. Huang, May Huang, \_\_\_\_\_ and Alex Lee. Mr. Huang, Ms. Huang, \_\_\_\_\_ and Mr. Lee are considered "independent" under the rules of the NYSE Amex. As a condition to the consummation of the Business Combination, Mr. Li Shuangqing will enter into an employment agreement with CN Holdings, pursuant to which he will serve as the Chief Executive Officer of CN Holdings; however, such condition may be waived by the parties. Michael Weksel, Alyst's Chief Operating Officer and Chief Financial Officer, has served as the Chief Financial Officer of China Networks Media since January 2009 and will serve as the Chief Financial Officer of CN Holdings after the consummation of the Business Combination. Other executive officers are expected to be appointed following consummation of the Business Combination.

#### Alyst's Recommendation; Interests of Management

After careful consideration, Alyst's board of directors has determined that the Redomestication Merger, the Business Combination and the other proposals to be presented at this Special Meeting are fair to, and in the best interests of, Alyst and its stockholders. The board of directors has approved and declared advisable the proposals, and recommends that you vote or direct that your vote to be cast "FOR" the adoption of each proposal.

When you consider the recommendation of the board of directors, you should keep in mind that the members of the board of directors have interests in the Business Combination that are different from, or in addition to, yours. These interests include, but are not limited to, the following:

- If the proposed Business Combination is not completed, and Alyst is unable to complete another acquisition by June 29, 2009, Alyst will be required to liquidate. Upon liquidation, the shares of common stock owned by Alyst's directors will be worthless because the shares will no longer have any value and the directors are not entitled to liquidation distributions from Alyst. In addition, the possibility that Alyst's officers and directors will be required to perform their obligations under the indemnity agreements referred to below will be substantially increased.
- In connection with Alyst's IPO, Alyst's current officers and directors agreed to indemnify Alyst for debts and obligations to vendors that are owed money by Alyst for services rendered or products sold to Alyst, but only to the extent necessary to ensure that certain liabilities do not reduce funds in the trust account. If the Business Combination is consummated, Alyst's officers and directors will not have to perform such obligations. If the Business Combination is not consummated, however, Alyst's officers and directors could potentially be liable for any claims against the trust account by vendors who did not sign waivers.
- All rights of Alyst's officers and directors to be indemnified by Alyst, and of Alyst's directors to be exculpated from monetary liability with respect to prior acts or omissions, will continue after the Business Combination pursuant to provisions in CN Holdings' Amended and Restated Memorandum and Articles of Association, forms of which are attached hereto as Annexes D and E, respectively. However, if the Business Combination is not approved and Alyst subsequently liquidates, its ability to perform its obligations under those provisions will be substantially impaired since it will cease to exist. If the Business Combination is ultimately completed, CN Holdings' ability to perform such obligations will be substantially enhanced.

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It is anticipated that China Networks Media's current Chief Executive Officer, Li Shuangqing, will enter into an employment agreement with CN Holdings as a condition to the consummation of the Merger Agreement, although such condition may be waived by the parties. The employment agreement must be approved by a majority of the independent directors of CN Holdings' Board of Directors.

- Under the Share Incentive Plan, as proposed, directors of CN Holdings' Board of Directors may be granted options to purchase shares of CN Holdings. Under the Merger Agreement, Alyst is entitled to appoint three directors to the post-merger CN Holdings' Board of Directors, who will be entitled to receive shares or option grants under the Plan.
- It is expected that three of the current directors of Alyst, including Michael Weksel, will serve as directors of CN Holdings if the Business Combination is consummated.
- Michael Weksel entered into an employment agreement in January 2009 with China Networks Media to serve as its Chief Financial Officer, a role that is expected to continue if the Business Combination is consummated. The employment agreement provides that Mr. Weksel may continue in his current obligations to Alyst until such time as the Business Combination is consummated or Alyst is dissolved. Mr. Weksel receives no salary from Alyst, but for the period prior to the earlier of the consummation of the Business Combination or June 29, 2009 (the "Initial Term"), is entitled to receive from China Networks Media, a base salary equal to \$180,000 per annum. Such base salary will increase to \$360,000 after the Initial Term. Mr. Weksel is also entitled to receive a bonus of \$360,000 if China Networks Media achieves the net income targets for 2009 and 2010 set out in the Merger Agreement. In addition, if the Merger Agreement is consummated, Mr. Weksel will receive a 7-year non-qualified option under the Share Incentive Plan for the purchase of 500,000 ordinary shares of CN Holdings, subject to certain adjustments, 50,000 of which shall vest immediately upon issuance of the option. The balance of the entitlement under the option shall vest over a 36-month period.
- Warrants to purchase Alyst common stock held by Alyst's directors and officers are exercisable 90 days after consummation of the Business Combination. Based upon the closing price of Alyst's common stock on May 20, 2009 of \$7.81, if all warrants held by Alyst's directors and officers were exercised for common stock at a price of \$5 per share the market value of such shares of common stock would be approximately \$14,214,200 at an aggregate cost of \$9,100,000.
- Michael Weksel has entered into a Put-Call Option Agreement with Alyst pursuant to which (i) Alyst has the right to purchase from Mr. Weksel up to 559,794 of Alyst's publicly traded warrants (the "Warrants") at a price of \$0.0446 per warrant (the "Exercise Price") at any time through August 31, 2009 and (ii) Mr. Weksel has the right at any time after June 29, 2009 and before August 31, 2009 to sell such warrants to Alyst at the Exercise Price. The Warrants were purchased by Mr. Weksel in open market transactions at a price equal to the Exercise Price in order to enhance Alyst's ability to enter into arrangements with stockholders or third parties to facilitate consummation of the Business Combination without altering Alyst's existing capital structure. If the Business Combination is not consummated and Alyst is forced to liquidate, the Warrants would have no value in the open market.

### Certain U.S. Federal Income Tax Consequences

As described below under the heading “Material United States Federal Income Tax Considerations,” subject to the qualifications included in that discussion, the Redomestication Merger should qualify as a “reorganization” under applicable U.S. federal income tax principles. In such case no gain or loss should be recognized by Alyst stockholders or warrant holders for U.S. federal income tax purposes as a result of their exchange of Alyst common stock or warrants for the ordinary shares or warrants of CN Holdings, but it is anticipated that for U.S. federal income tax purposes, as to each of its assets, Alyst will recognize gain (but not loss) realized as a result of the Redomestication Merger in an amount equal to the excess (if any) of the fair market value of such asset over such asset’s adjusted tax basis at the effective time of the Redomestication Merger. CN Holdings should not recognize any gain or loss for U.S. federal income tax purposes as a result of the Business Combination. Although it is anticipated that the “anti-inversion” provisions in the Internal Revenue Code of 1986, as amended, should not apply to treat CN Holdings as a U.S. corporation after the Redomestication Merger and Business Combination, this matter is not free from doubt. It is expected that these anti-inversion rules will apply, however, to restrict Alyst from using any net operating loss that might otherwise be available to it to offset any gain it will recognize as a result of the Redomestication Merger.

### Listing

Alyst’s common stock (AYA), warrants (AYA.WS) and units (AYA.U) are currently listed on the NYSE Amex. CN Holdings has applied to the NYSE Amex for continuation of the listing, effective upon consummation of the Redomestication Merger. If CN Holdings is unable to meet all of the NYSE Amex’s listing requirements at such time, in particular the number of “round lot” holders, the Exchange may initiate de-listing proceedings, which CN Holdings would expect to appeal. If any such proceedings are initiated by the Exchange, the securities would continue to trade until a final determination has been rendered. CN Holdings intends to bring itself into compliance with Exchange requirements, as may be required, during such appeal process. However, there can be no assurance that the Exchange will accept such compliance efforts or decide to allow the listing to continue. In such event, upon any de-listing, CN Holdings’ securities would become eligible for quotation in the OTC Bulletin Board until such time as CN Holdings was able to meet the Exchange’s requirements.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING INFORMATION

This proxy statement/prospectus contains or incorporates by reference certain forward-looking statements and information relating to Alyst, CN Holdings and China Networks Media that are based on the beliefs of their respective board of directors and officers, as well as certain assumptions and information currently available to them. Forward-looking statements include statements concerning projected financial data, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements which are other than statements of historical fact. When used in this proxy statement/prospectus, the words “anticipate,” “believe,” “estimate,” “expect,” “plan,” “intend,” “project,” “predict,” “may,” and “should” and similar expressions are intended to identify forward-looking statements. These statements are based on the parties’ current expectations and are naturally subject to uncertainty of and change in circumstances. Actual results may vary materially from the expectations contained in this document. The following factors, among others, could cause results to differ materially from those described in this proxy statement/prospectus: any economic, business, competitive and/or regulatory factors affecting China Networks Media’s business generally. Unless required by law, none of Alyst, CN Holdings or China Networks Media undertakes any obligation to update publicly any forward-looking statements set forth in this proxy statement/prospectus, whether as a result of new information, future events or otherwise.

## RISK FACTORS

You should carefully consider the following risk factors, together with all of the other information included in this proxy statement/prospectus, before you decide whether to vote or direct your vote to be cast to approve the Redomestication Merger, the Business Combination and the other proposals described in this proxy statement/prospectus.

China Networks Media's business substantially depends on the PRC TV Stations it partners with.

China Networks Media relies heavily on its access to advertising time slots on the PRC TV Stations to broadcast clients' advertisements. Any unfavorable change in the PRC TV Stations' advertising model, any changes that adversely affect their market position or any limitation on China Networks Media's access to desired television advertising time slots would materially adversely affect its results of operations and financial position.

The PRC TV Stations are the sole television networks for which China Networks Media currently sells advertising time and are owned by the Chinese government. As a result, the PRC TV Stations enjoy certain favorable governmental support that might not be available to privately owned networks. For example, the government mandates that the PRC TV Stations be broadcast in their local regions. The PRC TV Stations also face increasing competition from other regional and national television networks that strive to offer more attractive television programs to compete with the PRC TV Stations for television audiences. If the PRC TV Stations fail to compete successfully against these other networks, they may lose market share. Any changes that could potentially erode the PRC TV Stations' market position, such as relaxation of media control by the government or inadequate response to competition from other networks by the PRC TV Stations, could in turn reduce the attractiveness of China Networks Media's advertising offerings and materially adversely affect its results of operations and financial position.

Television advertising in China faces significant competition from existing and new competitors, and if China Networks Media does not compete successfully against them, it may lose market share and its profitability may be materially harmed.

The advertising industry in China is intensely competitive and highly fragmented. China Networks Media competes with other industry participants mainly on the basis of service quality, available advertising time slots, price, reputation and relationships with television networks. China Networks Media also faces significant competition in selling advertising space to advertisers and their advertising agencies mainly from other media sales companies that have dedicated relationships to particular PRC TV Stations and/or companies that broker timeslots from those stations. At the national level these include such companies as SinoMedia Holding Limited, Walk-on Advertising Co. Ltd., China Mass Media International Advertising Corporation and Charm Communication Group. At the local level, China Networks Media competes with other local television stations in the region on the basis of desirability of time slots offered, television network coverage, service quality, brand name and pricing.

In addition, in securing further media resources through JV or other contractual relationships, China Networks Media faces competition from other media sales companies and/or advertising agencies who could become its competitors for media resources on other stations. China Networks Media also faces competition from new entrants in the television advertising sector, including the wholly foreign-owned advertising companies that have been allowed to operate in China since December 2005, which exposes it to increased competition from advertising media companies that have greater financial and other resources than it does.

Television advertising in China competes against other forms of advertising media and advancing technology, and if China Networks Media does not adapt successfully, it may lose market share and its profitability may be materially harmed.

Television advertising, upon which China Networks Media depends for its business, competes with other forms of advertising media for overall advertising spending, such as

- radio,



- newspapers,
- magazines,
- the Internet,
- indoor or outdoor flat panel displays,
- billboards and
- public transport advertising.

According to ZenithOptimedia, advertising spending in media other than television collectively accounted for approximately 60.7% of total advertising spending in China in 2007. In particular, the Internet is becoming increasingly popular as an alternative advertising medium among advertisers.

In addition, technology in television, video, data services and other media used in the entertainment industry is changing rapidly, and advances in technology have led to alternative methods of content delivery and storage, including in the case of cable television, a significantly expanded menu of channel offerings. Certain changes in the behavior of television viewers driven by these methods of delivery and storage could have a negative effect on television advertising revenues. For example, devices that enable users to view television programs on a time-delayed basis or allow them to fast-forward or skip advertisements may cause changes in consumer behavior that could adversely affect the advertising revenues of television networks and China Networks Media's results of operations.

China Networks Media has a very limited operating history, which may make it difficult for you to evaluate its business and prospects.

In 2008, China Networks Media established certain equity joint ventures with PRC TV Stations through its Hong Kong wholly-owned subsidiary, ANT. ANT established an equity joint venture under the name of Shanxi Yellow River and Advertising Networks Cartoon Technology Co., Ltd. ("Taiyuan JV") with China Yellow River TV Station in Shanxi Province in June 2008; and ANT established an equity joint venture under the name Kunming Taishi Information Cartoon Co., Ltd. ("Kunming JV") with Kunming TV Station in Yunnan Province in July 2008 (Taiyuan JV and Kunming JV are collectively referred to as the "JV Tech Cos"). The respective historical operating results of the Kunming and Taiyuan TV stations' advertising operations may not provide a meaningful basis for evaluating China Networks Media's business, financial performance and prospects, particularly in view of the fact that the networks comprising the operations of China Networks have historically been operated independently.

China Networks Media also faces numerous risks, uncertainties, expenses and difficulties frequently encountered by companies at an early stage of development. Some of these risks and uncertainties relate to its ability to:

- develop new customers or new business from existing customers;
- expand the technical sophistication of the products it offers;
- respond effectively to competitive pressures; and
- attract and retain qualified management and employees.

China Networks Media cannot predict whether it will meet internal or external expectations regarding future performance. If China Networks Media is not successful in addressing these risks and uncertainties, its business, operating results and financial condition may be materially adversely affected.

China Networks Media may encounter difficulties in expanding into other regional television networks, which may materially and adversely affect its business, financial condition and results of operations.

One important element of China Networks Media's strategy is to expand its presence into other regional television networks. Implementation of this strategy will be subject to many risks, including, but not limited to, the following:

- China Networks Media has no track record in obtaining advertisement resources from other regional television networks;
- There is expected to be intense competition from advertising companies that are already well-established in those markets;
- China Networks Media may not be able to accurately assess and adjust to the consumer tastes, preferences and demands in the relevant regional markets; and
- It may not be possible to generate enough revenue to offset costs.

These and other risks may make China Networks Media's expansion into other regional television networks unsuccessful. In addition, implementing this strategy may require it to devote significant resources to promoting advertising time slots on such regional television networks, which may divert management's attention from its existing business. If China Networks Media is not successful in expanding into other regional television networks, its business, financial condition and results of operations may be materially and adversely affected.

CN Holdings may need additional capital to fund obligations incurred in connection with the Business Combination as well as the growth of China Networks Media's business, which may not be available on acceptable terms or at all, and which, if available, could dilute your interest in CN Holdings.

Assuming the Business Combination is consummated, CN Holdings will require significant amounts of working capital due to the combined entity's obligations to existing note holders of China Networks Media, as well as cash payments to be made to the existing shareholders of China Networks Media under the deferred consideration arrangements included in the Merger Agreement and in connection with any third party or IPO-shareholder arrangements that may be entered into to secure approval of the Business Combination. If CN Holdings does not have sufficient working capital following the payment to IPO shareholders who choose to convert their shares into cash and the payment to Alyst's outstanding creditors as described elsewhere in this proxy statement/prospectus, CN Holdings will need to secure additional capital, which may not be available on acceptable terms or at all.

In addition, capital requirements are difficult to plan in the rapidly changing advertising industry. China Networks Media expects that its current cash and cash equivalents, cash flow from operations and the proceeds from the Business Combination with Alyst will be sufficient to meet its anticipated cash needs, for both working capital and capital expenditures, for the foreseeable future. If, however, there are unforeseen changes in general business conditions or unexpected developments in its business or expansion, CN Holdings may require additional cash resources. For example, CN Holdings may seek to sell additional equity or debt securities or obtain a credit facility. The sale of convertible debt securities or additional equity securities could result in additional dilution to the shareholders of CN Holdings. Furthermore, if CN Holdings incurs more debt, it will be liable for increased debt service costs and might have to agree to operating and financing covenants that would restrict its operations and liquidity.

CN Holdings' ability to obtain additional capital on commercially acceptable terms is subject to significant risks and uncertainties, including:

- investors' perception of, and demand for, its securities;
- prevailing conditions in the global financial and capital markets in which it will seek to raise funds;
- the future results of operations, financial condition and cash flows of China Networks Media;
- PRC governmental regulation of foreign investment in advertising companies in China;
- PRC governmental policies relating to foreign exchange; and
- economic, political and other conditions in China.

Any failure to raise additional funds when needed could limit CN Holdings' ability to expand or develop its operations to respond to market demand or competitive challenges.

The Chinese government could change its policies toward, or even nationalize, private enterprise, which could reduce or eliminate the interests held in China Networks Media.

Over the past several years, the Chinese government has pursued economic reform policies, including the encouragement of private economic activities and decentralization of economic regulation. The Chinese government may not continue to pursue these policies or may significantly alter them to China Networks Media's detriment from time to time without notice. Changes in policies by the Chinese government that result in a change of laws, regulations, their interpretation, or the imposition of high levels of taxation, restrictions on currency conversion or imports and sources of supply could materially and adversely affect China Networks Media's business and operating results. The nationalization or other expropriation of private enterprises by the Chinese government could result in the total loss of China Networks Media's investment in China.

China Networks Media's business may be adversely affected by unforeseen events or natural disasters that are beyond its control, such as the 2008 earthquake in Sichuan Province, or the global financial crisis.

China Networks Media's business may be adversely affected by certain events, natural disasters beyond its control, such as the magnitude 8.0 earthquake that struck Sichuan Province in May 2008, or the global financial crisis. Many television stations in China significantly changed their programming after the earthquake to broadcast developments and rescue operations relating to the earthquake. All television channels in China ceased to broadcast any advertisements during a three-day national mourning period from May 19, 2008 to May 21, 2008. Certain television advertisements with content that was deemed to be inappropriate for broadcast during coverage of this tragic event were suspended in May and June 2008. Such unforeseen events, natural disasters or the global financial crisis may adversely affect advertisement spending of its clients which in turn may adversely affect its sales and results of operations. Furthermore, if other events occur in the future or the global financial crisis is prolonged or deepens, its business, financial condition and results of operations may be adversely affected.

China Networks Media may become subject to government actions due to its advertising content, which may have a material adverse effect on its financial condition and results of operations.

PRC advertising laws and regulations require advertisers, advertising distributors and advertising service providers, such as China Networks Media, to ensure that the content of the advertisements prepared or distributed are fair, accurate and in full compliance with applicable laws. Violation of these laws or regulations may result in penalties, including

- fines,
- confiscation of advertising fees,
- orders to cease disseminating the advertisements and
- orders to publish public announcements to correct the misleading information.

In circumstances involving serious violations, the PRC government may revoke a license to operate an advertising business. In addition, such noncompliance can constitute a violation of criminal law and criminal proceedings could be brought as a result.

Under the relevant PRC regulations, China Networks Media is required to independently review and verify the content of a client's advertisement for compliance and to confirm that any required government review has been performed and that all necessary approvals have been obtained. In addition, for advertising content related to certain types of

products, such as tobacco, alcohol, cosmetics, pharmaceuticals and medical instruments, China Networks Media is required to confirm that the advertisers have obtained requisite government approvals relating to their operations, including the advertisers' operating qualifications and proofs of quality inspection. Under contracts with advertising clients, advertisers are responsible for obtaining any PRC government approvals or licenses required for their advertisements and providing China Networks Media with proof of such approvals or licenses prior to it placing its clients' advertisements. While China Networks Media ensures advertising content is reviewed for compliance with relevant PRC laws and regulations, there can be no assurance that each advertisement placed is in compliance with the relevant PRC laws and regulations or that the supporting documentation and government approvals provided by advertising clients are true and complete. Any failure to conduct such review may subject China Networks Media to governmental inspections or actions.

Governmental proceedings may harm China Networks Media's reputation and may divert significant amounts of management's time and other resources. It may be difficult and expensive to defend against such proceedings. There can be no assurance that China Networks Media would successfully defend such claims, and if it fails to do so it would have to bear the costs of all such actions as well as any fines imposed. In addition, some of its existing contracts with advertising clients do not provide China Networks Media with any indemnity from its clients for claims relating to advertising content. As a result of the foregoing, any governmental proceedings brought could have a material adverse effect on its business, financial condition and results of operations.

China Networks Media may be subject to intellectual property infringement claims, which may be expensive to defend and may disrupt its business and operations.

China Networks Media places advertisements provided by advertising clients on television. In doing so, it may employ information, software programs, technology or equipment supplied by other parties, to which such parties may not have intellectual property rights. Some of its existing contracts with advertising clients do not provide indemnity for any intellectual property infringement claims relating to the advertisements provided. China Networks Media cannot be certain that its operations or any aspects of its business do not or will not infringe upon patents, copyrights or other intellectual property rights held by third parties. Although China Networks Media is not aware of any such claims, it may become subject to legal proceedings and claims from time to time relating to the intellectual property rights of others. If China Networks Media is found to have violated the intellectual property rights of others, it:

- may be subject to liability for infringement activities or may be prohibited from using such intellectual property,
  - may incur licensing fees or be forced to develop alternatives.
  - may incur significant expenses, and
- may be forced to divert management's time and other resources from its business and operations to defend against these third-party infringement claims, regardless of their merits.

Successful infringement or licensing claims may result in significant monetary liabilities and may materially disrupt China Networks Media's business and operations by restricting or prohibiting the use of the intellectual property in question.

Foreign exchange regulations in the PRC may affect China Networks Media's ability to pay dividends in foreign currency or conduct other foreign exchange business.

Renminbi, or RMB, is not presently a freely convertible currency, and the restrictions on currency exchanges may limit China Networks Media's ability to use revenues generated in RMB or to make dividends or other payments in U.S. dollars. The PRC government, through the State Administration for Foreign Exchange ("SAFE"), regulates conversion of RMB into foreign currencies. Currently, foreign invested enterprises are required to apply for "Foreign Exchange Registration Certificates" and to renew those certificates annually. In addition, SAFE recently issued a new regulation, under which RMB converted from the registered capital shall only be utilized in accordance with the purposes approved by the relevant government authority (including the local SAFE). The local SAFE has the right to

- take appropriate remedial action,
- confiscate any illegal income and
- impose a fine in the event of a contravention of the new regulation.





In the event that China Networks Media is unable to convert the registered capital conveniently, this would restrict its ability to operate its foreign exchange business.

China Networks Media may have difficulty establishing adequate management, legal and financial controls in the PRC, which could result in misconduct and difficulty in complying with applicable laws and requirements.

As quasi-governmental businesses in the PRC, the networks comprising China Networks Media have not historically focused on establishing Western-style management and financial reporting concepts and practices, as well as modern banking, computer and other internal control systems. China Networks Media may have difficulty in hiring and retaining a sufficient number of qualified internal control employees to work in the PRC. As a result of these factors, China Networks Media may experience difficulty in establishing management, legal and financial controls, collecting financial data and preparing financial statements, books of account and corporate records and instituting business practices that meet Western standards, especially on the operation level of China Networks Media's joint ventures with municipal broadcast TV network operators.

Advertising clients periodically review and change their advertising or marketing models and strategies, and if China Networks Media fails to adapt quickly to such changes, it may be unable to attract advertisers and increase the demand for its services.

Advertising service contracts with clients are generally entered into on a short-term and non-exclusive basis. A client's decision to place its advertisements with China Networks Media is affected by a number of factors, including

- the desirability of time slots it offers on the relevant PRC TV Stations,
- the extent of television network coverage provided,
- the service packages and pricing structure offered and
- the client's perception of the effectiveness and quality of its services.

If China Networks Media fails to retain its existing clients or increase advertisers' awareness and utilization of its services, or to formulate attractive service packages and pricing structures to attract new clients, demand for its services will not grow and may even decrease. Advertisers might be unwilling to seek time slots from China Networks Media or to pay the levels of advertising fees it requires to generate profits, which could materially and adversely affect its ability to increase revenues and profitability.

China Networks Media depends on the services of key personnel, including Mr. Li Shuangqing, chairman and chief executive officer, and its business and growth prospects may be severely disrupted if it loses his services.

Mr. Li Shuangqing, chairman and chief executive officer of China Networks Media, has led the company since its establishment. The business and operations of China Networks Media depend to a significant extent on his business vision, industry expertise, experience with its business operations and management skills, as well as his relationships with television stations, many key clients and employees. China Networks Media does not maintain key-man life insurance for Mr. Li Shuangqing. If he becomes unable or unwilling to continue in his present position, it may not be possible to replace him in a timely manner or at all, which would have a material adverse effect on business and growth prospects of China Networks Media.

If China Networks Media fails to maintain an effective and adequate sales and marketing team, its sales and revenues could materially decrease.

China Networks Media depends on its sales personnel to increase advertisers' awareness, acceptance and utilization of its services, which are crucial to its revenues, business and growth. China Networks Media currently has 17 employees directly engaged in sales. Consistent with the industry norm, China Networks Media typically experiences a high turnover rate among sales personnel, and there can be no assurance that its current sales personnel will remain effective or loyal. China Networks Media faces intense competition for experienced sales personnel both from direct competitors and other advertising and media companies. Furthermore, China Networks Media will need to continue expanding its sales force if its business continues to grow. It may not be able to hire, retain, integrate or motivate an adequate number of qualified new sales personnel as it grows its business, which could disrupt its business and cause revenues to materially decrease.

## Risks Relating to China Networks Media's Corporate Structure

China Networks Media exercises voting and economic control over Hetong pursuant to contractual agreements among the Hetong shareholders, the JV Tech Cos and ANT that may not be as effective as direct ownership.

As a result of the contractual agreements entered into between ANT and the shareholders of Hetong, ANT controls and is considered the primary beneficiary of Hetong, and is entitled to consolidate the financial results of Hetong, which includes Hetong's 50% economic interest in the financial results of Kunming Kaishi Advertising Co., Ltd. and Taiyuan Advertising Networks Advertising Co., Ltd. (collectively, the "JV Ad Cos"). While the terms of these contractual agreements are designed to minimize the operational impact of governmental regulation of the media, cultural and telecommunications industries in the PRC, and provide ANT with voting control and the economic interests associated with the stockholders' equity interest in Hetong, they are not accorded the same status at law as direct ownership of Hetong and may not be as effective in providing and maintaining control over Hetong as direct ownership. For example:

- ANT may not be able to take control of Hetong upon the occurrence of certain events, such as the imposition of statutory liens, judgments, court orders, death or incapacity.
- If the PRC government proposes new laws or amends current laws that are detrimental to the contractual agreements with Hetong, such changes may effectively eliminate China Networks Media's control over the Hetong and its ability to consolidate the JV Tech Cos and the JV Ad Cos.
- If the shareholders of Hetong fail to perform as required under those contractual agreements, ANT will have to rely on the PRC legal system to enforce those agreements and there is no guarantee that it will be successful in an enforcement action.

Furthermore, if China Networks Media, or ANT, were found to be in violation of any existing PRC laws or regulations, the relevant regulatory authorities would have broad discretion to deal with such violation, including, but not limited to the following:

- levying fines;
- confiscating income; and/or
- requiring a restructuring of ownership or operations.

China Networks Media has obtained advice of its Chinese counsel regarding the validity of the contractual arrangements pursuant to which China Networks Media exercises control over, and derived economic benefits from, Hetong, the JV Tech Cos and the JV Ad Cos. In addition, the Merger Agreement contains representations and warranties from China Networks Media that such arrangements are valid and binding. There can be no guarantee, however, that a Chinese, U.S. or BVI court will conclude that such contractual arrangements are enforceable or that a Chinese court would enforce a judgment entered by a foreign jurisdiction.

The agreements that establish the structure for operating China Networks Media's business may result in the relevant PRC government regulators revoking or refusing to renew JV Tech Cos respective operating permits.

JV Tech Cos obtained exclusive operating rights by entering into exclusive cooperation agreements with PRC TV Stations who are 100% owned by different levels of branches of SARFT in Kunming and Taiyuan municipality. PRC TV Stations enjoy the right to provide broadcast television services in their territories. Any foreign-invested enterprise

incorporated in the PRC is prohibited from conducting a business that involves the transmission of broadcast television or the provision of cable access services. China Networks Media's contractual arrangements with Hetong and its shareholders provide it with the economic benefits of the JV Ad Cos. If SARFT determines that its control over Hetong, or relationship with the JV Ad Cos through those contractual arrangements is contrary to their generally restrictive approach towards foreign participation in the PRC broadcast television industry, there can be no assurance that SARFT will not reconsider JV Ad Cos' eligibility to hold exclusive rights to provide advertising services to PRC TV Stations. If that were to happen, China Networks Media might have to discontinue all or a substantial portion of its business pending the approval of exclusive service and operating rights on the required operating permit held by PRC TV Stations. In addition, if China Networks Media is found to be in violation of any existing or future PRC laws or regulations, the relevant regulatory authorities, including the SARFT, would have broad discretion in dealing with such violation, including:

- levying fines,
- confiscating its income,
- revoking the business licenses or operating licenses of its PRC affiliates and PRC TV Stations,
- requiring China Networks Media to restructure the relevant ownership structure or operations, and
  - requiring it to discontinue all or any portion of its operations.

Any of these actions could cause significant disruption to its business operations and may materially and adversely affect its business, financial condition and results of operations.

#### Risks Relating to the People's Republic of China

Adverse changes in economic policies of the PRC government could have a material adverse effect on the overall economic growth of the PRC, which could reduce the demand for China Networks Media's services and materially adversely affect its business.

All of China Networks Media's assets are located in and all of its revenue is sourced from the PRC. Accordingly, China Networks Media's business, financial condition, results of operations and prospects will be influenced to a significant degree by political, economic and social conditions in the PRC generally and by continued economic growth in the PRC as a whole.

The PRC economy differs from the economies of most developed countries in many respects, including the amount of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. Although the PRC government has implemented measures since the late 1970s emphasizing the utilization of market forces for economic reform, the reduction of state ownership of productive assets and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in the PRC is still owned by the PRC government. In addition, the PRC government continues to play a significant role in regulating industry development by imposing industrial policies. The PRC government also exercises significant control over the PRC's economic growth through the allocation of resources, controlling payment of foreign currency-denominated obligations, setting monetary policy and providing preferential treatment to particular industries or companies.

While the PRC economy has experienced significant growth over the past decade, growth has been uneven, both geographically and among various sectors of the economy. The PRC government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures benefit the overall PRC economy, but may also have a negative effect on China Networks Media. For example, China Networks Media's operating results and financial condition may be adversely affected by government control over capital investments or changes in tax regulations that are applicable to it.

Uncertainties in the interpretation and enforcement of PRC laws and regulations could limit the legal protections available to you and China Networks Media.

The PRC legal system is a civil law system based on written statutes. Unlike common law systems, it is a system in which legal decisions have limited value as precedents. In 1979, the PRC government began to promulgate a comprehensive system of laws and regulations governing economic matters in general. The overall effect of legislation over the past three decades has significantly increased the protections afforded to various forms of foreign or private-sector investment in the PRC. These laws and regulations change frequently, and their interpretation and enforcement involve uncertainties. For example, China Networks Media may have to resort to administrative and court proceedings to enforce the legal protections that it enjoys either by law or contract. However, since PRC administrative and court authorities have significant discretion in interpreting and implementing statutory and contractual terms, it may be more difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection China Networks Media enjoys than in more developed legal systems. These uncertainties may also impede China Networks Media's ability to enforce the contracts it has entered into. As a result, these uncertainties could materially adversely affect China Networks Media's business and operations.

Under the PRC's Enterprise Income Tax Law, it is unclear whether CN Holdings and China Networks Media will be classified as "resident enterprises" or "non-resident enterprises" of China. Depending on the classification, there could be certain unfavorable tax consequences to CN Holdings and China Networks Media and their non-PRC shareholders.

On March 16, 2007, the National People's Congress approved and promulgated a new tax law, the PRC Enterprise Income Tax Law, or "EIT Law," which took effect on January 1, 2008. The EIT Law and its implementation rules are relatively recent developments in the PRC and are ambiguous in terms of definitions, requirements and procedures. There is also a dearth of published official guidance with respect to the EIT Law, which makes it difficult at this stage to determine how the PRC tax authorities will interpret the provisions of the law and its implementing rules with respect to certain of the tax matters addressed below.

Pursuant to the EIT Law and its implementation rules, enterprises established outside the PRC whose actual management or control is located in the PRC can be considered "resident enterprises" for purposes of the EIT Law. According to the implementation rules of the EIT Law, "management" generally refers to the person or body of persons that exercises substantial and overall management and control over the manufacturing and business-operations, personnel, accounting and properties of an enterprise. China Networks Media's management is located in the PRC and is expected to remain located in the PRC in the future. Therefore, it is likely that China Networks Media and potentially CN Holdings could be considered "resident enterprises" by the PRC tax authorities. As indicated above, it is unclear as to how the PRC tax authorities will determine tax residency based on the facts of each case.

If the PRC tax authorities determine that CN Holdings or China Networks Media is a "resident enterprise" for purposes of the EIT Law:

- Such company would be subject to PRC enterprise income tax at a rate of 25 percent (the "EIT") on its worldwide income;
- Such company would be liable for the EIT on dividends it receives from subsidiaries unless such company is a "qualifying resident enterprise" and the dividend it receives is attributable to direct investment in another "qualifying resident enterprise" that is paying the dividend (it is unclear whether CN Holdings or China Networks Media would qualify as a "qualifying resident enterprise" in light of uncertainties of interpretation and lack of official guidance);
- Such company may be required to withhold a 10 percent PRC withholding tax on dividends it pays to non-resident enterprise shareholders (subject to possible reduction under an applicable income tax treaty); and

- Gains derived by non-resident enterprise shareholders upon disposition of shares of such company may be subject to a 10 percent PRC withholding tax (subject to possible reduction under an applicable income tax treaty).

Non-PRC shareholders may be entitled to a foreign tax credit with respect to the PRC withholding tax referred to above against their domestic income tax liability (subject to applicable conditions and limitations). Because of the lack of clarity and the complexities in interpretation associated with potential PRC tax liabilities, each holder of our securities should consult their own tax advisors regarding the applicability of any such taxes, the effects of any applicable income tax treaties, and any available foreign tax credits.

If CN Holdings or China Networks is classified as a “non-resident enterprise” for purposes of the EIT Law, PRC-source dividends received by them may be subject to a 10 percent PRC withholding tax. Under the EIT Law and its implementing rules, a withholding tax at the rate of 10 percent will normally apply to PRC-source dividends payable to investors who are “non-resident enterprises” — defined as enterprises that do not have an establishment or place of business in the PRC or that have such an establishment or place of business but the relevant income is not effectively connected with such establishment or place of business. Such withholding tax may be exempted or reduced by the State Council of the PRC or pursuant to a tax treaty between the PRC and the jurisdiction in which the non-resident enterprise resides.

Similar PRC tax considerations to those discussed above may pertain to Advertising Networks Ltd., (which also may be subject to local jurisdiction tax obligations). Although the arrangements with China Networks Media and CN Holdings have been structured with the advice of Chinese corporate and tax counsel to minimize the likelihood that these entities would be subjected to the unfavorable tax consequences described above, there can be no assurance that PRC governmental authorities will not consider them “resident enterprises.”

## Risks Relating to the Redomestication Merger

Following consummation of the Redomestication Merger, Alyst will become a BVI company and, because the rights of shareholders under BVI law differ from those under U.S. law, you may have fewer protections as a shareholder.

Following the consummation of the Redomestication Merger, the resulting company's corporate affairs will be governed by its Amended and Restated Memorandum and Articles of Association, the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands (the "Act") and the common law of the British Virgin Islands. Forms of CN Holdings' Amended and Restated Memorandum and Articles of Association are attached hereto as Annexes D and E, respectively. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary responsibility of the directors under BVI law are governed by the Act and the common law of the British Virgin Islands. The common law of the British Virgin Islands is derived in part from comparatively limited judicial precedent in the British Virgin Islands as well as from English common law, which has persuasive, but not binding, authority on a court in the British Virgin Islands. The rights of shareholders and the fiduciary responsibilities of directors under BVI law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the British Virgin Islands has a less prescriptive body of securities laws as compared to the United States, and some states (such as Delaware) have more fully developed and judicially interpreted bodies of corporate law. The rights of minority shareholders are set forth below in the section entitled "The Redomestication Proposal – Rights of Minority Shareholders."

BVI companies may not be able to initiate shareholder derivative actions, thereby depriving shareholders of the ability to protect their interests.

BVI companies may not have standing to initiate a shareholder derivative action in a federal court of the United States. The circumstances in which any such action may be brought, and the procedures and defenses that may be available in respect to any such action, may result in the rights of shareholders of a BVI company being more limited than those of shareholders of a company organized in the United States. Accordingly, shareholders may have fewer alternatives available to them if they believe that corporate wrongdoing has occurred. The BVI courts are also unlikely to recognize or enforce against CN Holdings' judgments of courts in the United States based on certain liability provisions of U.S. securities law and to impose liabilities against it, in original actions brought in the British Virgin Islands, based on certain liability provisions of U.S. securities laws that are penal in nature.

Although there is no statutory enforcement in the British Virgin Islands of judgments obtained in the United States, the courts of the British Virgin Islands will recognize a foreign judgment as the basis for a claim at common law in the British Virgin Islands provided:

- the U.S. court issuing the judgment had jurisdiction in the matter and the company either submitted to such jurisdiction or was resident or carrying on business within such jurisdiction and was duly served with process;
- the judgment given by the U.S. court was not in respect of penalties, taxes, fines or similar fiscal or revenue obligations of the company;
- in obtaining judgment there was no fraud on the part of the person in whose favor judgment was given or on the part of the court;
  - recognition or enforcement of the judgment in the BVI would not be contrary to public policy; and
  - the proceedings pursuant to which judgment was obtained were not contrary to natural justice.



Under the laws of the British Virgin Islands, there are some statutory provisions for the protection of minority shareholders under the Act. The principal protection under the Act is that shareholders may bring an action to enforce the Amended and Restated Memorandum and Articles of Association of CN Holdings. The Act sets forth the procedure to bring such a claim. Shareholders are entitled to have the affairs of the company conducted in accordance with the general law and the Amended and Restated Memorandum and Articles of Association. Pursuant to CN Holdings' constitutional documents, the company is obliged to hold an annual general meeting and provide for the election of directors. Companies are not obligated to appoint an independent auditor and shareholders are not entitled to receive the audited financial statements of the company.

There are common law rights for the protection of shareholders that may be invoked. Such rights have also now been given a statutory basis under the Act. For further discussion of the rights of minority shareholders, see the section entitled "The Redomestication Proposal — Rights of Minority Shareholders." The Common law rights are largely dependent on English company law, since the common law of the British Virgin Islands for business companies is limited. Under the general rule pursuant to English company law, a court will generally refuse to interfere with the management of a company at the insistence of a minority of its shareholders who express dissatisfaction with the conduct of the company's affairs by the majority or the board of directors. However, every shareholder is entitled to have the affairs of the company conducted properly according to law and the constituent documents of the corporation. As such, if those who control the company have persistently disregarded the requirements of company law or the provisions of the company's memorandum or articles of association, then the courts will grant relief. Generally, the areas in which the courts will intervene are the following:

- an act complained of which is outside the scope of the authorized business or is illegal or not capable of ratification by the majority,
  - acts that constitute fraud on the minority where the wrongdoers control the company,
  - acts that infringe on the personal rights of the shareholders, such as the right to vote, and
- where the company has not complied with provisions requiring approval of a special or extraordinary majority of shareholders, which are more limited than the rights afforded minority stockholders under the laws of many states in the United States.

## Risks Relating to Tax Matters

There is a risk that CN Holdings could be treated as a U.S. domestic corporation for U.S. federal income tax purposes after the Redomestication Merger and Business Combination, which could result in significantly greater U.S. federal income tax liability to CN Holdings.

Section 7874(b) (“Section 7874(b)”) of the Internal Revenue Code of 1986, as amended, provides that a corporation organized outside the United States which acquires, directly or indirectly, pursuant to a plan or series of related transactions, substantially all of the assets of a corporation organized in the United States will be treated as a domestic corporation for U.S. federal income tax purposes if shareholders of the acquired corporation, by reason of owning shares of the acquired corporation, own at least 80% (of either the voting power or the value) of the stock of the acquiring corporation after the acquisition. If Section 7874(b) were to apply to the Redomestication Merger, then CN Holdings, as the surviving entity, would be subject to U.S. federal income tax on its worldwide taxable income following the Redomestication Merger and Business Combination as if CN Holdings were a domestic corporation.

Although it is anticipated that Section 7874(b) should not apply to treat CN Holdings as a domestic corporation for U.S. federal income tax purposes, due to the absence of complete guidance on how the rules of Section 7874(b) apply to the transactions contemplated by the Redomestication Merger and Business Combination, this result is not free from doubt. As a result, stockholders and warrant holders are urged to consult their own tax advisors on this issue. For a more detailed discussion of the foregoing, see “Material United States Federal Income Tax Considerations—U.S. Federal Income Tax Consequences of the Redomestication Merger—Tax Consequences to Alyst and CN Holdings.”

It is anticipated that Alyst will recognize gain (but not loss) for U.S. federal income tax purposes as a result of the Redomestication Merger, which may result in increased U.S. federal income tax liability to Alyst.

It is anticipated that for U.S. federal income tax purposes, as to each of its assets, Alyst will recognize gain (but not loss) realized as a result of the Redomestication Merger in an amount equal to the excess (if any) of the fair market value of such asset over such asset’s adjusted tax basis at the effective time of the Redomestication Merger. Since any such gain will be determined based on the value of its assets at that time, the amount of such gain (and any U.S. federal income tax liability to Alyst by reason of such gain) cannot be determined at this time. If, as expected, former shareholders of Alyst will, by reason of their ownership of Alyst shares, own at least 60 % (but less than 80 %) of the shares of CN Holdings following the Redomestication Merger and Business Combination, Alyst will not be permitted to use any net operating losses otherwise available to Alyst to offset such gain. Stockholders and warrant holders are urged to consult their own tax advisors on this tax issue and other tax issues in connection with the Redomestication Merger. For a more detailed discussion of the foregoing, see “Material United States Federal Income Tax Considerations—U.S. Federal Income Tax Consequences of the Redomestication Merger—Tax Consequences to Alyst and CN Holdings.”

There is a risk that CN Holdings will be classified as a passive foreign investment company, or “PFIC,” which could result in adverse U.S. federal income tax consequences to U.S. holders of ordinary shares or warrants of CN Holdings.

CN Holdings will be treated as a PFIC for any taxable year in which either (1) at least 75% of its gross income (looking through certain corporate subsidiaries) is passive income or (2) at least 50% of the average value of its assets (looking through certain corporate subsidiaries) produce, or are held for the production of, passive income. Passive income generally includes dividends, interest, rents, royalties, and gains from the disposition of passive assets. If CN Holdings were a PFIC for any taxable year during which a U.S. holder held its ordinary shares or warrants, the U.S. holder may be subject to increased U.S. federal income tax liability and may be subject to additional reporting requirements. The actual PFIC status of CN Holdings for any taxable year, however, will not be determinable until after the end of its taxable year, and accordingly there can be no assurance as to the status of CN Holdings as a PFIC for the current taxable year or any future taxable year. We urge U.S. holders to consult their own tax advisors regarding the possible application of the PFIC rules. For a more detailed discussion of the foregoing, see “Material United States Federal Income Tax Considerations—U.S. Federal Income Tax Consequences to U.S. Holders of Ordinary Shares and Warrants of CN Holdings—Passive Foreign Investment Company Rules.”

The tax disclosure included as part of this Registration Statement expresses uncertainty as to certain tax issues and does not address all tax issues, including those that are dependent on future facts or events.

Due to the absence of complete guidance as to how the transactions contemplated by the Redomestication Merger and Business Combination and other transactions discussed in the tax disclosure would be treated for U.S. federal income tax purposes, there is a degree of uncertainty as stated in the tax disclosure with respect to the U.S. federal income tax consequences of certain of the tax matters considered therein. Moreover, certain tax matters that are discussed in the tax disclosure are dependent on future facts or events, such as whether CN Holdings will be classified as a PFIC for U.S. federal income tax purposes following the Redomestication Merger and Business Combination, and as to which no conclusion therefore can be expressed. Finally, no assurance can be given that positions contrary to those discussed in the tax disclosure may not be taken by the Internal Revenue Service (“IRS”) or a court considering the tax issues discussed in the tax disclosure. Accordingly, each stockholder and warrant holder is urged to consult its own tax advisor on the tax issues discussed in the tax disclosure and how they may relate to the holder’s particular circumstances. See “Material United States Federal Income Tax Considerations.”

#### Risks Relating to the Business Combination

Because CN Holdings is organized under the laws of the British Virgin Islands, it may be difficult to serve CN Holdings with legal process or enforce judgments against it, its directors or its management.

CN Holdings is organized under the laws of the British Virgin Islands. After the Business Combination, substantially all of its assets will be located outside of the United States, its principal executive offices will be located in China, and some of its directors and officers will reside outside the United States. As a result, it may be difficult or impossible for you to bring an action against CN Holdings or against its directors or its management in the United States if you believe that your rights have been infringed under securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of the British Virgin Islands and of other jurisdictions, including China, may prevent or restrict you from enforcing, or make it difficult to enforce, a judgment against CN Holdings’ assets or its directors and officers.

The price of CN Holdings' ordinary shares after the Business Combination may be volatile.

The price of CN Holdings' ordinary shares after the Business Combination may be volatile, and may fluctuate due to factors such as:

- actual or anticipated fluctuations in quarterly and annual results;
- limited operating history;
- mergers and strategic alliances in the television industry in China;
- market conditions in the industry;
- changes in U.S. or Chinese government regulation;
- fluctuations in CN Holdings' revenues and earnings and those of its competitors;
- shortfalls in CN Holdings' operating results from levels forecasted by securities analysts;
- announcements covering CN Holdings or its competitors; and
- the general state of the financial and capital markets.

The effects of the global financial crisis, which are far-reaching and difficult to predict, may adversely affect the ability to secure the requisite stockholder approval of the proposed transactions and the ability of China Networks Media to execute its business plan successfully.

Since the date of the Merger Agreement and the most recent audited financial statements included in this proxy statement/prospectus, the international capital markets have experienced severe volatility and exhibited overall significant declines in prices of equity securities, which events taken in combination with a freezing of international credit markets and lack of availability of private capital have led to severe constraints in private flows of capital. In addition, the alleged fraud perpetrated by Bernard Madoff has exacerbated a lack of confidence in global financial institutions and their oversight.

Alyst's ability to secure the necessary approval by stockholders of the Business Combination Proposal and the Redomestication Proposal may be adversely effected if certain investors vote against these proposals without regard to the merits thereof and choose to liquidate their investment in Alyst. In addition, the effects of the global financial crisis on the industry and geographic sectors that China Networks Media is engaged in are just beginning to become apparent and it is impossible to predict the full impact they may have on China Networks Media, including with respect to its expansion plans and the capital required to implement such strategy.

If shareholders sought to sue China Networks Media officers or directors, it may be difficult to obtain jurisdiction over the parties and access to the assets located in the PRC.

Because most of China Networks Media's officers and directors will reside outside of the United States, it may be difficult, if not impossible, to acquire jurisdiction over these persons in the event a lawsuit is initiated against such officers and directors by shareholders in the United States. It also is unclear if extradition treaties now in effect between the United States and the PRC would permit effective enforcement of criminal penalties of the federal securities laws. Furthermore, because substantially all of China Networks Media's assets are located in the PRC, it

would also be extremely difficult to access those assets to satisfy an award entered against CN Holdings in U.S. court. Moreover, Alyst has been advised that the PRC does not have treaties with the United States providing for the reciprocal recognition and enforcement of judgments of courts. As a result, it may not be possible for investors in the United States to enforce their legal rights, to effect service of process upon China Networks Media's directors or officers or to enforce judgments of U.S. courts predicated upon civil liabilities and criminal penalties of its directors and officers under Federal securities laws.

Alyst and China Networks Media have incurred and expect to incur significant costs associated with the Business Combination, whether or not the Business Combination is completed and the incurrence of these costs will reduce the amount of cash available to be used for other corporate purposes.

Alyst and China Networks Media expect to incur significant costs associated with the Business Combination. If the Business Combination is completed, they expect to incur an aggregate or approximately \$2.9 million in expenses. These expenses will reduce the amount of cash available to be used for other corporate purposes.

Alyst may waive one or more of the conditions to the Business Combination without resoliciting stockholder approval.

Alyst may agree to waive, in whole or in part, certain of the conditions to its obligations to complete the Business Combination, to the extent permitted by applicable laws. Conditions deemed to be material may not be waived, or may only be waived with stockholder consent. The board of directors of Alyst will evaluate the materiality of any waiver to determine whether amendment of this proxy statement/prospectus and resolicitation of proxies is warranted. In some instances, if the board of directors of Alyst determines that a waiver is not sufficiently material to warrant resolicitation of stockholders, Alyst has the discretion to complete the Business Combination without seeking further stockholder approval. A detailed discussion of the closing conditions is included under "The Business Combination Proposal — Terms of the Merger Agreement — Closing Conditions."

The combined company's working capital could be reduced if stockholders exercise their conversion rights.

Pursuant to Alyst's amended and restated certificate of incorporation, holders of shares purchased in Alyst's IPO (other than Alyst's initial stockholders) may vote against the Business Combination and demand that Alyst convert their shares into pro rata portions of the trust account, net of taxes payable, as of the record date. Alyst and China Networks Media will not consummate the Business Combination if holders of 2,413,320 or more publicly-held shares exercise these conversion rights. To the extent the Business Combination is consummated and holders have demanded to so convert their shares, there will be a corresponding reduction in the amount of funds available to the combined company following the Business Combination. As of April 30, 2009, assuming the Business Combination is approved, the maximum amount of funds that could be disbursed to Alyst's stockholders upon the exercise of their conversion rights is approximately \$18,980,148.

The working capital deficit of CN Holdings following the Business Combination could be substantial, especially if the combined company agrees to repurchase shares in order to secure approval of the Business Combination.

The unaudited pro forma condensed combined balance sheet for the CN Holdings on pages 36 and 37 reflects current liabilities in excess of total current assets for the combined company, assuming one share fewer than 30% of the public-trade shares of common stock are converted to cash. This deficit of working capital could grow substantially in the event the combined company repurchases substantial portions of its common stock after the consummation of the Business Combination or engages in other similar transactions. Unless CN Holdings is able to raise additional debt or equity capital or sell assets to obtain cash or other liquid assets, this working capital deficit could threaten the liquidity and growth of the combined company.

If outstanding warrants are exercised, the underlying common shares will be eligible for future resale in the public market. "Market overhang" from the warrants results in dilution and has an adverse effect on the ordinary shares' market price.

Outstanding warrants and unit purchase options to purchase an aggregate of 10,464,400 shares of common stock issued in connection with Alyst's IPO will become exercisable after consummation of the Business Combination. If they are exercised, a substantial number of additional ordinary shares of CN Holdings will be eligible for resale in the public market, which could adversely affect the market price.

Registration rights held by Alyst's initial stockholders who purchased shares prior to Alyst's IPO may have an adverse effect on the market price of CN Holdings.

Alyst's initial stockholders who purchased common stock prior to its IPO are entitled to demand that Alyst register the resale of their shares at any time after they are released from escrow. In addition, the investors in China Networks Media's bridge financing have the ability to request registration of the shares they will own subsequent to the consummation of the Business Combination on substantially the same terms as enjoyed by such shareholders. If such stockholders exercise their registration rights with respect to all of their shares, there will be an additional 2,730,000 ordinary shares eligible for trading in the public market. The presence of these additional shares may have an adverse effect on the market price of CN Holdings' ordinary shares.

Alyst's directors and officers have interests in the Business Combination that are different from yours, because if the Business Combination is not approved, their shares may become worthless.

In considering the recommendation of Alyst's Board of Directors to vote to approve the Business Combination, you should be aware that Alyst's directors, officers and initial stockholders have agreements or arrangements that provide them with interests in the Business Combination that differ from, or are in addition to, those of Alyst stockholders

generally. Alyst's initial stockholders, including its directors and officers, are not entitled to receive any of the funds that would be distributed upon liquidation of the trust account. Therefore, if the Business Combination is not approved, these original shares may become worthless. The personal and financial interests of directors and officers may have influenced their motivation in identifying and selecting a target business and in timely completion of a business combination. Consequently, their discretion in identifying and selecting a suitable target business may result in a conflict of interest when determining whether the terms, conditions and timing of a particular business combination are appropriate and in the best interests of Alyst's stockholders.

Because CN Holdings does not intend to pay dividends on its ordinary shares, stockholders will benefit from an investment in Alyst's common stock only if the ordinary shares of CN Holdings appreciate in value.

Alyst has never declared or paid any cash dividends on its shares of common stock. Post-merger, CN Holdings currently intends to retain all future earnings, if any, for use in the operations and expansion of the business. As a result, CN Holdings does not anticipate paying cash dividends in the foreseeable future. Any future determination as to the declaration and payment of cash dividends will be at the discretion of CN Holdings' Board of Directors and will depend on factors CN Holdings' Board of Directors deems relevant, including among others, CN Holdings' results of operations, financial condition and cash requirements, business prospects, and the terms of CN Holdings' credit facilities, if any, and any other financing arrangements. Accordingly, realization of a gain on stockholders' investments will depend on the appreciation of the price of CN Holdings' ordinary shares. There is no guarantee that CN Holdings' ordinary shares will appreciate in value.

CN Holdings may choose to convert Alyst's outstanding warrants at a time that is disadvantageous to the warrant holders.

Subject to there being a current prospectus under the Securities Act of 1933, CN Holdings may redeem all of Alyst's currently outstanding warrants at any time after they become exercisable at a price of \$.01 per warrant, upon a minimum of 30 days prior written notice of redemption, if and only if, the last sale price of China Networks Media's ordinary shares equals or exceeds \$11.50 per share for any 20 trading days within a 30-trading day period ending three business days before CN Holdings sends the notice of redemption. Calling all of such warrants for redemption could force the warrant holders:

- To exercise the warrants and pay the exercise price for such warrants at a time when it may be disadvantageous for the holders to do so;
- To sell the warrants at the then current market price when they might otherwise wish to hold the warrants; or
- To accept the nominal redemption price which, at the time the warrants are called for redemption, is likely to be substantially less than the market value of the warrants.

If funds in Alyst's trust account are used to purchase, directly or indirectly, common stock from holders thereof who have indicated an intention to vote against the Business Combination Proposal and convert their common stock into a pro rata share of the trust account, holders of common stock at the time of the consummation of the Business Combination who purchased their units in the IPO and have not converted their shares might attempt to rescind their purchases and assert a claim for damages therefor against Alyst, its directors and officers and the former directors and officers of Alyst.

The prospectus issued by Alyst in its IPO did not specifically disclose that funds in the trust account might be used to purchase common stock from holders thereof who have indicated their intention to vote against the Business Combination Proposal and convert their common stock into a pro rata share of the trust account. However, the IPO prospectus states that Alyst may use funds from the trust account to, among other things, enter into arrangements with third parties, or otherwise use available working capital, as may be necessary to effectuate a business combination. Nonetheless, use of the funds in the trust account to purchase common stock might be grounds for a holder of shares of common stock who purchased them in the IPO and still held them at the time of the consummation of the Business Combination without seeking to convert them into a pro rata share of the trust account to seek rescission of the purchase of the units acquired in the IPO. A successful claimant for damages under federal or state law could be awarded an amount to compensate for the decrease in value of his or her shares caused by the alleged violation (including, possibly, punitive damages), together with interest, while retaining the shares. There can be no assurance that any such claims would be pursued by stockholders or, if pursued, would be successful.



If holders of 2,413,320 or more of the shares of Alyst's common stock purchased in Alyst's IPO (which number represents 30% or more of the common stock sold in Alyst's IPO) decide to vote against the Business Combination and opt to convert their shares to cash, Alyst may be forced to dissolve and liquidate, stockholders may receive less than \$7.85 per share, and Alyst's warrants may expire worthless.

Under the terms of Alyst's amended and restated certificate of incorporation, if holders of 2,413,320 or more of the shares of Alyst's common stock purchased in Alyst's IPO (which number represents 30% of the common stock issued in its IPO) decide to vote against the acquisition and opt to convert their shares to cash, Alyst may ultimately be forced to dissolve and liquidate. Under its charter as currently in effect, if Alyst does not acquire at least majority control of a target business by June 29, 2009, Alyst will dissolve and distribute to its public stockholders the amount in the trust account plus any remaining net assets. Following dissolution, Alyst would no longer exist as a corporation. If Alyst does not consummate the acquisition of China Networks Media by that time, it will be forced to dissolve and liquidate in accordance with the provisions of Delaware law.

In any liquidation, the net proceeds of Alyst's IPO and private placement and the deferred underwriting compensation held in the trust account, plus any interest earned thereon (net of taxes payable), will be distributed on a pro rata basis to the holders of Alyst's common stock issued in Alyst's IPO. As of April 30, 2009, and assuming Alyst expended all of the funds not in the trust account, the per-share liquidation price would have been approximately \$7.88, or \$0.12 less than the price (\$8.00 per unit) that Alyst sold each unit for in its IPO. The proceeds deposited in the trust account could, however, become subject to the claims of Alyst's creditors which could be prior to the claims of Alyst's public stockholders. Notwithstanding the enforceability of any indemnity from Alyst's officers and directors, Alyst cannot assure you, that the actual per-share liquidation price will not be less than \$7.88, due to claims of creditors. Furthermore, in the event of liquidation, there will be no distribution with respect to Alyst's outstanding warrants and, accordingly, the warrants will expire worthless. As of April 30, 2009, Alyst has sufficient funds from available working capital to pay all creditors who have not waived their rights to seek payment from the trust, including its legal advisors, accountants and auditors, of the amounts owed to them. Alyst expects that it will continue to have sufficient working capital for additional amounts due to such creditors in the event the Business Combination is not consummated.

## SELECTED SUMMARY HISTORICAL FINANCIAL INFORMATION

You are being provided the following financial information to assist you in your analysis of the financial aspects of the Business Combination with China Networks Media. China Networks Media's historical, stand-alone results of operations prior to the acquisition of JV Ad Cos are insignificant and not reflective of the results of operations it anticipates immediately following the consummation of the proposed transactions included in this proxy statement/prospectus. Accordingly, selected summary historical financial information relating to the acquisition of JV Ad Cos has been provided to assist investors in evaluating the historical performance of these businesses.

Alyst's balance sheet data as of June 30, 2008 and the statements of operations data for the year then ended and for the periods from August 16, 2006 (inception) through June 30, 2007 and June 30, 2008, are derived from Alyst's financial statements audited by Marcum & Kliegman LLP, independent registered public accountants, which are included elsewhere in this proxy statement/prospectus.

Alyst's balance sheet data as of March 31, 2009, and the statements of operations data for the three and nine months ended March 31, 2009 are derived from Alyst's unaudited financial statements, which are included elsewhere in this proxy statement/prospectus.

China Networks Media's balance sheet data as of December 31, 2008 and 2007 and the statements of operations data for the year ended December 31, 2008 and for the period from March 30, 2007 (inception) to December 31, 2008 are derived from China Networks Media's financial statements audited by UHY LLP, independent registered public accountants, which are included elsewhere in this proxy statement/prospectus.

China Networks Media's balance sheet data as of March 31, 2009 and the statement of operations data for the three months ended March 31, 2009 are derived from China Networks Media's unaudited financial statements, which are included elsewhere in this proxy statement/prospectus.

PRC TV Stations' balance sheet data as of December 31, 2008 and 2007 and the statement of operations data for the year ended December 31, 2008 and 2007 are derived from PRC TV Stations' financial statements audited by UHY Vocation HK CPA Limited, independent registered public accountants, which are included elsewhere in this proxy statement/prospectus.

The selected financial information of China Networks Media, PRC TV Stations, and Alyst is only a summary and should be read in conjunction with each company's historical financial statements and related notes and "China Networks Media Limited's Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Alyst Management's Discussion and Analysis of Financial Condition or Plan of Operations" contained elsewhere in this proxy statement/prospectus. The "carve-out" historical financial statements of Kunming Television Station – Advertising Center and Yellow River Television Station – Advertising Center contained herein were derived by PRC TV Station management of the respective JV Cos from the financial statements of such PRC TV Stations in order to demonstrate the financial results of the Advertising Centers if operated as a stand-alone business during the periods presented. The information presented may not be indicative of future performance of China Networks Media, PRC TV Stations, CN Holdings or the combined companies resulting from the Redomestication Merger and the Business Combination.

## ALYST HISTORICAL FINANCIAL INFORMATION

	For the nine months ended March 31, 2009	For the three months ended March 31, 2009	For the year ended through June 30, 2008	For the period from August 16, 2006 (inception) through March 31, 2009	For the period from August 16, 2006 (inception) through June 30, 2008
<b>Statement of Operations</b>					
<b>Data:</b>					
Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Formation and operating costs	537,452	234,477	319,003	861,303	323,851
Loss from operations	(537,452)	(234,477)	(319,003)	(861,303)	(323,851)
Interest income, net	601,144	119,927	2,426,933	3,029,613	2,428,469
Income (loss) before provision for income taxes	63,692	(114,550)	2,107,930	2,168,310	2,104,618
Benefit (provision) for income taxes	(38,848)	41,443	(951,394)	(990,846)	(951,998)
Net income (loss)	\$ 24,844	\$ (73,107)	\$ 1,156,536	\$ 1,177,464	\$ 1,152,620
Accretion of trust income related to common stock subject to possible conversion	(33,872)	(25,044)	-	(33,872)	-
Net income (loss) attributable to common stockholders	\$ (9,028)	\$ (98,151)	\$ 1,156,536	\$ 1,143,592	\$ 1,152,620
Basic and diluted net income (loss) per share	\$ (0.00)	\$ (0.01)	\$ 0.16		
Weighted average number of shares outstanding excluding shares subject to possible conversion - basic and fully diluted	7,381,081	7,381,081	7,319,371		

As of  
March 31, 2009

As of  
June 30, 2008

<b>Balance Sheet Data:</b>			
Total assets	\$	65,146,211	\$ 64,838,909
Total Liabilities	\$	741,483	\$ 459,025
Common Stock Subject to Possible Conversion	\$	18,980,148	\$ 18,946,276
Total Stockholders' equity	\$	45,424,580	\$ 45,433,608



KUNMING TELEVISION STATION – ADVERTISING CENTER AND  
YELLOW RIVER TELEVISION STATION – ADVERTISING CENTER COMBINED CARVE-OUT HISTORICAL  
FINANCIAL  
INFORMATION

	Year ended December 31, 2008	Year ended December 31, 2007	Year ended December 31, 2006	Year ended December 31, 2005
<b>Statements of Operations Data:</b>				
Revenue	\$ 13,129,328	\$ 17,715,149	\$ 14,861,899	\$ 14,406,251
Cost of Revenue	(3,564,532)	(3,572,541)	(3,467,815)	(1,925,034)
Gross Profit	9,564,796	14,142,608	11,394,084	12,481,217
Other Income	-	28,802	102,261	10,337
Selling, General and Administrative Expenses	2,468,316	(1,712,931)	(1,607,264)	(1,376,299)
Income Before Income Taxes	7,096,480	12,458,479	9,889,081	11,115,255
Income Taxes	-	-	-	-
Net Income	\$ 7,096,480	\$ 12,458,479	9,889,081	\$ 11,115,255

	As of December 31, 2008	December 31, 2007	December 31, 2006	December 31, 2005
<b>Balance Sheet Data:</b>				
Total Assets	\$ 2,627,223	\$ 3,670,398	\$ 2,428,815	\$ 2,282,025
Total Liabilities	\$ 1,711,540	\$ 2,995,317	\$ 2,177,276	\$ 2,141,950
Total Equity	\$ 915,633	\$ 675,081	\$ 251,539	\$ 140,075

## CHINA NETWORKS MEDIA, LTD. HISTORICAL FINANCIAL INFORMATION

	For the three months ended March 31, 2009 (Unaudited)	Year ended December 31, 2008	For the period from March 30, 2007 (inception) to December 31, 2007
<b>Income Statement Data:</b>			
Net Revenue	\$ 4,962,683	\$ 4,344,012	\$ -
Cost of revenue	965,839	950,257	-
Operating expenses	1,266,553	3,264,683	31,220
Income (loss) from operations	2,730,291	129,072	(31,220)
Other income (expense)			
Other expense	(29,243)	(5,723)	-
Interest expense	(1,701,109)	(3,027,511)	-
Interest income	14,587	132,180	-
Gain on Extinguishment of debt	1,328,861	-	-
	(386,904)	(2,901,054)	-
Income Tax	829,150	637,691	-
Net income (loss)	1,514,238	(3,409,673)	(31,220)
Net income attributable to the non-controlling interest	(1,416,164)	(1,127,391)	-
Net income (loss) attributable to shareholders	\$ 98,074	\$ (4,537,064)	\$ (31,220)

	As of March 31, 2009 (Unaudited)	December 31, 2008	December 31, 2007
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<b>Balance Sheet Data:</b>			
Total assets	\$ 48,486,220	\$ 46,269,332	\$ 36,731
Total liabilities	\$ 45,567,686	\$ 45,697,690	\$ 66,951
Noncontrolling Interest	\$ 3,492,052	\$ 1,257,807	\$ -
Total stockholders' equity (deficit)	\$ (573,518)	\$ (686,165)	\$ (30,220)

ALYST ACQUISITION CORP./CHINA NETWORKS INTERNATIONAL HOLDINGS LTD.  
CHINA NETWORKS MEDIA LTD.  
CHINA NETWORKS MEDIA, LTD. (CARVE-OUT)

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2008 AND THE NINE MONTHS ENDED MARCH 31, 2009

The following unaudited pro forma condensed combined financial statements of Alyst Acquisition Corp./China Networks International Holdings Ltd. (“CN Holdings”), China Networks Media, Ltd. (“CN Networks”) and China Networks Media, Ltd. (Carve-out) (“CN Media”) are provided to assist you in your analysis of the financial aspects of the transactions described in the agreement and plan of merger, dated August 13, 2008 (“Merger Agreement”).

The unaudited pro forma condensed combined statement of operations for the year ended June 30, 2008 combines the historical statements of operations of CN Holdings, CN Networks and CN Media giving effect to the acquisition as if it had occurred on July 1, 2007.

The unaudited pro forma condensed combined statement of operations for the nine months ended March 31, 2009 combines the historical statements of operations of CN Holdings, CN Networks and CN Media giving effect to the acquisition as if it had occurred on July 1, 2008.

The unaudited pro forma condensed combined balance sheet combines the historical balance sheets of CN Holdings, CN Networks and CN Media giving effect to the transactions described in the merger agreement as if they had occurred on March 31, 2009.

The pro forma adjustments give effect to events that are directly attributable to the transactions discussed below and that have a continuing impact on the operations of CN Holdings and are based on available data and certain assumptions that management believes are factually supportable. In addition, the effects of the Redomestication Merger have been treated as if it occurred at the beginning of each period for which a pro forma statement of operations is presented and as of the date of the pro forma balance sheet presented below.

The unaudited pro forma condensed combined financial statements described above should be read in conjunction with the historical consolidated financial statements of Alyst for the period August 16, 2006 (Inception) to June 30, 2007 and the year ended June 30, 2008 and the related notes thereto, the historical financial statements of CN Networks for the period March 30, 2007 (Inception) to December 31, 2008 and the unaudited historical financial statements for the three months ended March 31, 2009 and the related notes thereto and the historical special purpose combined carve-out financial statements of CN Media for the years ended December 31, 2007, 2006 and 2005 and in conjunction with the unaudited historical financial statements of Alyst for the three and nine months ended March 31, 2009 and 2008 and the related notes thereto, the CN Networks consolidated financial statements for the year ended December 31, 2008 and the related notes thereto, the CN Networks unaudited condensed consolidated historical financial statements and related notes thereto, the unaudited historical financial statements of CN Media for the twelve months ended December 31, 2008 and the related notes thereto and the CN Networks unaudited condensed consolidated historical financial statements for the three months ended March 31, 2009 and related notes thereto which are contained elsewhere in this proxy statement. The appropriate historical periods derived from CN Networks financial statements were added and subtracted to arrive at the appropriate periods included in these pro forma statements of operations.

The following table is the derivation of the historical unaudited pro forma condensed combined statement of operations of China Networks Media, LTD. (Carve - out) for the twelve months ended June 30, 2008:

	China Networks Media LTD. (Carve - out)			
	A	B	C	A+B-C
	Six months ended June 30, 2008 Historical	Year ended December 31, 2007 Historical	Six months ended June 30, 2007 Historical	Year ended June 30, 2008 Derived

Revenues	\$ 8,772,248	\$ 18,987,149	\$ 9,664,794	\$ 18,094,603
Cost or revenue	3,037,439	4,844,541	1,948,853	5,933,127
General and administrative	1,032,904	1,712,931	818,524	1,927,311
Operating income (loss)	4,701,905	12,429,677	6,897,417	10,234,165
Other income	-	28,802	-	28,802
NET INCOME	4,701,905	12,458,479	6,897,417	10,262,967



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The following table is the derivation of the historical unaudited pro forma condensed combined statement of operations of China Networks Media, LTD. (CN BVI Company) for the nine months ended March 31, 2009:

China Networks Media LTD. (CN BVI Company)				
	A	B	C	A+B-C
	Twelve months	Six months	Three months	Nine months
	ended	ended June	ended March	ended March
	December 31,	30, 2008	31, 2009	31, 2009
	2008	Historical	Historical	Derived
	Historical	Historical	Historical	Derived
Revenue, net	\$ 4,344,012	\$ -	\$ 4,962,683	\$ 9,306,695
Cost of revenue and amortization	950,257	-	965,839	1,916,096
General and administrative expense	3,264,683	96,932	1,266,553	4,434,304
Operating income (loss)	129,072	(96,932)	2,730,291	2,956,295
Other income (expense)			-	
Other expense	(5,723)	-	(29,243)	(34,966)
Interest expense	(3,027,511)	-	(1,701,109)	(4,728,620)
Interest income	132,180	-	14,587	146,767
	(2,901,054)	-	(1,715,765)	(4,616,819)
			-	
Net income (loss) before non-controlling interest	(2,771,982)	(96,932)	1,014,526	(1,660,524)
Non-controlling interest	(1,127,391)	-	(1,416,164)	(2,543,555)
Net income (loss) before income taxes	(3,899,373)	(96,932)	(401,638)	(4,204,079)
Provision for income taxes	637,691	-	829,150	1,466,841
NET INCOME (LOSS)	\$ (4,537,064)	\$ (96,932)	\$ (1,230,788)	\$ (5,670,920)

The following table is the derivation of the historical unaudited pro forma condensed combined statement of operations of China Networks Media, LTD. (Carve-out) for the six months ended December 31, 2008, which is included in the combined condensed unaudited results for the nine months ended March 31, 2009. The results of these entities are for the three months ended March 31, 2009 are included in the CN BVI Company results for the three months ended March 31, 2009:

China Networks Media LTD. (Carve out)			
	A	B	A-B
	Twelve months	Six months	Six months
	ended	ended June 30,	ended
	December 31,	ended June 30,	December 31,
	2008	2008	2008
	Historical	Historical	Derived
Revenue, net	\$ 12,802,713	\$ 7,911,771	\$ 4,890,942
Cost of revenue and amortization	3,237,917	2,176,962	1,060,955
General and administrative expense	2,468,316	1,032,904	1,435,412
Net income (loss) before non-controlling interest	7,096,480	4,701,905	2,394,575
Non-controlling interest	(3,548,240)	(2,350,953)	(1,197,288)

NET INCOME	\$	3,548,240	\$	2,350,952	\$	1,197,287
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On August 13, 2008, CN Holdings entered into an Agreement and Plan of Merger (the "Merger Agreement") with CN Networks, and specified other persons, providing for, among other things, the redomestication of Alyst from the State of Delaware to the British Virgin Islands (the "Redomestication Merger") and the merger of a wholly-owned subsidiary of Alyst into CN Networks (the "Business Combination"). Consummation of the transactions contemplated by the Merger Agreement are conditioned upon, among other things, (i) approval of the Redomestication Merger and the Business Combination by our shareholders and (ii) approval of the Merger Agreement and the Business Combination by the shareholders of CN Networks. In connection with the Redomestication Merger, all of the holders of our common stock outstanding immediately prior to the Redomestication Merger will receive, on a one-for-one basis, ordinary shares of CN Holdings in exchange for their Alyst common stock, and all units, warrants and other rights to purchase Alyst common stock immediately prior to the Redomestication Merger will be exchanged for substantially equivalent securities of CN Holdings at the rate set forth in the Merger Agreement. For this pro forma presentation, the ratio is assumed to be 1:1.

CN Networks is a provider of broadcast television advertising services in the People's Republic of China ("PRC"), operating joint-venture partnerships with PRC state-owned television broadcasters in Kunming and Taiyuan (collectively, "PRC TV Stations"). It manages these regional businesses through a series of joint ventures and contractual arrangements to sell broadcast television advertising time slots and so-called "soft" advertising opportunities to local advertisers directly and through advertising agencies and brokers. CN Networks assists PRC TV Stations in selling advertising time slots and "soft" advertising opportunities to national advertisers, specifically by offering multi-region campaigns to maximize value and cut costs these national advertisers would otherwise face when dealing with individual stations on a station by station basis. It also provides advisory services to PRC TV Stations to help optimize the impact that their program scheduling and content has on their key advertising demographics. CN Networks owns 100% of Advertising Networks Ltd., a Hong Kong holding company that owns the PRC joint-venture partnerships that provide these services to the PRC TV Stations.

In the Business Combination, (upon consummation of the Redomestication Merger) it is assumed that on closing CN Network shareholders will receive aggregate merger consideration of (i) 2,880,000 shares of CN Holdings ordinary shares and (ii) an aggregate of \$17,000,000 in cash in exchange for their shares of preferred and common stock. Further, upon the satisfaction of certain financial performance milestones set forth in the Merger Agreement in each of the three years ending after the consummation of the Merger. CN Holdings could be obligated for the payment of additional contingent consideration to the shareholders of CN Networks comprised of (i) cash payment of \$3,000,000 and 2,850,000 ordinary shares for year 1 (ii) \$3,000,000 and 3,075,000 ordinary shares for year 2 and (iii) 3,075,000 for year 3 of CN Holdings upon the attainment of certain financial milestones in each year, as defined in the Merger Agreement.

In addition, up to approximately \$22,110,000 of the potential proceeds from the exercise of the post-merger CN Holdings' warrants (which are to be issued in exchange for Alyst IPO and insider warrants with similar terms and conditions upon consummation of the Business Combination) would be payable to the holders of ordinary and preferred shareholders of CN Networks. The cash amount payable to these holders upon exercise of the warrants represents up to 66% of the actual cash proceeds to be received upon exercise, if any. For purposes of these unaudited pro forma financial statements, management is unable to determine if and/or when we would receive proceeds from the exercise of these warrants. Therefore, no proceeds on warrant exercises can be assumed and consequently any future payments related to this provision would be considered to be contingent purchase price payments.

For purposes of these unaudited pro forma financial statements, we have applied the provisions of Statement of Financial Standards ("SFAS") No. 141, "Business Combinations", since the fiscal year of Alyst commenced on July 1, 2008 and the merger would close within this fiscal year (no later than June 29, 2009). Therefore, none of the aforementioned contingent consideration has been included in the total purchase price for CN Networks.

There remain a number of conditions to completion of the Business Combination with CN Networks and there is no guarantee that the Merger Agreement will be approved by our stockholders or the shareholders of CN Networks. In addition, in connection with the transaction, CN Holdings has filed with the SEC a registration statement on Form S-4 in connection with the proposed Redomestication Merger, and Alyst has filed a preliminary and, will file a definitive, proxy statement in connection with the solicitation of proxies for the Special Meeting of stockholders to approve the Merger Agreement and related transactions. If Alyst's stockholders do not approve the Merger Agreement, Alyst may continue to pursue other target business candidates time permitting, or will be required to return the trust funds balance to the holders of our shares issued in our IPO, as described elsewhere herein.

Consummation of the Business Combination is conditioned upon, among other things, the Alyst stockholders adopting and approving the merger. If Alyst stockholders owning 30% or more of the common stock sold in the IPO vote against the merger and exercise their right to convert their shares of Alyst common stock issued in the IPO into a pro rata portion of the funds held in the trust account, then the merger would not be consummated. Consequently, up to 2,414,319 common shares of Alyst, representing 30% of the 8,044,400 shares of Alyst common stock minus one share

issued in the IPO are subject to possible conversion in this manner. This would represent an aggregate maximum conversion liability of \$18,980,148 as of March 31, 2009 which Alyst may be required to pay from the trust account under certain circumstances. As indicated in the pro forma balance sheet as of March 31, 2009 which follows, Alyst would have adequate cash resources to satisfy this liability.

These pro forma financial statements have been presented using two assumptions, as follows:

- Assuming no conversions – under this assumption, no holders of Alyst’s common stock sold in the IPO seek to convert their shares into a pro rata share of the trust account, and
- Assuming maximum conversions – under this assumption, holders of 30% minus one share of Alyst’s common stock sold in the IPO seek to convert their shares into a pro rata share of the trust account.

The total merger consideration as of March 31, 2009 determined based upon the pro forma assumptions contained herein is as follows:

<b>Total Purchase Price and Consideration:</b>	
Cash – CN Network Preferred Shareholders	\$ 7,000,000
Cash – CN Network Common Shareholders	10,000,000
980,000 shares of Alyst/CN Holdings common stock (\$7.86 per share) issuable to CN Network Preferred Shareholders	7,708,000
1,900,000 shares of Alyst/CN Holdings common stock (\$7.86 per share) issuable to CN Network Common Shareholders	14,943,000
Consideration to selling stockholders on closing	39,651,000
Acquisition and closing costs	2,902,000
Total Purchase Price	42,553,000
Assumption of Bridge Loan Indebtedness (including allocation to preferred stock)	27,991,000
Total Purchase Price, including assumption of indebtedness	\$ 70,544,000

The following are the components of the gross contingent consideration payable by year assuming the attainment in that year of annual financial performance milestones as defined in the merger agreement, based upon the trust account value per share of \$7.865 as of March 31, 2009:

	Total	Year 1	Year 2	Year 3
Cash	\$ 6,000,000	\$ 3,000,000	\$ 3,000,000	\$ —
Issuance of shares to CN Network holders	70,783,000	22,415,000	24,184,000	24,184,000
Amount	\$ 76,783,000	\$ 25,415,000	\$ 27,184,000	\$ 24,184,000
Shares of common stock	9,000,000	2,850,000	3,075,000	3,075,000

In addition, as described above, up to an additional \$22,110,000 would be payable from the exercise of CN Holdings warrant proceeds.

#### Recent accounting changes

SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements, will apply to financial statements for fiscal years and interim periods within those fiscal years, beginning on or after December 15, 2008. Therefore SFAS No 160 will apply to our post merger consolidated financial statements for our fiscal year beginning July 1, 2009. Had the provisions of SFAS No. 160 been applicable to these unaudited pro forma condensed combined financial statements, then the Noncontrolling interest liability as of March 31, 2009 in the amount of \$3,492,052 (to the extent that it is reported as equity in the subsidiaries financial statement) would have been required to be shown within equity, separately from the parent’s equity. Revenues, expenses, gains, losses, net income or net loss, and other comprehensive income will be reported in the consolidated financial statements at the consolidated amounts, which

include the amounts attributable to the owners of the parent and the noncontrolling interest, which is consistent with the current accounting methodology. However, under the new rules, losses attributable to the parent and the noncontrolling interest in a subsidiary may exceed their interests in the subsidiary's equity. The excess, and any further losses attributable to the parent and the noncontrolling interest, will be attributed to those interests. That is, the noncontrolling interest will continue to be attributed its share of losses even if that attribution results in a deficit noncontrolling interest balance.

The Unaudited Pro Forma Condensed Combined Financial Statements reflect that the Alyst/CN Holdings acquisition of 100% of CN Networks and CN Media is accounted for under the purchase method of accounting in accordance with SFAS No. 141. Based upon a preliminary allocation, utilizing currently available information and contingent upon the closing of the merger transaction and other necessary transactions, the excess of purchase price of assets acquired over their carrying value as of March 31, 2009 has been allocated entirely to Contractual and Program Rights in the amount of \$42,522,861 (excluding contingent consideration of up to \$76,783,000 based upon future operating results and up to \$22,110,000 of proceeds from the exercise of CN Holdings warrants). All other assets and liabilities acquired are preliminarily estimated to be stated at their fair values, which approximates their recorded historical cost. It is contemplated that the Redomestication Merger should be a reorganization within the meaning of Section 368(a) of the U.S. Internal Revenue Code of 1986, as amended. It is also contemplated that the Redomestication Merger should have no adverse U.S. federal income tax consequences to the shareholders of Alyst. However, Alyst should recognize taxable gain (but not loss) to the extent (if any) that the fair market value of each of its assets exceeds the adjusted tax basis of such asset at the effective time of the merger for income tax purposes. Since any such gain will be determined based on the value of the relevant Alyst assets at the effective time of the Redomestication Merger for U.S. federal income tax purposes, the amount of such gain cannot be determined at this time.

Upon the closing of the merger, CN Holdings will engage a firm to prepare a final valuation of the acquired assets and liabilities. At such time as the valuation is complete, CN Holdings will adjust the allocation of the purchase price among the acquired assets and assumed liabilities to reflect the final valuation as prescribed by SFAS No. 141. While Alyst does not anticipate any material changes to this preliminary allocation, material changes may occur. The principal assets that may be subject to adjustment upon closing are the Program Rights, or the identification of other intangible assets not previously considered, including goodwill.

ALYST ACQUISITION CORP./CHINA NETWORKS INTERNATIONAL HOLDINGS LTD.  
AND CHINA NETWORKS MEDIA LTD.  
UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET  
March 31, 2009

Assets	Alyst	China	Pro Forma Adjustments—no		Pro Forma	Pro Forma	Pro Forma	Pro Forma	Pro Forma	
	Acquisition	Networks	conversion	conversion	Combined-no	maximum	allowable	adjustments-Combining	Maximum Allowable	
	Corp./China	Media,	Dr	Cr	Notes	conversion	conversion	Notes	Conversion	
	International	LTD. (CN								
	Holdings	BVI								
	LTD.	Company)								
Current assets:										
Cash and cash equivalents	\$ 716,618	\$ 12,941,200	\$ 63,518,925	\$ 22,633,980	7	\$ 54,542,763	\$ -	\$ 18,980,148	8	\$ 35,560,000
Cash held in trust account, interest available for working capital and taxes	251,733	-	-	251,733	1	-	-	-		
Accounts receivable, net	-	1,447,037	-	-		1,447,037	-	-		1,447,037
Receivable from television stations	-	906,531	-	-		906,531	-	-		906,531
Other receivables and prepaid expenses	13,807	749,734	-	-		763,541	-	-		763,541
Loan receivable from related party	-	1,311,111	-	-		1,311,111	-	-		1,311,111
Total current assets	982,158	17,355,613	63,518,925	22,885,713		58,970,983	-	18,980,148		39,990,834
Trust Account:										



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Cash held in trust account, restricted	63,267,192	-	-	63,267,192	-	-	-
Property and equipment, net	-	132,988	-	-	132,988	-	-
Intangible assets - Program and Contractual rights	-	27,307,154	-	-	27,307,154	-	-
Film library and program inventory	-	2,543,579	-	-	2,543,579	-	-
Goodwill	-	-	42,552,861	-	5,7	42,552,861	-
Deferred target acquisition and financing costs	896,861	1,146,886	-	896,861	5	1,146,886	-
<b>Total assets</b>	<b>\$ 65,146,211</b>	<b>\$ 48,486,220</b>	<b>\$ 106,071,786</b>	<b>\$ 87,049,766</b>	<b>\$ 132,654,451</b>	<b>\$ -</b>	<b>\$ 18,980,148</b>

ALYST ACQUISITION CORP./CHINA NETWORKS INTERNATIONAL HOLDINGS LTD.  
AND CHINA NETWORKS MEDIA LTD.  
UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET  
March 31, 2009

	Alyst Acquisition Corp./China Networks International Holdings LTD.	China Networks Media, LTD and Subsidiaries	Pro Forma Adjustments - no conversion		Notes	Pro Forma Combined-no conversion	Pro Forma Adjustments - maximum allowable conversion		Notes
			Dr	Cr			Dr	Cr	
Liabilities:									
Accounts payable	-	598,694	-	-		\$ 598,694			\$
Prepaid expenses	-	15,210,862	-	-		15,210,862	-	-	
Deposits	-	292,047	-	-		292,047	-	-	
Other	741,483	3,261,760	960,000	-	4	3,043,243	-	-	
Interest	-	1,791,468	-	-		1,791,468	-	-	
Accrued	-	503,442	-	-		503,442	-	-	
Equity, net	-	23,231,039	-	-		23,231,039	-	-	
Total	741,483	44,889,312	960,000	-		44,670,795	-	-	
Equity	-	3,492,052	-	-		3,492,052	-	-	
Other	-	678,374	-	-		678,374	-	-	
Stock, possible									
Value	18,980,148	-	18,980,148	-	2	-	18,980,148	18,980,148	8,9
Equities	19,721,631	49,059,738	19,940,148	-		48,841,221	18,980,148	18,980,148	
Equity									
Stock	-	490	490	-		-	-	-	
Stock	738	950	950	529	2,5	1,267	241	-	8
Paid-in	44,246,378	3,951,599	2,668,980	41,632,059	2,3,5	87,161,056	18,979,907	-	9
Reserves	1,177,464	(4,470,210)	-	-		(3,292,746)	-	-	

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and other								
ive	-	(56,347)	-	-	(56,347)	-	-	
olders'	45,424,580	(573,518)	2,670,420	41,632,588	83,813,230	18,980,148	-	
ies and								
'equity	\$ 65,146,211	\$ 48,486,220	\$ 22,610,568	\$ 41,632,588	\$ 132,654,451	\$ 37,960,296	\$ 18,980,148	\$ 1

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NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS  
March 31, 2009

Balance Sheet pro forma notes  
assuming no conversions:

Note 1	To reflect release of cash held in trust		
	Increase	Cash and cash equivalents	\$ 63,518,925
	Decrease	Cash held in trust account, interest available for working capital and taxes	(251,733)
	Decrease	Cash held in trust account- restricted	(63,267,192)
Note 2	To record reversal of conversion liability upon consummation of merger		
	Decrease	Common stock subject to conversion	\$ 18,980,148
	Increase	Par Value	(241)
	Increase	Additional Paid-in Capital ("APIC")	(18,979,907)
Note 3	To record additional underwriters compensation payable upon consummation of merger		
	Decrease	APIC-3.277% underwriters commission	\$ 2,108,980
	Decrease	APIC-non-accountable expense allowance	560,000
	Decrease	Cash	(2,668,980)
Note 4	To record contractual payment of bridge loan placement fee for CN Network on consummation of merger		
	Decrease	Accrued expenses	\$ 960,000
	Decrease	Cash	(960,000)
Note 5	To record Purchase Price consideration to be paid and incurred on closing:		
	Increase	Goodwill	\$ 40,547,861
	Decrease	Cash	(17,000,000)
	Increase	Common Stock - CN Holdings	(288)
	Decrease	Preferred Stock - China Networks Media Ltd.	490
	Decrease	Common Stock - China Networks Media Ltd.	950
	Increase	APIC	(22,652,152)
	Decrease	Deferred target acquisition costs	(896,861)
Note 6	Not Used		
Note 7	To record estimated contractual additional deal costs to be incurred in the period from November 1, 2008 to the merger closing date		
	Decrease	Goodwill	2,005,000
	Decrease	Cash	(2,005,000)
(a)	These estimated additional deal costs include legal and accounting - \$1,000,000; investment banking fees - \$880,000; and printing and other - \$125,000.		
Assuming maximum conversion:			

Note 8	To reinstate the conversion liability – full redemption assumption		
	Decrease	Par Value	\$ 241
	Decrease	APIC	18,979,907
	Increase	Common stock subject to redemption	(18,980,148)
Note 9	To reflect cash payment in satisfaction of redemption liability		
	Increase	Common stock subject to redemption	\$ 18,980,148
	Decrease	Cash	(18,980,148)

ALYST ACQUISITION CORP./CHINA NETWORKS INTERNATIONAL HOLDINGS LTD.  
AND CHINA NETWORKS MEDIA LTD.  
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS  
Nine Months Ended March 31, 2009

	Alyst Acquisition Corp./China Networks International Holdings LTD			China Networks Media, LTD. (CNM Media, LTD Pro Forma Adjustments - no conversion)			China Networks Media, LTD Pro Forma Adjustments - no conversion			Pro Forma Adjustments - maximum conversion		Pro Forma Combined-no conversion	
				Dr	Cr	Notes			Dr	Cr	Notes		
Income, net	\$ -	\$ 9,306,695	\$ 4,890,942	\$ -	\$ -		\$ 14,197,637	\$ -	\$ -			\$ 14,197,637	
Operating revenue	-	1,916,096	1,060,955	-	-		2,977,051	-	-			2,977,051	
Operating and administrative - non-recurring transaction	537,452	4,434,304	1,435,412	-	14,281	F	6,392,887	-	-			6,392,887	
Operating income	(537,452)	2,956,295	2,394,575	-	(14,281)		4,827,699	-	-			4,827,699	
Income (expense):													
Operating income	567,272	146,767	-	179,000	-	C	535,039	170,000	-	E		365,039	
Operating expense	-	(4,728,620)	-	-	-		(4,728,620)	-	-			(4,728,620)	
Other income (expense), net	-	(34,966)	-	-	-		(34,966)	-	-			(34,966)	
Income (loss) before taxes	567,272	(4,616,819)	-	(179,000)	-		(4,228,547)	170,000	-			(4,058,547)	
Income (loss) before taxes - non-recurring transaction	29,820	(1,660,524)	2,394,575	(179,000)	(14,281)		599,152	(170,000)	-			429,152	
Income (loss) before taxes	-	(2,543,555)	(1,197,288)	-	-	G	(3,740,843)	-	-			(3,740,843)	
Income (loss) before taxes	29,820	(4,204,079)	1,197,287	(179,000)	(14,281)		(3,141,691)	(170,000)	-			(3,311,691)	
Income (loss) before taxes - non-recurring transaction	(38,848)	(1,466,841)	-	599,000	38,848	B,F	(2,065,841)	-	-			(2,065,841)	
INCOME (LOSS)	\$ (9,028)	\$ (5,670,920)	\$ 1,197,287	\$ (778,000)	\$ 53,129		\$ (5,207,532)	\$ (170,000)	\$ -			\$ (5,377,532)	
Pro forma weighted average common shares outstanding:													
Initial	7,381,081				5,293,319	H	12,674,400	2,413,319		I		10,261,081	
Final	7,381,081				8,447,243	H	15,828,324	2,413,319		I		13,411,643	
Pro forma income per share:							\$ (0.41)					\$ (0.41)	

	\$	(0.33)	\$
ma book value			
nmon share	\$	6.61	\$

ALYST ACQUISITION CORP./CHINA NETWORKS MEDIA LTD.  
 UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS  
 Year Ended June 30, 2008

	China Networks Media, LTD. (Carve-Out)		China Networks Media, LTD. (Carve-Out)		Pro Forma Adjustments - no conversion		Pro Forma Adjustments - maximum allowable conversion		Pro Forma Combined
	Alyst Acquisition Corp.	China Networks Media, LTD. (Carve-Out)	China Networks Media, LTD. (Carve-Out)	Pro Forma Adjustments - no conversion	Pro Forma Adjustments - no conversion	Pro Forma Adjustments - maximum allowable conversion	Pro Forma Adjustments - maximum allowable conversion	Pro Forma Combined	
				Dr	Cr		Dr	Cr	
Revenues, net	\$ -	\$ -	\$ 18,094,603	\$ -	\$ -	\$ 18,094,603	\$ -	\$ -	\$ 18,094,603
Operating revenue			5,933,127	896,000	-	6,829,127	-	-	6,829,127
Operating and administrative and									
amortization	319,003	128,152	1,927,311	-	52,175	2,322,291	-	-	2,322,291
Operating income	(319,003)	(128,152)	10,234,165	(896,000)	52,175	8,943,185	-	-	8,943,185
Other income (expense):									
Interest income	2,426,933	-	-	766,000	-	1,660,933	728,000	-	932,933
Interest expense	-	-	-	3,535,000	-	(3,535,000)	-	-	(3,535,000)
Other income (expense), net	-	-	28,802	-	-	28,802	-	-	28,802
Income (loss) before income taxes	2,426,933	-	28,802	(4,301,000)	-	(1,845,265)	728,000	-	(2,573,330)
Income taxes									
Income taxes - controlling interest	2,107,930	(128,152)	10,262,967	5,197,000	52,175	7,097,920	728,000	-	6,369,920
Income taxes - noncontrolling interest	-	-	-	3,848,000	-	(3,848,000)	-	-	(3,848,000)
Income (loss) before income taxes	2,107,930	(128,152)	10,262,967	9,045,000	52,175	3,249,920	728,000	-	2,521,920
Income taxes	(951,394)	-	-	2,566,000	951,394	(2,566,000)	-	-	(2,566,000)
NET INCOME (LOSS)	\$ 1,156,536	\$ (128,152)	\$ 10,262,967	\$ 11,611,000	\$ 1,003,569	\$ 683,920	\$ 728,000	\$ -	\$ (444,080)
Weighted average common shares outstanding:									
Basic	7,381,081				5,293,319	12,674,400	2,413,319		10,261,081
Diluted	7,381,081				8,607,653	15,988,734	2,413,319		13,575,052
Basic pro forma income per common share:									



	\$	0.05	\$	0
ed	\$	0.04	\$	0

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS  
June 30, 2008 and March 31, 2009

Income Statement Pro Forma Notes to Pro Forma Statements of Operations for the year ended June 30, 2008 and nine months ended March 31, 2009

Assuming no conversions:

			Nine months ended March 31, 2009	Year ended June 30, 2008
Note A	To record amortization - contract rights			—\$ 896,600
Note B	To record estimated PRC income tax provision on carve-outs			
	Expense	Income Tax Expense	\$ 599,000	\$ 2,566,000
Note C	To adjust interest income for impact on application towards merger			
	Expense	Interest Income *	\$ 179,000	\$ 766,000
	Expense	Interest Expense and loan cost amortization **		—\$ 3,535,000
Note D	To reflect Non-controlling interest expense associated with carved out entities on earnings of merger			
	Expense	Non controlling interest expense ***	\$	\$ 3,848,000
Note F	To eliminate income tax provision assuming status BVI entity			
	Income	General and Administrative	\$ (14,281)	\$ (52,175)
	Income	Income Tax Provision	\$ (38,848)	\$ (951,394)

Note G

The following is the derivation of the combined pro forma Non-controlling interest expense for the nine month period ended March 31, 2009. The Non-controlling interest, as illustrated below, arises from the joint venture related operations conducted in the PRC, and does not apply to China Networks Media (CN BVI Company and non-joint venture entities) and other indirect results of operations. Therefore the Non-controlling interest does not bear a normal relationship to combined pro forma results of operations.

	A	B	C	A+B+C=D	E
	China Networks Media LTD. (CN BVI Company and non-joint venture entities)	CN Joint Ventures Actual results 9 months ended 3.31.09	Trustee company and its joint ventures Actual results 9 months ended 3.31.09	Consolidated China Networks Media, Ltd. 9 months ended 3.31.09	Carve-out results of Kunming and Yellow River TV Stations Advertising Centers 7.1.08 - 12.31.08
Income (loss) before non-controlling interest	\$ (5,786,866)	\$ 3,165,575	\$ 960,767	\$ (1,660,524)	\$ 2,394,575
Percentage of Non-Controlling interest	0%	50%	100%		50%
Non-controlling interest	\$ 0	\$ (1,582,788)	\$ (960,767)	\$ (2,543,555)	\$ (1,197,288)

Assuming full conversions:

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			Nine months ended March 31, 2009	Year ended June 30, 2008
Note E	To adjust impact on interest income for conversion liability assuming full conversion			
	Expense	Interest income	\$ 170,000	\$ 728,000

Note C - details of calculation:

		Nine months ended March 31, 2009	Year ended June 30, 2008
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\* Reduction of interest income on trust account for the period per Alyst historical financial statements

Interest income on trust account for the period per Alyst historical financial statements		\$ 567,272	\$ 2,426,933
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Cash assumed to be expended on Business Combination -			
Contractual payment to sellers			
- assumed at beginning of period	\$	17,000,000	
Bridge Loan Payment - fees on closing		960,000	
Closing costs and fees		2,005,000	
	\$	19,965,000	

Approximate trust account balance	\$	63,267,000	
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% of total trust account allocated to Business Combination		31.60%	
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Estimated reduction to interest income resulting from payment of purchase price		\$ 179,000	\$ 766,000
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\*\* Assumed interest expense and loan costs, if Bridge Loan was consummated at beginning of earliest period, July 1, 2007

Interest rate		10%	
Loan	\$	27,990,200	
Per annum interest (including estimate of accretion of debt discount)		2,799,000	
Debt Issuance costs assuming closing of	\$	2,613,765	

**Business Combination**

Amount allocated to preferred shares and charged to Additional paid-in capital

(406,902)

Deferred loan costs to be amortized to expense

\$ 2,206,863

Contractual life of loan in years

3

Annual estimated amortization

736,000

Interest expense and financing cost

(a) \$ 3,535,000

(a) No adjustment required - actual amounts included in historical results of operations.