

If you are in any doubt as to any aspect of this supplemental circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Advanced Card Systems Holdings Limited**, you should at once hand this supplemental circular together with the enclosed revised proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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This supplemental circular, for which the directors of Advanced Card Systems Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to Advanced Card Systems Holdings Limited. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this supplemental circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this supplemental circular misleading.



Advanced Card Systems Holdings Limited

龍傑智能卡控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8210)

SUPPLEMENTAL CIRCULAR RELATING TO RE-ELECTION OF RETIRING DIRECTORS AT THE ANNUAL GENERAL MEETING AND SUPPLEMENTAL NOTICE OF THE ANNUAL GENERAL MEETING

This supplemental circular should be read together with the circular issued by the Company to the shareholders of the Company (the “**Shareholders**”) dated 9 March 2015 (the “**Circular**”) and the notice of the annual general meeting of Advanced Card Systems Holdings Limited (the “**Company**”) to be held at Units 2010–2013, 20th Floor, Chevalier Commercial Centre, 8 Wang Hoi Road, Kowloon Bay, Hong Kong on Wednesday, 29 April 2015 at 3:30 p.m. (the “**AGM**”) is set out on pages 29 to 33 of the Circular. A supplemental notice of the AGM dated 2 April 2015 is set out on pages 9 and 10 of this supplemental circular. A revised proxy form (the “**Revised Proxy Form**”) is also enclosed with this supplemental circular for use at the AGM. The proxy form despatched with the Circular (the “**Original Proxy Form**”) is superseded by the Revised Proxy Form enclosed herewith.

Whether or not you intend to attend the AGM in person, you are requested to complete and return the Revised Proxy Form in accordance with the instructions printed thereon. Completion and return of the Revised Proxy Form will revoke and supersede the Original Proxy Form but will not preclude you from attending and voting at the AGM or any adjournment thereof if you so wish and in such event, the proxy shall be deemed to be revoked.

This supplemental circular will remain on the GEM website at <http://www.hkgem.com/> on the “Latest Company Announcements” page for at least seven days from the day of its posting.

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

Capitalised terms used herein shall have the same meanings as those defined in the Circular unless the context requires otherwise. In addition, in this supplemental circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM Notice”	the notice dated 9 March 2015 for convening the AGM as set out on pages 29 to 33 of the Circular
“Audit Committee”	the audit committee of the Company
“Circular”	the circular dated 9 March 2015 issued by the Company to the Shareholders, relating to, amongst others, proposed general mandates to issue shares and repurchase shares and re-election of retiring Directors
“Closing Time”	a time which is not less than 48 hours before the time appointed for the AGM or any adjournment
“controlling shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Group”	the Company and its subsidiaries
“Latest Practicable Date”	1 April 2015, being the latest practicable date prior to the printing of this supplemental circular for ascertaining certain information containing herein
“Nomination Committee”	the nomination committee of the Company
“Original Proxy Form”	the proxy form which has been sent to the Shareholders on 9 March 2015 together with the Circular and the accompanying AGM Notice
“PRC”	the People’s Republic of China, which for the purpose of this circular excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Remuneration Committee”	the remuneration committee of the Company
“Revised Proxy Form”	the revised proxy form enclosed with this supplemental circular
“substantial shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Supplemental Notice of AGM”	the supplemental notice dated 2 April 2015 for convening the AGM as set out on pages 9 to 10 of this supplemental circular
“U.S.A.”	the United States of America



Advanced Card Systems Holdings Limited

龍傑智能卡控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8210)

Executive Directors:

Ms. Tsui Kam Ling (*Chairman*)

Mr. Wong Chi Ho

Mr. Wong Chi Kit

Mr. Tan Keng Boon

Independent Non-executive Directors:

Ms. Kaung Cheng Xi Dawn

Mr. Lo Kar Chun

Mr. Wong Yick Man Francis

Mr. Yim Kai Pung

Registered Office:

Ugland House

P.O. Box 309

George Town

Grand Cayman

Cayman Islands

British West Indies

*Head Office and Principal Place
of Business:*

Units 2010–2013, 20th Floor

Chevalier Commercial Centre

8 Wang Hoi Road

Kowloon Bay

Hong Kong

2 April 2015

To the Shareholders

Dear Sir or Madam,

**SUPPLEMENTAL CIRCULAR RELATING TO THE RE-ELECTION OF
RETIRING DIRECTORS AT THE ANNUAL GENERAL MEETING
AND
SUPPLEMENTAL NOTICE OF THE ANNUAL GENERAL MEETING**

INTRODUCTION

This supplemental circular should be read together with the Circular which contains, among other matters, information relating to the re-election of the retiring Directors at the AGM. Unless otherwise defined in this supplemental circular, capitalised terms used herein shall have the same meanings as those defined in the Circular.

* For identification purpose only

LETTER FROM THE BOARD

The purpose of this supplemental circular is: (a) to provide you with further information regarding (i) the change in the resolution to consider and approve the re-election of retiring Directors and (ii) the arrangement for the Original Proxy Form and the Revised Proxy Form; and (b) to give you a Supplemental Notice of AGM, which is set out on pages 9 and 10 of this supplemental circular.

RE-ELECTION OF RETIRING DIRECTORS

It was stated in the Circular that in accordance with Article 112 of the Existing Articles of Association, Mr. Wong Yiu Chu and Mr. Wong Yick Man Francis, being the longest serving Directors since their last re-election, will retire by rotation at the AGM. Mr. Wong Yick Man Francis, who does not offer himself for re-election due to his wish to devote more time to voluntary social services, will retire at the AGM. In addition, in accordance with Article 95 of the Existing Articles of Association, Mr. Yim Kai Pung, as new Director appointed during the year, will retire at the AGM and, being eligible, offer himself for re-election.

The Company announced on 24 March 2015 that, inter alia, Mr. Wong Chi Ho, Mr. Wong Chi Kit and Ms. Kaung Cheng Xi Dawn were appointed as new Directors on 24 March 2015. In addition, the Company announced on 31 March 2015 that, inter alia, Mr. Wong Yiu Chu passed away and ceased to be a Director on 30 March 2015.

Pursuant to Article 112 of the Existing Articles of Association, Mr. Tan Keng Boon and Mr. Wong Yick Man Francis, being the longest serving Directors since their last re-election, will retire by rotation at the AGM. Mr. Tan Keng Boon will, being eligible, offer himself for re-election. Mr. Wong Yick Man Francis who does not offer himself for re-election, will retire at the AGM.

In addition, in accordance with Article 95 of the Existing Articles of Association, Mr. Yim Kai Pung, Mr. Wong Chi Ho, Mr. Wong Chi Kit and Ms. Kaung Cheng Xi Dawn, as new Directors appointed after the last annual general meeting of the Company, will retire at the AGM and, being eligible, offer themselves for re-election.

In view of the above, the resolution numbered 3(a) relating to the re-election of the retiring Directors as set out in the AGM Notice in the Circular will be revised as set out in the Supplemental Notice of the AGM.

Details of Mr. Yim Kai Pang, the retiring Director who is proposed to be re-elected at the AGM, are set out in Appendix II to the Circular. Details of Mr. Wong Chi Ho, Mr. Wong Chi Kit, Mr. Tan Keng Boon and Ms. Kaung Cheng Xi Dawn, the other retiring Directors who are proposed to be re-elected at the AGM, are set out below:

Mr. Wong Chi Ho, aged 36, is an executive Director, a Co-Chief Executive Officer of the Company and the Chairman of the Nomination Committee, and was appointed on 24 March 2015. He is also a director of Advanced Card Systems (The Philippines) Limited, a subsidiary of the Group. He joined the Group in July 2013. He is involved in the development of the Group's smart card and smart card reader technologies. Mr. Wong Chi Ho has over eight years of engineering work experience in Silicon Valley, California, U.S.A., where he worked for Qualcomm Technologies, Inc., Nvidia Corporation, and Sun Microsystems Inc. Mr. Wong Chi Ho obtained a Master of Science in Management, Science and Engineering degree from Stanford University in

LETTER FROM THE BOARD

California, U.S.A. in January 2005 as well as Bachelor of Science in Engineering in Electrical Engineering (Summa Cum Laude) and Master of Science in Engineering in Electrical Engineering degrees from The University of Michigan at Ann Arbor in Michigan, U.S.A. in April 2001 and April 2002, respectively. Mr. Wong Chi Ho passed Level 3 of the CFA Study and Examination Program exam of the CFA Institute. He is the son of Ms. Tsui Kam Ling and the brother of Mr. Wong Chi Kit.

Mr. Wong Chi Ho has entered into a service agreement with the Company for a term of two years from 24 March 2015 to 23 March 2017, subject to his retirement and re-election at the forthcoming annual general meeting of the Company in accordance with the Existing Articles of Association. Under the agreement, either party may terminate the agreement at any time by giving to the other not less than three months' prior written notice. Under the service agreement, his monthly salary is HK\$89,000 per month which is determined with reference to market rate. Mr. Wong Chi Ho is entitled to a discretionary management bonus from the Company.

As at the Latest Practicable Date, Mr. Wong Chi Ho is interested in 14,148,052 Shares within the meaning of Part XV of the SFO which represents approximately 4.98% of the total issued share capital of the Company.

Save as disclosed above, Mr. Wong Chi Ho has not held any other major appointment or directorship in other listed public companies in the last three years, nor does he have any relationship with any Director, senior management, substantial shareholder or controlling shareholder of the Company. Mr. Wong Chi Ho does not hold other positions with the Company or other members of the Group.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to any of the requirements under Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters relating to his re-election as a Director that need to be brought to the attention of the Shareholders.

Mr. Wong Chi Kit, aged 31, is an executive Director, a Co-Chief Executive Officer of the Company and a member of the Remuneration Committee, and was appointed on 24 March 2015. He is also a director of Advanced Card Systems (The Philippines) Limited, a subsidiary of the Group. He joined the Group in October 2008 as the Vice President of Global Sales. Mr. Wong Chi Kit became the head of business development of the Group in 2013 and he is currently in charge of the Group's smart card solutions business, providing e-purse, automatic fare collection, retail and loyalty, and payment solutions. Mr. Wong Chi Kit graduated with a Bachelor of Arts degree with Distinction, double majoring in Psychology and Economics from The University of Michigan at Ann Arbor in Michigan, U.S.A. in December 2004. He is the son of Ms. Tsui Kam Ling and the brother of Mr. Wong Chi Ho.

Mr. Wong Chi Kit has entered into a service agreement with the Company for a term of two years from 24 March 2015 to 23 March 2017, subject to his retirement and re-election at the forthcoming annual general meeting of the Company in accordance with the Existing Articles of Association. Under the agreement, either party may terminate the agreement at any time by giving to the other not less than three months' prior written notice. Under the service agreement, his monthly salary is HK\$89,000 per month which is determined with reference to market rate. Mr. Wong Chi Kit is entitled to a discretionary management bonus from the Company.

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As at the Latest Practicable Date, Mr. Wong Chi Kit is interested in 22,232,000 Shares within the meaning of Part XV of the SFO which represents approximately 7.83% of the total issued share capital of the Company. Of these Shares, 14,088,000 Shares are held by Mr. Wong Chi Kit, and 8,144,000 Shares are held his spouse personally. Mr. Wong Chi Kit is taken to be interested in the Shares held by his spouse by virtue of Part XV of the SFO.

Save as disclosed above, Mr. Wong Chi Kit has not held any other major appointment or directorship in other listed public companies in the last three years, nor does he have any relationship with any Director, senior management, substantial shareholder or controlling shareholder of the Company. Mr. Wong Chi Kit does not hold other positions with the Company or other members of the Group.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to any of the requirements under Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters relating to his re-election as a Director that need to be brought to the attention of the Shareholders.

Mr. Tan Keng Boon, aged 56, joined the Group in October 1999 as a full-time consultant of the Group and has been a full-time employee and the chief technical officer of the Group since May 2003 and an executive Director since 25 October 2003. He is also a director of several subsidiaries of the Group. Mr. Tan is responsible for the implementation of a technical sales and marketing programme for existing and prospective customers of the Group. He has been involved actively in defining the product development road map of the Group and leading the engineering team in the development of new products. Previously, Mr. Tan worked for Gemplus Technologies Asia Pte Ltd. and De La Rue Systems Asia Pte Ltd., both of which were subsidiaries of established companies in the smart card industry. Mr. Tan obtained a bachelor of engineering degree from the National University of Singapore in 1983.

Mr. Tan has entered into a service agreement with the Company for a term of two years until 26 October 2016, subject to his retirement and re-election at the annual general meeting of the Company in accordance with the Existing Articles of Association. Under the service agreement, either party may terminate the agreement at any time by giving to the other not less than three months' prior written notice. His monthly salary is determined with reference to market rate. Mr. Tan is entitled to a discretionary management bonus from the Company. The remuneration, including salary, discretionary bonus and retirement scheme contribution, payable to Mr. Tan during the year ended 31 December 2014 amounted to approximately HK\$1,066,000.

As at the Latest Practicable Date, Mr. Tan is interested in 157,893 Shares personally within the meaning of Part XV of the SFO which represents approximately 0.06% of the total issued share capital of the Company.

Save as disclosed above, Mr. Tan Keng Boon has not held any other major appointment or directorship in other listed public companies in the last three years, nor does he have any relationship with any Director, senior management, substantial shareholder or controlling shareholder of the Company. Mr. Tan Keng Boon does not hold other positions with the Company or other members of the Group.

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Save as disclosed above, there is no other information that needs to be disclosed pursuant to any of the requirements under Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters relating to his re-election as a Director that need to be brought to the attention of the Shareholders.

Ms. Kaung Cheng Xi Dawn, aged 34, is an independent non-executive Director and was appointed as on 24 March 2015. She is also a member of the Audit Committee and the Nomination Committee. She is a Sales Director at Avery Dennison Hong Kong B.V. since September 2014. Prior to joining Avery Dennison Hong Kong B.V. as Senior Manager of Global Supply Chain in February 2013, Ms. Kaung worked as an Associate with McKinsey & Company from November 2010 to January 2013. Previously, Ms. Kaung worked at Dell Inc. group of companies in U.S.A. and Singapore from July 2003 to August 2008. Ms. Kaung obtained her Master in Business Administration degree from Harvard University in Massachusetts, U.S.A. in May 2010. She also received her Master of Science in Management Science and Engineering degree from Stanford University in California, U.S.A. in June 2003 and her Bachelor of Science in Engineering in Industrial and Operations Engineering (Summa Cum Laude) degree from The University of Michigan at Ann Arbor in Michigan, U.S.A. in April 2002.

Ms. Kaung has entered into an appointment letter with the Company for a term of two years from 24 March 2015 to 23 March 2017, subject to her retirement and re-election at the forthcoming annual general meeting of the Company in accordance with the Existing Articles of Association. Ms. Kaung is entitled to a director's emoluments of HK\$10,000 per month, which is determined with reference to market rate. She is not entitled to any bonus payment from the Company.

As at the Latest Practicable Date, Ms. Kaung was not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Kaung has not held any other major appointment or directorship in other listed public companies in the last three years, nor does she have any relationship with any Director, senior management, substantial shareholder or controlling shareholder of the Company. Ms. Kaung does not hold other positions with the Company or other members of the Group.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to any of the requirements under Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters relating to his re-election as a Director that need to be brought to the attention of the Shareholders.

SUPPLEMENTAL NOTICE OF AGM AND REVISED PROXY FORM

The AGM will be held at Units 2010–2013, 20th Floor, Chevalier Commercial Centre, 8 Wang Hoi Road, Kowloon Bay, Hong Kong on Wednesday, 29 April 2015 at 3:30 p.m. as originally scheduled. As a result of the change in Directors to be retired and offered for re-election at the AGM subsequent to the dispatch of the Circular containing the AGM Notice and the Original Proxy Form, a Supplemental Notice of AGM is set out on pages 9 to 10 of this supplemental circular and the Revised Proxy Form containing such change is enclosed with this supplemental circular. Save as disclosed above, all the resolutions originally proposed in the Circular will remain unchanged.

LETTER FROM THE BOARD

Whether or not you are able to attend the meeting, you are requested to complete the Revised Proxy Form in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not later than the Closing Time. Special arrangements about completion and submission of the Revised Proxy Form are set out in the Appendix to this supplemental circular. Shareholders who have appointed or intend to appoint proxies to attend the AGM are requested to pay attention to such arrangements set out in the Appendix.

Completion and return of the Original Proxy Form and/or the Revised Proxy Form will not preclude you from attending and voting at the AGM should you so wish and in such event, the proxy shall be deemed to be revoked.

RECOMMENDATION

In addition to the recommendation contained in the Circular, the Directors also consider that the proposed re-election of Mr. Wong Chi Ho, Mr. Wong Chi Kit, Mr. Tan Keng Boon and Ms. Kaung Cheng Xi Dawn as Directors as set out in this supplemental circular are in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix to this supplemental circular.

By order of the Board
Advanced Card Systems Holdings Limited
Tsui Kam Ling
Chairman

SPECIAL ARRANGEMENT ABOUT COMPLETION AND SUBMISSION OF THE REVISED PROXY FORM

A Shareholder who has not yet lodged the Original Proxy Form with the Company's Hong Kong branch share registrar and transfer office is requested to lodge the Revised Proxy Form with the instructions printed thereon if the Shareholder wishes to appoint proxy/proxies to attend the AGM on its/his/her behalf. In this case, the Original Proxy Form should not be lodged with the Company's Hong Kong branch share registrar and transfer office.

A Shareholder who has already lodged the Original Proxy Form with the Company's Hong Kong branch share registrar and transfer office should note that:

- (i) if no Revised Proxy Form is lodged with the Company's Hong Kong branch share registrar and transfer office, the Original Proxy Form, if correctly completed, will be treated as a valid proxy form lodged by the Shareholder. The proxy so appointed by the Shareholder will be entitled to vote at his discretion or abstain on any resolution properly put to the AGM other than those referred to in the AGM Notice (as supplemented by the Supplemental Notice of AGM) and the Original Proxy Form (as revised by the Revised Proxy Form); or
- (ii) if the Revised Proxy Form is lodged with the Company's Hong Kong branch share registrar and transfer office before the Closing Time, the Revised Proxy Form, if correctly completed, will be treated as a valid proxy form lodged by the Shareholder and will revoke and supersede the Original Proxy Form previously lodged by him; or
- (iii) if the Revised Proxy Form is lodged with the Company's Hong Kong branch share registrar and transfer office after the Closing Time, or if lodged before the Closing Time but is incorrectly completed, the Revised Proxy Form will be invalid and in the latter case, the validity of the Revised Proxy Form will be subject to the discretion of the Board. Whether or not the Revised Proxy Form is valid, it will revoke the Original Proxy Form previously lodged by The Shareholder, and any vote that may be cast by the purported proxy appointed under the Original Proxy Form will not be counted in any poll which may be taken on a proposed resolution. **Accordingly, Shareholders are advised to complete the Revised Proxy Form carefully and lodge the Revised Proxy Form before the Closing Time.** If such Shareholders wish to vote at the AGM, they will have to attend in person and vote at the AGM themselves.

Shareholders are reminded that completion and delivery of the Original Proxy Form and/or the Revised Proxy Form will not preclude Shareholders from attending and voting at the AGM or any adjourned meeting should they so wish. Shareholders who have appointed or intend to appoint proxy/proxies to attend the AGM are requested to pay attention to the special arrangements set out above.



Advanced Card Systems Holdings Limited

龍傑智能卡控股有限公司*

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(Stock Code: 8210)

**SUPPLEMENTAL NOTICE OF
THE ANNUAL GENERAL MEETING**

This notice is supplemental to the notice of the annual general meeting (the “**AGM Notice**”) published on 9 March 2015 by the Company to convene the annual general meeting (the “**AGM**”) at Units 2010–2013, 20th Floor, Chevalier Commercial Centre, 8 Wang Hoi Road, Kowloon Bay, Hong Kong on Wednesday, 29 April 2015 at 3:30 p.m..

Details of the proposed resolutions to be considered at the AGM were stated in the AGM Notice. Unless otherwise stated, terms defined herein shall have the same meanings as those defined in the circular of the Company dated 9 March 2015 (the “**Circular**”). Apart from the amendments stated below, all the information contained in the AGM Notice remains to be valid and effective.

Due to the matters as set out in the supplemental circular of the Company dated 2 April 2015 (the “**Supplemental Circular**”), the following resolution numbered 3(a) stated in the AGM Notice should be deleted in its entirety and replaced by the following:

- “3. (a) To re-elect the following retiring directors of the Company:
- (i) Mr. Wong Chi Ho;
 - (ii) Mr. Wong Chi Kit;
 - (iii) Mr. Tan Keng Boon;
 - (iv) Ms. Kaung Cheng Xi Dawn;
 - (v) Mr. Yim Kai Pung.”

* For identification purpose only

SUPPLEMENTAL NOTICE OF AGM

Save as set out above, all resolutions contained in the AGM Notice shall remain to have full force and effect.

By order of the Board
Advanced Card Systems Holdings Limited
Tsui Kam Ling
Chairman

Hong Kong, 2 April 2015

Notes:

1. A revised proxy form (the “**Revised Proxy Form**”) is enclosed with the supplemental circular of the Company dated 2 April 2015. The proxy form despatched together with the Circular is superseded by the Revised Proxy Form. Please refer to the appendix to the Supplemental Circular for special arrangements about completion and submission of the Revised Proxy Form.
2. Please refer to the AGM Notice for details of the other ordinary resolutions to be passed at the AGM, proxy and other relevant matters.