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## **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: 2086)**

### **PROFIT WARNING**

This announcement is made by Advanced Card Systems Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company would like to inform the shareholders of the Company and potential investors that based on the unaudited management accounts of the Group for the five months ended 31 May 2016 and other information currently available, the Group is expected to record a net loss for the six months ending 30 June 2016, as compared with the net profit recorded for the corresponding period of 2015, due to the following reasons:

- (1) there was a receipt of benefit amounted to US\$1.3 million (equivalent to HK\$10.1 million) under life insurance policy for the late Mr. Wong Yiu Chu in the corresponding period of 2015 as disclosed in the Company’s announcements dated 14 and 26 May 2015, the amount was one-off in nature that no such income was recorded in 2016;
- (2) there was significant decrease in revenue as compared with the corresponding period of 2015 due to postponement of placement of orders by clients in the first half of 2016 as a result of global economy downturn; and
- (3) there was a non-recurring loss of approximately HK\$5.5 million (which included expenses incurred amounting to approximately HK\$3.6 million and provision made for redundancy and termination payment to staff of approximately HK\$1.9 million) as a result of the internal restructuring of the Group as disclosed in the Company’s announcement dated 11 May 2016.

\* *For identification purposes only*

This announcement is made solely on the basis of the preliminary assessment made by the management of the Group with reference to the unaudited management accounts of the Group for the five months ended 31 May 2016 and information currently available. Such information has not been audited or reviewed by the Company's auditor and is subject to finalisation and adjustments. Further details of the Group's performance will be provided in an announcement of the interim results of the Group for the six months ending 30 June 2016, which is expected to be published in mid-August 2016. Shareholders and potential investors are advised to read the interim results announcement of the Company when it is published.

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

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

Hong Kong, 24 June 2016

*As at the date of this announcement, the board of directors of the Company comprises three executive Directors, namely Ms. Tsui Kam Ling, Mr. Wong Chi Ho and Mr. Wong Chi Kit, and three independent non-executive Directors, namely Ms. Kaung Cheng Xi Dawn, Mr. Lo Kar Chun, SBS, JP and Mr. Yim Kai Pung.*