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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this 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 circular together with the enclosed form of proxy 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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This 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 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 circular misleading.

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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: 8210)**

**PROPOSALS FOR**  
**GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES**  
**AND**  
**RE-ELECTION OF THE RETIRING DIRECTORS**  
**AND**  
**NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of Advanced Card Systems Holdings Limited to be held at Room 732, 7/F, International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon on Wednesday, 21 May 2014 at 3:00 p.m. is set out on pages 13 to 17 of this circular. Whether or not you intend to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting, or any adjourned meeting, should they so wish.

This circular will remain on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for at least 7 days from the day of its posting.

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## CHARACTERISTICS OF GEM

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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

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*In this circular, the following expressions have the following meanings unless the context requires otherwise:*

“AGM”	the annual general meeting of the Company to be held at Room 732, 7/F, International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon on Wednesday, 21 May 2014 at 3:00 p.m.
“Board”	the board of Directors
“Company”	Advanced Card Systems Holdings Limited, an exempted company incorporated in the Cayman Islands on 13 April 2000 with limited liability under the Companies Law (Revised) of the Cayman Islands, the Shares of which are listed on GEM
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the resolution approving the Issue Mandate
“Latest Practicable Date”	21 March 2014, being the latest practicable date of ascertaining certain information contained in this circular prior to its publication
“Repurchase Mandate”	the general mandate to exercise the power of the Company to repurchase shares up to a maximum of 10% of the issued share capital of the Company as at the date of the resolution approving the Repurchase Mandate
“SFO”	Securities and Futures Ordinance
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of Shares

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## DEFINITIONS

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“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs
“HK\$”	Hong Kong dollars, the lawfully currency of Hong Kong
“%”	per cent.

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LETTER FROM THE BOARD

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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: 8210)**

*Executive Directors:*

Mr. Wong Yiu Chu, Denny (*Chairman*)

Mr. Tan Keng Boon

Ms. Tsui Kam Ling, Alice

*Independent Non-executive Directors:*

Dr. Yip Chak Lam, Peter

Mr. Yu Man Woon

Mr. Wong Yick Man, Francis

Mr. Lo Kar Chun, Nicky, SBS, JP

*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

27 March 2014

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES  
AND  
RE-ELECTION OF THE RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding the proposals for the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the re-election of the retiring Directors, and to seek your approval at the AGM in connection with, inter alia, such matters.

\* *For identification purpose only*

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## LETTER FROM THE BOARD

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### ISSUE MANDATE

At the annual general meeting held on 21 May 2013, the Shareholders passed an ordinary resolution to give a general mandate to the Directors to allot, issue and deal with Shares. Such general mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew such general mandate at the AGM.

As at the Latest Practicable Date, the issued share capital of the Company comprised 284,057,682 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing the resolution approving the Issue Mandate, the maximum number of Shares which may be issued pursuant to the Issue Mandate as at the date of passing the resolution approving the Issue Mandate will be 56,811,536 Shares representing not more than 20% of the issued share capital of the Company.

Ordinary resolutions will be proposed at the AGM to grant to the Directors the Issue Mandate, and authorize the extension of the Issue Mandate, details of which are set out in ordinary resolutions numbers 5 and 7 respectively in the notice of AGM.

### REPURCHASE MANDATE

Also at the annual general meeting held on 21 May 2013, the Shareholders passed an ordinary resolution to give a general mandate to the Directors to exercise the powers of the Company to repurchase its own Shares. Such general mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew such general mandate at the AGM.

As at the Latest Practicable Date, the issued share capital of the Company comprised 284,057,682 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the date of passing the resolution approving the Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate as at the date of passing the resolution approving the Repurchase Mandate will be 28,405,768 Shares.

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate, details of which are set out in ordinary resolution number 6 in the notice of AGM. The Shares which may be repurchased pursuant to the Repurchase Mandate is limited to a maximum of 10% of the issued share capital of the Company as at the date of passing of the resolution approving the Repurchase Mandate.

An explanatory statement as required under the GEM Listing Rules, giving certain information regarding the Repurchase Mandate, is set out in Appendix I to this circular.

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## LETTER FROM THE BOARD

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### RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of seven Directors, Mr. Wong Yiu Chu, Denny, Mr. Tan Keng Boon, Ms. Tsui Kam Ling, Alice, Dr. Yip Chak Lam, Peter, Mr. Yu Man Woon, Mr. Wong Yick Man, Francis and Mr. Lo Kar Chun, Nicky, SBS, JP.

In accordance with Article 112 of the Company's Articles of Association, Ms. Tsui Kam Ling, Alice, Dr. Yip Chak Lam, Peter and Mr. Tan Keng Boon will retire by rotation at the AGM. Except Dr. Yip Chak Lam, Peter who does not offer himself for re-election due to his wish to make way for new impetus be introduced into the board at this juncture of the Group's development and will retire at the AGM. Ms. Tsui Kam Ling, Alice and Mr. Tan Keng Boon will, being eligible, offer themselves for re-election.

In addition, in accordance with Article 95 of the Company's Articles of Association, Mr. Lo Kar Chun, Nicky, SBS, JP will retire at the AGM and, being eligible, offer himself for re-election.

Brief biographical details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### ANNUAL GENERAL MEETING

The notice convening the AGM, which contains, inter alia, ordinary resolutions to approve the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the re-election of the retiring Directors is set out on pages 13 to 17 of this circular.

### VOTING BY WAY OF POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

### ACTION TO BE TAKEN

A form of proxy for use at the AGM is enclosed herein. Whether or not you intend to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the AGM, or any adjourned meeting, should they so wish.



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## LETTER FROM THE BOARD

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### RECOMMENDATION

The Directors believe that the granting of the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate and the re-election of the retiring Directors are in the best interests of the Company as well as to the Shareholders. Accordingly, the Directors recommend that all the Shareholders should vote in favour of all the relevant resolutions relating to aforesaid matters.

By order of the Board  
**Advanced Card Systems Holdings Limited**  
**Wong Yiu Chu, Denny**  
*Chairman*

This appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide you with requisite information for your consideration of the Repurchase Mandate.

### **1. EXERCISE OF THE REPURCHASE MANDATE**

Exercise in full of the Repurchase Mandate, on the basis of 284,057,682 Shares in issue at the Latest Practicable Date, could result in up to 28,405,768 Shares being repurchased by the Company during the period up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first.

### **2. REASONS FOR REPURCHASES**

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share.

### **3. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum and articles of association and the applicable laws of the Cayman Islands. The law of the Cayman Islands provides that the amount to be repaid in connection with a share repurchase may be paid from the profits of the Company and/or the proceeds of a new issue of Shares made for the purpose of the repurchase or out of capital, if the Company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business. The Company may not purchase securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

### **4. GENERAL**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the 2013 annual report of the Company) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing position which in the opinion of the Directors are from time to time appropriate for the Company.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the GEM Listing Rules, the memorandum and articles of association of the Company and the applicable laws of the Cayman Islands.

None of the Directors and, to the best of their knowledge, having made all reasonable enquiries, none of their respective associates (as defined in the GEM Listing Rules), have any present intention, if the Repurchase Mandate is exercised, to sell Shares to the Company or its subsidiaries.

No connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company or has undertaken not to do so.

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, in accordance with the register of interests in shares and short positions maintained by the Company pursuant to Section 336 of the SFO, the following shareholders hold shares of the Company in the following manners:

<b>Name of Shareholder</b>	<b>Number of Shares held</b>	<b>Approximate percentage of existing shareholding</b>	<b>Approximate percentage of shareholding if the Repurchase Mandate is exercised in full</b>
Mr. Wong Yiu Chu, Denny (Note 1)	136,506,522	48.06%	53.40%
Ms. Tsui Kam Ling, Alice (Note 2)	136,506,522	48.06%	53.40%

Notes:

- 80,768,000 Shares are held by Mr. Wong Yiu Chu, Denny personally and 55,738,522 Shares are held by his wife, Ms. Tsui Kam Ling, Alice personally. Mr. Wong Yiu Chu, Denny is taken to be interested in the Shares held by Ms. Tsui Kam Ling, Alice under the SFO.
- 55,738,522 Shares are held by Ms. Tsui Kam Ling, Alice personally and 80,768,000 Shares are held by her husband, Mr. Wong Yiu Chu, Denny personally. Ms. Tsui Kam Ling, Alice is taken to be interested in the Shares held by Mr. Wong Yiu Chu, Denny under the SFO.

In the event that the Directors exercised in full the power to repurchase Shares under the Repurchase Mandate, the total interests of the above Shareholders would be increased to approximately the respective percentages shown in the last column above. The Directors are aware that the increase of shareholding of Mr. Wong Yiu Chu, Denny and Ms. Tsui Kam Ling, Alice would give rise to the obligations to make mandatory offer under Rule 26 of the Takeovers Code. However, the Directors will not repurchase Shares to such an extent as would result in takeover obligations. The Company may not repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

**5. SHARE PURCHASED BY THE COMPANY**

The Company has not purchased any of its Shares (whether on GEM or otherwise) in the six months preceding the Latest Practicable Date.

**6. SHARE PRICES**

The table below is a summary of the highest and lowest traded prices in each of the previous twelve months prior to the Latest Practicable Date.

	<b>Highest Traded Price</b> <i>HK\$</i>	<b>Lowest Traded Price</b> <i>HK\$</i>
<b>2013</b>		
March	0.76	0.56
April	0.72	0.57
May	0.66	0.62
June	0.65	0.60
July	0.62	0.60
August	0.71	0.63
September	0.72	0.65
October	0.71	0.65
November	0.72	0.61
December	0.78	0.62
<b>2014</b>		
January	1.97	0.72
February	2.35	1.37
March (up to the Latest Practicable Date)	2.13	1.43

The following are the particulars of the Directors proposed to be re-elected at the AGM:

**Ms. Tsui Kam Ling, Alice**

Ms. Alice Tsui, aged 61, joined the Group in September 1998 as the Vice President, Operations and is mainly responsible for supervising the sourcing of raw materials, logistics, human resources and finance. She was appointed as an executive Director on 23 March 2005. She is also the director of several subsidiaries of the Group and a member of the nomination committee of the Company. Prior to joining the Group, Ms. Tsui was a director of Advanced Electronics Limited, a distributor of semiconductor components until 1997 when it was acquired by Future Electronics Holdings Inc. She then worked as the Administration Manager of Future Advanced Electronics (Hong Kong) Limited until September 1998. Ms. Tsui had a teaching career from 1975 to 1983. Ms. Tsui graduated from The Chinese University of Hong Kong with a bachelor of arts degree in 1975. She is also a substantial shareholder of the Company. She has not held any directorships in any listed public companies in the last three years. Save as disclosed above, she does not hold any positions with the Company or other members of the Company's group.

Ms. Tsui is the spouse of Mr. Wong Yiu Chu, Denny ("Mr. Wong"), the chairman of the Board and an executive Director. Save as disclosed above, Ms. Tsui does not have any other relationships with any directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company.

Ms. Tsui is interested in 136,506,522 Shares of the Company within the meaning of Part XV of the SFO which represents approximately 48.06% of the total issued share capital of the Company. Of these shares, 55,738,522 Shares are held by Ms. Tsui personally, and 80,768,000 Shares are held by Mr. Wong personally. Ms. Tsui is taken to be interested in the Shares held by Mr. Wong under the SFO. Save as disclosed above, Ms. Tsui does not have any other interests in Shares of the Company within the meaning of Part XV of the SFO.

Ms. Tsui has entered into a service agreement with the Company for a terms of two years until 26 October 2014, subject to her retirement and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. 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. Her monthly salary is determined with reference to market rate. Ms. Tsui is entitled to a discretionary management bonus from the Company. The remuneration, including salary, discretionary bonus and retirement scheme contribution, payable to Ms. Tsui during the year ended 31 December 2013 amounted to approximately HK\$1,156,000.

Save as disclosed above, Ms. Tsui has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with her re-election and there is no information to be disclosed pursuant to rules 17.50(2)(h) to (v) of the GEM Listing Rules.

**Mr. Tan Keng Boon**

Mr. Tan Keng Boon, aged 55, joined the Group in October 1999 as a full-time consultant of Advanced Card Systems Limited (“ACS”) and has been a full-time employee and the chief technical officer of ACS since May 2003 and an executive Director since 25 October 2003. He is also the 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 ACS. He has been involved actively in defining the product development road map of ACS 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. This past working experience of Mr. Tan has allowed him to develop a network of contacts with system solution providers as well as smart card and terminal vendors which are potential customers of the Group. Mr. Tan obtained a bachelor of engineering degree from the National University of Singapore in 1983. He has not held any directorships in any listed public companies in the last three years. Save as disclosed above, he does not hold any positions with the Company or other members of the Company’s group.

Mr. Tan does not have any other relationships with any directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company,

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 does not have any other interests in Shares of the Company within the meaning of Part XV of the SFO.

Mr. Tan has entered into a service agreement with the Company for a term of two years until 26 October 2014, subject to his retirement and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. 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. 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 2013 amounted to approximately HK\$1,138,000.

Save as disclosed above, Mr. Tan has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no information to be disclosed pursuant to rules 17.50(2)(h) to (v) of the GEM Listing Rules.

**Mr. Lo Kar Chun, Nicky, SBS, JP**

Mr. Lo Kar Chun, Nicky, SBS, JP, aged 62, was appointed as independent non-executive Director on 17 March 2014. He is also a member of the audit committee and nomination committee and remuneration committee of the Company. Mr. Lo awarded a bachelor of science (Hons) degree from the University of Hong Kong, is a top management executive with 40 years of work experience in the private and public sectors among 25 years of which was involved the PRC market. He has extensive experience in business development in the PRC, manufacturing, formulating the executive pay and remuneration, government relations and public sector policy issues. He was also the president and chief executive officer in Synnex Technology International (HK) Ltd. and Synnex Distributions (China) Ltd. from 1987-2013. Mr. Lo is currently a chairman of Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the Hong Kong. He has not held any directorships in any listed public companies in the last three years. Save as disclosed above, he does not hold any positions with the Company or other members of the Company's group.

Mr. Lo does not have any other relationships with any directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company

Mr. Lo is interested in 400,000 Shares within the meaning of Part XV of the SFO which represents approximately 0.14% of the total issued share capital of the Company. Save as disclosed above, Mr. Lo does not have any other interests in Shares of the Company within the meaning of Part XV of the SFO.

Mr. Lo has entered into an appointment letter with the Company for a term of two years until 16 March 2016. Mr. Lo is subject to retirement and re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. According to the appointment letter, the amount of director's emoluments is HK\$10,000 per month, which is determined with reference to market rate. Mr. Lo is not entitled to any bonus payment from the Company.

Save as disclosed above, Mr. Lo has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and there is no information to be disclosed pursuant to rules 17.50(2)(h) to (v) of the GEM Listing Rules.

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## NOTICE OF ANNUAL GENERAL MEETING

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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: 8210)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “Meeting”) of Advanced Card Systems Holdings Limited (the “Company”) will be held at Room 732, 7/F, International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon, on 21 May, 2014 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements, the report of the directors and the independent auditor’s report for the year ended 31 December 2013.
2. To declare a final dividend of HK2 cents per share for the year ended 31 December 2013.
3. (a) To re-elect the following retiring directors of the Company:
  - (i) Ms. Tsui Kam Ling, Alice.
  - (ii) Mr. Tan Keng Boon.
  - (iii) Mr. Lo Kar Chun, Nicky, SBS, JP.
- (b) To authorise the board of directors to fix the remuneration of directors.
4. To re-appoint the auditors and to authorise the board of directors to fix their remuneration.
5. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

**“THAT:**

- (a) subject to paragraph (c) below, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the directors of the Company during the Relevant Period (as

\* For identification purpose only



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## NOTICE OF ANNUAL GENERAL MEETING

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hereinafter defined) of all the powers of the Company to allot, issue and deal with any unissued shares in the capital of the Company and to make or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including but not limited to warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such power after the end of the Relevant Period (as hereinafter defined);
- (c) the aggregate nominal value of the share capital allotted or issued or conditionally or unconditionally agreed to be allotted or issued (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares upon the exercise of the subscription rights attaching to any warrants which may be issued by the Company from time to time; or (iii) an issue of shares upon the exercise of options which may be granted under any option scheme or similar arrangement for the time being adopted or to adopt for the grant or issue to officers, employees and/or directors of the Company and/or any of its subsidiaries of shares or rights to acquire shares; or (iv) any scrip dividend scheme or similar arrangement providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares in accordance with the articles of association of the Company; or (v) a specific authority granted by the shareholders of the Company in general meeting, shall not exceed 20 per cent. of the aggregate of the total nominal value of share capital of the Company in issue as at the date of passing of this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to the directors of the Company by this Resolution; and

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## NOTICE OF ANNUAL GENERAL MEETING

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“Rights Issue” means an offer of shares or issue of options, warrants or other securities giving the right to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares (or, where appropriate, such other securities), subject in all cases to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company.”

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase securities of the Company on the Growth Enterprise Market of the Stock Exchange or any other stock exchange of which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, subject to and in accordance with all applicable laws and/or the requirements of the GEM Listing Rules (as defined in ordinary resolution no. 5 above) or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal value of shares of the Company repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period (as hereinafter defined) shall not exceed 10 per cent. of the aggregate of the total nominal value of share capital of the Company in issue as at the date of passing this Resolution, and the authority granted pursuant to paragraph (a) above shall be limited accordingly; and
- (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
  - (i) the conclusion of the next annual general meeting of the Company; or
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
  - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to the directors of the Company by this Resolution.”

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## NOTICE OF ANNUAL GENERAL MEETING

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7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** subject to the passing of the Resolutions nos. 5 and 6 set out in the notice convening this meeting, the general mandate granted to the directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with any unissued shares pursuant to Resolution no. 5 set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal value of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal value of the share capital of the Company repurchased by the Company under the authority granted pursuant to Resolution no. 6 set out in the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent. of the aggregate of the total nominal value of share capital of the Company in issue as at the date of passing of the said Resolution.”

By order of the Board  
**Advanced Card Systems Holdings Limited**  
**Wong Yiu Chu, Denny**  
*Chairman*

Hong Kong, 27 March 2014

*Principal place of business in Hong Kong:*

Units 2010–2013, 20th Floor  
Chevalier Commercial Centre  
8 Wang Hoi Road  
Kowloon Bay  
Hong Kong

*Registered Office:*

Ugland House  
P.O. Box 309  
George Town  
Grand Cayman  
Cayman Islands  
British West Indies

Notes:

1. A shareholder entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote in his stead. A proxy need not be a shareholder of the Company.
2. In order to be valid, a form of proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or the adjourned meeting (as the case may be).

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## NOTICE OF ANNUAL GENERAL MEETING

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3. Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the Meeting, or any adjourned meeting, should they so wish.
4. The register of members will be closed from Friday, 16 May 2014 to Wednesday, 21 May 2014, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attendance of annual general meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Thursday, 15 May 2014.
5. The register of members will be closed from Wednesday, 28 May 2014 to Thursday, 29 May 2014, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Tuesday, 27 May 2014.
6. With regard to Resolution no. 3 in this notice, the board of directors of the Company proposes that the retiring directors of the Company, namely Ms. Tsui Kam Ling, Alice, Mr. Tan Keng Boon and Mr. Lo Kar Chun, Nicky, SBS, JP be re-elected as directors of the Company. Particulars of the said retiring directors of the Company are set out in Appendix II to the circular to the shareholders of the Company dated 27 March 2014.
7. An explanatory statement containing further details regarding Resolution no. 6 as required by the GEM Listing Rules of the Stock Exchange is set out in Appendix I to the circular to the shareholders of the Company dated 27 March 2014.
8. Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.