



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)

PROCEDURES FOR SHAREHOLDERS TO PROPOSE A PERSON FOR ELECTION AS DIRECTOR

Pursuant to Article 116 of the Articles of Association of Advanced Card Systems Holdings Limited (the “Company”), no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company provided that the minimum length of the period, during which such notices are given, shall be at least seven (7) days. The period for lodgment of such notices shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven (7) days prior to the date of such meeting

If a shareholder wishes to propose a person to stand for election as a Director, the following documents must be lodged at the Company: (i) a notice of intention to propose a person for election as Director at the general meeting, and (ii) a notice executed by the nominated candidate of the candidate’s willingness to be elected together with that candidate’s biographical details as required by Rule 17.51(2) of 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 period for lodgment of above written notices shall commence no earlier than the day after the despatch of the notice of general meeting and end no later than seven (7) days prior to the date of the general meeting. The Company is required under Rule 17.46 of the GEM Listing Rules to provide the information about the proposal in a supplementary circular or by way of an announcement not later than ten (10) business days before the date of the general meeting.

Note:

Shareholders may view the details of rules 17.46 and 17.51(2) of Chapter 17 of the GEM Listing Rules at the Stock Exchange’s website as follows:

http://www.hkgem.com/eng/rulesreg/listrules/gemrules/documents/chapter_17.pdf

March 2012

* *For identification only*