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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)

APPOINTMENT OF EXECUTIVE DIRECTORS AND INDEPENDENT NON-EXECUTIVE DIRECTOR, RE-DESIGNATION OF DIRECTOR, APPOINTMENT OF HONORARY CHAIRMAN, CHANGE OF CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER AND CHANGE OF THE BOARD COMMITTEES' MEMBERS

The Board of the Company is pleased to announce that, with effect from 24 March 2015: (i) Mr. Wong Yiu Chu (“Mr. Wong”) resigned as the Chairman of the Board, the Chief Executive Officer of the Company, the Chairman of Nomination Committee and a member of the Remuneration Committee due to health reasons; (ii) Mr. Wong was re-designated as a non-executive Director and appointed as the Honorary Chairman of the Company (iii) Mr. Wong Chi Ho was appointed as an executive Director, the Co-Chief Executive Officer of the Company and the Chairman of the Nomination Committee; (iv) Mr. Wong Chi Kit was appointed as an executive Director, the Co-Chief Executive Officer of the Company and a member of the Remuneration Committee; (v) Ms. Kaung Cheng Xi Dawn was appointed as an independent non-executive Director and a member of the Audit Committee and the Nomination Committee; and (vi) Ms. Tsui Kam Ling (“Ms. Tsui”), an executive Director, was appointed as the Chairman of the Board.

Mr. Wong Yiu Chu, aged 67, is the non-executive Director, the Honorary Chairman of the Board and is a director of several subsidiaries of the Group.

* *For identification purpose*

Mr. Wong founded Advanced Card Systems Limited in December 1995. In 1985, Mr. Wong founded his previous company, Advanced Electronics Limited, which distributed semiconductor components of Motorola Semiconductors (Hong Kong) Ltd., and provided design and application engineering services to manufacturers of consumer, industrial, and telecommunications products. Later in 1997, he disposed of his entire shareholding interest in Advanced Electronics Limited to Future Electronics Holdings Inc., an electronic component distributor based in Canada. He was appointed as General Manager of Future Advanced Electronics Limited and subsequently Future Electronics (Hong Kong) Limited from 1997 to 2000. In June 2000, he became the Chief Executive Officer of the Company. Mr. Wong obtained a Bachelor of Science degree in Physics in 1972 and a Master of Business Administration degree in 1975 from The Chinese University of Hong Kong. Mr. Wong had previously served as an executive Director, the Chairman of the Board, the Chief Executive Officer of the Company and was the Chairman of the Nomination Committee and a member of the Remuneration Committee until March 2015.

Mr. Wong is the spouse of Ms. Tsui and the father of Mr. Wong Chi Ho and Mr. Wong Chi Kit.

Mr. Wong 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 his retirement and re-election at the forthcoming annual general meeting of the Company in accordance with the Articles of Association. Mr. Wong is entitled to a director's emoluments of HK\$20,000 per month, which is determined with reference to market rate. He is not entitled to any bonus payment from the Company.

Mr. Wong is interested in 137,698,522 Shares within the meaning of Part XV of the SFO which represents approximately 48.48% of the total issued share capital of the Company. Of these Shares, 80,768,000 Shares are held by Mr. Wong personally, and 56,930,522 Shares are held by Ms. Tsui personally. Mr. Wong is taken to be interested in the Shares held by Ms. Tsui by virtue of Part XV of the SFO. Save as disclosed above, Mr. Wong does not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Wong 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 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 the re-designation of Mr. Wong as non-executive Director that need to be brought to the attention of the Shareholders.

Ms. Tsui Kam Ling, aged 62, is an executive Director, the Chairman of the Board and is a director of several subsidiaries of the Group. She is also a member of the Nomination Committee.

Ms. Tsui joined the Group in September 1998, mainly responsible for supervising the sourcing of raw materials, logistics, human resources, and finance. 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 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.

Ms. Tsui is the spouse of Mr. Wong and the mother of Mr. Wong Chi Ho and Mr. Wong Chi Kit.

Ms. Tsui has entered into a service agreement with the Company for a term of two years from 27 October 2014 to 26 October 2016. Ms. Tsui is entitled to a director's emoluments of HK\$90,000 per month, which is determined with reference to market rate. She is entitled to a discretionary management bonus from the Company.

Ms. Tsui is interested in 137,698,522 Shares within the meaning of Part XV of the SFO which represents approximately 48.48% of the total issued share capital of the Company. Of these Shares, 56,930,522 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 by virtue of Part XV of the SFO. Save as disclosed above, Ms. Tsui does not have any other interests in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Tsui 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. Tsui 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 the appointment of Ms. Tsui as the Chairman of the Board that need to be brought to the attention of the Shareholders.

Mr. Wong Chi Ho, aged 36, is an executive Director, a Co-Chief Executive Officer of the Company and the director of Advanced Card Systems (The Philippines) Limited, a subsidiary of the Group. He is also the Chairman of the Nomination Committee. 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 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 Mr. Wong and Ms. Tsui 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 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 date of this announcement, 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 the appointment of Mr. Wong Chi Ho 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 the director of Advanced Card Systems (The Philippines) Limited, a subsidiary of the Group. He is also a member of the Remuneration Committee. 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 Mr. Wong and Ms. Tsui 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 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.

As at the date of this announcement, 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 the appointment of Mr. Wong Chi Kit 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. 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 Industrial and Operations Engineering 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 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 date of this announcement, 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 the appointment of Ms. Kaung as a Director that need to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to express its warmest welcome to Mr. Wong Chi Ho, Mr. Wong Chi Kit and Mr. Kaung in joining the Board.

The supplemental circular relation to re-election of retiring Directors at the forthcoming annual general meeting of the Company to be held on 29 April 2015, supplemental notice of the annual general meeting and revised proxy form will be sent to the Shareholders as soon as practicable.

DEFINITIONS

“Articles of Association”	the articles of association of the Company
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Company”	Advanced Card Systems Holdings Limited (龍傑智能卡控股有限公司*), a company incorporated in the Cayman Islands with limited liability, the shares of which are currently listed on the Growth Enterprise Market of the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM Listing Rules”	Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Nomination Committee”	the nomination committee of the Company
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Remuneration Committee”	the remuneration committee of the Company
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of Shares

“Shares”	share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“U.S.A.”	the United States of America

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

Hong Kong, 24 March 2015

As at the date of this announcement, the Board comprises four executive directors, namely, Ms. Tsui Kam Ling, Mr. Wong Chi Ho, Mr. Wong Chi Kit and Mr. Tan Keng Boon; one non-executive director, Mr. Wong Yiu Chu; and four independent non-executive directors, Ms. Kaung Cheng Xi Dawn, Mr. Lo Kar Chun, SBS, JP, Mr. Wong Yick Man Francis, and Mr. Yim Kai Pung.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement 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 announcement misleading.

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