

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

**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, a bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Expert Systems Holdings Limited (the “Company”), you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**EXPERT**

**EXPERT SYSTEMS HOLDINGS LIMITED**

**思博系統控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8319)**

**PROPOSED GRANTING OF GENERAL MANDATES  
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES  
AND  
PROPOSED RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF THE 2020 ANNUAL GENERAL MEETING**

A notice convening the 2020 annual general meeting of the Company to be held on Wednesday, 16 September 2020 at 3:00 p.m. at 14/F, Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong (the “2020 AGM”) is set out on pages 18 to 23 of this circular. A form of proxy for use at the 2020 AGM is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.expertsystems.com.hk](http://www.expertsystems.com.hk).

Whether or not you are able to attend the 2020 AGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, 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 2020 AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the 2020 AGM or any adjourned meeting thereof if they so wish.

**PRECAUTIONARY MEASURES FOR THE 2020 AGM**

Taking into account the recent developments of the novel coronavirus pandemic, the Company will implement the following prevention and control measures at the 2020 AGM to safeguard the health and safety of the shareholders attending the 2020 AGM:

1. Compulsory body temperature check will be conducted for every shareholder or proxy at the entrance of the venue.
2. Every shareholder or proxy is required to wear a surgical face mask throughout the meeting.
3. No refreshments will be served and no corporate gifts will be distributed.

Attendees who do not comply with the precautionary measures referred to above may be denied entry to the 2020 AGM venue, at the absolute discretion of the Company as permitted by law.

**For the health and safety of shareholders, the Company would like to encourage shareholders to exercise their right to vote at the 2020 AGM by appointing the chairman of the 2020 AGM as their proxy and to return their proxy forms by the time specified above, instead of attending the 2020 AGM in person.**

*This circular will remain on the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk), the GEM website at [www.hkgem.com](http://www.hkgem.com), on the “Latest Company Announcements” page for at least seven days from the date of its posting and on the Company’s website at [www.expertsystems.com.hk](http://www.expertsystems.com.hk).*

26 June 2020

## CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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

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

“2020 AGM”	an annual general meeting of the Company to be held on Wednesday, 16 September 2020 at 3:00 p.m. at 14/F, Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong to consider and, if appropriate, to approve the resolutions contained in the AGM Notice which is set out on pages 18 to 23 of this circular, or any adjournment thereof
“AGM Notice”	the notice convening the 2020 AGM set out on pages 18 to 23 of this circular
“Articles” or “Articles of Association”	the articles of association of the Company, as adopted on 15 March 2016 and amended from time to time
“Board”	the board of the Directors
“Companies Law”	the Companies Law, Cap. 22 (Laws of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Expert Systems Holdings Limited (思博系統控股有限公司), a company incorporated in the Cayman Islands on 18 September 2015 as an exempted company with limited liability and registered in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance
“Controlling Shareholders”	a group of Shareholders which controls the Company
“Director(s)”	the director(s) of the Company
“Expert HK”	Expert Systems Limited, a company incorporated in Hong Kong and the operating subsidiary of the Company
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as amended, supplemented and/or otherwise modified from time to time
“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
“Issuance Mandate”	as defined in paragraph 2(a) of the Letter from the Board of this circular

## DEFINITIONS

“Latest Practicable Date”	21 June 2020, being the latest practicable date prior to the printing of this circular for ascertaining information in this circular
“PRC”	the People’s Republic of China
“Repurchase Mandate”	as defined in paragraph 2(b) of the Letter from the Board of this circular
“SFO”	the Securities and Future Ordinance, Chapter 571 of the Laws of Hong Kong
“Share Option Scheme”	the share option scheme adopted by the Company on 15 March 2016
“Share Options”	the options granted under the Share Option Scheme which entitle the holders thereof to subscribe for Shares in accordance with the terms of the Share Option Scheme
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of the Company, or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers, as amended, supplemented and/or otherwise modified from time to time
“%”	per cent.



EXPERT

**EXPERT SYSTEMS HOLDINGS LIMITED**

**思博系統控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8319)**

*Executive Directors:*

Mr. Lau Wai Kwok (*Chief Executive Officer*)

Ms. Lau Tsz Yan

Mr. So Cheuk Wah Benton

*Non-executive Directors:*

Mr. Wong Chu Kee Daniel (*Chairman*)

Mr. Chu Siu Sum Alex

Mr. Chan Kin Mei Stanley

*Independent non-executive Directors:*

Mr. Au Yu Chiu Steven

Mr. Chung Fuk Wing Danny

Mr. Ko Man Fu

Mr. Mak Wai Sing

*Registered office:*

Second Floor

Century Yard

Cricket Square

P.O. Box 902

Grand Cayman KY1-1103

Cayman Islands

*Principal place of business*

*in Hong Kong:*

22/F, Yen Sheng Centre

64 Hoi Yuen Road

Kwun Tong, Kowloon

Hong Kong

26 June 2020

*To the Shareholders,*

Dear Sir or Madam,

**PROPOSED GRANTING OF GENERAL MANDATES  
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES  
AND  
PROPOSED RE-ELECTION OF DIRECTORS  
AND  
NOTICE OF THE 2020 AGM**

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the 2020 AGM for (i) the granting of the Issuance Mandate to the Directors; (ii) the granting of the Repurchase Mandate to the Directors; (iii) the

## LETTER FROM THE BOARD

extension of the Issuance Mandate by adding to it the nominal amount of the issued Shares repurchased by the Company under the Repurchase Mandate; and (iv) the re-election of Directors.

### 2. PROPOSED GRANTING OF THE ISSUANCE MANDATE AND THE REPURCHASE MANDATE

Ordinary resolutions will be proposed at the 2020 AGM to approve the granting of the new general mandates to the Directors:

- (a) to allot, issue or deal with new Shares of an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing such resolution (i.e. an aggregate nominal amount of Shares not exceeding HK\$1,600,000 (equivalent to 160,000,000 Shares) on the basis that the existing issued share capital of the Company of 800,000,000 Shares remains unchanged as at the date of the 2020 AGM) (the “**Issuance Mandate**”);
- (b) to repurchase Shares, on the Stock Exchange or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, of an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing such resolution (i.e. an aggregate nominal amount of Shares not exceeding HK\$800,000 (equivalent to 80,000,000 Shares) on the basis that the existing issued share capital of the Company of 800,000,000 Shares remains unchanged as at the date of the 2020 AGM) (the “**Repurchase Mandate**”); and
- (c) Subject to the passing of the aforesaid ordinary resolutions granting the Issuance Mandate and the Repurchase Mandate, to extend the Issuance Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Repurchase Mandate and the Issuance Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; or (b) the expiration of the period which the next annual general meeting of the Company is required by the Articles or the applicable laws of Cayman Islands to be held; or (c) revocation or variation by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

In accordance with the requirements of the GEM Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. An explanatory statement containing information relating to the Repurchase Mandate as required pursuant to the GEM Listing Rules, in particular Rule 13.08 of the GEM Listing Rules, is set out in Appendix I to this circular. This explanatory statement provides you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate. The Directors currently have no immediate plan to exercise the Issuance Mandate or the Repurchase Mandate (if granted to the Directors at the 2020 AGM).

## LETTER FROM THE BOARD

### 3. PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to Article 83(3) of the Articles, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election. Pursuant to Article 84(1) of the Articles, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation at each annual general meeting, provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

As such, each of Ms. Lau Tsz Yan, Mr. So Cheuk Wah Benton, Mr. Au Yu Chiu Steven and Mr. Chung Fuk Wing Danny will retire from office as Director at the 2020 AGM and, being eligible, offer himself/herself for re-election.

The Nomination Committee of the Company reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy, and, where applicable, the independence of all independent non-executive Directors. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors who are due to retire at the 2020 AGM.

The requisite details of the above Directors proposed to be re-elected at the 2020 AGM are set out in Appendix II to this circular.

### 4. 2020 AGM AND PROXY ARRANGEMENT

A notice convening the 2020 AGM to be held on Wednesday, 16 September 2020 at 3:00 p.m. at 14/F, Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong for the purpose of considering and, if thought fit, passing the resolutions as stated therein is set out on pages 18 to 23 of this circular.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the 2020 AGM. An announcement on the poll vote results will be published by the Company after the 2020 AGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

The 2020 annual report incorporating the audited consolidated financial statements of the Group for the year ended 31 March 2020 and the reports of the Directors and the auditor thereon are dispatched to the Shareholders together with this circular.

You will find enclosed with this circular a form of proxy for use at the 2020 AGM and such form of proxy is also published on the websites of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.expertsystems.com.hk](http://www.expertsystems.com.hk). Whether or not you are

## **LETTER FROM THE BOARD**

able to attend the 2020 AGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority, to the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time scheduled for holding the 2020 AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the 2020 AGM, and in such event, your form of proxy shall be deemed to be revoked.

### **5. RECOMMENDATION**

The Directors consider that the granting/extension of the Issuance Mandate, the Repurchase Mandate and the re-election of the retiring Directors are all in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders to vote in favour of the relevant resolutions as set out in the AGM Notice to be proposed at the 2020 AGM.

### **6. CLOSURE OF REGISTER OF MEMBERS**

For determining the entitlement to attend and vote at the 2020 AGM, the transfer books and the register of members of the Company will be closed from Friday, 11 September 2020 to Wednesday, 16 September 2020, both days inclusive, during which period no transfer of the Shares will be registered. In order to establish the right to attend and vote at the 2020 AGM, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, located at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 10 September 2020.

### **7. STATEMENT OF RESPONSIBILITY**

This circular, 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 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.

**LETTER FROM THE BOARD**

**8. ADDITIONAL INFORMATION**

Your attention is drawn to the additional information set out in the appendices to this circular: Appendix I — Explanatory Statement on the Repurchase Mandate; and Appendix II — Details of Directors Proposed to be Re-elected at the 2020 AGM.

Yours faithfully,  
By Order of the Board  
**Expert Systems Holdings Limited**  
**Wong Chu Kee Daniel**  
*Chairman and non-executive Director*

The following is an explanatory statement required by the GEM Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the 2020 AGM in relation to the granting of the Repurchase Mandate.

### **1. REASON FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to have a general authority from the Shareholders to enable the Directors to repurchase Shares on the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

The Directors are seeking the granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

### **2. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 800,000,000 Shares.

Subject to the passing of the ordinary resolution set out in item 6 of the notice of the 2020 AGM in respect of the granting of the Repurchase Mandate and on the basis that the issued ordinary share capital of the Company remains unchanged as at the date of the 2020 AGM, i.e. being 800,000,000 Shares, the Directors would be authorised to exercise the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, a maximum of 80,000,000 Shares, being 10% of the issued share capital of the Company as at the date of the 2020 AGM. The Repurchase Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company; or (b) the expiration of the period which the next annual general meeting of the Company is required by the Articles or the applicable laws of the Cayman Islands to be held; or (c) revocation or variation by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

### **3. FUNDING AND IMPACT OF REPURCHASES**

Any repurchase will be funded from the Company's internal resources, which shall be funds legally available for such purpose in accordance with the memorandum of association and the Articles of the Company, the GEM Listing Rules, the applicable laws of the Cayman Islands and/or any other applicable laws, as the case may be.

Under the laws of the Cayman Islands, any repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of shares made for the purpose or, if authorised by the Articles and subject to the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the shares to be repurchased must be provided for out of profits or the share premium account of the Company or, if authorised by the Articles and subject to the Companies Law, out of capital. In accordance with the laws of the Cayman Islands, the shares so repurchased would be treated as cancelled.

As compared with the financial position of the Company as at 31 March 2020 (being the date to which the latest audited consolidated accounts of the Company have been made up), the Directors consider that there might be a material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period.

The Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital or gearing position of the Company.

#### **4. EFFECT OF THE TAKEOVERS CODE**

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, 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.

Accordingly, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, the Controlling Shareholders, namely, Mr. Chu Siu Sum Alex, Mr. Lau Wai Kwok, Mr. Mok Chu Leung Terry, Mr. Cheung Nap Kai and Mr. Wong Chu Kee Daniel, deemed as parties acting in concert, together control 559,750,000 Shares, or approximately 70.0% interest in the issued share capital of the Company. As a result, each of the Controlling Shareholders is deemed to be interested in such 559,750,000 Shares, representing approximately 70.0% of the issued share capital of the Company, as at the Latest Practicable Date.

In the event that the Repurchase Mandate were exercised in full, the interest of the Controlling Shareholders would be increased from approximately 70.0% to approximately 77.7%. On the basis of the aforesaid increase of shareholding held by the Controlling Shareholders, in proportion, the Directors are not aware of any consequences of such repurchases of the Shares that would result in a Shareholder, or a group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code if the Repurchase Mandate were exercised in full. Moreover, the Directors do not intend to

exercise the power to repurchase Shares to an extent which would render any Shareholder or a group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that results in a public shareholding of less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the Shares in public hands.

## **5. GEM LISTING RULES RELATING TO REPURCHASE OF SHARES**

The GEM Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange and any other stock exchange on which the securities of the Company are listed and such exchange is recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange subject to certain restrictions.

The GEM Listing Rules provide that all proposed repurchases of shares must be approved by shareholders in advance by an ordinary resolution at a general meeting, either by way of a general repurchase mandate or by a specific approval of a particular transaction, and that the shares to be repurchased must be fully paid up.

## **6. UNDERTAKING OF THE DIRECTORS**

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 applicable laws of the Cayman Islands and in accordance with the memorandum of association and the Articles of the Company.

## **7. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS**

None of the Directors or, to the best knowledge and belief of the Directors having made all reasonable enquiries, any of their respective close associates (as defined in the GEM Listing Rules) have any present intention, in the event that the proposed Repurchase Mandate is granted, to sell the Shares to the Company. No core connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that they have a present intention to sell the Shares to the Company, or that they have undertaken not to sell any of the Shares held by them to the Company, in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of the Shares pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

## **8. SHARE REPURCHASE MADE BY THE COMPANY**

The Company had not purchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

**9. SHARE PRICES**

The highest and lowest prices of the Shares during the previous 12 months up to and including the Latest Practicable Date were as follows:

Month	Share Price (per Share)	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2019</b>		
June	0.10	0.09
July	0.13	0.09
August	0.10	0.09
September	0.11	0.09
October	0.11	0.09
November	0.09	0.09
December	0.10	0.08
<b>2020</b>		
January	0.09	0.08
February	0.09	0.08
March	0.09	0.07
April	0.07	0.06
May	0.08	0.06
June (up to the Latest Practicable Date)	0.07	0.06

The biographical details of the Directors proposed to be re-elected at the 2020 AGM are set out as follows:

#### 1. LAU TSZ YAN (劉紫茵)

##### **Position and experience**

Ms. Lau Tsz Yan (劉紫茵) (“**Ms. Lau**”), aged 47, is an executive Director and the general sales manager of the outside sales department of our Group. Ms. Lau was appointed as an executive Director on 15 March 2016. She is responsible for overseeing and managing the sales team of our Group with respect to our clients in the private sector.

Ms. Lau joined the Group in October 1996. Ms. Lau graduated from the Monash University in Australia with a Bachelor of Computing (Information Systems) degree in August 1995. Ms. Lau has over 20 years of experience in the sales and marketing of IT infrastructure solutions to corporate clients.

##### **Length of service**

Pursuant to the Director’s service contract entered into between the Company and Ms. Lau, her current term of office is for a period of three years commenced from 15 March 2019, unless terminated by either party giving to the other not less than one month’s prior notice in writing. Ms. Lau is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles.

##### **Relationships**

As far as the Directors are aware, Ms. Lau does not have any relationships with other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

##### **Interests in Share**

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Lau holds Share Options under the Share Option Scheme entitling her to subscribe for 2,000,000 Shares. Save as disclosed above, Ms. Lau had no interest or short position in any Share pursuant to Part XV of the SFO.

##### **Director’s emoluments**

Pursuant to the service contract, Ms. Lau is entitled to a basic monthly salary, a variable portion based on performance targets and discretionary bonuses to be determined by the Board. For the year ended 31 March 2020, Ms. Lau’s total emoluments amounted to HK\$1,342,000. Ms. Lau’s emoluments are determined with reference to her role and duties, performance and responsibilities as well as the prevailing market conditions and are subject to revision in future by the decision of the Board based on the recommendation of the Company’s remuneration committee.

**Other information and matters that need to be disclosed or brought to the attention of the Shareholders**

As far as the Directors are aware, there is no other information of Ms. Lau to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules; and there are no other matters concerning Ms. Lau that need to be brought to the attention of the Shareholders.

**2. SO CHEUK WAH BENTON (蘇卓華)****Position and experience**

Mr. So Cheuk Wah Benton (蘇卓華) (“**Mr. So**”), aged 46, is an executive Director and the general sales manager of the outside sales department of our Group. Mr. So was appointed as an executive Director on 15 March 2016. He is responsible for overseeing and managing the sales team of our Group with respect to our clients in the public sector.

Mr. So joined the Group in September 2004. Mr. So graduated from the Hong Kong Technical Colleges with a Higher Diploma in Electronic Engineering in June 1997. Mr. So has over 18 years of experience in the IT industry. Previously he held various positions in IBM and a number of IT products resellers in Hong Kong before he joined the Group.

**Length of service**

Pursuant to the Director’s service contract entered into between the Company and Mr. So, his current term of office is for a period of three years commenced from 15 March 2019, unless terminated by either party giving to the other not less than one month’s prior notice in writing. Mr. So is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles.

**Relationships**

As far as the Directors are aware, Mr. So does not have any relationships with other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

**Interests in Share**

As far as the Directors are aware, as at the Latest Practicable Date, Mr. So holds Share Options under the Share Option Scheme entitling him to subscribe for 2,000,000 Shares. Save as disclosed above, Mr. So had no interest or short position in any Share pursuant to Part XV of the SFO.

**Director’s emoluments**

Pursuant to the service contract, Mr. So is entitled to a basic monthly salary, a variable portion based on performance targets and discretionary performance bonuses to be determined by the Board. For the year ended 31 March 2020, Mr. So’s total

emoluments amounted to HK\$1,093,000. Mr. So's emoluments are determined with reference to his role and duties, performance and responsibilities as well as the prevailing market conditions and are subject to revision in future by the decision of the Board based on the recommendation of the Company's remuneration committee.

**Other information and matters that need to be disclosed or brought to the attention of the Shareholders**

As far as the Directors are aware, there is no other information of Mr. So to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules; and there are no other matters concerning Mr. So that need to be brought to the attention of the Shareholders.

**3. AU YU CHIU STEVEN (區裕釗)**

**Position and experience**

Mr. Au Yu Chiu Steven (區裕釗) ("Mr. Au"), aged 61, was appointed as an independent non-executive Director on 15 March 2016. He is responsible for bringing an independent judgment to bear on issues of strategy, investment, policy, performance, accountability, resources, key appointments and standards of conduct. He is also the chairman of the audit committee and a member of the remuneration committee, nomination committee and corporate governance committee.

Mr. Au graduated from the University of East Anglia in the United Kingdom with a degree of Bachelor of Arts majoring in Economics in July 1982. He further received his degree of Master of Business Administration from the University of Western Ontario in Canada in October 2000. Mr. Au was admitted as a Chartered Accountant of the Institute of Chartered Accountants in England and Wales in November 1987. He is a fellow member of the Hong Kong Institute of Certified Public Accountants.

Mr. Au has more than 30 years of experience in the accounting and finance field. He worked as an accountant in the United Kingdom from 1982 to 1987 before he joined Arthur Andersen & Co. in Hong Kong in 1987. He then took up senior managerial positions with various companies in the finance industry. Mr. Au had been an executive director of finance and administration of Matilda International Hospital from October 2002 until he retired in September 2019. Mr. Au is also an independent non-executive director of Vincent Medical Holdings Limited (stock code: 1612), a company listed on the Main Board of the Stock Exchange of Hong Kong Limited.

**Length of service**

Pursuant to the Director's service contract entered into between the Company and Mr. Au, his current term of office is for a period of three years commenced from 15 March 2019, unless terminated by either party giving to the other not less than one month's prior notice in writing. Mr. Au is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles.

**Relationships**

As far as the Directors are aware, Mr. Au does not have any relationships with other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

**Interests in Share**

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Au holds Share Options under the Share Option Scheme entitling him to subscribe for 100,000 Shares. Save as disclosed above, Mr. Au had no interest or short position in any Share pursuant to Part XV of the SFO.

**Director's emoluments**

Pursuant to the service contract, Mr. Au is entitled to an annual Director's fee of HK\$150,000. For the year ended 31 March 2020, a sum of HK\$150,000 was paid to Mr. Au. Mr. Au's emoluments are determined with reference to his role and duties, performance and responsibilities as well as the prevailing market conditions and are subject to revision in future by the decision of the Board based on the recommendation of the Company's remuneration committee.

**Other information and matters that need to be disclosed or brought to the attention of the Shareholders**

As far as the Directors are aware, there is no other information of Mr. Au to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules; and there are no other matters concerning Mr. Au that need to be brought to the attention of the Shareholders.

**4. CHUNG FUK WING DANNY (鍾福榮)****Position and experience**

Mr. Chung Fuk Wing Danny (鍾福榮) (“**Mr. Chung**”), aged 64, was appointed as an independent non-executive Director on 15 March 2016. He is responsible for bringing an independent judgment to bear on issues of strategy, investment, policy, performance, accountability, resources, key appointments and standards of conduct. He is also the chairman of the nomination committee and a member of both the audit committee and remuneration committee.

Mr. Chung graduated from the University of Windsor in Canada with a degree in Bachelor of Applied Science majoring in Civil Engineering in June 1981. He further received his degree of Master of Business Administration from the University of Western Sydney in Australia in August 1996. Mr. Chung has been registered as a Chartered Engineer with the Engineering Council in the United Kingdom since September 1987. He

has also been a member of the Institution of Engineering and Technology (formerly the Institution of Production Engineers) in the United Kingdom since April 1987 and a member of the Hong Kong Institution of Engineers since January 1997.

Mr. Chung has over 30 years of experience in the construction industry. He began his career with Shui On Plant and Equipment Services Ltd. (“**Shui On**”), in 1981. After he left Shui On in 1993, he was in senior managerial positions of a number of construction related companies in Hong Kong and China. Mr. Chung was general manager — regional head, eastern region construction materials in K. Wah Construction Materials (China) Limited (“**K. Wah China**”) from April 2011 to October 2015, responsible for the entire operations of K. Wah China in eastern region of China.

### **Length of service**

Pursuant to the Director’s service contract entered into between the Company and Mr. Chung, his current term of office is for a period of three years commenced from 15 March 2019, unless terminated by either party giving to the other not less than one month’s prior notice in writing. Mr. Chung is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles.

### **Relationships**

As far as the Directors are aware, Mr. Chung does not have any relationships with other Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

### **Interests in Share**

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Chung holds Share Options under the Share Option Scheme entitling him to subscribe for 100,000 Shares. Save as disclosed above, Mr. Chung had no interest or short position in any Share pursuant to Part XV of the SFO.

### **Director’s emoluments**

Pursuant to the service contract, Mr. Chung is entitled to an annual Director’s fee of HK\$150,000. For the year ended 31 March 2020, a sum of HK\$150,000 was paid to Mr. Chung. Mr. Chung’s emoluments are determined with reference to his role and duties, performance and responsibilities as well as the prevailing market conditions and are subject to revision in future by the decision of the Board based on the recommendation of the Company’s remuneration committee.

**Other information and matters that need to be disclosed or brought to the attention of the Shareholders**

As far as the Directors are aware, there is no other information of Mr. Chung to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules; and there are no other matters concerning Mr. Chung that need to be brought to the attention of the Shareholders.



EXPERT

**EXPERT SYSTEMS HOLDINGS LIMITED**

**思博系統控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8319)**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that an annual general meeting (the “**Meeting**”) of Expert Systems Holdings Limited (the “**Company**”) will be held on Wednesday, 16 September 2020 at 3:00 p.m. at 14/F, Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong for the purpose of considering the following ordinary business:

**ORDINARY RESOLUTIONS**

1. To receive, consider and adopt the audited consolidated financial statements of the Company and the reports of the directors of the Company (the “**Directors**”) and auditor for the year ended 31 March 2020.
2. To declare a final dividend of HK0.45 cent per ordinary share of the Company for the year ended 31 March 2020 to be paid out of the share premium account of the Company.
3. To re-appoint BDO Limited as auditor of the Company and to authorize the board of the Directors to fix its remuneration.
4.
  - (a) To re-elect Ms. Lau Tsz Yan as an executive Director.
  - (b) To re-elect Mr. So Cheuk Wah Benton as an executive Director.
  - (c) To re-elect Mr. Au Yu Chiu Steven as an independent non-executive Director.
  - (d) To re-elect Mr. Chung Fuk Wing Danny as an independent non-executive Director.
5. To authorize the board of the Directors to fix the respective Directors’ remuneration.

## NOTICE OF THE 2020 AGM

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph (c) of this resolution below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorized and unissued shares in the capital of the Company and to make or grant offers, agreements and options (including 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 Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might or would require the exercise of such powers (including but not limited to the power to allot, issue and deal with additional shares in the capital of the Company) during or after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraphs (a) and (b) of this resolution above, otherwise than pursuant to:
  - (i) a Rights Issue (as defined below);
  - (ii) the exercise of the outstanding conversion rights attached to any convertible securities issued by the Company, which are convertible into shares of the Company;
  - (iii) the exercise of any options granted under the share option scheme(s) adopted by the Company or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to subscribe for shares in the Company; or
  - (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part of a dividend in accordance with the Articles from time to time,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and

## NOTICE OF THE 2020 AGM

(d) for the purposes of this resolution:

“Relevant Period” means the period from the time of 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 laws of the Cayman Islands or the Company’s Articles to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange).”

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) of this resolution below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with the applicable laws, rules and regulations, be and is hereby, generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution above shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its shares at a price determined by the Directors;
- (c) the aggregate nominal amount of shares of the Company to be repurchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and

## NOTICE OF THE 2020 AGM

(d) for the purposes of this resolution:

“Relevant Period” means the period from the time of 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 laws of the Cayman Islands or the Company’s Articles to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the ordinary resolutions 6 and 7 as set out in this notice convening the Meeting (the “**Notice**”), the general mandate granted to the Directors pursuant to ordinary resolution 6 as set out in the Notice be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution 7 as set out in this Notice, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

By Order of the Board  
**Expert Systems Holdings Limited**  
**Wong Chu Kee Daniel**  
*Chairman and non-executive Director*

Hong Kong, 26 June 2020

## NOTICE OF THE 2020 AGM

*Chairman and non-executive Director:*

Mr. Wong Chu Kee Daniel

*Chief executive officer and executive Director:*

Mr. Lau Wai Kwok

*Executive Directors:*

Ms. Lau Tsz Yan

Mr. So Cheuk Wah Benton

*Non-executive Directors:*

Mr. Chu Siu Sum Alex

Mr. Chan Kin Mei Stanley

*Independent non-executive Directors:*

Mr. Au Yu Chiu Steven

Mr. Chung Fuk Wing Danny

Mr. Ko Man Fu

Mr. Mak Wai Sing

*Notes:*

1. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. In order to be valid, the instrument appointing a proxy and (if required by the board of Directors) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered to the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the Meeting and, in such event, the form of proxy shall be deemed to be revoked.
4. No instrument appointing a proxy shall be valid after expiration of 12 months from the date named in it as the date of its execution, except at an adjourned Meeting or on a poll demanded at the Meeting or any adjournment thereof in cases where the Meeting was originally held within 12 months from such date.
5. Where there are joint holders of any shares, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members of the Company in respect of the joint holding.

## NOTICE OF THE 2020 AGM

6. To ascertain shareholders' eligibility to attend and vote at this Meeting, the register of members of the Company will be closed from Friday, 11 September 2020 to Wednesday, 16 September 2020 (both days inclusive), during which period no share transfer will be effected. In order to qualify for attending and voting at the Meeting, unregistered holders of shares of the Company should ensure that all completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m., on Thursday, 10 September 2020.
7. An explanatory statement containing the information necessary to enable the members to make an informed decision as to whether to vote for or against the ordinary resolution 7 as set out in this notice is set out in Appendix I to the Company's circular dated 26 June 2020.
8. Details of the retiring directors proposed to be re-elected as Directors of the Company at the Meeting are set out in Appendix II to the Company's circular dated 26 June 2020.
9. A form of proxy for use at the Meeting is enclosed.
10. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is hoisted or in effect at or after 11:00 a.m. on the date of the annual general meeting, the Meeting will be postponed. The Company will post an announcement on the Company's website at [www.expertsystems.com.hk](http://www.expertsystems.com.hk) and the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) to notify Shareholders of the date, time and place of the rescheduled meeting.