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If you have sold or transferred all your shares in Automated Systems Holdings Limited, you should at once hand this circular and the accompanying form of proxy 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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AUTOMATED SYSTEMS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 771)

**GRANT OF SHARE OPTIONS
UNDER SHARE OPTION SCHEME OF A SUBSIDIARY
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening the SGM of Automated Systems Holdings Limited to be held at 15th Floor, Topsail Plaza, 11 On Sum Street, Shatin, New Territories, Hong Kong on Thursday, 23rd April 2020 at 10:00 a.m. is set out on pages 27 to 29 of this circular. Whether or not you intend to attend the SGM, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof.

Completion and return of the proxy form will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

Hong Kong, 2nd April 2020

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DEFINITIONS

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Change in Control”	means any of the following with respect to GDI: (i) the direct or indirect sale or exchange in a single or series of related transactions by the shareholders of GDI of more than 50% of the voting stock of the GDI; (ii) a merger or consolidation in which GDI is a party; (iii) the sale, exchange or transfer of all or substantially all of the assets of GDI; or (iv) the liquidation or dissolution of GDI. As as the Latest Practicable Date, Change in Control had occurred upon completion of the Spin-off on 5th March 2020
“ChaSerg”	ChaSerg Technology Acquisition Corp., a company incorporated in the State of Delaware of the United States with limited liability, the Class A Common Stock of which are listed on Nasdaq. Upon completion of the Spin-off, ChaSerg was renamed as Grid Dynamics Holdings, Inc. (ticker symbol: GDYN)
“Company”	Automated Systems Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 771)
“Completion Announcement”	the announcement of the Company dated 8th March 2020 in relation to completion of the Spin-off
“Consultant”	a person engaged to provide consulting or advisory services (other than as an Employee or a GDI Scheme Director) to a Participating Company, provided that the identity of such person, the nature of such services or the entity to which such services are provided would not preclude GDI from offering Options to such person pursuant to the GDI Share Option Scheme in compliance with applicable securities laws
“Directors”	director(s) of the Company or the Board, as the context may require
“Employee(s)”	any person treated as an employee (including an Officer or a GDI Scheme Director who is also treated as an employee) in the records of a Participating Company
“Fair Market Value”	as of any date, the value of a GDI Share or other property as determined by the GDI Board, in its discretion, or by GDI, in its discretion, if such determination is expressly allocated to GDI under the GDI Share Option Scheme, subject to the terms of the GDI Share Option Scheme

DEFINITIONS

“GDI”	Grid Dynamics International, Inc., a corporation incorporated in the State of California of the United States, which was an indirect subsidiary of the Company as at the date of Grant but no longer a subsidiary of the Company as at the Latest Practicable Date following completion of the Spin-off
“GDI Board”	the board of directors of GDI
“GDI Scheme Director”	a member of the GDI Board or of the board of directors of any other Participating Company
“GDI Share(s)”	common stock in GDI, in issue and to be issued at any time prior to completion of the Spin-off
“GDI Share Option Scheme”	the share option scheme of GDI which was adopted and approved on 21st December 2018
“Grant”	the grant of Options to subscribe for 582,339 Options to 57 Grantees under the GDI Share Option Scheme
“Grantee(s)”	the grantees of Options
“Group”	the Company and its subsidiaries
“Incentive Stock Option(s)”	an Option intended to be and which qualifies as an “incentive stock option” pursuant to section 422(b) of the Internal Revenue Code of 1986 ^{NOTE} and as specified in the Stock Option Agreement
“Independent Shareholder(s)”	Shareholders other than the Relevant Grantees and their respective associates
“Latest Practicable Date”	31st March 2020, being the latest practicable date prior to the printing of this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Officer(s)”	any person designated by the GDI Board as an officer of GDI
“Option(s)”	option(s) to subscribe for GDI Shares granted pursuant to the GDI Share Option Scheme

NOTE: The main difference between an Incentive Stock Option and a nonstatutory stock option is that a US Participant may receive more favorable tax treatment at the time of grant, exercise and sale of GDI Shares received upon the exercise of an Incentive Stock Option, depending on the US Participant’s tax situation. An Incentive Stock Option must meet certain specific requirements to receive preferential tax treatment.

DEFINITIONS

“Participant(s)”	Employees, Consultants and GDI Scheme Directors
“Participating Company(ies)”	GDI, its parent companies or subsidiaries
“Participating Company Group”	at any point in time, all entities collectively which are the Participating Companies
“Relevant Grantees”	Leonard Livschitz, Victoria Livschitz, Vadim Kozyrkov, Yury Gryzlov, Stan Klimoff and Max Martynov, who are granted Options that exceed the Single Participant Limit and whose particulars are set out in the section headed “Grant of Options under the GDI Share Option Scheme” in this circular
“Scheme Mandate Limit”	the total number of GDI Shares which may be issued upon exercise of all Options to be granted under the GDI Share Option Scheme and any other schemes of GDI which, unless otherwise permitted under the Listing Rules, must not in aggregate exceed 10% of the GDI Shares in issue as at the date of the relevant resolution passed at the general meeting of the Company approving the GDI Share Option Scheme, as stipulated in Note 1 to Rule 17.03(3) of the Listing Rules
“SGM”	the special general meeting of the Company to be held at 15th Floor, Topsail Plaza, 11 On Sum Street, Shatin, New Territories, Hong Kong on Thursday, 23rd April 2020 at 10:00 a.m.
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Single Participant Limit”	the maximum entitlement of each Participant under the GDI Share Option Scheme stipulated in Note to Rule 17.03(4) of the Listing Rules, namely, that the aggregate number of GDI Shares issued and to be issued upon exercise of the Options granted to such Participant (including both exercised and outstanding Options) in any 12-month period shall not exceed 1% of the GDI Shares in issue
“Spin-off”	the separate listing of GDI on NASDAQ by way of mergers, completion of which took place on 5th March 2020 and thereafter GDI ceased to exist as a separate legal entity. Please refer to the Spin-off Circular for further details
“Spin-off Circular”	the circular of the Company dated 31st December 2019 in relation to, among other things, the Spin-off
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Stock Option Agreement”	an agreement between GDI and a Participant setting forth the terms, conditions and restrictions of the Option(s) granted to the Participant
“substantial shareholder”	has the meaning ascribed thereto under the Listing Rules
“Ten Percent Shareholder”	a person who, at the time an Option is granted to such person, owns stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of a Participating Company
“True-Up Policy”	has the meaning as defined in the appendix to this circular
“US” or “United States”	the United States of America
“US\$”	United States dollars, the lawful currency of the United States
“2019 Interim Report”	the interim report of the Company for the six months ended 30 June 2019
“%”	per cent

LETTER FROM THE BOARD



AUTOMATED SYSTEMS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 771)

Executive Directors:

Mr. Wang Weihang (*Chairman*)

Mr. Wang Yueou (*Chief Executive Officer*)

Non-Executive Director:

Mr. Cui Yong

Independent Non-Executive Directors:

Mr. Pan Xinrong

Mr. Deng Jianxin

Ms. Or Siu Ching, Regina

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

*Head Office and principal place of
business in Hong Kong:*

15th Floor, Topsail Plaza

11 On Sum Street

Shatin

New Territories

Hong Kong

Hong Kong, 2nd April 2020

To the Shareholders

Dear Sir or Madam,

GRANT OF SHARE OPTIONS UNDER SHARE OPTION SCHEME OF A SUBSIDIARY AND NOTICE OF SPECIAL GENERAL MEETING

1. INTRODUCTION

Reference is made to the announcement of the Company dated 10th February 2020 in respect of the grant of Options to the Grantees.

The purpose of this circular is to give the Independent Shareholders notice of the SGM and information in respect of the resolutions to be proposed at the SGM regarding the grant of Options in excess of the Single Participant Limit.

The Company also wishes to clarify certain disclosure relating to the GDI Share Option Scheme in the 2019 Interim Report and the Completion Announcement.

2. GRANT OF OPTIONS UNDER THE GDI SHARE OPTION SCHEME

The adoption of the GDI Share Option Scheme was approved by the Shareholders on 21st December 2018, pursuant to which, GDI was able to grant to the Participants Options to subscribe for an aggregate number of up to 2,250,000 GDI Shares. The Shareholders further approved the refreshment of the Scheme Mandate Limit on 22nd May 2019, pursuant to which, GDI was able to further grant to the Participants Options to subscribe for an aggregate number of up to 750,000 GDI Shares.

LETTER FROM THE BOARD

The GDI Board had resolved to grant Options to 57 Grantees under the GDI Share Option Scheme to subscribe for an aggregate of 582,339 GDI Shares on 22nd May 2019 and all Grantees accepted Options granted to them ^{NOTE}. The Grant involved granting Options to the Relevant Grantees in excess of the Single Participant Limit, which is subject to the approval of the Independent Shareholders. Further details are set out in the section headed “Particulars of the Relevant Grantees” below.

Options granted to the Grantees are divided into two tranches, comprising Options to subscribe for an aggregate of 166,118 GDI Shares and Options to subscribe for an aggregate of 416,221 GDI Shares, respectively, and the two tranches have different vesting schedules.

Terms of the Grant

The terms of the Grant shall follow the terms of the GDI Share Option Scheme. The Options are subject to the following specific terms:

Date of Grant	:	22nd May 2019
Exercise price of the Options granted	:	US\$7.55 per GDI Share, which is not less than the Fair Market Value of GDI Shares.
The Fair Market Value of GDI Shares as at 22nd May 2019	:	US\$7.55 per GDI Share, as determined by an independent third party valuation company engaged by GDI. The valuation company applied traditional valuation techniques and methodologies, including valuation techniques and methods that comply with guidance provided by the American Institute of Certified Public Accountants (AICPA) in its Accounting & Valuation Guide, in determining the fair market value of GDI’s equity. In addition, factors external to GDI such as the economy in the United States and the industry in which GDI is operating in have also been taken into account by the valuation company.
Number of the Options granted	:	582,339
Validity period of the Options	:	From the date of Grant to 21st May 2029 (both dates inclusive), subject to any earlier termination of the Options as provided by the GDI Share Option Scheme. However, in respect of Options under the Grant which qualify as Incentive Stock Options, no Incentive Stock Option granted to a Ten Percent Shareholder shall be exercisable after the expiration of five years after the date of Grant.

Note: As advised by the US legal advisers to GDI, under US law the Grant in excess of the Single Participant Limit had been completed upon acceptance of the Options.

LETTER FROM THE BOARD

Vesting date and exercise period of Options to subscribe for an aggregate of 166,118 GDI Shares

Reference is made to the announcements of the Company dated 6th May 2019 (the “**Subscription Announcement**”) and 17th May 2019 in respect of a subscription of equity interest in GDI at an aggregate consideration of US\$15,000,000. The subscription was completed on 15th May 2019.

Pursuant to the True-Up Policy, the GDI Board resolved to grant Options to subscribe for 166,118 GDI Shares to certain Grantees to compensate for the dilutive effect of the equity financing by GDI referred to above.

Grantees	Number of Options	Proportion of Options	25%			
			25%	25%	25%	25%
Directors of GDI or senior management of the Participating Company Group (Note 1)	156,378	Vesting date	Vested on date of grant		Vested on 1st January 2020	To vest on 1st January 2021 (Note 3)
			All the unvested Options shall automatically vest in full immediately prior to the consummation of a Change in Control			
		Exercise period	Vesting date till 21st May 2029 (both dates inclusive)			
Employees and/or officers of GDI	8,270	Vesting date	Vested on date of grant	Vested on 12th November 2019	To vest on 12th November 2020 (Note 3)	To vest on 12th November 2021
			The vesting of Options shall automatically accelerate by an additional 12 months immediately prior to the consummation of a Change in Control			
		Exercise period	Vesting date till 21st May 2029 (both dates inclusive)			
Other Participants (Note 2)	1,470	Vesting date	Vested on 1st February 2020	To vest on 1st February 2021 (Note 3)	To vest on 1st February 2022 (Note 3)	To vest on 1st February 2023 (Note 3)
			All the unvested Options shall automatically vest in full immediately prior to the consummation of a Change in Control			
		Exercise period	Vesting date till 21st May 2029 (both dates inclusive)			

Note 1: The Grantees comprise Mr. Wang Yueou, the Relevant Grantees (a total of 128,447 Options) and directors and senior management of GDI (a total of 21,316 Options). Pursuant to the True-Up Policy, Mr. Wang Yueou was granted 6,615 Options, and Options granted to the Relevant Grantees were as follows: Mr. Leonard Livschitz was granted 68,911 Options, Ms. Victoria Livschitz was granted 22,051 Options, Mr. Yury Gryzlov was granted 11,025 Options and each of Mr. Kozyrkov Vadim, Mr. Klimoff Stan and Mr. Martynov Max was granted 8,820 Options.

Note 2: The Grantees comprise external consultants to GDI.

Note 3: As at the Latest Practicable Date, completion of the Spin-off, which constituted a Change in Control, took place and the vesting of Options was accelerated in the manner as set out above. Options which had not been exercised (whether vested or not) were assumed by ChaSerg in the manner as described in the Spin-off Circular.

LETTER FROM THE BOARD

Vesting date and exercise period of Options to subscribe for an aggregate of 416,221 GDI Shares

As disclosed in the Subscription Announcement, the Company granted a put option to the subscriber which would become exercisable if the Company resolved not to proceed with an initial public offering of GDI Shares (including a SPAC listing) in the US within three years.

In order to provide incentive and promote the listing of GDI in the US, the GDI Board resolved to grant Options to subscribe for 416,221 GDI Shares (the “**SPAC Listing Grant**”). As at the Latest Practicable Date, completion of the Spin-off, which constituted a Change in Control, took place and some of the Options vested immediately prior to the Change in Control as indicated in the table below. Options which had not been exercised were assumed by ChaSerg in the manner as described in the Spin-off Circular.

Grantees	Number of Options	Proportion of Options	75%		25%	
Directors of GDI or senior management of the Participating Company Group (Note 1)	391,816	Vesting date	To vest on the closing date of a merger or consolidation by a special purpose acquisition company, GDI and the Company (the “ Initial Vesting Date ”)			To vest on 1st January 2021
		Exercise period	Vesting date till 21st May 2029 (both dates inclusive)			
Employees and/or officers of GDI	20,721	Proportion of Options	50%	25%	25%	
		Vesting date	To vest on the Initial Vesting Date	To vest on 12th November 2020	To vest on 12th November 2021	
		Exercise period	Vesting date till 21st May 2029 (both dates inclusive)			
Other Participants (Note 2)	3,684	Proportion of Options	25%	25%	25%	25%
		Vesting date	To vest on the Initial Vesting Date	To vest on 1st February 2021	To vest on 1st February 2022	To vest on 1st February 2023
		Exercise period	Vesting date till 21st May 2029 (both dates inclusive)			

Note1: The Grantees comprise Mr. Wang Yueou, the Relevant Grantees (a total of 321,832 Options) and directors and senior management of GDI (a total of 53,409 Options). Pursuant to the SPAC Listing Grant, Mr. Wang Yueou was granted 16,575 Options, and Options granted to the Relevant Grantees were as follows: Mr. Leonard Livschitz was granted 172,657 Options, Ms. Victoria Livschitz was granted 55,250 Options, Mr. Yury Gryzlov was granted 27,625 Options and each of Mr. Kozyrkov Vadim, Mr. Klimoff Stan and Mr. Martynov Max was granted 22,100 Options.

Note2: The Grantees comprise external consultants to GDI.

LETTER FROM THE BOARD

- Early Exercise : Notwithstanding the foregoing vesting schedules, certain Options may be exercised by the Grantees for issuance of both vested and unvested GDI Shares. In the event a Grantee elects to exercise the unvested Options, the unvested GDI Shares issued thereunder shall be treated as restricted stock and are entitled to the same rights as vested shares of GDI's common stock, including rights to receive dividends or other distributions to shareholders as well as the right to vote the shares, save that the holder shall not transfer, assign or dispose of any interest in the unvested GDI Shares, which is subject to a right of repurchase in favor of GDI in the event the Grantee (i) ceases to provide Services (as defined in the circular of the Company dated 3rd December 2018) to GDI or (ii) attempts to dispose of such restricted stock which are issued pursuant to the exercise of unvested Options. The restricted shares will continue to vest in accordance with the relevant vesting schedule and the transfer restriction and GDI's right of repurchase shall lapse in accordance with the relevant vesting schedule.
- Performance target : Nil. For the avoidance of doubt, there will be no performance target which must be achieved before the unvested Options may be exercised as referred to above.

Particulars of the Grant to director, chief executive or substantial shareholder of the Company, or any of their respective associates

Mr. Wang Yueou, being an executive director and the chief executive officer of the Company, is one of the Grantees in respect of Options to subscribe for an aggregate of 23,190 GDI Shares (representing 0.18% of the issued GDI Shares as at the date of Grant), together with the Options granted to him on 21st December 2018 to subscribe for an aggregate of 90,000 GDI Shares, in the 12 months up to the date of Grant Mr. Wang Yueou had been granted Options to subscribe for an aggregate of 113,190 GDI Shares (representing 0.88% of the issued GDI Shares as at the date of Grant). Of the Options granted to him, 6,615 Options are granted pursuant to the True-Up Policy and 16,575 Options are granted under the SPAC Listing Grant.

Save for Mr. Wang Yueou, none of the Grantees is a director, chief executive or substantial shareholder of the Company, nor an associate of any of them.

The grant of Options to Mr. Wang Yueou has been approved by the independent non-executive Directors in compliance with Rule 17.04(1) of the Listing Rules.

LETTER FROM THE BOARD

Particulars of the Relevant Grantees

The number of issued GDI Shares as at the date of Grant was 12,832,027. Accordingly, as at the date of Grant, the Single Participant Limit for each Grantee was 128,320 Options. Set out below are brief particulars of each of the Relevant Grantees (none of which is a director, chief executive or substantial shareholder of the Company or an associate of any of them) who is granted Options in excess of the Single Participant Limit pursuant to the Grant.

Mr. Leonard Livschitz

Mr. Leonard Livschitz is one of the founders and the chief executive officer of GDI.

Pursuant to the Grant, Options granted to Mr. Leonard Livschitz entitle him to subscribe for an aggregate of 241,568 GDI Shares at the exercise price of US\$7.55. Of the Options granted to him, 68,911 Options are granted pursuant to the True-Up Policy and 172,657 Options are granted under the SPAC Listing Grant.

As Options granted to Mr. Leonard Livschitz to subscribe for an aggregate of 241,568 GDI Shares (representing approximately 1.88% of the issued GDI Shares as at the date of Grant), together with the Options granted to him on 21st December 2018 to subscribe for an aggregate of 937,500 GDI Shares, in the 12 months up to the date of Grant Mr. Leonard Livschitz had been granted Options to subscribe for an aggregate of 1,179,068 GDI Shares (representing approximately 9.19% of the issued GDI Shares as at the date of Grant), the Grant is made in excess of his Single Participant Limit.

Ms. Victoria Livschitz

Ms. Victoria Livschitz is one of the founders and the chief technology officer of GDI.

Pursuant to the Grant, Options granted to Ms. Victoria Livschitz entitle her to subscribe for an aggregate of 77,301 GDI Shares at the exercise price of US\$7.55. Of the Options granted to her, 22,051 Options are granted pursuant to the True-Up Policy and 55,250 Options are granted under the SPAC Listing Grant. As at the Latest Practicable Date, Ms. Victoria Livschitz had exercised 11,025 Options granted to her.

As Options granted to Ms. Victoria Livschitz to subscribe for an aggregate of 77,301 GDI Shares (representing approximately 0.6% of the issued GDI Shares as at the date of Grant), together with the Options granted to her on 21st December 2018 to subscribe for an aggregate of 300,000 GDI Shares, in the 12 months up to the date of Grant Ms. Victoria Livschitz had been granted Options to subscribe for an aggregate of 377,301 GDI Shares (representing approximately 2.94% of the issued GDI Shares as at the date of Grant), the Grant is made in excess of her Single Participant Limit.

LETTER FROM THE BOARD

Mr. Yury Gryzlov

Mr. Yury Gryzlov is the senior vice president of operation of GDI.

Pursuant to the Grant, Options granted to Mr. Yury Gryzlov entitle him to subscribe for an aggregate of 38,650 GDI Shares at the exercise price of US\$7.55. Of the Options granted to him, 11,025 Options are granted pursuant to the True-Up Policy and 27,625 Options are granted under the SPAC Listing Grant.

As Options granted to Mr. Yury Gryzlov to subscribe for an aggregate of 38,650 GDI Shares (representing approximately 0.3% of the issued GDI Shares as at the date of Grant), together with the Options granted to him on 21st December 2018 to subscribe for an aggregate of 150,000 GDI Shares, in the 12 months up to the date of Grant Mr. Yury Gryzlov had been granted Options to subscribe for an aggregate of 188,650 GDI Shares (representing approximately 1.47% of the issued GDI Shares as at the date of Grant), the Grant is made in excess of his Single Participant Limit.

Mr. Kozyrkov Vadim

Mr. Kozyrkov Vadim is the senior vice president of engineering of GDI.

Pursuant to the Grant, Options granted to Mr. Kozyrkov Vadim entitle him to subscribe for an aggregate of 30,920 GDI Shares at the exercise price of US\$7.55. Of the Options granted to him, 8,820 Options are granted pursuant to the True-Up Policy and 22,100 Options are granted under the SPAC Listing Grant.

As Options granted to Mr. Kozyrkov Vadim to subscribe for an aggregate of 30,920 GDI Shares (representing approximately 0.24% of the issued GDI Shares as at the date of Grant), together with the Options granted to him on 21st December 2018 to subscribe for an aggregate of 120,000 GDI Shares, in the 12 months up to the date of Grant Mr. Kozyrkov Vadim had been granted Options to subscribe for an aggregate of 150,920 GDI Shares (representing approximately 1.18% of the issued GDI Shares as at the date of Grant), the Grant is made in excess of his Single Participant Limit.

Mr. Klimoff Stan

Klimoff Stan is the vice president of corporate development of GDI.

Pursuant to the Grant, Options granted to Mr. Klimoff Stan entitle him to subscribe for an aggregate of 30,920 GDI Shares at the exercise price of US\$7.55. Of the Options granted to him, 8,820 Options are granted pursuant to the True-Up Policy and 22,100 Options are granted under the SPAC Listing Grant. As at the Latest Practicable Date, Mr. Klimoff Stan had exercised 4,410 Options granted to him.

As Options granted to Mr. Klimoff Stan to subscribe for an aggregate of 30,920 GDI Shares (representing approximately 0.24% of the issued GDI Shares as at the date of Grant), together with the Options granted to him on 21st December 2018 to subscribe for an aggregate of 120,000 GDI Shares, in the 12 months up to the date of Grant Mr. Klimoff Stan had been granted Options to subscribe for an aggregate of 150,920 GDI Shares (representing approximately 1.18% of the issued GDI Shares as at the date of Grant), the Grant is made in excess of his Single Participant Limit.

LETTER FROM THE BOARD

Mr. Martynov Max

Mr. Martynov Max is the vice president of technology of GDI.

Pursuant to the Grant, Options granted to Mr. Martynov Max entitle him to subscribe for an aggregate number of up to 30,920 GDI Shares at the exercise price of US\$7.55. Of the Options granted to him, 8,820 Options are granted pursuant to the True-Up Policy and 22,100 Options are granted under the SPAC Listing Grant.

As Options granted to Mr. Martynov Max to subscribe for an aggregate of 30,920 GDI Shares (representing approximately 0.24% of the issued GDI Shares as at the date of Grant), together with the Options granted to him on 21st December 2018 to subscribe for an aggregate of 120,000 GDI Shares, in the 12 months up to the date of Grant Mr. Martynov Max had been granted Options to subscribe for an aggregate of 150,920 GDI Shares (representing approximately 1.18% of the issued GDI Shares as at the date of Grant), the Grant is made in excess of his Single Participant Limit.

Below is a summary of Options granted in excess of the Single Participant Limit.

Names of Grantees	Position(s)	No. of Options granted pursuant to the Grant	Approximate percentage of Options granted pursuant to the Grant of the total number of issued GDI Shares as at the date of Grant	Aggregate no. of Options granted in the 12 months up to the date of Grant	Approximate percentage of Options granted in the 12 months up to the date of Grant of the total number of issued GDI Shares as at the date of Grant
Mr. Leonard Livschitz	the founder and the chief executive officer of GDI	241,568	1.88%	1,179,068	9.19%
Ms. Victoria Livschitz	the founder and the chief technology officer of GDI	77,301	0.60%	377,301	2.94%
Mr. Yury Gryzlov	the senior vice president of operation of GDI	38,650	0.30%	188,650	1.47%
Mr. Kozyrkov Vadim	the senior vice president of engineering of GDI	30,920	0.24%	150,920	1.18%
Mr. Klimoff Stan	the vice president of corporate development of GDI	30,920	0.24%	150,920	1.18%
Mr. Martynov Max	the vice president of technology of GDI	30,920	0.24%	150,920	1.18%
Total:		450,279	3.51%	2,197,779	17.13%

LETTER FROM THE BOARD

Reasons for granting the Options (including the Relevant Grantees)

Options granted pursuant to the True-Up Policy were granted to compensate for the dilutive effect of the equity financing referred to in the Subscription Announcement.

The Options granted under the SPAC Listing Grant were granted to provide incentive and promote listing of GDI. Options granted under the SPAC Listing Grant also aimed to recognize the Grantees' respective contribution in the formation, management, strategic development, engineering and technical innovation, research and development as well as promotion of business in GDI; to maintain an on-going relationship with each of them whose contributions were beneficial to the development of GDI; and to provide the Grantees with motivation and incentive to enhance the growth of GDI's future business. Such purposes are achieved by granting the Options the value of which would be a positive incentive should the performance of GDI and hence the Fair Market Value of GDI Shares (or shares in the holding company of GDI in a SPAC listing, as the case may be) improve.

Accordingly, the Directors consider that the Grant (including the Grant to the Relevant Grantees) is beneficial to the Group and fair and reasonable and in the interests of the Group and the Shareholders as a whole.

3. INFORMATION ON OPTIONS GRANTED UNDER THE GDI SHARE OPTION SCHEME

Solely for illustration and assuming there was no change in the total issued share capital of GDI from the date of Grant until the date of the SGM (i.e assuming that, among other things, the Spin-off and exercise of Options by Ms. Victoria Livschitz and Mr. Klimoff Stan did not take place), the 582,339 GDI Shares to be issued upon the exercise of the Options in full represent approximately 4.5% of the total issued share capital of GDI as at the date of Grant and approximately 4.3% of the total issued share capital of GDI on a diluted basis as enlarged by the allotment and issue of GDI Shares upon the exercise of the Options in full.

Under the GDI Share Option Scheme, the Options do not carry any right to vote, receive dividends, transfer or other rights (including those arising on a liquidation of GDI) prior to them being exercised and the underlying GDI Shares being issued upon the exercise of the Options shall rank *pari passu* with the GDI Shares then existing in all respects, including the entitlement of receiving dividends and other distributions the record date for which is on or after the date of allotment and issue of those GDI Shares.

LETTER FROM THE BOARD

The following table illustrates changes in the shareholdings of GDI upon the exercise of the Options in full (assuming no change in the total issued share capital of GDI between the date of Grant and the date when GDI Shares are issued pursuant to the exercise of the Options in full):

Shareholders	As at the date of Grant		Upon exercise of the 582,339 Options in full	
	<i>Number of Shares held</i>	<i>Approximate shareholding percentage</i>	<i>Number of Shares held</i>	<i>Approximate shareholding percentage</i>
Company (<i>Note 1</i>)	11,574,564	90.20%	11,574,564	86.28%
Minority shareholders of GDI	1,047,463	8.16%	1,047,463	7.81%
Grantees under the Grant				
Mr. Wang Yueou	–	–	23,190	0.17%
Mr. Leonard Livschitz	–	–	241,568	1.80%
Ms. Victoria Livschitz (<i>Note 3</i>)	150,000	1.17%	227,301	1.70%
Mr. Yury Gryzlov	–	–	38,650	0.29%
Mr. Kozyrkov Vadim	–	–	30,920	0.23%
Mr. Klimoff Stan (<i>Note 4</i>)	60,000	0.47%	90,920	0.68%
Mr. Martynov Max	–	–	30,920	0.23%
Other Grantees under the Grant	–	–	108,870	0.81%
Total:	<u><u>12,832,027</u></u>	<u><u>100.00%</u></u>	<u><u>13,414,366</u></u>	<u><u>100.00%</u></u>

Notes:

- (1) As at the Latest Practicable Date, GDI is no longer a subsidiary of the Company following completion of the Spin-off.
- (2) Figures shown above are for illustrative purposes only.
- (3) As at the Latest Practicable Date, Ms. Victoria Livschitz had exercised 11,025 Options granted to her.
- (4) As at the Latest Practicable Date, Mr. Klimoff Stan had exercised 4,410 Options granted to him.

Reference is also made to the Spin-off Circular in respect of the Merger Agreement (as defined in the Spin-off Circular) and the proposed spin-off and separate listing of GDI.

In the Spin-off Circular, the Company set out, among other things, the shareholding structure of ChaSerg immediately after completion of the Spin-off. As disclosed on page 25 of the Spin-off Circular, the post-completion shareholding structure of ChaSerg under Scenarios C and D is based on the assumptions that, among other things, 2,594,211 outstanding and vested stock options of GDI convertible into class A common stock in ChaSerg have been exercised prior to completion of the Spin-off, which included Options referred to in this circular. As the Spin-off Circular has already taken into account such Options in the assumption in connection with the post-completion shareholding structure table, the disclosure in the post-completion shareholding structure table in the Spin-off Circular remains accurate.

LETTER FROM THE BOARD

For information on the treatment of outstanding stock options of GDI contemplated under the Merger Agreement, please refer to the section headed “Letter from the Board – Merger and Proposed Spin-off – Merger Agreement – Treatment of outstanding stock options of GDI” on pages 13 to 14 of the Spin-off Circular. As at the Latest Practicable Date, completion of the Spin-off had taken place and Options were assumed by ChaSerg in accordance with the arrangement as set out in the Spin-off Circular. The GDI Share Option Scheme had been terminated upon completion of the Spin-off.

Mr. Wang Yueou, being an executive director and the chief executive officer of the Company, abstained from voting on the Board resolutions for considering and approving the Grant as he has a material interest given he is one of the Grantees. Save for the aforesaid, none of the Directors have a material interest in the Board resolutions approving the Grant.

4. NON-COMPLIANCE WITH RULES 17.03(4), 17.06A, 17.07 AND 17.11 OF THE LISTING RULES

The Note to Rule 17.03(4) of the Listing Rules stipulates that a listed issuer is required to obtain approval from its independent shareholders in respect of any further grant of options to a participant which would result in the securities issued and to be issued upon exercise of all options granted and to be granted to such person in the 12-month period up to and including the date of such further grant in aggregate exceeding 1% of the relevant class of securities in issue. Rule 17.06A of the Listing Rules stipulates that a listed issuer must publish an announcement as soon as possible upon a grant of options under a share option scheme of the listed issuer or any of its subsidiaries. Rule 17.07 of the Listing Rules stipulates that a listed issuer must disclose in its annual and interim report, among other things, particulars of options granted during the reporting financial year/period.

While the GDI Board resolved to grant Options to subscribe for an aggregate of 582,339 GDI Shares on 22nd May 2019, due to inadvertent oversight, the Company did not publish an announcement on the Grant and did not obtain approval from the Independent Shareholders in respect of Options granted in excess of the Single Participant Limit in a timely fashion. In addition, the interim report of the Company for the six months ended 30th June 2019 did not include the required disclosure on particulars of Options granted during the six-month period.

The Company deeply regrets its inadvertent failure to disclose the Grant and obtain approval from the Independent Shareholders in a timely fashion. To ensure proper compliance with the Listing Rules in the future, the Company will adopt the following remedial measures:

- the Company will arrange additional training on regulatory compliance matters relating to disclosure requirements under the Listing Rules (such as Chapter 17 of the Listing Rules) to the Directors, senior management and the responsible staff on a regular basis to reinforce their understanding and importance of compliance with the Listing Rules;
- the Company will issue a letter to all the directors and senior management of the Company and its subsidiaries to remind them of the need for strict compliance with disclosure requirements under the Listing Rules (such as Chapter 17 of the Listing Rules), and in particular, to inform and consult the company secretary and the legal advisers of the Company before conducting corporate actions which may trigger compliance obligations on the part of the Company; and
- the Company will continue to assess and monitor its internal control regarding disclosure compliance in order to avoid the re-occurrence of similar incidents.

LETTER FROM THE BOARD

Going forward, the Company will continue to comply with and make appropriate disclosure in a timely manner to ensure strict compliance with the Listing Rules.

Reference is made to the announcement of the Company dated 27th March 2019 in relation to, among other things, the grant of 20,000 Options at the exercise price of US\$7.54 per GDI Share, subject to approval of the refreshment of the scheme mandate limit by the Shareholders at the annual general meeting held on 22nd May 2019.

Rule 17.11 of the Listing Rules stipulates that a breach of the terms of a share option scheme constitutes a breach of the Listing Rules. It is stipulated in the GDI Share Option Scheme that the exercise price per GDI Share for an Option shall not be less than the Fair Market Value of a GDI Share on the effective date of grant of the Option (please refer to the circular of the Company dated 3rd December 2018 in relation to, among other things, adoption of the GDI Share Option Scheme for details).

Due to inadvertent oversight, the GDI Board granted 20,000 Options at the exercise price of US\$7.54 per GDI Share based on its determination of the Fair Market Value as at the date of the grant announcement (i.e. 27th March 2019), which was lower than the Fair Market Value of GDI Shares as at the effective date of grant (i.e. 22nd May 2019, being the date of approval of the refreshment of the scheme mandate limit) based on a valuation report obtained in May 2019 (being US\$7.55 per GDI Share, being the exercise price of the other batch of 532,339 Options granted on the same day). Whilst with hindsight the exercise price of the aforementioned 20,000 Options should be set at no less than US\$7.55 per GDI Share, the Company is of the view that the difference of US\$0.01 per GDI Share is nominal and in any event such nominal difference has been eliminated on 5th March 2020 (being the date of completion of the Spin-off) as the 20,000 Options (all of which had not been exercised) were assumed by ChaSerg at the same exercise price as the other batch of 532,339 Options granted on 22nd May 2019, in accordance with the arrangement as set out in the section headed “Letter from the Board — Mergers and Proposed Spin-off - Merger Agreement — Treatment of outstanding stock options of GDI” on pages 13 to 14 of the Spin-off Circular.

5. CLARIFICATION IN RESPECT OF THE 2019 INTERIM REPORT

Reference is made to the 2019 Interim Report.

In light of the Grant, the Board would like to clarify that pages 43 to 45 of the 2019 Interim Report should read as follows:

LETTER FROM THE BOARD

Additional Information

C. Share Option Scheme of a subsidiary of the Company

*Grid Dynamics, an indirect subsidiary of the Company, adopted a share option scheme (the “**GDI Share Option Scheme**”) on 21st December 2018. The GDI Share Option Scheme will expire on 20th December 2028. A summary of the GDI Share Option Scheme is as follows:*

*The purpose of the GDI Share Option Scheme is to advance the interests of Grid Dynamics and its shareholders by providing an incentive to attract, retain and reward persons performing services for Grid Dynamics and any entities which are its parent companies or subsidiaries (the “**Participating Company Group**”) and by motivating such persons to contribute to the growth and profitability of Grid Dynamics. The participants include employees, consultants and directors of the Participating Company Group.*

*The options will be exercisable until the expiration of ten (10) years after the effective date of grant of such option, or such other applicable date (i.e. no incentive stock option granted to a person who, at the time an option is granted to such person, owns stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Participating Company Group, shall be exercisable after the expiration of five (5) years after the effective date of grant of such option, and with the exception of (i) an option granted to an officer, a director of the Participating Company Group (the “**GDI Scheme Director**”) or a consultant, a person engaged to provide consulting or advisory services (other than as an employee or a GDI Scheme Director) to the Participating Company Group and (ii) an option that is exercisable based on the accomplishment of specific performance based milestones, no option shall become exercisable at a rate less than twenty percent (20%) per year over a period of five (5) years from the effective date of grant of such option, subject to the participant’s continued service).*

LETTER FROM THE BOARD

The following table discloses movements in the share options under the GDI Share Option Scheme during the period:

Participants	Date of grant	Vesting		Number of Shares to be issued upon exercise of share options						
		Period and Exercise	Exercise Price	At 1st January 2019	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Adjusted during the period	At 30th June 2019
Director of the Company										
Wang Yueou	21.12.2018	(Note 1)	7.54	90,000	-	-	-	-	-	90,000
	22.05.2019	(Note 4)	7.55	-	23,190	-	-	-	-	23,190
Excess Single Participant Limit										
Leonard Livschitz ²	21.12.2018	(Note 1)	7.54	937,500	-	-	-	-	-	937,500
	22.05.2019	(Note 4)	7.55	-	241,568	-	-	-	-	241,568
Victoria Livschitz ²	21.12.2018	(Note 1)	7.54	300,000	-	(150,000)	-	-	-	150,000
	22.05.2019	(Note 4)	7.55	-	77,301	(11,025)	-	-	-	66,276
Yury Gryzlov ²	21.12.2018	(Note 1)	7.54	150,000	-	-	-	-	-	150,000
	22.05.2019	(Note 4)	7.55	-	38,650	-	-	-	-	38,650
Stan Klimoff	21.12.2018	(Note 1)	7.54	120,000	-	(60,000)	-	-	-	60,000
	22.05.2019	(Note 4)	7.55	-	30,920	(4,410)	-	-	-	26,510
Vadim Kozyrkov	21.2.2018	(Note 1)	7.54	120,000	-	-	-	-	-	120,000
	22.05.2019	(Note 4)	7.55	-	30,920	-	-	-	-	30,920
Max Martynov	21.2.2018	(Note 1)	7.54	120,000	-	-	-	-	-	120,000
	22.05.2019	(Note 4)	7.55	-	30,920	-	-	-	-	30,920
Employees of GDI	21.12.2018	(Note 1)	7.54	412,500	-	-	-	-	-	412,500
	22.05.2019	(Note 4)	7.55	-	103,716	-	-	-	-	103,716
Others	22.05.2019	(Note 3)	7.54	-	20,000	-	-	-	-	20,000
	22.05.2019	(Note 4)	7.55	-	5,154	-	-	-	-	5,154
Total				2,250,000	602,339	(225,435)	-	-	-	2,626,904

Notes:

- On 12th November 2018 (Pacific Time), GDI Board proposed to grant share options to 57 participants under the GDI Share Option Scheme to subscribe for up to 2,250,000 GDI Shares at the exercise price of US\$7.54 per GDI Share (the “**Exercise Price**”). The grant of share options exceeding the Scheme Mandate Limit was approved by the shareholders of the Company at the special general meeting held on 21st December 2018 (the “**SGM**”). Among the abovementioned options: (i) options to subscribe for 2,127,500 GDI Shares were granted to 16 grantees who are directors of Grid Dynamics or senior management of Participating Company Group and are so granted in such capacity (the “**GDI Senior Management Grant**”); and (ii) options to subscribe for 122,500 GDI Shares were granted to 41 grantees who were so to be granted in their capacity as employees and/or officers of the Participating Company Group (the “**GDI Employees Grant**”). Options of the above grants are divided into four tranches. There will be no performance target which must be achieved before the unvested options may be exercised.

LETTER FROM THE BOARD

The vesting period and exercise period of the share options granted on 21st December 2018 under the GDI Senior Management Grant are as follows:

<i>Date of Grant</i>	<i>Tranches</i>	<i>Vesting Period</i>	<i>Exercise Period</i>	<i>Percentage of options of each tranche shall be exercisable</i>
21.12.2018	First tranche	12.11.2018	12.11.2018 to 11.11.2028	25%
	Second tranche	1.1.2019	1.1.2019 to 11.11.2028	25%
	Third tranche	1.1.2020	1.1.2020 to 11.11.2028	25%
	Fourth tranche	1.1.2021	1.1.2021 to 11.11.2028	25%

Immediately prior to the consummation of a change in control of Grid Dynamics (including Ownership Change Event as defined in the appendix to the Company's Circular dated 3rd December 2018 or the liquidation or dissolution of Grid Dynamics), all the unvested options shall automatically vest in full.

The vesting period and exercise period of the share options granted on 21st December 2018 under the GDI Employees Grant are as follows:

<i>Date of Grant</i>	<i>Tranches</i>	<i>Vesting Period</i>	<i>Exercise Period</i>	<i>Percentage of options of each tranche shall be exercisable</i>
21.12.2018	First tranche	12.11.2018	12.11.2018 to 11.11.2028	25%
	Second tranche	12.11.2019	12.11.2019 to 11.11.2028	25%
	Third tranche	12.11.2020	12.11.2020 to 11.11.2028	25%
	Fourth tranche	12.11.2021	12.11.2021 to 11.11.2028	25%

Immediately prior to the consummation of a change in control of Grid Dynamics (including Ownership Change Event as defined in the appendix to the Company's Circular dated 3rd December 2018 or the liquidation or dissolution of Grid Dynamics), the vesting of options shall accelerate by an additional 12 months.

Notwithstanding the foregoing vesting schedules, certain options may be exercised by the participants for issuance of both vested and unvested GDI Shares. In the event a participant elects to exercise the unvested options, the unvested GDI Shares issued thereunder shall be treated as restricted stock are entitled to the same rights as vested GDI Shares. The details of which are disclosed in the Company's announcement dated 21st December 2018.

2. *At the SGM, the shareholders of the Company approved the grant of options to Leonard Livschitz, Victoria Livschitz and Yury Gryzlov exceeding the Single Participant Limit to subscribe for up to 937,500 GDI Shares, 300,000 GDI Shares, and 150,000 GDI Shares, respectively, under the GDI Share Option Scheme which represent approximately 7.81%, 2.50%, and 1.25%, respectively, of the total GDI shares in issue as at that date. For details, please refer to the Company's announcement dated 21st December 2018.*

3. *On 27th March 2019, the GDI Board has resolved to grant options to two participants under the GDI Share Option Scheme to subscribe for an aggregate of up to 20,000 GDI Shares subsequent to the passing of an ordinary resolution of the shareholders of the Company at the annual general meeting of the Company held on 22nd May 2019 (the "2019 AGM") approving the refreshment of scheme mandate limit (i.e. options to subscribe for up to 2,250,000 GDI Shares) for further grant of options to subscribe for up to 750,000 GDI Shares at the exercise price of US\$7.54 per GDI Share. The foregoing two participants are not the director, chief executive or substantial shareholder of the Company or their respective associate. Options of the above grants are divided into four tranches. There will be no performance target which must be achieved before the unvested options may be exercised.*

LETTER FROM THE BOARD

The vesting period and exercise period of the share options granted on 22nd May 2019 under are as follows:

Date of grant	Tranches	Vesting Period	Exercise Period	Percentage of options of each tranche shall be exercisable
22.5.2019	First Tranche	1.2.2020	1.2.2020 to 26.3.2029	25%
	Second Tranche	1.2.2021	1.2.2021 to 26.3.2029	25%
	Third Tranche	1.2.2022	1.2.2022 to 26.3.2029	25%
	Fourth Tranche	1.2.2023	1.2.2023 to 26.3.2029	25%

Immediately prior to the consummation of a change in control of Grid Dynamics (including Ownership Change Event as defined in the appendix of the Company's circular dated 3rd December 2018, or the liquidation or dissolution of Grid Dynamics), all the unvested Options shall automatically vest in full.

Notwithstanding the foregoing vesting schedules, certain Options may be exercised by the Grantees for issuance of both vested and unvested GDI Shares. In the event a participant elects to exercise the unvested Options, the unvested GDI Shares issued thereunder shall be treated as restricted stock and are entitled to the same rights as vested shares of GDI's common stock. The details of which are disclosed in the Company's announcement dated 27th March 2019.

4. On 22nd May 2019, the GDI Board has further resolved to grant options to 57 participants under the GDI Share Option Scheme to subscribe for an aggregate of up to 582,339 GDI Shares at the exercise price of US\$7.55 per GDI Share. The Grant involved granting Options to six Grantees in excess of the Single Participant Limit which is subject to the approval of the Shareholders. Options of the above grants are divided into two batches. There will be no performance target which must be achieved before the unvested options may be exercised.

Options granted to the Grantees are divided into two tranches, comprising Options to subscribe for an aggregate of 166,118 GDI Shares and Options to subscribe for an aggregate of 416,221 GDI Shares, respectively, and the two tranches have different vesting schedules. Options to subscribe for an aggregate of 166,168 GDI Shares are granted pursuant to the true-up policy under the GDI Share Option Scheme (the True-Up Policy) in connection with a subscription of equity interest in GDI at an aggregate consideration of US\$15,000,000 (please refer to the announcements of the Company dated 6th May 2019 and 17th May 2019 for details), whilst Options to subscribe for an aggregate of 416,221 GDI Shares are granted to provide incentive and promote the listing of GDI in the US (the SPAC Listing Grant).

LETTER FROM THE BOARD

The vesting period and exercise period of the for an aggregate of 416,221 share options granted on 22nd May 2019 are as follows:

<u>Grantees</u>	<u>Number of Options</u>	<u>Proportion of Options</u>	<u>75%</u>		<u>25%</u>
<u>Directors of GDI or senior management of the Participating Company Group (Note 1)</u>	391,816	<u>Vesting date</u>	<u>To vest on the closing date of a merger or consolidation by a special purpose acquisition company, GDI and the Company (the “Initial Vesting Date”)</u>		<u>To vest on 1st January 2021</u>
		<u>Exercise period</u>	<u>Vesting date till 21st May 2029 (both dates inclusive)</u>		
<u>Employees and/or officers of GDI</u>	20,721	<u>Proportion of Options</u>	<u>50%</u>	<u>25%</u>	<u>25%</u>
		<u>Vesting date</u>	<u>To vest on the Initial Vesting Date</u>	<u>To vest on 12th November 2020</u>	<u>To vest on 12th November 2021</u>
		<u>Exercise period</u>	<u>Vesting date till 21st May 2029 (both dates inclusive)</u>		
<u>Other Participants (Note 2)</u>	3,684	<u>Proportion of Options</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
		<u>Vesting date</u>	<u>To vest on the Initial Vesting Date</u>	<u>To vest on 1st February 2021</u>	<u>To vest on 1st February 2022</u>
		<u>Exercise period</u>	<u>Vesting date till 21st May 2029 (both dates inclusive)</u>		

Note 1: The Grantees comprise Mr. Wang Yueou, the relevant Grantees to whom Options are granted in excess of the Single Participant Limit (a total of 321,832 Options) and directors and senior management of GDI (a total of 53,409 Options). Pursuant to the SPAC Listing Grant, Mr. Wang Yueou was granted 16,575 Options, and Options granted to the relevant Grantees were as follows: Mr. Leonard Livschitz was granted 172,657 Options, Ms. Victoria Livschitz was granted 55,250 Options, Mr. Yury Gryzlov was granted 27,625 Options and each of Mr. Kozyrkov Vadim, Mr. Klimoff Stan and Mr. Martynov Max was granted 22,100 Options.

Note 2: The Grantees comprise external consultants to GDI.

Immediately prior to the consummation of a change in control of Grid Dynamics (including Ownership Change Event as defined in the appendix to the Company’s circular dated 3rd December 2018 or the liquidation or dissolution of Grid Dynamics), some of the Options will vest in full immediately prior to the consummation of the change in control as indicated in the table above.

LETTER FROM THE BOARD

The vesting period and exercise period of the 166,118 share options granted on 22nd May 2019 are as follows:

<u>Grantees</u>	<u>Number of Options</u>	<u>Proportion of Options</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
<u>Directors of GDI or senior management of the Participating Company Group (Note 1)</u>	156,378	<u>Vesting date</u>	<u>Vested on date of grant</u>		<u>Vested on 1st January 2020</u>	<u>To vest on 1st January 2021</u>
			<u>All the unvested Options shall automatically vest in full immediately prior to the consummation of a Change in Control</u>			
		<u>Exercise period</u>	<u>Vesting date till 21st May 2029 (both dates inclusive)</u>			
<u>Employees and/or officers of GDI</u>	8,270	<u>Vesting date</u>	<u>Vested on date of grant</u>	<u>Vested on 12th November 2019</u>	<u>To vest on 12th November 2020</u>	<u>To vest on 12th November 2021</u>
			<u>The vesting of Options shall automatically accelerate by an additional 12 months immediately prior to the consummation of a Change in Control</u>			
		<u>Exercise period</u>	<u>Vesting date till 21st May 2029 (both dates inclusive)</u>			
<u>Other Participants (Note 2)</u>	1,470	<u>Vesting date</u>	<u>Vested on 1st February 2020</u>	<u>To vest on 1st February 2021</u>	<u>To vest on 1st February 2022</u>	<u>To vest on 1st February 2023</u>
			<u>All the unvested Options shall automatically vest in full immediately prior to the consummation of a Change in Control</u>			
		<u>Exercise period</u>	<u>Vesting date till 21st May 2029 (both dates inclusive)</u>			

Note 1: The Grantees comprise Mr. Wang Yueou, the relevant Grantees to whom Options are granted in excess of the Single Participant Limit (a total of 128,447 Options) and directors and senior management of GDI (a total of 21,316 Options). Pursuant to the True-Up Policy, Mr. Wang Yueou was granted 6,615 Options, and Options granted to the relevant Grantees were as follows: Mr. Leonard Livschitz was granted 68,911 Options, Ms. Victoria Livschitz was granted 22,051 Options, Mr. Yury Gryzlov was granted 11,025 Options and each of Mr. Kozyrkov Vadim, Mr. Klimoff Stan and Mr. Martynov Max was granted 8,820 Options.

Note 2: The Grantees comprise external consultants to GDI.

Notwithstanding the foregoing vesting schedules, certain Options may be exercised by the Grantees for issuance of both vested and unvested GDI Shares. In the event a Grantee elects to exercise the unvested Options, the unvested GDI Shares issued thereunder shall be treated as restricted stock and are entitled to the same rights as vested shares of GDI's common stock, including rights to receive dividends or other distributions to shareholders as well as the right to vote the shares, save that the holder shall not transfer, assign or dispose of any interest in the unvested GDI Shares, which is subject to a right of repurchase in favor of GDI in the event the Grantee (i) ceases to provide services to GDI or (ii) attempts to dispose of such restricted stock which are issued pursuant to the exercise of unvested Options. The restricted shares will continue to vest in accordance with the above vesting schedule and the transfer restriction and GDI's right of repurchase shall lapse in accordance with the above vesting schedule.

LETTER FROM THE BOARD

6. CLARIFICATION IN RESPECT OF THE COMPLETION ANNOUNCEMENT

Reference is made to the Completion Announcement.

The Board would like to clarify that the paragraph below in the Completion Announcement should read as follows:

The Board is pleased to announce that all the conditions precedent set out in the Merger Agreement have been fulfilled and Completion took place on 5th March 2020 (pacific time) in accordance with the terms of the Merger Agreement. Upon Completion, GDI has effectively become a wholly owned subsidiary of Grid Dynamics Holdings, Inc. (“GDH”, formerly known as ChaSerg) and GDI is effectively listed on Nasdaq (ticker symbol of GDH: GDYN). In connection with the Mergers, the Company received cash consideration (net of Cash Consideration Adjustment) of approximately US\$93.8 million (equivalent to approximately HK\$731.6 million) which will predominantly be used to repay the Relevant Liabilities. Immediately upon Completion and taking into account (i) the Cash Consideration Reallocation Amount and (ii) Consideration Share Adjustment in respect of “excess cash and marketable securities” held by GDI, but before any other post-Completion adjustments under the Consideration Share Adjustment, the Company was interested in approximately 38.3% of the issued share capital of GDH as at the date of Completion, being the single largest shareholder of GDH, and was entitled to appoint up to two directors to the board of GDH. As GDI is no longer a subsidiary of the Company, the Company will account for the results of GDH as an associate in the results of the Remaining Group.

7. THE SGM

The notice of SGM is set out on pages 27 to 29 of this circular.

There is enclosed a proxy form for use at the SGM. A Shareholder entitled to attend and vote at the SGM may appoint another person as his/her proxy to attend and vote instead of him/her, and on a poll, votes may be given either personally or, in the case of a Shareholder being a corporation by its authorised representative or by proxy in accordance with the bye-laws of the Company. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to attend the SGM. A proxy need not be a Shareholder. If more than one proxy is so appointed, the appointment shall specify the number of Shares in respect of which each such proxy is so appointed. Whether or not Shareholders intend to be present at the SGM, Shareholders are requested to complete the proxy form and return it to the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not less than 48 hours before the time for holding the SGM.

Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the SGM or any adjournment thereof should Shareholders so wish.

LETTER FROM THE BOARD

8. BOOK CLOSURE AND RECORD DATE IN RELATION TO THE SGM

For determining the entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Monday, 20th April 2020 to Thursday, 23rd April 2020, both days inclusive, during which period no transfer of shares of the Company will be registered and the record date is fixed on Thursday, 23rd April 2020. In order to determine the entitlement to attend and vote at the SGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Friday, 17th April 2020.

9. VOTING BY POLL

Pursuant to Bye-law 70, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand of a poll) demanded:

- (a) by the chairman of the meeting;
- (b) by at least three Shareholders present in person or by a duly authorised corporate representative or by proxy for the time being entitled to vote at the meeting;
- (c) by any Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (d) by any Shareholder or Shareholders present in person or by a duly authorised corporate representative or by proxy and holding Shares in the Company conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

Pursuant to Rule 13.39(4) of the 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 chairman of the SGM will demand a poll on the resolution proposed at the SGM.

The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

As at the Latest Practicable Date, to the best of the Directors' knowledge and belief having made all reasonable enquiries, no Shareholder has a material interest in the Grant and therefore no Shareholder is required to abstain from voting on the resolutions in relation thereto.

LETTER FROM THE BOARD

10. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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.

11. RECOMMENDATION

The Directors consider that Grant (including the Grant to the Relevant Grantees) is in the interest of the Company and the Shareholders as a whole, and recommend the Independent Shareholders to vote in favour of all resolutions to be proposed at the SGM.

Yours faithfully
By order of the Board of
AUTOMATED SYSTEMS HOLDINGS LIMITED
Mr. Wang Weihang
Chairman

TRUE-UP POLICY

Subject to separate approval by shareholders of GDI in connection with the adoption of the GDI Share Option Scheme, the GDI Board has adopted a True-Up Option Policy (“True-Up Policy”), which provides as follows:

- (a) The purpose of the True-Up Policy is to protect Participants under the GDI Share Option Scheme from the dilutive effects of subsequent qualified equity financings (“Financing(s)”) by GDI.
- (b) For the purposes of this True-Up Policy, a Financing is qualified if it results in an issuance of a new stock or recapitalization of existing stock leading to dilution of the Participant’s GDI Share of the GDI’s value, regardless of the value of the consideration tendered for the stock, if any.
- (c) The True-Up Policy will be implemented by granting Options for GDI Shares after each Financing to all eligible Participants under the GDI Share Option Scheme, provided such Participants (i) have received Options under GDI Share Option Scheme before the latest Financing and (ii) remain eligible to receive Options under the regular eligibility criteria of the GDI Share Option Scheme (“Qualified Participant(s)).
- (d) The Options will be granted at the then Fair Market Value of the GDI Share.
- (e) The number of GDI Shares that may be issued upon exercise of all Options to be granted to each Qualified Participant as may reasonably be determined by Board at each Financing will be calculated based on the dilution of the equity value of such Participant.
- (f) The True-Up Policy shall remain in effect until such time as GDI has raised at least one hundred million US dollars (US\$100,000,000) in aggregate Financings.
- (g) Upon exceeding one hundred million US dollars (US\$100,000,000) in aggregate Financings, the True-Up Policy will apply only to the Financing amount up to one hundred million US dollars (US\$100,000,000).



AUTOMATED SYSTEMS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 771)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Automated Systems Holdings Limited (the “**Company**”) will be held at 15th Floor, Topsail Plaza, 11 On Sum Street, Shatin, New Territories, Hong Kong on Thursday, 23rd April 2020 at 10:00 a.m. (the “**SGM**”) for the purpose of considering and, if thought fit, passing (with or without amendments) the following resolutions as ordinary resolutions of the Company:

1. “**THAT** the grant of options under the share option scheme of GDI (which was adopted and approved on 21st December 2018 (the “**GDI Share Option Scheme**”) (“**Options**”) to Leonard Livschitz which would entitle him to subscribe for up to 241,568 shares in GDI (“**GDI Shares**”) at the exercise price of US\$7.55 each, and any or all actions of the Company, Grid Dynamics International, Inc., (“**GDI**”) or any of their respective directors or officers taken in connection with the Options prior to the SGM be and are hereby confirmed, approved and ratified and the directors of the Company (the “**Directors**”) be and are hereby authorised to do all such acts and/or execute all such documents as may be necessary to give full effect to the grant and exercise of such Options”.
2. “**THAT** the grant of Options under the GDI Share Option Scheme to Victoria Livschitz which would entitle her to subscribe for up to 77,301 GDI Shares at the exercise price of US\$7.55 each, and any or all actions of the Company, GDI or any of their respective directors or officers taken in connection with the Options prior to the SGM be and are hereby confirmed, approved and ratified and the Directors be and are hereby authorised to do all such acts and/or execute all such documents as may be necessary to give full effect to the grant and exercise of such Options”.
3. “**THAT** the grant of Options under the GDI Share Option Scheme to Yury Gryzlov which would entitle him to subscribe for up to 38,650 GDI Shares at the exercise price of US\$7.55 each, and any or all actions of the Company, GDI or any of their respective directors or officers taken in connection with the Options prior to the SGM be and are hereby confirmed, approved and ratified and the Directors be and are hereby authorised to do all such acts and/or execute all such documents as may be necessary to give full effect to the grant and exercise of such Options”.
4. “**THAT** the grant of Options under the GDI Share Option Scheme to Kozyrkov Vadim which would entitle him to subscribe for up to 30,920 GDI Shares at the exercise price of US\$7.55 each, and any or all actions of the Company, GDI or any of their respective directors or officers taken in connection with the Options prior to the SGM be and are hereby confirmed, approved and ratified and the Directors be and are hereby authorised to do all such acts and/or execute all such documents as may be necessary to give full effect to the grant and exercise of such Options”.

NOTICE OF SGM

5. “**THAT** the grant of Options under the GDI Share Option Scheme to Klimoff Stan which would entitle him to subscribe for up to 30,920 GDI Shares at the exercise price of US\$7.55 each, and any or all actions of the Company, GDI or any of their respective directors or officers taken in connection with the Options prior to the SGM be and are hereby confirmed, approved and ratified and the Directors be and are hereby authorised to do all such acts and/or execute all such documents as may be necessary to give full effect to the grant and exercise of such Options”.
6. “**THAT** the grant of Options under the GDI Share Option Scheme to Martynov Max which would entitle him to subscribe for up to 30,920 GDI Shares at the exercise price of US\$7.55 each, and any or all actions of the Company, GDI or any of their respective directors or officers taken in connection with the Options prior to the SGM be and are hereby confirmed, approved and ratified and the Directors be and are hereby authorised to do all such acts and/or execute all such documents as may be necessary to give full effect to the grant and exercise of such Options”.

Yours faithfully
By order of the Board of
Automated Systems Holdings Limited
Mr. Wang Weihang
Chairman

Hong Kong, 2nd April 2020

Notes:

- (a) **In compliance with the HKSAR Government’s directive on social distancing, personal and environmental hygiene, and the guidelines issued by the Centre for Health Protection of the Department of Health on the prevention of coronavirus disease 2019 (COVID-19), the Company will implement additional precautionary measures at the SGM including, without limitation:**
- **compulsory body temperature screening;**
 - **mandatory use of surgical face masks;**
 - **mandatory health declaration - anyone subject to quarantine, has any flu-like symptoms or has travelled overseas within 14 days immediately before the SGM (“recent travel history”), or has close contact with any person under quarantine or with recent travel history will not be permitted to attend the SGM;**
 - **anyone attending the SGM is reminded to observe good personal hygiene at all times;**
 - **the Company will not serve refreshment at the SGM to avoid the coming into close contact amongst participants; and**
 - **appropriate distancing and spacing in line with the guidance from the HKSAR Government will be maintained and as such, the Company may limit the number of attendees at the SGM as may be necessary to avoid over-crowding.**
- (b) **In light of the continuing risks posed by the COVID-19 pandemic, the Company strongly encourages Shareholders NOT to attend the SGM in person, and advises Shareholders to appoint the Chairman of the SGM or any Director or Company Secretary of the Company as their proxy to vote according to their indicated voting instructions as an alternative to attending the SGM in person.**

NOTICE OF SGM

- (c) For determining the entitlement to attend and vote at the SGM, the Register of Members will be closed from Monday, 20th April 2020 to Thursday, 23rd April 2020, both days inclusive, during which period no transfer of shares of the Company will be registered and the record date is fixed on Thursday, 23rd April 2020. In order to determine the entitlement to attend and vote at the SGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Friday, 17th April 2020.
- (d) Voting on the resolutions will be taken by way of poll. On voting by poll, every member of the Company present in person or by a duly authorised corporate representative or by proxy shall have one vote for every fully paid share of the Company of which such member is the holder.
- (e) A shareholder of the Company entitled to attend and vote at the SGM shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her, and on a poll, votes may be given either personally or, in the case of a shareholder of the Company being a corporation, by its duly authorised representative or by proxy in accordance with the bye-laws of the Company. A shareholder of the Company who is the holder of two or more shares of the Company may appoint more than one proxy to attend the SGM. A proxy need not be a shareholder of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares of the Company in respect of which each such proxy is so appointed.
- (f) Where there are joint registered holders of any share of the Company, any one of such persons may vote at the SGM, either personally 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 SGM personally or by proxy, then one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (g) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time fixed for holding the SGM or any adjournment thereof.
- (h) A proxy form for use at the SGM is enclosed with the circular to the shareholders of the Company.
- (i) Completion and return of the proxy form will not preclude a shareholder of the Company from attending and voting in person at the SGM or any adjournment thereof if he/she so wishes.

As at the date of this notice, the Board comprises Mr. Wang Weihang and Mr. Wang Yueou being Executive Directors; Mr. Cui Yong being Non-Executive Director and Mr. Pan Xinrong, Mr. Deng Jianxin and Ms. Or Siu Ching, Rerina being Independent Non-Executive Directors.