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Anacle Systems Limited

安科系統有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Stock Code: 8353)

GRANT OF SHARE OPTIONS

This announcement is made by Anacle Systems Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 23.06A of the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on the GEM of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

GRANT OF SHARE OPTIONS

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that, pursuant to the share option scheme of the Company adopted on 24 November 2016 (the “**Share Option Scheme**”), the Company granted/conditionally granted (as the case may be) an aggregate of 39,915,849 share options (the “**Share Options**”) to 10 eligible participants (the “**Grantees**”) on 12 October 2023 (the “**Date of Grant**”) to subscribe for ordinary shares (the “**Shares**”) in the share capital of the Company, subject to acceptance of the Share Options by each of the Grantees.

Details of the Share Options granted to the Grantees is set out below:

Date of Grant	: 12 October 2023
Total number of Share Options granted	: 39,915,849 Share Options
Exercise price of Share Options granted	: HK\$0.256 per Share, being the higher of (i) the average closing price of the Shares as stated in the daily quotation sheet issued by the Stock Exchange for the five business days (as defined in the GEM Listing Rules) immediately preceding the Date of Grant, being HK\$0.256; and (ii) the closing price of the Shares to be issued by the Stock Exchange on the Date of Grant, being HK\$0.250
Closing price of Shares on Date of Grant	: HK\$0.250 per Share
Vesting Period of Share Options	: Subject to the provisions of the rules of the Share Option Scheme (“ Scheme Rules ”), the Share Options shall be vested in four (4) tranches:- (i) 25% of the Share Options granted shall be vested on the first anniversary of the Date of Grant; (ii) 25% of the Share Options granted shall be vested on the second anniversary of the Date of Grant; (iii) 25% of the Share Options granted shall be vested on the third anniversary of the Date of Grant; and (iv) the remaining 25% of the Share Options granted shall be vested on the fourth anniversary of the Date of Grant.

* for identification purpose only

Exercise period of Share Options : In respect of each portion of Share Options which is vested, the exercise period (the “**Exercise Period**”) shall be the period beginning on the relevant vesting date and ending on the 10th anniversary of the Date of Grant. The Share Options (to the extent not already exercised) shall lapse automatically at the expiry of the Exercise Period.

Performance Target : There is no performance target attached to the Share Options granted.

The purpose of the Share Option Scheme is (i) to motivate eligible participants to optimise their future contributions to the Group and/or to reward them for their past contributions, (ii) to attract and retain or otherwise maintain on-going relationships with the eligible participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and (iii) in the case of executive Directors, managers and employees holding an executive, managerial, supervisory or similar position in the Group (the “**Executives**”), to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

In determining the grant of the Share Options to Grantees who are Executives (including the Executive Directors and members of the senior management of the Group), the Remuneration Committee of the Board (the “**Remuneration Committee**”) considered various factors including the length of service of each Grantee and his/her contribution to the Group’s business. The Remuneration Committee is of the view that: (i) as the value of the Share Options is linked to future share price driven by performance of the Company, the grant of the Share Options will align the Grantees’ interests with those of the Company and its shareholders (the “**Shareholders**”), and the Grantees will be motivated to optimise their future contributions towards the performance, growth and success of the Group; and (ii) as the Share Options will be vested in four batches over a period of four years from the Date of Grant, it is consistent with the purpose of the Share Option Scheme to attract and retain Executives with experience and ability for the long-term development of the Group. As such, the Remuneration Committee is of the view that the grant of the Share Options is consistent with the purpose and objectives of the Share Option Scheme and performance targets are not necessary.

Clawback Mechanism : Scenarios in which the Share Options (to the extent not exercised) would lapse or be cancelled pursuant to the Scheme Rules include but are not limited to: (i) the Grantee ceasing to be an Executive by reason of termination of employment by resignation or culpable termination (including serious misconduct and bankruptcy); (ii) the Grantee ceasing to be an eligible participant under the Scheme Rules; (iii) the Grantee being in breach of the transfer restrictions of the Share Options; or (iv) if the Grantee has, in the opinion of the Board, conducted himself in any manner to the detriment of or prejudicial to the interest of the Group.

Without prejudice to any provisions of the Scheme Rules, if the Grantee is guilty of fraud or persistent or serious misconduct during any Exercise Period, the Board may (but is not obliged to) by notice in writing to the Grantee claw back such number of Shares under the Share Options (to the extent not exercised) as the Board may consider appropriate.

Financial Assistance : The Group has not provided any financial assistance to the Grantees for the purchase of Shares under the Share Option Scheme.

All of the Grantees of the Share Options are employees of the Group, as detailed below:-

Name/category of Grantee	Position	Number of Share Options granted/ conditionally granted
Mr. Lau E Choon Alex ("Mr. Lau")	Executive Director & Chief Executive Officer	10,000,000
Mr. Ong Swee Heng ("Mr. Ong")	Executive Director & Chief Operating Officer	6,000,000
Ms. Sylvia Sundari Poerwaka ("Ms. Poerwaka")	Chief Financial Officer & Joint Company Secretary (senior management)	5,000,000
Mr. Ho Hai Aik ("Mr. Ho")	Chief Consultant (senior management)	5,000,000
Ms. Ng Yen Yen ("Ms. Ng")	Senior Consultant & Business Unit Head (wife of Mr. Lau)	5,000,000
Other employees	-	8,915,849

After the grant of the Share Options, there will be no Shares available for future grant under the Share Option Scheme.

LISTING RULES IMPLICATIONS

Pursuant to Rule 23.04(1) of the Listing Rules, any grant of share options to a Director, chief executive or substantial Shareholder or any of their respective associates under the Share Option Scheme must be approved by the independent non-executive Directors.

Pursuant to Rule 23.03D of the GEM Listing Rules and the Scheme Rules, if the grant of the Share Options to a Grantee would result in the Shares issued and to be issued in respect of all share options and awards granted to such Grantee by the Company during the 12-month period up to and including the Date of Grant (excluding any share options and awards which have lapsed under the terms of the relevant share scheme) in excess of 1% of the relevant class of Shares of the Company in issue (the "1% Individual Limit"), then such proposed grant of Share Options must be separately approved by the Shareholders in general meeting with the relevant Grantee and his/her close associates (or associates if the participant is a connected person) abstaining from voting.

In addition, pursuant to Rule 23.04(3) of the GEM Listing Rules, if the grant of Share Options to a Grantee who is a substantial Shareholder of the Company (or any of his/her associates) would result in the Shares issued and to be issued in respect of all share options and awards granted (excluding any options and awards lapsed in accordance with the terms of the relevant share scheme) to such person in the 12-month period up to and including the Date of Grant representing in aggregate over 0.1% of the relevant class of shares in issue, (the “0.1% Limit”), then such proposed grant of Share Options shall be approved by the Shareholders in a general meeting with the relevant Grantee, his/her associates and all core connected persons of the Company abstaining from voting in accordance with Rule 23.04(4) of the GEM Listing Rules.

Mr. Lau

Mr. Lau is an Executive Director and a substantial Shareholder. As the total number of Shares to be issued upon exercise of the Share Options proposed to be granted to Mr. Lau exceeds the 1% Individual Limit and the 0.1% Limit, the grant of the Share Options to Mr. Lau is subject to and conditional upon approval by the Shareholders at a general meeting pursuant to Rules 23.03D and 23.04(3) of the GEM Listing Rules. At the general meeting, Mr. Lau, his associates and all core connected persons of the Company shall abstain from voting on the relevant resolution.

The conditional grant of the Share Options to Mr. Lau has been approved by the independent non-executive Directors pursuant to Rule 23.04(1) of the GEM Listing Rules. Mr. Lau abstained from voting on the relevant Board resolution in respect of the grant of Share Options to him.

Mr. Ong

Mr. Ong is an Executive Director of the Company. As the total number of Shares to be issued upon exercise of the Share Options proposed to be granted to Mr. Ong exceeds the 1% Individual Limit, the grant of the Share Options to Mr. Ong is subject to and conditional upon approval by the Shareholders at a general meeting pursuant to Rule 23.03D of the GEM Listing Rules. At the general meeting, Mr. Ong and his associates shall abstain from voting on the relevant resolution.

The conditional grant of the Share Options to Mr. Ong has been approved by the independent non-executive Directors pursuant to Rule 23.04(1) of the GEM Listing Rules. Mr. Ong abstained from voting on the relevant Board resolution in respect of the grant of Share Options to him.

Ms. Poerwaka and Mr. Ho

Ms. Poerwaka and Mr. Ho are members of the senior management of the Group. As the total number of Shares to be issued upon exercise of the Share Options proposed to be granted to each of Ms. Poerwaka and Mr. Ho exceeds the 1% Individual Limit, the grant of the Share Options to each of Ms. Poerwaka and Mr. Ho is subject to and conditional upon approval by the Shareholders at a general meeting pursuant to Rule 23.03D of the GEM Listing Rules. At the general meeting, Ms. Poerwaka, Mr. Ho and their respective close associates shall abstain from voting on the relevant resolution.

Ms. Ng

Ms. Ng is the wife, and hence an associate, of Mr. Lau (an Executive Director and a substantial Shareholder). As the total number of Shares to be issued upon exercise of the Share Options proposed to be granted to Ms. Ng exceeds the 1% Individual Limit and the 0.1% Limit, the grant of the Share Options to Ms. Ng is subject to and conditional upon approval by the Shareholders at a general meeting pursuant to Rules 23.03D and 23.04(3) of the GEM Listing Rules. At the general meeting, Ms. Ng, her associates and all core connected persons of the Company shall abstain from voting on the relevant resolution.

The conditional grant of the Share Options to Ms. Ng has also been approved by the independent non-executive Directors pursuant to Rule 23.04(1) of the GEM Listing Rules.

Save as disclosed above, as at the date of this announcement, none of the Grantees is (i) a Director, chief executive or substantial Shareholder or an associate (as defined in the GEM Listing Rules) of any of them, or (ii) a person to whom the grant of the Share Options will exceed the 1% Individual Limit.

A circular containing, among other things, (i) further details of the grant of the Share Options to Mr. Lau, Mr. Ong, Ms. Poerwaka, Mr. Ho and Ms. Ng; and (ii) a notice convening an extraordinary general meeting of the Company to approve the grant of the Share Options to the aforesaid individuals will be despatched to the Shareholders in due course in accordance with the GEM Listing Rules.

For and on behalf of
Anacle Systems Limited
Lau E Choon Alex
Executive Director and Chief Executive Officer

Singapore, 12 October 2023

As at the date of this announcement, the board of Directors comprises Mr. Lau E Choon Alex (Chief Executive Officer) and Mr. Ong Swee Heng (Chief Operating Officer) as executive Directors; Mr. Lee Suan Hiang (Chairman), Prof. Wong Poh Kam and Dr. Chong Yoke Sin as non-executive Directors; and Mr. Alwi Bin Abdul Hafiz, Mr. Mok Wai Seng and Mr. Chua Leong Chuan Jeffrey as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its publication. This announcement will also be published on the Company's website at www.anacle.com