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If you have sold or transferred all your shares in Anacle Systems Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).



Anacle Systems Limited

安科系統有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Stock Code: 8353)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

Capitalised terms used in the lower portion of this cover page and the first page of this circular shall have the same respective meanings as those defined in the section headed "DEFINITIONS" of this circular.

A notice convening the 2019 AGM to be held at 1 Fusionopolis View, Level 5, Singapore 138577 on Monday, 30 September 2019 at 10:00 a.m. is set out on pages 14 to 18 of this circular. A form of proxy for use in connection with the 2019 AGM is enclosed with this circular. If you are not able to attend the 2019 AGM and wish to exercise your right as a Shareholder, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding the 2019 AGM or its adjournment. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2019 AGM or its adjournment if you so wish. If you attend and vote at the 2019 AGM, the authority of your proxy will be revoked.

This circular will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication. This circular will also be published on the website of the Company at www.anacle.com.

30 August 2019

** for identification purpose only*

CHARACTERISTICS OF GEM

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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This circular is prepared in both English and Chinese. In the event of any inconsistency, the English text of this circular will prevail.

DEFINITIONS

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

"2019 AGM"	the AGM to be held at 1 Fusionopolis View, Level 5, Singapore 138577 on Monday, 30 September 2019 at 10:00 a.m. or the adjournment thereof
"2019 AGM Notice"	the notice convening the 2019 AGM, which is set out on pages 14 to 18 of this circular
"AGM"	the annual general meeting of the Company
"Constitution"	the constitution of the Company adopted on 24 November 2016 which has taken effect on the date on which the Company was converted into a public company, as amended, supplemented or otherwise modified from time to time
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors
"close associate(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Company"	Anacle Systems Limited, a public company incorporated in the Singapore with limited liability, whose issued Shares are listed and traded on GEM (stock code: 8353)
"controlling shareholder(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"core connected person(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Director(s)"	the director(s) of the Company
"GEM"	GEM of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM as amended, supplemented or otherwise modified from time to time
"Group"	the Company and its subsidiaries from time to time
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"INED(s)"	the independent non-executive Director(s)

DEFINITIONS

"Issue Mandate"	the general mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with additional Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing the relevant resolution granting such mandate
"Latest Practicable Date"	30 August 2019, being the latest practicable date for ascertaining certain information for inclusion in this circular prior to the printing of this circular
"Listing Date"	16 December 2016, the date on which the issued Shares were initially listed on GEM
"Nomination Committee"	the nomination committee of the Board
"PRC"	the People's Republic of China
"Remuneration Committee"	the remuneration committee of the Board
"Repurchase Mandate"	the general mandate proposed to be granted to the Directors at the AGM to repurchase Shares not exceeding 10% of the aggregate number of the issued Shares as at the date of passing the relevant resolution granting such mandate
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented and/or otherwise modified from time to time
"Share(s)"	the ordinary share(s) in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Share(s)
"Singapore"	the Republic of Singapore
"Singapore Exchange"	Singapore Exchange Securities Trading Limited
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"S\$"	the lawful currency of Singapore
"subsidiary(ies)"	has the meaning ascribed thereto under the GEM Listing Rules
"substantial shareholder(s)"	has the meaning ascribed thereto under the GEM Listing Rules
"Takeovers Code"	the Code on Takeovers and Mergers of Hong Kong, as amended, supplemented or otherwise modified from time to time
"UK"	the United Kingdom
"Year"	the financial year ended 31 May 2019
"%"	per cent.

LETTER FROM THE BOARD



Anacle Systems Limited

安科系統有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Stock Code: 8353)

Executive Directors:

Mr. Lau E Choon Alex (*Chief Executive Officer*)

Mr. Ong Swee Heng (*Chief Operating Officer*)

Non-executive Directors:

Mr. Lee Suan Hiang (*Chairman*)

Prof. Wong Poh Kam

Mr. Robert Chew

Independent Non-executive Directors:

Mr. Alwi Bin Abdul Hafiz

Mr. Elango Subramanian

Mr. Li Man Wai

*Headquarters, Registered Office and Principal Place
of Business in Singapore:*

1 Fusionopolis View

Sandcrawler #08-02

Singapore 138577

Principal Place of Business in Hong Kong:

31/F, 148 Electric Road

North Point

Hong Kong

30 August 2019

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The Directors will propose at the 2019 AGM the resolutions for, among other matters, (i) the grant of the Issue Mandate and the Repurchase Mandate, (ii) the extension of the Issue Mandate to include Shares repurchased under the Repurchase Mandate and (iii) the proposed re-election of the retiring Directors.

The purpose of this circular is to provide you with the 2019 AGM Notice and the information regarding the above resolutions to be proposed at the 2019 AGM to enable you to make an informed decision on whether to vote for or against those resolutions.

** for identification purpose only*

LETTER FROM THE BOARD

ISSUE MANDATE

Given that the general mandate granted to the Directors to issue Shares pursuant to the written resolutions of the Shareholders dated 28 September 2018 will lapse at the conclusion of the 2019 AGM, an ordinary resolution will be proposed at the 2019 AGM to grant the Issue Mandate to the Directors. Based on 399,158,496 Shares in issue as at the Latest Practicable Date and assuming that no further Shares will be issued or no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of the 2019 AGM, the Directors will be authorised to allot, issue and deal with up to a total of 79,831,699 Shares, being 20% of the total number of the issued Shares as at the date of passing the resolution in relation thereto if the Issue Mandate is granted at the 2019 AGM. The Issue Mandate, if granted at the 2019 AGM, will end at the earliest of (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required to be held by the Constitution or any applicable laws of Singapore; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

REPURCHASE MANDATE

Given that the general mandate granted to the Directors to repurchase Shares pursuant to the written resolutions of the Shareholders dated 28 September 2018 will lapse at the conclusion of the 2019 AGM, an ordinary resolution will be proposed at the 2019 AGM to grant the Repurchase Mandate to the Directors. Subject to the passing of the proposed ordinary resolution approving the grant of the Repurchase Mandate and based on 399,158,496 Shares in issue as at the Latest Practicable Date, and assuming that no further Shares will be issued or no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of the 2019 AGM, the Company would be allowed to repurchase a maximum of 39,915,849 Shares, being 10% of the total number of the issued Shares as at the date of passing the resolution in relation thereto. The Repurchase Mandate, if granted at the 2019 AGM, will end at the earliest of (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required to be held by the Constitution or any applicable laws of Singapore; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement contains all the requisite information required under the GEM Listing Rules to be given to the Shareholders to enable them to make informed decisions on whether to vote for or against the resolution approving the Repurchase Mandate.

EXTENSION OF ISSUE MANDATE TO ISSUE SHARES

Subject to the passing of the ordinary resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the 2019 AGM to extend the Issue Mandate by including the number of Shares repurchased under the Repurchase Mandate.

RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, there were two executive Directors, namely Mr. Lau E Choon Alex and Mr. Ong Swee Heng; three non-executive Directors, namely Mr. Lee Suan Hiang, Prof. Wong Poh Kam and Mr. Robert Chew; and three INEDs, namely Mr. Alwi Bin Abdul Hafiz, Mr. Elango Subramanian and Mr. Li Man Wai.

LETTER FROM THE BOARD

Regulation 98 of the Constitution provides that at each AGM at least one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that each Director shall retire from office at least once every three years. According to Regulation 99 of the Constitution, the Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election but shall not include any Director who is due to retire at the AGM by reason of age. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been the longest in office since their last re-election or appointment or have been in office for the three years since their last election. However as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election. Accordingly, Mr. Lau E Choon Alex, Mr. Ong Swee Heng and Mr. Lee Suan Hiang (collectively, the "Retiring Directors") shall retire by rotation at the 2019 AGM and being eligible, will offer themselves for re-election at the 2019 AGM.

The biographical details of each of the Retiring Directors to be re-elected at the 2019 AGM are set out in Appendix I to this circular in accordance with the relevant requirements under the GEM Listing Rules.

The Nomination Committee had evaluated the performance of each of the Retiring Directors during the period from their respective appointment dates to 31 May 2019 and found their performance satisfactory. Therefore, with the recommendation of the Nomination Committee, the Board has proposed that all of the Retiring Directors stand for re-election as Directors at the 2019 AGM.

2019 AGM AND PROXY ARRANGEMENT

The Company will convene the 2019 AGM at 1 Fusionopolis View, Level 5, Singapore 138577 on Monday, 30 September 2019 at 10:00 a.m., at which the resolutions will be proposed for the purpose of considering and, if thought fit, approving, among other matters, (i) the grant of the Issue Mandate and the Repurchase Mandate, (ii) the extension of the Issue Mandate to include Shares repurchased under the Repurchase Mandate and (iii) the re-election of Retiring Directors. The 2019 AGM Notice is set out on pages 14 to 18 of this circular.

A form of proxy for use in connection with the 2019 AGM is enclosed with this circular. If you are not able to attend the 2019 AGM and wish to exercise your right as a Shareholder, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, as soon as possible but in any event not later than 48 hours before the time appointed for holding the 2019 AGM or its adjournment. Completion and return of the form of proxy will not preclude any Shareholder from attending and voting in person at the 2019 AGM or its adjournment should he/she/it so wishes. If the Shareholder attends and votes at the 2019 AGM, the authority of the proxy will be revoked.

LETTER FROM THE BOARD

VOTING BY POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of the 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. Therefore, all resolutions to be proposed at the 2019 AGM and contained in the 2019 AGM Notice will be voted by way of a poll by the Shareholders.

RESPONSIBILITY STATEMENT

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.

RECOMMENDATION

The Directors consider that (i) the grant of the Issue Mandate and the Repurchase Mandate, (ii) the extension of the Issue Mandate to include Shares repurchased under the Repurchase Mandate and (iii) the re-election of Retiring Directors as set out in the 2019 AGM Notice are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the relevant resolutions to be proposed at the 2019 AGM as set out in the 2019 AGM Notice on pages 14 to 18 of this circular.

Yours faithfully,
For and on behalf of the Board
Anacle Systems Limited
Lau E Choon Alex
Executive Director and Chief Executive Officer

The following are the biographical details of the Retiring Directors who will retire as required by the Constitution and the GEM Listing Rules and are proposed to be re-elected at the 2019 AGM.

Save as disclosed below, there is no other matter concerning the re-election of each of the Retiring Directors that needs to be brought to the attention of the Shareholders pursuant to Rule 17.50(2)(w) of the GEM Listing Rules, nor is there other information that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules. In addition, there is no other information to be disclosed pursuant to any of the requirements of Rule 17.50(2) of the GEM Listing Rules.

Mr. Lau E Choon Alex (劉伊浚) (“Mr. Lau”)

Mr. Lau E Choon Alex (劉伊浚), aged 46, was appointed as our Director and the chief executive officer of our Company on 21 February 2006 and designated as our executive Director on 24 November 2016. Mr. Lau is also a director of Anacle Malaysia, Anacle India and the subsidiaries of the Company, namely EASI Holdings Pte. Ltd., Anacle (Shanghai) Co., Ltd. and EASI Technology Co., Ltd. Mr. Lau founded our Group with Mr. Ong in February 2006 and has been responsible for our Group’s overall management, corporate development and strategic planning. Mr. Lau graduated from Cornell University in the United States with a bachelor’s degree in Computer Science and Electrical Engineering in May 1997. He also obtained a master’s degree in Electrical Engineering at Stanford University in September 1998.

Mr. Lau has more than 19 years of experience in the software industry. He accumulated his experience in the software industry when he co-founded Buildfolio Technologies Pte. Ltd. (“Buildfolio”), a Singapore company engaged in developing enterprise wireless computer integrated facility management solutions, in April 2000. Mr. Lau acted as a director of Buildfolio since its incorporation up to May 2005 and from January 2006 to March 2006. He was responsible for planning the technology roadmap and product development methodologies of the company and was in charge of the company’s operations in the Asia Pacific. Acquisition International, a UK-based global corporate magazine, has selected Mr. Lau to be included in its upcoming issue as one of their 2016 CTO Top 50, Singapore.

Mr. Lau entered into a letter of appointment with the Company on 24 November 2016 for an initial term of three years commencing on 24 November 2016 (subject to termination in certain circumstances as stipulated in the relevant letters of appointment). Pursuant to the service agreement, Mr. Lau is entitled to an annual director’s remuneration of S\$240,000 and an annual transport allowance of S\$18,000. His emolument was determined by the Board by reference to his experience, responsibilities and duties within the Company and may be adjusted annually by the Board upon the recommendation of the Remuneration Committee. Mr. Lau is subject to retirement by rotation and re-election at the AGM in accordance with the Constitution.

As at the Latest Practicable Date, Mr. Lau was beneficially interested in 45,572,000 Shares, representing 11.42% of the issued Shares.

Mr. Ong Swee Heng (王瑞興) ("Mr. Ong")

Mr. Ong Swee Heng (王瑞興), aged 46, was appointed as our Director and the chief operating officer of our Company on 21 February 2006 and designated as our executive Director on 24 November 2016. Mr. Ong is also a director of Anacle Malaysia and the subsidiary of the Company, EASI Holdings Pte. Ltd. Mr. Ong founded our Group with Mr. Lau in February 2006 and has been responsible for the corporate development and strategic planning of our Group. Mr. Ong graduated from the National University of Singapore with a bachelor's degree in Electrical Engineering in July 1997 and a master's degree in Management of Technology from the same university in February 2002.

Mr. Ong has more than 19 years of experience in project management, technical design and development of large scale enterprise projects. From May 1998 to December 1999, Mr. Ong worked at the Defence Science & Technology Agency of Control Communications & Computer Systems Organization, a statutory organisation of the Singapore Ministry of Defence, as a defence engineering and scientific officer, and was responsible for development of naval command and control systems. Mr. Ong accumulated his experience in project management when he worked in the same organisation with his last position as project manager, during which he was responsible for the management of naval command and control projects, up to November 2003. Mr. Ong acted as a director of technical operations at Buildfolio from December 2003 to February 2006, during which he was primarily responsible for designing product development methodologies as well as managing the technical teams.

Mr. Ong entered into a letter of appointment with the Company on 24 November 2016 for an initial term of three years commencing on 24 November 2016 (subject to termination in certain circumstances as stipulated in the relevant letters of appointment). Pursuant to the service agreement, Mr. Ong is entitled to an annual director's remuneration of S\$216,000 and an annual transport allowance of S\$18,000. His emolument was determined by the Board by reference to his experience, responsibilities and duties within the Company and may be adjusted annually by the Board upon the recommendation of the Remuneration Committee. Mr. Ong is subject to retirement by rotation and re-election at the AGM in accordance with the Constitution.

As at the Latest Practicable Date, Mr. Ong was beneficially interested in 22,750,000 Shares, representing 5.70% of the issued Shares.

Mr. Lee Suan Hiang (李泉香) (“Mr. Lee”)

Mr. Lee Suan Hiang (李泉香), aged 69, our Chairman and non-executive Director, joined our Group as a Director on 18 December 2013 and was appointed as the chairman of our Board on 2 June 2014 and was designated as our non-executive Director on 24 November 2016. Mr. Lee obtained a bachelor's degree in Industrial Design (Engineering) from Manchester Polytechnic (now known as Manchester Metropolitan University) in February 1976. He completed the International Executive Programme at INSEAD, a graduate business school, in May 1988, the Leaders in Administration Programme at the Singapore Civil Service College in September 1997 and the Advanced Management Programme at Harvard University in June 1998. Mr. Lee was appointed Fellow of the Chartered Management Institute in the United Kingdom in May 1998, Singapore Institute of Directors in March 2016, the Chartered Institute of Marketing in the United Kingdom in June 2004, the World Academy of Productivity Science in October 1999 and the Asian Productivity Organisation in January 2014.

Mr. Lee has extensive experience in economic development and business advisory and consulting. He has been the president of Singapore Economic Development Board Society since March 2005 and a member of the board of governors of the Chartered Management Institute, an accredited professional institution for management, since 2010.

Mr. Lee had a varied career in the public service as deputy managing director of the Singapore Economic Development Board from April 1993 to January 1995, and the chief executive of the Singapore National Productivity Board and the Singapore Institute of Standards and Industrial Research (which subsequently merged to form Productivity and Standards Board) from February 1995 to March 2002. He was also the chief executive of the Singapore Standards, Productivity and Innovation Board (SPRING Singapore) from April 2002 to October 2003 and the National Arts Council from October 2003 to July 2009. In these roles he was actively involved in Singapore's economic development, developing international business linkages and helping Singapore companies to regionalise. He also led the national programme to develop and nurture Singapore's small and medium enterprises; and spearheaded national efforts to develop and promote productivity, standards, innovation and the arts. He was also a council member of International Standards Organisation (ISO) from 2002 to 2003, deputy chairman of the International Federation of Arts Councils and Cultural Agencies from 2003 to 2009 and chief executive of the Real Estate Developers' Association of Singapore (REDAS) from December 2011 to April 2016.

Mr. Lee entered into a letter of appointment with the Company on 24 November 2016 for an initial term of three years commencing on 24 November 2016 (subject to termination in certain circumstances as stipulated in the relevant letters of appointment). Pursuant to the letter of appointment, Mr. Lee is entitled to an annual director's fee of S\$25,000. His emolument was determined by the Board by reference to his experience, responsibilities and duties within the Company and may be adjusted annually by the Board upon the recommendation of the Remuneration Committee. Mr. Lee is subject to retirement by rotation and re-election at the AGM in accordance with the Constitution.

General

Save as disclosed above, each of the Retiring Directors (i) had not held any directorship in the last three years in any public company, the securities of which are listed on any securities market in Hong Kong or overseas; and (ii) confirms with respect to him that as at the Latest Practicable Date: (a) he did not hold other positions in the Company or other members of the Group; (b) he did not have any relationship with any other Directors, senior management, substantial shareholder or controlling shareholder of the Company; and (c) he did not have any interests in the Shares within the meaning of Part XV of the SFO.

This appendix serves as an explanatory statement, as required by Rule 13.08 of the GEM Listing Rules to be given to all Shareholders relating to the resolution to be proposed at the AGM granting the Repurchase Mandate.

The GEM Listing Rules permit companies with a primary listing on GEM to repurchase their fully-paid shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

1. SHAREHOLDERS' APPROVAL

All proposed repurchase of Shares on the Stock Exchange by the Company must be approved in advance by the Shareholders by an ordinary resolution of the Company, either by way of a general mandate or by a specific approval to the Directors.

2. REPURCHASE OF SECURITIES FROM CORE CONNECTED PERSONS

Under the GEM Listing Rules, the Company is prohibited from knowingly purchasing Shares on the Stock Exchange from a core connected person.

As at the Latest Practicable Date, to the best knowledge of the Directors having made all reasonable enquiries, no core connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company or has undertaken not to sell any of the Shares held by him/her/it to the Company or its subsidiaries in the event that the Repurchase Mandate is approved by the Shareholders.

3. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 399,158,496 Shares. Subject to the passing of the proposed ordinary resolution for the approval of the Repurchase Mandate, and assuming that no further Shares are issued and no Shares are repurchased and cancelled after the Latest Practicable Date and up to the date of passing such resolution at the AGM, the Directors would be authorised to repurchase up to a maximum of 39,915,849 Shares, representing 10% of the total number of the issued Shares as at the date of passing the relevant resolution. The Repurchase Mandate will end on the earliest of (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required to be held by the Constitution or any applicable laws of Singapore; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

4. REASONS FOR REPURCHASES

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net assets value per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

5. FUNDING OF REPURCHASES

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company's funds legally available in accordance with the laws of Singapore and the amended and restated Constitution for such purpose.

6. IMPACT ON WORKING CAPITAL OR GEARING POSITION

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital or gearing position of the Company when compared with that as at 31 May 2019, being the date of its latest published audited consolidated financial statements. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company, which in the opinion of the Directors are from time to time appropriate for the Company.

7. SHARE PRICES

The highest and lowest prices per Shares were traded on the Stock Exchange in each of the twelve months immediately preceding (and including) the Latest Practicable Date were as follows:

Month	Traded Price (HK\$)	
	Highest	Lowest
2018		
September	0.590	0.500
October	0.680	0.500
November	0.630	0.500
December	0.600	0.530
2019		
January	0.570	0.440
February	0.660	0.450
March	0.490	0.400
April	0.480	0.440
May	0.550	0.520
June	0.550	0.500
July	0.500	0.450
August (up to and including the Last Practicable Date)	0.500	0.450

8. DIRECTORS AND THEIR CLOSE ASSOCIATES

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates, have any present intention to sell to the Company or any member of the Group any of the Shares if the Repurchase Mandate is approved at the 2019 AGM.

9. 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 powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of Singapore.

10. EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such an increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (as defined in the Takeovers Code), could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, pursuant to the confirmatory deed dated 1 May 2016, Mr. Lau E Choon Alex and Mr. Ong Swee Heng (collectively, the "Founders"), both being executive Directors, and other Shareholders (who are current/former members of the management and staff who obtained the Shares as part of their employment incentive, business and personal acquaintances of the Founders who invested in the Company in their personal capacities, and a venture capital fund which subscribed for the Shares as a financial investment and focuses on investing in Asia-based, early stage technology start-ups) confirming their acting in concert arrangement, were interested in 157,937,162 Shares, representing 39.57% of the total number of issued Shares. In the event that the Directors exercise in full the Repurchase Mandate, assuming that the present shareholdings and capital structure of the Company remain the same, the interests in the Company of the above controlling shareholders of the Company would be increased to approximately 43.96% of the total number of the issued Shares and such increase will not give rise to any obligation to make a mandatory offer under Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequence which may arise under the Takeovers Code as a result of any repurchase of Shares under the Repurchase Mandate.

Furthermore, the Directors confirm that the Repurchase Mandate will not be exercised to the extent as may result in the amount of the issued Shares held by the public being reduced to less than 25% thereof.

11. SHARES REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) since the Listing Date up to the Latest Practicable Date.



Anacle Systems Limited

安科系統有限公司*

(Incorporated in the Republic of Singapore with limited liability)

(Stock Code: 8353)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Anacle Systems Limited (the "**Company**") and the "**2019 AGM**", respectively) will be held at 1 Fusionopolis View, Level 5, Singapore 138577 on Monday, 30 September 2019 at 10:00 a.m. (or the adjournment thereof) for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and independent auditor of the Company for the year ended 31 May 2019;
2.
 - (a) To re-elect Mr. Lau E Choon Alex as an executive director of the Company;
 - (b) To re-elect Mr. Ong Swee Heng as an executive director of the Company;
 - (c) To re-elect Mr. Lee Suan Hiang as a non-executive director of the Company;
3. To authorise the board of directors of the Company (the "**Board**") to fix the remuneration of the directors of the Company for the year ending 31 May 2020;
4. To re-appoint BDO Limited as the independent auditor of the Company and to authorise the Board to fix their remuneration;

** for identification purpose only*

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

"THAT:

- (a) subject to paragraph (c) of this Resolution below and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company (the "**Directors**") during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (the "**Shares**") or securities convertible into or exchangeable for Shares, or options or warrants, for similar rights to subscribe for any Shares and to make or grant offers, agreements and options which might require the exercise of such powers, 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 authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of the Shares allotted or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the constitution of the Company (the "**Constitution**") in force from time to time, shall not exceed 20% of the aggregate number of the issued Shares as at the date of the passing of this Resolution and such approval shall be limited accordingly; and
- (d) for the purposes of this Resolution:

"Relevant Period" means the period from the date 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 to be held by the Constitution, the Companies Act, Cap. 50 of the Statutes of the Republic of Singapore or any other applicable laws; and
- (iii) the date on which the authority set out in this Resolution is revoked and varied by way of an ordinary resolution by the shareholders of the Company in general meeting;

"Rights Issue" means an offer of Shares, or offer or issue of warrants, options or other similar instruments giving the rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion 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, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company or any recognised regulatory body or any stock exchange applicable to the Company)."

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

"THAT:

- (a) subject to paragraph (b) of this Resolution below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to repurchase the issued shares of the Company (the **"Shares"**) on The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the **"Commission"**) and the Stock Exchange for this purpose, subject to and in accordance with the Companies Act, Cap. 50 of the Statutes of the Republic of Singapore or any other applicable laws, the Code on Share Buy-backs approved by the Commission and the requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of the Shares which may be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution above during the Relevant Period (as defined below) shall not exceed 10% of the aggregate number of the issued Shares as at the date of the passing of this Resolution and the authority pursuant to paragraph (a) of this Resolution above shall be limited accordingly; and
- (c) for the purposes of this Resolution:

"Relevant Period" means the period from the date 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 to be held by the constitution of the Company, the Companies Act, Cap. 50 of the Statutes of the Republic of Singapore or any other applicable laws; and
- (iii) the date on which the authority set out in this Resolution is revoked and varied by way of an ordinary resolution by the shareholders of the Company in general meeting."

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

“THAT conditional upon Resolution nos. 5 and 6 set out in the notice convening this meeting (the **“Notice”**) being passed, the general mandate granted to the directors of the Company pursuant to Resolution no. 5 set out in the Notice be and is hereby extended by the addition thereto of an amount representing the aggregate number of the shares in the capital of the Company (the **“Shares”**) repurchased under the authority granted pursuant to Resolution no. 6 set out in the Notice, provided that such amount shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing this Resolution.”

Yours faithfully,
For and on behalf of the Board
Anacle Systems Limited
Lau E Choon Alex
Executive Director and Chief Executive Officer

Singapore, 30 August 2019

*Headquarters, Registered Office and
Principal Place of Business in Singapore:*

1 Fusionopolis View
Sandcrawler #08-02
Singapore 138577

Principal Place of Business in Hong Kong:

31/F., 148 Electric Road
North Point
Hong Kong

Notes:

1. Any member of the Company (the **“Member”**) entitled to attend and vote at the 2019 AGM or its adjourned meeting (as the case may be) is entitled to appoint one (or, if he/she/it holds two or more Shares, more than one) proxy to attend and vote instead of him/her/it. A proxy need not be a Member but must be present in person at the 2019 AGM to represent the Member. If more than one proxy is so appointed, the appointment shall specify the number of Shares in respect of which such proxy is so appointed.
2. Completion and return of the form of proxy will not preclude a Member from attending and voting in person at the 2019 AGM or the poll concerned if he/she/it so wishes. If a Member who has lodged a form of proxy attends the 2019 AGM, the form of proxy will be deemed to have been revoked.
3. In order to be valid, the duly completed and signed form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, at the office of the Company’s branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding the 2019 AGM or its adjournment.

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4. For determining the entitlement of the Members to attend and vote at the 2019 AGM, the register of Members will be closed from Wednesday, 25 September 2019 to Monday, 30 September 2019 (both days inclusive), during which period no transfer of Shares will be effected. To qualify for attending and voting at the 2019 AGM, Members must ensure that all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Boardroom Share Registrars (HK) Limited at 2103B, 21/F., 148 Electric Road, North Point, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 24 September 2019.
5. In relation to the proposed Resolution no. 5 above, approval is being sought from the Members for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares under the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM" and the "GEM Listing Rules", respectively). The Directors have no immediate plans to issue any new Shares.
6. In relation to the proposed Resolution no. 6 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares only in the circumstances which they consider appropriate for the benefit of the Members as a whole. An explanatory statement containing the information necessary to enable the Members to make an informed decision to vote on the proposed resolution as required by the GEM Listing Rules is set out in Appendix II to the Company's circular dated 30 August 2019.
7. In compliance with Rule 17.47(4) of the GEM Listing Rules, voting on all proposed resolutions set out in this Notice will be decided by way of a poll.
8. In case of joint holders of a Share, any one of such joint holders may vote, 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 are present at the 2019 AGM personally or by proxy, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of Members in respect of the joint holding.

As at the date of this announcement, the Board 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 Mr. Robert Chew as non-executive Directors; and Mr. Alwi Bin Abdul Hafiz, Mr. Elango Subramanian and Mr. Li Man Wai as independent non-executive Directors.

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

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com 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.