



ANNUAL REPORT 2017

circle®
世杰国际控股集团

CIRCLE INTERNATIONAL HOLDINGS LIMITED



TABLE OF CONTENTS

1. HIGHLIGHTS 2017 -----	4
2. FINANCIAL CALENDAR-----	17
3. CORPORATE INFORMATION-----	19
4. GROUP STRUCTURE-----	21
5. DIRECTORS' PROFILE-----	24
6. CEO'S STATEMENT-----	28
7. CEO REVIEW OF OPERATION-----	31
8. CORPORATE GOVERNANCE STATEMENT-----	33
9. CORPORATE SOCIAL RESPONSIBILITY-----	37
10. FINANCIAL STATEMENTS-----	42
11. ANALYSIS OF SHAREHOLDINGS-----	79
12. CORPORATE DIRECTORY-----	81





HIGHLIGHTS 2017

Corporate Visit & Learning Trip to Shanghai



January 2017

Circle International organised a corporate visit and learning trip to Shanghai in January 2017. This 6-day trip saw Circle International's top management personnel made visits to various corporations in Shanghai where horizon has been expanded with many ideas and inspirations.

Among the corporations are Yon Ho, the biggest soymilk chained store in China, Harman International (subsidiary of SAMSUNG), the global leader in connected car technology and lifestyle audio innovations. Circle International also made visits to digital companies in Shanghai to further understand the development of media technology in China and explore the future of this industry.



Launching of WEA 2017 in Shanghai



January 2017

In January 2017, Circle International brought one of its propriety brands – Worldwide Excellence Award (WEA) to China. WEA 2017 was launched with the presence of Consul General to Shanghai Mr. Tan Yang Thai at the Consulate Office in Shanghai. The theme for WEA 2017 was "Link The World With One Belt One Road".

It is Circle International's aspiration to bring Worldwide Excellence Award to different continents in the world in hope to recognise elites from all over the world. One of the ultimate objectives of this prestigious award is to celebrate outstanding humanity and inspire others to achieve a harmony society.

Global Responsible Business Leadership Awards 2017



March 2017

Circle International was awarded Global Responsible Business Leadership Awards on March 2017. This award represents the most prestigious form of recognition for corporations globally for their efforts and contributions on leadership in corporate social responsibility and corporate sustainability.

It's a great honor for Circle International to receive this award in the category of Digital Media Excellence. This is in line with the vision of Circle International to create a sustainable E-commerce sphere in hope to catalyse digital economy for entrepreneurs and business owners.

Worldwide Excellence Award Expansion in Indonesia



April 2017

In conjunction with the enthronement ceremony of the Royal Families of Karaton Surakarta, Indonesia, Worldwide Excellence Award was being invited to participate in this 2-day ceremony. Dato' Brian Tan was interviewed by many Indonesia media to share about the philosophies and inspirations of Worldwide Excellence Award.

This meaningful visit promoted the cultural understanding and built better rapport between Malaysia and Indonesia. It has also paved the way for Worldwide Excellence Award to be held in Indonesia with the collaboration of the Royal Families of Karaton Surakarta, Indonesia.

Worldwide Excellence Award BEIJING 2017



June 2017

Worldwide Excellence Award BEIJING 2017 was held at the grand Beijing Hotel Golden Hall on the 5th June 2017. This event has successfully gathered 300 guests and among them were corporate socialites, Olympics sport celebrities, artistes and media.

As the first step in its expansion plan to overseas, WEA BEIJING 2017 received warm welcome and overwhelmed response in Beijing. Among the prominent elites that participated in this grand event were Mr. Zhang Jinlai, one of the most respected actors in China who played the role of Monkey King in the national drama series "Journey to the West", and Master Xia Wujiao, representative of UNESCO Intangible Cultural Heritage of "Regong Art" and many more.

Collaboration with Xinhua News Agency



August 2017

In the effort to provide quality contents to its readers, Business Circle collaborated with Xinhua News Agency, the official press agency of China. Xinhua News Agency is the biggest and most influential media organization in China, as well as the largest news agency in the world in terms of correspondents worldwide.

This meaningful collaboration between Business Circle and Xinhua News Agency will provide Business Circle with quality contents from the China region and broaden the news perspective to Business Circle's readers.



Worldwide Excellence Award TAIWAN 2017



經濟日報

WCLS 2017 專題

全球華商攜手 走向世界共創商機

2017世界華人企業領袖峰會台北登場 透過主講演講、論壇、商會及參訪形式 共同尋找未來的方向與動力



September 2017

Worldwide Excellence Award co-organised World Chinese Leadership Summit with Chinese Industry Commerce Economy Trade Science & Technology Development Association. This conference was participated by many prominent entrepreneurs and leaders from Asia and also with the presence of Taipei City Councilor Madam Chin Hui-chu.

WEA received great branding exposure in this summit in Taiwan and some of the participants from this summit participated in Worldwide Excellence Award 2017 in Kuala Lumpur, Malaysia.

Golden Eagle Award 2017



November 2017

Circle International received the prestigious Golden Eagle Award 2017, Malaysia 100 Excellent Enterprises on the 17th November 2017. This award is organised by Nanyang Siang Pau, the biggest Chinese business daily in Malaysia.

It is truly an honor for Circle International to receive this award in its journey to strive to become one of the prominent digital players in the region of Asia.

Worldwide Excellence Award MALAYSIA 2017

南洋商报

时事 | PRIME NEWS

阿莎丽娜
萧斐弘
林福山

膺世杰名人最高荣誉

【吉隆坡 23 日讯】世界杰出名人榜 2017 頒獎典禮昨晚圓滿落幕，首相署部長拿督斯里阿莎麗、高桂舞與雅手蕭美弘及林木生集團董事經理丹斯里林福山，分別榮獲年度三大最高榮譽，即特別榮譽貢獻獎、終身成就獎及年度人物獎。

友联置地有限公司总经理拿督陈天成博士、世界跳水冠军张俊虹、中国著名纪录片导演范立欣、香港著名导演高志森、大马美食大使兼国际明星厨师拿督斯里札安依斯迈博士、印度 RAMA 集团主席拿督约翰苏达尔兰奈荣普提梵。

PUC控股廣杰出品牌

本届杰出品牌奖得主为PUC控股集团；另外，共有13名来自海内外的杰出人士获得非凡成就奖；9人获得飞跃成就奖。

“2017年第四届世界杰出名人榜”是由世杰国际控股集团荣誉呈献。该集团旗下杂志亚洲中文高端商业杂志《企点》主办；《南洋商报》为指定媒体。

与会者包括世界杰出名人、创办人兼大会主席拿督陈豪、森州王室成员东姑加利尔、财政部通讯主任拿督诺曼诺、马华妇女组副主席拿督王铃璇。前上诉庭大法官拿督威拉烈国民、大会特设顾问拿督杜振辉、拿督谢重杰、拿督斯里林晋民博士、大会总秘书拿汀彭于玲、世界杰出名

人榜中国区荣誉主席章金莱(六小龄童)、中国区主席王丰韵、国际评委顾问徐慧敏、邓丽云、《南洋商报》市场总经理(华商)蔡尧璧、东南亚区经理林杨帆、东南亚广告主任曹国辉及关丹广告营业代表彭惠惠等。

多元文化连接世界

世界杰出名人楼创办人兼大会主席李晋卿陈放同时说，世界杰出名人楼已迈入第四届，从去年的“科技引领世界”到今届“一带一路，联动世界”，从中可以看到一个共同点：“世界”。

世界杰出名人榜
2017頒獎典禮

“大马是一个小国，但多元文化与种族的环境，却孕育出了无限可能与创意，并且对世界舞台。”

他说，一带一路不只是商业发展方针，更是各国文化之间的交流；如果能善用大马的多元文化，就能顺势而起。

陈豪指出,文化是连接世界的桥梁,而文化与商业之间的结合,将能激起更多的火花。

“世界杰出名人榜的特别之处,不单止尊崇企业的成就,更涵盖了文化、艺术、体育及公益等领域,并为各领域的杰出人士授予认证与表扬。”



刘国民（左二）颁发特别荣誉贡献奖予阿莎丽娜。左为陈豪；右为东姑加利尔。



要弘周終身成就獎



林福山膺年度人物獎。



November 2017

2017 marked the 4th year of Worldwide Excellence Award held in Malaysia. A strong crowd of 600 guests participated in this grand event to celebrate the achievements of elites from all over the world including: Hong Kong, India, China, Taiwan and Russia.

Worldwide Excellence Award MALAYSIA 2017 was officiated by Dato' Sri Azalina binti Othman Said, Minister in the Prime Minister's Department. Corporate figures, celebrities, philanthropists, artistes and academics were among the guests who attended the event and made it a memorable night.



Launch of Business Circle English Version



November 2017

Followed by the success of Chinese business news media Business Circle mobile application, Circle International launched the English version of Business Circle mobile application in November 2017.

The English version of Business Circle mobile application will cater international business news and info to the English-reading market globally. This will enable Circle International to reach out to a wider audience and tap into a bigger market.



Circle International Listed on NSX, Australia

THE
Star ONLINE

Circle International debuts on NSX

CORPORATE NEWS

Friday, 15 Dec 2017 10:52 AM MYT

KUALA LUMPUR: Circle International Holdings has made its debut on the National Stock Exchange of Australia with 180 million shares issued at 31.5 Australian cents (97 sen) apiece

It joins other Malaysian companies on Australia's second largest listing market, including E-Plus Ltd, an events management company that listed in January this year.

According to its press release, Circle International is a new media technology company with a strong base in China and Chinese-speaking markets across the region.



Australia StarHop

Features Feeds Links Get in touch

media outreach
Circle International Holdings Ltd Lists On National Stock Exchange of Australia (NSX)

I. Listing forms part of regional business strategy to tap growing digital advertising and FinTech opportunities in USD61 billion Asia Pacific market

KUALA LUMPUR, MALAYSIA - **Media Outreach** - 29 DECEMBER 2017 - Circle International Holdings Ltd ("Circle International") made its debut on the National Stock Exchange of Australia ("NSX"), Australia's second largest listing market, emulating several other Malaysian tech companies. A total of 180,000,400 shares were issued and quoted at an initial market price of AUD0.315 (RM0.97) per share.

MORNINGSTAR

2017年12月29日 09:45 09:45 09:45 English

View in: 中文(中国)

Circle International Holdings Ltd Lists On National Stock Exchange of Australia (NSX)

I. Listing forms part of regional business strategy to tap growing digital advertising and FinTech opportunities in USD61 billion Asia Pacific market

KUALA LUMPUR, MALAYSIA - **Media Outreach** - 29 DECEMBER 2017 - Circle International Holdings Ltd ("Circle International") made its debut on the National Stock Exchange of Australia ("NSX"), Australia's second largest listing market, emulating several other Malaysian tech companies. A total of 180,000,400 shares were issued and quoted at an initial market price of AUD0.315 (RM0.97) per share.

December 2017

On the 7th December 2017, Circle International Holdings Limited successfully listed on the National Stock Exchange of Australia in Sydney. This memorable and joyous occasion was witnessed by Circle Group directors, senior management staffs and business associates.

The listing marked the new journey of Circle International as a listed company in the pursue to become one of the most prominent media technology companies in the Asia region.



Launch of Circle Visa Premium Card



December 2017



In conjunction with the listing event, Circle International launched its Circle Visa Premium Card, a cross branding partnership with Visa through MyWorld Rewards (M) Sdn Bhd. This card is a unique payment and loyalty reward solution, exclusively for Business Circle subscribers. The Circle Visa Premium Card rewards community members with unique incentives, special discounts and promotions.

The Circle Visa Premium Card is the Group's first step into FinTech, which will be a key direction for the Group going forward. With this and other developments, Circle International will continue to develop more E-commerce and digital economy platforms.

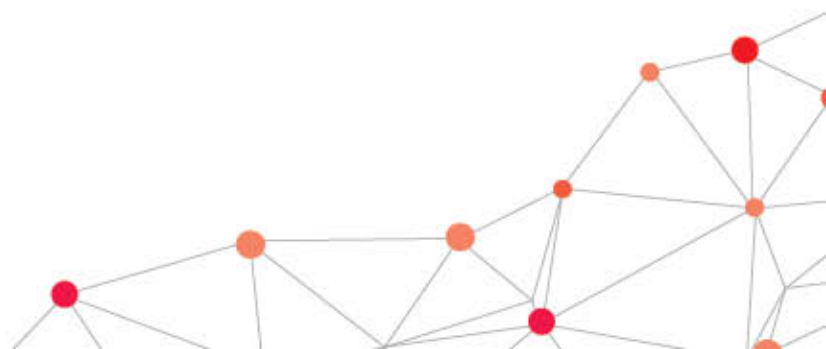




FINANCIAL CALENDAR

Financial Year 1st January 2017 to 31st December 2017

S. No.	Particulars	Date of Announcement to NSX
I.	Preliminary Result for the financial year 2017	15.03.2018
II.	Audited Financial Statement for the year 2017	12.04.2018
III.	Issue of Annual Report 2017	27.04.2018
IV.	Annual General Meeting	30.05.2018





CORPORATE INFORMATION

AS AT 28 APRIL 2018**BOARD OF DIRECTORS**

Dato' Brian Tan
Chief Executive Officer

Yap Chee Lim
Executive Director

Dato' Michael Yip Chin Hwee
Non-Independent Non-Executive Director

Dato' Cheah Choong Kit
Independent Non-Executive Director

Helen Hsu
Independent Non-Executive Director

AUDIT AND RISK COMMITTEE

Helen Hsu* | Chairman
Dato' Michael Yip Chin Hwee** | Member
Dato' Cheah Choong Kit* | Member

NOMINATION COMMITTEE

Dato' Michael Yip Chin Hwee** | Chairman
Helen Hsu* | Member
Dato' Cheah Choong Kit* | Member

REMUNERATION COMMITTEE

Dato' Cheah Choong Kit* | Chairman
Helen Hsu* | Member
Dato' Michael Yip Chin Hwee** | Member

COMPANY SECRETARY AND LOCAL AGENT IN AUSTRALIA

Gabriel Chiappini

REGISTERED OFFICE – CAYMAN ISLANDS

Carey Olsen Services Cayman Limited
P.O. Box 10008, Willow House, Cricket Square,
Grand Cayman KY-1001, Cayman Islands.

PRINCIPAL PLACE OF BUSINESS – MALAYSIA

Unit D-7-3, Block D,
Setiawalk, Persiaran Wawasan,
Pusat Bandar Puchong, 47160 Puchong,
Selangor Darul Ehsan, Malaysia.

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000.

**AUDITOR OF THE
CIRCLE INTERNATIONAL HOLDINGS LIMITED**

Robert Mengkwai & Loo PLT
Unit 201, Block F,
Pusat Dagangan Phileo
Damansara 1, Jalan 16/11, Seksyen 16
46350 Petaling Jaya, Selangor, Malaysia.

**SOLICITORS IN AUSTRALIA AND
NOMINATED ADVISER**

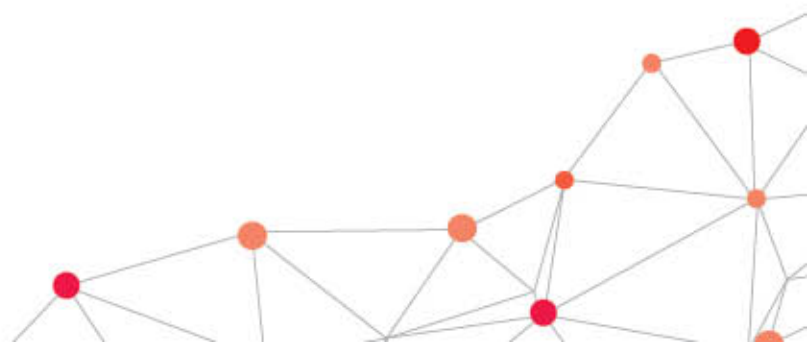
Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street Perth WA 6000.

SOLICITORS IN THE CAYMAN ISLANDS

Carey Olsen PO Box 10008,
Willow House Cricket Square,
Grand Cayman, KY1-1001 Cayman Islands.

*Independent Non-Executive Director

** Non-Independent Non-Executive Director

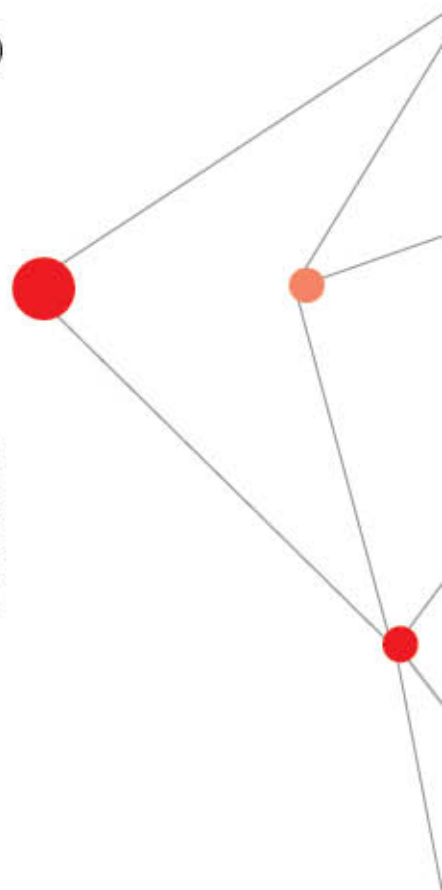




GROUP STRUCTURE



Circle International Holdings Limited is the Group's holding company incorporated in the Cayman Islands. It is the entity that being listed in the National Stock Exchange of Australia. Circle International Holdings Limited has acquired 3 related companies focused on the new media technology industry and they are Circle Corporation International Limited, Circle Corporation Mediatech Sdn Bhd and Inno Mind Works Sdn Bhd.



100%



 世傑國際集團有限公司 香港
 Circle Corporation International Limited (HK)

**Circle Corporation
International Limited
(Hong Kong)**

Circle Corporation International Limited was incorporated in Hong Kong on 7th May 2015. It operates from Hong Kong and is the Group's international marketing and business development arm. Its principal business activities are to secure digital media and conventional sales from the key overseas markets of Taiwan, Hong Kong and China.

100%



世杰媒体科技

**Circle Corporation
Mediatech Sdn Bhd
(Malaysia)**

Circle Corporation Mediatech Sdn Bhd was incorporated in Malaysia on 22nd August 2014. It is the local operating arm of the Group that manages and operates the Group's two propriety brands: the Business Circle mobile application and Worldwide Excellence Award.

100%


**Inno Mind
Works Sdn Bhd
(Malaysia)**

Inno Mind Works was incorporated in Malaysia on 9th October 2008 and is a digital branding and marketing agency. As a Multimedia Super Corridor (MSC) status company, IMW enjoys tax exemptions and various incentives from the Malaysian government. It is also a 4As certified company by the Association of Accredited Advertising Agencies Malaysia.



DIRECTOR'S PROFILE



DATO' BRIAN TAN

Founder & Group CEO

Dato' Brian Tan is The Founder and Group Chief Executive Officer of the company. Dato' Brian Tan founded Circle Group Corporation and has been the company's CEO since 2009. He is principally responsible for the overall management, strategic development and decision-making in the Group. He is also the creator of Business Circle mobile app and Worldwide Excellence Award.

As an industry pioneer and trailblazer, Dato' Brian Tan is considered to be part of a new breed of rising Chinese-Malaysian entrepreneurs leading the charge into the new media technology industry. Over the years, he has constantly introduced new business concepts and ideas inspired by his dynamic vision to build improved landscapes for greater socio-economic prosperity across the world.

Prior to his successful foray into new media technology, Dato' Brian Tan is regarded as a frontrunner in the music industry and café retail-chain where he brought new concept into the business and resulting in attracting venture capitalist funding from IDG Capital Partners, ACCEL Partners and SIG.

In his early years, his talents in music has won him the Taiwan Golden Melody Awards (equivalent to Grammy Awards in the Chinese music industry) for the song "Hu Si Luan Xiang" sung by Michael & Victor, and also produced best-selling artist like A-Do and JJ Lin. He was also the pioneer in digital music revolution in introducing music in the digital format via music4nothing.com, invested by Singatronic, a Singapore public listed company.

He then diversified his talents in music and with his business acumen, he combined the concept of music & café and created the first music café retail-chain brand in Asia with a total of 19 cafes (Halo Café and Red Ocean Butterfly Café). He has also led the cafes to garner the accolade of "The Best South-East Asia Café" in Beijing.

Aside from Malaysia, Dato' Brian Tan also has ventured successfully across China and other key Chinese language markets in Asia. His regional network is extensive with strong relationship with leaders of industry and influencers across China, Hong Kong, Taiwan, Malaysia and Singapore.

With over 20 years of experience in the business world, Dato' Brian brings extensive experience to the Group where he keeps inventing and looking into new possibilities in this digital revolution to bring Circle International Holdings Limited to a greater height.

Beyond the business world, Dato' Brian Tan is an active contributor to societal causes and continues to play an active role in support of the betterment of the community. Serving society remains a growing passion which is reflected through his involvement across all Malaysian communities irrespective of race or religion.

He is a Member of United Nations Global Compact, an Executive Advisor to the United Youth Movement of Malaysia (GBBM), President of the Chung Hwa Correspondence School Malaysia Alumni Association, and an Honorary Fellow of the Selangor Malay Chamber of Commerce.



DATO' MICHAEL YIP CHIN HWEE

Director

Dato' Michael Yip Chin Hwee was appointed to the Board of Directors of the Group in 2017.

Dato' Yip brings over 13 years of corporate experience having served in various industries, primarily within the property development industry. He is presently the Managing Director of GM Build Sdn Bhd (a family owned property development company) with a proven track record of successful developments. Under his leadership, GM Build has ventured into project development township with Gross Development Value (GDV) more than RM300mil. He has also ventured into property development in Australia.

Dato' Yip other vested interests include an online property trading platform, plantation and other businesses both locally and internationally. He is also a member of The Malaysia - China Silk Route Business Chamber and The Chinese Chamber Of Commerce & Industry of Kuala Lumpur & Selangor.



YAP CHEE LIM

Director

Mr. Yap Chee Lim is Director of the Circle Group since September 2017. He has been an integral part of the company since its commencement from the year 2013. He is primarily responsible for local and regional business expansion, procurement of financing to support the company's capital needs and supporting the CEO in developing overall strategies and establishing operational goals. He oversees matters relating to Management Establishment, System Management and matters pertaining direct reporting to the Board of Directors or the Group Founder.

His extensive senior management experience includes serving over 15 years in key C-Level positions for various leading companies. These include the Lion Group, Steel Division and Elektrisola, worldwide market leader in ultra-fine magnet wire industry.



DATO' CHEAH CHOONG KIT

**Independent
Non-Executive Director**

Dato' Cheah Choong Kit is Independent Director of the company since September 2017. Dato' Cheah has had a long and illustrious 30-years career, notably in civil service, first with the Public Service Department followed by the Ministry of Foreign Affairs, Malaysia. He brings to the Group a wide range of experience in human resource management, international business and political relations as well as governmental relations.

His career includes serving as Director (Economic) Malaysian Friendship and Trade Centre Taipei, Taiwan from 1992-1996. Thereafter, he was appointed as Chargé d' Affaires, Embassy of Malaysia Bucharest, Romania from 1996 to 2000.

From 2006 till 2013, Dato' Cheah served as Ambassador of Malaysia to the Republic of Zimbabwe and Ambassador of Malaysia to the Republic of Finland. He was also the Head of the Fact Finding Mission to Sierra Leone under the Framework of the OIC Contact Group on Sierra Leone.

His career has also seen him representing Malaysia on the global stage which includes various international meetings relating to the United Nations, Asia Pacific Economic Community (APEC) Summit, Asian-African Summit, Asia-Middle East Dialogue, World Economic Forum, Helsinki Process, and Group of Friends of Mediation. He was the alternate Permanent Representative of Malaysia to the 65th United Nations General Assembly in 2010.



Helen Hsu

**Independent
Non-Executive Director**

Ms. Helen Hsu is an Independent Director of the company. She has over 20 years of accounting and financial industry experience in Hong Kong and Shanghai.

Ms. Hsu graduated from The Chinese University of Hong Kong with a Bachelor's degree in business administration. Ms. Hsu had worked with Ernst & Young Hong Kong for 18 years and was a partner before she retired from the firm in February 2011.

Ms. Hsu is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. She is currently an independent non-executive director of the following listed companies: Perfect Shape (PRC) Holdings Limited (stock code: 1830), Branding China Group Limited (stock code: 863), Richly Field China Development Limited (stock code: 313) and China Display Optoelectronics Technology Holdings Ltd. (Stock code: 334).



CHIEF EXECUTIVE OFFICER'S STATEMENT

DEAR SHAREHOLDERS,

On behalf of the Board of Directors of Circle International Holdings Limited, I am pleased to present to you the Company's Annual Report and audited consolidated financial statements for the financial year ended 31 December 2017.

DATO' BRIAN TAN HO FOUNDER & GROUP CEO

The Technology Media Communications (TMC) Industry

The Technology Media Communications (TMC) industry is poised to grow exponentially, driven by several contributing factors such as rising smartphone penetration, changing consumer behaviours and attitudes, the rise of on-demand content and so on. New technologies such as Over The Top content, Cloud, Big Data, high-speed broadband proliferation, Internet of Things and more are also driving the growth of the TMC industry.

The key statistics which indicate potential prospects of the TMC industry are -

- mobile is anticipated to account for approximately 50% of all digital advertising spending in 2018
- global mobile internet advertising spending in 2016 was estimated at approximately US\$101 billion (approximately \$127 billion)
- mobile advertising spending in China in 2016 was estimated at approximately US\$22 billion (approximately \$28 billion)

(www.emarketer.com)



With exciting economic developments within these regions such as China's One Belt One Road initiative and the emergence of the ASEAN Economic Community, the regions are poised to see growth which will contribute to increased socio-economic prosperity and an ensuing increase in advertising spend and population growth. Notably, the proposed Regional Comprehensive Economic Partnership (RCEP), an exciting free trade agreement between the ten member states of the ASEAN (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam) and India, China, Australia, New Zealand, Japan and South Korea has the potential to unleash new waves of business opportunities. The Group is well positioned at the heart of this growth region where almost 50% of the world's population resides. The Group believe that this will serve as a key bridge for businesses from across the RCEP to grow and reach new heights.

Listing on the National Stock Exchange of Australia (NSX)

Circle International Holdings Ltd was incorporated on 12th December 2016 for the purpose of undertaking a corporate exercise via a business combination of Circle Corporation International Ltd, Circle Corporation Mediatech Sdn Bhd and Inno Mind Works Sdn Bhd. The merger of the enlarged Group was completed on 30th November 2017 and listed on the NSX on 7th December 2017.

Financial Performance

For the financial year ended 31st December 2017, the Group achieved sales of A\$4.07m and profit before tax of A\$1.35m. As the financial figures of the Group are drawn up for the first time, there is no comparative figures.

The basic earnings per share calculated by dividing the profit after tax and attributable to the members of the company of A\$1.04m by the weighted average number of ordinary shares outstanding during the financial year of 15,000,400 is A\$0.0695.

A further review of the Group financial performance is presented in the next section.

Corporate Social Responsibility (CSR)

The Group has been involved in various CSR activities with focus on women empowerment and upliftment of child education. The Group Chief Corporate Officer, Datin Irene Pang is a committee member for the Malaysian Chinese Women Entrepreneurs Foundation. Datin Irene Pang plays an active role to promote women empowerment campaign. She goes around to share her experiences and philosophies as a Women Leader, encouraging women to transform and enhance their families' standard of living through entrepreneurship and assist women in self-development and fulfilling their dreams.

Circle Group has also been recognised by Chung Hwa Correspondence School Alumni of Malaysia. The main purpose of this alumni is to provide distance education to overseas compatriots to study traditional Chinese culture and Chinese language, and receiving vocational training via online learning modules.

Corporate Governance

Circle International Group believes in adhering to the best practices of corporate governance to sustain business efficiency and sustainability in the long term. The Group has always ensured to honour the business practices and serve the shareholders and all regulatory authorities with utmost integrity and honesty. This is witnessed by the trust that our shareholders bestow on us in the year of 2017 with our listing at National Stock Exchange, Australia. The Group's measures towards this objective are highlighted in the Corporate Governance Statement in this Annual Report.

The Next Era and Outlook of Circle Group

In our effort to stay ahead of the media trend, Circle International Group will also invest to enhance our existing portfolio and new exciting assets such as -

- Circle Group is working on facelift of Business Circle mobile app with more precise content categories, ad space and inventory.
- CircleAd is a new advertising platform being developed by Circle Group. This new platform will provide advertisers and marketers one-stop solution to purchase online and offline media. CircleAd shall collaborate with all media owners via this platform and attract potential marketers and advertisers to organize their media shopping at CircleAd.
- Circle Group will be launching its new e-commerce model named Bulk Bulk mall. Bulk Bulk mall is a platform for purchasers to purchase goods in tiered discount.
- The company has also signed an agreement with Lakala Payment Co.Ltd (China's top three players in China's offline settlement market and 3rd party mobile payment market) strategic partnership with payment gateway giant, Lakala Payment Co. Ltd – a move that will allow Circle International to facilitate cross border payments between Malaysia and China. Lakala Payment Co. Ltd is China's only non-bank institution that provides online, offline, personal and corporate services with a trading volume of RMB 1 trillion. The tie-up is part of several strategic announcements by the homegrown new media technology company to power its penetration into the mobile wallet and payment gateway space.
- With all the above mentioned online components, Circle Group is also in process to develop its own payment gateway named CirclePay to cater for online transactions.

We are very excited about these offerings as it promises to serve the best offer for our customers. All in all, Circle Group currently possesses a sound corporate strategy backed by diverse media platforms and business channels that help us deliver positive results in future.

Appreciation

I would like to take this opportunity to thank everyone, especially the shareholders, investors, customers, business associates and the regulatory authorities for their continuous support. I would also like to extend my gratitude to the staff, management and the Board members for their dedication and commitment to the Group.

Dato' Brian Tan Ho
Founder & Group Chief Executive Officer
27th April 2018



CEO REVIEW OF OPERATIONS 2017

2016 has been another year of multiple achievements for Circle International Holdings Limited (Company), where other than registering of company in Cayman Islands, we received great trust from various potential shareholders in the business model of the company.

It is our goal to enhance the digital media solutions position in the highly competitive and everchanging media landscape, Circle Group is committed towards expanding its footprint in Asia Pacific and leading the way is the Group's digital media platform in Hong Kong, Business Circle Mobile Apps (BC Apps). BC Apps hits more than **100,000** downloads to date and is one of the ASEAN region's fastest growing Chinese language digital business news portals. The English version of BC Apps was launched in December 2017 and has received very positive response with **10,000** downloads in mere two months.

2017 was an exciting year for Worldwide Excellence Award (WEA) in terms of expansion and exposure. 2017 marked the 4th Worldwide Excellence Award held in Malaysia with a strong crowd of 600 guests.

In overseas, WEA BEIJING 2017 was held in June at the prestigious Beijing Hotel Golden Hall where it was well-received by the guests in China. Subsequently, in September 2017 WEA was held in Taipei which brought greater exposure and expansion for the brand. Similarly, the Group's homegrown, Worldwide Excellence Award has forged ahead with various affiliation programme with international partners including Riff Creative (Australia), Chung Hwa Correspondence School Japan Alumni (Japan), Ishin Media Group (Japan), Li Media (China) and International Trade Association of R.O.C. Profile and ICET Association (both Taiwan).

The Group Multi-media Super Corridor (MSC) subsidiary, Inno Mind Works Sdn Bhd (IMW) received its Pioneer Status certification from Malaysia Investment Development Authority (MIDA) for a five (5) years tax exemption until 2021. MSC is paramount to leapfrog Malaysia into the 21st century and was created to endeavour the best environment to harness the full potential of the multimedia without any artificial limits. MSC is a global test hub, where the limits of the possible can be explored, and new ways of living, working, and playing in the new area of the Information Age.

The Group also launched the Circle VISA in collaboration with Visa International in 2017. The Circle VISA Premium Card introduced by Circle Group as a cross branding effort with VISA will provide a payment and loyalty reward solution exclusively for Business Circle users – rewarding them with unique incentives, special discounts and promotions. This marked the Group first initiative into the Fintech industry. The Group E-Commerce Platform is completing its integration exercise with in house CirclePay gateway to facilitate the launching of our E-Commerce Business in 2018.

For the financial year ended 31st December 2017, the Group achieved sales of A\$4.07m and profit before tax of A\$1.35m. The basic earnings per share calculated by dividing the profit after tax and attributable to the members of the company of A\$1.04m by the weighted average number of ordinary shares outstanding during the financial year of 15,000,400 is A\$0.0695.

The Group Pre-tax margin of 33% reflect the strategic role of our BC Apps as a new digital media platform in spearheading the financial performance of the Group in 2017.

DIVIDENDS

The Board of Directors does not recommend any dividend for the FY 2017 as the Group is conserving its financial resources for the launching for its E-Commerce Platform in 2018.



CORPORATE GOVERNANCE STATEMENT

CIRCLE INTERNATIONAL HOLDINGS LIMITED
ARBN 621 001 296

CORPORATE GOVERNANCE STATEMENT
28 APRIL 2018

I. Committees:

To assist the Board in fulfilling its duties the following committees have been established:

1. Audit and Risk Committee

The role of the Audit and Risk Committee is to assist the Board in monitoring and reviewing any matters of significance affecting financial reporting and compliance.

2. Remuneration Committee

The role of the Remuneration Committee is to assist the Board in monitoring and reviewing any matters of significance affecting the remuneration of the Board and employees of the Company.

3. Nomination Committee

The role of the Nomination Committee is to assist the Board in monitoring and reviewing any matters of significance affecting the composition of the Board and the Executive Team.

Each of the above has a Chairman and meets when necessary.

II. Risk Management

Risk Management Policy

The Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control.

The Board has delegated to the Audit and Risk Committee responsibility for implementing the risk management system.

The Audit and Risk Committee will submit matters to the Board for its approval or review. Among other things it will:

- (a) oversee the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements;
- (b) assist management to determine whether it has any material exposure to economic, environmental and/or social sustainability risks (as those terms are defined in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations) and, if it does, how it manages, or intends to manage, those risks;
- (c) assist management to determine the key risks to the businesses and prioritise work to manage those risks; and
- (d) review reports by management on the efficiency and effectiveness of risk management and associated internal compliance and control procedures.

The process of risk management and internal compliance and control includes:

- (a) identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks;
- (b) formulating risk management strategies to manage identified risks, and designing and implementing appropriate risk management policies and internal controls; and
- (c) monitoring the performance of, and improving the effectiveness of, risk management systems and internal compliance and controls, including regular assessment of the effectiveness of risk management and internal compliance and control.

Objectives of Risk Management Policy:

- (a) compliance with applicable laws and regulations;
- (b) preparation of reliable published financial information; and
- (c) implementation of risk transfer strategies where appropriate eg insurance.

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required to assess risk management and associated internal compliance and control procedures and report back at each Audit and Risk Committee at least annually.

III. Financial reporting

The Board receives regular reports about the financial condition and operational results of the Company. The Chief Financial Officer periodically provides formal statements to the Board and the Audit and Risk Committee and is responsible for ensuring that:

- the Company's financial statements present a true and fair view of Company's financial condition and operational results; and
- the risk management and internal compliance and control systems are sound, appropriate and operating efficiently and effectively.

IV. Internal audit

The internal audit department is in the process of setting up. The assessment of the control system is currently being reviewed by the Audit and Risk Committee.

V. Conflict of Interest

In case of any potential or actual conflict of interest while carrying out the duties must be immediately notified to the manager. Conflict of interest can cause wrong decision making and corrupt conduct.

VI. Corporate Code of Conduct

The company has established a corporate code of conduct to provide a framework for decisions and actions in relation to ethical conduct in employment. It underpins the Company's commitment to integrity and fair dealing in its business affairs and to a duty of care to all employees, clients and stakeholders.

Some of the principles adopted in the Corporate Code of Conduct of the Company are as following:

- (a) behave honestly and with integrity and report other employees who are behaving dishonestly;
- (b) carry out your work with integrity and to a high standard and, commit to the Company's policy of producing quality goods and services;
- (c) operate within the law at all times;
- (d) act in the best interests of the Company;
- (e) follow the policies of the Company; and act in an appropriate business-like manner when representing the Company in public forums.

VII. Trading in Company securities

The Company has adopted a Securities Dealing Policy, which applies to all Directors and employees. The policy specifies the periods during which the purchase and sale of the securities may not occur and sets out a notification procedure concerning transactions. The Company has placed restriction on short-term trading by key management personnel and trading in securities in other companies. The company prohibits any insider trading practices.

VIII. Continuous Disclosure Policy

The Company agrees to comply with continuous disclosure requirements arising from legislation and the NSX Listing Rules. The Company has in place a written policy on information disclosure and relevant procedures. The focus of these procedures is on continuous disclosure compliance and improving access to information for investors.

IX. Diversity Policy

The Company and all its related bodies corporate are committed to workplace diversity. The Company recognises the benefits arising from employee and Board diversity, including a broader pool of high quality employees, improving employee retention, accessing different perspectives and ideas and benefiting from all available talent. Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. The Company, as practical and appropriate considers the recommendations and guidance provided in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

X. Shareholder Communication Strategy

The Board of the Company aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs.

Information is communicated to shareholders through:

1. the Annual Report delivered by post or via email (if requested by the shareholder) and which is also released to National Securities Exchange of Australia (NSX) and placed on the Company's website;
2. the half yearly report which is released to NSX and placed on the Company's website;
3. disclosures and announcements made to the NSX copies of which are placed on the Company's website;
4. notices and explanatory statements of Annual General Meetings (AGM) and General Meetings (GM) copies of which are released to NSX and placed on the Company's website;
5. the Company's website on which the Company posts all announcements which it makes to the NSX; and
6. the auditor's lead engagement partner being present at the AGM to answer questions from shareholders about the conduct of the audit and the preparation and content of the auditor's report.

As part of the Company's developing investor relations program, Shareholders can register with the Company to receive email notifications of when an announcement is made by the Company to the NSX, including the release of the Annual Report and half yearly reports. Links are made available to the Company's website on which all information provided to the NSX is immediately posted.





CORPORATE SOCIAL RESPONSIBILITY

Chen Moh Chinese Primary School Building Development Fundraising



企点 Business CIRCLE



灵精武华小欢庆建校80周年 下月举办义卖与晚宴

In 商讯活动



January 2017

As a part of our corporate social responsibility (CSR), we serve the community as a media player by creating public awareness on the education opportunities and building better environment for the children.

Business Circle participated as the media partner in the fundraising program for the 80th anniversary celebration of Chen Moh Primary School with a purpose to assist the school in fund raising for development of school building and refurbishment of the basketball court. The main agenda of the program was to provide better education and curriculum environment for children.

The above photo was taken after the refurbishment of the basketball court and post completion of the fundraising event.

Certificate of Appreciation to
Circle International



Women Empowerment Program

而連突7大社團婦女組 親子創業講座反應佳

星洲日報 12.08.2017

【而連突11日訊】而連突7大社團婦女組于11日在而連突山頂休閑中心（會議室）聯辦“小城大愛，你我同在”慈善日，圓滿結束。

当天共舉辦三個講座，分別有林淑娟主讲的《三代同堂，其乐融融》、营养师兼营养师林秋香主讲的《內在調理，外在亮麗》、及“大馬路商會創業轉型基金”。

林淑娟與出席者分享如何在家庭中改变婆媳关

系，以愛、体谅、接納、珍惜及感恩去改变結局。

林秋香主讲的保健講座，主要向出席者講解人體各器官的功能，所帶來的疾病和症狀，同時，她也授指出出席者自我檢查器官是否健康。

此外，代表大馬路商會創業轉型基金會的章訂彭于玲于講座上分享了女性創業的故事，以激勵的方式呼喚在場的女性應該勇敢和積極地踏出第一步，跨出傳統的界限，為社會和家庭都盡一分力。

活動上也分派申請表格予有意申請者，并當場指導申請條件和步驟，反應相當熱烈。

►《三代同堂，其乐融融》講座獲得熱烈回響，林淑娟（首排左七）與與福建會館婦女組主席顏美鳳（右五）等大合照。



▲而連突華人社團聯合會婦女組主席曾林火莉（右三）頒發紀念品予彭于玲（左一），右一及二為李御需及大馬路商會創業轉型基金會主席曾林玉惜。



▲客家會館婦女組主席林冬妹（右四）贈送紀念品予林秋香（左四）。左一至三：廣西會館婦女組主席陸桂霞、工商俱樂部婦女組財政黃美蓉、華團婦女組署理主席和雅貞；右一及二：廣東會館婦女組理事陳玉鳳與華團婦女組理事黃雅蓮。

東三角

東三角 EASTERN TRIANGLE

2017年8月4日 星期五 D3

加強經濟獨立能力 彭于玲明開講教婦女創業

【而連突11日訊】由而連突7大社團婦女組聯合舉辦的“小城大愛，你我同在”慈善日，將於本月11日（星期日）上午10時，在而連突山頂休閑中心（會議室）舉行。當天的活動包括三個講座，分別有林淑娟主讲的《三代同堂，其乐融融》、营养师兼营养师林秋香主讲的《內在調理，外在亮麗》、及“大馬路商會創業轉型基金”。

林淑娟與出席者分享如何在家庭中改变婆媳关系，以愛、体谅、接納、珍惜及感恩去改变結局。

貸款額增至3萬元

大馬路商會創業轉型基金會，自成立以來，一直致力於為婦女提供創業支持，包括提供貸款、培訓及導師服務。

而連突7大社團婦女組 聯辦小城大愛慈善日

【而連突11日訊】由而連突7大社團婦女組聯合舉辦的“小城大愛，你我同在”慈善日，將於本月11日（星期日）上午10時，在而連突山頂休閑中心（會議室）舉行。

當天的活動包括三個講座，分別有林淑娟主讲的《三代同堂，其乐融融》、营养师兼营养师林秋香主讲的《內在調理，外在亮麗》、及“大馬路商會創業轉型基金”。

林淑娟與出席者分享如何在家庭中改变婆媳关系，以愛、体谅、接納、珍惜及感恩去改变結局。

大馬路商會創業轉型基金會，自成立以來，一直致力於為婦女提供創業支持，包括提供貸款、培訓及導師服務。



August 2017

Malaysia is moving forward towards empowering women and achieve gender equality in leadership and social innovation, a goal for 2030.

Circle International also leads in the same stripe by supporting women and helping them grow in the global market. Circle International conducts various Women Empowerment Programs where women from different arenas are provided with opportunities to network, mentored, educating them as to how business opportunities can increase their financial independence and understanding the concept of workplace flexibility. Not limiting itself to the above benefits, Circle International also provides information of micro-loan or other financial assistances to aid women start their own corporate journey.

Datin Irene Pang, Chief Corporate Group Officer of Circle Group has been an inspiration and role model for the modern women of today. She is actively involved in a few non-profit organisations where she provides CSR services to impart women with the right direction to rediscover their sense of self-worth and confidence. She encourages women to step forward and provides them the ways with which they can create a balance in their professional and personal life.

Malaysian Chinese Women Entrepreneurs Foundation is one of such NGO's where Datin Irene has involved. This NGO provides micro-loan to less fortunate women in their start-up business, encourage them to run their micro-business and upgrade their standard of living for a better tomorrow.

Donation to Orphanage



August 2017

As part of its corporate social responsibility to give back to the society, Circle International brought the children from Rumah Tunas Harapan, Jabatan Kebajikan Masyarakat Kompleks Penyayang Bakti to the launching of Ultra Heroes Official Shop and Restaurant. The children had a fun time interacting with Ultra Heroes. Dato' Brian Tan also presented a donation to Pn. Rahimah, the representative from Rumah Tunas Harapan.

Women Empowerment Festival



December 2017

Business Circle was appointed as the official media partner for the Women Empowerment Festival. Circle International was one of the Platinum Sponsors for the aforesaid event.

The motto of the event was to empower women by providing them with opportunities so that they can become agents of change within their communities. It comprised of a transformative bootcamp, community service projects and a series of social media campaigns where participants share their personal journey to inspire other women, particularly single mothers, divorcees and disadvantaged women.



Datin Irene Pang was one of the speakers for the workshop where she shared her life journey and inspired the participants to cultivate their entrepreneurial mindset, develop their confidence and learn ways to complete their success journey.



Financial Statements



Robert Mengkwai & Loo PLT (LLP0014479-LCA)

Chartered Accountants (AF 002032)

Unit 201, Blok F

Pusat Dagangan Phileo Damansara 1

Jalan 16/11, Seksyen 16

46350 Petaling Jaya, Selangor

Malaysia

T: +603 7954 6188

F: +603 7991 0118

www.rmkl.com.my

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CIRCLE INTERNATIONAL HOLDINGS LIMITED

(Formerly known as CIRCLE INTERNATIONAL LIMITED)

(Incorporated in Cayman Islands)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **CIRCLE INTERNATIONAL HOLDINGS LIMITED** (formerly known as Circle International Limited) (the Company) and its subsidiaries, (the Group), which comprise the statements of financial position of the Group and of the Company as at 31 December 2017, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including significant accounting policies as set out on pages 6 to 44.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2017, and the financial performance and cash flows of the Group and of the Company for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Emphasis of Matters

We draw attention to Note 10 and 13 to the financial statements on the nature and carrying amount of the intangible asset and inventories of the Group. Our opinion is not modified in respect of these matters.

Key Audit Matter

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the financial statements of the Group and of the Company for the current year. This matter was addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

Intangible asset

As disclosed in Note 10 to the financial statements, the Group has an intangible asset in the form of an e-commerce system under development. As at 31 December 2017, the carrying value of the intangible asset was AUD3,238,023 and the additions during the year were AUD1,311,604.

We identified the capitalisation of research and development costs as a key audit matter due to significant management judgement about the future performance and viability of the e-commerce system. The Group has to apply judgement in meeting the criteria for capitalisation under the requirements of accounting standards and to capture accurate cost information for the project.

Our audit focused on this area due to the value of the research and development costs incurred, and the fact there is judgement involved in assessing whether the requirements detailed in the accounting standards for expensing or capitalising these costs have been met.

Significant judgements relevant to the Group for capitalisation of research and development include determining if the research and development spend has met:

- Technical feasibility criteria; and
- Economic feasibility criteria.

Management's conclusion is that all spending in current year on the e-commerce system development meets the criteria for capitalisation on the basis of technical feasibility and economic feasibility.

In responding to the significant judgements involved in determining whether research and development spend has been recognised in accordance with the relevant accounting standard, our audit procedures included:

- updating our understanding of management's process for assessing whether development spend has met all of the IAS 38 recognition criteria;
- testing management's controls over capitalisation of development costs;
- reviewing the detailed analysis prepared by management of the development spend for the year and tested the expenses capitalised to external invoices;
- meeting with management and discussed the nature of work being completed on the e-commerce system and their assessment of the areas of judgement for each, in particular the stage of technical development and economic feasibility; and
- challenging the reasonableness of key assumptions based on our knowledge of the business and industry.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with International Financial Reporting Standards. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

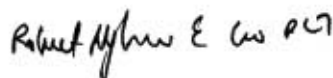
We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

This report is made solely to the members of the Company, as a body, and for no other purpose. We do not assume responsibility towards any other person for the contents of this report.



ROBERT MENGKWAI & LOO PLT (LLP 0014479-LCA)
Chartered Accountants (AAL 0070)



LOO CHEE CHOU
Partner - 02783/09/2018 J
Chartered Accountant

Petaling Jaya,
6 April 2018

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

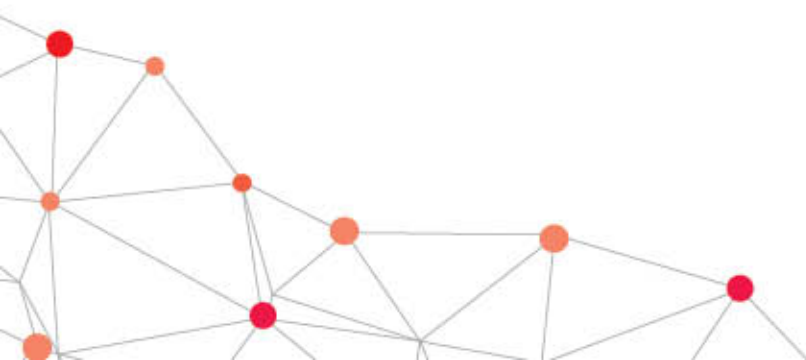
(With comparatives of the Company for the period 12 December 2016 (date of incorporation) to 31 December 2016)

	Note	The Group 2017 (12 months) AUD	The Company 2017 (12 months) AUD	The Company 2016 (1 month) AUD
Revenue		4,068,174	-	-
Cost of sales		(1,705,422)	-	-
Gross profit		2,362,752	-	-
Other income		14,722	-	-
Administrative expenses		(342,635)	(22,619)	-
Other operating expenses		(667,101)	(377,138)	-
Finance costs		(13,837)	-	-
Profit/(Loss) before tax	6	1,353,901	(399,757)	-
Tax expense	7	(311,213)	-	-
Profit/(Loss) for the year/period		1,042,688	(399,757)	-
Other comprehensive income, net of tax				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences		(104,126)	7,057	-
Other comprehensive (loss)/income, net of tax		(104,126)	7,057	-
Total comprehensive income/(loss)		938,562	(392,700)	-
Earnings per share				
- Basic and fully diluted (cents)	8	6.95		

The accompanying notes form an integral part of the Financial Statements.

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2017

	Note	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
ASSETS				
Non Current Assets				
Property, plant and equipment	9	367,122	-	-
Intangible asset	10	3,238,023	-	-
Investment in subsidiaries	11	-	57,656,091	-
Other investment	12	5,053	-	-
Total Non Current Assets		3,610,198	57,656,091	-
Current Assets				
Inventories	13	839,722	-	-
Trade and other receivables	14	4,042,396	-	-
Fixed deposits with licensed bank		32,590	-	-
Cash and bank balances		434,949	138	138
Total Current Assets		5,349,657	138	138
TOTAL ASSETS		8,959,855	57,656,229	138
EQUITY AND LIABILITIES				
Equity				
Share capital	15	57,656,229	57,656,229	138
Reserves	16	(55,221,726)	(392,700)	-
Total Equity		2,434,503	57,263,529	138
Non Current Liabilities				
Term loan	17	247,306	-	-
Trade and other payables	18	943,149	104,227	-
Total Non Current Liabilities		1,190,455	104,227	-



	Note	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
Current Liabilities				
Trade and other payables	18	4,711,169	288,473	-
Term loan	17	10,753	-	-
Bank overdraft	19	60,971	-	-
Tax payable		552,004	-	-
Total Current Liabilities		5,334,897	288,473	-
TOTAL EQUITY AND LIABILITIES		8,959,855	57,656,229	138

The accompanying notes form an integral part of the Financial Statements.

CIRCLE INTERNATIONAL HOLDINGS LIMITED

(Formerly known as Circle International Limited) (Incorporated in Cayman Islands)

STATEMENTS OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2017

(With comparatives of the Company for the period 12 December 2016 (date of incorporation) to 31 December 2016)

The Group	Share Capital AUD	Merger Reserve AUD	Translation Reserve AUD	Foreign Currency Retained Earnings AUD	Total AUD
As of 1 January 2017	138	-	-	-	138
Transactions with owners:					
Acquisition of subsidiaries in business combination under common control	57,656,091	(57,388,344)	-	1,228,056	1,495,803
Total transactions with owners	57,656,091	(57,388,344)	-	1,228,056	1,495,803
Profit for the year	-	-	-	1,042,688	1,042,688
Other comprehensive income, net of tax	-	-	(104,126)	-	(104,126)
Total comprehensive (loss)/income	-	-	(104,126)	1,042,688	938,562
Balance as of 31 December 2017	57,656,229	(57,388,344)	(104,126)	2,270,744	2,434,503



The Company	Share Capital AUD	Foreign Currency Translation Reserve AUD	Accumulated Losses AUD	Total AUD
As of 12 December 2016	138	-	-	138
Profit for the period	-	-	-	-
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	-	-	-	-
Balance as of 31 December 2016	138	-	-	138
Issue of shares	57,656,091	-	-	57,656,091
Loss for the year	-	-	(399,757)	(399,757)
Other comprehensive income, net of tax	-	7,057	-	7,057
Total comprehensive loss	-	7,057	(399,757)	(392,700)
Balance as of 31 December 2017	57,656,229	7,057	(399,757)	57,263,529

The accompanying Notes form an integral part of the Financial Statements.

CIRCLE INTERNATIONAL HOLDINGS LIMITED

(Formerly known as Circle International Limited) (Incorporated in Cayman Islands)

**STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

(With comparatives for the period 12 December 2016 (date of incorporation) to 31 December 2016)

The Group**2017
AUD****CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers	1,471,126
Payments to suppliers and employees	(1,193,181)
Interest paid	(12,292)
Interest received	1,370
Income tax paid	(11,147)
Net Cash From Operating Activities	255,876

CASH FLOWS USED IN INVESTING ACTIVITIES

Cash acquired as a result of business combination	331,219
Payment of development costs for intangible asset	(545,955)
Net Cash Used In Investing Activities	(214,736)

CASH FLOWS FROM FINANCING ACTIVITIES

Payment of term loan facilities	(9,381)
Drawdown of overdraft facilities	5,182
Advances from related parties	347,893
Net Cash From Financing Activities	343,694

**NET INCREASE IN CASH AND
CASH EQUIVALENTS**

384,834

**EFFECT OF EXCHANGE RATE CHANGES
ON CASH AND CASH EQUIVALENTS**

(32,601)

**CASH AND CASH EQUIVALENTS AT
BEGINNING OF YEAR**

54,335

**CASH AND CASH EQUIVALENTS AT
END OF YEAR (NOTE 20)**

406,568



The Company

	2017 (12 months) AUD	2016 (1 month) AUD
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	-	-
Payments to suppliers and employees	-	-
Net Cash From Operating Activities	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	-	--
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR/DATE OF INCORPORATION	138	138
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD (NOTE 20)	138	138

The accompanying notes form an integral part of the Financial Statements.

CIRCLE INTERNATIONAL HOLDINGS LIMITED

(Formerly known as Circle International Limited) (Incorporated in Cayman Islands)

NOTES TO THE FINANCIAL STATEMENTS**1. GENERAL INFORMATION**

The Company is incorporated in Cayman Islands, under the Companies Law. The principal activity of the Company is investment holding.

The Company's registered office and principal place of business is located at P.O. Box 10008, Willow House, Cricket Square, Grand Cayman KY1-1001, Cayman Islands.

The Company was incorporated on 12 December 2016 for the sole purpose of acquiring Circle Corporation International Limited, a Company incorporated in Hong Kong, Circle Corporation Mediatech Sdn Bhd and Inno Mind Works Sdn Bhd, both companies incorporated in Malaysia. The merger with its subsidiaries was completed on 30 November 2017, and the Company was listed on the National Stock Exchange of Australia (NSX) on 7 December 2017.

Each of the entities within the Group prepares their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The functional currency of the Company is United States Dollars (USD), while the presentation currency of the Group and of the Company are Australian Dollars (AUD).

The financial statements of the Group and of the Company have been authorised by the Board of Directors for issuance on 6 April 2018.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

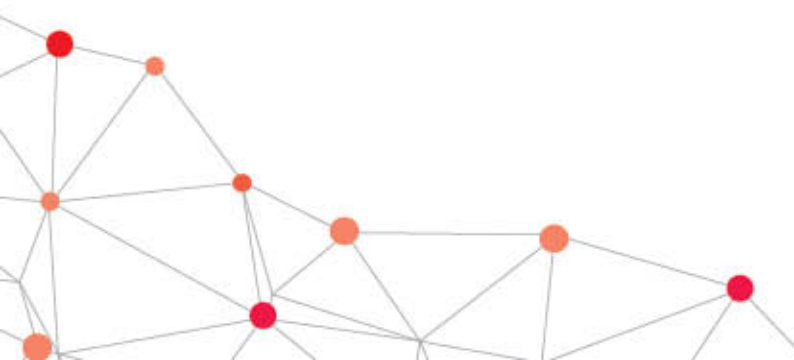
The financial statements of the Group and of the Company have been prepared in compliance with International Financial Reporting Standards.

3. ADOPTION OF NEW IFRS AND AMENDMENTS TO IFRS**New IFRSs adopted during the financial year**

The Group and the Company adopted the following Standards of the IFRS Framework that were issued by the International Accounting Standards Board ('IASB') during the financial year.

Title		Effective Date
Amendments to IAS 7	: <i>Disclosure Initiative</i>	1 January 2017
Amendments to IAS 12 for <i>Unrealised Losses</i>	: <i>Recognition of Deferred Tax Assets</i>	1 January 2017
Annual Improvements to IFRS Standards 2014 – 2016 Cycles:		
• Amendments to IFRS 12	: <i>Clarification of the Scope of Standard</i>	1 January 2017

There is no material effect upon the adoption of the above Standards during the financial year.



New IFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2018

The following are Standards of the IFRS Framework that have been issued by the International Accounting Standards Board ('IASB') but have not been early adopted by the Group and the Company.

Title	Effective Date
IFRS 9 Financial Instruments	1 January 2018
IFRS 15 Revenue from Contracts with Customers	1 January 2018
Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to IAS 40 : Transfers of Investment Property	1 January 2018
Annual Improvements to IFRS Standards 2014 – 2016 Cycles:	
• Amendments to IFRS 1 : Deletion of Short-term Exemptions for First-time Adopters	
• Amendments to IAS 28 : Measuring an Associate or Joint Venture at Fair Value	1 January 2018
Amendments to IFRS 15 Effective date of IFRS 15	1 January 2018
Amendments to IFRS 15 Clarifications to IFRS 15 Revenue from Contracts with Customers	1 January 2018
IFRIC 22 Foreign Currency Transactions and Advance Consideration	1 January 2018
Annual Improvements to IFRS Standards 2015 – 2017 Cycles:	
• Amendments to IFRS 3 : Business Combinations	
• Amendments to IFRS 11 : Joint Arrangements	
• Amendments to IAS 12 : Income Taxes	
• Amendments to IAS 23 : Borrowing Costs	1 January 2019
IFRS 16 Leases	1 January 2019
Amendments to IFRS 9 : Prepayment Features with Negative Compensation	1 January 2019
Amendments to IAS 19 : Plan Amendment, Curtailment or Settlement	1 January 2019
Amendments to IAS 28 : Long-term Interests in Associates and Joint Ventures	1 January 2019
IFRS 17 Insurance Contracts	1 January 2021
Amendments to IFRS 10 and IAS 28 : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice



The above accounting standards and interpretations (including the consequential amendments) are not relevant to the Group and the Company's operations except as follows:

IFRS 9: Financial Instruments

IFRS 9 mainly to include (a) impairment requirements for financial assets and (b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

(a) All recognised financial assets that are within the scope of IFRS 9 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

(b) With regards to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value through profit or loss is presented in profit or loss.

(c) In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

(d) The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

IFRS 15: Revenue from Contracts with Customers

IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- (a) Step 1:** Identify the contract(s) with a customer.
- (b) Step 2:** Identify the performance obligations in the contract.
- (c) Step 3:** Determine the transaction price.
- (d) Step 4:** Allocate the transaction price to the performance obligations in the contract.
- (e) Step 5:** Recognise revenue when (or as) the entity satisfies a performance obligation.

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

IFRS 16: Leases

IFRS 16 replaces the guidance in IAS 17, Leases, IC Interpretation 4, Determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases – Incentives and IC Interpretation 127, Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

The Group and the Company have already commenced assessments of impact of IFRS 9, 15 and 16 but is not yet in a position to state whether they would significantly impact on the results of operations and financial position of the Group and of the Company.

4. SIGNIFICANT ACCOUNTING POLICIES Basis of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The preparation of financial statements in conformity of IFRSs requires the Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and contingent liabilities. In addition, the Directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 5. Although these estimates and assumptions are based on the Directors' best knowledge of events and actions, actual results could differ from those estimates.

Basis of consolidation

The combined financial statements incorporate the financial statements of the combining entities as disclosed in Note 11 of this Report. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (a) Power over the investee;
- (b) Exposure, or right, to variable returns from its involvement with the investee; and
- (c) The ability to use its power over the investee to affect its returns.

If the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) The contractual arrangement with the other vote holders of the investee;
- (b) Rights arising from other contractual agreements; and
- (c) The voting rights of the Group and potential voting rights.

Intragroup balances, transactions, income and expenses are eliminated in the combined financial statements. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the interest of the Group in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no impairment. The combined financial statements reflect external transactions only.

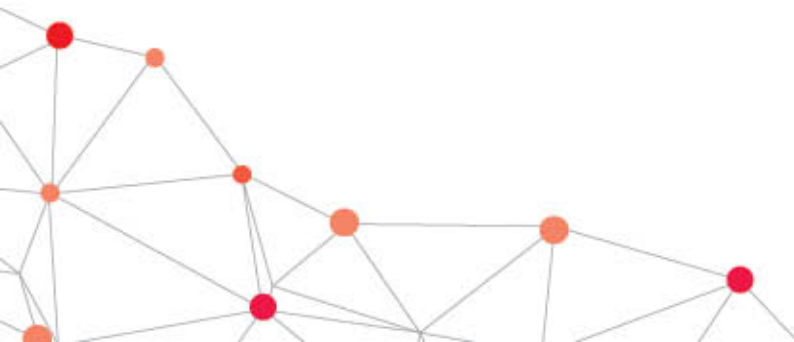
The financial statements of the combining entities are prepared for the same reporting period, using consistent accounting policies. The accounting policies of the combining entities are changed to ensure consistency with the policies adopted by the other entities in the combining entities, where necessary.

Non-controlling interests represent equity in the combining entities that are not attributable, directly or indirectly, to the common controlling shareholders, and is presented separately in the combined statement of profit or loss and other comprehensive income and within equity in the combined statement of financial position, separately from equity attributable to the common controlling shareholders. Profit or loss and each component of other comprehensive income are attributed to the common controlling shareholders and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate. Assets, liabilities, income

and expenses of a subsidiary disposed of during the financial year are included in the combined statement of profit or loss and other comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Changes in the common controlling shareholders' interest in a combining entity that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the combining entity. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity and attributed to the common controlling shareholders of the combining entities.



If the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between:

- (i) Aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- (ii) Previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

Amounts previously recognised in other comprehensive income in relation to the combining entities are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former combining entities at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 Financial Instruments: Recognition and Measurement or, where applicable, the cost on initial recognition of an investment in associate or joint venture.

Business combinations not under common control

Business combinations not under common control are accounted for by applying the acquisition method of accounting.

Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured at their fair value at the acquisition date, except that:

- (a) Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- (b) Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement by the Group of an acquiree's share-based payment transactions are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- (c) Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

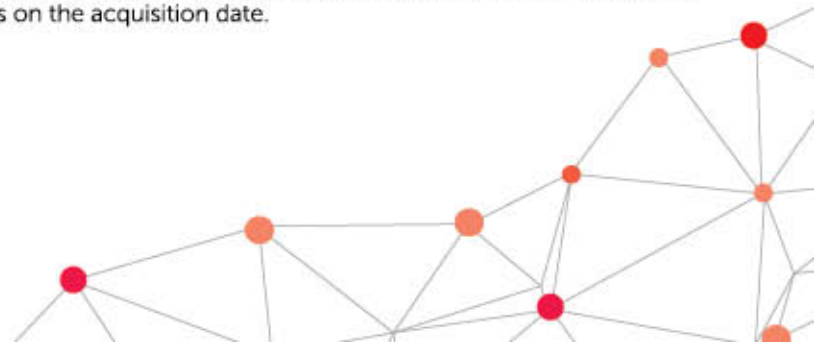
Any contingent consideration payable is recognised at fair value at the acquisition date. Measurement period adjustments to contingent consideration are dealt with as follows:

- (a) If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity.
- (b) Subsequent changes to contingent consideration classified as an asset or liability that is a financial instrument within the scope of IAS 39 are recognised either in profit or loss or in other comprehensive income in accordance with IAS 39. All other subsequent changes are recognised in profit or loss.

In a business combination achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Components of non-controlling interests in the acquiree that are present ownership interest and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are initially measured at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by IFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the previously held equity interest of the Group in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the combined statement of financial position. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.



Business combination under common control

Business combinations under common control in the form of equity instrument exchanges are accounted for by applying the merger method of accounting. Assets, liabilities, income and expenses of the merger entities are reflected at their carrying amounts reported in the individual financial statements for the full financial year, irrespective of the date of the merger. Any difference between the consideration paid and the share capital of the merger entity are reflected within equity as merger reserve.

Financial Instruments

Financial instruments are recognised in the statements of financial position when the Company has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Company has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/ deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

(a) Financial Assets

On initial recognition, financial assets are classified as either financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables financial assets, or available-for-sale financial assets, as appropriate.

(i) Financial Assets at Fair Value through Profit or Loss

Financial assets are classified as financial assets at fair value through profit or loss when the financial asset is either held for trading or is designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges. Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. Dividend income from this category of financial assets is recognised in profit or loss when the Company's right to receive payment is established.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current whereas financial assets that are not held primarily for trading purposes are presented as current or non-current based on the settlement date.

(ii) Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the management has the positive intention and ability to hold to maturity.

Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment loss, with interest income recognised in profit or loss on an effective yield basis.

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the reporting date which are classified as current assets.

(iii) Loans and Receivables Financial Assets

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables financial assets. Loans and receivables financial assets are measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Loans and receivables financial assets are classified as current assets, except for those having settlement dates later than 12 months after the reporting date which are classified as non-current assets.

(iv) Available-for-sale Financial Assets

Available-for-sale financial assets are non-derivative financial assets that are designated in this category or are not classified in any of the other categories.

After initial recognition, available-for-sale financial assets are remeasured to their fair values at the end of each reporting period. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with the exception of impairment losses. On derecognition, the cumulative gain or loss previously accumulated in the fair value reserve is reclassified from equity into profit or loss.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Company's right to receive payments is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less accumulated impairment losses, if any.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the reporting date.

(b) Financial Liabilities

All financial liabilities are initially measured at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are either held for trading or are designated to eliminate or significantly reduce a measurement or recognition inconsistency that would otherwise arise. Derivatives are also classified as held for trading unless they are designated as hedges.

Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(c) Equity Instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(d) Derecognition

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Impairment of Financial Assets

All financial assets (other than those categorised as fair value through profit or loss), are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. For an equity instrument, a significant or prolonged decline in the fair value below its cost is considered to be objective evidence of impairment.

An impairment loss in respect of held-to-maturity investments and loans and receivables financial assets is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

An impairment loss in respect of available-for-sale financial assets is recognised in profit or loss and is measured as the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the fair value reserve. In addition, the cumulative loss recognised in other comprehensive income and accumulated in equity under fair value reserve, is reclassified from equity to profit or loss.

With the exception of available-for-sale equity instruments, if in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. In respect of available-for-sale equity instruments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss made is recognised in other comprehensive income.

Cash and cash equivalents

For the purposes of statement of cash flows, cash and cash equivalents include bank balance which have an insignificant risk of changes in value.

Provisions

Provisions are recognised when the Group and the Company has a present obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the provision is the present value of the estimated expenditure required to settle the obligation. The unwinding of the discount is recognised as interest expense in profit or loss.

Employee Benefits

The Group recognises a liability when an employee has provided service in exchange for employee benefits to be paid in the future and an expense when the Group consumes the economic benefits arising from service provided by an employee in exchange for employee benefits.

(a) Short-Term Employee Benefits

Wages and salaries are accrued and paid on a monthly basis and are recognised as an expense, unless they relate to cost of producing inventories or other assets.

Paid absences (annual leave, maternity leave, paternity leave, sick leave, etc.) are accrued in each period if the accumulating paid absences that can be carried forward, or in the case of non-accumulating paid absences, recognised as and when the absences occur.

Profit sharing and bonus payments are recognised when, and only when, the Group has a present legal or constructive obligation to make such payments as a results of past events and a reliable estimate of the obligation can be made.

(b) Post-Employment Benefits – Defined Contribution Plans

Entities in the Group makes statutory contributions to approved provident funds and the contributions made are charged to profit or loss in the period to which they relate. When the contributions have been paid, the Group has no further payment obligations.

Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes in these accounting estimates being accounted for on a prospective basis.

Internally generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

- Level 1:** Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;
- Level 2:** Inputs are other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3:** Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Statement of Cash Flows

The Group and the Company adopts the direct method in the preparation of the statements of cash flows.

5. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Change in estimates

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Directors are of the opinion that there are no significant changes in estimates at the end of the reporting period.

Critical judgements made to applying accounting policies

In the selection of accounting policies for the Group and the Company, the areas that require significant judgements and assumptions are:

Classification of finance and operating leases

The Group and the Company classifies a lease as a finance lease or an operating lease based on the criterion of the extent to which significant risks and rewards incidental to ownership of the underlying asset lie. As a lessee, the Group and the Company recognises a lease as a finance lease if it is exposed to significant risks and rewards incidental to the ownership of the underlying asset. In applying judgements, the Group and the Company considers whether there is significant economic incentive to exercise a purchase option and any optional renewal periods. A lease is classified as a finance lease if the lease term is for at least 75% the economic life of the underlying asset, the present value of lease

payments is at least 90% of the fair value of the underlying asset, or the identified asset in the lease is a specialised asset which can only be used substantially by the lessee. All other leases do not result in a significant transfer of risks and rewards are classified as operating leases.

Key sources of estimation uncertainty

The measurement of some assets and liabilities requires management to use estimates based on various observable inputs and other assumptions. The areas or items that are subject to significant estimation uncertainties of the Group and the Company are in measuring:

Loss allowances of financial assets

The Group and the Company recognises impairment losses for loans and receivables using the incurred loss model. Individually significant loans and receivables are tested for impairment separately by estimating the cash flows expected to be recoverable. All other loans and receivables are categorised into credit risk classes and tested for impairment collectively, using the Group's and the Company's past experiences of loss statistics, ageing of past due amounts and current economic trends. The actual eventual losses may be different from the allowances made and these may affect the Group's and the Company's financial position and results.

Depreciation of property, plant and equipment

The cost of an item of property, plant and equipment is depreciated on the straight-line method or another systematic method that reflects the consumption of the economic benefits of the asset over its useful life. Estimates are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant and equipment may differ from the estimates applied and this may lead to gain or loss on an eventual disposal of an item of property, plant and equipment.

Impairment of tangible and intangible asset

At each reporting date, the Group and the Company reviews the carrying amounts of its tangible and intangible assets (other than goodwill) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease. The carrying amount of intangible asset at the reporting date was AUD3,238,023.



Income taxes

The Group is subject to income taxes in the jurisdictions that it operates. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

6. PROFIT/(LOSS) BEFORE TAX

Profit/(Loss) before tax is arrived at

	The Group 2017 (12 months) AUD	The Company 2017 (12 months) AUD	2016 (1 month) AUD
After charging:			
Audit fee	15,914	6,000	-
Depreciation of property, plant and equipment	12,083	-	-
Remuneration of key management personnel	122,250	-	-
Unrealised loss on foreign exchange	2,129	-	-
Rental of premise	6,673	-	-
Rental of office equipment	1,260	-	-
Rental of billboard	20,176	-	-
Staff costs	124,604	-	-
Term loan interest	13,837	-	-
After crediting:			
Interest income	(1,318)	-	-



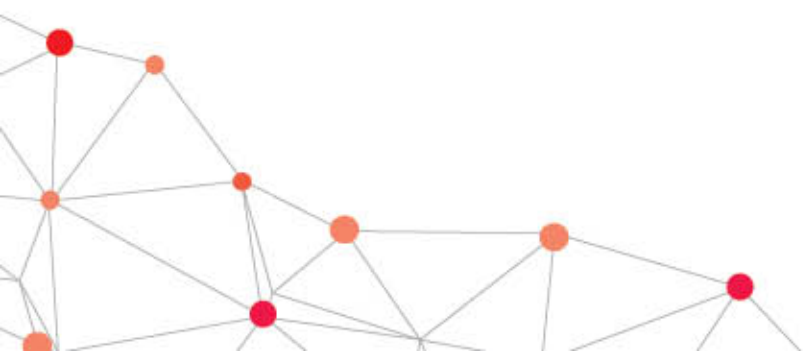
Staff costs and remuneration of key management personnel:

	The Group 2017 (12 months) AUD	The Company 2017 (12 months) AUD	2016 (1 month) AUD
Staff costs:			
Salaries, allowances and bonus	13,158	-	-
EPF contribution	10,184	-	-
SOCSSO contribution	1,262	-	-
	124,604	-	-

	The Group 2017 (12 months) AUD	The Company 2017 (12 months) AUD	2016 (1 month) AUD
Remuneration of key management personnel:			
Director's fee	122,250	-	-
Directors' EPF contribution	-	-	-
Directors' SOCSSO contribution	-	-	-
	122,250	-	-

7. TAX EXPENSE

	The Group 2017 (12 months) AUD	The Company 2017 (12 months) AUD	2016 (1 month) AUD
Tax expense	311,213	-	-



The numerical reconciliation between the tax expenses and the product of accounting profit multiplied by the applicable tax rate are as follows:

	The Group 2017 (12 months) AUD	The Company 2017 (12 months) AUD	2016 (1 month) AUD
Profit/(Loss) before tax	1,353,901	(399,757)	-
Tax at statutory tax rate	292,792	(399,757)	-
Tax effects of: Non-deductible expenses	18,421	399,757	-
Income tax expense for the financial year	311,213	-	-

8. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share is calculated by dividing the Group's profit for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year. The weighted average number of ordinary shares in issue is calculated as follows:

	The Group 2017
Profit for the year, attributable to the owners of the Company (AUD)	1,042,688
Number of ordinary shares at beginning of the year	400
Effect of shares issued pursuant to: - business combination	15,000,000
Weighted-average number of ordinary shares at 31 December	15,000,400
Basic earnings per share (cents)	6.95

(b) Diluted earnings per share

Diluted earnings per ordinary share equals basic earnings per ordinary share.



9. PROPERTY, PLANT AND EQUIPMENT

The Group

	Furniture and fittings AUD	Renovation AUD	Office equipment AUD	Computers AUD	Signboard AUD	Billboard AUD	Freehold land and buildings AUD	Total AUD
Cost								
At 1 January 2017	12,833	8,671	14,562	10,483	262	6,730	356,021	409,562
Additions	-	-	-	-	-	-	-	-
Translation reserve	293	198	333	240	6	154	8,133	9,357
At 31 December 2017	13,126	8,869	14,895	10,723	268	6,884	364,154	418,919
Accumulated depreciation								
At 1 January 2017	7,536	722	8,883	9,544	72	1,514	10,087	38,358
Charge for the year	1,263	853	1,433	841	26	662	7,006	12,084
Translation reserve	222	51	259	251	3	61	508	1,355
At 31 December 2017	9,021	1,626	10,575	10,636	101	2,237	17,601	51,797
Net carrying amount								
At 31 December 2017	4,105	7,243	4,320	87	167	4,647	346,553	367,122

Freehold building of the Group have been charged as security for bank borrowings as stated in Note 17.



10. INTANGIBLE ASSET

The intangible asset represents in e-commerce system under development.

	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
At 1 January	2,104,000	-	-
Additions	1,311,604	-	-
Translation reserve	(177,581)	-	-
At 31 December	3,238,023	-	-

The directors of the Company have engaged a professional valuer to value the e-commerce system under development and based on the valuation performed, are of the opinion that no impairment of intangible asset is required.

11. INVESTMENT IN SUBSIDIARIES

The intangible asset represents in e-commerce system under development.

	The Company 2017 AUD	2016 AUD
Unquoted shares at cost	57,656,091	-

Details of the subsidiaries are as follows:

Name of company	Country of incorporation	Effective equity interest (%)		Principal activities
		2017	2016	
Circle Corporation International Limited ^	Hong Kong	100	-	Advertising, branding, e-media services and creative marketing solution
Circle Corp Mediatech Sdn. Bhd. ^	Malaysia	100	-	Advertising, publication, entertainment, e vents, business circle mobile app and related services
Inno Mind Works Sdn. Bhd.	Malaysia	100	-	Event organiser, advertisement and media industries

^ Audited by another firms of accountants.



12. OTHER INVESTMENT

	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
Investment in Agro Growers Scheme, at fair value	5,053	-	-

13. INVENTORIES

	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
Unused advertising air-time	839,722	-	-
Inventories recognised as expenses	303,234	-	-

The Group's inventories relate to unused advertising air-time bought and carried at a value of AUD839,722(HKD5,121,802) in the Group's statement of financial position.

14. TRADE AND OTHER RECEIVABLES

	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
Trade receivables	2,197,455	-	-
Other receivables	31,272	-	-
Deposits	7,529	-	-
Prepaid expenses	6,941	-	-
Amount owing from related party	1,799,199	-	-
	4,042,396	-	-



	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
Receivables not yet due	1,484,999	-	-
Past due for:			
1 – 3 months	36,739	-	-
3 – 6 months	-	-	-
6 – 9 months	-	-	-
9 – 12 months	19,664	-	-
12 months and above	256,053	-	-
	2,197,455	-	-

Amount owing from related party is unsecured, interest free and with no fixed terms of repayment.

Information on financial risk of amount owing from related party is disclosed in Note 21.

Related party include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly and entity that provides key management personnel services to the Company. The key management personnel include all the Directors of the Company, and certain members of senior management of the Company.

15. SHARE CAPITAL

Share capital is represented by:

	2017 AUD	2016 AUD
Issued and fully paid:		
Ordinary shares		
As of 1 January/12 December	138	138
Issued during the year	57,656,091	-
As of 31 December	57,656,229	138

During the financial year, the Company issued 180,000,000 shares for the acquisition of subsidiaries.



16. RESERVES

	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
Retained earnings/(Accumulated losses)	2,270,744	(399,757)	-
Exchange translation reserve	(104,126)	7,057	-
Merger reserve	(57,388,344)	-	-
	(55,221,726)	(392,700)	-

Exchange translation reserve

The foreign currency translation reserve arises from the translation of the financial statements from its functional currency in United States Dollar (USD), Hong Kong Dollar (HKD) and Malaysian Ringgit (RM) to presentation currency in Australian Dollar (AUD).

Merger reserve

The merger reserve arose as a result of the deficit of the consideration paid over the share capital and reserves of the subsidiaries.

17. TERM LOAN

	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
Payable within 12 months	10,753	-	-
Payable after 12 months	247,306	-	-
	258,059	-	-

The term loans, which are under the name of a director, are repayable over a period of 84 months to 360 months commencing August 2015 and November 2015 with effective interest rate of 4.75% to 4.85%. The term loans are secured by legal charge over the freehold building of the Group.



18. TRADE AND OTHER PAYABLES

	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
Non-current			
Amount owing to directors	149,421	-	-
Amount owing to related party	793,728	104,227	-
Current			
Trade payables	3,760,604	-	-
Other payables	522,262	242,281	-
Accrued expenses	161,704	23,340	-
Amount owing to directors	266,599	-	-
Amount owing to subsidiaries	-	22,852	-
	5,654,318	392,700	-

19. BANK OVERDRAFT

The bank overdraft facilities of a subsidiary company of AUD60,971 (RM200,000) is guarantee by the directors and bear interest of 2.50% per annum above Bank Negara Malaysia's Funding Rate.

20. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following amounts:

	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
Fixed deposits with licensed bank	32,590	-	-
Cash and bank balances	434,949	138	-
Bank overdraft	(60,971)	-	-
	406,568	138	-



21. FINANCIAL INSTRUMENTS

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and of the Company's business whilst managing its market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The policies in respect of the major areas of treasury activity are as follow:

Financial Risk Management Policies

(a) Market Risk

(i) Foreign currency risk

Currency risk sensitivity analysis

A5 percent strengthening of Australian Dollar against US Dollar (USD), Hong Kong Dollar (HKD) and Malaysian Ringgit (RM) at the end of the reporting period would have increased/(decreased) equity and post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remains constant.

The Group

	Equity 2017 AUD	Profit 2017 AUD
USD	(6,765)	(19,688)
HKD	135,770	70,908
RM	6,107	1,214

The Company

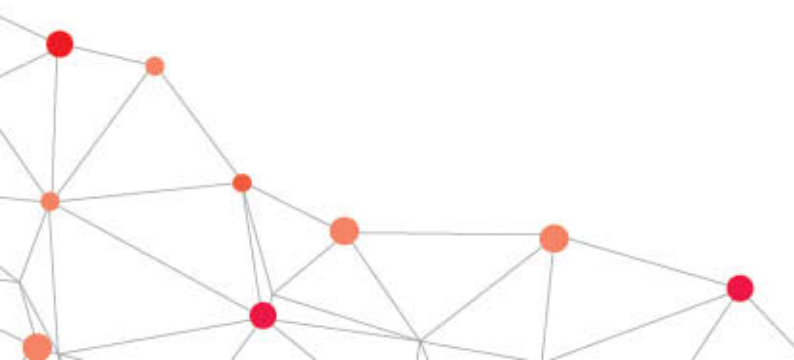
	Equity 2017 AUD	Profit 2017 AUD
USD	2,863,471	(19,688)

The 5 percent weakening of the currencies against Australian Dollar at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

(ii) Interest rate risk

Interest rate risk that changes in interest rates will affect the Group's and the Company's financial position and cash flows.

The Group's and the Company's significant interest-bearing liability is in respect of term loans and bank overdraft. The Group and the Company monitors the interest rate on borrowings closely to ensure that the borrowings are maintained at favourable rates.



The following tables set out the carrying amounts, the weighted average effective interest rate as at the end of each reporting date and the remaining maturities of the financial instruments of the Group that are exposed to interest rate risk:

Group

	Note	Weighted average effective interest rate %	Within 1 year AUD	1-2 years AUD	2-3 years AUD	3-4 years AUD	4-5 years AUD	More than 5 years AUD	Total AUD
As of 31 December 2017									
Fixed rates									
Term loan	17	4.75	10,753	10,753	10,753	10,753	10,753	204,294	258,059
Floating rates									
Bank overdraft	19	9.35	60,971	-	-	-	-	-	60,971



Sensitivity analysis for interest rate risk

The following table details the sensitivity analysis of the Group and of the Company if interest rates at the end of each reporting period changed by 50 basis points with all variables held constant:

	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
Profit/(Loss) after tax			
- Increase by 0.5%	1,595	-	-
- Decrease by 0.5%	(1,595)	-	-

(b) Credit Risk

The Group's and the Company's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis.

The Group and the Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of the trade and other receivables as appropriate. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. Impairment is estimated by management based on prior experience and the current economic environment.

Exposure to credit risk

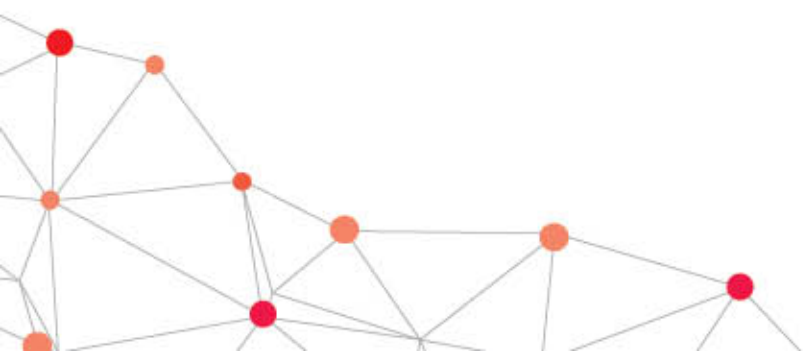
At the end of the reporting period, the maximum exposure of the Group and of the Company to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

Credit risk concentration profile

At the end of each reporting period, there were no significant concentrations of credit risk other than the amount owing to related party of AUD1,799,199.

(c) Liquidity Risk

The Group's and the Company's exposure to liquidity risk arises from general funding and business activities. The Group and the Company practises prudent risk management by maintaining sufficient cash balances and the continuing funding from its shareholders to meet its working capital requirements.



The following table sets out the maturity profile of the financial liabilities as at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contracted rates or, if floating, based on the rates at the end of the reporting period):

Group

	Carrying amounts AUD	Contractual undiscounted cash flows AUD	Within 1 year AUD	1-5 years AUD	More than 5 years AUD
As of 31 December 2017					
Trade and other payables	4,444,570	4,444,570	4,444,570	-	-
Amount owing to directors	416,020	416,020	266,599	149,421	-
Term loan	258,059	438,831	15,958	63,830	359,043
Bank overdraft	60,971	60,971	60,971	-	-
Amount owing to related party	793,728	793,728	-	793,728	-
	5,973,348	6,154,120	4,788,098	1,006,979	359,043

Company

	Carrying amounts AUD	Contractual undiscounted cash flows AUD	Within 1 year AUD	1-5 years AUD	More than 5 years AUD
As of 31 December 2017					
Trade and other payables	265,726	265,726	265,726	-	-
Amount owing to subsidiaries	22,852	22,852	22,852	-	-
Amount owing to related party	104,227	104,227	-	104,227	-
	392,805	392,805	288,578	104,227	-



Capital Risk Management

The Group and the Company manages its capital by maintaining an optimal capital structure so as to support its businesses and maximize shareholders value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

Classification of Financial Instruments

	The Group 2017 AUD	The Company 2017 AUD	2016 AUD
Financial assets:			
<i>Available-for-sale</i>			
Investment	5,053	-	-
<i>Loans and receivables</i>			
Trade and other receivables	4,035,455	-	-
Fixed deposits with licensed bank	32,590	-	-
Cash and bank balances	434,949	138	138
	4,508,047	138	138
Financial liabilities:			
<i>Other financial liabilities</i>			
Trade and other payables	5,654,318	392,700	-
Term loan	258,059	-	-
Bank overdraft	60,971	-	-
	5,973,348	392,700	-



Methods and Assumptions Used To Estimate Fair Value

The fair values of the financial assets and liabilities approximately their carrying amounts. The fair values are included in Level 2 of their fair value hierarchy.

22. CONTINGENT LIABILITIES

The Company's subsidiary in Hong Kong has a total outstanding tax liability of AUD401,623 (HKD2,449,659), the Inland Revenue Department may impose penalties on the subsidiary company and the director of the subsidiary company. No provision for the penalty liabilities has been made in these financial statements, as the amount and consequence are uncertain at the reporting date.

23. SEGMENT INFORMATION

The Group operates as a single operating segment and internal management reporting systems present financial information as a single segment. The segment derives its revenue and incurs expenses through media, advertising and marketing activities.

24. EVENTS AFTER SUBSEQUENT TO REPORTING DATE

Subsequent to the reporting date, the Company's subsidiary in Malaysia received the pioneer status certification from the Malaysian Investment Development Authority which provides for tax exemption for the subsidiary company for the period 11 May 2016 to 10 May 2021.

25. COMPARATIVE FIGURES

As the financial statements of the Group are drawn up for the first time, no comparative figures are presented.

STATEMENT BY DIRECTORS

The directors of **CIRCLE INTERNATIONAL HOLDINGS LIMITED** (formerly known as Circle International Limited) state that, in their opinion, the accompanying financial statements are drawn up in accordance with International Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2017 and of the financial performance and cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board
in accordance with a resolution of the Directors,



DATO' TAN HO



YAP CHEE LIM

Puchong,
6 April 2018





NSX ADDITIONAL INFORMATION

Additional information required by the NSX Listing Rules not disclosed elsewhere in this Annual Report is set out below.

SHAREHOLDINGS

The issue capital of the Company at 20 April 2018 is 180,000,400 ordinary fully paid shares. All ordinary shares carry one vote per share.

TOP 20 SHAREHOLDERS AS AT 20 APRIL 2018

	Name	Shares	% of Shares
1.	TAN HO	94,184,450	52.32
2.	YIP CHIN HWEE	12,654,292	7.03
3.	YAP CHEE LIM	6,310,905	3.51
4.	MR KEN YIP NG	6,032,483	3.35
5.	PANG NYUK LING	3,712,297	2.06
6.	CHONG KUR SEN	3,300,774	1.83
7.	PROPTREE SDN BHD	2,670,626	1.48
8.	CHONG KIN TUCK	2,151,605	1.20
9.	CHONG KAI CHIN	1,981,553	1.10
10.	WONG CHEN YU	1,779,030	0.99
11.	GOH TOH HENG	1,577,726	0.88
12.	CHOW SIEW PO	1,520,539	0.84
13.	SEE KOK LOONG	1,438,517	0.80
14.	LIM HUI PEI	1,219,130	0.68
15.	TAN KIEN MENG	1,178,146	0.65
16.	THONG KIT YEN DAPHANE	1,100,516	0.61
17.	WONG JING HUEI	1,021,466	0.57
18.	KHOO SAMUEL	946,635	0.53
19.	TAN LIP KEONG	928,076	0.52
20.	CHEONG YIT NGOH	928,074	0.52
Top 20 holders of ORDINARY Shares		146,636,840	81.46%
Total Remaining Holders Balance		33,363,560	18.54%

Range and distribution of shares

Range	Total holders	Shares	% of Issued Capital
1 - 1,000	0	0	0.00
1,001 - 5,000	0	0	0.00
5,001 - 10,000	4	30,098	0.02
10,001 - 100,000	62	2,899,371	1.61
100,001 - 9,999,999,999	89	177,070,931	98.37
Total	155	180,000,400	100.00

Unmarketable Parcels

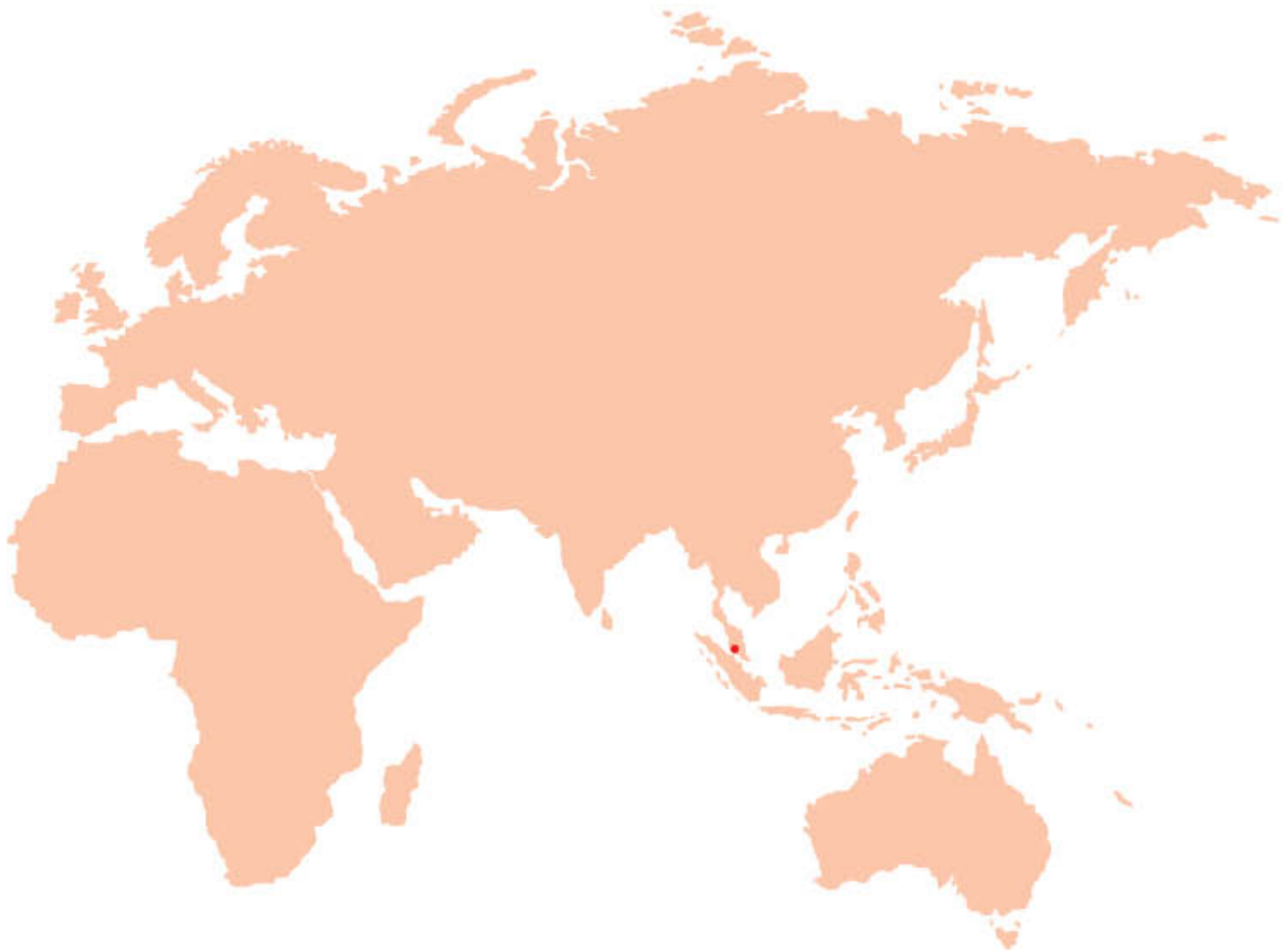
Minimum Parcel Size	Holders	shares
Minimum \$ 500 parcel at \$0.3650 per unit	0	0

SUBSTANTIAL SHAREHOLDERS AS AT 20 APRIL 2018

	Name	Shares	% of Shares
1.	TAN HO	94,184,450	52.32
2.	YIP CHIN HWEE	12,654,292	7.03



CORPORATE DIRECTORY

**MALAYSIA****Administrative Mailing Address****Circle Corp Mediatech Sdn Bhd**

Unit D-7-3, Block D, Setiawalk,
Persiaran Wawasan,
Pusat Bandar Puchong,
47160 Puchong,
Selangor Darul Ehsan, Malaysia.

Email : corporate@circlecorp.hk

Tel : +603-8600 1931

International Mailing Address**Circle International Holdings Limited**

Unit E-03A-3, Block E, Setiawalk,
Persiaran Wawasan,
Pusat Bandar Puchong,
47160 Puchong,
Selangor Darul Ehsan, Malaysia

Email : corporate@circlecorp.hk

Tel : +6018-6613238





世杰国际控股集团
CIRCLE INTERNATIONAL HOLDINGS LIMITED
Malaysia Admin Office:
Unit D-7-3, Block D, Setiawalk,
Persiaran Wawasan, Pusat Bandar Puchong,
47160 Puchong, Selangor Darul Ehsan, Malaysia.
Tel: +603-8600 1931

International Mailing Address:
Unit E-03A-3, Block E, Setiawalk, Persiaran Wawasan,
Pusat Bandar Puchong, 47160 Puchong,
Selangor Darul Ehsan, Malaysia.
www.circlecorpgroup.com,
 [circlecorpgroup](https://www.facebook.com/circlecorpgroup)