

Date: 13 October 2021

General Update and Proposed AGM

The Board of Directors for Circle International Holdings Limited (“the Company” or “the Group”) is pleased to update its shareholders on recent activities and pending key developments.

Noteworthy is, in what can be called a successful endeavour by the Company’s management, it has successfully negotiated with two vendor companies based in Malaysia, injection of the two significant companies into the group. This arrangement which will take the form of reverse takeover (RTO), will be placed before the shareholders for their approval at the forthcoming Annual General Meeting.

A brief of all matters pending and arisen is stated as below:

1. The management is pleased to have successfully lodged the below outstanding financials:
 - a. FY18 Audited Financial Report;
 - b. HY19 Audited Financial Report;
 - c. FY19 Audited Financial Report
2. The financials now pending to be lodged are the FY and HY audited financials for 2020 and HY2021. The management acknowledges the delay in lodging of the financials in schedule with the original timetable and that the delay has been due to COVID lockdown implications.
3. Details of COVID19 impact on Company operations and management efforts to mitigate these have been described in detail below. Also refer below for the revised timetable for submission of the pending financials and Appendix 3 information for FY18 and FY19.
4. The audit of the 2020 financials has commenced, and we anticipate the timeline of the close of December.
5. The Company has scheduled an Annual General Meeting, proposed date of which is described below.
6. Significant business in the Annual Report, will of course, be the pending planned RTO arrangement that will be proposed and described in the Notice, including the Independent Expert Report, noting this change will require a special resolution.
7. The Board believes that these measures are in the best interest of the shareholders and all stakeholders for the above to proceed. The Company is committed to request to re-comply the renewed entity under the NSX Listing Rules, and in due course, once the prospectus is lodged to seek reinstatement on the NSX platform so that it can be positioned to unlock further shareholder value in the future, and retain a significant interest for existing shareholders, compared with the majority of RTOs.
8. Approval by the NSX of Karma Lawyers Pty Ltd and Mr Rockett’s (Principal Solicitor) application to be an external NOMAD on the NSX and to represent the Company in this capacity.

Covid Lockdowns

The delay in the submission of the audit reports, were exacerbated and extended by the effect of the Delta strain of COVID19 and the impact of the lockdowns on operations in general. Routine activities of everyday nature have been hampered due to lockdown implications. There was difficulty in communication and getting and delivering information / documents to the auditor’s hampering delivery of the financials not to mention the impact of COVID on overall human resources.

Management has to the best of its capabilities adopted several strategies to mitigate COVID

impact on Company's operations, including the appointment of additional expertise with local access as a key strategy. An accelerated approach to vaccines for its officers and staff (included staff who the Company engages with personally) is underway, but there is substantial congestion in the delivery of vaccines for this kind of initiative.

Revised Timeline for the delivery of the Financial Reports

The Company has come far in resuming its compliance status by lodgment of financials for all the years other than the last year financials (2020) and the current year half-yearly (2021)

Company has appointed experts and implemented new procedures that are better capable to mitigate the managements challenges both now and in the future with respect to COVID or other existential risks that can contribute to an outcome of delay in delivery of sensitive material. The Company advises the below timetable for completing the pending financials and related required information.

Key Events and Reports	
Listing Rule 6.9 information, including corporate governance requirements (s11A, 11B and 11C for each of the FY18 and FY19 Audited Accounts lodged.	On or before 30 October 2021
2020 Preliminary Un-Audited Financials FY 2020 Report	On or before 23 November 2021
Annual General Meeting*	23 November 2021
2020 Half Year Report	On or before 31 December 2021
2020 Financial Report	On or before 31 December 2021

The aim of the management is to comply with all the historical lodgments and achieving real-time compliance going ahead for all future lodgments.

Annual General Meeting declared

The Board has resolved to proceed with an Annual General Meeting that will note historical audited accounts and propose to vend in MPS Telecommunication Sdn. Bhd. (MPS) and One Mobile Care Sdn. Bhd. (OMC), both Malaysia based companies. A submission is being finalised for the NSX's review to consider as this is a 'substantial transaction' described in the Listing Rules and the NSX Guidance Notes.

RTO (substantial acquisition plan)

MPS Telecommunication Sdn. Bhd. (**MPS**) and One Mobile Care Sdn. Bhd. (**OMC**), both Malaysia based companies (together known as the "**Vendor Companies**") have entered into an agreement with CCH whereby the vendor companies will be acquired by CCH in return for around 80% control in CCH by way of issue of shares under the RTO, subject to shareholders approval at the forthcoming AGM.

MPS is principally involved in trading in hand phones, telecommunication accessories and services and OMC in trading of hand phone accessories, repairing mobile services, technical services, and other related activities. Both the Companies have a wide presence in Malaysia and an established business structure. As part of the RTO sought to be approved, the Vendor Companies would be offered each an appointment to the representative appointed on the Board of CCH to represent their interest.

The intended RTO is being conducted carefully to as far as practical and lawful, ASIC standards for equivalent actions by a domestically Australian listed company. To that end, an independent expert report on the valuation of the vendor companies has been obtained and will be annexed to the AGM Notice when lodged.

Based on Australian legal opinion received, Board and management affirm that it is more than likely that the planned RTO will meet the local equivalent of the 'fair or reasonable test', and the minority holders will retain 20% of the enlarged Company.