

CIRCLE INTERNATIONAL HOLDINGS LIMITED (OI-318051)

**SHAREHOLDER INFORMATION TO ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2018
(NSX LISTING RULE 6.9 INFORMATION, INCLUDING CORPORATE GOVERNANCE REQUIREMENTS)**

A. QUOTED SECURITIES

The security holder information set out below was current on 31 December 2018

There were 180,000,400 ordinary shares on issue held by 214 shareholders all of which are quoted on the National Stock Exchange of Australia (NSX).

Distribution of shareholdings

Range	Total holders	Units	% Units
1 - 1,000	0	0	0.00
1,001 - 5,000	1	2,413	0.00
5,001 - 10,000	10	78,643	0.04
10,001 - 100,000	107	4,692,793	2.61
100,001 Over	96	175,226,551	97.35
Rounding			0.00
Total	214	180,000,400	100.00

Unmarketable Parcels:

There were no shareholders holding less than a marketable parcel.

Restricted shares on issue

7,132,252 shares under escrow until 07/12/2019

On-market buy-back

There is no current on-market buy-back.

Substantial shareholders

Being a foreign issuer, provisions of the Corporations Act regarding notification of substantial holdings and takeovers do not apply to the Company.

As a Cayman Islands registered company, the Company is not subject to Chapters 6, 6A, 6B and 6C of the Corporations Act and there are no limitations on acquisition of its securities imposed by the Cayman Islands regulations.

Largest 10 shareholders

Rank	Name	Number of shares held	% of shareholding
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	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	Chong Kai Chin	2,329,807	1.29
8	Chong Kin Tuck	2,151,605	1.20
9	Wong Chen Yu	1,719,810	0.96
10	Goh Toh Heng	1,577,726	0.88
Totals: Top 10 holders of ORDINARY FULLY PAID SHARES (Total)		133,974,149	74.43
Total Remaining Holders Balance		46,026,251	25.57

Voting Rights

At a general meeting, shareholders are entitled to one vote for each fully paid share held. On a show of hands, every shareholder present in person or by proxy shall have one vote and upon a poll, every shareholder so present shall have one vote for each fully paid share held.

Director/ Officeholder Interest

Name of Director	Number of shares held	% of shareholding
Dato' Brian Tan	94,184,450	52.32%
Dato' Michael Yip Chin Hwee	12,654,292	7.03%
Yap Chee Lim	6,310,905	3.51%
Dato' Cheah Choong Kit	-	-
Helen Hsu	-	-

B. UNQUOTED SECURITIES

There were no other unquoted securities as on the date.

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY

The Company is committed to the pursuit of creating value for shareholders, while at the same time meeting shareholders' expectations of sound corporate governance practices.

The Corporate Governance Plan (**CG Plan**) of the Company is available on the Company's website at <https://wordpress-495355-1731349.cloudwaysapps.com/wp-content/uploads/2020/04/Corporate-Governance-Plan.pdf>

All references to the Company's website are to: <https://circlecorpgroup.com/>

A. *Policies and procedures adopted to ensure that the Issuer acts according to law, including satisfying its reporting obligations under the Act and Listing Rules*

Code of conduct and ethical behaviour

The Company has adopted a Code of Conduct for its Directors and employees and it forms part of the Company's CG Plan.

The purpose of the Corporate Code of Conduct is 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. The document sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behaviour expected from employees.

Board Committees

The Board generally operates as a whole across the range of its responsibilities but, it does recognize that committees can play an important role to increase its effectiveness, where closer attention to particular matters is required.

Previously, the Company had constituted the below Board Committees:

1. Audit and Risk Committee
2. Nomination Committee
3. Remuneration Committee.

However, during the reporting period none of these committees were active.

The Company is in the process of appointing new Directors following which the Board intends to reconstitute its Committees to suit the Company's nature and scale of operations and to improve its Corporate Governance.

The Company has adopted Committee Charters for each of the above committees and the Charters form part of the Company's CG Plan.

B. Policies and procedures adopted to ensure that the Issuer's board acts with due care and diligence and in the interests of shareholders.

Board Charter

The Directors must act in the best interests of the Company and, in general, are responsible for, and have the authority to determine, all matters relating to the policies, management and operations of the Company. The role of the Board is to provide overall strategic guidance and effective oversight of management and it derives its authority to act from the Company's Articles of Association. The role and responsibilities of the board is detailed in the board charter available on the Company's website and forms part of the Company's CG Plan.

The Charter amongst other matters covers the following:

1. The Board's relationship with management
2. Specific responsibilities of the Board
3. Composition of the Board
4. Director responsibilities
5. The role of the Chairman
6. Board committees
7. Board meetings
8. The company secretary
9. Access to advice
10. Performance review

Details of Board meetings held during the reporting period and Director attendance thereat is as below:

Name of Director	Number of meetings eligible to attend	Number of meetings attended
Dato' Brian Tan	3	3
Dato' Michael Yip Chin Hwee	3	3
Yap Chee Lim	3	3
Dato' Cheah Choong Kit	3	3
Helen Hsu	3	3

Procedure for the appointment of directors

During the reporting period, the composition of the Board is as below:

Name of Director	Category	Date of appointment
Dato' Brian Tan	Executive Director	1/07/2017
Dato' Michael Yip Chin Hwee	Non – Executive Director	1/07/2017
Yap Chee Lim	Executive Director and CEO	1/07/2017
Dato' Cheah Choong Kit	Independent Non – Executive Chairman	1/07/2017
Helen Hsu	Independent Non – Executive Director	1/07/2017

Dato' Brian Tan resigned as Chair and CEO on 24/09/2019 and Dato' Cheah Choong Kit was appointed as the Chair and Yap Chee Lim as CEO

The Board is currently constituted with a broad range of skills, expertise and experience, and all of whom add value to the operation of the Board.

The appointment and removal of Directors is governed by Company's Articles of Association. In appointing new members to the Board, consideration is given to the demonstrated ability and also future potential of the appointee to contribute to the ongoing effectiveness of the Board, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the strategic direction of the Company.

The composition of the Board is reviewed regularly against the Company's Board skills matrix to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction. No such review was however held during the reporting period. The Board intends to carry reviews for future years.

Prior to the Board proposing re-election of non-executive Directors, their performance will be evaluated by the Board (Remuneration and Nomination Committee, once constituted) to ensure that they continue to contribute effectively to the Board.

Diversity Policy

The Company recognises the value contributed by employing people with varying skills, cultural backgrounds, ethnicity and experience and believes its diverse workforce is the key to its continued growth, improved productivity and performance.

The Company actively values and embraces the diversity of its employees and is committed to creating an inclusive workplace where everyone is treated equally and fairly and where discrimination, harassment and inequity is not tolerated. The Company is committed to fostering diversity at all levels. However, no measurable objectives were set during the reporting period.

Diversity Policy adopted by the Board can be viewed on the Company's website as part of the Company's CG Plan.

Procedure for dealing in company securities

The Company has in place a formal Trading Policy which regulates the manner in which Directors and staff involved in the management of the Company can deal in Company securities. It requires that they conduct their personal investment activities in a manner that is lawful and avoids conflicts between their own interests and those of the Company.

The Policy specifies 'Closed Periods' as the periods during which trading securities cannot occur. Trading is always prohibited if the relevant person is in possession of non-public price sensitive information regarding the Company. A copy of the current Trading Policy is available on the Company's website and forms part of the Company's CG Plan.

Procedures for the provision of services by directors and/or related parties to the company

It is the responsibility of the Audit and Risk Committee to monitor related party transactions. In the absence of the Audit and Risk Committee, the Board monitors all related party transactions to ensure fair and efficient transactions. Board approval is sought for related party transaction where required with adequate disclosures of such transactions in financial statements.

C. Policies and procedures adopted to adequately identify and deal with conflicts of interest at board, management and employee levels.

Conflict of Interest

Where a Director has an interest, position, association or relationship of the type described in the Independence Tests in the Board Charter of the Company, but the Board is of the opinion that it does not compromise the independence of the Director, the Company discloses the nature of the interest, position, association or relationship in question and an explanation of why the Board is of that opinion.

Directors disclose their interests, positions, associations or relationships in relation to proposed transaction at Board Meetings. The independence of the Directors is regularly assessed by the Board in light of the interests disclosed by them.

Directors are expected to bring their independent views and judgement to the Board and must declare immediately to the Board any potential or active conflicts of interest.

Directors must declare immediately to the Board, and the Board will determine whether to declare to the market, any loss of independence

D. Policies and procedures adopted to protect shareholder interests, including: access to information, voting rights, share of profits, equitable treatment.

Communication policy with shareholders

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 also 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 Chairman's address and the Managing Director's address made at the AGMs and the GMs, copies of which are released to NSX and placed on the Company's website;
6. the Company's website on which the Company posts all announcements which it makes to the NSX; and
7. the auditor's representative 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.

Shareholders are encouraged to participate at all GMs and AGMs of the Company. Upon the dispatch of any notice of meeting to Shareholders, the Company Secretary shall send out material with that notice of meeting stating that all Shareholders are encouraged to participate at the meeting. Historical Annual Reports of the Company are provided on the Company's website. Shareholders queries should be referred to the Company Secretary in the first instance.

Continuous Disclosure Policy

The Company has in place a written policy on information disclosure and relevant procedures which forms part of the Company's CG Plan. The focus of these procedures is on continuous disclosure compliance and improving access to information for investors.

Policy on dealing with risks

The Company has a formalised risk management policy which forms part of its CG Plan and is available on the Company's website.

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. However, in the absence of an active Audit and Risk Committee during the reporting period this function was performed by the Board.

The Company's process of risk management and internal compliance and control includes:

1. 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;
2. formulating risk management strategies to manage identified risks, and designing and implementing appropriate risk management policies and internal controls; and

3. 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.

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.

During the reporting period, a review of the Company's risk management framework has not taken place. The Board intends to annually carry out such reviews in the future.

During the reporting period, there was no material exposure to economic, environmental and/or social sustainability risks.

E. Policies and procedures adopted to protect the interests of stakeholders including: employees, creditors, and the wider community.

Remuneration policy

The Remuneration Committee assists the Board in monitoring and reviewing any matters of significance affecting the remuneration of the Board and employees of the Company. In the absence of an active Remuneration Committee during the reporting period, all these functions were performed at Board level.

The Remuneration Committee Charter detailing the remuneration policy forms part of the Company's CG Plan.

The Board decides on the remuneration and incentive policies and practices.

Director and Executive Remuneration:

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced personnel. Performance, duties and responsibilities, market comparison and independent advice are all considered as part of the remuneration process. The total remuneration paid to Directors and key management personnel for the reporting period is set out in the Remuneration Report.

Performance Evaluation

The Performance Evaluation Policy forms part of the Company's CG Plan.

The Chairman will arrange a performance evaluation of the Board, its Committees, individual Directors and senior executives on an annual basis as appropriate. To assist in this process an independent advisor may be used.

The Board will collectively undertake performance review of the Chairman.

The Board will oversee the evaluation of the remuneration of the Company's senior executives. This evaluation must be based on specific criteria, including the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel.

During the reporting period, no performance review has taken place.