

Company No.
1106064-V

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CIRCLE MANAGEMENT SDN. BHD.
(Incorporated in Malaysia)

FINANCIAL STATEMENTS
31ST DECEMBER 2015

CIRCLE MANAGEMENT SDN. BHD.
(Incorporated in Malaysia)

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CIRCLE MANAGEMENT SDN. BHD.
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DIRECTORS' REPORT

The directors of **CIRCLE MANAGEMENT SDN. BHD.** hereby submits their report together with the audited financial statements of the Company for the financial period from 22nd August 2014 (date of incorporation) to 31st December 2015.

PRINCIPAL ACTIVITIES

The Company has not commenced business during the financial period.

RESULTS

The results of the Company for the financial period are as follows: -

	RM
Loss before income tax	(3,470)
Income tax	-
Loss after income tax	<u>(3,470)</u>

In the opinion of the directors, the results of the Company during the financial period have not been substantially affected by any item, transaction or event of a material and unusual nature.

ISSUE OF SHARES AND DEBENTURES

The Company was incorporated with an authorised share capital of RM400,000/- divided into 400,000 ordinary shares of RM1/- each and issued and paid-up share capital of RM2/- consisting of 2 ordinary shares of RM1/- each.

The Company has not issued any shares or debentures during the financial period.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves and provisions during the financial period.

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SHARE OPTIONS

No options have been granted by the Company to any party during the financial period to take up unissued shares of the Company.

No shares have been issued during the financial period by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial period, there were no unissued shares of the Company under options.

DIVIDENDS

There were no dividends paid or declared since the date of incorporation.

DIRECTORS

The following directors served on the Board of the Company since the date of incorporation:-

Tan Ho	(First director)
Tan Pek	(First director)

DIRECTORS' INTEREST

The shareholdings in the Company of those who were directors at end of the financial period as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965, are as follows: -

	-----Ordinary shares of RM1/- each-----			
	At <u>22/08/2014</u> (date of incorporation)	<u>Bought</u>	<u>Sold</u>	At <u>31/12/2015</u>
Shares in the Company <u>Registered in name of Director</u>				
Tan Ho	1	-	-	1
Tan Pek	1	-	-	1

DIRECTORS' BENEFITS

Since the date of incorporation, none of the director of the Company has received or become entitled to receive any benefit by reason of a contract made by the Company, or a related company with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

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During and at the end of the financial period, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

OTHER FINANCIAL INFORMATION

Before the income statement and balance sheet of the Company were made out, the directors took reasonable steps: -

- a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts have been written off and that adequate allowance had been made for doubtful debts; and
- b) to ensure that any current assets, other than debts, which were unlikely to realise in the ordinary course of business their value as shown in the accounting records of the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the directors of the Company are not aware of any circumstances:-

- a) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Company inadequate to any substantial extent; or
- b) which would render the value attributed to the current assets in the financial statements of the Company misleading; or
- c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which, in the opinion of the directors, will or may affect the ability of the Company to meet its obligations when they fall due.

At the date of this report, there does not exist: -

- a) any charge on the assets of the Company which has arisen since the end of the financial period which secures the liabilities of any other person; or
- b) any contingent liability of the Company which has arisen since the end of the financial period.

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At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

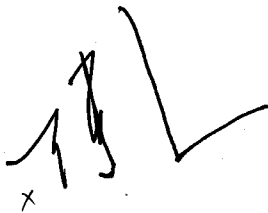
In the opinion of the directors:-

- a) the results of the Company during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature; and
- b) there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the result of the operations of the Company for the financial period in which this report is made.


AUDITORS

The auditors, Messrs. A. K. Woo & Associates., have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with the resolution of the directors,



TAN HO
Director



TAN PEK
Director

Puchong,

08 DEC 2016

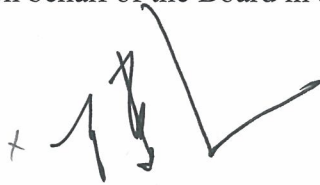
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CIRCLE MANAGEMENT SDN. BHD.
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STATEMENT BY DIRECTORS

We, **TAN HO** and **TAN PEK**, being two of the directors of **CIRCLE MANAGEMENT SDN. BHD.**, state that, in our opinion, the accompanying financial statements set out on pages 8 to 15 are drawn up in accordance with the applicable Private Entity Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31st December 2015 and of its financial performance and the cash flows of the Company for the financial period ended on that date.

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



TAN HO
Director



TAN PEK
Director

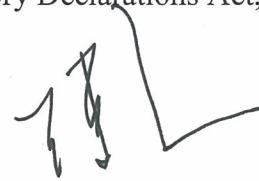
Puchong,

08 DEC 2016

**DECLARATION BY THE DIRECTOR PRIMARILY RESPONSIBLE FOR THE
FINANCIAL MANAGEMENT OF THE COMPANY**

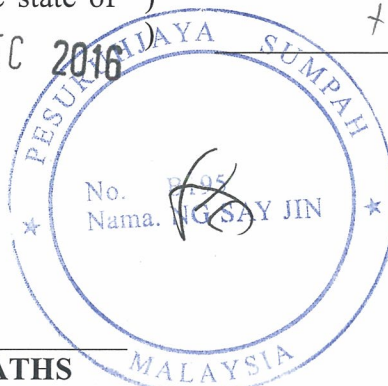
I, **TAN HO**, the director primarily responsible for the accounting records and financial management of **CIRCLE MANAGEMENT SDN. BHD.**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 8 to 15, are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the)
abovenamed at Puchong in the state of)
Selangor at this day of 08 DEC 2016



TAN HO

Before me,



COMMISSIONER FOR OATHS

No. C-2-45, IOI Boulevard
Jalan Kenari 5
Bandar Puchong Jaya
47170 Puchong, Selangor

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CIRCLE MANAGEMENT SDN. BHD.
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of Circle Management Sdn. Bhd., which comprise the balance sheet as at 31st December 2015, and the income statement, statement of changes in equity and cash flow statement for the financial period then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 8 to 15.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with application Private Entity Reporting Standards and the requirement of the Companies Act, 1965 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of financial statements that give a true and fair view 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CIRCLE MANAGEMENT SDN. BHD.
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Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31st December 2015 and of its financial performance and cash flows for the financial period then ended in accordance with applicable Private Entity Reporting Standards and the requirement of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



A. K. WOO & ASSOCIATES
AF 1141
Chartered Accountants



WOO AH KEK
Approval No: 1908/05/18(J)
Chartered Accountants

Puchong,

08 DEC 2016

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CIRCLE MANAGEMENT SDN. BHD.
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INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31ST DECEMBER 2015

From 22/08/2014
(date of incorporation)
to 31/12/2015

	NOTE	RM
REVENUE		-
LESS : COST OF SALES		-
GROSS PROFIT		<u>-</u>
LESS : ADMINISTRATIVE EXPENSES		(3,470)
LOSS BEFORE INCOME TAX	5	<u>(3,470)</u>
INCOME TAX	6	-
LOSS AFTER INCOME TAX		<u><u>(3,470)</u></u>

The annexed notes form an integral part of the financial statements

CIRCLE MANAGEMENT SDN. BHD.
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BALANCE SHEET
AS AT 31ST DECEMBER 2015

	NOTE	2015 RM
CURRENT ASSETS		
Cash in hand		2
		2
CURRENT LIABILITIES		
Accrual		2,200
Amount owing to directors	7	1,270
		3,470
NET CURRENT LIABILITIES		(3,468)
NET LIABILITIES		<u>(3,468)</u>
Financed by:		
SHARE CAPITAL	8	2
ACCUMULATED LOSS		<u>(3,470)</u>
CAPITAL DEFICIENCY		<u>(3,468)</u>

The annexed notes form an integral part of the financial statements

CIRCLE MANAGEMENT SDN. BHD.
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STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31ST DECEMBER 2015

	Share capital RM	Accumulated loss RM	Total RM
Balance as at 22/08/2014 (date of incorporation)	2	-	2
Net loss for the financial period	-	(3,470)	(3,470)
Balance as at 31/12/2015	<u>2</u>	<u>(3,470)</u>	<u>(3,468)</u>

The annexed notes form an integral part of the financial statements

CIRCLE MANAGEMENT SDN. BHD.
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CASH FLOW STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31ST DECEMBER 2015

	From 22/08/2014 (date of incorporation) to 31/12/2015	
	NOTE	RM
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before income tax		(3,470)
Increase in accrual		2,200
Increase in amount owing to directors		1,270
Cash Generated From Operating Activities		-
Taxation paid		-
Net Cash Generated From Operating Activities		-
CASH FLOW FROM INVESTING ACTIVITIES		-
CASH FLOW FROM FINANCING ACTIVITIES		-
Net Increase In Cash And Cash Equivalents		-
Cash and cash equivalents at beginning of the financial period		2
Cash and cash equivalents at end of the financial period	9	2

The annexed notes form an integral part of the financial statements

CIRCLE MANAGEMENT SDN. BHD.
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NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER 2015

1. GENERAL INFORMATION

The Company has not commenced business during the financial period.

There were no employees at the end of the financial period.

The Company is a private company, incorporated in Malaysia.

The address of the registered office of Company is 10-2B, Jalan Puteri 2/3, Bandar Puteri, 47100 Puchong, Selangor.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 8th December 2016.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and comply with the applicable Private Entity Reporting Standards and the requirement of the Companies Act, 1965 in Malaysia.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company has not commenced business during the financial period as such the Company does not exposed to any financial risk.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Income tax

Income tax on the profit or loss for the financial period comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial period and is measured using the tax rates that have been enacted at the balance sheet date.

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Deferred tax is provided for, using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credit to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the financial period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or reserve on consolidation.

4.2 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and at bank, deposits held at call with banks and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of outstanding bank overdraft.

4.3 Financial instruments

The recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual accounting policy note associated with each item.

The face values for other financial assets and liabilities with a maturity period of less than one year are assumed to approximate their fair values.

5. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at :-

After charging:-

Auditors' remuneration

Preliminary expenses written off

2015
RM

1,200

1,270

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6. INCOME TAX

**2015
RM**

Current year provision

-
-

No provision of taxation provided as the Company have no chargeable income during the financial period.

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

**2015
RM**

Loss before income tax

(3,470)

Taxation at Malaysian statutory tax rate of 20%

(694)

Expenses not deductible for tax purpose

694

Tax expenses for the financial year

-

For the year of assessment 2015, small and medium scale companies with paid-up capital of RM2.5 million and below at the beginning of the basis period be subject to corporate tax of 20% on first RM500,000/- and 25% on chargeable income above RM500,000/-.

7. AMOUNT OWING TO DIRECTORS

The amount owing to directors is unsecured, interest free and with no fixed term of repayments.

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8. SHARE CAPITAL

	2015 RM
Authorised: Ordinary shares of RM1/- each	<u>400,000</u>
Issued and fully paid: Ordinary shares of RM1/- each	<u>2</u>

The Company was incorporated with an authorised share capital of RM400,000/- divided into 400,000 ordinary shares of RM1/- each and issued and paid-up share capital of RM2/- consisting of 2 ordinary shares of RM1/- each.

9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amount: -

	2015 RM
Cash in hand	<u>2</u>

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DETAILED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31ST DECEMBER 2015

From 22/08/2014
(date of incorporation)
to 31/12/2015
RM

REVENUE	-
LESS : COST OF SALES	-
GROSS PROFIT	<hr/>
LESS : OPERATION EXPENSES	
Auditors' remuneration	1,200
Preliminary expenses written off	1,270
Tax agent fee	<hr/> 1,000
	3,470
LOSS FOR THE FINANCIAL PERIOD	<hr/> <hr/> (3,470)

FOR MANAGEMENT PURPOSES ONLY