

Company No.
1106064-V

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

FINANCIAL STATEMENTS
31ST DECEMBER 2016

Company No.
1106064-V

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

CONTENTS	PAGE
* Directors' report	1 - 4
* Statement by directors and Statutory declaration	5
* Report of the independent auditors	6 - 10
* Statements of financial position	11
* Statements of income and retained profits	12
* Statements of cash flows	13
* Notes to the financial statements	14 - 20

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors of **CIRCLE CORP MEDIATECH SDN. BHD.** (Formerly known as **Circle Management Sdn. Bhd.**) hereby submit their report together with the audited financial statements of the Company for the financial year ended 31st December 2016.

PRINCIPAL ACTIVITIES

The Company was incorporated on 22nd August 2014 and has not commenced operations during the financial year.

RESULTS

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

	RM
Loss before income tax	(5,739)
Less: Income tax	-
Loss after income tax	<u>(5,739)</u>

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

ISSUE OF SHARES AND DEBENTURES

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

RESERVES AND PROVISIONS

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

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

SHARE OPTIONS

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

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

DIVIDEND

No dividend have been paid or declared by the Company since the end of the previous financial period. The directors also do not recommend any dividend payment in respect of the current financial year.

DIRECTORS

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

Tan Ho

Tan Pek

DIRECTORS' INTERESTS

The interests in the shares of the Company of those who were directors at the end of the financial year as recorded in the Register of Directors' Shareholdings are as follows: -

	-----Ordinary shares of RM1/- each-----			
	Balance as at			Balance as at
	<u>01/01/2016</u>	<u>Bought</u>	<u>Sold</u>	<u>31/12/2016</u>
<u>Interest in the Company</u>				
Tan Ho	1	-	-	1
Tan Pek	1	-	-	1

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

DIRECTORS' BENEFITS

Since the end of the previous financial period, no 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 corporation 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.

There were no arrangements during and at the end of the financial year which had the object of enabling directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION

Before the financial statements of the Company were made out, the directors took reasonable steps to ascertain that: -

- a) all known bad debts have been written off and that adequate allowance had been made for doubtful debts; and
- b) any current assets which were unlikely to be realised 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.
- d) Not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Company misleading.

Company No.
1106064-V

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

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 year which secures the liabilities of any other person; or
- b) any contingent liability in respect of the Company which has arisen since the end of the financial year.

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 year which, in the opinion of the directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

In the opinion of the directors there has not arisen in the interval between the end of the financial year 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 Company for the financial year in which this report is made.

AUDITORS

The auditors, Messrs A. K. Woo & Associates., have indicated their willingness to accept re-appointment.

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



TAN HO



TAN PEK

Puchong,

29 MAY 2017

Company No.
1106064-V

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

We, TAN HO and TAN PEK, the directors of **CIRCLE CORP MEDIATECH SDN. BHD. (Formerly known as Circle Management Sdn. Bhd.)**, state that, in our opinion, the financial statements set out on pages 11 to 20 are drawn up in accordance with the Malaysian Private Entities Reporting Standard 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 2016 and of its financial performance and cash flows of the Company for the financial year ended on that date.

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

x 

TAN HO

x 

TAN PEK

Puchong

29 MAY 2017

STATUTORY DECLARATION

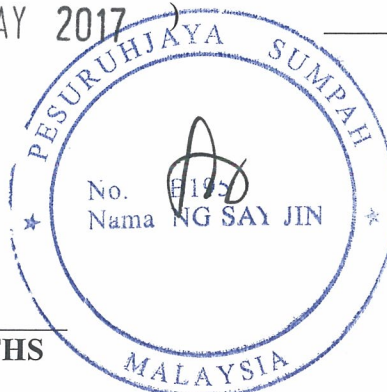
I, TAN HO, being the director primarily responsible for the accounting records and financial management of **CIRCLE CORP MEDIATECH SDN. BHD. (Formerly known as Circle Management Sdn. Bhd.)**, do solemnly and sincerely declare that the financial statements set out on pages 11 to 20 are, to the best of 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 29 MAY 2017)

x 

TAN HO

Before me,



COMMISSIONER FOR OATHS

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

Company No.
1106064-V

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **CIRCLE CORP MEDIATECH SDN. BHD. (Formerly known as Circle Management Sdn. Bhd.)**, which comprise the statement of financial position as at 31st December 2016, and the statement of income and retained profits and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 11 to 20.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31st December 2016, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Companies Act, 1965 in Malaysia.

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 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.

Company No.
1106064-V

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements 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 of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the directors are responsible for assessing 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 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 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

Company No.
1106064-V

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

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 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 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 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 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 Company to cease to continue as a going concern.

Company No.
1106064-V

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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

1. As stated in Note 2 to the financial statements, **CIRCLE CORP MEDIATECH SDN. BHD. (Formerly known as Circle Management Sdn. Bhd.)**, adopted Malaysian Private Entities Reporting Standard on 1st January 2016 with a transition date of 1st January 2015. These standards were applied retrospectively by the directors to the comparative information in these financial statements, including the statements of financial position of the Company as at 31st December 2015, and the statements of income and retained profits and statements of cash flows of the Company for the financial year ended 31st December 2015 and related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Company for the financial year ended 31st December 2016, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1st January 2016 do not contain misstatements that materially affect the financial position as at 31st December 2016 and the financial performance and cash flows for the financial year then ended.

Company No.
1106064-V

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

2. 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
AF1141
Chartered Accountants



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

Puchong,
29 MAY 2017

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2016

	NOTE	2016 RM	2015 RM
Current Assets			
Cash and cash equivalents		2	2
Total assets		<u>2</u>	<u>2</u>
Equity			
Share capital	6	2	2
Accumulated loss		<u>(9,209)</u>	<u>(3,470)</u>
Total equity		<u>(9,207)</u>	<u>(3,468)</u>
Current liabilities			
Other payable		2,339	-
Accruals		5,600	2,200
Amount owing to directors	7	<u>1,270</u>	<u>1,270</u>
Total current liabilities		<u>9,209</u>	<u>3,470</u>
Total equity and liabilities		<u>2</u>	<u>2</u>

The annexed notes form an integral part of the financial statements

Company No.
1106064-V

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

STATEMENTS OF INCOME AND RETAINED PROFITS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2016

	NOTE	2016 RM	2015 RM
Revenue		-	-
Cost of sales and direct expenses		-	-
Gross profit		-	-
Administrative expenses		(5,739)	(3,470)
Loss before tax	8	(5,739)	(3,470)
Tax expense	9	-	-
Loss after tax for the financial year/period		(5,739)	(3,470)
Accumulated loss brought forward		(3,470)	-
Accumulated loss carried forward		(9,209)	(3,470)

The annexed notes form an integral part of the financial statements

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	RM	RM
Cash flows from operating activities		
Loss before tax	(5,739)	(3,470)
Operating loss before working capital changes	<u>(5,739)</u>	<u>(3,470)</u>
Increase in other payable	2,339	-
Increase in accruals	3,400	2,200
Increase in amount owing to directors	<u>-</u>	<u>1,270</u>
Net cash used in operating activities	<u>-</u>	<u>-</u>
Cash flows from investing activities	-	-
Cash flow from financing activities	-	-
Net decrease in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of the financial year/date of incorporation	2	2
Cash and cash equivalents at end of financial year/period	<u><u>2</u></u>	<u><u>2</u></u>

The annexed notes form an integral part of the financial statements

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER 2016

1. GENERAL INFORMATION

The Company is a private company, incorporated and domiciled in Malaysia.

The Company was incorporated on 22nd August 2014 and has not commenced operations during the financial year.

The address of the registered office of the Company is No.10-2B, Jalan Puteri 2/3, Bandar Puteri, 47100 Puchong, Selangor Darul Ehsan.

The financial statements of the Company are presented in Ringgit Malaysia (RM).

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29th May 2017.

2. COMPLIANCE WITH FINANCIAL REPORTING STANDARDS AND THE COMPANIES ACT

The financial statements have been prepared in accordance with the Malaysian Private Entities Reporting Standard (MPERS) and the requirements of the Companies Act 1965 in Malaysia.

For the current year ended 31st December 2016, the Company has adopted the Malaysian Private Entities Reporting Standard (MPERS). The date of transition to the MPERS Framework is 1st January 2015. There is no financial impact on transition to MPERS.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared under the historical cost basis, unless otherwise stated in the significant accounting policies set out in Note 4.

Management has used estimate and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reported period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the reported amounts. The areas involving significant judgements and estimation uncertainties are disclosed in Note 5.

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Equity Instruments and Distributions

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

Ordinary shares are classified as equity.

Cost directly attributable to the issue of instruments classified as equity are recognized as a deduction from equity, net of any related income tax effect.

Distributions to holders of an equity instrument are recognised as equity transactions and are debited directly in equity, net of any related income tax effect.

For a distribution of non-cash assets to owners, the Company measures the dividend payable at the fair value of the assets to be distributed.

4.2 Financial Instruments

(a) Initial Recognition and Measurement

The Company recognises a financial asset or a financial liability in the statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument.

On initial recognition, all financial assets and financial liabilities are measured at fair value, which is generally the transaction price, plus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expensed to profit or loss when incurred.

(b) Derecognition of Financial Instruments

A financial asset is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire or settle, or control of the assets is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party.

A financial liability is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires.

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

(c) Subsequent Measurement of Financial Assets

For the purpose of subsequent measurement, the Company classifies financial assets into two categories, namely financial assets at fair value through profit or loss, and financial assets at amortised cost.

After initial recognition, investment in ordinary share are measured at their fair values by reference to the active market price, if observable, or otherwise by a valuation technique, without any deduction for transaction costs it may incur on sale or other disposal.

Investment in debt instruments, whether quoted or unquoted, are subsequently measured at amortised cost using the effective interest method. Investments in unquoted equity instruments and whose fair value cannot be reliably measured are measured at cost.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment in accordance with Note 4.2(g).

(d) Subsequent Measurement of Financial Liabilities

After initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

(e) Fair Value Measurement of Financial Instruments

The fair value of financial assets or a financial liability is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique using reasonable and supportable assumptions.

(f) Recognition of Gains and Losses

Fair value changes of financial assets and financial liabilities classified as at fair value through profit or loss are recognised in profit or loss when they arise.

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in profit or loss only when the financial asset or financial liability is derecognized or impaired, and through the amortization process of the instrument.

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

(g) Impairment and Uncollectibility of Financial Assets

At the end of each reporting period, the Company examines whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

For a non-current loan and receivable carried at amortised cost, the revised estimated cash flows are discounted at the original effective interest rate. Any impairment loss is recognised in profit or loss and a corresponding amount is recorded in a loss allowance account. Any subsequent reversal of impairment loss of the financial asset is reversed in profit or loss with a corresponding adjustment to the loss allowance account, subject to the limit that the reversal should not result in the revised carrying amount of the financial asset exceeding the amount that would have been determined had no impairment loss been recognised previously.

For short-term trade and other receivable, where the effect of discounting is immaterial, impairment loss is tested for each individually significant receivable wherever there is any indication of impairment. Individually significant receivables for which no impairment loss is recognised are grouped together with all other receivables by classes based on credit risk characteristics and aged according to their past due periods. A collective allowance is estimated for a class group based on the Company's experience of loss ratio in each class, taking into consideration current market conditions.

For an unquoted equity investment measured at cost less impairment, the impairment is the difference between the asset's carrying amount and the best estimate of the amount that the Company expects to receive for the asset if it were sold at the reporting date. The Company may estimate the recoverable amount using an adjusted net asset value approach.

4.3 Tax Assets and Tax Liabilities

Current tax assets and liabilities is measured at the amount the Company expects to recover or pay using tax rates and laws that have been enacted or substantially enacted by the reporting date.

Deferred tax asset is recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary difference, unused tax losses and unused tax credits can be utilized.

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

Deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill.

Deferred tax asset and liabilities are not recognised in respect of the temporary difference associated with the initial recognition of an asset or liability in transaction that is not a business combination and at the time of the transaction, affect neither accounting profit nor taxable profit or tax loss

Deferred taxes are measured using tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred taxes reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets or liabilities.

A current or deferred tax is recognised as income or expense in profit or loss for the period.

4.4 Provisions

A provision is recognised when the Company has an obligation at the reporting date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The risk and uncertainties are taken into account in reaching the best estimate of a provision. When the effect of the time value of money is material, the amount recognised in respect of the provision is the present value of the expenditure expected to be required to settle the obligation.

4.5 Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with bank and highly liquid investments which have insignificant risk of changes in fair value with original maturities of three months or less from the date of acquisition, net of bank overdrafts and pledged deposits.

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

5. CRITICAL JUDGEMENTS AND 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 Company are as follows:

(a) Measurement of a Provision

The Company uses a “best estimate” as the basis for measuring a provision. Management evaluates the estimates based on the Company’s historical experiences and other inputs or assumptions, current developments and future events that are reasonably possible under the particular circumstances. If an obligation is to be settled over time, the expected outflows are discounted at a rate that takes into account the time value of money and the risk that the actual outcome might differ from the estimates made. The actual outcome may differ from the estimate made and this may have a significant effect on the Company’s financial position and results.

6. SHARE CAPITAL

	2016 RM	2015 RM
Authorised:-		
Ordinary shares of RM 1/- each	<u>400,000</u>	<u>400,000</u>
Issued and fully paid:-		
Ordinary shares of RM1/- each	<u>2</u>	<u>2</u>

7. AMOUNT OWING TO DIRECTORS

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

8. LOSS BEFORE TAX

	2016 RM	2015 RM
Loss before tax is arrived at after charging:		
Auditor’s remuneration	1,200	1,200
Preliminary expenses written off	<u>-</u>	<u>1,270</u>

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

9. TAX EXPENSE

	2016 RM	2015 RM
Current tax expense	<u>-</u>	<u>-</u>

The significant differences between tax expenses and accounting loss multiplied by the statutory tax rate due to the affects arising from the following items:

	2016 RM	2015 RM
Loss before tax	<u>(5,739)</u>	<u>(3,470)</u>
Tax at the statutory income tax rate of 19% (2015 : 20%)	(1,090)	(694)
Tax effects of:		
Non-deductible expenses	<u>1,090</u>	<u>694</u>
Total income tax expense	<u>-</u>	<u>-</u>

For the year of assessment 2016, 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 19% (2015 : 20%) on the first RM500,000/- and 24% (2015 : 25%) on chargeable income above RM500,000/-.

10. COMPARATIVE FIGURES

The comparative figures cover the period from 22nd August 2014 (date of incorporation) to 31st December 2015.

Company No.
1106064-V

CIRCLE CORP MEDIATECH SDN. BHD.
(FORMERLY KNOWN AS CIRCLE MANAGEMENT SDN. BHD.)
(Incorporated in Malaysia)

DETAILED INCOME STATEMENT
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2016

	2016	2015
	RM	RM
REVENUE	-	-
LESS : COST OF SALES	-	-
GROSS PROFIT	-	-
LESS : ADMINISTRATIVE EXPENSES		
Auditors' remuneration	1,200	1,200
Accounting fee	1,200	-
CCM fees	130	-
GST expenses	125	-
Preliminary expenses written off	-	1,270
Printing and stationery	87	-
Registered office fee	25	-
Secretarial fee	1,735	-
Stamping fee	6	-
Telephone charges	31	-
Tax agent fee	1,000	1,000
Travelling expenses	200	-
	<u>5,739</u>	<u>3,470</u>
LOSS FOR THE FINANCIAL YEAR/PERIOD	<u>(5,739)</u>	<u>(3,470)</u>

FOR MANAGEMENT PURPOSES ONLY