

**APPENDIX 3  
INTERIM FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 30 JUNE 2021****HALF YEAR REPORT****Results for Announcement to the Market**

Reporting Period : Half year from 1 January 2021 to 30 June 2021  
Previous Corresponding Period : Half year from 1 January 2020 to 30 June 2020

**Key Information**

<b>30 June 2021</b>	<b>Half-year Ended</b>	
Revenue from ordinary activities	Down 100%	from AUD 470,024 to NIL
Loss after tax from ordinary activities	Up 9%	from AUD82,671 to AUD 90,078
Net loss attributable to members	Up 9%	from AUD82,671 to AUD 90,078

**Explanation of Key Information and Dividend**

There were no dividends paid or proposed during the half-year ended 30 June 2021.

**Loss per Share**

	<b>Half-Year ended 30 June 2021 cents/Share</b>	<b>Half-Year ended 30 June 2020 cents/Share</b>
Basic (loss) earnings per share	(0.05)	(0.05)
Diluted (loss) earnings per share	(0.05)	(0.05)

**Net Tangible Assets per Share**

<b>Half-Year ended 30 June 2021 cents/Share</b>	<b>Half-Year ended 30 June 2020 cents/Share</b>
(1.48)	(1.43)

**Commentary on Financial Result**

There are no business transactions during the financial year.

## Directors' Report

The directors submit the financial report of the Group for the 6-month financial period ended 30 June 2021 ("1H21").

### General information

#### Director

The directors in office during the financial period and during the period from the end of the financial period to the date of this report are:

Chong Kur Sen	
Hee Chee Keong	(Appointed on 2 December 2021)
Jerome Augustus Bateman	(Appointed on 24 June 2021)
Dato' Brian Tan Ho	(Resigned on 24 June 2021)
Chong Kai Chin	(Resigned on 2 December 2021)
Wong Chen Yu	(Resigned on 2 December 2021)
Yap Chee Lim	(Resigned on 2 December 2021)

### Principal activity and significant changes in nature of the activity

Circle International Holdings Limited is principally engaged in investment holding. The principal activities of the subsidiaries are as set out in Note 11 to the financial statements. There were no significant changes in the nature of these activities during the financial period.

The Board investigated several credible opportunities to acquire since being suspended. Eventually the Group has horizontally divested its business cosign on 2 December 2021, welcoming a fast-moving consumer goods (FMCG) veteran with over 20 years in the distribution business, principally specialising in well-known consumer brand information and communications technology (ICT) devices.

The acquisition provided a proven augmented distribution methodology for large scale multiple brand operational blueprint from the service centre, logistic, and warehouse to retail channels; a ready platform solution for new big brands in ICT to go to market both locally and internationally complimented with its early founding capabilities in digital content creation and dissemination, digital advertising and digital media planning for clientele.

Sale of Pre-Restructure Subsidiaries Completion Circle International is pleased that the business restructure approved by shareholders has legally concluded with the nominal sale and removal of former subsidiaries on 31 March 2022. This retrospectively recognised completion date for the sale on 31 March 2022, aligns the 'new Circle International' with its annual reporting year.

This supports a clean division of reporting for integration in accounting and audit purposes and will provide shareholders with a clear window to appreciate the impact of the new businesses on their share value. The subsidiaries were sold at a nominal AUD1 per entity, and included their book debts, the deteriorated loss producing assets, and accrued carried forward losses.

Accordingly, the following entities are no longer subsidiaries as of 1 April 2022.

- a. Circle Corporation International Limited
- b. Circle Corp Mediatech Sdn. Bhd.
- c. Inno Mind Works Sdn. Bhd.

## **Review of Operation**

No revenue was generated for the 1H21 compared to the previous corresponding 6-month financial period ended 30 June 2020, with total revenue of AUD470,024. The Group has recorded a net loss after tax of AUD90,078 (30 June 2020: AUD82,671); the reduction in net loss was mainly due to lesser expenses incurred during the 1H21.

All future actions are firmly intended to be undertaken to ensure that the Group meets its outstanding items, future ongoing obligations as well its financial stabilities. Notably, it is planned for all remaining materials to be submitted to NSX prior to the 2022 AGM.

## **Dividend Reinvestment Plans**

The Company does not have any dividend reinvestment plans.

**CIRCLE INTERNATIONAL HOLDINGS LIMITED**  
(Incorporated in Cayman Islands)  
(ARBN: 621 001 296)

**INTERIM FINANCIAL STATEMENTS**  
**For the 6-month Financial Period Ended 30 June 2021**

**CIRCLE INTERNATIONAL HOLDINGS LIMITED**  
(Incorporated in Cayman Islands)  
(ARBN: 621 001 296)

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**Circle International Holdings Limited**  
(ARBN: 621 001 296)

**CORPORATE INFORMATION**

- 1. Registered Office – Cayman Islands**  
Carey Olsen Services Cayman Limited  
P. O. Box 10008, Willow House, Cricket Square,  
Grand Cayman KY1-1001,  
Cayman Islands.
- 2. Malaysia Mailing Address**  
Unit SO-07-06, The Strata Offices,  
Menara 1, KL Eco City, 3, Jalan Bangsar,  
59200 Kuala Lumpur, Wilayah Persekutuan,  
Malaysia.
- 3. Company Secretary and Nomad in Australia**  
Karma Lawyers  
Suite 14/3 Gladstone Parade, Lindfield,  
NSW 2070 Australia.
- 4. Share Registry**  
Computershare Investor Services Pty. Ltd.  
Level 11, 172 St Georges Terrace Perth  
WA 6000 Australia.
- 5. Auditor**  
Tong & Associates  
*Chartered Accountants [AF 002034]*  
E-03-01, Pacific Place Commercial Centre,  
Jalan PJU 1A/4, Ara Damansara,  
47301 Petaling Jaya,  
Selangor Darul Ehsan, Malaysia.

## **Circle International Holdings Limited**

(ARBN: 621 001 296)

### **Directors' Report**

The directors submit the financial report of the Group for the 6-month financial period ended 30 June 2021 ("1H21").

### **General information**

#### **Directors**

The directors in office during the financial period and during the period from the end of the financial period to the date of this report are:

Chong Kur Sen	
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## **Circle International Holdings Limited**

(ARBN: 621 001 296)

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**Circle International Holdings Limited**  
(ARBN: 621 001 296)

**STATEMENT BY DIRECTORS**

The directors of **CIRCLE INTERNATIONAL HOLDINGS LIMITED** stated that, in their opinion, the accompanying financial statements are drawn up in accordance with International Accounting Standard, IAS 34: Interim Financial Reporting so as to give a true and fair view of the financial position of the Group as at 30 June 2021 and their financial performance and their cash flows for the 6-month financial period ended on that date.

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



**HEE CHEE KEONG**



**JEROME AUGUSTUS BATEMAN**

Date: 30 May 2022

**Tong & Associates**

Chartered Accountants [AF 002034]

E-03-01, Pacific Place Commercial Centre,  
Jalan PJU 1A/4, Ara Damansara,  
47301 Petaling Jaya,  
Selangor Darul Ehsan, Malaysia.

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

(Incorporated in Cayman Islands)

ARBN: 621 001 296

We have reviewed the accompanying consolidated statement of financial position of Circle International Holdings Limited as at 30 June 2021 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the 6-month financial period then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 7 to 26.

Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Accounting Standard, IAS 34: Interim Financial Reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Basis for Disclaimer of Conclusion

We were unable to obtain sufficient appropriate review evidences on material financial areas to the Group as at 30 June 2021.

The material financial area to the Group as at 30 June 2021 are summarised as follows:

	AUD'000
Current tax assets	3
Trade payables	245
Other payables and accruals	1,311
Current tax liabilities	313
Bank balances	*
Bank overdraft	*
Term loan	55
Cost of sales	8

\* Less than AUD1,000


We consider the impact of the above matters to be material and pervasive to the financial statements of the Group.


### Material Uncertainty Related to Going Concern

We draw attention to Note 2(c) of the financial statements, which indicates that the Group incurred a net loss of AUD90,078 during the 6-month financial period ended 30 June 2021 and, as of that date, the Group recorded a deficit in shareholder's equity of AUD2,655,816. As stated in Note 2(c), these events or conditions, along with other matters as set forth in Note 2(c), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

### Disclaimer of Conclusion

We do not express a conclusion on the accompanying interim financial information of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Conclusion section of our report, we have not been able to perform sufficient appropriate review procedures to provide a basis for a review conclusion on this interim financial information.

  
**TONG & ASSOCIATES**  
[AF 002034]  
Chartered Accountants

  
**WONG YEONG LEE**  
03328 / 09 / 2023 J  
Chartered Accountant

Petaling Jaya,  
Date: 30 May 2022

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

**For the 6-month Financial Period Ended 30 June 2021**

		01.01.2021 to 30.06.2021 AUD	01.01.2020 to 30.06.2020 AUD
	Note		
REVENUE	4	-	470,024
COST OF SALES		(8,294)	(452,042)
GROSS (LOSS)/PROFIT		(8,294)	17,982
OTHER INCOME	5	12	37,725
ADMINISTRATIVE EXPENSES		(74,316)	(127,010)
OTHER OPERATING EXPENSES	6	(29)	(5,824)
FINANCE COSTS		(2,428)	(5,544)
LOSS BEFORE TAXATION	7	(85,055)	(82,671)
INCOME TAX EXPENSE	8	(5,023)	-
LOSS AFTER TAXATION		(90,078)	(82,671)
OTHER COMPREHENSIVE EXPENSES			
<u>Items that will be reclassified subsequently to profit</u>			
<u>or loss</u>			
FOREIGN CURRENCY TRANSLATION			
DIFFERENCES		4,093	(16,696)
TOTAL COMPREHENSIVE EXPENSES FOR THE FINANCIAL PERIOD		(85,985)	(99,367)
LOSS AFTER TAXATION			
Attributable to:			
Owners of the Company		(90,078)	(82,671)
TOTAL COMPREHENSIVE EXPENSES FOR THE FINANCIAL PERIOD			
Attributable to:			
Owners of the Company		(85,985)	(99,367)
LOSS PER SHARE (CENTS)			
Basic and fully diluted	9	(0.05)	(0.05)

The accompanying notes form an integral part of the financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 30 June 2021**

	<i>Note</i>	30.06.2021 AUD	31.12.2020 AUD
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	10	-	-
Investment in subsidiaries	11	-	-
Other investment		-	5,178
<b>TOTAL NON-CURRENT ASSETS</b>		-	5,178
<b>CURRENT ASSETS</b>			
Trade and other receivables	12	1,129	40,406
Current tax assets		3,008	3,444
Bank balances		24,353	15,478
<b>TOTAL CURRENT ASSETS</b>		28,490	59,328
<b>TOTAL ASSETS</b>		28,490	64,506
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	13	57,656,229	57,656,229
Reserves	14	(60,312,045)	(60,226,060)
<b>TOTAL EQUITY</b>		(2,655,816)	(2,569,831)
<b>NON-CURRENT LIABILITY</b>			
Trade and other payables	15	-	55,675
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	2,316,508	2,203,561
Term loan	16	55,167	68,686
Bank overdraft		29	29
Current tax liabilities		312,602	306,386
<b>TOTAL CURRENT LIABILITIES</b>		2,684,306	2,578,662
<b>TOTAL LIABILITIES</b>		2,684,306	2,634,337
<b>TOTAL EQUITY AND LIABILITIES</b>		28,490	64,506

The accompanying notes form an integral part of the financial statements.

**Circle International Holdings Limited**

(ARBN: 621 001 296)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**For the 6-month Financial Period Ended 30 June 2021**

	<-----Attributable to owners of the Company----->				
	<-----Non-distributable----->		Distributable		
	Share capital	Merger reserve	Foreign currency translation reserve	Accumulated losses	Total
	AUD	AUD	AUD	AUD	AUD
At 01 January 2020	57,656,229	(57,388,344)	(102,251)	(2,333,479)	(2,167,845)
Loss after taxation	-	-	-	(82,671)	(82,671)
Other comprehensive income for the financial period - foreign currency translation differences	-	-	(16,696)	-	(16,696)
Total comprehensive expenses for the financial period	-	-	(16,696)	(82,671)	(99,367)
At 30 June 2020	57,656,229	(57,388,344)	(118,947)	(2,416,150)	(2,267,212)
At 01 January 2021	57,656,229	(57,388,344)	119,607	(2,957,323)	(2,569,831)
Loss after taxation	-	-	-	(90,078)	(90,078)
Other comprehensive income for the financial period - foreign currency translation differences	-	-	4,093	-	4,093
Total comprehensive expenses for the financial period	-	-	4,093	(90,078)	(85,985)
At 30 June 2021	57,656,229	(57,388,344)	123,700	(3,047,401)	(2,655,816)

The accompanying notes form an integral part of the financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the 6-month Financial Period Ended 30 June 2021**

	01.01.2021 to 30.06.2021 Note AUD	01.01.2020 to 30.06.2020 AUD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(85,055)	(82,671)
Adjustments for:		
Depreciation	-	2,891
Interest expenses	2,428	5,544
Property, plant and equipment written off	-	2,929
Gain on disposal of property, plant and equipment	-	(37,693)
Interest income	(12)	-
<i>Operating loss before working capital changes</i>	(82,639)	(109,000)
Decrease in receivables	34,368	125,390
Increase/(Decrease) in payables	69,840	(56,851)
<i>Cash generated from/(used in) operations</i>	21,569	(40,461)
Income tax paid	(5,023)	-
<i>Net cash generated from/(used in) operating activities</i>	16,546	(40,461)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	12	-
Proceeds from disposal of property, plant and equipment	-	411,196
Proceeds from disposal of other investment	5,147	-
<i>Net cash generated from investing activities</i>	5,159	411,196
<b>CASH FLOWS FOR FINANCING ACTIVITIES</b>		
Interest paid	-	(5,544)
Repayment of term loans	(12,670)	(257,357)
<i>Net cash used in financing activities</i>	(12,670)	(262,901)
<i>Net increase in cash and cash equivalents</i>	9,035	107,834
<i>Effects of exchange rate changes on cash and cash equivalents</i>	(160)	1,431
<i>Cash and cash equivalents at beginning of financial period</i>	15,449	(57,634)
<i>Cash and cash equivalents at end of financial period</i>	17 24,324	51,631

The accompanying notes form an integral part of the financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. GENERAL INFORMATION**

The Company is incorporated in the Cayman Islands under the Companies Law.

The Company is principally engaged in investment holding. The principal activities of the subsidiaries are as set out in *Note 11* to the financial statements. There were no significant changes in the nature of these activities during the financial period.

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

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

The Board of Directors has authorised the financial statements of the Group and the Company for issuance on 30 May 2022.

### **2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

#### **(a) Basis of presentation**

These interim consolidated financial statements ("interim financial statements") as at and for the 6-month financial period ended 30 June 2021 comprise the Company and its subsidiaries (together referred to as "the Group") have been prepared in accordance with International Accounting Standard, IAS 34: Interim Financial Reporting.

These interim financial statements are intended to provide users with an update on the annual financial statements of the Group. As such, it does not contain information that represents relatively insignificant changes occurring during these 6 months within the Group. It is therefore recommended that this financial report be read in conjunction with the last annual financial statements of the Groups as at and for the financial year ended 31 December 2020.



(b) Basis of Accounting

The financial statements of the Group are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with International Financial Reporting Standards (“IFRS”).

- (i) During the current financial period, the Group had adopted all the following new accounting standards and/or interpretations (including the consequential amendments, if any):

**IFRSs and/or Interpretations (Including the Consequential Amendments)**

Amendment to IFRS 16: Covid-19-Related Rent Concessions

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: Interest Rate Benchmark Reform – Phase 2

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

- (ii) The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the International Accounting Standards Board (IASB) but are not yet effective for the current financial period:

<b>IFRSs and/or Interpretations (Including the Consequential Amendments)</b>	<b>Effective Date</b>
IFRS 17 Insurance Contracts	1 January 2023
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to IAS 1: Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8: Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IAS 16: Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Amendments to IAS 37: Onerous Contracts – Costs of Fulfilling a Contract	1 January 2022
Amendments to IFRS 3: Reference to the Conceptual Framework	1 January 2022
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

<b>IFRSs and/or Interpretations (Including the Consequential Amendments)</b>	<b>Effective Date</b>
Amendment to IFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments to IFRS 17	1 January 2023
Amendment to IFRS 17: Initial Application of IFRS 17 and IFRS 9 Comparative Information	1 January 2023
Annual Improvements to IFRS Standards 2018 – 2020 Cycle	1 January 2022

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application.

(c) Going Concern

The financial statements of the Group have been prepared on the assumption that the Group will continue as going concerns. The application of the going concern basis is on the assumption that the Group will be able to realise their assets and settle their liabilities in the normal course of business.

### 3. 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.

### 4. REVENUE

	01.01.2021 to 30.06.2021 AUD	01.01.2020 to 30.06.2020 AUD
Services rendered	-	470,024

**5. OTHER INCOME**

	01.01.2021 to 30.06.2021 AUD	01.01.2020 to 30.06.2020 AUD
Gain on disposal of property, plant and equipment	-	37,693
Interest income	12	-
Other income	-	32
	<u>12</u>	<u>37,725</u>

**6. OTHER OPERATING EXPENSES**

	01.01.2021 to 30.06.2021 AUD	01.01.2020 to 30.06.2020 AUD
Depreciation	-	2,891
Property, plant and equipment written off	-	2,929
Realised loss on foreign exchange	29	4
	<u>29</u>	<u>5,824</u>

**7. LOSS BEFORE TAXATION**

	01.01.2021 to 30.06.2021 AUD	01.01.2020 to 30.06.2020 AUD
Loss before taxation is stated <i>after charging</i> :		
Auditors' remunerations		
- current year	6,632	-
- underprovision in the previous years	7,809	-
Interest expenses:		
- bank overdraft interest	-	1,033
- term loan interest	-	1,549
- others	2,428	2,962
Rental of premises	-	4,067
Staff costs	-	75,347

**Staff costs and remuneration of key management personnel**

	01.01.2021 to 30.06.2021 AUD	01.01.2020 to 30.06.2020 AUD
Salaries and wages	-	72,422
Defined contribution plan	-	2,747
Other employee benefits	-	178
	<u>-</u>	<u>75,347</u>

**8. INCOME TAX EXPENSE**

	01.01.2021 to 30.06.2021 AUD	01.01.2020 to 30.06.2020 AUD
Real property gain tax	<u>5,023</u>	<u>-</u>

A reconciliation of income tax expense applicable to loss before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	01.01.2021 to 30.06.2021 AUD	01.01.2020 to 30.06.2020 AUD
Loss before taxation	<u>(85,055)</u>	<u>(82,671)</u>
Tax at statutory tax rate	(20,413)	(19,841)
• Adjustment for the following tax effect:		
- expenses not deductible	20,413	19,841
• Malaysia real property gain tax	<u>5,023</u>	<u>-</u>
	<u>5,023</u>	<u>-</u>

## 9. LOSS PER SHARE

### (a) Basic loss per share

Basic loss per ordinary share for the financial period is calculated by dividing the loss after tax attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period:

	30.06.2021 AUD	30.06.2020 AUD
Loss after tax attributable to the owners of the Company	<u>(90,078)</u>	<u>(82,671)</u>
Number of ordinary shares at beginning and end of the period	<u>180,000,400</u>	<u>180,000,400</u>
Weighted average number of ordinary shares at 30 June	<u>180,000,400</u>	<u>180,000,400</u>
Basic loss per share (cents)	<u><u>(0.05)</u></u>	<u><u>(0.05)</u></u>

### (b) Diluted loss per share

The Company has not issued any dilutive potential ordinary shares, and hence the diluted loss per share is equal to the basic loss per share.

## 10. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:

Group	Computers AUD	Freehold land and building AUD	Furniture and fittings AUD	Office equipment AUD	Renovation AUD	Signboard AUD	Total AUD
<i>Cost</i>							
At 01 January 2020	13,106	404,018	18,047	16,873	9,799	297	462,140
Written off	(12,906)	-	(17,770)	(16,614)	(9,648)	(292)	(57,230)
Disposal	-	(396,167)	-	-	-	-	(396,167)
Translation reserve	(200)	(7,851)	(277)	(259)	(151)	(5)	(8,743)
At 31 December 2020/01 January 2021	-	-	-	-	-	-	-
Addition	-	-	-	-	-	-	-
At 30 June 2021	-	-	-	-	-	-	-
<i>Accumulated depreciation</i>							
At 01 January 2020	12,568	35,540	14,099	13,897	3,756	171	80,031
Charge for the year	409	1,321	729	797	965	29	4,250
Written off	(12,784)	-	(13,181)	(14,482)	(4,663)	(197)	(45,307)
Disposal	-	(36,315)	-	-	-	-	(36,315)
Translation reserve	(193)	(546)	(1,647)	(212)	(58)	(3)	(2,659)
At 31 December 2020/01 January 2021	-	-	-	-	-	-	-
Charge for the period	-	-	-	-	-	-	-
At 30 June 2021	-	-	-	-	-	-	-
<i>Carrying amount</i>							
At 30 June 2021	-	-	-	-	-	-	-
At 31 December 2020	-	-	-	-	-	-	-

## 11. INVESTMENT IN SUBSIDIARIES

Details of the subsidiaries are as follows:

Name of Company	Country of incorporation	Effective equity interest		Principal activities
		30.06.2021	31.12.2020	
		%	%	
Circle Corporation International Limited	Hong Kong	100	100	Advertising, branding, e-media services and creative marketing solution.
Circle Corp Mediatech Sdn. Bhd.	Malaysia	100	100	Advertising, publication, entertainment, events, business circle mobile app and related services.
Inno Mind Works Sdn. Bhd.	Malaysia	100	100	Event organiser, advertisement and media industries.

## 12. TRADE AND OTHER RECEIVABLES

	30.06.2021 AUD	31.12.2020 AUD
Trade receivables - net of impairment	-	33,621
Other receivables - net of impairment	-	6,785
Deposit and prepayment	1,129	-
	<u>1,129</u>	<u>40,406</u>
Trade receivables	8,596	42,217
Less: Impairment losses		
At 01 January	8,596	(6,946)
Additional during the period/year	-	(9,125)
Reversal during the period/year	-	7,188
Foreign exchange translation	-	287
	<u>(8,596)</u>	<u>(8,596)</u>
At 30 June/31 December	<u>-</u>	<u>33,621</u>
Other receivables	422,968	429,753
Less: Impairment losses		
At 01 January	422,968	(55,473)
Additional during the period/year	-	(409,775)
Foreign exchange translation	-	42,280
	<u>(422,968)</u>	<u>(422,968)</u>
At 30 June/31 December	<u>-</u>	<u>6,785</u>

The Group's normal trade credit terms range from 30 to 120 days (2020: 30 to 120 days). Other credit items are assessed and approved on a case-by-case basis.



### 13. SHARE CAPITAL

#### Issued and fully paid-up

	30.06.2021	31.12.2020	30.06.2021	31.12.2020
	Number of shares		AUD	AUD
Ordinary shares	<u>180,000,400</u>	<u>180,000,400</u>	<u>57,656,229</u>	<u>57,656,229</u>

The holders of ordinary shares are entitled to receive dividends and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company.

### 14. RESERVES

	30.06.2021	31.12.2020
	AUD	AUD
Accumulated losses	(3,047,401)	(2,957,323)
Foreign exchange translation reserve	123,700	119,607
Merger reserve	<u>(57,388,344)</u>	<u>(57,388,344)</u>
	<u>(60,312,045)</u>	<u>(60,226,060)</u>

#### Foreign exchange translation reserve

The foreign exchange translation reserve arose from the translation of the financial statements of the Company and its foreign subsidiaries whose functional currencies are different from the Group's presentation currency.

#### 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.

## 15. TRADE AND OTHER PAYABLES

	30.06.2021 AUD	31.12.2020 AUD
<i>Non-current liability</i>		
Amount owing to directors of subsidiaries	-	55,675
<i>Current liabilities</i>		
Trade payables	530,385	539,264
Other payables and accruals	1,464,838	1,197,054
Amount owing to directors of subsidiaries	168,855	467,243
Amount owing to a related party	152,430	-
	<u>2,316,508</u>	<u>2,203,561</u>
Total	<u>2,316,508</u>	<u>2,259,236</u>

## 16. TERM LOAN

	30.06.2021 AUD	31.12.2020 AUD
Payable within 12 months	<u>55,167</u>	<u>68,686</u>

The term loan is registered under the name of a director.

Since the previous financial year, the Group has defaulted on their obligation to repay the principal and the interest of the borrowings. Accordingly, the long-term portions of this borrowing from this lender have been reclassified to current liabilities.

## 17. CASH AND CASH EQUIVALENTS

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

	30.06.2021 AUD	30.06.2020 AUD
Bank balances	24,353	51,660
Bank overdraft	<u>(29)</u>	<u>(29)</u>
	<u>24,324</u>	<u>51,631</u>

## 18. CLASSIFICATION AND FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENT

### (a) Classification of Financial Instruments

	30.06.2021 AUD	31.12.2020 AUD
<b>Financial assets:</b>		
<u>Fair value through profit or loss</u>		
Other investment	-	5,178
<u>Amortised cost</u>		
Trade and other receivables	-	40,406
Bank balances	24,353	15,478
	<u>24,353</u>	<u>55,884</u>
<b>Financial liabilities:</b>		
<u>Amortised cost</u>		
Trade and other payables	2,316,508	2,259,236
Term loan	55,167	68,686
Bank overdraft	29	29
	<u>2,371,704</u>	<u>2,327,951</u>

### (b) Fair Value of Financial Instruments

At the end of the reporting period, there were no financial instruments carried at fair values in the consolidated statement of financial position.

The fair values of the financial assets and financial liabilities of the Group that maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand.

## **19. RELATED PARTY DISCLOSURES**

### **(a) Identifies of Related Parties**

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control.

In addition to the information detailed elsewhere in the financial statements, the Group has related party relationships with its directors, key management personnel and entities within the same group of companies.

### **(b) Significant Related Party Transactions and Balances**

Other than those disclosed elsewhere in the financial statements, the Group also carried out the following significant transactions with the related parties during the financial period:

	01.01.2021 to 30.06.2021 AUD	01.01.2020 to 30.06.2020 AUD
Disposal of property to a director	-	411,196

## **20. SEASONAL/CYCLICAL FACTORS**

The operation of the Group was not significantly affected by seasonality and cyclical factors.

## **21. SIGNIFICANT EVENTS AFTER FINANCIAL PERIOD**

### **(a) Acquisition of new subsidiaries**

On 20 August 2021, the Company entered into Shares Sale Agreement (“SSA”) with the vendors of the following entities which detailed out as follow:

Acquisition of the following subsidiaries:

- 100% equity interest in MPS Telecommunication Sdn. Bhd.; and
- 100% equity interest in One Mobile Care Sdn. Bhd.

(Collectively known as “Acquisition”)

On 2 December 2021, the Company via an Annual General Meeting obtained the shareholders’ approval on the abovementioned acquisition.

On 10 January 2022, the Company has issued the 1<sup>st</sup> tranche of (unquoted) Consideration Shares, 219,999,600 fully paid ordinary shares.

On 21 February 2022, the Company has issued the 2<sup>nd</sup> tranche of (unquoted) Consideration shares, 497,757,606 fully paid ordinary shares.

The above Acquisition was completed on 21 February 2022.

### **(b) Disposal of subsidiaries**

On 31 March 2022, the Company entered into a Shares Sale Agreement with a third party to dispose for the following subsidiaries:

- (i) 100% equity interest in Circle Corp Mediatech Sdn. Bhd. (“CCMT”) comprising 2 ordinary shares for a total cash consideration of AUD1;
- (ii) 100% equity interest in Circle Corporation International Limited (“CCIL”) comprising 410,000 ordinary shares for a total cash consideration of AUD1; and
- (iii) 100% equity interest in Inno Mind Works Sdn. Bhd. (“IMW”) comprising 635,000 ordinary shares for a total cash consideration of AUD1.

The Company has completed the disposal of CCIL and CCMT on 31 March 2022. The transfer of shares in IMW is being rejected by the local authority as IMW is in the winding up process.

**22. UNUSUAL ITEMS**

There were no unusual items affecting the assets, liabilities, equity, net income, and cash flows during the current financial period.

**23. MATERIAL CHANGES IN ESTIMATES**

There were no material changes in estimates in prior interim periods or financial years that have a material effect during the current financial period.

**24. DETAILS OF CHANGES IN DEBT AND EQUITY SECURITIES**

There were no issuance, repurchase and repayments of debt and equity securities during the current financial period

**25. DIVIDEND PAID**

There were no dividend paid or declared during the current financial period.

**26. CHANGES IN THE COMPOSITION OF THE GROUP**

There were no change in the composition of the Group during the current financial period.

**27. MATERIAL LITIGATIONS**

- (a) REDHOT MEDIA SDN. BHD. AND INNO MIND WORKS SDN. BHD. (“IMW”) (Kuala Lumpur High Court Civil Suit No: WA-22NCvC-358-05/2021)
  - (i) On 13 July 2021, a Judgement in Default (“JID”) has been entered against the IMW by Redhot Media Sdn. Bhd. (“Plaintiff”).
  - (ii) On 23 December 2021, the IMW filed a Notice of Application (“NOA”) to set aside the JID. The IMW contends that the JID ought to be set aside based on the following reason:
    - (a) the IMW is undergoing financial and operational restructuring; and
    - (b) the IMW has a meritorious defence against the claim by Plaintiff.
  - (iii) On 09 March 2022, a Winding-up Order against the IMW has been granted. Therefore, currently IMW is in the winding up process.

**Circle International Holdings Limited**  
(ARBN: 621 001 296)

(b) KERAJAAN MALAYSIA AND CIRCLE CORP MEDIATECH SDN. BHD (“CCMT”).

(i) No. Saman: WA-A71NCVC-1819-11/2021

On 18.11.2021, CCMT received the court order to settle the tax payment amounting to RM34,800 for the year assessment 2019 with penalty and other charges.

(ii) No. Saman: WA-A71NCVC-1988-11/2021

On 19.01.2022, CCMT received the court order to settle the tax payment amounting to RM81,929 for the years assessment 2017 and 2018 with penalty and other charges.

CCMT has appointed a tax agent to discuss with the tax officer on the settlement.

(c) MEASAT BROADCAST NETWORK SYSTEM SDN. BHD. AND INNO MIND WORKS SDN. BHD. (“IMW”) (Kuala Lumpur High Court Civil Suit No: WA-28NCC-926-12/2021)

On 13 April 2022, the petition was heard in the High Court. However, IMW has not appointed any lawyer to attend on this matter.