POLARIS LTD.
(Company Registration No.: 198404341D)
(Incorporated in the Republic of Singapore)

MATERIAL VARIANCES BETWEEN THE AUDITED FINANCIAL STATEMENTS AND THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The Board of Directors (the "**Board**" or "**Directors**") of Polaris Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the unaudited condensed interim consolidated financial statements for the financial year ended 31 December 2024 ("**FY2024**") as announced on 28 February 2025 (the "**Unaudited Results**"). Pursuant to Rule 704(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, the Board wishes to announce the material variance between the audited financial statements of the Group for FY2024 (the "**Audited Results**") and the Unaudited Results.

A comparison of the Audited Results and the Unaudited Results with the relevant explanatory note is shown below:

1. Extract of FY2024 Consolidated Statement of Comprehensive Income of the Group

	Per Audited Results	Per Unaudited Results	Variances		Note
	$'000	$'000	$'000	%	
Finance costs	(115)	(92)	(23)	25.0%	A
Other expenses	(437)	(571)	134	(23.5%)	B
Administrative expenses	(3,995)	(3,884)	(111)	2.9%	B
Income tax – credit	25	178	(153)	(86.0%)	C
Loss for the year	(2,072)	(1,919)	(153)	8.0%	C

2. Extract of FY2024 Consolidated Statement of Financial Position of the Group

	Per Audited Results	Per Unaudited Results	Variances		Note
	$'000	$'000	$'000	%	
Deferred tax assets	48	201	(153)	(76.1%)	C
Loans and borrowings – current	441	498	(57)	(11.4%)	D
Loans and borrowings – non-current	1,790	1,733	57	3.3%	D
Accumulated profits/(losses)	1,605	1,758	(153)	(8.7%)	C

3. Extract of FY2024 Consolidated Statement of Financial Position of the Company

	Per Audited Results	Per Unaudited Results	Variances		Note
	$'000	$'000	$'000	%	
Trade and other receivables	75	2,388	(2,313)	(96.9%)	E
Loans and borrowings – current	441	498	(57)	(11.4%)	D
Loans and borrowings – non-current	1,790	1,733	57	3.3%	D
Accumulated profits/(losses)	(3,877)	(1,564)	(2,313)	147.9%	E

4. Extract of FY2024 Consolidated Statement of Cash Flow of the Group

	Per Audited Results	Per Unaudited Results	Variances		Note
	$'000	$'000	$'000	%	
Net cash flows used in operating activities	(1,075)	(1,094)	19	(1.7%)	F
Net cash flows used in investing activities	(62)	(43)	(19)	44.2%	G

Explanatory notes:-

A : The variance is due to the reclassification of bank charges amounting to S$23,000 from 'Other Expenses' into 'Finance Costs', now correctly reflected in the audited accounts.

B : The variance is due to the reclassification of certain items previously recorded under 'Other Expenses' into 'Administrative Expenses', including depreciation, now correctly reflected in the audited accounts.

C : The variance is due to an adjustment on deferred tax assets amounting to S$153,000, which were previously recognised as unutilised tax losses, now correctly reflected in the audited accounts.

D : The variance is due to the reclassification of borrowing amount between current and non-current, which is now correctly reflected in the audited accounts.

E : The variance is due to an additional adjustment on impairment loss of amount due from subsidiary, amounting to S$2,313,000, now correctly reflected in the audited accounts. This adjustment has no impact on the Group's accumulated losses.

F : The variance is mainly due to adjustments on non-cash items such as additional depreciation of property, plant and equipment, amortisation of intangible assets and a reversal of unrealised exchange differences, and adjustments on changes in working capital for inventories and trade and other receivables, which are now correctly reflected in the audited accounts.

G : The variance is due to an adjustment on cash used in purchasing property, plant, and equipment in the Consumer Electronics and Green Protein business, which was previously presented under "Cash flows used in operations" and is now correctly reflected in the audited accounts.

By Order of the Board,

Sugiono Wiyono Sugialam
Executive Director

14 April 2025

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*This announcement has been reviewed by the Company's sponsor, Evolve Capital Advisory Private Limited (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**"), and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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