



TABLE OF CONTENTS

Letter to Shareholders	01
Board of Directors	03
Corporate Profile & Structure	06
Corporate Information	07
Corporate Governance Report	08
Directors' Statement	36
Independent Auditor's Report	40
Financial Statements	45
Statistics of Shareholdings	119
Notice of Annual General Meeting	122
Proxy Form	127

This annual report has been prepared by Polaris Ltd. ("**the Company**"), and has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

This annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Mr. Jerry Chua (Registered Professional, Evolve Capital Advisory Private Limited), who can be contacted at 138 Robinson Road, Oxley Tower, #13-02, Singapore 068906, telephone : (65) 6241 6626.

LETTER TO SHAREHOLDERS

DEAR VALUED SHAREHOLDERS,

On behalf of the Board of Directors (the "**Board**"), I am pleased to present to you the annual report for Polaris Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") for the financial year ended 31 December 2023 ("**FY2023**").

DEVELOPMENTS IN FY2023

In 2023, the Singapore economy exhibited moderate growth, expanding by 1.2% compared to the previous year's robust 3.8%¹. Despite facing economic challenges, the Group's pre-owned luxury goods business in Asia showcased resilience, with an uptick in top-line growth. Nevertheless, the Group's overall revenue for 2023 was impacted by its other business segments as a result of a dampening economic growth outlook and diminished consumer confidence, leading to a decline in the Group's revenue compared to the previous year.

Following the unexpected resignation of the Group's pre-loved US business partner in early 2023, the Company spent the year expending significant resources to address numerous issues which arose subsequently. This included a restatement of its FY2022 accounts for the Group, as it was confirmed pursuant to US legal opinion, that the Group's shareholding interest in the US entity Marque Luxury America, LLC ("**MLA**") had been deemed to be substantially diluted as of 28 February 2022.

In Asia, our pre-loved luxury goods business continued to grow and build positive momentum in 2023 through Mastro Luxe Pte. Ltd. and its operations in Indonesia, Korea, the Philippines and Singapore. This growth was fuelled by the Group's expanding retail sourcing network.

While the consumer electronics segment saw a decrease in the top line, its bottom line improved by achieving several targets set by a manufacturer, as well as having a first full year without our underperforming retail store that was closed in 2022. The focus is now on corporate sales and government tenders. Following changes in the business plans of a critical partner in late 2022, the customer services business segment experienced a significant decline in revenue.

FINANCIAL REVIEW

For FY2023, the Group recorded revenue of S\$22.1 million, representing a decrease of 19% against the revenue of the previous financial year ended 31 December 2022 ("**FY2022**") of S\$27.3 million.

This decrease was due to reduced turnover from consumer electronics sales and customer services. The pre-loved luxury goods segment saw an increase in turnover by 26% from S\$7.1 million in FY2022 to S\$8.9 million in FY2023. The turnover from the customer services segment decreased by 75% from S\$2.8 million in FY2022 to S\$0.7 million in FY2023. As explained above, this significant drop resulted from changes in business plans and agreements with a key partner in late 2022. The turnover from consumer electronics sales decreased by 28% from S\$17.3 million in FY2022 to S\$12.4 million in FY2023.

The Group recorded a net loss of S\$2.3 million in FY2023, compared to the S\$5.1 million net loss in FY2022. This decrease in loss can most significantly be attributed to reduced other expenses. These expenses were higher in 2022 due to the fair value loss on investment in MLA. Additionally, the consumer electronics segment returned to profitability, while the customer services segment experienced decreased profitability during the same period.

The Group did not take out any new loans in FY2023. Cash and bank balances decreased from S\$6.2 million as at 31 December 2022 to S\$2.4 million as at 31 December 2023 primarily due to losses, increase in receivable and intangible asset, loan borrowing repayment and purchase of property, plant and equipment.

CORPORATE SOCIAL RESPONSIBILITY

As responsible corporate citizens, we have assessed environmental, social, and governance matters relevant to our Group. Our aim is to ensure that our business practices align with our sustainability objectives and contribute positively to both the planet and our communities. In this year's sustainability report, we have expanded our coverage to align with our growing ESG efforts.

Looking ahead, we remain steadfast in our commitment to fortify our sustainability goals. We intend to integrate the principles outlined by the Task Force on Climate-related Financial Disclosures ("**TCFD**") into our business operations and reporting. We earnestly seek the support of our employees, shareholders, and business partners as we collectively strive for a more sustainable future.

1 <https://www.businesstimes.com.sg/singapore/singapores-2023-gdp-growth-revised-down-marginally-11-2024-forecast-kept-1-3>

LETTER TO SHAREHOLDERS

LOOKING AHEAD

The Group remains committed to its course of action, which involves cultivating and pursuing businesses that are related to sustainability and the circular economy. Additionally, the Group aims to facilitate the transition of existing industries towards sustainability. Presently, our pre-loved luxury goods re-commerce business and our customer services repair and refurbishment business form the cornerstone of these endeavours. In 2023, our activities that align with the aforementioned objectives in Indonesia took shape and grew.

The worldwide market for pre-owned luxury goods, within which the Company's re-commerce business operates, is anticipated to remain resilient. Our Asian operations have ambitious growth strategies for 2024, with a particular focus on expanding our sourcing retail presence.

Post a demanding 2023, in response to shifts in the business plans of a critical partner, the customer service sector regained stability in early 2024. The prospects for the upcoming reporting period remain consistent.

The consumer electronics segment remains committed to its strategy of targeting corporate sales and government tenders, which successfully restored profitability. We aim to sustain this upward trajectory in 2024 with a well-defined strategy and efficient operations. Our brand partners and their impressive product portfolios remain invaluable assets for us.

Amidst the trials and tribulations encountered from 2022 through 2023, our outlook remains cautiously optimistic. We are actively searching for prospects in developing sectors, such

as the circular economy and Indonesia, and striving to improve operational efficiency whenever possible. Our consolidated office operations in Singapore continue to yield cost savings and a reduction of our environmental footprint. Our strategic focus lies in maintaining a balance between our established ventures and promising high-growth prospects, all with the ultimate goal of optimising shareholder value.

WORDS OF APPRECIATION

We extend heartfelt gratitude to past and outgoing directors Ms. Serena Wong and Mr. Masahiko Yabuki for their invaluable contributions and guidance and extend a warm welcome to new directors Mr. Chong Eng Wee and Mr. Tay Boon Zhuan. We are excited to have them join us and look forward to benefiting from their expertise and fresh perspectives. We further extend our deep appreciation to all directors and our staff for their hard work and commitment. Furthermore, we would like to extend our sincere thanks to our shareholders, business partners, customers, and service professionals for their support. Together, we will forge a sustainable future.

Sugiono Wiyono Sugialam

Executive Director and Chairman

Soennerstedt Carl Johan Pontus

Executive Director and Chief Executive Officer



BOARD OF DIRECTORS

Mr Sugiono Wiyono Sugialam

Executive Director & Executive Chairman

Date Of Appointment As Director: 25 February 2021

Date Of Last Re-Election: 28 April 2023

Board Committees Served On:

Member Of Nominating Committee Since 25 February 2021

Mr Sugiono joined the Board of Directors as an Executive Director and Chairman of the Board on 25 February 2021. Previously, Mr Sugiono had served as a Non-Executive Director of the Company from 2011 to 2016.

Mr Sugiono has vast experience in technology, telecommunications, lifestyle goods, retail and distribution. Since the start of his career in 1985, Mr Sugiono has led multiple IPO and corporate actions within the industries where he is actively doing business.

Mr Sugiono is actively involved in several major investment funds in Southeast Asia, especially in digital/tech start-ups and platforms, while also continuing to pursue his passions for active lifestyle and sustainability businesses.

Mr Sugiono holds a Bachelor's Degree in Economics from the University of Surabaya, Indonesia.

Mr Soennerstedt Carl Johan Pontus

Executive Director & Chief Executive Officer

Date Of Appointment As Director: 5 May 2016

Date Of Last Re-Election: 28 April 2023

Board Committees Served On:

Member of Nominating Committee since 5 February 2018

With effect from 1 March 2018, Mr Soennerstedt was re-designated as Executive Director and appointed as CEO, after having served two years as an Independent Non-Executive Director and Non-Executive Chairman of the Company.

Between 2014 to 2017, Mr Soennerstedt set up and ran PT Bayon Management, a company engaged in internet consulting and investments in Indonesia. Consulting engagements included online media, law, music and payments, as well as discovery and evaluation of investment targets.

Leading up to Bayon, Mr Soennerstedt was CEO at PT Skybee Tbk, an Indonesian holding company with technology, telecommunications and media subsidiaries. He held liaison positions engaging with SoftBank and SoftBank Ventures Korea, supporting their investment efforts in Indonesia, and was on the investment committee of Indonesian incubator and venture capital firm Ideosource.

Between 2007 and 2012, Mr Soennerstedt identified Indonesia as a key growth opportunity for Yahoo!, coordinated the company's entry into the market and then ran PT Yahoo Indonesia as Country Manager. Under Mr Soennerstedt's leadership, Yahoo! attracted great talent and became one of the most trafficked and monetized Internet destinations in Indonesia. Today, the alumni can be found across the market as successful entrepreneurs and in leading roles in local and international companies.

Prior to Yahoo!, Mr Soennerstedt spent eight years in the mobile phone industry in Asia. From 1999 to 2001 he managed Ericsson's mobile phone business in Vietnam as Director of Consumer Products. He then moved to Singapore with Sony Ericsson, first in a regional sales role covering Indonesia and then as head of business development for APAC EM. In this role, Mr Soennerstedt established as well as managed the company's business and operations in several markets, including Pakistan, Bangladesh, Sri Lanka, Cambodia and Vietnam. Under his management, the operations in these emerging markets transformed from being a marginal business to one turning over several hundred million dollars per year. Mr Soennerstedt was recognized for his contributions to the company's overall performance and growth by twice winning the company's global best market unit performance award.

Mr Soennerstedt previously served as a mine clearance diver in the Royal Swedish Navy. He holds a degree in International Economics from the American University of Paris.

BOARD OF DIRECTORS

Mr Masahiko Yabuki

Independent Non-Executive Director

Date Of Appointment As Director: 5 February 2018

Date Of Last Re-Election: 29 June 2022

Board Committees Served On:

Chairman of Nominating Committee since 16 July 2021

Member of Remuneration Committee since 5 February 2018

Member of Audit and Risk Management Committee since 16 July 2021

Mr Yabuki joined the Board of Directors on 5 February 2018, bringing with him 36 years of business development experience and contacts in the APAC telecommunications and technology spaces.

Since 2015, he has been CEO of MYNZ Co., Ltd., a company which focuses on consulting, business development and investments in Japan and Southeast Asia. Between 2015 and 2017 he was also CEO & President of CloudMinds Japan K.K., a company involved in the business of connecting a broad ecosystem of robots and smart devices to Cloud artificial intelligence. He became CEO of NUWA Robotics Japan K.K. since February 2021 to deploy communication robot in the Japanese market.

Prior to his current position, Mr Yabuki worked for SoftBank from 2004 to 2015. His roles in SoftBank included Senior Vice President of Strategic Business Development in the CEO office for Southeast Asian markets and member of the Vodafone Japan acquisition

team. He was also part of the management team of SoftBank Mobile, whereby he led new business development such as collaborations with Disney Mobile and other foreign partners. Concurrently, he was also President of Mobile Planning Corp., a subsidiary of SoftBank which focused on mobile TV planning.

Earlier in his career Mr Yabuki served as Director and Country Manager of UTStarcom Japan K.K. between 2001 and 2004. He was the first employee of UTStarcom in Japan and was given the mission to establish the company and business in the market. During his tenure, one of Mr Yabuki's key achievements was to secure business with SoftBank, through Asymmetric Digital Subscriber Line (ADSL) core equipment sales for the Yahoo! BB broadband service, digital access equipment, fiber transmission equipment and Gigabit Passive Optical Networks (G-PON) for Fiber To The Home (FTTH) project.

Mr Yabuki began his career in Kanematsu Corporation, where he worked between 1982 and 2001. He was responsible for the business development of electric power and telecommunications projects in Asia. Towards the end of his career in Kanematsu Corporation, he was promoted to General Manager.

Mr Yabuki holds a degree in Economics from the Kobe University of Commerce, Japan.

Ms Diana Airin

Independent Non-Executive Director

Date Of Appointment As Director: 8 April 2020

Date Of Last Re-Election: 29 June 2022

Board Committees Served On:

Chairman of Remuneration Committee since 16 July 2021

Member of Audit and Risk Management Committee since 8 April 2020

Member of Nominating Committee since 8 April 2020

Ms Airin joined the Board of Directors on 8 April 2020. She brings with her more than 20 years of business experiences in auto financing, banking, offline and online media, with a focus on sales and marketing. She has held several c-suite positions, including an Indonesia-listed company directorship.

In 2019, Ms. Airin embarked on her second entrepreneurial venture, founding PT Konsultan Strategi Penjualan (Wisdom Crowd). This company specializes in customized digital activations for millennials and also provides event organizing services. Simultaneously, Ms. Airin holds the position of President Director and is a shareholder at the lifestyle portal dream.co.id.

She is a 20-year veteran of the media industry. Most recently, she was Managing director PT Benten Media Global Televisi (MYTV) and set up the channel from scratch, which eventually grew to a team of 125 people. The channel was the first of its kind in Indonesia, focusing on empowering women through lifestyle content. She established the sales, marketing, human resources, and programming teams.

In 2017 and 2018, she was chief commercial officer for PT Kapanlagi Network, an Indonesian online media player with a large portfolio of websites targeting millennials.

Between 2009 and 2017, Ms Airin held senior roles across the PT Media Nusantara Citra Tbk (MNC) Group, covering print, radio, online and TV. She started out as a sales and marketing director. Other positions included being CEO of Sindo Media, Deputy CEO of PT MNC Okezone Network (OkeZone.com) and PT MNC Televisi Network (iNews TV), with the most recent role being Director at PT Media Nusantara Citra Tbk, the listed holding company.

Prior to this, she ran Prima Ad, a company she owned, for four years. They published a priority customer magazine for a bank and monetized it via ad-sales. Prima Ad was the first agency in the market to run a bank customer magazine on an outsourced basis. Between 2001 and 2006, Ms Airin was General Manager for sales & marketing at PT. Citra Media Nusa Purnama (Media Indonesia) and PT. Media Televisi Indonesia (Metro TV). She started out her media career at Kompas Gramedia newspaper in 2000 as Vice General Manager, sales and marketing.

Her early ambition was to make a career in the banking industry and started out at PT Federal International Finance, part of Astra International, in 1995 and then moved on to PT Bank HSBC Indonesia where she worked for two and a half years.

Ms Airin holds a Bachelor's Degree in Economics from Tarumanagara University in Indonesia.

BOARD OF DIRECTORS

Mr Chong Eng Wee

Independent Non-Executive Director

Date Of Appointment As Director: 15 March 2024

Date Of Last Re-Election: Not applicable

Board Committees Served On:

Member of Nominating Committee since 15 March 2024

Member of Remuneration Committee since 15 March 2024

Member of Audit and Risk Management Committee since 15 March 2024

Mr Chong was appointed as Independent Director of the Company on 15 March 2024. He is a member of the Audit and Risk Management Committee, the Nominating Committee and the Remuneration Committee.

Mr Chong is the Managing Director and heads the Corporate & Capital Markets Practice at Chevalier Law LLC. He is admitted as an Advocate and Solicitor in Singapore, Solicitor of the High Court of Hong Kong, Lawyer of the Supreme Court of New South Wales, Australia, and a Barrister and Solicitor of the High Court of New Zealand.

Prior to founding his own firm, he was a Partner and Head of Corporate at Kennedys Legal Solutions Pte. Ltd., a joint law venture between Kennedys Singapore LLP and Legal Solutions LLC, the Deputy Head of both the Capital Markets and the International China (South East Asia) practices at RHTLaw Taylor Wessing LLP and the representative for the Shanghai representative office of another joint law venture firm, Duane Morris & Selvam LLP in Singapore.

His areas of practice include capital markets, mergers and acquisitions, private equity, funds, China ("PRC"), private wealth, corporate and commercial contracts, regulatory compliance, and corporate governance. He has advised issuers, issue managers, underwriters and placement agents, private equity funds, multinational corporations, high net-worth individuals and small and medium enterprises on transactions including initial public offerings ("IPO"), pre-IPO investment, dual listings, reverse takeovers, public takeovers, rights and warrants issues, placement, local and cross border acquisitions and disposals of shares and assets, downstream investment by private equity funds, joint ventures, and corporate restructuring. He has advised clients on variable capital companies, establishment of family offices and their tax incentives and applications to the Monetary Authority of Singapore pertaining to capital market

Mr Tay Boon Zhuan

Independent Non-Executive Director

Date Of Appointment As Director: 15 March 2024

Date Of Last Re-Election: Not applicable

Board Committees Served On:

Chairman of Audit and Risk Management Committee since 15 March 2024

Member of Remuneration Committee since 15 March 2024

Member of Nominating Committee since 15 March 2024

Mr Tay, aged 43, was appointed as Independent Director to the Board on 15 March 2024. Mr Tay has garnered extensive experience across various financial leadership roles. He currently leverages this expertise as the director of a business advisory firm, offering clients comprehensive solutions encompassing corporate setup, company secretarial services, outsourced accounting, tax compliance, and payroll and human resource management.

service licenses and registered fund management companies. He has also acted in various cross border transactions with PRC elements, and frequently advises issuers on their regulatory compliance and corporate governance issues. He was ranked as Singapore's Top 40 Most Influential Lawyers aged 40 and under by Singapore Business Review (2015).

Currently, he is a Non-Executive and Lead Independent Director of Heatec Jietong Holdings Ltd., listed on SGX-ST Catalist (Stock Code: 5OR) since April 2018 and Willas-Array Electronics (Holdings) Limited, listed on both SGX-ST Mainboard (Stock Code: BDR) and the Mainboard of Hong Kong Stock Exchange (Stock Code: 00854), since August 2023, a Non-Executive and Independent Director of China Yuanbang Property Holdings Limited, listed on SGX-ST Mainboard (Stock Code: BCD) since September 2023 and a Non-Executive and Independent Director of AJJ Medtech Holdings Limited, a SGX-ST Catalist listed company (Stock Code: 584) since June 2020. He was also previously the Non-Executive and Lead Independent Director of GS Holdings Limited, a SGX-ST Catalist Company (Stock Code: 43A) between January 2019 and June 2023, a Non-Executive and Independent Director of Innopac Holdings Limited, a SGX-ST Mainboard listed company (Stock Code: I26) between April 2018 and December 2018, CW Group Holdings Limited, a company listed on the Mainboard of the Hong Kong Stock Exchange (Stock Code: 1322) between November 2018 and June 2019 and KTL Global Limited, a SGX-ST Mainboard listed company (Stock Code: EB7) between August 2019 and March 2022.

He is also the Company Secretary of LHN Limited, listed on both SGX-ST Mainboard (Stock Code: 410) and the Mainboard of Hong Kong Stock Exchange (Stock Code: 1730) since April 2020, China Vanadium Titano-Magnetite Mining Company Limited, a company listed on Mainboard of the Hong Kong Stock Exchange (Stock Code: 893) since December 2019, Shanghai Turbo Enterprises Ltd., a SGX-ST Mainboard listed company (Stock Code: AWM) since October 2022 and Sincap Group Limited, a SGX-ST Catalist listed company (Stock Code: 5UN) since November 2021. He was previously the joint company secretary and company secretary, as the case may be, of 3 SGX-ST Mainboard listed companies: Hanwell Holdings Limited (Singapore Stock Code: DM0), Intraco Limited (Singapore Stock Code: I06), and Tat Seng Packaging Group Ltd (Singapore Stock Code: T12) between March 2012 and October 2012.

Previously, Mr Tay served as Senior Finance Director at Geniebook Pte Ltd., held the CFO position at two SGX-listed companies, and led the internal audit function for a major New York Stock Exchange-listed diesel engine manufacturer in China. He also spent eleven years honing his skills with a Big 4 accounting firm and two other leading professional service firms, specialising in accounting, payroll, business advisory, and assurance services.

Mr Tay's academic background includes graduating with First Class Honours in Accountancy from Nanyang Technological University and attending Raffles Institution and Raffles Junior College. He further solidified his credentials by obtaining the Singapore Chartered Accountant (ISCA) and ASEAN CPA certifications.

CORPORATE PROFILE

Polaris Ltd. ("**Polaris**" or the "**Company**") is a Singapore-based investment holding company and is listed on the Catalyst Board of the SGX-ST. Polaris is active in pre-loved luxury goods re-commerce and has customer service operations and consumer electronics corporate sales.

The Group is organised into business units based on its products and services.

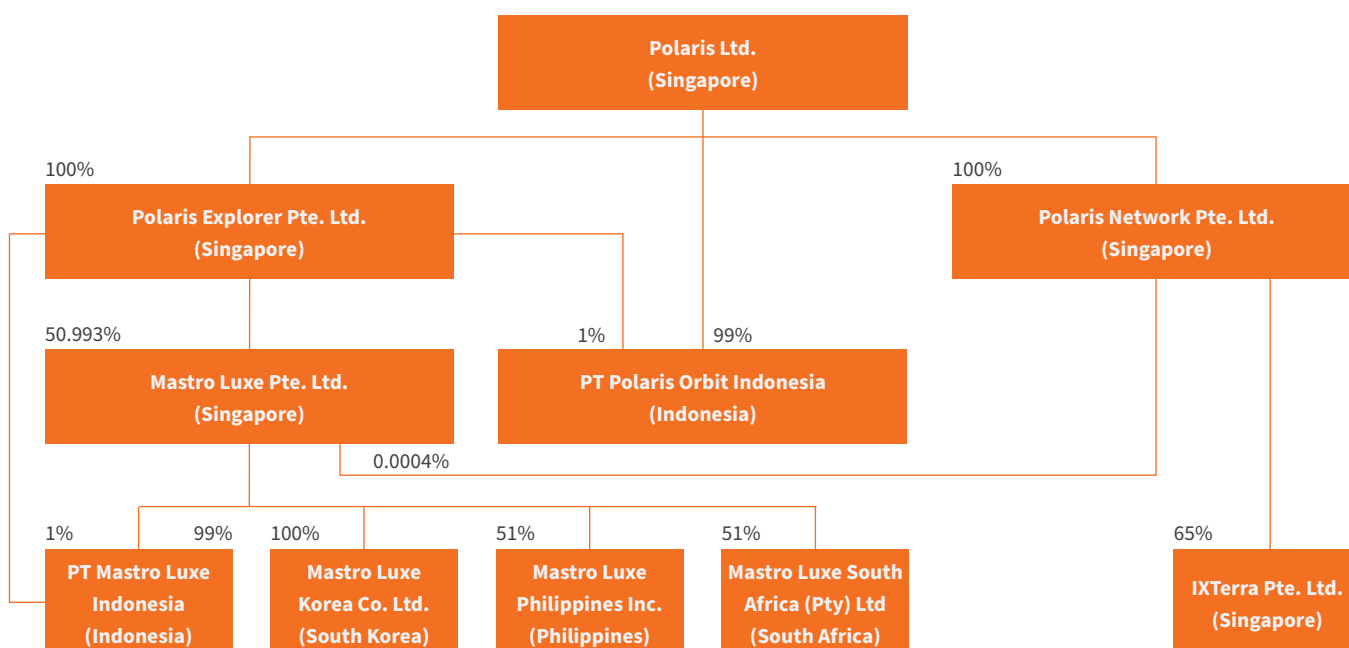
The pre-loved luxury goods segment engages in the business of importing and exporting pre-loved luxury goods and premium lifestyle products on a wholesale and/or retail basis.

The customer services segment provides after-market services to end consumers for equipment repairs, refurbishments and technical services in Singapore.

The consumer electronics segment engages in the corporate sale of telecommunication, IT and consumer electronics products, primarily in Singapore. This segment offers a wide range of electronic products and services from reputable brands such as Apple.

The corporate segment provides Group-level corporate services, treasury functions and investment in marketable securities. It is also involved in strategic investment and joint venture opportunities to synergise and complement the Group's existing offerings, such as the entry into the pre-loved luxury goods business.

Polaris is embarking on a path and mission to develop and pursue businesses that are sustainability related and part of the circular economy. Our pre-loved luxury goods re-commerce business and our customer services repair and refurbishment business are aligned with this mission.



Corporate Structure as at the date of this report.
For further information, please refer to the Notes to the Financial Statements.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr Sugiono Wiyono Sugialam
Executive Director & Chairman

Mr Soennerstedt Carl Johan Pontus
Executive Director & CEO

Mr Masahiko Yabuki
Independent Non-Executive Director

Ms Diana Airin
Independent Non-Executive Director

Mr Chong Eng Wee
Independent Non-Executive Director

Mr Tay Boon Zhuan
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Mr Tay Boon Zhuan (*Chairman*)
Ms Diana Airin
Mr Masahiko Yabuki
Mr Chong Eng Wee

REMUNERATION COMMITTEE

Ms Diana Airin (*Chairman*)
Mr Masahiko Yabuki
Mr Tay Boon Zhuan
Mr Chong Eng Wee

NOMINATING COMMITTEE

Mr Masahiko Yabuki (*Chairman*)
Mr Sugiono Wiyono Sugialam
Mr Soennerstedt Carl Johan Pontus
Ms Diana Airin
Mr Chong Eng Wee
Mr Tay Boon Zhuan

COMPANY SECRETARY

Ms Yang Lin

REGISTERED OFFICE

81 Ubi Avenue 4
#03-11 UB.One
Singapore 408830
Tel: +65 6990 8290
Website: www.wearepolaris.sg
Email: ir@wearepolaris.com

SOLICITOR

Chevalier Law LLC
112 Robinson Road
#04-02 Singapore 068902

CONTINUING SPONSOR

Evolve Capital Advisory Private Limited
138 Robinson Road
#13-02 Oxley Tower
Singapore 068906

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

INDEPENDENT AUDITOR

Moore Stephens LLP
10 Anson Road
#29-15 International Plaza
Singapore 079903
Partner-in-charge: Mr Neo Keng Jin
(Appointed since financial year ended 31 December 2020)

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "**Board**" or "**Directors**") of Polaris Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") is fully committed to maintaining high standards of corporate governance and recognises the importance of good corporate governance and ensuring high standards of accountability to shareholders.

This report outlines the Company's corporate governance practices and processes that were in place for the financial year ended 31 December 2023 ("**FY2023**"), with specific reference to the principles and provisions of the Code of Corporate Governance 2018 (Last Amended 11 January 2023) (the "**Code**") and the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst (the "**Catalist Rules**"), where applicable.

The Board is pleased to confirm that the Company has adhered to the Code and the Catalist Rules except where otherwise stated and explained herein. Where there has been a variation from the provisions of the Code, the reason(s) for the variation and an explanation of how the Company's alternative corporate governance practices are consistent with the aim and philosophy of the relevant principle and/or provision of the Code have been included. The Board considers that the alternative corporate governance practices are sufficient in meeting the underlying objective of the Code.

(A) BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Provision 1.1

The Board's primary role is to protect and enhance long-term shareholder value. The Board sets the overall strategy for the Group and supervises the management of the Company, which comprises the Executive Directors and key management personnel (the "**Management**"). To fulfil this role, the Board sets the Group's strategic direction, establishes goals for the Management and monitors the achievement of these goals, thereby taking responsibility for the overall success and corporate governance of the Group.

In addition to its statutory duties, the Board's principal functions are:

- a. establish the overall business direction of the Group, with specific emphasis on business expansion and synergies, and ensure that the necessary financial and human resources are in place;
- b. review Management performance;
- c. oversee the processes of evaluating the adequacy of internal controls, risk management, financial reporting and compliance, including safeguarding shareholders' interests and the Company's assets;
- d. approve major investment and divestment proposals, material acquisitions and disposals of assets, major corporate policies on key operations, the annual budget, the release of the Group's interim and full-year financial statements, and interested person transactions of a material nature;
- e. identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;
- f. assume corporate governance practices directly or through the respective Board Committees (as defined below); and
- g. consider sustainability issues, including but not limited to environmental and social factors, as part of its strategic formulation.

All Directors exercise due diligence and independent judgment and are obliged to act in good faith as fiduciaries and consider at all times the Company's best interests.

Our Directors are fiduciaries who act objectively in the Company's best interests and hold Management accountable for performance. The Board puts a code of conduct and ethics in place, sets an appropriate tone and standard of conduct at the top, and ensures proper accountability within the Company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving conflict issues.

CORPORATE GOVERNANCE REPORT

Provision 1.3

The Company has adopted a set of Approving Authority & Limit Guidelines (the "**Guidelines**"), which set out the authorisation level required for specified transactions, including those requiring Board approval. Under the Guidelines, new investments, divestments, and entry into banking facilities with financial institutions, amongst other matters, require the approval of the Board.

Provision 1.4

To assist the Board in executing its responsibilities, the Board has delegated specific functions to the Audit and Risk Management Committee ("**ARMC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") (together, the "**Board Committees**", and each a "**Board Committee**"). These Board Committees function within clearly defined terms of reference and operating procedures, which are reviewed on a regular basis to ensure their continued relevance. The effectiveness of each Board Committee is also constantly monitored. Minutes of Board Committee meetings are available to all Board members.

Provision 1.5

The Board currently holds at least two (2) scheduled meetings each year. In addition, it holds additional meetings at such other times as may be necessary to address specific significant matters that may arise. Important matters concerning the Group are also put up to the Board for its decision by way of written resolutions. The Company's constitution (the "**Constitution**") contains provisions for Board meetings to be held via telephone or videoconference.

A record of the Directors' attendance at meetings of the Board and Board Committees for FY2023, as well as the number of such meetings, is set out as follows:

	Board	ARMC	NC	RC
No. of meetings held	2	2	1	1
No. of meetings attended by respective Directors				
Sugiono Wiyono Sugialam	2	2*	1	1*
Soennerstedt Carl Johan Pontus	2	2*	1	1*
Masahiko Yabuki	2	2	1	1
Diana Airin	2	2	1	1
Wong Leng Yee, Serena ⁽¹⁾	2	2	1	1

* *By invitation*

Note:

(1) Ms Wong Leng Yee, Serena resigned as Independent Non-Executive Director of the Company on 29 February 2024.

Provision 1.6 and Provision 1.2

The Directors are updated regularly on changes and amendments to the Catalist Rules, the Group's policies (on risk management, corporate governance and insider trading), the relevant regulatory requirements, financial reporting standards and the relevant laws and regulations to facilitate the effective discharge of their fiduciary duties as Board or Board Committee members.

News releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority ("**ACRA**") that are relevant to the Directors are circulated by the Management to the Board. The Company Secretary and the Sponsor would inform the Directors of upcoming conferences and seminars relevant to their roles as Directors of the Company. Such conferences and seminars, as well as other training courses, will be arranged and funded by the Company for all Directors. The external auditor will also, on an annual basis, update the ARMC and the Board on new and revised financial reporting standards that are applicable to the Company and/or the Group.

CORPORATE GOVERNANCE REPORT

Newly appointed Directors will receive appropriate training on corporate governance if required. The Group has implemented an orientation programme for new Directors to familiarise them with the Group's core businesses and corporate governance practices. The orientation program also covers the Group's history, mission and values. In addition, the Management regularly updates and familiarises the Directors with the business activities and operations of the Group during Board meetings. Directors will also be given opportunities to visit the Group's operational facilities and meet the Management team to better understand the Group's businesses.

A formal letter of appointment is furnished to every newly-appointed director upon their appointment and sets out, amongst other matters, their roles, obligations, duties and responsibilities as a member of the Board.

In addition, as required under the Catalist Rules, a new director with no prior experience as a director of a company listed on the SGX-ST must undergo training as prescribed by the SGX-ST, including mandatory training on his or her roles and responsibilities as a director. Such training will be completed within one year of the appointment.

There were no new appointments to the Board in FY2023.

The Board is provided with complete and adequate information in a timely manner prior to Board meetings and is kept informed of ongoing developments within the Group. Board papers are generally made available to Directors in a timely manner before Board and Board Committee meetings and would include financial management reports, reports on the performance of the Group, papers pertaining to matters requiring the Board's decision, and updates on key outstanding issues, strategic plans and developments in the Group. This is to ensure that the Directors are properly briefed on matters to be considered at Board and Board Committee meetings in order to enable them to make informed decisions and discharge their duties and responsibilities.

The Company has an ongoing budget for the Directors to attend appropriate courses, seminars, and conferences so that they stay abreast of the relevant business developments and changes in applicable rules and regulations and develop and maintain their skills and knowledge at the Company's expense. These include programmes from the Singapore Institute of Directors ("**SID**") and other training institutions run.

Mr Soennerstedt Carl Johan Pontus has attended SBF - Subsidiary Board Director Fundamentals organised by SID in FY2023.

Provision 1.7

The Directors have separate and independent access to the Company Secretary at all times to clarify any enquires they may have. The Company Secretary or his/her nominee attends all Board and Board Committee meetings and is responsible for ensuring that established procedures and all relevant requirements of the Companies Act 1967 of Singapore (the "**Companies Act**") and the Catalist Rules that are applicable to the Company are complied with. The Company Secretary assists the Chairman in preparing meeting agendas, attending Board and Board Committee meetings and preparing minutes of all Board and Board Committee proceedings. Under the direction of the Chairman, the Company Secretary, with the support of the Management staff, is responsible for ensuring accurate and timely information flow within the Board and the Board Committees and between senior management and the non-executive directors, advising the Board on all governance matters, facilitating the orientation of new employees, and assisting with professional development as may be required.

The appointment and removal of the Company Secretary are subject to the Board's approval.

The Board is informed of all material events and transactions as and when they occur. All analyst and media reports on the Group, if any, are promptly forwarded by the CEO to the Directors on an ongoing basis.

The Board has separate, independent and unrestricted access to the senior management of the Group at all times. Requests for information from the Board are dealt with promptly by the senior management.

The Board seeks independent professional advice as and when necessary to enable it to discharge its responsibilities effectively. The Directors, whether acting as a group or individually, may seek and obtain legal and other independent professional advice, at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to fulfil their roles and responsibilities as Directors.

CORPORATE GOVERNANCE REPORT

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

As at the date of this Annual Report, the Board comprises six (6) Directors, of whom four (4) are Independent Non-Executive Directors and two (2) are Executive Directors. A summary of the current composition of the Board and the respective Board Committees is set out as follows:

Name of Director	Board	ARMC	NC	RC
Sugiono Wiyono Sugialam	Executive Director and Executive Chairman	-	Member	-
Soennerstedt Carl Johan Pontus	Executive Director and CEO	-	Member	-
Tay Boon Zhuan ⁽¹⁾	Independent Non-Executive Director	Chairman	Member	Member
Chong Eng Wee ⁽¹⁾	Independent Non-Executive Director	Member	Member	Member
Masahiko Yabuki ⁽²⁾	Independent Non-Executive Director	Member	Chairman	Member
Diana Airin	Independent Non-Executive Director	Member	Member	Chairman

Note:

- (1) Mr Tay Boon Zhuan and Mr Chong Eng Wee were appointed as Independent Non-Executive Directors of the Company on 15 March 2024.
- (2) Mr Masahiko Yabuki will not be seeking re-appointment at the forthcoming Annual General Meeting ("AGM") and will accordingly retire from office as Independent Non-Executive Director of the Company upon the conclusion of the AGM.

Provision 2.2 and Provision 2.3

There is presently a strong and independent element on the Board, with Independent Non-Executive Directors making up more than 50% of the Board. The Company is in compliance with Provisions 2.2 and 2.3 of the Code which stipulate that independent directors should make up a majority of the Board where the Chairman is not independent and that non-executive directors should make up a majority of the Board, respectively.

Provision 2.1

The NC adopts the spirit of the definition in the Code as to what constitutes an "independent" director. Accordingly, the NC considers an "independent" Director as one who is independent in conduct, character and judgment and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment in the best interests of the Company. The NC has completed its annual review of the independence of each Independent Non-Executive Director and is of the view that these Directors are independent. The Board has also reviewed and confirmed the independence of the Independent Non-Executive Directors. There are no Independent Non-Executive Directors who are deemed non-independent by the Board.

Moreover, none of the Independent Non-Executive Directors has served on the Board beyond nine (9) years from the date of his or her first appointment.

Non-Executive Directors (including Independent Directors) do not exercise management functions in the Group. Although all the Directors have equal and shared responsibility for the performance of the Group, the role of the Non-Executive Directors (including the Independent Directors) is particularly important in ensuring that the strategies proposed by the Management are fully discussed, rigorously examined, and taken into account the long-term interests of not only the Shareholders but also that of the employees, customers, suppliers and the communities in which the Group conducts its business. Non-Executive Directors are also responsible for reviewing the performance of Management in meeting agreed goals and objectives, and in monitoring the reporting of performance. The NC considers the Company's Non-Executive Directors (which currently wholly comprise Independent Directors) to be of sufficient calibre and their respective views to be of sufficient weight such that no individual or a small group of individuals dominates the Board's decision-making process.

CORPORATE GOVERNANCE REPORT

Non-Executive Directors (including Independent Directors) are scheduled to meet regularly, and as and when required, in the absence of key management personnel to discuss concerns or matters such as the effectiveness of Management.

Provision 2.4 and Provision 2.5

The Company has adopted a Board Diversity Policy in 2023, which sets out the approach to achieve diversity of the Board. Pursuant to the Board Diversity Policy, the NC will, on an annual basis and taking into consideration the changes (if any) in the nature and scope of operations as well as the regulatory environment of the Group, review the appropriateness of the size and composition of the Board. Pursuant to such review, the NC will, where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and ensure an appropriate composition of members of the Board with suitably diverse backgrounds to meet the Group's operational and business requirements.

Under the target set in 2023 in the Board Diversity Policy, the Board aims to appoint a Lead Independent Director ("Lead ID") by the end of 2024 in view that the Chairman of the Company is not independent. In this regard, the NC reviewed and assessed the suitability of potential candidates and aims to finalise the appointment of Lead ID in FY2024. The Board is also committed to maintaining an inclusive and non-discriminatory organisational culture and to fostering fairness, equality and respect (regardless of gender, age or beliefs) at the workplace.

The Company will continually assess and institute targets when the need arises.

The Board recognises the importance of an appropriate balance and diversity of skills, experience, gender, age, knowledge and professional qualifications in building an effective Board. For this purpose, the NC reviews the Board's collective skills matrix regularly.

The current Board comprises persons who, as a group, have the necessary core competencies in areas such as accounting, finance, business and management experience, industry knowledge, strategic planning and customer-based experience and knowledge to lead and guide the Company. The diversity of the Board's experience allows for the useful exchange of ideas and views. The profiles of our Board members are set out under the section entitled "Board of Directors" of this annual report.

Other than the appointment of the Lead ID, which the Company aims to finalise by the end of 2024, the current Board composition meets the targets set under the Board Diversity Policy and reflects the Company's commitment to Board diversity in terms of different professional experiences, skills, knowledge and gender, and any further progress made towards the implementation of the Board Diversity Policy will be disclosed in our Corporate Governance Report, as appropriate.

Core Competencies	Number of Directors	Proportion of the Board (%)
- Accounting or finance	4	67
- Business management	6	100
- Legal or corporate governance	1	17
- Relevant industry knowledge or experience	4	67
- Strategic planning experience	6	100
- Customer-based experience or knowledge	4	67
Gender		
- Male	5	83
- Female	1	17
Age		
- 40 to 49	2	33
- 50 to 59	2	33
- 60 to 69	2	33

CORPORATE GOVERNANCE REPORT

The Independent Non-Executive Directors met at least once without the presence of Management in FY2023 to discuss matters such as internal controls, Board processes, and succession plans.

Chairman and Chief Executive Officer ("CEO")

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1 and Provision 3.2

In compliance with the Code, the Chairman and the CEO of the Company are separate persons. This is to ensure an appropriate balance of power, increased accountability and greater capacity for the Board to exercise independent decision-making. The division of responsibilities between the Chairman and the CEO is clearly established, set out in writing, and agreed upon by the Board.

Mr Sugiono, the Chairman of the Board, is not an immediate family member of and is unrelated to, Mr Soennerstedt Carl Johan Pontus, the CEO. Mr Sugiono is a substantial shareholder of the Company.

The Board is of the view that there are sufficient safeguards and checks to ensure that the process of decision-making by the Board is independent and based on collective decisions without any individual exercising any considerable power or influence. Further, the ARMC, RC and NC are chaired by Independent Non-Executive Directors.

Mr Soennerstedt Carl Johan Pontus is an Executive Director and the CEO of the Company. His responsibilities include the execution of strategic business plans as well as the overseeing of the day-to-day business operations.

The Chairman is responsible for, amongst other things, ensuring the quality and timeliness of the flow of information between the Management and the Board, ensuring the Company's compliance with the Code, and promoting high standards of corporate governance. The Chairman is also consulted on the Group's strategic direction and policy formulation, ensuring the smooth running of the Board. The Chairman performs a significant leadership role by providing clear oversight and guidance to Management on strategy and driving the transformation and development of the Group's businesses.

The Chairman is also responsible for, amongst other things, effectively representing the Board to the shareholders, ensuring that Board meetings are held when necessary, setting the Board meeting agenda with the assistance of the Company Secretary, acting as a facilitator at Board meetings and maintaining regular dialogue with the Management on all significant operational matters. At annual general meetings and other shareholders' meetings, the Chairman ensures constructive dialogue amongst shareholders, the Board and the Management.

The Chairman promotes a culture of openness and debate at the Board level, ensures that the Directors receive complete, adequate and timely information, and facilitates the effective contribution of Non-Executive Directors in particular.

Provision 3.3

Given that the Chairman of the Board is not independent, the Company aims to appoint a lead independent director by 2024 to comply with Provision 3.3 of the Code.

Pending the appointment of the Lead ID of the Company, shareholders may contact the Chairman of the ARMC, Mr Tay Boon Zhuan, at max.tay@wearepolaris.com where they have concerns and for which contact through the normal channels of communication with the Management are inappropriate or inadequate.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

CORPORATE GOVERNANCE REPORT

Provision 4.1 and Provision 4.2

The NC is regulated by a set of written terms of reference and comprises six (6) members, the majority of whom, including the Chairman, are Independent Non-Executive Directors. The NC meets at least once a year. As at the date of this Annual Report, the members of the NC are as follows:

1. Masahiko Yabuki (Chairman, Independent Non-Executive Director)
2. Sugiono Wiyono Sugialam (Member, Executive Director)
3. Soennerstedt Carl Johan Pontus (Member, Executive Director)
4. Diana Airin (Member, Independent Non-Executive Director)
5. Tay Boon Zhuan (Member, Independent Non-Executive Director)
6. Chong Eng Wee (Member, Independent Non-Executive Director)

As mentioned previously, Mr Masahiko Yabuki will not be seeking re-appointment at the forthcoming AGM and will accordingly retire from office as Independent Non-Executive Director of the Company upon the conclusion of the AGM. Consequently, Mr Yabuki will cease to be the Chairman of the NC and a member of the ARMC and RC.

With effect from 30 April 2024 (after the conclusion of the AGM), the NC will be reconstituted and comprise five (5) Directors, the majority of whom, including the Chairman, are Independent Non-Executive Directors. The members of the NC will be as follows:

1. Chong Eng Wee (Chairman, Independent Non-Executive Director)
2. Sugiono Wiyono Sugialam (Member, Executive Director)
3. Soennerstedt Carl Johan Pontus (Member, Executive Director)
4. Diana Airin (Member, Independent Non-Executive Director)
5. Tay Boon Zhuan (Member, Independent Non-Executive Director)

The NC is responsible for:

- a. Reviewing the structure, size and composition of the Board and the Board Committees;
- b. Reviewing the succession plans for the Board Chairman, the Directors, the CEO and members of senior management;
- c. The development of a transparent process for evaluating the performance of the Board, the Board Committees and the Directors, including assessing whether the Directors are able to commit enough time to discharge their responsibilities and the maximum number of listed company board representations which a Director may hold;
- d. Reviewing the training and professional development programmes for the Directors;
- e. The appointment and re-appointment of all directors (including alternate directors, if any); and
- f. Reviewing and confirming the independence of each Director.

Provision 4.3

The NC is also responsible for identifying and recommending new candidates to the Board. In doing so, the NC will consider the competencies and attributes of the candidate, which include:

- a. academic and professional qualifications;
- b. industry experience;
- c. number of other directorships;
- d. relevant experience as a director; and
- e. ability and adequacy in carrying out required tasks.

CORPORATE GOVERNANCE REPORT

The NC leads the process for Board appointments and makes recommendations to the Board. The integrated process of appointment includes:

- a. developing a framework for the desired competencies and diversity of the Board;
- b. assessing the current competencies and diversity of the Board;
- c. developing and ascertaining the desired profiles of new directors;
- d. initiating searches for new directors via personal networks and external searches, if necessary;
- e. shortlisting and interviewing potential candidates;
- f. recommending appointments and retirements to the Board; and
- g. election at general meetings.

New Directors are appointed by way of a Board resolution and are subject to re-election at the next annual general meeting ("**AGM**").

In accordance with the Company's Constitution, one-third, or if their number is not a multiple of three (3), the number nearest to one-third of the Directors are required to retire from office by rotation at each AGM (provided that no Director holding office as managing director shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire). Newly appointed Directors will hold office only until the next AGM following their appointments, and they shall be eligible for re-election. Such Directors are not taken into account when determining the number of Directors who are to retire by rotation at that meeting. In any case, pursuant to Rule 720(4) of the Catalist Rules, all Directors must submit themselves for re-nomination and re-appointment at least once every three (3) years.

In making recommendations for the selection, appointment or re-appointment of Directors, the NC evaluates the composition of the Board in light of the need for progressive renewal. The NC also considers the Director's competencies, commitment, contributions and performance, such as his or her attendance at meetings of the Board or Board Committees and, where applicable, his or her preparedness, participation, candour and any other special contributions.

Each member of the NC is required to abstain from reviewing and approving his or her own re-election.

The NC has recommended to the Board that Ms Diana Airin ("**Ms Diana**"), Mr Tay Boon Zhuan ("**Mr Tay**") and Mr Chong Eng Wee ("**Mr Chong**") (collectively, the "**Retiring Directors**" and each, a "**Retiring Director**") be nominated for re-election at the forthcoming AGM in accordance with the Company's Constitution. Ms Diana, Mr Tay and Mr Chong have consented to continue in office.

As disclosed above, Mr Masahiko Yabuki will not be seeking re-appointment and will accordingly retire at the forthcoming AGM. Consequently, Mr Yabuki will cease to be the Chairman of the NC and a member of ARMC and RC.

In making the recommendations, the NC considered the Retiring Directors' overall contributions and performance, both past and anticipated.

Ms Diana will, upon her re-election as a Director, remain as an Independent Non-Executive Director of the Company, the Chairman of RC, and a member of the ARMC and NC. Ms Diana does not have any relationship, including immediate family relationships with other Directors, the Company or its substantial shareholders (as defined in the Code). The Board considers Ms Diana to be independent for the purposes of Rule 704(7) of the Catalist Rule.

Mr Tay will, upon his re-election as a Director, remain as an Independent Non-Executive Director of the Company, the Chairman of ARMC, and a member of the NC and RC. Mr Tay does not have any relationship, including immediate family relationships with other Directors, the Company or its substantial shareholders (as defined in the Code). The Board considers Mr Tay to be independent for the purposes of Rule 704(7) of the Catalist Rule.

Mr Chong will, upon his re-election as a Director, remain as an Independent Non-Executive Director of the Company. Mr Chong will be appointed as the Chairman of NC in place of Mr Yabuki and a member of the ARMC and RC. Mr Chong does not have any relationship, including immediate family relationships with other Directors, the Company or its substantial shareholders (as defined in the Code). The Board considers Mr Chong to be independent for the purposes of Rule 704(7) of the Catalist Rule.

CORPORATE GOVERNANCE REPORT

Key information on the directors who held office at any time during the financial year up to the date of this Annual Report, including their respective appointment dates and other listed company directorships held in the preceding three (3) years, is disclosed in the table below:

Name of Director	Date of First Appointment	Date of Last Re-election	Directorships in Other Listed Companies (Present and Preceding Three Years)	Other Principal Commitments
Sugiono Wiyono Sugialam	25 February 2021	28 April 2023	<p><u>Present</u></p> <ul style="list-style-type: none"> PT Trikonsel Oke Tbk PT Global Teleshop Tbk <p><u>Past three years</u></p> <p>Nil</p>	<ul style="list-style-type: none"> PT Trio Distribusi, President Director PT Okeshop, President Director PT Herbal Globe Natural, President Director Crayon Digital Pte Ltd, Director Escomindo Pte Ltd, Director
Masahiko Yabuki	5 February 2018	29 June 2022	Nil	<ul style="list-style-type: none"> NUWA Robotic Japan K.K., President Director MYNZ Co., Ltd., President Director
Soennerstedt Carl Johan Pontus	5 May 2016	28 April 2023	Nil	Nil
Diana Airin	8 April 2020	29 June 2022	Nil	<ul style="list-style-type: none"> PT Konsultan Strategi Penjualan (Wisdom Crowd), Chief Executive Officer and Founder PT. Dream Bahagia Indonesia, President Director
Tay Boon Zhuan	15 March 2024	N.A.	<p><u>Present</u></p> <ul style="list-style-type: none"> Sen Yue Holdings Limited Sincap Group Limited <p><u>Past three years</u></p> <p>Nil</p>	<ul style="list-style-type: none"> Elev8te Business Services Pte Ltd, Director
Chong Eng Wee	15 March 2024	N.A.	<p><u>Present</u></p> <ul style="list-style-type: none"> AJJ Medtech Holdings Limited Heatec Jietong Holdings Limited Willas-Array Electronics (Holdings) Limited China Yuanbang Property Holdings Limited <p><u>Past three years</u></p> <ul style="list-style-type: none"> GS Holdings Limited KTL Global Limited 	<ul style="list-style-type: none"> Chevalier Law LLC Managing Director Nixon Peabody CWL Partner

CORPORATE GOVERNANCE REPORT

Pursuant to Rule 720(5) of the Catalist Rules, the information as required under Appendix 7F to the Catalist Rules in respect of each of the Retiring Directors is set out on pages 31 to 35 of the Annual Report.

Provision 4.4

The NC reviews, on an annual basis, the declarations of independence made by the Company's Independent Non-Executive Directors based on the definition of independence in the Code. The NC has reviewed the independence of each director for FY2023 and is of the view that the Independent Directors are independent as defined in the Code and are able to exercise judgment on the corporate affairs of the Group independently of the Management.

The NC monitors and determines annually whether each of the Directors with multiple board representations and other principal commitments gives sufficient time and attention to the affairs of the Company and adequately carries out his/her duties as a Director of the Company. In making this determination, the NC takes into account the results of the assessment of the effectiveness of the individual Director and his/her actual conduct on the Board.

Provision 4.5

Currently, the NC and the Board have not determined the maximum number of listed company board representations which a Director may hold as the NC and the Board are of the view that the work aptitude, capacity and resources of each Director vary, and a one-size-fits-all measurement might not be appropriate. The NC and the Board will continue to observe and review the requirement to determine the maximum number of listed company board representations as and when necessary.

As at the date of this Annual Report, the Company does not have any alternate directors.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provision 5.1 and Provision 5.2

The NC adopts a formal system of evaluating the Board as a whole and its Board Committees every year. A performance evaluation of the Board and each Board Committee is carried out. The assessment parameters include an evaluation of the size and composition of the Board and its Board Committees, the access to information, accountability, the performance of the Board and its Board Committees in terms of discharging their principal responsibilities, and the Directors' standard of conduct. Following a formal written performance evaluation of the Board and the Board Committees, the NC and the Board are of the view that the Board and the Board Committees operate effectively, and each Director is duly contributing to the effectiveness of the Board and the Board Committees due to their active participation during meetings. In addition, the NC will assess the individual Directors' performance by completing an Individual Director Self-Assessment Form, which takes into consideration factors such as commitment of time for meetings, level of participation and contribution at such meetings and the technical knowledge of the Directors.

The annual performance evaluation exercise provides an opportunity to obtain constructive feedback from each Director on whether the Board's procedures and processes have allowed him/her to discharge his/her duties effectively and propose changes that may be made to enhance the Board's overall effectiveness. The collated findings are reported, and recommendations are made to the Board for its consideration, with a view to implementing improvements to help the Board discharge its duties more effectively.

The NC is of the view that the Board has met its performance objectives for FY2023. No external facilitator was used in the evaluation process as the Board believes that the quality and objectivity of the current process and evaluations implemented are sufficient and adequate.

The NC conducts an evaluation of the performance of individual Directors on an annual basis and/or where the re-election or re-appointment of any Director is being considered. The NC Chairman assesses each director's performance.

CORPORATE GOVERNANCE REPORT

The criteria for assessment include but are not limited to the particular Director's attendance record at meetings of the Board and Board Committees, commitment of time, intensity of participation at meetings, quality of discussions, knowledge and abilities, engagement with Management, maintenance of independence and any special contributions. For FY2023, the NC, in concurrence with the NC Chairman, is satisfied that each Director is contributing to the overall effectiveness of the Board.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1 and Provision 6.2

The RC, regulated by a set of written terms of reference, comprises four (4) members, all of whom are Independent Non-Executive Directors. The members of the RC are as follows:

1. Diana Airin (Chairman, Independent Non-Executive Director)
2. Masahiko Yabuki (Member, Independent Non-Executive Director)
3. Tay Boon Zhuan (Member, Independent Non-Executive Director)
4. Chong Eng Wee (Member, Independent Non-Executive Director)

With effect from 30 April 2024 (after the conclusion of the AGM), the RC will be reconstituted and comprise three (3) Directors, all of whom are Independent Non-Executive Directors. The members of the RC will be as follows:

1. Diana Airin (Chairman, Independent Non-Executive Director)
2. Tay Boon Zhuan (Member, Independent Non-Executive Director)
3. Chong Eng Wee (Member, Independent Non-Executive Director)

The principal function of the RC is to ensure that a formal and transparent procedure is in place to fix the remuneration packages of directors and key management personnel of the Group.

Provision 6.3 and Provision 6.4

Under its terms of reference, the RC is responsible for reviewing and recommending a remuneration framework for the Board and the Company's key management personnel. The RC also reviews and recommends to the Board the specific remuneration packages for each Director as well as the Company's key management personnel. The aim is to build a capable and committed management team through competitive compensation, focused management, and progressive policies that will attract, motivate, and retain a pool of talented executives to meet the Company's current and future growth needs. In discharging their duties, the members have access to advice from the human resources department and external advisors as and when necessary.

The RC also considers industry practices and norms in the compensation review to ensure that the remuneration packages are competitive and sufficient to attract, retain and motivate the Directors and key management personnel. The RC reviews all aspects of remuneration, including but not limited to director's fees, salaries, allowances, bonuses, options, benefits-in-kind and termination terms in respect of each director and key management personnel, to ensure that they are fair.

No independent consultant was engaged to advise on the remuneration of any of the Directors in FY2023. The RC will seek external expert advice should such a need arise in the future.

The RC reviews the service contracts of the Company's Executive Directors and key management personnel. Executive Directors are paid a fixed salary under the terms of their respective service contracts. In addition, any bonuses to be paid will be based on the results and financial position of the Company as well as the performance of the Executive Director in question. There are no onerous

CORPORATE GOVERNANCE REPORT

compensation commitments on the part of the Company in the event of early termination of the services of any Executive Director or key management personnel.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provision 7.1, Provision 7.2 and Provision 7.3

The remuneration policy for Executive Directors is structured to link remuneration to corporate and individual performance.

Our Executive Directors' remuneration consists of a salary, bonuses and other benefits. A proportion of the remuneration for the Executive Directors are linked to performance in the form of a performance bonus. Executive Directors are also paid incentives if the performance targets of their respective business units are achieved. These performance targets are set at the beginning of the financial year. In setting the performance targets, due regard is given to the financial and commercial health and the business needs of the Group. Executive Directors do not receive directors' fees.

The Group has also entered into letters of employment with all of the key management personnel. Their compensation consists of a salary, bonus and performance awards dependent on the Group's performance.

The Company does not have any long-term incentive schemes in place involving the offer of shares or the grant of options. In evaluating long-term incentives, the RC considers the costs and benefits of such schemes.

Non-Executive Directors are remunerated under a framework of fixed fees for serving on the Board and Board Committees, taking into account factors such as their effort, time spent and responsibilities. Fees for Non-Executive Directors are subject to shareholders' approval at the Company's annual general meetings.

In setting remuneration packages, the Company considers the remuneration and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of the individuals concerned.

The Company does not implement the use of contractual provisions to allow the Company to reclaim or clawback performance bonuses paid in prior years in relation to its Executive Directors and key management personnel as it is of the view that such provisions, which are punitive in nature, would not enhance their performance. Moreover, they owe fiduciary duties to the Company, and the Company should be able to avail itself of remedies against the Executive Directors in the event of a breach of fiduciary duties. In any event, the respective letters of employment give the Company the right to pursue appropriate action against Executive Directors and key management personnel for violation of Company policies and other fraudulent acts.

Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1 and Provision 8.3

Given the highly competitive environment the Company is operating in and the confidentiality attached to remuneration matters, the Company believes that fully disclosing the remuneration of each Director and the CEO would be prejudicial to its business interests and may create an unhealthy corporate culture whereby employees focus more on individual compensation rather than the Company's broader goals. The Company has instead disclosed the remuneration of each Director and the CEO in bands of S\$250,000 in the first table below.

The Company has also disclosed the remuneration of each key management personnel in bands of S\$250,000 in the second table below. The Group's key management personnel are persons who are not Directors, the CEO or Executive Officers.

CORPORATE GOVERNANCE REPORT

A breakdown of the remuneration of each Director and the CEO for FY2023 is set out below:

Directors' and CEO's Remuneration				
Name	Salary (%)	Bonus (%)	Directors' Fees (%)	Total (%)
Below S\$250,000				
Sugiono Wiyono Sugialam	100	-	-	100
Soennerstedt Carl Johan Pontus	100	-	-	100
Masahiko Yabuki	-	-	100	100
Diana Airin	-	-	100	100
Wong Leng Yee, Serena ⁽¹⁾	-	-	100	100

Note:

(1) Ms Wong Leng Yee, Serena resigned as Independent Non-Executive Director of the Company on 29 February 2024.

- Salary comprises basic salary, payment for leave not taken, annual wage supplement and the Company's contribution towards the Singapore Central Provident Fund ("**CPF**") where applicable.
- Variable bonus is paid based on the Company's and the individual's performance.

The aggregate remuneration paid to the Directors and the CEO for FY2023 was approximately S\$492,000.

Proposed directors' fees of up to S\$100,000 to be paid to the Directors for the financial year ending 31 December 2024 will be put up for shareholders' approval at the forthcoming AGM (FY2023: S\$75,000).

Given the size and nature of the Group's business, the Group had identified two (2) key management personnel (each of whom is not a Director, the CEO or an Executive Officer of the Company) in FY2023.

A breakdown of the remuneration of each of the Group's key management personnel for FY2023 is set out below:

Name of Key Management Personnel	Designation	Breakdown of Remuneration in Percentage				Total Remuneration in Compensation Bands of S\$200,000
		Salary	Bonus	Other Benefits	Total	
Dian Stefani Sugialam ⁽¹⁾	Co-Head of Operations	100%	-	-	100%	<S\$200,000
Rusran	Co-Head of Operations					

Note:

(1) Ms Dian Stefani Sugialam is the daughter of Mr Sugiono Wiyono Sugialam, an Executive Director and the Executive Chairman of the Board of the Company. Mr Sugiono is also a substantial shareholder of the Company.

- Salary comprises basic salary, payment for leave not taken, annual wage supplement and the Company's contribution towards the Singapore Central Provident Fund ("**CPF**") where applicable.
- Variable bonus is paid based on the Company's and the individual's performance.
- Other benefits include transport and other allowances.

The aggregate remuneration paid to the two (2) key management personnel for FY2023 was approximately S\$140,000.

Provision 8.2

In FY2023, the Group did not have any employees who are substantial shareholders of the Company or are immediate family members (defined in the Catalyst Rules as the spouse, child, adopted child, step-child, sibling or parent) of a Director, the CEO or a substantial shareholder of the Company, and whose annual remuneration exceeded S\$100,000 during the year.

CORPORATE GOVERNANCE REPORT

There were no termination, retirement and/or post-employment benefits granted to the Directors, the CEO and/or key management personnel of the Company for FY2023.

There is presently no share scheme or share option scheme on unissued shares of the Company or its subsidiaries.

The Board is of the opinion that disclosing specific details on the performance conditions used to determine the Directors' remuneration would be unfavourable to the Company's business interests as it may adversely affect talent attraction and retention due to competitive pressures in the talent market. The RC is nonetheless satisfied that all performance conditions used to determine the Directors' remuneration have been met.

(C) ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls to safeguard the interests of the company and its shareholders.

Provision 9.1

The Board, with the assistance of the ARMC, is responsible for the governance of risk by ensuring the adequacy and effectiveness of the Group's system of risk management and internal controls to safeguard shareholders' interests and the Group's assets.

The ARMC monitors and assists the Board in determining the nature and extent of the significant risks that the Company is willing to take to achieve its strategic objectives and value creation.

The details on the ARMC can be found on pages 22 to 24 of the Annual Report.

The Board, assisted by the ARMC, will:

- a. ensure that the Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets;
- b. determine the nature and extent of the significant risks and the level of risk tolerance, which the Board is willing to take in achieving its strategic objectives;
- c. provide oversight in the design, implementation and monitoring of the risk management framework and system of internal controls (including financial, operational, compliance and information technology controls), including ensuring that Management puts in place action plans to mitigate the risks identified where possible;
- d. review the adequacy and effectiveness of the risk management and internal controls systems annually; and
- e. set and instil the appropriate risk-awareness culture throughout the Company for effective risk governance.

Provision 9.2

The Company's internal auditor reviews the effectiveness of the Company's material internal controls, including financial, operational, compliance and information technology controls and risk management systems, at least annually to ensure that they are adequate. The findings of the review conducted by the internal auditor and of the review undertaken by the external auditor as part of their statutory audit are presented to the ARMC. Any instances of material non-compliance or failures in the internal controls and risk management systems and recommendations for improvements are reported to the ARMC. The ARMC also reviews the effectiveness of the remedial or follow-up actions taken by the Management based on the recommendations made by the internal auditor and/or external auditor in this respect.

The Board recognises that it is responsible for developing and establishing a sound and adequate system of risk management and internal controls to safeguard shareholders' investments and the Group's businesses and assets, while Management is responsible for implementing the internal control procedures in a timely and appropriate manner. The role of the internal auditor is to assist the

CORPORATE GOVERNANCE REPORT

ARMC in ensuring that the internal controls are effective and functioning as intended, to undertake investigations as directed by the ARMC, and to conduct regular in-depth audits of high-risk areas.

The Board notes that the system of risk management and internal controls implemented by the Management provides reasonable but not absolute assurance that the Group will not be significantly affected by any reasonably foreseeable event which may arise. However, the Board also notes that no system of risk management and internal controls can provide absolute assurance in this regard or absolute assurance against poor judgment in decision-making, human error, losses, fraud or other irregularities.

The Board has received written assurance from the CEO and the interim head of finance, Ms Tessy Natasha Mizutani, who is engaged on a contract basis (the "**Consultant**"), that:

- (i) the financial records have been properly maintained, and the financial statements for FY2023 give a true and fair view in all material respects of the Company's operations and finances; and
- (ii) the Group's risk management and internal control systems are adequate and operate effectively in all material respects given the Group's current business operations.

Based on the risk management processes and policy framework as well as the internal controls system established and maintained by the Group, reviews performed by the various Board Committees and key management personnel, work performed by the external auditor and internal auditor, and the assurance from the CEO and the Consultant as abovementioned, the Board, with the concurrence of the ARMC, is of the opinion that the Group's internal controls and risk management systems are adequate and effective in addressing the financial, operational, compliance and information technology risks of the Group as at 31 December 2023.

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

Provision 10.2

The ARMC is regulated by a set of written terms of reference and comprises four (4) members, all of whom are Independent Non-Executive Directors. Other directors are invited to attend ARMC meetings as and when appropriate. The members of the ARMC are as follows:

1. Tay Boon Zhuan (Chairman, Independent Non-Executive Director)
2. Masahiko Yabuki (Member, Independent Non-Executive Director)
3. Diana Airin (Member, Independent Non-Executive Director)
4. Chong Eng Wee (Member, Independent Non-Executive Director)

With effect from 30 April 2024 (after the conclusion of the AGM), the ARMC will be reconstituted and comprise three (3) Directors, all of whom are Independent Non-Executive Directors. The members of the ARMC will be as follows:

1. Tay Boon Zhuan (Chairman, Independent Non-Executive Director)
2. Diana Airin (Member, Independent Non-Executive Director)
3. Chong Eng Wee (Member, Independent Non-Executive Director)

The Board considers that Mr Tay, who has extensive and practical accounting and auditing knowledge and experience, is well qualified to chair the ARMC. The ARMC members collectively have financial management expertise or experience and are qualified to discharge the ARMC's responsibilities objectively.

Provision 10.3

None of the members of the ARMC (i) is a former partner or director of the Company's existing auditing firm or auditing corporation within the previous two (2) years and (ii) holds any financial interest in the auditing firm or auditing corporation.

CORPORATE GOVERNANCE REPORT

Provision 10.1

The ARMC has full access to and the full cooperation of Management. It also has the discretion to invite any Director or Executive Officer to attend its meetings. The ARMC also has the power to conduct or authorise investigations into any matters within its terms of reference.

The ARMC meets periodically to perform the following functions:

- a. review the audit plans of the external auditor of the Company;
- b. review the external auditor's evaluation of the adequacy of the Company's system of internal accounting controls, their letter to Management and Management's response;
- c. review the interim and annual financial statements, balance sheet and profit and loss accounts before submission to the Board for approval, focusing particularly on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, and compliance with applicable accounting standards, the Catalist Rules and any other relevant statutory or regulatory requirements;
- d. review the assurances from the CEO and the Consultant on the financial records and financial statements;
- e. review the Group's internal control procedures and the adequacy thereof;
- f. ensure coordination between the external auditor and Management, review the assistance given by Management to the auditors, and discuss any problems and concerns arising from the interim and final audits and any other matters that the auditors may wish to discuss (in the absence of Management, where necessary);
- g. review and discuss with the external auditor any instance of suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and Management's response;
- h. review the cost-effectiveness, independence and objectivity of the external auditor;
- i. recommend to the Board the external auditor to be nominated, approve the compensation of the external auditor, and review the scope and results of the audit;
- j. review interested person transactions (if any) falling within the scope of Chapter 9 of the Catalist Rules;
- k. review potential conflicts of interest, if any;
- l. undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and requiring the attention of the ARMC;
- m. undertake generally such other functions and duties as may be required by applicable legislation, regulations or the Catalist Rules or by such amendments as may be made thereto from time to time;
- n. meet with the external auditor, Management, and any other person(s) considered appropriate in separate executive sessions to discuss any matters which the ARMC believes should be discussed privately, and establish a practice to meet with the external auditor without the presence of Management at least once annually;
- o. review the nature and extent of all non-audit services provided by the Group's external auditor, if any, and determine if such services would affect the independence of the external auditor;
- p. review and report to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls;
- q. review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- r. make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditor, and approve the remuneration and terms of engagement of the external auditor; and
- s. review the effectiveness, independence, scope and results of the external audit and the Company's internal audit function.

Apart from the duties listed above, the ARMC is also given the task of commissioning investigations where there is suspected fraud, irregularity, failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Company's operating results or financial position and to review the findings from such investigations. The ARMC has full access to, and the cooperation of, Management and the full discretion to invite any Director or Executive Officer to attend its meetings. The ARMC has reasonable resources to enable it to discharge its functions properly.

The external auditor has unrestricted access to the ARMC.

CORPORATE GOVERNANCE REPORT

The ARMC is responsible for reviewing the audit reports from the internal and external auditors and assisting the Board in overseeing the formulation, updating, and maintenance of an adequate and effective risk management system and internal controls.

The ARMC makes recommendations to the Board on proposals to shareholders in relation to the appointment, re-appointment and removal of the external auditor and approves the remuneration of the external auditor.

The ARMC is kept updated from time to time, and at least annually, on any changes to the accounting and financial reporting standards through training conducted by external professionals or the external auditor. The ARMC will discuss such changes, if any, with Management and the external auditor to assess their impact on the financial statements.

In the review of the financial statements for FY2023, the ARMC discussed with the Management and the external auditor at the 28 February 2024 ARMC meeting the significant issues and assumptions that had an impact on the financial statements. The ARMC concluded that the Group's accounting treatment and estimates in respect of each of the significant issues and assumptions were appropriate. The key audit matters, which are included in the Independent Auditor's Report for FY2023, were discussed with the Management and the Company's external auditor, Moore Stephens LLP (the "**External Auditor**"), and were reviewed by the ARMC, save for Mr Chong Eng Wee and Mr Tay Boon Zhuan, who were appointed as Independent and Non-Executive Directors on 15 March 2024.

Provision 10.5

The ARMC will meet with the external auditor and with the internal auditor, in each case without the presence of Management, as and when necessary and at least annually, to review the adequacy of the audit arrangements, with an emphasis on the scope and quality of their audit as well as the independence, objectivity and observations of the external auditor.

In FY2023, the ARMC met with the External Auditor once in the absence of Management.

External Auditor

Moore Stephens LLP audits the Company and its Singapore-based subsidiaries. The ARMC has conducted an annual review of the performance of the External Auditor and has, in doing so, taken into consideration the Audit Quality Indicators Disclosure Framework recommended by the ACRA as a reference.

The Group's subsidiary based in Indonesia, being PT Mastro Luxe Indonesia, was audited by Gideon Adi & Rekan. Certain of the Group's foreign subsidiaries, namely, Mastro Luxe Philippines Inc. (formerly known as Connetic-Enterprises Inc., based in the Philippines), Mastro Luxe Korea Co., Ltd (formerly known as Marque Luxury Korea Co., Ltd., based in South Korea), Mastro Luxe (South Africa) Pty Ltd (based in South Africa), PT Polaris Orbit Indonesia (based in Indonesia) and IX Terra Pte. Ltd. (based in Singapore), were audited or reviewed by the Company's External Auditor, Moore Stephens LLP for group consolidation purposes.

The ARMC undertook a review of the independence and objectivity of the External Auditor through discussions with the External Auditor and is satisfied that Moore Stephens LLP has demonstrated the appropriate qualifications and expertise and is independent of the Company. The aggregate amount of fees paid/payable to the external auditors for audit services rendered for the audit of the financial statements of the Group for FY2023 amounted to S\$187,000. There were no non-audit services rendered in FY2023.

The ARMC, having reviewed the scope and value of the audit services provided, is satisfied that the independence of the External Auditors has not been prejudiced and has recommended the re-appointment of Moore Stephens LLP as the Company's External Auditors at the forthcoming AGM. In appointing the audit firms for the Group, the Board and the ARMC are satisfied and confirm that the Group has complied with Rule 712 and Rule 715 of the Catalist Rules.

CORPORATE GOVERNANCE REPORT

Provision 10.4

Internal Audit

Currently, the Group has outsourced its internal audit function to In.Corp Business Advisory Pte. Ltd. (formerly known as Ardent Business Advisory Pte. Ltd.) (the "**IA**" or "**In.Corp**") which reports directly to the ARMC. The IA has an administrative reporting function to Management where the planning, coordination, management and implementation of the internal audit work cycle are concerned. The work undertaken by the IA is carried out in accordance with the standards set by internationally recognised professional bodies, including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The IA will report their audit findings and recommendations directly to the ARMC. The IA has unfettered access to all of the Group's documents, records, properties and personnel, including the ARMC.

In.Corp was established in 2008 by a team of qualified Chartered Accountants of Singapore. Their scope of services covers audit, tax, accounting, business advisory, outsourcing, corporate recovery, risk and governance, company incorporation, and IT infrastructure and solutions. In.Corp is also a member of Kreston International, a global network of independent accounting firms.

In.Corp's engagement team is headed by a director, Ms Ruby Rouben, who has over 15 years of experience in audit and advisory services. She leads the Risk Assurance practice at In.Corp and has extensive experience in a broad range of assurance and advisory services, including corporate governance, enterprise risk management, internal audit, and sustainability reporting. Prior to In.Corp, she has been involved in internal and external audits and started her career in one of the big four auditing firms. She is a Chartered Accountant, Certified Internal Auditor, and a member of the Institute of Singapore Chartered Accountants ("**ISCA**"), the Institute of Internal Auditors Singapore ("**IIA**") and the Information Systems Audit and Control Association ("**ISACA**"). The second engagement team member is a Senior Manager in the Risk Assurance practice at In.Corp. She has 8 years of experience in the audit profession and has been involved in various internal audits of publicly listed companies, government ministries, statutory boards, and private sector organisations. She is a Certified Internal Auditor and a member of IIA. The team is accordingly made up of qualified and experienced professionals and adheres to the International Professional Practices Framework issued by the IIA.

In FY2023, the ARMC met with the IA once in the absence of Management.

For FY2023, the ARMC has reviewed and approved the internal audit plan and the scope of the audit, the IA's reports, and the follow-up actions proposed and implemented by the Management, and has noted that the necessary cooperation required from the Management has been provided to enable the IA to perform its function effectively. In addition, the experience of the IA (including its assigned engagement personnel) has been reviewed, and the ARMC is satisfied that the IA is adequately qualified (given, *inter alia*, its adherence to standards set by internationally recognised professional bodies) and resourced, and has the appropriate standing in the Company to discharge its duties effectively and independently. As such, the ARMC is of the view that the internal audit function of the Company is independent, effective and adequately resourced for FY2023.

The IA has prepared and submitted the internal audit report (the "**IA Report**") to the ARMC. The IA Report covers an internal audit of the Company's revenue and receipts cycles. The IA has confirmed to the ARMC that (i) following the internal audit conducted by the IA in connection with the IA Report; and (ii) save for certain areas of improvement which have been highlighted to the Company in the IA Report and which have been duly noted and addressed by Management, the IA did not identify any significant deficiencies in the Company's system of internal controls and measures, and the IA has assessed the foregoing to be acceptable.

Based on the internal audit reports and management controls in place, the ARMC is of the opinion that the internal control systems (including financial, operational, compliance and information technology controls) provide reasonable assurance that the Group's assets are safeguarded, proper accounting records are maintained, and financial statements are reliable. In the course of their statutory audit, the Company's External Auditor will highlight any material internal control weaknesses which have come to their attention in carrying out their audit, which is designed primarily to enable them to express their opinion on the financial statements. Any material internal control weaknesses noted during the audit and any corresponding recommendations are reported by the External Auditor to the ARMC.

The ARMC recognises its responsibility of establishing and maintaining, on an ongoing basis, an effective internal audit function that is adequately resourced and independent of the activities it audits.

CORPORATE GOVERNANCE REPORT

Whistle-Blowing Policy

The Company has put in place a whistle-blowing process and has implemented a whistle-blowing policy for the Group. Details of the whistle-blowing policy and arrangements have been made available to all employees in the Polaris Employee Handbook as well as via internal emails and bulletin boards. The policy serves to encourage and provide a channel for staff to report, in good faith and without fear of reprisals, concerns about possible improprieties in financial reporting, bullying behaviour, and other matters of the Group. Any concerns or feedback can be reported to the Chairman of the ARMC. Feedback will then be forwarded to the Executive Chairman and the members of the ARMC, who will assess whether action or review is required.

The Group's whistle-blowing policy has a well-defined process that ensures that issues or concerns raised are independently investigated and appropriate follow-up action is taken. Whistle-blowers may reach out to the ARMC via email at whistleblow@wearepolaris.com. The ARMC will assess whether action or review is required and is responsible for investigating and coordinating corrective action. All information received will be treated confidentially, and the identity and interests of all whistle-blowers will be protected. Anonymous disclosures will be accepted, and requests for anonymity will be honoured.

The Company will not retaliate against a whistle-blower and seeks to ensure that the whistle-blower is protected from retaliation in its various forms, including but not limited to adverse employment actions (such as termination, a decrease in compensation, or poor work assignments) and threats of physical harm. Any whistle-blower who believes he/she is being retaliated against can contact the ARMC immediately.

No whistle-blowing letter or complaint was received in FY2023.

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder rights and conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1

The Company does not practice selective disclosure. In line with the continuous disclosure obligations of the Company under the Catalist Rules and the Companies Act, the Board's policy is that all shareholders should be informed, equally and on a timely basis, of all major developments that impact the Group via the Singapore Exchange Network (the "SGXNET").

Accountability to shareholders is demonstrated through the presentation of the Group's unaudited financial statements announcements, audited financial statements in annual reports, sustainability reports, and all announcements on the Group's businesses and operations. In presenting the Group's financial results to shareholders, the Board aims to provide shareholders with a balanced and understandable assessment of the Company's performance, position and prospects.

The Board views the annual general meeting as the principal forum for dialogue with shareholders. Shareholders are informed of the rules, including voting procedures, that govern general meetings of shareholders.

All resolutions at the Company's general meetings are put to vote by way of a poll. All votes cast, for or against, and the respective percentages, in respect of each resolution are tallied and disclosed at the meeting, and an announcement with the detailed results showing the numbers of votes cast for and against for each resolution and the respective percentage will be released via SGXNET after the general meetings.

Provision 11.2

Resolutions to be passed at general meetings are always separate and distinct in terms of issues. The Company ensures that sufficient explanations for all resolutions are included in the notice of the annual general meeting. Separate resolutions on each distinct issue

CORPORATE GOVERNANCE REPORT

are tabled at general meetings. "Bundling" of resolutions is kept to a minimum and executed only where the resolutions are interdependent to form one significant proposal. If there is a bundled resolution, the Company will explain and clarify in an explanatory note appended to the notice of meeting the reason(s) for the bundled resolution and its implication(s) for shareholders when they vote on the bundled resolution.

Provision 11.3

In general meetings, shareholders are given the opportunity to communicate their views and direct questions pertaining to the proposed resolutions and/or ask the Directors or the Management questions regarding the Company and its operations. The Chairman of the Board and the respective Chairmen of the ARMC, NC and RC are normally present and available to address questions from shareholders at general meetings. The external auditor is also present to address shareholders' queries on the conduct of the audit and the preparation and content of the Independent Auditors' Report.

All Directors attended the annual general meeting for FY2022 held on 28 April 2023.

Provision 11.4

A shareholder who is not a "relevant intermediary" may appoint up to two (2) proxies during his absence to attend, speak and vote on his behalf at general meetings. Shareholders who are "relevant intermediaries", such as banks, capital markets services licence holders which provide custodial services for securities and the CPF Board, are allowed to appoint more than two (2) proxies to attend, speak and vote at general meetings, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. This will enable indirect investors, including CPF investors, to be appointed as proxies to participate in shareholders' meetings.

The Company's Constitution does not expressly allow for other methods of voting in absentia at general meetings of shareholders, such as voting via mail, email, or fax.

Provision 11.5

Minutes of general meetings, which include key comments and queries from shareholders relating to the agenda of the meetings, and responses from the Board and Management will be published on SGXNET and the Company's website within one (1) month of the relevant meeting.

Provision 11.6

The Group does not have a formal dividend policy at present. The form, frequency and amount of dividends declared each year, if any, will take into consideration the Group's profit, cash position, positive cash flow generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate. No dividends were declared or recommended for FY2023, as the Group does not have profits available for the declaration of a dividend. The Board continues to monitor the Company's financial position and will propose dividends at the appropriate time in the best interest of the shareholders.

Engagement with Shareholders

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provision 12.1, Provision 12.2 and Provision 12.3

The Board welcomes the views of shareholders on matters affecting the Group, whether at the general meetings of shareholders or on an ad-hoc basis. At general meetings, shareholders will be given the opportunity to express their views and ask Directors or the Management questions regarding the Group.

CORPORATE GOVERNANCE REPORT

Shareholders are informed of general meetings through announcements released via the SGXNET. Additionally, annual reports are prepared and issued to all shareholders within the required period. Notices of general meetings are advertised in a newspaper in Singapore and via SGXNET. The annual general meeting is held within four (4) months after the close of the financial year, other than on occasions where approval for an extension of time is sought from the relevant authorities.

Shareholders are encouraged to attend the Company's general meetings to ensure a high level of accountability and to stay informed of the Group's strategies and growth plans. Notice of the general meeting is issued to shareholders, together with explanatory notes and, if applicable, a circular on items of special business (if necessary), providing at least 14 or 21 days' notice in writing as the case may be (exclusive both of the day on which the notice is served or deemed to be served and of the day for the holding of the meeting). The Board welcomes questions from shareholders who wish to raise issues or concerns, whether informally or formally, before or during general meetings.

The Company's forthcoming AGM will be held on 30 April 2024, notice of which is set out on pages 122 to 126 of this Annual Report.

Each item of special business included in the notice of the general meeting will be accompanied by an explanation of the effects of the proposed resolution. Separate resolutions are proposed for each substantially separate issue at general meetings.

The Company does not practice selective disclosure. Price-sensitive information is publicly released through the SGXNET before the Company meets with investors or analysts. In line with the Company's continuous disclosure obligations pursuant to the Catalyst Rules and the Companies Act, the Board's policy is that all shareholders should be equally and promptly informed of all major developments that will impact the Company or the Group. Information is communicated to shareholders on a timely basis through the SGXNET and/or the press. Where inadvertent disclosure is made to a selected group, the Company will make the same disclosure publicly via SGXNET as soon as practicable.

Shareholders can access financial information, corporate announcements, press releases, annual reports (including sustainability reports) and the profile of the Group via the Company's website at <http://www.wearepolaris.sg>. The website also contains a dedicated section on "Investor Relations" to further enhance communication with investors and other stakeholders. It also sets out an email address through which shareholders may contact the Company with questions and through which the Company may respond to such questions.

The Company currently does not have an investor relations policy but considers advice from its continuing sponsor, legal counsel, and other professionals regarding the appropriate disclosure requirements before announcing material information via SGXNET. Notwithstanding that the Company does not have a dedicated investor relations team or investor relations policy, Mr Pontus, the CEO of the Company, is responsible for the Company's communication with shareholders. Shareholders and investors who have questions may reach out to Mr Pontus at ir@wearepolaris.com. The said email address is also available on the Company's corporate website. The Company will consider the appointment of a professional investor relations officer to manage the function should the need arise.

(E) MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provision 13.1

The Company has a materiality assessment process to identify the key stakeholders who have a direct influence on the Group's business and operations. Key stakeholders include, without limitation, customers, employees, shareholders and investors, suppliers, business partners, government bodies and regulators. The Company continuously seeks to improve communication with its stakeholders via various engagement platforms and communication channels.

CORPORATE GOVERNANCE REPORT

Provision 13.2

Key concerns of stakeholders and the Company's strategies in relation to the management of stakeholder relationships are reported on in the Company's Sustainability Report for the financial year ended 31 December 2023 (the "**Sustainability Report 2023**").

The Company will publish its standalone Sustainability Report 2023 no later than 30 April 2024, and the same will be uploaded on the Company's website as well as on SGXNET.

In defining the Company's sustainability reporting content, the Company will apply the principles of the Global Reporting Initiative (GRI) by considering the Group's activities, impact and substantive expectations and interests of its stakeholders. The Company observes principles of materiality, stakeholder inclusiveness, sustainability index and completeness, as well as considers the principles of balance, comparability, accuracy, timeliness, clarity and reliability.

IA conducted an internal control review of the sustainability reporting process during the FY2022 for the Company, with a primary focus on the data and information collection procedures.

The Group is currently not materially exposed to climate-related risks or opportunities due to the nature of its business, and we will monitor any emerging climate-related risks or opportunities as the Group's business evolves. We are currently in the process of implementing mandatory climate reporting based on the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**"). We will report on our progress and align our disclosure with the TCFD recommendations for our sustainability report per the timeline prescribed by SGX-ST.

Provision 13.3

Stakeholders can also access the Sustainability Report 2023 and other relevant information such as financial information, corporate announcements, annual reports and the profile of the Group via the Company's website at <http://www.wearepolaris.sg>.

(F) DEALINGS IN THE COMPANY'S SECURITIES

Pursuant to Rule 1204(19) of the Catalist Rules, the Company has adopted internal practices in relation to dealings in the Company's securities that are applicable to all its officers. The Company and its officers are not allowed to deal in the Company's securities on short-term considerations and in circumstances where they are in possession of unpublished price-sensitive information of the Group. Moreover, the Company and its officers are not allowed to deal in the Company's securities during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one (1) month before the announcement of the Company's full-year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or one (1) month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements).

Directors and officers are required to observe the insider trading provisions under the Securities and Futures Act 2001 of Singapore at all times, even when dealing with the Company's securities within the permitted trading periods.

The Directors of the Company are required to report all dealings in the Company's securities to the Company Secretary.

CORPORATE **GOVERNANCE REPORT**

(G) INTERESTED PERSON TRANSACTIONS

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the ARMC and that such transactions are carried out on normal commercial terms and would not be prejudicial to the interests of the Company and its minority shareholders.

There were no interested person transactions during FY2023 requiring disclosure pursuant to the Catalist Rules.

The Company does not have any existing general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Catalist Rules.

(H) MATERIAL CONTRACTS

Save for (i) the service agreement entered into between Mr Soennerstedt Carl Johan Pontus (Executive Director and CEO) and the Company and (ii) the service agreement entered into between Mr Sugiono Wiyono Sugialam (Executive Director and Chairman) and the Company, both of which are still subsisting as at the end of FY2023, there were no material contracts entered into by the Company and/or its subsidiaries involving the interests of the CEO, a director or controlling shareholder, which were either still subsisting at the end of FY2023 or if not then subsisting, entered into since the end of the previous financial year.

(I) USE OF PROCEEDS

There were no outstanding proceeds raised from IPO or any offerings pursuant to Chapter 8 of the Catalist Rules at the end of FY2023, and no such proceeds have been raised since the end of the previous financial year.

(J) NON-SPONSOR FEES

The Company's former sponsor, Stamford Corporate Services Pte. Ltd., and the current Sponsor, Evolve Capital Advisory Private Limited, have not rendered any non-sponsorship services to the Company for FY2023. Accordingly, no non-sponsor fees were paid to the Sponsor for FY2023.

CORPORATE GOVERNANCE REPORT

APPENDIX 7F TO THE CATALIST RULES: ADDITIONAL INFORMATION REQUIRED PURSUANT TO RULE 720(5) IN RELATION TO A DIRECTOR SEEKING RE-ELECTION

The following additional information on the Retiring Directors who are seeking re-election as Directors at the forthcoming AGM is to be read in conjunction with their profiles in this Annual Report.

Name of Person	Diana Airin	Tay Boon Zhuan	Chong Eng Wee
Date of last announced disclosure pursuant to Appendix 7F to the Catalist Rules (" Previous Announcement ")	7 June 2022	15 March 2024	15 March 2024
Any changes to the disclosure required pursuant to Appendix 7F to the Catalist Rules since the Previous Announcement	Yes	No	No
<i>Changes to the Previous Announcement, if applicable</i>			
Date of Appointment	8 April 2020	15 March 2024	15 March 2024
Date of Last Re-Appointment	29 June 2022	Not applicable	Not applicable
Age	51	43	44
Country of principal residence	Indonesia	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Ms Airin as Independent Non-Executive Director of the Company was recommended by the NC, and the Board has accepted the recommendation after an assessment of her performance, past experiences and overall contributions since his appointment as a Director of the Company.	The re-election of Mr Tay as Independent Non-Executive Director of the Company was recommended by the NC, and the Board has accepted the recommendation after an assessment of his performance, past experiences and overall contributions since his appointment as a Director of the Company.	The re-election of Mr Chong as Independent Non-Executive Director of the Company was recommended by the NC, and the Board has accepted the recommendation, after an assessment of his performance, past experiences and overall contributions since his appointment as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director Chairman of the RC, member of the ARMC and NC	Independent Non-Executive Director Chairman of the ARMC, member of the NC and RC	Independent Non-Executive Director Chairman of the NC, member of the ARMC and RC
Academic qualifications	Bachelor in Economics from University Tarumanagara	Bachelor of Accountancy, Nanyang Technological University Chartered Accountant of Singapore, Institute of Singapore Chartered Accountants	Admitted as Advocate & Solicitor of Supreme Court of Singapore Admitted as Solicitor of the High Court of Hong Kong Admitted as Barrister & Solicitor of High Court of New Zealand Admitted as lawyer of the Supreme Court of New South Wales, Australia Postgraduate Practical Course in Law, Board of Legal Education, Singapore Graduate Diploma in Singapore Law, National University of Singapore Certificate for Professional Legal Studies course (New Zealand), Institution of Professional Legal Studies Bachelor of Laws, Victoria University of Wellington

CORPORATE GOVERNANCE REPORT

Working experience and occupation(s) during the past 10 years		<p>June 2020 - Jan 2024 Senior Director (Finance), Geniebook Group</p> <p>Aug 2018 - June 2020 Chief Financial Officer, Intraco Limited</p> <p>Dec 2017 - Aug 2018 Chief Financial Officer, Heatec Jietong Holdings</p> <p>Sep 2015 - Dec 2017 Head of Internal Audit, China Yuchai International Limited</p> <p>Feb 2014 - Mar 2015 Director (Business Advisory), SBA Stone Forest Shanghai</p>	<p>Lucky Sesa Pte Ltd- Director (February 2024- Present)</p> <p>Coronet Ventures (Singapore) Pte. Ltd. - Director (May 2023 - Present)</p> <p>Chevalier CS Pte. Ltd. - Director (April 2022 - Present)</p> <p>Nixon Peabody CWL - Partner (July 2023 - Present)</p> <p>Chevalier Law LLC - Managing Director (August 2021- Present)</p> <p>Nixon Peabody CWL - Consultant (December 2021 - June 2023)</p> <p>Kennedys Legal Solutions Pte. Ltd. - Partner & Head of Corporate (October 2017 - July 2021)</p> <p>RHTLaw Taylor Wessing LLP - Partner & Deputy Head, Capital Markets & International China Practice (July 2015 - October 2017)</p> <p>Duane Morris & Selvam LLP - Associate Director & Representative of Shanghai Representative Office (April 2011 - June 2015)</p>
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive director, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No	No
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
	<p>* "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8)</p>		
Past (for the last 5 years)	<ul style="list-style-type: none"> - PT Banten Media Global Televisi (MYTV), Managing Director - PT Kapanlagi Network (Kapanlagi.com), Chief Commercial Officer, Sales Director 	<ul style="list-style-type: none"> August 2018 to June 2020 - K.A. Vermiculite Spray Sdn Bhd - Tat Hong Intraco Heavy Equipment Co Ltd - Intraco International (Shanghai) Co Ltd 	<ol style="list-style-type: none"> 1. Non-Executive and Lead Independent Director, GS Holdings Limited (January 2019 - June 2023) 2. Consultant, Nixon Peabody CWL

CORPORATE GOVERNANCE REPORT

	<ul style="list-style-type: none"> - PT Media Nusantara Citra Tbk, Director - Sambalauku, Founder 	<ul style="list-style-type: none"> - K.A. Fabric Shutters Pte Ltd - K.A. Firelite Pte Ltd - K.A. Group Holdings Pte Ltd - K.A. Fireproofing Pte Ltd - Intraco International Pte Ltd - K.A. Building Construction Pte Ltd - Intraco Foods Pte. Ltd. - Tat Hong Intraco Pte Ltd 	<p>(December 2021 - June 2023)</p> <ol style="list-style-type: none"> 3. Non-Executive and Independent Director, KTL Global Limited (August 2019 - March 2022) 4. Non-Executive and Independent Director, CW Group Holdings Limited (November 2018 - June 2019)
Present	<p>PT Konsultan Strategi Penjualan (Wisdom Crowd), Chief Executive Officer and Founder</p> <p>PT. Dream Bahagia Indonesia, President</p> <p>Director</p>	<p>Sen Yue Holdings Limited</p> <p>Sincap Group Limited</p>	<ol style="list-style-type: none"> 1. Managing Director, Chevalier Law LLC 2. Partner, Nixon Peabody CWL 3. Non-Executive and Independent Director, AJJ Medtech Holdings Limited 4. Non-Executive and Lead Independent Director, Heatec Jietong Holdings Limited 5. Lead Independent Director, Willas-Array Electronics (Holdings) Limited 6. Non-Executive and Independent Director, China Yuanbang Property Holdings Limited
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No

CORPORATE GOVERNANCE REPORT

(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No

CORPORATE GOVERNANCE REPORT

<p>(j) Whether he has ever, to his knowledge, been concerned with the management of conduct, in Singapore or elsewhere, of the affairs of:-</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p> <p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,</p> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No	No
<p>(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	No	No	No
<i>Any prior experience as a director of a listed company?</i>			
<p>If yes, please provide details of prior experience.</p> <p>If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.</p> <p>Please provide details of relevant experience and the Nominating Committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).</p>	<p>Not applicable.</p> <p>Ms Airin is nominated for re-election to the Board.</p>	<p>Not applicable.</p> <p>Mr Tay is nominated for re-election to the Board.</p>	<p>Not applicable.</p> <p>Mr Chong is nominated for re-election to the Board.</p>

DIRECTORS' STATEMENT

For the Financial Year ended 31 December 2023

The directors present their statement to the members together with the audited consolidated financial statements of Polaris Ltd. (the "**Company**") and its subsidiaries (collectively the "**Group**") for the financial year ended 31 December 2023 and the statement of financial position of the Company as at 31 December 2023.

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1 Directors

The directors of the Company in office at the date of this statement are:

Sugiono Wiyono Sugialam	<i>(Executive Director & Executive Chairman)</i>
Soennerstedt Carl Johan Pontus	<i>(Executive Director & Chief Executive Officer)</i>
Masahiko Yabuki	<i>(Independent Non-Executive Director)</i>
Diana Airin	<i>(Independent Non-Executive Director)</i>
Chong Eng Wee	<i>(Independent Non-Executive Director)</i> <i>(Appointed on 15 March 2024)</i>
Tay Boon Zhuan	<i>(Independent Non-Executive Director)</i> <i>(Appointed on 15 March 2024)</i>

2 Arrangements to Enable Directors to Acquire Shares or Debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the 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.

DIRECTORS' STATEMENT

For the Financial Year ended 31 December 2023

3 Directors' Interests in Shares or Debentures

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act 1967, the directors of the Company who held office at the end of the financial year ("FY") had no interests in the shares or debentures of the Company and its related corporations except as stated below.

<u>Name of director(s)</u>	<u>Direct interest</u>		<u>Deemed interest</u>	
	At the beginning of FY	At the end of FY	At the beginning of FY	At the end of FY
	<i>No. of ordinary shares '000</i>		<i>No. of ordinary shares '000</i>	
<u>Polaris Ltd.</u>				
Sugiono Wiyono Sugialam	326,004	326,004	10,469,189	10,469,189

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2024.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares or debentures of the Company and its related corporations, either at the beginning of the financial year or at the end of the financial year.

4 Share Options

There were no share options granted during the financial year to subscribe for unissued shares of the Company and/or its subsidiaries.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company and/or its subsidiaries.

There were no unissued shares of the Company and/or its subsidiaries under option at the end of the financial year.

5 Audit and Risk Management Committee

The Audit and Risk Management Committee ("**ARMC**") comprises the following directors at the date of this statement:

Tay Boon Zhuan (Chairman)	(Appointed on 15 March 2024)
Masahiko Yabuki	
Diana Airin	
Chong Eng Wee	(Appointed on 15 March 2024)

DIRECTORS' STATEMENT

For the Financial Year ended 31 December 2023

5 Audit and Risk Management Committee (cont'd)

The ARMC carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act 1967, the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the Code of Corporate Governance and assists the Board of Directors in the execution of its corporate governance responsibilities within its established terms of reference.

The duties of the ARMC, amongst other things, include:

- (a) review the audit plan of the external auditors of the Company;
- (b) review the external auditors' evaluation of the adequacy of the Company's system of internal accounting controls to the extent of their scope as laid out in their audit plan, their letter to Management and Management's response;
- (c) review the interim and annual financial statements, balance sheet and profit and loss accounts before submission to the Board for approval, focusing particularly on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, and compliance with applicable accounting standards, the Catalist Rules and any other relevant statutory or regulatory requirements;
- (d) review the assurances from the CEO and the Consultant on the financial records and financial statements;
- (e) review the Group's internal control procedures and the adequacy thereof;
- (f) ensure co-ordination between the external auditors and Management, review the assistance given by Management to the auditors, and discuss any problems and concerns arising from the interim and final audits and any other matters which the auditors may wish to discuss (in the absence of Management, where necessary);
- (g) review and discuss with the external auditors any instance of suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and Management's response;
- (h) review the cost effectiveness, independence and objectivity of the external auditors;
- (i) recommend to the Board the external auditors to be nominated, approve the compensation of the external auditors, and review the scope and results of the audit;
- (j) review interested person transactions (if any) falling within the scope of Chapter 9 of the Catalist Rules;
- (k) review potential conflicts of interest, if any;
- (l) undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and requiring the attention of the ARMC;
- (m) undertake generally such other functions and duties as may be required by applicable legislation, regulations or the Catalist Rules, or by such amendments as may be made thereto from time to time;
- (n) meet with the external auditors, Management and any other person(s) considered appropriate in separate executive sessions to discuss any matters which the ARMC believes should be discussed privately, and establish a practice to meet with the external auditors without the presence of Management at least once annually;
- (o) review the nature and extent of all non-audit services provided by the Group's external auditors, if any, and determine if such services would affect the independence of the external auditors;

DIRECTORS' STATEMENT

For the Financial Year ended 31 December 2023

5 Audit and Risk Management Committee (cont'd)

- (p) review and report to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls;
- (q) review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- (r) make recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors, and approve the remuneration and terms of engagement of the external auditors; and
- (s) review the effectiveness, independence, scope and results of the external audit and the Company's internal audit function.

The ARMC has undertaken a review of the nature and extent of non-audit services provided by the external auditors, and is satisfied that there were no non-audit services rendered that would affect the independence and objectivity of the external auditors.

The ARMC has recommended to the Board of Directors that the auditors, Moore Stephens LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

Further details regarding the ARMC are disclosed in the Corporate Governance Report included in the Company's Annual Report.

6 Independent Auditors

The auditors, Moore Stephens LLP, have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,

.....
Soennerstedt Carl Johan Pontus
Executive Director & Chief Executive Officer

.....
Sugiono Wiyono Sugialam
Executive Director & Executive Chairman

Singapore

5 April 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Polaris Ltd. (Incorporated in Singapore)

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Polaris Ltd. (the "**Company**") and its subsidiaries (collectively the "**Group**"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2023, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)s) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Qualified Opinion

Inclusion of the unaudited management accounts of Marque Luxury America LLC and its subsidiary, Marque Mentor LLC ("**MLA sub-group**") in the Group's consolidated financial statements for the previous financial year ended 31 December 2022 ("**FY 2022**")

Our independent auditor's report dated 13 April 2023 for the financial year ended 31 December 2022 ("**FY 2022**"), contained a disclaimer opinion. During FY 2022, the financial statements of Marque Luxury America LLC ("**MLA**") and its subsidiary, Marque Mentor LLC (the "**MLA sub-group**") were included in the Group's consolidated financial statements based on unaudited management accounts. At the date of that report, we were unable to carry out our audit procedures or alternative procedures as auditors of the Company on the financial statements of the MLA sub-group for the purpose of providing an opinion on the Group's consolidated financial statements. An update of the matter is set out below.

As disclosed in Note 15(b) and Note 31 to the financial statements, during the current financial year ended 31 December 2023, the Group has engaged a United States law firm to opine on certain matters relating to the dilution of the Group's interest in the MLA sub-group as a result of the investment made by an investor by way of a subscription of equity interest in the MLA sub-group. The legal opinion stated that the Group's interest in the MLA sub-group had been effectively diluted from 51% to 19.99% with effect from 28 February 2022. The MLA sub-group had therefore ceased to be a subsidiary of the Group with effect from that date. Accordingly, in the current financial year, the Group has restated the comparative financial information relating to FY 2022 to reflect the effect of this dilution, by de-consolidating the MLA sub-group from the consolidated comparative financial information for FY 2022.

The restated comparative financial information for FY 2022, however, did not consolidate the financial performance and cash flows of the MLA sub-group during the period prior to the date of dilution from 1 January 2022 to 28 February 2022. During the audit, we were unable to obtain sufficient appropriate audit evidence with respect to the financial information of the MLA sub-group during the period from 1 January 2022 to 28 February 2022. Consequently, we were unable to determine what adjustments if any, may be required to the restated comparative financial information for FY 2022, to reflect the financial performance and cash flows of the MLA sub-group during this period.

Our opinion on the current financial year's financial statements is modified because of the possible effect of this matter on the comparability of the current year's figures and the corresponding figures.

INDEPENDENT AUDITOR'S REPORT

To the Members of Polaris Ltd. (Incorporated in Singapore)

Basis for Qualified Opinion (cont'd)

Unquoted equity investment in the MLA sub-group

As explained above and as disclosed in Note 15(b) to the financial statements, the MLA sub-group ceased to be a subsidiary of the Group. It became an unquoted equity investment as the Group does not deem it has significant influence over it.

As further disclosed in Note 15(b), the Group has fully written down the 19.99% unquoted equity investment in the MLA sub-group, by recognising a fair value loss amounting to S\$3,451,000 in the restated consolidated financial statements for FY 2022. However, we were unable to obtain sufficient appropriate audit evidence with respect to the basis and methodology used to derive the fair value of the unquoted equity investment in the MLA sub-group. Consequently, we were unable to determine whether the fair value loss recognised in FY 2022, as well as the carrying amounts of the unquoted equity investment as at 31 December 2022 and 31 December 2023, are appropriate.

Our opinion on the current financial year's financial statements is also modified because of the possible effect of this matter on the comparability of the current year's figures and the corresponding figures.

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
<p>Loss allowance for trade receivables</p> <p>We refer to Notes 3(n), 4(b)(i) and 17(a).</p> <p>As at 31 December 2023, the carrying amount of the Group's trade receivables amounted to S\$1,758,000.</p> <p>The Group determines the expected credit loss ("ECL") of trade receivables by making debtor-specific assessments of expected impairment losses for overdue trade receivables and uses a provision matrix for the remaining trade receivables that is based on the Group's historical observed default rates and customers' ability to pay, adjusted with forward-looking information. The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit losses require the management to exercise significant judgement. Accordingly, we determined this as a key audit matter.</p>	<p>Our response</p> <p>We obtained an understanding of the credit policy of the Group and evaluated the process for monitoring of trade receivables.</p> <p>We reviewed the Group's control over the receivables collection processes, analysed the ageing of trade receivables and reviewed the Group's loss allowance against trade receivables and its disclosures about the degree of estimation involved in arriving at the expect credit loss.</p> <p>Our findings</p> <p>Based on our audit procedures, we found management's assessment of the ECL to be reasonable and the disclosures to be appropriate.</p>

INDEPENDENT AUDITOR'S REPORT

To the Members of Polaris Ltd. (Incorporated in Singapore)

Key Audit Matters (cont'd)

Key Audit Matter	How our audit addressed the key audit matter
<p>Loss allowance for inventories</p> <p>We refer to Notes 3(s), 4(b)(ii) and 18.</p> <p>As at 31 December 2023, the carrying amount of the Group's inventories amounted to S\$1,388,000.</p> <p>Inventories are stated at the lower of cost and net realisable value. Reviews are made periodically by management for excess inventories, obsolescence and decline in net realisable value below cost. This assessment requires the exercise of significant judgement as the allowances are made based on historical obsolescence and slow-moving history. Key factors considered include the nature of the inventory, its ageing, shelf life and turnover rate.</p>	<p>Our response</p> <p>We designed and performed the following key procedures, amongst others:</p> <ol style="list-style-type: none">i. We checked and analysed the ageing of the inventories and reviewed the historical trend on whether there were significant inventories written off or reversal of the allowances for inventories obsolescence.ii. We evaluated management's process in determining the write-down of inventory, taking into consideration inventory ageing, physical condition of the inventories and past and expected future sales.iii. We evaluated and tested management's assessment of inventories to state them at the lower of cost and net realisable value. <p>Our findings</p> <p>Based on our audit procedures, we found the estimates used by management in deriving the write-down for inventory obsolescence to be within a reasonable range.</p>

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT

To the Members of Polaris Ltd. (Incorporated in Singapore)

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SSAs 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 SSAs, 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, 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

INDEPENDENT AUDITOR'S REPORT

To the Members of Polaris Ltd. (Incorporated in Singapore)

Auditor's Responsibility for the Audit of the Financial Statements (cont'd)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, except for the matters described in the Basis of Qualified Opinion section, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr Neo Keng Jin.

Moore Stephens LLP

Public Accountants and

Chartered Accountants

Singapore

5 April 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year ended 31 December 2023

	<u>Note</u>	<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)
Revenue	5	22,119	27,281
Cost of sales		(19,847)	(24,204)
Gross profit		<u>2,272</u>	<u>3,077</u>
Other items of income:			
Other income	6	428	404
Other items of expense:			
Marketing and distribution		(398)	(272)
Administrative expenses		(4,112)	(4,120)
Finance costs	7	(91)	(167)
Other expenses	8	(417)	(3,929)
Loss before income tax	9	<u>(2,318)</u>	<u>(5,007)</u>
Income tax expense	10	17	-
Loss for the year		<u>(2,301)</u>	<u>(5,007)</u>
Attributable to:			
Equity holders of the Company		(1,995)	(4,047)
Non-controlling interests		(306)	(960)
Total loss for the year		<u>(2,301)</u>	<u>(5,007)</u>
Other comprehensive loss, net of tax:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation		(3)	(74)
Other comprehensive loss for the year		<u>(3)</u>	<u>(74)</u>
Total comprehensive loss for the year		<u>(2,304)</u>	<u>(5,081)</u>
Attributable to:			
Equity holders of the Company		(1,998)	(4,121)
Non-controlling interests	24	(306)	(960)
Total comprehensive loss for the year		<u>(2,304)</u>	<u>(5,081)</u>
Loss per share attributable to equity holders of the Company:			
Basic and diluted (cents per share)	11	<u>(0.012)</u>	<u>(0.024)</u>

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

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

	<u>Note</u>	Group		Company	
		<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)	<u>2023</u> S\$'000	<u>2022</u> S\$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	12	3,753	3,522	3,222	3,394
Investments in subsidiaries	13	-	-	410	856
Other financial assets	15	-	-	-	-
Deferred tax assets	16	20	-	-	-
		<u>3,773</u>	<u>3,522</u>	<u>3,632</u>	<u>4,250</u>
Current Assets					
Trade and other receivables	17	2,481	1,507	3,539	5,327
Intangible asset	17A	165	-	-	-
Inventories	18	1,388	1,361	-	-
Prepayments		337	758	9	4
Cash and bank balances	19	2,414	6,234	358	2,959
		<u>6,785</u>	<u>9,860</u>	<u>3,906</u>	<u>8,290</u>
Total Assets		<u>10,558</u>	<u>13,382</u>	<u>7,538</u>	<u>12,540</u>

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

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

(cont'd)

	Note	Group		Company	
		<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)	<u>2023</u> S\$'000	<u>2022</u> S\$'000
LIABILITIES AND EQUITY					
Current Liabilities					
Loans and borrowings	20	486	459	446	440
Trade and other payables	21	716	1,076	126	20
Other liabilities	22	673	457	261	247
		<u>1,875</u>	<u>1,992</u>	<u>833</u>	<u>707</u>
Non-Current Liabilities					
Loans and borrowings	20	2,221	2,691	2,214	2,658
Retirement benefit liabilities		67	-	-	-
		<u>2,288</u>	<u>2,691</u>	<u>2,214</u>	<u>2,658</u>
Total Liabilities		<u>4,163</u>	<u>4,683</u>	<u>3,047</u>	<u>3,365</u>
Equity Attributable to Equity Holders of the Company					
Share capital	23(a)	402,747	402,747	402,747	402,747
Foreign currency translation reserve	23(b)	(557)	(554)	-	-
Accumulated losses		(394,769)	(392,774)	(398,256)	(393,572)
		<u>7,421</u>	<u>9,419</u>	<u>4,491</u>	<u>9,175</u>
Non-controlling interests	24	(1,026)	(720)	-	-
Total Equity		<u>6,395</u>	<u>8,699</u>	<u>4,491</u>	<u>9,175</u>
Total Liabilities and Equity		<u>10,558</u>	<u>13,382</u>	<u>7,538</u>	<u>12,540</u>

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year ended 31 December 2023

	Attributable to equity holders of the Company					
	Share capital S\$'000	Foreign currency translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000	Non- controlling interests S\$'000	Total S\$'000
Group						
Balance at 1 January 2023 (restated)	402,747	(554)	(392,774)	9,419	(720)	8,699
Loss for the year	-	-	(1,995)	(1,995)	(306)	(2,301)
Other comprehensive loss	-	(3)	-	(3)	-	(3)
Total comprehensive loss for the year	-	(3)	(1,995)	(1,998)	(306)	(2,304)
Balance at 31 December 2023	402,747	(557)	(394,769)	7,421	(1,026)	6,395

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Financial Year ended 31 December 2023

(cont'd)

	Attributable to equity holders of the Company					
	Share capital S\$'000	Foreign currency translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000	Non- controlling interests S\$'000	Total S\$'000
Group (cont'd)						
Balance at 1 January 2022	402,747	(513)	(388,694)	13,540	2,206	15,746
Loss for the year	-	-	(4,047)	(4,047)	(960)	(5,007)
Other comprehensive loss	-	(74)	-	(74)	-	(74)
Total comprehensive loss for the year	-	(74)	(4,047)	(4,121)	(960)	(5,081)
Realised foreign currency translation on derecognition of a subsidiary	-	33	(33)	-	-	-
Derecognition of non-controlling interest arising from deconsolidation of subsidiaries	-	-	-	-	(1,966)	(1,966)
Balance at 31 December 2022 (restated)	402,747	(554)	(392,774)	9,419	(720)	8,699

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year ended 31 December 2023

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000 (Restated)
Cash Flows from Operating Activities		
Loss before income tax	(2,318)	(5,007)
Adjustments for:		
Depreciation of property, plant and equipment	287	352
Finance costs	91	167
Reversal of write-down on inventories	(123)	-
Impairment on trade receivables	34	-
Fair value loss on investment in unquoted equity investment	-	3,451
Unrealised exchange (gain)/loss	(33)	349
Loss on disposal property, plant and equipment	-	39
Operating cash flows before changes in working capital	<u>(2,062)</u>	<u>(649)</u>
Changes in working capital:		
Inventories	96	1,512
Trade and other receivables	(1,021)	266
Prepayments	421	(711)
Trade and other payables	(360)	22
Other liabilities	283	51
Cash flows (used in)/generated from operations	<u>(2,643)</u>	<u>491</u>
Finance cost paid	(64)	(167)
Income taxes paid	(3)	-
Net cash flows (used in)/generated from operating activities	<u>(2,710)</u>	<u>324</u>
Cash Flows from Investing Activities		
Repayment from former subsidiary	-	4,602
Purchase of property, plant and equipment	(462)	(82)
Purchase of intangible asset	(165)	-
Net cash flows (used in)/generated from investing activities	<u>(627)</u>	<u>4,520</u>
Cash Flows from Financing Activities		
Repayments of bank loans	(438)	(395)
Principal payment of lease liabilities	(45)	(317)
Net cash flows used in financing activities	<u>(483)</u>	<u>(712)</u>
Net (decrease)/increase in cash and cash equivalents	(3,820)	4,132
Cash and cash equivalents at the beginning of the year	<u>6,234</u>	<u>2,102</u>
Cash and cash equivalents at the end of the year (Note 19)	<u>2,414</u>	<u>6,234</u>

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Financial Year ended 31 December 2023

(cont'd)

The reconciliation of movements of the liabilities to cash flows arising from financing activities is presented below.

	<u>Cash flows</u>			
	<u>1 January</u> S\$'000	<u>Addition</u> S\$'000	<u>(Repayments)</u> S\$'000	<u>31 December</u> S\$'000
Group				
<u>2023</u>				
Bank loans	3,098	-	(438)	2,660
Lease liabilities	52	40	(45)	47
	<u>3,150</u>	<u>40</u>	<u>(483)</u>	<u>2,707</u>
<u>2022</u>				
Bank loans	3,493	-	(395)	3,098
Lease liabilities	369	-	(317)	52
	<u>3,862</u>	<u>-</u>	<u>(712)</u>	<u>3,150</u>

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

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

These notes form an integral part of and should be read in conjunction with the financial statements.

1 General

Polaris Ltd. (the "**Company**") is a public limited liability company incorporated and domiciled in Singapore and is listed on the Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Company's registered office and principal place of business is at 81 Ubi Avenue 4, #03-11, UB. One, Singapore 408830.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are set out in Note 13.

The consolidated financial statements of the Group and statement of financial position of the Company for the financial year ended 31 December 2023 were approved and authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

2 Application of Singapore Financial Reporting Standards (International) ("**SFRS(I)s**")

(a) Application of New and Revised Standards and Interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current year, the Group has adopted all the new and revised SFRS(I)s issued that are relevant to its operations and effective for annual periods beginning on 1 January 2023. The adoption of these new and revised SFRS(I)s has had no material financial impact on the financial performance and financial position of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

2 Application of Singapore Financial Reporting Standards (International) ("SFRS(I)s") (cont'd)

(b) New and Revised Standards Issued but Not Yet Effective

As at the date of these financial statements, the Group has not adopted the following standards that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-1: <i>Presentation of Financial Statements: Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to SFRS(I) 1-1: <i>Presentation of Financial Statements: Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to SFRS(I) 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to SFRS(I) 1-7: <i>Statement of Cash Flows</i> and SFRS(I) 7 <i>Financial Instruments: Disclosures: Supplier Finance Arrangements</i>	1 January 2024
Amendments to SFRS(I) 1-21: <i>The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i>	1 January 2025

The directors of the Company expect the adoption of the amendments and improvements to standards above will have no material impact on the consolidated financial statements in the period of initial application.

3 Material Accounting Policies

(a) Basis of Preparation

The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)"). The financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies below.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(b) Group Accounting

i. Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree over the fair value of the identifiable net assets acquired. Goodwill on acquisitions of subsidiaries is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment loss. Gains and losses on the disposal of subsidiaries, include the carrying amount of goodwill relating to the entity sold.

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a 'fair value concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in SFRS(I) 3.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(b) Group Accounting (cont'd)

i. Subsidiaries (cont'd)

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

If the total of consideration transferred, non-controlling interest recognised and previously-held interest measured is less than the fair value of the net assets of the subsidiary acquired as in the case of a bargain purchase, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred assets. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(b) Group Accounting (cont'd)

i. Subsidiaries (cont'd)

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of interests in subsidiaries to non-controlling interests without loss of control are also recorded in equity.

When the Group loses control of a subsidiary, it:

- derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest (including any components of other comprehensive income attributable to them);
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained in the former subsidiary at its fair value;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or accumulated losses, as appropriate; and
- recognises any resulting difference in profit or loss.

ii. Joint operation

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting policies applicable to those particular assets, liabilities, revenues and expenses.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(b) Group Accounting (cont'd)

ii. Joint operation (cont'd)

When the Group enters into a transaction involving a sale or contribution of assets with a joint operation, the Group recognises gains and losses resulting from such a transaction only to the extent of the interests held by the other parties to the joint operation. The Group recognises the full amount of any loss when the sale or contribution of assets provides evidence of a reduction in the net realisable value, or an impairment loss, of those assets.

When the Group enters into a transaction involving purchase of assets from a joint operation, the Group does not recognise its share of the gains and losses until it resells the assets to a third party, except for losses that is evidence a reduction in net realisable value or an impairment loss on those assets.

(c) Investments in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the statement of financial position of the Company.

On disposal of investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments are recognised in profit or loss.

(d) Intangible Assets

Intangible assets acquired separately are measured initially at cost. Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least once at each financial year-end.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and are recognised in profit or loss when the intangible asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(e) Revenue Recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

i. Pre-owned luxury goods sales

Revenue from the pre-owned luxury goods sales is recognised when control of the products has transferred, being when the goods are delivered to the customer, the customer has full discretion over the manner of distribution and price to sell the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has the objective evidence that all criteria for acceptance have been satisfied. A receivable is recognised when the goods are delivered as this represents the point in time that the right to consideration is unconditional, because only the passage of time is required before the payment is due.

ii. Consumer electronics sales

The Group operates retail outlet selling electronics and related products. Revenue from the retail sale of electronics (including sales of mobile handsets and accessories) and related products is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the goods.

iii. Customer services

The Group provides after-market services to end consumers for equipment repairs and technical services. Revenue from customer services is recognised at a point in time when the services are rendered. Payment of the transaction price is due immediately at the point the customer acknowledges the completion of the services.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(f) Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants receivable is recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately under other income.

(g) Leases

i. When the Group is the lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

The Group recognises right-of-use assets and lease liabilities at the date which the underlying assets become available for use. Right-of-use assets are measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement dates, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liabilities. The Group presents its right-of-use assets (except for those which meets the definition of an investment property) in "Property, plant and equipment" and lease liabilities in "Loans and borrowings" in the consolidated statement of financial position.

The initial measurement of lease liabilities is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(g) Leases (cont'd)

i. When the Group is the lessee (cont'd)

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease components. The Group has elected not to separate lease and non-lease components for property leases; instead they are accounted for as one single lease component.

Lease liabilities are measured at amortised cost, and are remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise lease extension and termination options;
- There is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- There is a modification to the lease term.

When lease liabilities are remeasured, corresponding adjustments are made against the right-of-use assets. If the carrying amounts of the right-of-use assets have been reduced to zero, the adjustments are recorded in profit or loss. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less, as well as leases of low value assets, except in the case of sub-lease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Variable lease payments that are based on an index or a rate are included in the measurement of the corresponding right-of-use assets and lease liabilities. Other variable lease payments are recognised in profit or loss when incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(g) Leases (cont'd)

ii. *When the Group is the lessor*

Each lease in which the Group acts as a lessor is classified as either an operating or a finance lease at lease inception. Leases that transfer substantially all of the risks and rewards incidental to ownership of the underlying assets are classified as finance leases. Other leases are classified as operating leases.

Lessor - operating leases

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) recognised in income on a straight-line basis over the lease term. Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets recognised as an expense in profit or loss over the lease term on the same basis as the lease income. Contingent rents recognised as income in profit or loss when earned.

(h) Foreign Currencies

i. *Functional and presentation currency*

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates (its functional currency).

For the purposes of the consolidated financial statements, the results and financial position of each entity in the Group are expressed in Singapore Dollars ("**S\$**"), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

All values are rounded to the nearest thousand (S\$'000) except when otherwise indicated.

ii. *Transactions and balances*

In preparing the financial statements of each individual entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(h) Foreign Currencies (cont'd)

ii. Transactions and balances (cont'd)

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

iii. Translation of Group entities' financial statements

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing exchange rates at the reporting date;
- income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transactions dates, in which the case income and expenses are translated using the exchange rates at the dates of the transactions); and
- all resulting currency translation differences recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising recognised in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(i) Borrowing Costs

All borrowing costs recognised in profit or loss in the period in which they are incurred.

(j) Employee Benefits

Employee benefits recognised as an expense in profit or loss, unless the cost qualifies to be recognised as an asset.

i. Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

ii. Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. A provision for the estimated liability for annual leave is recognised for services rendered by employees up to the reporting date.

(k) Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

i. Current tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(k) Income Tax (cont'd)

ii. *Deferred tax (cont'd)*

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The Group recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(k) Income Tax (cont'd)

iii. Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where the current and deferred tax arises from the initial accounting for a business combination, the tax effect is taken into account in the accounting for the business combination.

(l) Property, Plant and Equipment

i. Measurement

All items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

ii. Depreciation

Depreciation is recognised so as to write off the cost less their residual values over their useful lives, using the straight-line method.

The following useful lives are used in the calculation of depreciation:

Commercial properties	30 years
Furniture, fixtures and renovation	3 to 5 years
Office equipment and computers	3 to 5 years
Retail outlet	3 years
Leasehold property	3 years
Motor vehicles	2 years

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year and adjusted as appropriate at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(l) Property, Plant and Equipment (cont'd)

iii. Subsequent expenditure

Subsequent expenditure related to property, plant and equipment that has been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

iv. Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(m) Impairment of Non-Financial Assets

Other non-financial assets

Non-financial assets are tested for impairment whenever there is any indication that these assets may be impaired.

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any), on an individual asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(m) Impairment of Non-Financial Assets (cont'd)

Other non-financial assets (cont'd)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(n) Financial Assets

Classification

i. Debt instruments

Financial assets that are debt instruments comprise mainly of cash and cash equivalents, trade and other receivables and investments in debt securities. The Group classifies these assets into categories based on the Group's business model for managing them and their contractual cash flow characteristics.

- Financial Assets measured at Amortised Cost ("**AC**") comprise of assets that are held within a business model whose objective is to hold those assets for collection of contractual cash flows, and those contractual cash flows represent solely payments of principal and interest.
- Financial Assets measured at Fair Value through Other Comprehensive Income ("**FVOCI**") comprise of assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling those assets, and those contractual cash flows represent solely payments of principal and interest.
- Financial Assets measured at Fair Value through Profit and loss ("**FVPL**") comprise of assets that do not qualify for AC and FVOCI. Assets that would otherwise qualify for AC or FVOCI may also be designated as FVPL upon initial recognition, if such designation eliminates or significantly reduces a measurement or recognition inconsistency that arises from measuring assets and liabilities on an inconsistent basis.

ii. Equity instruments

Financial assets that are equity instruments comprise mainly of investments in equity securities. The Group classifies these assets as FVPL, except for those that the Group has designated as FVOCI. The FVOCI designation is irrevocable, and is not permitted for held-for-trading financial assets and financial assets that represent contingent consideration in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(n) Financial Assets (cont'd)

Initial measurement

Trade receivables that do not contain a significant financing component are initial recognised at their transaction price. Other financial assets are initial recognised at fair value, plus, for financial assets that are not at FVPL, transaction costs that are directly attributable to their acquisition.

Transaction costs of financial assets at FVPL are expensed in profit and loss.

Subsequent measurement

i. Debt instruments

AC

These assets are subsequently measured at amortised cost using the effective interest method unless they are part of a designated hedging relationship. Impairment losses and reversals, interest income, and foreign exchange gains and losses (except where designated as a hedging instrument) on such assets are recognised in profit and loss. Interest income is based on the effective interest method which allocates interest income over the life of the financial asset based on an effective interest rate that discounts estimated future cash receipts to its gross carrying amount.

FVOCI

These assets are subsequently measured at fair value. Impairment losses and reversals, interest income based on the effective interest method, and foreign exchange gains and losses (except where designated as a hedging instrument) on such assets are recognised in profit and loss. Any remaining fair value movements are recorded in OCI.

FVPL

These assets are subsequently measured at fair value. All fair value movements are recorded in profit and loss.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(n) Financial Assets (cont'd)

Subsequent measurement (cont'd)

ii. Equity instruments

Subsequent to initial recognition, all equity investments are measured at fair value. Changes in the fair value of FVPL equity investments are recognised in profit and loss, while changes in the fair value of FVOCI equity investments are recognised in other comprehensive income. All dividend income is recognised in profit and loss, except for dividends from FVOCI equity investments that clearly represent a recovery of the cost of investment.

Impairment

At each reporting date, the Group assesses expected credit losses ("**ECL**") on the following financial instruments:

- Financial assets that are debt instruments measured at AC and FVOCI;
- Contract assets (as defined in SFRS(I) 15); and
- Financial guarantee contracts.

ECL is a probability-weighted estimate of credit losses. Credit losses are measured at the present value of all shortfalls between the cash flows due to the Group in accordance with contractual terms, and the cash flows that the Group actually expects to receive. ECL is discounted at the effective interest rate of the financial asset. The Group records allowances on financial assets based on either the:

- 12-month ECL – representing the ECL that results from default events that are possible within the 12 months after the reporting date (or the expected life of the instrument if shorter); or
- Lifetime ECL – representing the ECL that results from all possible default events over the expected life of the contract.

Simplified approach – Trade receivables

For all trade receivables, the Group adopts a simplified approach whereby an allowance for lifetime ECL is assessed upon initial recognition. The Group estimates lifetime ECL using a provision matrix based on historical credit loss experience, adjusted for various factors including debtor-specific factors, forward-looking information such as industry and economic forecasts, and others as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(n) Financial Assets (cont'd)

Impairment (cont'd)

General approach – All other financial instruments on which ECL assessment is required

For all other financial instruments on which ECL is assessed, an allowance for 12-month ECL is recorded upon initial recognition. The allowance is increased to lifetime ECL if the credit risk at each reporting date has increased significantly as compared to the credit risk at initial recognition. In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group considers all reasonable and supportable information that is relevant and available without undue cost or effort including both historical credit experience and forward-looking information.

The Group regards the following as events of default:

- Events that make it unlikely for the borrower to repay in full unless the Group undertakes actions to recover the asset (e.g. by exercising rights over collaterals or other credit enhancements); or
- The financial instrument has become overdue in excess of 1 year.

Credit-impaired financial instruments

At each reporting date, the Group assesses whether a financial instrument on which ECL assessment is required has become credit-impaired. This is the case when one or more events have occurred that are considered to be detrimental to the estimated future cash flows of the instrument. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event (e.g. being more than 90 days past due);
- other lenders granting concessions (such as loan restructurings) to the borrower due to economic or contractual reasons, that would not have been considered in the absence of the borrower's financial difficulty;
- increasing likelihood that the borrower will enter bankruptcy or other financial re-organisation; and
- the disappearance of an active market for the borrower's securities due to financial difficulties.

For credit-impaired financial assets, interest income is determined by applying the effective interest rate to the net carrying amount of the financial asset (after deduction of the ECL allowance).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(n) Financial Assets (cont'd)

Impairment (cont'd)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, such as when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made recognised in profit and loss.

Recognition and derecognition

Financial assets recognised when, and only when the Group becomes a party to its contractual provisions. All regular way purchases and sales of financial assets recognised on trade-date, which is the date on which the Group commits to purchase or sell the asset.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset that is a debt instrument, the difference between the asset's carrying amount and the sum of the consideration received and receivable recognised in profit and loss. In addition, for a financial asset that is a debt instrument at FVOCI, the cumulative gain or loss previously accumulated in the fair value adjustment reserve is reclassified to profit and loss.

On derecognition of an equity investment at FVPL, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit and loss. For equity investments at FVOCI, this difference is instead recognised directly in equity as part of accumulated losses. Cumulative gains and losses previously accumulated in equity are also transferred directly to accumulated losses upon derecognition of FVOCI equity investments.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(o) Offsetting of Financial Assets and Financial Liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the combined statement of financial position, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(p) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(q) Financial Liabilities

i. Financial liabilities

The Group recognises financial liabilities on its statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instruments.

Financial liabilities are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial liability. All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method. Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting period. An entity shall recognise a financial liability on its statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(q) Financial Liabilities (cont'd)

ii. *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they have expired. The difference between the carrying amount of a financial liability that has been derecognised and the consideration paid and payable (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(r) Related Parties

A related party is defined as follows:

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the "**reporting entity**").

a. A person or a close member of that person's family is related to a reporting entity if that person:

- i. has control or joint control over the reporting entity;
- ii. has significant influence over the reporting entity; or
- iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

b. An entity is related to a reporting entity if any of the following conditions applies:

- i. the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- ii. one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- iii. both entities are joint ventures of the same third party;
- iv. one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- v. the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity;
- vi. the entity is controlled or jointly controlled by a person identified in (a);

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(r) Related Parties (cont'd)

b. An entity is related to a reporting entity if any of the following conditions applies:
(cont'd)

- vii. a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- viii. the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

(s) Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of finished goods comprises direct costs that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method for mobile handsets, accessories, consumer electronics and related products and first-in-first-out (FIFO) for lifestyle products. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale. Allowance for stock obsolescence is made for obsolete and slow-moving inventories.

(t) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, fixed deposits, bank balances and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above less pledged fixed deposits.

(u) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are charged to equity, net of any tax effects.

(v) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive management whose members are responsible for allocating resources and assessing performance of the operating segments.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

3 Material Accounting Policies (cont'd)

(w) Non-current Assets Held-for-sale and Discontinued Operations

Non-current assets or disposal groups are classified as held-for-sale or distribution if their carrying amount will be recovered through a sale transaction or distribution rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held-for-sale when the criteria set out above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale. Non-current assets (or disposal groups) classified as held-for-sale (held for distribution) are measured at the lower of the assets' previous carrying amount and fair value less cost to sell (fair value less costs to distribute).

The assets are not depreciated or amortised while they are classified as held-for-sale. In addition, equity accounting of associates and joint ventures ceases once classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and;

- i. represents a separate major line of business or geographical area of operations; or
- ii. is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- iii. is a subsidiary acquired exclusively with a view to resale.

When a component of an entity qualifies as a discontinued operation, the comparative statement of comprehensive income is retrospectively restated to segregate the results of all operations that have been discontinued by the end of the latest reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

4 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of financial statements and the application of the Group's accounting policies, which are set out in Note 3 above, requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(a) Critical Judgements in Applying the Accounting Policies

i. Impairment of investments in subsidiaries

Management reviews the Company's investments in subsidiaries at each reporting date to determine whether there is any indication that the investment may be impaired. To determine whether there is objective evidence of impairment, management considers factors such as the subsidiaries' financial performance and financial position and the overall economic environment. If any indicator exists, an impairment assessment will be performed accordingly.

The carrying amount of the Company's investments in subsidiaries and the allowance for impairment loss are disclosed in Note 13.

(b) Key Sources of Estimation Uncertainty

i. Loss allowance for trade receivables

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses ("**ECLs**"). The ECLs on trade receivables are estimated using a provision matrix which involves grouping receivables based on characteristics which have historically influenced asset recoverability, such as credit ratings, customer-industry group and customer geography, and applying a historic provision rate which is based on days past due for groupings of various customer segments that have similar loss patterns. In devising such a provision matrix, the Group uses its historical credit loss experience with forward-looking information (adjusted as necessary to reflect current conditions and forecast economic conditions) to estimate the lifetime expected credit losses on the trade receivables and contract assets. At every reporting date, the historical default rates are updated and the impact of forward-looking information is re-analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

4 Critical Accounting Judgements and Key Sources of Estimation Uncertainty (cont'd)

(b) Key Sources of Estimation Uncertainty (cont'd)

i. Loss allowance for trade receivables (cont'd)

Information about the ECLs on the Group's trade receivables and the carrying amounts of the Group's trade receivables are disclosed in Notes 17.

ii. Loss allowance for inventory obsolescence

Reviews are made periodically by management in respect of inventories for excess inventories, obsolescence and decline in net realisable value below cost. Allowances are recorded against the inventories for any such declines based on historical obsolescence and slow-moving experiences.

Information about the inventory obsolescence is disclosed in Note 18.

iii. Fair value loss on unquoted equity investment

When the fair values of other financial assets recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

Judgments made by management in the process of determining the fair value of unquoted equity investment.

Information about the fair value loss on unquoted equity investment is disclosed in Note 15.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

5 Revenue from Contracts with Customers

The Group's revenue is disaggregated by principal geographical areas, major product and services lines and timing of revenue recognition.

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000 (Restated)
Principal geographical market		
<u>Pre-owned luxury goods sales</u>		
- Singapore	369	3,342
- Indonesia	5,922	1,751
- Philippines	2,245	1,291
- Korea	296	737
- South Africa	107	-
	8,939	7,121
<u>Consumer electronics sales</u>		
- Singapore	10,370	17,334
- Indonesia	2,077	-
	12,447	17,334
<u>Customer services</u>		
- Singapore	698	2,756
<u>Other revenue</u>		
- Indonesia	35	70
	22,119	27,281
Major product or service lines and timing of revenue recognition		
Pre-owned luxury goods sales	8,939	6,527
Consumer electronics sales	12,447	17,928
Customer services	698	2,756
Other revenue	35	70
At a point of time	22,119	27,281

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

6 Other Income

	Group	
	<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)
Marketing support	-	45
Government grants ^(#)	179	20
Advisory fees	-	10
Service income	-	243
Reversal of write-down on inventories	123	-
Other miscellaneous income	126	86
	<u>428</u>	<u>404</u>

(#) Out of the government grants of S\$179,000 (2022: S\$20,000) recognised by the Group during the financial year ended 31 December 2023, S\$100,000 (2022: S\$Nil) relates to the Job Support Scheme.

7 Finance Costs

	Group	
	<u>2023</u> S\$'000	<u>2022</u> S\$'000
Interest expense:		
- Bank loans	64	86
- Lease liabilities	3	4
- Others	3	-
Bank charges	21	77
	<u>91</u>	<u>167</u>

8 Other Expenses

	Group	
	<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)
Depreciation of property, plant and equipment	287	352
Net foreign exchange loss	83	3
Inventories written off	3	75
Loan receivable written off	-	1
Other miscellaneous expenses	44	8
Loss on disposal of property, plant and equipment	-	39
Fair value loss on investment in unquoted equity investment	-	3,451
	<u>417</u>	<u>3,929</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

9 Loss before Income Tax

The following items have been included in arriving at loss before income tax:

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000 (Restated)
Audit fees:		
- Company's auditors	187	150
- Other auditor – non-network firm	11	91
Non-Audit Fees:		
- Auditor of the Company	-	4
Impairment on trade receivables	34	-
Employee benefits expenses (Note 25)	1,839	1,933
	<hr/>	<hr/>

10 Income Tax

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
Current income tax:		
- Current year	-	-
- Under provision in respect of prior year	3	-
Deferred tax – current year (Note 16)	(20)	-
	<hr/>	<hr/>
	(17)	-
	<hr/>	<hr/>

The reconciliation between the income tax and the product of accounting loss multiplied by the applicable corporate tax rate for the financial year is as follows:

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000 (Restated)
Loss before income tax	(2,318)	(5,007)
	<hr/>	<hr/>
Income tax at the applicable tax rate of 17% (2022: 17%)	(394)	(851)
Adjustments:		
Difference in foreign tax rate	(2)	(22)
Non-deductible expenses	359	863
Non-taxable income	(20)	(13)
Effect of partial tax exemption and tax relief	-	(18)
Deferred tax assets not recognised	37	41
Under provision of income tax in prior year	3	-
	<hr/>	<hr/>
	(17)	-
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

10 Income Tax (cont'd)

At the reporting date, the Group has estimated taxable temporary differences on property, plant and equipment of approximately S\$Nil (2022: S\$18,000) and unutilised tax losses of approximately S\$1,430,000 (2022: S\$1,212,000) which can be carried forward and used to offset against future taxable income of those entities in the Group in which the losses arose, subject to the agreement of the tax authorities and compliance with the relevant provisions of the tax legislation of the respective countries in which they operate. The unutilised tax losses have no expiry dates.

The deferred tax assets arising from these estimated taxable temporary differences on property, plant and equipment and unutilised tax losses of approximately S\$243,000 (2022: S\$206,000) have not been recognised in accordance with the Group's accounting policy stated in Note 3(k).

11 Loss per Share

Basic loss per share is calculated by dividing loss for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following tables reflect the loss and share data used in the computation of basic loss per share for the financial years ended 31 December:

	Group	
	<u>2023</u>	<u>2022</u> (Restated)
Loss for the year attributable to equity holders of the Company used in the computation of basic loss per share (S\$'000)	(1,995)	(4,047)
Weighted average number of ordinary shares for basic loss per share computation (No. of shares '000)	<u>17,053,170</u>	<u>17,053,170</u>

There is no dilution of loss per share as there were no potential dilutive ordinary shares outstanding at the end of the financial years ended 31 December 2023 and 2022.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

12 Property, Plant and Equipment

Group	Commercial properties S\$'000	Furniture, fixtures and renovation S\$'000	Office equipment and computers S\$'000	Retail outlet (Note 27) (Right-of-use) S\$'000	Leasehold property (Note 27) (Right-of-use) S\$'000	Motor vehicles (Note 27) (Right-of-use) S\$'000	Total S\$'000
Balance at 1 January 2022	4,907	1,272	749	1,005	-	111	8,044
Additions	-	21	61	-	-	54	136
Disposals	-	(46)	(63)	(1,005)	-	(73)	(1,187)
Currency alignment	-	(38)	-	-	-	-	(38)
Balance at 31 December 2022	4,907	1,209	747	-	-	92	6,955
Additions	-	282	180	40	13	-	515
Disposals	-	(37)	(3)	-	-	(20)	(60)
Currency alignment	-	33	(3)	-	-	-	30
Balance at 31 December 2023	4,907	1,487	921	40	13	72	7,440

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

12 Property, Plant and Equipment (cont'd)

Group (cont'd)	Commercial properties	Furniture, fixtures and renovation	Office equipment and computers	Retail outlet (Note 27)	Leasehold property (Note 27)	Motor vehicles (Note 27)	Total
	S\$'000	S\$'000	S\$'000	(Right-of-use) S\$'000	(Right-of-use) S\$'000	(Right-of-use) S\$'000	S\$'000
Accumulated depreciation							
Balance at 1 January 2022	1,359	1,214	656	703	-	56	3,988
Depreciation	163	43	67	25	-	54	352
Disposals	-	(32)	(38)	(728)	-	(73)	(871)
Currency alignment	-	(39)	3	-	-	-	(36)
Balance at 31 December 2022	1,522	1,186	688	-	-	37	3,433
Depreciation	163	22	51	10	3	38	287
Disposals	-	(37)	(3)	-	-	(20)	(60)
Currency alignment	-	33	(3)	(2)	-	(1)	27
Balance at 31 December 2023	1,685	1,204	733	8	3	54	3,687
Carrying amount							
At 31 December 2022	3,385	23	59	-	-	55	3,522
At 31 December 2023	3,222	283	188	32	10	18	3,753

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

12 Property, Plant and Equipment (cont'd)

	Commercial <u>properties</u> S\$'000	Furniture, fixtures and <u>renovation</u> S\$'000	Office equipment and <u>computers</u> S\$'000	<u>Total</u> S\$'000
Company				
<u>Cost</u>				
Balance at 1 January 2022, 31 December 2022 and 31 December 2023	4,907	972	380	6,259
<u>Accumulated depreciation</u>				
Balance at 1 January 2022	1,359	956	373	2,688
Depreciation	163	8	6	177
Balance at 31 December 2022	1,522	964	379	2,865
Depreciation	163	8	1	172
Balance at 31 December 2023	1,685	972	380	3,037
<u>Carrying amount</u>				
At 31 December 2022	3,385	8	1	3,394
At 31 December 2023	3,222	-	-	3,222

The Group's/Company's commercial properties with a carrying amount of S\$3,222,000 (2022: S\$3,385,000) are mortgaged to secure the Group's/Company's bank loans (Note 20) as at 31 December 2023 and 31 December 2022.

The Group's right-of-use assets acquired under leasing arrangements are presented separately as "Retail outlet, Leasehold property and Motor vehicles". Details of such leased assets are disclosed in Note 27.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

13 Investments in Subsidiaries

	Company	
	<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)
Unquoted shares, at cost	2,856	7,425
Add: Addition	-	856
Less: Written-off	-	(5,425)
Less: Allowance for impairment	(2,446)	(2,000)
	410	856
Movements in allowance account:		
At 1 January	(2,000)	(7,425)
(Addition)/written-off	(446)	5,425
At 31 December	(2,446)	(2,000)

Impairment loss of subsidiaries

As of 31 December 2023, allowance for impairment loss has been recognised for the Company's investments in certain subsidiaries as these subsidiaries have been incurring losses.

In the previous year ended 31 December 2022, an impairment loss of approximately S\$5,425,000 was written-off as Polaris Device Pte. Ltd. was liquidated on 7 February 2022.

(a) Composition of the Group

The Group has the following investments in subsidiaries:

<u>Name and principal place of business</u>	<u>Principal activities</u>	<u>Group effective proportion of ownership interest</u>	
		<u>2023</u> %	<u>2022</u> %
<u>Held by the Company</u>			
Polaris Network Pte. Ltd. ⁽¹⁾ Singapore	Retailer of mobile handset and services and consumers electronics	100	100

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

13 Investments in Subsidiaries (cont'd)

(a) Composition of the Group (cont'd)

The Group has the following investments in subsidiaries: (cont'd)

<u>Name and principal place of business</u>	<u>Principal activities</u>	<u>Group effective proportion of ownership interest</u>	
		<u>2023</u>	<u>2022</u>
		%	%
<u>Held by the Company</u> (cont'd)			
Polaris Explorer Pte. Ltd. ⁽¹⁾ Singapore	Investment holding company and regional mobile handset distributor	100	100
PT Polaris Orbit Indonesia ⁽²⁾⁽⁶⁾ Indonesia	Digital advertising, produces and sells natural and organic ingredients for the food and health industry	100	100
<u>Held through Polaris Explorer Pte. Ltd.</u>			
Mastro Luxe Pte. Ltd. ⁽¹⁾ Singapore	Wholesale and retail of premium lifestyle products	51	51
<u>Held through Polaris Network Pte. Ltd.</u>			
Ixterra Pte Ltd. ⁽⁷⁾⁽⁸⁾ Singapore	Retail sale of biological assets and products	65	-
<u>Held through Mastro Luxe Pte. Ltd. ("MLS sub-group")</u>			
PT Mastro Luxe Indonesia ⁽³⁾⁽⁹⁾ Indonesia	Wholesale and retail of premium lifestyle products	51	51
Mastro Luxe South Africa (Pty) Ltd ⁽⁴⁾⁽⁷⁾ South Africa	Wholesale and retail of premium lifestyle products	26 ⁽⁵⁾	26 ⁽⁵⁾
Mastro Luxe Philippines Inc. (Formerly known as Connetic-Enterprises Inc.) ⁽⁶⁾ Philippines	Wholesale and retail of premium lifestyle products	26 ⁽⁵⁾	26 ⁽⁵⁾

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

13 Investments in Subsidiaries (cont'd)

(a) Composition of the Group (cont'd)

The Group has the following investments in subsidiaries: (cont'd)

Name and principal <u>place of business</u>	<u>Principal activities</u>	Group effective proportion of <u>ownership interest</u>	
		<u>2023</u> %	<u>2022</u> % (Restated)
<u>Held through Mastro Luxe Pte. Ltd. ("MLS sub-group")</u> (cont'd)			
Mastro Luxe Korea Co., Ltd (Formerly known as Marque Luxury Korea Co., Ltd.) ⁽⁶⁾	Wholesale and retail of premium lifestyle products	51 ⁽⁶⁾	51 ⁽⁶⁾
South Korea			

⁽¹⁾ Audited by Moore Stephens LLP, Singapore.

⁽²⁾ In the previous financial year, the subsidiary was incorporated by Polaris Ltd. which holds an issued and paid-up share capital of 9,900 ordinary shares amounting to IDR9,900,000,000 (equivalent to S\$856,382) and Polaris Explorer Pte. Ltd. which holds an issued and paid-up share capital of 100 ordinary shares amounting to IDR100,000,000 (equivalent to S\$8,772) respectively fully paid in cash.

⁽³⁾ During the previous financial year, the subsidiary was incorporated by Mastro Luxe Pte. Ltd. which holds an issued and paid-up share capital of 9,900 ordinary shares amounting to IDR9,900,000,000 (equivalent to S\$933,174) and Polaris Explorer Pte. Ltd. which holds an issued and paid-up share capital of 100 ordinary shares amounting to IDR100,000,000 (equivalent to S\$9,426) respectively fully paid in cash.

⁽⁴⁾ During the previous financial year, the subsidiary was incorporated by Mastro Luxe Pte. Ltd. which holds an issued and paid-up share capital of 510 ordinary shares amounting to ZAR510,000 (equivalent to S\$40,369) fully paid in cash.

⁽⁵⁾ These subsidiaries are held by non-wholly owned intermediate holding companies. The intermediate holding companies have the power to control these companies.

⁽⁶⁾ As at 31 December 2023, these subsidiaries were audited by Moore Stephens LLP for Group consolidation purposes.

⁽⁷⁾ As at 31 December 2023, these subsidiaries have not been audited as they are considered to be insignificant components to the Group for FY2023 but were reviewed by Moore Stephens LLP for Group consolidation purposes.

⁽⁸⁾ The subsidiary was incorporated during the current financial year. Polaris Network Pte. Ltd. holds an issued and paid-up share capital of 65 ordinary shares amounting to S\$65 fully paid in cash.

⁽⁹⁾ Audited by Gideon Adi & Rekan, Indonesia.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

13 Investments in Subsidiaries (cont'd)

(b) Interest in subsidiaries with material non-controlling interest ("NCI")

The Group has the following subsidiaries that have NCI that are considered material to the Group:

Name and principal <u>place of business</u>	Proportion of ownership interest held by NCI	Loss allocated to NCI during the reporting <u>period</u> S\$'000	Accumulated NCI at the end of reporting <u>period</u> S\$'000
<u>2023</u>			
Mastro Luxe Pte. Ltd. and its subsidiaries ("MLS sub-group")			
Singapore	49%	(306)	(1,026)
<u>2022 (Restated)</u>			
Mastro Luxe Pte. Ltd and its subsidiaries ("MLS sub-group")			
Singapore	49%	(960)	(720)

(c) Summarised financial information about subsidiaries with material NCI of MLS sub-group

Summarised statement of comprehensive income

	MLS sub-group	
	<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)
Revenue	8,938	7,121
Loss before income tax	(644)	(1,952)
Income tax income	20	-
Loss after income tax	(624)	(1,952)
Other comprehensive income/(loss)	4	(7)
Total comprehensive loss	(620)	(1,959)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

13 Investments in Subsidiaries (cont'd)

(c) Summarised financial information about subsidiaries with material NCI of MLS sub-group (cont'd)

Summarised statement of financial position

	MLS sub-group	
	<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)
<u>Current</u>		
Assets	2,164	1,861
Liabilities	(4,299)	(3,398)
Net current liabilities	<u>(2,135)</u>	<u>(1,537)</u>
<u>Non-current</u>		
Assets	117	68
Liabilities	(76)	-
Net non-current assets	<u>41</u>	<u>68</u>
Net liabilities	<u>(2,094)</u>	<u>(1,469)</u>

14 Joint arrangements and activities

During the year, the Group entered into joint operations arrangements. The details are as follows:

<u>Name and principal place of business</u>	<u>Principal activities</u>	<u>Group effective proportion of ownership interest</u>	
		<u>2023</u> %	<u>2022</u> %
Project Sneama Japan	License to operate Sneakercon events in Japan	50	-
Project 3T Indonesia	Buying and selling of second-hand fashion luxury goods	50	-

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

15 Other Financial Assets

	Group and Company	
	<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)
<i>Equity investment measured at fair value through other comprehensive income</i>		
PT Trikonsel Oke Tbk. (" TRIO ") (a)	-	-
<i>Unquoted equity investment measured at fair value through profit or loss</i>		
Marque Luxury America LLC (" MLA ") (b)	-	-
	<hr/>	<hr/>
	-	-

- (a) The equity investment represents the Group's 8.22% investment in TRIO. TRIO's shares are listed on the Indonesia Stock Exchange ("**IDX**").

As per the Group's investment policy, this investment in equity instrument is not held for trading. Instead, it is held mainly for long-term strategic purposes. Accordingly, this investment is designated at FVOCI as the management believes that recognising short-term fluctuations in this investment's FVPL would not be consistent with the Group's strategy of holding this investment for long-term purposes.

During the financial year ended 31 December 2019, TRIO's shares on the IDX were suspended in July 2019 and remained suspended at the reporting date. As TRIO's shares remained suspended, management has relied on information about prices from recent off-market transactions after the year end in the determination of the fair value at the reporting date which is categorised under Level 2 of the Fair Value Hierarchy. Further, TRIO has announced on 13 March 2020 that under the relevant exchange regulations, the IDX may delist TRIO's shares if it remains suspended for a continuous period of 24 months.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

15 Other Financial Assets (cont'd)

- (b) During the previous financial year ended 31 December 2022, the Group had classified its former wholly-owned subsidiary, Marque Luxury America LLC ("**MLA**") and its subsidiaries ("**MLA sub-group**") as held-for-sale upon entering an agreement with Englory Media Holdings Pte. Ltd. (the "**Investor**") and Marque Luxury LLC ("**MLL**") for a US\$10,000,000 investment by way of a subscription of equity interests in the MLA sub-group by the Investor as per the Group's announcement made on 26 October 2021.

During the current financial year ended 31 December 2023, the Group has engaged a United States law firm (the "**US Legal Counsel**") to opine on certain matters relating to the dilution of the Group's interest in the MLA sub-group as a result of the investment made by an investor by way of a subscription of equity interest in the MLA sub-group. In the legal opinion dated 30 August 2023 issued by the US Legal Counsel to the Group, it was stated that the Group's interest in the MLA sub-group had been effectively diluted from 51% to 19.99% with effect from 28 February 2022.

The MLA sub-group had therefore ceased to be a subsidiary of the Group with effect from that date. Accordingly, in the current financial year, the Group has restated the comparative financial information relating to FY 2022 to reflect the effect of this dilution, by de-consolidating the MLA sub-group from the consolidated comparative financial information for FY 2022 (Refer to Note 31 – Restatements of Prior Year).

Accordingly, with effect from 28 February 2022, the MLA sub-group has ceased to be a subsidiary of the Group and the effective interest in the MLA sub-group was diluted from 51% to 19.99%. The Group has subsequently recognised the 19.99% investment in the MLA sub-group as an unquoted equity investment. It became an unquoted equity investment as the Group does not deem it has significant influence over it.

The Group has fully written down the 19.99% unquoted equity investment in the MLA sub-group, by recognising a fair value loss amounting to S\$3,451,000 in the restated consolidated financial statements for FY 2022. Management is of the view that the fair values of this investment as at 31 December 2022 and 31 December 2023, are insignificant.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

16 Deferred Tax Assets

Group	
2023	2022
S\$'000	S\$'000

The movements in the deferred income tax account are as follows:

Balance at the beginning of the year	-	-
Credited to profit or loss (Note 10)	20	-
Balance at the end of the year	20	-
	20	-

The deferred tax assets during the year arise from temporary differences from employee benefit liabilities as at 31 December 2023.

17 Trade and Other Receivables

	Group		Company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)		(Restated)
Trade receivables (a)	1,758	933	-	-
Other receivables	290	301	1	-
GST receivables	50	111	5	-
Amounts due from subsidiaries (net of allowance) (b)	-	-	3,528	5,324
Amount due from a joint operation	299	-	-	-
Refundable deposits	84	162	5	3
	2,481	1,507	3,539	5,327
	2,481	1,507	3,539	5,327

(a) Trade receivables

Trade receivables from third parties are non-interest bearing. Generally, the trade receivables' credit period ranges from 1 to 90 days (2022: 1 to 90 days).

Movement in expected credit loss allowance:

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
Trade receivables, gross	1,792	933
Less: Allowance for impairment		
At 1 January	-	-
Addition	(34)	-
At 31 December	(34)	-
	1,758	933

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

17 Trade and Other Receivables (cont'd)

(a) Trade receivables (cont'd)

Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses ("**ECL**") as disclosed in the accounting policy Note 3(n). There has been no change in the estimation techniques or significant assumptions made during the current reporting period. None of the trade receivables that have been written off is subject to enforcement activities.

The Group's credit risk exposure in relation to trade receivables are set out in the provision matrix as presented below. The Group's provision for loss allowance is based on past due as the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments.

	Trade receivables past due (days)					Total
	Current	< 30 days	31 to 60 days	61 to 90 days	> 90 days	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Group						
<u>2023</u>						
Expected credit loss rate	*	*	*	*	*	*
Trade receivables – gross carrying amount at default	1,251	476	1	2	62	1,792
Loss allowance – lifetime ECL	-	-	-	-	-	-
Specific ECL allowance	-	-	-	-	(34)	(34)
	1,251	476	1	2	28	1,758

	Trade receivables past due (days)					Total
	Current	< 30 days	31 to 60 days	61 to 90 days	> 90 days	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	
Group (cont'd)						
<u>2022</u>						
Expected credit loss rate	*	*	*	*	*	*
Trade receivables – gross carrying amount at default	165	380	135	121	132	933
Loss allowance – lifetime ECL	-	-	-	-	-	-
	165	380	135	121	132	933

* Insignificant ECL rate

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

17 Trade and Other Receivables (cont'd)

(b) Amounts due from subsidiaries

	Company	
	<u>2023</u> S\$'000	<u>2022</u> S\$'000
Amounts due from subsidiaries	12,116	11,178
Less: Allowance for impairment		
At 1 January	(5,854)	(6,905)
(Addition)/reversal	(2,734)	1,051
At 31 December	(8,588)	(5,854)
	3,528	5,324

Amounts due from subsidiaries are non-trade, unsecured, non-interest bearing, and are to be settled in cash on demand.

(c) Impairment loss on other receivables

For the purpose of impairment assessment, the other receivables, refundable deposits and amount due from a joint operation (excluding trade receivables and amounts due from subsidiaries) are considered to have a low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month ECL which reflects the low credit risk of the exposures. There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for these financial assets.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

17A Intangible asset

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
<i>License with definite useful life</i>		
<u>Cost</u>		
Balance at 1 January	-	-
Addition	165	-
Balance at 31 December	<u>165</u>	<u>-</u>
<u>Accumulated amortisation</u>		
Balance at 1 January/ 31 December	<u>-</u>	<u>-</u>
	<u>165</u>	<u>-</u>

The license is acquired through a joint operation arrangement under Project Sneama (Note 14). The license will be amortised through-out the project period of 12 months.

18 Inventories

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000 (Restated)
<u>Statement of financial position</u>		
Finished goods, at cost or net realisable value	<u>1,388</u>	<u>1,361</u>
<u>Statement of income</u>		
Inventories recognised as an expense in cost of sales (Including allowance for stock obsolescence)	<u>19,847</u>	<u>24,204</u>

Certain inventories previously written down have been written back when they were successfully sold at prices above their carrying amounts (Refer Note 6).

19 Cash and Bank Balances

	Group		Company	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000 (Restated)	S\$'000	S\$'000
Cash on hand and at bank	<u>2,414</u>	<u>6,234</u>	<u>358</u>	<u>2,959</u>

Cash at bank earns interest at floating rates based on daily banks deposit rates.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

20 Loans and Borrowings

	Maturity	Group		Company	
		2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
<u>Current</u>					
Loan I	2032	88	87	88	87
Loan II	2034	105	107	105	107
Enterprise loan	2026	253	246	253	246
Lease liabilities (Note 27)		40	19	-	-
		<u>486</u>	<u>459</u>	<u>446</u>	<u>440</u>
<u>Non-current</u>					
Loan I	2032	826	929	826	929
Loan II	2034	1,107	1,195	1,107	1,195
Enterprise loan	2026	281	534	281	534
Lease liabilities (Note 27)		7	33	-	-
		<u>2,221</u>	<u>2,691</u>	<u>2,214</u>	<u>2,658</u>
Total		<u>2,707</u>	<u>3,150</u>	<u>2,660</u>	<u>3,098</u>

Loan I

This loan is secured by a first mortgage over the Group's commercial properties (Note 12) and bears interest at 2.25% (2022: 2.25%) below the Bank's Commercial Financing Rate ("**BCFR**") for the current financial year ended 31 December 2023 and thereafter. Currently, BCFR is at 6.25% (2022: 6.25%) per annum.

Loan II

This loan is secured by a first mortgage over the Group's commercial properties (Note 12) and bears interest at 1.58% (2022: 1.58%) below the Bank's Commercial Financing Rate ("**BCFR**") for the current financial year ended 31 December 2023 and 2.25% below BCFR for the next financial year and thereafter. Currently, BCFR is at 6.25% (2022: 6.25%) per annum.

Enterprise loan

The Enterprise Loan is repayable in 60 instalments which bears interest at 2.50% per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

21 Trade and Other Payables

	Group		Company	
	<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)	<u>2023</u> S\$'000	<u>2022</u> S\$'000
Trade payables (a)	171	354	-	20
Other payables	467	618	126	-
GST payables	44	104	-	-
Amount due to joint operation	34	-	-	-
	<u>716</u>	<u>1,076</u>	<u>126</u>	<u>20</u>

(a) Trade payables

These amounts are non-interest bearing. Trade payables are normally settled on 30 days terms (2022: 30 days).

22 Other Liabilities

	Group		Company	
	<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)	<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)
Accrued operating expenses	673	457	261	247

23 Share Capital and Reserves

(a) Share Capital

	Group and Company	
	No. of ordinary shares '000	S\$'000
<u>Issued and fully paid</u> At 31 December 2023 and 2022	17,053,170	402,747

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

23 Share Capital and Reserves (cont'd)

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

(b) Foreign Currency Translation Reserve

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000 (Restated)
At 1 January	(554)	(513)
Exchange differences on translation	(3)	(41)
At 31 December	<u>(557)</u>	<u>(554)</u>

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of Group entities' operations whose functional currencies are different from that of the Group's presentation currency.

24 Non-controlling Interests

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000 (Restated)
At 1 January	(720)	2,206
Share of results of subsidiaries	(306)	(960)
Derecognition arising from deconsolidation of subsidiaries	-	(1,966)
At 31 December	<u>(1,026)</u>	<u>(720)</u>

25 Employee Benefits

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000 (Restated)
Employee benefits (including directors):		
- Salaries and bonuses	1,587	1,613
- Central Provident Fund contributions	110	223
- Defined benefits plans	67	-
- Other short-term benefits	75	97
	<u>1,839</u>	<u>1,933</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

26 Related Party Transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

Compensation of Key Management Personnel

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
Directors' fees	75	75
Short-term employee benefits	489	403
Central Provident Fund contributions	20	16
Other short-term benefits	48	48
	<hr/> 632	<hr/> 542
Comprise amounts paid/payable to:		
Directors of the Company	492	492
Other key management personnel	140	50
	<hr/> 632	<hr/> 542

27 Lease Liabilities

The Group as a lessee

(a) Nature of the Group's leasing activities

The Group has entered into leases in respect of its retail outlets. The Group's obligations under the leases are secured by security deposits placed to the lessors. The Group is prohibited from selling, pledging or sub-leasing the underlying leased assets, and is required to maintain the assets in good condition.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

27 Lease Liabilities (cont'd)

The Group as a lessee (cont'd)

(b) Carrying amount of right-of-use assets classified within Property, Plant and Equipment

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
Retail outlets	32	-
Leasehold property	10	-
Motor vehicle	18	55
	60	55

The information about the additions to right-of-use assets during the current financial year are disclosed in Note 12.

(c) Amounts recognised in profit or loss

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
Depreciation charge for the year:		
- Retail outlets	10	25
- Leasehold property	3	-
- Motor vehicles	38	54
- Interest on lease liabilities	3	4
	34	83

(d) Other disclosures

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
Total cash outflow for leases	45	317

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

28 Financial Risk Management

Financial Risk Management Objectives and Policies

The Group is exposed to financial risks arising from its operations. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market risk.

Financial risk management is carried out by management under policies approved by the Board of Directors of the Company. The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management of the Group.

(a) Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group. The Group's exposure to credit risk arises primarily from trade and other receivables, refundable deposits, amount due from a joint operation, amounts due from subsidiaries, and cash and bank balances. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group has adopted a policy of only dealing with creditworthy counterparties. The Group performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than one year or there is significant difficulty of the counterparty.

The credit risk concentration profile of the Group's trade receivables at the reporting date is as follows:

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
		(Restated)
Trade receivables by country:		
- Singapore	820	846
- Indonesia	781	81
- United States	104	-
- Korea	28	6
- South Africa	25	-
	1,758	933

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

28 Financial Risk Management (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(a) Credit Risk (cont'd)

The Group does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

Trade receivables

As disclosed in Note 3(n), the Group uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables. In measuring the expected credit losses, trade receivables and contract assets are grouped based on their shared credit risk characteristics and numbers of days past due. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Further details on the loss allowance of the Group's credit risk exposure in relation to the trade receivables are disclosed in Note 17.

Cash and bank balances and other receivables

The cash and bank balances are entered into with bank and financial institution counterparties, which the Group considers to have low credit risk based on external credit agency ratings.

Impairment on cash and bank balances has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and bank balances have low credit risk based on the external credit ratings of the counterparties. The Group uses a similar approach for assessment of ECLs for cash and bank balances to those used for debt investments. The amount of the allowance on cash and bank balances was insignificant.

Further details on the loss allowance of the Group's credit risk exposure in relation to the other receivables is disclosed in Note 17(c).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

28 Financial Risk Management (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(a) Credit Risk (cont'd)

Credit risk grading guideline

The Group's management has established the Group's internal credit risk grading to the different exposures according to their degree of default risk. The internal credit risk grading which are used to report the Group's credit risk exposure to key management personnel for credit risk management purposes are as follows:

Internal rating grades	Definition	Basis of recognition of expected credit loss ("ECL")
i. Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
ii. Under-performing	There has been a significant increase in credit risk since initial recognition (i.e. interest and/or principal repayment are more than 30 days past due).	Lifetime ECL (not credit-impaired)
iii. Non-performing	There is evidence indicating that the asset is credit-impaired (i.e. interest and/or principal repayments are more than one year past due).	Lifetime ECL (credit impaired)
iv. Write-off	There is evidence indicating that there is no reasonable expectation of recovery as the debtor is in severe financial difficulty.	Asset is written off

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

28 Financial Risk Management (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(a) Credit Risk (cont'd)

Credit risk exposure and significant credit risk concentration

The credit quality of the Group's and the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating grades is presented as follows:

	Internal credit rating	ECL	Gross carrying amount S\$'000	Loss allowance S\$'000	Net carrying amount S\$'000
Group					
<u>2023</u>					
Trade receivables	Note A	Lifetime ECL (Simplified)	1,792	(34)	1,758
<u>2022 (Restated)</u>					
Trade receivables	Note A	Lifetime ECL (Simplified)	933	-	933
Company					
<u>2023</u>					
Other receivables (Note 17(b))	Non-performing	Lifetime ECL (credit impaired)	12,116	(8,588)	3,528
<u>2022 (Restated)</u>					
Other receivables (Note 17(b))	Non-performing	Lifetime ECL (credit impaired)	11,178	(5,854)	5,324

Note A – The Group has applied the simplified approach to measure the loss allowance at lifetime ECL. The details of the loss allowance for these financial assets are disclosed in Notes 17(a).

(b) Liquidity Risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

28 Financial Risk Management (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(b) Liquidity Risk (cont'd)

To manage liquidity risk, the Group monitors its net operating cash flow, maintains a level of cash and bank balances and secured committed funding facilities from financial institutions. In assessing the adequacy of these facilities, the Group reviews working capital and capital expenditure requirements continually so as to mitigate the effects of fluctuations in the cash flows. When a potential shortfall in cash is anticipated, the Group will finance the shortfall by way of borrowings, share placements and/or issue of convertible securities in a timely manner. The Group places its surplus funds with reputable banks.

The Group will continue to review, formulate and implement a liquidity risk management policy and to maintain sufficient liquid financial assets and stand-by credit facilities with three different banks.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	One <u>year or less</u> S\$'000	One to <u>five years</u> S\$'000	Over <u>five years</u> S\$'000	Contractual <u>cash flow</u> S\$'000	Carrying <u>amount</u> S\$'000
Group					
<u>2023</u>					
<u>Financial liabilities</u>					
Trade and other payables ⁽¹⁾	672	-	-	672	672
Other liabilities	673	-	-	673	673
Loans and borrowings (excluding lease liabilities)	500	1,234	1,184	2,918	2,660
Lease liabilities	42	9	-	51	47
Total undiscounted financial liabilities	<u>1,887</u>	<u>1,243</u>	<u>1,184</u>	<u>4,314</u>	<u>4,052</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

28 Financial Risk Management (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(b) Liquidity Risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	<u>One</u> <u>year or less</u> S\$'000	<u>One to</u> <u>five years</u> S\$'000	<u>Over</u> <u>five years</u> S\$'000	<u>Contractual</u> <u>cash flow</u> S\$'000	<u>Carrying</u> <u>amount</u> S\$'000
Group (cont'd)					
<u>2022 (Restated)</u>					
<u>Financial liabilities</u>					
Trade and other payables ⁽¹⁾	972	-	-	972	972
Other liabilities	457	-	-	457	457
Loans and borrowings (excluding lease liabilities)	499	1,691	1,219	3,409	3,098
Lease liabilities	33	20	-	53	52
Total undiscounted financial liabilities	<u>1,961</u>	<u>1,711</u>	<u>1,219</u>	<u>4,891</u>	<u>4,579</u>
Company					
<u>2023</u>					
<u>Financial liabilities</u>					
Trade and other payables ⁽¹⁾	126	-	-	126	126
Other liabilities	261	-	-	261	261
Loans and borrowings	500	1,234	1,184	2,918	2,660
Total undiscounted financial liabilities	<u>887</u>	<u>1,234</u>	<u>1,184</u>	<u>3,305</u>	<u>3,047</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

28 Financial Risk Management (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(b) Liquidity Risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	<u>One year or less</u> S\$'000	<u>One to five years</u> S\$'000	<u>Over five years</u> S\$'000	<u>Contractual cash flow</u> S\$'000	<u>Carrying amount</u> S\$'000
Company (cont'd)					
<u>2022</u>					
<u>Financial liabilities</u>					
Trade and other payables ⁽¹⁾	20	-	-	20	20
Other liabilities	247	-	-	247	247
Loans and borrowings	499	1,691	1,219	3,409	3,098
Total undiscounted financial liabilities	<u>766</u>	<u>1,691</u>	<u>1,219</u>	<u>3,676</u>	<u>3,365</u>

⁽¹⁾ Amount excludes GST payables.

(c) Interest Rate Risk

The Group is exposed to interest rate risk primarily on its existing interest-bearing financial instruments. Financial instruments issued at variable rates expose the Group to cash flow interest rate risk. Financial instruments issued at fixed rates expose the Group to fair value interest rate risk. The interest rate that the Group will be able to obtain on its financial instruments will depend on market conditions at that time, and may differ from the rates the Group has secured currently.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

28 Financial Risk Management (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(c) Interest Rate Risk (cont'd)

The interest rates and repayment terms of interest-bearing financial instruments are disclosed in the respective notes to the financial statements. The interest rate profile of the Group's financial instruments as at the end of the reporting period was as follows:

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
<u>Financial assets</u>		
Fixed rate	-	-
Non-interest bearing	4,845	7,630
	<u>4,845</u>	<u>7,630</u>
<u>Financial liabilities</u>		
Fixed rate	2,660	3,098
Non-interest bearing	1,392	1,481
	<u>4,052</u>	<u>4,579</u>

(d) Foreign Currency Risk

The Group has transactional currency exposures arising from sales or purchases that are denominated in foreign currencies; consequently exposures to exchange rate fluctuations arise. The foreign currencies in which these transactions are denominated are mainly United States Dollars ("USD").

To manage the foresaid foreign currency risk, the Group maintains a natural hedge, whenever possible, by depositing foreign currency proceeds from sales into foreign currency bank accounts which are primarily used for payments of purchases in the same currency denomination.

	Group	
	<u>2023</u>	<u>2022</u>
	<u>USD</u>	<u>USD</u>
	S\$'000	S\$'000
<u>Financial assets</u>		
Cash and bank balances	374	3,487

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

28 Financial Risk Management (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(d) Foreign Currency Risk (cont'd)

If the following currency strengthens by 5% (2022: 5%) against S\$ at the reporting date, with all other variables being held constant, the effect arising from the net financial assets position will be as follows:

	Group	
	Decrease	
	in loss before tax	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
USD	(19)	(174)

A 5% weakening of S\$ against the above currency would have had the equal but opposite effect on the above currency to the amount shown above, on the basis that all other variables remain constant.

The Company has not disclosed its exposure to foreign currency risk as the Company's risk exposure is not significant.

(e) Market Risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group's equity investment is listed on the Indonesia Stock Exchange ("IDX"). A 5% change in the equity price of the IDX listed equity investment measured at FVOCI would not result in a material variance in the fair value of the equity investment at the reporting date (2022: 5%).

At the date of authorisation of these financial statements, the TRIO's shares on the IDX remain suspended.

(f) Fair Value of Financial Instruments

The Group has established a control framework with respect to the measurement of fair values. This framework includes the finance team that reports directly to the Group's key management, and has overall responsibility for all significant fair value measurements, including Level 3 fair values.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

28 Financial Risk Management (cont'd)

Financial Risk Management Objectives and Policies (cont'd)

(f) Fair Value of Financial Instruments (cont'd)

The finance team regularly reviews significantly unobservable inputs and valuation adjustments. If third party confirmation, such as broker quotes or pricing services, is used to measure fair value, then the finance team assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of SFRS(I)s, including the level in the fair value hierarchy the resulting fair value estimate should be classified.

Significant valuation issues are reported to the Company's Audit and Risk Management Committee.

Fair Value Hierarchy

The financial instruments that are measured subsequent to initial recognition at fair value are required disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- i. Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- ii. Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- iii. Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Information relating to the Group's equity investment measured at fair value is disclosed in Note 15.

The fair values of financial assets and financial liabilities with a maturity of less than one year, which are primarily cash and bank balances, trade and other receivables, trade and other payables, and short-term loans and borrowings, are assumed to approximate their carrying amounts because of the short-term maturity of these financial instruments.

The fair values of long-term loans and borrowings are calculated based on discounted expected future principal and interest cash flows. The discount rates used are based on market rates for similar instruments at the reporting date. The carrying amounts of these financial assets and financial liabilities are assumed to approximate their respective fair values. The Group does not anticipate that the carrying amounts recorded at the reporting date would be significantly different from the values that would eventually be received or settled.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

29 Capital Management

Capital includes debt and equity items as disclosed in the table below.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and make adjustments to it, in light of changes in economic conditions. No changes were made in the objectives, policies or processes during the financial years ended 31 December 2023 and 2022.

The Group monitors capital using a gearing ratio, which is net debt divided by equity. The Group will continue to review, formulate and implement policies to keep gearing ratio below 50%. The Group includes within net debt, loans and borrowings, trade and other payables less cash and bank balances.

	Group	
	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000
Loans and borrowings	2,707	3,150
Trade and other payables	672	972
Less: Cash and bank balances	(2,414)	(6,234)
Net debt/(surplus)	<u>965</u>	<u>(2,112)</u>
Equity attributable to the equity holders of the Company	<u>7,421</u>	<u>9,419</u>
Net-debt-to-equity ratio	<u>13.0%</u>	<u>N.M</u>

N.M – Not meaningful due to net surplus

30 Segment Information

For management purposes, the Group is organised into business units based on their products and services, and has the following reportable operating segments:

- i. The pre-owned luxury goods segment engages in the business of importing and exporting pre-owned luxury goods and premium lifestyle products on a wholesale and/or retail basis.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

30 Segment Information (cont'd)

- ii. The consumer electronics segment engages in the corporate sale of telecommunication, IT, educational robotics and consumer electronics products in Singapore. This segment offers a wide range of electronic products and services from reputable brands such as Apple.
- iii. The customer services segment provides after-market services to end consumers for equipment repairs, refurbishments and technical services in Singapore.
- iv. The corporate segment provides Group-level corporate services, treasury functions and investment in marketable securities. It is also involved in strategic investment and joint venture opportunities to synergise and complement the Group's existing offerings, such as the entry into the pre-owned luxury goods business.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

The accounting policies of the reportable operating segments are the same as described in Note 3(v). Transfer prices between operating segments are on an arm length's basis in a manner similar to transactions with third parties.

(a) Segment Revenues and Results

The following is an analysis of the Group's revenue and results by reportable operating segment:

	Segment revenue		Segment profit/(loss)	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000	S\$'000	S\$'000
		(Restated)		(Restated)
Pre-owned luxury goods sales	8,939	7,121	(905)	(831)
Consumer electronics sales	12,447	17,334	134	27
Customer services	698	2,756	115	486
Other revenue	35	70	(403)	-
Corporate	-	-	(1,179)	(997)
	<u>22,119</u>	<u>27,281</u>	<u>(2,238)</u>	<u>(1,315)</u>
Other income			428	404
Other expenses			(417)	(3,929)
Finance costs			(91)	(167)
Loss before income tax			<u>(2,318)</u>	<u>(5,007)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

30 Segment Information (cont'd)

(a) Segment Revenues and Results (cont'd)

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales.

Segment profit/(loss) represents the profit/(loss) earned by each reportable operating segment prior to interest income and finance costs.

(b) Reconciliation

	Group	
	<u>2023</u> S\$'000	<u>2022</u> S\$'000 (Restated)
Segment assets		
Pre-owned luxury goods sales	2,335	1,889
Consumer electronic sales	3,956	3,489
Customer services	142	359
Corporate	3,740	7,645
Others	385	-
Total segment assets	<u>10,558</u>	<u>13,382</u>
Consolidated total assets	<u>10,558</u>	<u>13,382</u>
Segment liabilities		
Pre-owned luxury goods sales	368	332
Consumer electronic sales	401	664
Customer services	263	263
Corporate	432	326
Others	39	-
Total segment liabilities	<u>1,503</u>	<u>1,585</u>
Unallocated: Loans and borrowings (excluding lease liabilities)	<u>2,660</u>	<u>3,098</u>
Consolidated total liabilities	<u>4,163</u>	<u>4,683</u>

For the purposes of monitoring segment performance and allocating resources between each reportable operating segments:

- all assets are allocated to reportable segments; and
- all liabilities are allocated to reportable segments other than loans and borrowings.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

30 Segment Information (cont'd)

(c) Other Segment Information

	Depreciation		Additions to non-current assets	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000 (Restated)	S\$'000	S\$'000 (Restated)
Pre-owned luxury goods sales	52	83	66	136
Consumer electronics sales	3	74	3	-
Customer services	1	5	-	-
Corporate	178	190	-	-
Others	53	-	446	-
	<u>287</u>	<u>352</u>	<u>515</u>	<u>136</u>

(d) Geographical Information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	S\$'000	S\$'000 (Restated)	S\$'000	S\$'000 (Restated)
Singapore	11,437	23,432	3,257	3,479
Indonesia	8,034	1,821	469	30
Philippines	2,245	1,291	16	8
Korea	296	737	31	5
South Africa	107	-	-	-
	<u>22,119</u>	<u>27,281</u>	<u>3,773</u>	<u>3,522</u>

Non-current assets information presented above consist of property, plant and equipment and other financial assets as presented in the consolidated statement of financial position.

Information about major customers

Revenues from 3 major customers amount to S\$12,260,967 (2022: S\$11,473,700) arising from sales by the consumer electronics sales segment and pre-owned luxury goods sales.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

31 Restatement of Prior Year

As disclosed in Note 15(b), the Group has obtained a legal opinion dated 30 August 2023, stating that the Group's interest in the MLA sub-group had been effectively diluted from 51% to 19.99% with effect from 28 February 2022. The MLA sub-group had therefore ceased to be a subsidiary of the Group with effect from that date. The legal opinion was obtained only after the Group's previous set of financial statements, relating to the financial year ended 31 December 2022, were authorised for issue, on 13 April 2023. Therefore, the financial effect of this dilution has not been reflected in the previous set of financial statements. Accordingly, in the current financial year, the Group has restated the comparative financial statements, to reflect the effect of this dilution. The effects of the restatement are summarised below.

Consolidated statement of comprehensive income for the year ended 31 December 2022	(As previously reported) S\$'000	(Restated) S\$'000
Revenue	70,221	27,281
Cost of sales	(58,127)	(24,204)
Gross profit	<u>12,094</u>	<u>3,077</u>
Other items of income:		
Other income	817	404
Other items of expense:		
Marketing and distribution	(2,948)	(272)
Administrative expenses	(15,245)	(4,120)
Finance costs	(167)	(167)
Other expenses	(767)	(3,929)
Loss before income tax	<u>(6,216)</u>	<u>(5,007)</u>
Income tax expense	-	-
Loss for the year	<u>(6,216)</u>	<u>(5,007)</u>
Attributable to:		
Equity holders of the Company	(3,563)	(4,047)
Non-controlling interests	(2,653)	(960)
Total loss for the year	<u>(6,216)</u>	<u>(5,007)</u>
Other comprehensive loss, net of tax:		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation	(362)	(74)
Other comprehensive loss for the year	<u>(362)</u>	<u>(74)</u>
Total comprehensive loss for the year	<u>(5,854)</u>	<u>(5,081)</u>
Attributable to:		
Equity holders of the Company	(3,378)	(4,121)
Non-controlling interests	(2,476)	(960)
Total comprehensive loss for the year	<u>(5,854)</u>	<u>(5,081)</u>
Loss per share attributable to equity holders of the Company:		
Basic and diluted (cents per share)	<u>(0.021)</u>	<u>(0.024)</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

31 Restatement of Prior Year (cont'd)

Consolidated statement of cash flows for the year ended 31 December 2022	(As previously reported) S\$'000	(Restated) S\$'000
Cash Flows from Operating Activities		
Loss before income tax	(6,216)	(5,007)
Adjustments for:		
Depreciation of property, plant and equipment	547	352
Finance costs	167	167
Fair value loss on investment in unquoted equity investment	-	3,451
Loss on disposal of property, plant and equipment	-	39
Unrealised exchange loss	410	349
Operating cash flows before changes in working capital	(5,092)	(649)
Changes in working capital:		
Inventories	5,819	1,512
Trade and other receivables	859	266
Prepayments	929	(711)
Trade and other payables	(9,673)	22
Other liabilities	835	51
Cash flows (used in)/generated from operations	(6,323)	491
Finance cost paid	(167)	(167)
Income taxes paid	1	-
Net cash flows (used in)/generated from operating activities	(6,489)	324
Cash Flows from Investing Activities		
Repayment from former subsidiary	-	4,602
Purchase of property, plant and equipment	(38)	(82)
Net cash flows (used in)/generated from investing activities	(38)	4,520
Cash Flows from Financing Activities		
Repayments of bank loans	(395)	(395)
Principal payment of lease liabilities	(317)	(317)
Advance from subscription in equity interest in a subsidiary company	11,398	-
Net cash flows generated from/(used in) financing activities	10,686	(712)
Net increase in cash and cash equivalents	4,159	4,132
Cash and cash equivalents at the beginning of the year	2,102	2,102
Cash and cash equivalents at the end of the year	6,261	6,234

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year ended 31 December 2023

31 Restatement of Prior Year (cont'd)

Consolidated statement of financial position as at 31 December 2022

	(As previously reported) S\$'000	(Restated) S\$'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	3,525	3,522
Current Assets		
Trade and other receivables	1,477	1,507
Inventories	1,389	1,361
Prepayments	758	758
Cash and bank balances	6,261	6,234
	9,885	9,860
Assets of disposal group classified as held-for-sale	19,311	-
	29,196	9,860
Total Assets	32,721	13,382
LIABILITIES AND EQUITY		
Current Liabilities		
Loans and borrowings	459	459
Trade and other payables	1,022	1,076
Other liabilities	436	457
	1,917	1,992
Liabilities directly associated with disposal group classified as held-for-sale	18,183	-
	20,100	1,992
Non-Current Liabilities		
Loans and borrowings	2,691	2,691
Total Liabilities	22,791	4,683
Equity Attributable to Equity Holders of the Company		
Share capital	402,747	402,747
Foreign currency translation reserve	(328)	(554)
Accumulated losses	(392,257)	(392,774)
	10,162	9,419
Non-controlling interests	(232)	(720)
Total Equity	9,930	8,699
Total Liabilities and Equity	32,721	13,382

STATISTICS OF SHAREHOLDINGS

As at 1 April 2024

Issued and fully paid-up capital	:	\$407,519,502
No. of shares issued	:	17,053,169,818 Ordinary shares
Class of shares	:	Ordinary shares
Voting rights	:	One vote per Ordinary share
Treasury shares and subsidiary holdings	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	304	2.91	4,264	0.00
100 - 1,000	6,783	65.02	2,147,361	0.01
1,001 - 10,000	845	8.10	2,989,700	0.02
10,001 - 1,000,000	2,277	21.83	439,611,001	2.58
1,000,001 and above	223	2.14	16,608,417,492	97.39
Total	10,432	100.00	17,053,169,818	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholder	No. of Shares	%
1	RAFFLES NOMINEES (PTE.) LIMITED	8,522,979,283	49.98
2	CITIBANK NOMINEES SINGAPORE PTE LTD	6,769,261,654	39.70
3	DBS NOMINEES (PRIVATE) LIMITED	309,141,976	1.81
4	ONG KOK WAH	70,000,000	0.41
5	LIU KEVIN YI FENG	60,000,000	0.35
6	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	43,731,715	0.26
7	LEE JESSIE	41,308,170	0.24
8	PHILLIP SECURITIES PTE LTD	35,534,200	0.21
9	ANG CHIN SAN	28,431,000	0.17
10	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	24,308,720	0.14
11	ZENG HANG CHENG	21,000,000	0.12
12	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	19,790,900	0.12
13	OCBC SECURITIES PRIVATE LIMITED	16,298,300	0.10
14	TEO NGEE HUA	16,000,443	0.09
15	LIM WOEI MING MICHAEL	15,000,000	0.09
16	LAW PENG KWEE	13,972,000	0.08
17	IFAST FINANCIAL PTE. LTD.	13,250,955	0.08
18	TAN ENG CHUA EDWIN	12,176,600	0.07
19	LEE AIK CHIANG	11,000,000	0.06
20	RAVINDRAN GOVINDAN	10,620,700	0.06
Total		16,053,806,616	94.14

STATISTICS OF SHAREHOLDINGS

As at 1 April 2024

SUBSTANTIAL SHAREHOLDERS

Substantial Shareholders of the Company (as recorded in the Register of Substantial Shareholders) as at 1 April 2024.

Name of Substantial Shareholder	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Sugiono Wiyono Sugialam	326,003,652	1.91	10,469,189,374 ⁽¹⁾	61.39	10,795,193,026	63.30
Tres Maria Capital Ltd	3,867,140,015 ⁽²⁾	22.68	4,065,786,837 ⁽³⁾	23.84	7,932,926,852	46.52
PT SL Trio	2,536,262,522	14.87	-	-	2,536,262,522	14.87
Standard Chartered Private Equity Limited ⁽⁴⁾	-	-	4,065,786,837 ⁽³⁾	23.84	4,065,786,837	23.84
Standard Chartered Asia Limited ⁽⁵⁾	-	-	4,065,786,837 ⁽³⁾	23.84	4,065,786,837	23.84
Standard Chartered MB Holdings B.V. ⁽⁶⁾	-	-	4,065,786,837 ⁽³⁾	23.84	4,065,786,837	23.84
Standard Chartered Holdings (International) B.V. ⁽⁷⁾	-	-	4,065,786,837 ⁽³⁾	23.84	4,065,786,837	23.84
SCMB Overseas Limited ⁽⁸⁾	-	-	4,065,786,837 ⁽³⁾	23.84	4,065,786,837	23.84
Standard Chartered Bank ⁽⁹⁾	-	-	4,065,786,837 ⁽³⁾	23.84	4,065,786,837	23.84
Standard Chartered Holdings Limited ⁽¹⁰⁾	-	-	4,065,786,837 ⁽³⁾	23.84	4,065,786,837	23.84
Standard Chartered PLC ⁽¹⁰⁾	-	-	4,065,786,837 ⁽³⁾	23.84	4,065,786,837	23.84
Augusta Investments Zero Pte. Ltd. ⁽¹¹⁾	4,406,850,233	25.84	-	-	4,406,850,233	25.84
Augusta AB Holdco Pte. Ltd. ^(11,12)	-	-	4,406,850,233	25.84	4,406,850,233	25.84
Augusta Fundco Pte. Ltd. ^(12,13)	-	-	4,406,850,233	25.84	4,406,850,233	25.84
Augusta Fund 1, LP ^(13,14)	-	-	4,406,850,233	25.84	4,406,850,233	25.84
Augusta GP Pte. Ltd. ⁽¹⁴⁾	-	-	4,406,850,233	25.84	4,406,850,233	25.84
Affirma Capital Managers (Singapore) Pte. Ltd. ^(14,15)	-	-	4,406,850,233	25.84	4,406,850,233	25.84
Affirma Capital (Singapore) Pte. Ltd. ^(14,15,16)	-	-	4,406,850,233	25.84	4,406,850,233	25.84
Affirma Capital Limited ⁽¹⁶⁾	-	-	4,406,850,233	25.84	4,406,850,233	25.84

STATISTICS OF SHAREHOLDINGS

As at 1 April 2024

Notes:

- (1) This represents Mr Sugiono Wiyono Sugialam's deemed interest of :-
 - (a) 7,932,926,852 shares held by Tres Maria Capital Ltd. by virtue of his 100% shareholdings in Tres Maria Capital Ltd; and
 - (b) 2,536,262,522 shares held by PT SL Trio by virtue of his majority shareholdings in PT SL Trio.
- (2) Tres Maria Capital Ltd's direct interest of 3,867,140,015 shares are registered in the name of DBSN Service Pte. Ltd..
- (3) On 6 August 2014, Tres Maria Capital Ltd and Standard Chartered Private Equity Limited entered into a security agreement over shares (the "**Deed**") whereby, *inter alia*, Tres Maria Capital Ltd agreed to charge in favour of Standard Chartered Private Equity Limited by way of first mortgage, 4,236,318,535 shares in the capital of Polaris Ltd.

On 15 October 2014, pursuant to the provisions of the Deed, a notice of the mortgage and assignment has been issued by the relevant parties for the purposes of creating the charge over the shares.

On 27 May 2015, Tres Maria Capital Ltd and Standard Chartered Private Equity Limited entered into a Deed of Partial Release, pursuant to which, *inter alia*, Standard Chartered Private Equity Limited agreed to release its security over, and reassign, 170,531,698 Shares ("**Released Shares**"), and Tres Maria Capital Ltd agreed to transfer the Released Shares to Standard Chartered Private Equity Limited immediately following the release and reassignment.
- (4) Standard Chartered Private Equity Limited is a wholly owned subsidiary of Standard Chartered Asia Limited.
- (5) Standard Chartered Asia Limited is a 99.9% owned subsidiary of Standard Chartered MB Holdings B.V..
- (6) Standard Chartered MB Holdings B.V. is a wholly owned subsidiary of Standard Chartered Holdings (International) B.V..
- (7) Standard Chartered Holdings (International) B.V. is a wholly owned subsidiary of SCMB Overseas Limited.
- (8) SCMB Overseas Limited is a wholly owned subsidiary of Standard Chartered Bank.
- (9) Standard Chartered Bank is a wholly owned subsidiary of Standard Chartered Holdings Limited.
- (10) Standard Chartered Holdings Limited is a wholly owned subsidiary of Standard Chartered PLC.
- (11) Augusta Investments Zero Pte. Ltd. is a wholly owned subsidiary of Augusta AB Holdco Pte. Ltd..
- (12) Augusta AB Holdco Pte. Ltd. is a wholly owned subsidiary of Augusta Fundco Pte. Ltd..
- (13) Augusta Fundco Pte. Ltd. is a wholly owned subsidiary of Augusta Fund 1, LP.
- (14) Augusta GP Pte. Ltd. is the general partner of Augusta Fund 1, LP. and a wholly owned subsidiary of Affirma Capital (Singapore) Pte. Ltd..
- (15) Affirma Capital Managers (Singapore) Pte. Ltd. is the fund manager of Augusta Fund 1, LP and a wholly owned subsidiary of Affirma Capital (Singapore) Pte. Ltd..
- (16) Affirma Capital (Singapore) Pte. Ltd. is a wholly owned subsidiary of Affirma Capital Limited.

FREE FLOAT

As at 1 April 2024, approximately 10.86% of the issued ordinary shares of the Company are held in the hands of the public (on the basis of information available to the Company).

Accordingly, the Company has complied with Rule 723 of the Catalist Rules that an issuer must ensure that at least 10% of the total number of issued shares (excluding preference shares, convertible equity securities and treasury shares) in a class that is listed is at all times held by the public.

RULE 1204(7)

A statement (as at the 21st day after the end of the financial year) showing the direct and deemed interests of each Director of the Company in the Company's shares and convertible securities has been disclosed in the Directors' Statement on pages 36 to 39 of this annual report, and the word "debentures" as stated therein should be read to include all convertible securities.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Polaris Ltd. (the "**Company**") will be held at 81 Ubi Avenue 4 #03-11 UB. One Singapore 408830 on Tuesday, 30 April 2024, at 10:00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2023, together with the Directors' Statement and Auditors' Report thereon. **(Resolution 1)**
2. To note the retirement of Mr Masahiko Yabuki as Director of the Company pursuant to the Company's Constitution.
(See Explanatory Note (i))
3. To re-elect Ms Diana Airin who is retiring pursuant to Regulation 86 of the Company's Constitution and who, being eligible, offered herself for re-election. **(Resolution 2)**
(See Explanatory Note (ii))
4. To re-elect Mr Tay Boon Zhuan who is retiring pursuant to Regulation 93 of the Company's Constitution and who, being eligible, offered himself for re-election. **(Resolution 3)**
(See Explanatory Note (iii))
5. To re-elect Mr Chong Eng Wee who is retiring pursuant to Regulation 93 of the Company's Constitution and who, being eligible, offered himself for re-election. **(Resolution 4)**
(See Explanatory Note (iv))
6. To re-appoint Messrs Moore Stephens LLP as the Auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**
7. To transact any other ordinary business which may properly be transacted at an annual general meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without modifications:

8. To approve the payment of Directors' fees of up to S\$100,000 for the financial year ending 31 December 2024 (FY2023: S\$75,000). **(Resolution 6)**
(See Explanatory Note (v))
9. **GENERAL MANDATE TO ISSUE SHARES OR CONVERTIBLE SECURITIES** **(Resolution 7)**

That pursuant to Section 161 of the Companies Act 1967 ("**Companies Act**") and Rule 806 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual (Section B: Rules of Catalist) ("**Catalist Rules**") and notwithstanding the provisions of the Constitution of the Company, authority be and is hereby given to the Directors of the Company (the "**Directors**") to:

- (a)
 - (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding that the authority conferred by this Ordinary Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Ordinary Resolution was in force,

NOTICE OF ANNUAL GENERAL MEETING

provided that:

- (i) the aggregate number of Shares to be issued pursuant to this Ordinary Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution) does not exceed 100% of the total number of issued shares in the capital of the Company excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution) does not exceed 50% of the total number of issued shares in the capital of the Company excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (ii) below);
- (ii) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of issued shares shall be based on the total number of issued shares in the capital of the Company excluding treasury shares and subsidiary holdings at the time of passing of this Ordinary Resolution, after adjusting for:
 - (1) new Shares arising from the conversion or exercise of any convertible securities;
 - (2) (where applicable) new Shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time of passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (3) any subsequent bonus issue, consolidation or subdivision of Shares;any adjustments made in accordance with (b)(ii)(1) or (b)(ii)(2) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time this Resolution is passed;
- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (iv) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

(See Explanatory Note (vi))

BY ORDER OF THE BOARD

SOENNERSTEDT CARL JOHAN PONTUS
Executive Director & Chief Executive Officer

Date: 15 April 2024
Singapore

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

On Ordinary Business

- (i) Mr Masahiko Yabuki will resign at the conclusion of the AGM and step down as an Independent Director of the Company, the Chairman of NC and a member of ARMC and RC.
- (ii) Ms Diana Airin ("**Ms Diana**"), upon re-election as Director of the Company, will remain as an Independent Director of the Company, the Chairman of the RC and a member of the ARMC and NC. The Board considers Ms Diana to be independent for the purposes of Rule 704(7) of the Catalist Rules.

Ms Diana does not have any relationship, including immediate family relationships, with other Directors, the Company or its substantial shareholders.

- (iii) Mr Tay Boon Zhuan ("**Mr Tay**"), upon re-election as Director of the Company, will remain as an Independent Director of the Company, the Chairman of the ARMC and a member of the NC and RC. The Board considers Mr Tay to be independent for the purposes of Rule 704(7) of the Catalist Rules.

Mr Tay does not have any relationship, including immediate family relationships, with other Directors, the Company or its substantial shareholders.

- (iv) Mr Chong Eng Wee ("**Mr Chong**"), upon re-election as Director of the Company, will remain as an Independent Director of the Company, a member of the ARMC and RC and will be the Chairman of the NC after the conclusion of the AGM. The Board considers Mr Chong to be independent for the purposes of Rule 704(7) of the Catalist Rules.

Mr Chong does not have any relationship, including immediate family relationships, with other Directors, the Company or its substantial shareholders.

On Special Business

Statement Pursuant to Regulation 57(3) of the Company's Constitution

The effect of the resolutions under the heading "Special Business" in this Notice of AGM are as follows: -

- (v) The Ordinary Resolution 6 proposed in item 8 above is to approve the payment of Directors' fees for the financial year ending 31 December 2024.
- (vi) The Ordinary Resolution 7 proposed in item 9 above, if passed, is to empower the Directors to issue shares in the capital of the Company and/or instruments (as defined above). The aggregate number of shares to be issued pursuant to this Resolution 7 (including shares to be issued in pursuance of instruments made or granted) shall not exceed one hundred per cent. (100%) of the total number of issued shares, excluding treasury shares and subsidiary holdings of the Company, with a sub-limit of fifty per cent. (50%) for shares issued other than on a pro-rata basis (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) to shareholders with registered addresses in Singapore. For the purpose of determining the aggregate number of shares that may be issued, the percentage of the total number of issued shares, excluding treasury shares of the Company, will be calculated based on the total number of issued shares excluding treasury shares and subsidiary holdings of the Company at the time of the passing of this Resolution 7, after adjusting for (i) new shares arising from the conversion or exercise of any convertible securities; (ii) new shares arising from the exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution 7, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and (iii) any subsequent bonus issue, consolidation or subdivision of shares.

NOTICE OF ANNUAL GENERAL MEETING

IMPORTANT NOTICE FOR SHAREHOLDERS:

1. The Company's AGM is being convened and will be held, in a wholly physical format, at 81 Ubi Avenue 4 #03-11 UB. One Singapore 408830, on Tuesday, 30 April 2024 at 10:00 a.m.. **There will be no option for members to participate in the AGM virtually.**

The Annual Report, Notice of AGM and the accompanying proxy form will be made available on the Company's website at <https://www.wearepolaris.sg> and on the SGXNet at <https://www.sgx.com/securities/company-announcements>. A member will need an internet browser and PDF reader to view these documents. Printed copies of this Notice of AGM and the accompanying proxy form will be sent to members via post.

Printed copies of the Annual Report will **NOT** be sent to members. A member who wishes to obtain a printed copy of the Annual Report should request the same via email to ir@wearepolaris.com no later than 10:00 a.m. on 20 April 2024 and provide his/her/its full name as per CDP/CPF/SRS records, NRIC/Passport Number/Company Registration Number, mailing address and the manner in which shares are held (e.g. via CDP, CPF or SRS, or physical script(s)) in the email. Failing which, the request will not be processed.

2. Members (including Central Provident Fund ("CPF") Investment Scheme members ("CPF Investors") and/or Supplementary Retirement Scheme investors ("SRS Investors")) may participate in the AGM by:
 - a. attending the AGM in person;
 - b. raising questions at the AGM or submitting questions in advance of the AGM; and/or
 - c. voting at the AGM (i) themselves personally; or (ii) through their duly appointed proxy(ies).

CPF Investors and SRS Investors who wish to appoint the Chairman of the AGM (and not third-party proxy(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 10:00 a.m. on 19 April 2024, being seven (7) working days prior to the date of the AGM.

Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process.

3. Members are encouraged to submit questions relating to the resolution to be tabled for approval at the AGM in advance in the following manner:
 - (a) if submitted by post, to the Company's office at 81 Ubi Avenue 4 #03-11 UB. One Singapore 408830, attention to Polaris AGM; or
 - (b) if submitted electronically, by email to ir@wearepolaris.com.

All questions for the AGM must be submitted by 10:00 a.m. on 23 April 2024.

After the cut-off time for the submission of questions, any subsequent clarifications sought or follow-up questions will be addressed at the AGM.

Members will need to identify themselves when posing questions by email or by post by providing the following details:

- the member's full name (for individuals)/company name (for corporations) as it appears on his/her/its CDP/CPF/SRS share records;
- the member's NRIC/Passport/UEN number;
- the member's contact number and email address; and
- the manner in which the member holds his/her/its Shares in the Company (e.g. via CDP, CPF or SRS or physical script(s)).

The Company will endeavour to address all substantial and relevant questions submitted in advance of the AGM by publishing the responses to such questions on SGXNet and the Company's website at <https://www.wearepolaris.sg/investor-relations/>, by 10:00 a.m. on 25 April 2024 (being not less than forty-eight (48) hours prior to the closing date and time for the lodgment of the proxy forms).

Where substantial relevant questions submitted by Shareholders are unable to be addressed prior to the AGM, the Company will address them during the AGM. The Company shall only address relevant and substantial questions (as may be determined by the Company in its sole discretion) received. The Company will publish the minutes of the AGM on SGXNet and the Company's website at <https://www.wearepolaris.sg/investor-relations/> within one (1) month from the date of the AGM. The minutes would include the responses to the substantial and relevant questions addressed at the AGM.

4. A member who is not a Relevant Intermediary (as defined in Section 181 of the Companies Act) is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company, which is a corporation, is entitled to appoint its authorised representative or proxy to vote on its behalf. Where such a member appoints two (2) proxies, the proportion of his/her/its shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his/her/its name in the Depository Register and any second named proxy as an alternate to the first named.

A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of a proxy.

NOTICE OF ANNUAL GENERAL MEETING

"**Relevant Intermediary**" has the meaning prescribed to it in Section 181 of the Companies Act:

- a. a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation whose business includes the provision of nominee services and who holds shares in that capacity;
- b. a person holding a capital markets services licence holder to provide custodial services under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- c. the CPF Board established by the CPF Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

A member can appoint the Chairman of the AGM as his/her/its proxy, **but** this is **not mandatory**.

If a member wishes to appoint the Chairman of the AGM as a proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as a proxy. If no specific direction is given as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as a proxy for that resolution will be treated as invalid.

5. A proxy need not be a member of the Company.
6. The instrument appointing proxy/proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be deposited:
 - a) if sent personally or by post, be received by the Company's Share Registrar, Boardroom Corporate Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632, attention to Polaris AGM; or
 - b) if submitted electronically, be received by the Company's Share Registrar, Boardroom Corporate Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632, via email at polaris@boardroomlimited.com (e.g. a clear scanned signed form in PDF),

in either case, by 10:00 a.m. on **27 April 2024** (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default, the instrument of proxy shall not be treated as valid.

Members of the Company are encouraged to submit completed proxy forms electronically via email.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or on his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer, failing which the instrument of proxy may be treated as invalid. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or the power of attorney or a duly certified true copy thereof must be lodged with this proxy form, failing which the instrument of proxy may be treated as invalid.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies (such as in the case where the appointor submits more than one instrument appointing a proxy or proxies).
9. In the case of a member whose shares are entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), the Company may reject any instrument of proxy lodged if such member, being the appointor, is not shown to have any shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time set for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

"**Personal data**" in this Notice of AGM has the same meaning as "personal data" in the Personal Data Protection Act 2012, which includes your name, address and NRIC/Passport number.

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes to be prepared in respect of the AGM. Accordingly, the personal data of a member of the Company (such as his name, his presence at the AGM and any questions he may raise or any motions he may propose/second) may be recorded by the Company for such purpose.

PROXY FORM

PROXY FORM – ANNUAL GENERAL MEETING

(Please see notes overleaf before completing this Form)



POLARIS LTD.

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

IMPORTANT:

- For investors who have used their Central Provident Fund ("CPF") and/or Supplementary Retirement Scheme ("SRS") monies to buy shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
- CPF and/or SRS investors are requested to contact their respective Agent Banks at least seven (7) working days before the AGM to specify voting instructions and to ensure that their votes are submitted.

I/We* _____ (Name) _____ (NRIC / Passport / Company Registration Number*)

of _____ (Address)

being a *member/members of **Polaris Ltd.** (the "**Company**"), hereby appoint

NAME	ADDRESS	NRIC or Passport No.	Proportion of Shareholdings	
			No. of Shares	%

*and/or

NAME	ADDRESS	NRIC or Passport No.	Proportion of Shareholdings	
			No. of Shares	%

or failing him/her/them*, the Chairman of the Annual General Meeting of the Company (the "**AGM**") as my/our* proxy(ies) to attend, speak and vote for me/us* on my/our* behalf at the AGM to be held at 81 Ubi Avenue 4 #03-11 UB. One Singapore 408830 on Tuesday, 30 April 2024, at 10:00 a.m. and at any adjournment thereof. I/We* direct my/our* proxy(ies) to vote for or against or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy will vote or abstain from voting at his/her discretion.

All resolutions put to the vote at the AGM shall be decided by way of poll.

(If you wish your proxy to cast all your votes "For" or "Against" a resolution, please tick (✓) in the "For" or "Against" box provided. Alternatively, please indicate the number of votes as appropriate. If you wish your proxy to abstain from voting on a resolution, please tick (✓) in the "Abstain" box provided. Alternatively, please indicate the number of shares that your proxy is directed to abstain from voting in the "Abstain" box in respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deem(s) fit on the resolution if no voting instruction is specified, and on any other matter arising at the AGM and at any adjournment thereof. In the absence of specific directions in respect of the resolution, the appointment of the Chairman of the AGM as your proxy for the resolution will be treated as invalid.)

No.	ORDINARY RESOLUTIONS	For	Against	Abstain
Ordinary Business				
1.	To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2023, together with the Directors' Statement and Auditors' Report thereon			
2.	To re-elect Ms Diana Airin as a Director of the Company pursuant to Regulation 86 of the Company's Constitution			
3.	To re-elect Mr Tay Boon Zhuan as a Director of the Company pursuant to Regulation 93 of the Company's Constitution			
4.	To re-elect Mr Chong Eng Wee as a Director of the Company pursuant to Regulation 93 of the Company's Constitution			
5.	To re-appoint Messrs Moore Stephens LLP as Auditor of the Company and to authorise the Directors to fix their remuneration			
Special Business				
6.	To approve the payment of Directors' fees of up to S\$100,000 for the financial year ending 31 December 2024, to be paid quarterly in arrears			
7.	To authorise the Directors to allot and issue shares and convertible securities			

* Delete as appropriate.

Dated this _____ day of _____ 2024

Signature(s) of Member(s)
or Common Seal of Corporate Shareholder

Total Number of Shares in:	No. of shares
(a) CDP Register	
(b) Register of Members	

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

PROXY FORM

NOTES TO PROXY FORM:

1. A member should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members of the Company, he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members of the Company, he/she/it should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
2. A member who is not a Relevant Intermediary (as defined in Section 181 of the Companies Act 1967) is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company, which is a corporation, is entitled to appoint its authorised representative or proxy to vote on its behalf. Where such a member appoints two (2) proxies, the proportion of his/her/its shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his/her/its name in the Depository Register and any second named proxy as an alternate to the first named.
3. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of a proxy.

"Relevant Intermediary" has the meaning prescribed to it in Section 181 of the Companies Act 1967:

- a. a banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- b. a person holding a capital markets services licence holder to provide custodial services under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- c. the CPF Board established by the CPF Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

The proxy need not be a member of the Company. Please note that if any of your shareholdings are not specified in the list provided by the Relevant Intermediary to the Company, the Company has the sole discretion to disallow the participation of the said proxy at the AGM.

A member can appoint the Chairman of the AGM as his/her/its proxy, but this is **not mandatory**.

If a member wishes to appoint the Chairman of the AGM as a proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the AGM as a proxy. If no specific direction is given as to voting or abstentions from voting in respect of a resolution in the form of a proxy, the appointment of the Chairman of the AGM as a proxy for that resolution will be treated as invalid.

4. The instrument appointing a proxy or proxies must be executed under the hand of the appointor or of his/her/its attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which the instrument of proxy may be treated as invalid.
5. The instrument appointing a proxy or proxies, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must be deposited in the following manner:
 - a. if sent personally or by post, be received by the Company's Share Registrar, Boardroom Corporate Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632, attention to Polaris AGM; or
 - b. if submitted electronically, be received by the Company's Share Registrar, Boardroom Corporate Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632, via email at polaris@boardroomlimited.com (e.g. a clear scanned signed form in PDF),

in either case, by 10:00 a.m. on 27 April 2024 (being not less than seventy-two (72) hours before the time appointed for holding the AGM) and in default the instrument of proxy shall not be treated as valid.

Members of the Company are strongly encouraged to submit completed proxy forms electronically via email.

6. Please indicate with a tick [✓] in the spaces provided whether you wish your vote(s) to be for or against the Resolution(s) or to abstain from voting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/she/they may think fit, as he/she/they will on any other matter arising at the meeting.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.
8. Completion and return of the Proxy Form by a member will not prevent him/her/it from attending, speaking and voting at the AGM if he/she/it so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.
9. An investor who buys shares using CPF monies ("CPF Investor") and/or SRS monies ("SRS Investor") (as may be applicable) should not make use of this Proxy Form and should instead approach their respective Relevant Intermediary as soon as possible to specify voting instructions. CPF Investors / SRS Investors who wish to vote should approach their respective CPF Agent Bank / SRS Operator at least seven (7) working days before the AGM (i.e. by 18 April 2024) to ensure that their votes are submitted.
10. In the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the meeting as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 15 April 2024.



POLARIS LTD.
81 Ubi Avenue 4 | #03-11 UB.One | Singapore 408830
Tel: +65 6990 8290
wearepolaris.sg