**POLARIS LTD.**
(Incorporated in the Republic of Singapore)
(Company Registration No: 198404241D)

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**ENTRY INTO A NON-BINDING TERM SHEET IN RELATION TO A PROPOSED DISPOSAL OF SHARES IN POLARISTITANS PHILIPPINES INC**

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## 1. INTRODUCTION

The Board of Directors (the "**Board**" or "**Directors**") of Polaris Ltd (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that Polaris Explorer Pte. Ltd. ("**PEPL**"), a wholly owned subsidiary of the Company, had, on 6 April 2021, executed a non-binding term sheet (the "**Term Sheet**") with Techtitan Technology Inc. ("**Buyer**") for the proposed disposal of the Group's entire 40% stake in Polaristitans Philippines Inc. ("**Polaristitans**") to the Buyer ("**Proposed Disposal**").

## 2. INFORMATION ON THE SALE ENTITY AND THE BUYER

Polaristitans is a 40%:60% joint venture between PEPL and the Buyer which was incorporated on 8 September 2014 for the purpose of engaging in, conducting and carrying on the business of importing, exporting, and manufacturing, selling, distributing and marketing of wholesale telecommunication equipment in the Philippines. The Buyer is the 60% joint venture partner of PEPL in Polaristitans.

## 3. PRINCIPAL TERMS OF THE TERM SHEET

The principal terms of the Term Sheet are summarised as follows:

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|---|---|
| **Buyer** | Techtitan Technology Inc. |
| **Seller** | Polaris Explorer Pte. Ltd. |
| **Target** | 40% stake in Polaristitans Philippines Inc. |
| **Sale Price** | Not less than PHP 30,000,000*, payable in 4 quarterly installments. |
| **Documentation** | The sale of the 40% stake in Polaristitans Philippines Inc will be made pursuant to a sale and purchase agreement to be signed within 2 months of the date of the Term Sheet. |
| **Governing Law** | Philippine Law. |

* Approximately S$832,006 at an exchange rate of S$1 : PHP36.597.

## 4. RATIONALE FOR THE PROPOSED DISPOSAL

Following declining revenues from the Group's business in the distribution of mobile communication devices and accessories in the region, the Proposed Disposal is a continuation of the Group's efforts to strengthen its financial position and utilise its resources to focus on sustainability related businesses.

## 5. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company have any interest, direct or indirect, in the Proposed Disposal (other than through their direct or indirect shareholdings in the Company, if any).

## 6. CAUTIONARY STATEMENT

The Company and the Buyer are in the process of negotiating the terms of the Proposed Disposal and the definitive agreement(s) to be entered into. Shareholders should note that the Term Sheet is non-binding and that the terms thereof may be subject to further negotiations and changes.

There is no certainty or assurance that (i) any definitive agreement(s) will be entered into; or (ii) the Proposed Disposal will be proceeded with. As such, shareholders and potential investors are advised to read this announcement and any further announcement(s) by the Company carefully. Shareholders and potential investors should exercise caution when dealing in the securities of the Company, and in the event of any doubt as to the actions they should take, shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

## 7. FURTHER ANNOUNCEMENT(S)

The Company will make the appropriate announcement(s) when there are further material developments regarding the Proposed Disposal or the Term Sheet in compliance with the relevant provisions of Section B: Rules of Catalist of the Listing Manual of the Singapore Exchange Securities Trading Limited.

BY ORDER OF THE BOARD
**POLARIS LTD.**

Soennerstedt Carl Johan Pontus
Director and Chief Executive Officer
6 April 2021

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*This announcement has been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

*The contact person for the Sponsor is Mr Yap Wai Ming:*
*Tel: 6389 3000*
*Email: waiming.yap@morganlewis.com*