



Company Registration No.: 198404341D

**POLARIS LTD.**  
**(Incorporated in the Republic of Singapore)**  
**AND ITS SUBSIDIARIES**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS AND FULL FINANCIAL YEAR ENDED**  
**31 DECEMBER 2021**

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For the purpose of this announcement, “FY2021” refers to the full financial year ended 31 December 2021, whereas “FY2020” refers to the full financial year ended 31 December 2020. “2H2021” refers to the six-month financial period ended 31 December 2021, whereas “2H2020” refers to the corresponding six-month financial period ended 31 December 2020.

## PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

### CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Group					
	Note	2H2021 S\$'000	2H2020 S\$'000	Increase/ (Decrease) %	FY2021 S\$'000	FY2020 S\$'000	Increase/ (Decrease) %
Revenue	4	33,299	18,925	76.0	54,227	32,793	65.4
Cost of sales		(26,295)	(16,954)	55.1	(42,509)	(29,802)	42.6
<b>Gross profit</b>		7,004	1,971	255.4	11,718	2,991	291.8
Other items of income:							
Interest income		-	150	N.M.	-	225	N.M.
Other income		650	683	(4.8)	849	988	(14.1)
Other items of expense:							
Marketing and distribution		(891)	(199)	347.7	(1,400)	(235)	495.7
Administrative expenses		(5,956)	(1,882)	216.5	(9,604)	(2,805)	242.4
Finance costs		(306)	(153)	100.0	(443)	(269)	64.7
Other expenses		(226)	(908)	(75.1)	(545)	(1,115)	(51.1)
Share of results of associate, net of tax		-	-	N.M.	-	(46)	N.M.
<b>Profit / (Loss) before income tax</b>	6	275	(338)	N.M.	575	(266)	N.M.
Income tax expense	7	12	(63)	N.M.	(6)	(63)	(90.5)
<b>Profit / (Loss) for the year</b>		287	(401)	N.M.	569	(329)	N.M.
<b>Attributable to:</b>							
Equity holders of the Company		152	(405)	N.M.	82	(328)	N.M.
Non-controlling interests		135	4	N.M.	487	(1)	N.M.
<b>Total profit / (loss) for the year</b>		287	(401)	N.M.	569	(329)	N.M.

N.M. denotes not meaningful

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

(cont'd)

	<b>Group</b>					
<u>Note</u>	2H2021 S\$'000	2H2020 S\$'000	Increase/ (Decrease) %	FY2021 S\$'000	FY2020 S\$'000	Increase/ (Decrease) %
<b>Total profit / (loss) for the year</b>	287	(401)	N.M.	569	(329)	N.M.
<b>Other comprehensive income, net of tax:</b>						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Exchange differences on translation	(17)	3	N.M.	(17)	3	N.M.
<b>Other comprehensive income / (loss) for the year</b>	(17)	-	N.M.	(17)	3	N.M.
<b>Total comprehensive income / (loss) for the year</b>	270	(398)	N.M.	552	(326)	N.M.
<b>Attributable to:</b>						
Equity holders of the Company	135	(397)	N.M.	65	(325)	N.M.
Non-controlling interests	135	(1)	N.M.	487	(1)	N.M.
<b>Total comprehensive income / (loss) for the year</b>	270	(398)	N.M.	552	(326)	N.M.
<b>Earnings / (loss) per share attributable to equity holders of the Company:</b>						
Basic and diluted (cents per share)	0.0009	(0.0024)	N.M.	0.0005	(0.002)	N.M.

*N.M. denotes not meaningful*

**1(b) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**

	Note	Group		Company	
		31 December 2021 S\$'000	31 December 2020 S\$'000	31 December 2021 S\$'000	31 December 2020 S\$'000
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, plant and equipment	9	4,056	4,585	3,571	3,746
Intangible assets		47	-	-	-
Investments in subsidiaries		-	-	-*	-*
Other receivables		-	-	9,494	4,732
		<u>4,103</u>	<u>4,585</u>	<u>13,065</u>	<u>8,478</u>
<b>Current Assets</b>					
Trade and other receivables		1,764	6,865	3	5
Contract assets		-	188	-	-
Inventories		2,906	2,831	-	-
Prepayments		47	91	3	11
Cash and bank balances		2,205	4,489	242	1,847
		<u>6,922</u>	<u>14,464</u>	<u>248</u>	<u>1,863</u>
Assets of disposal group classified as held-for-sale		21,192	2,184	-	1,372
		<u>28,114</u>	<u>16,648</u>	<u>248</u>	<u>3,235</u>
<b>Total Assets</b>		<b><u>32,217</u></b>	<b><u>21,233</u></b>	<b><u>13,313</u></b>	<b><u>11,713</u></b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current Liabilities</b>					
Loans and borrowings	10	825	562	455	172
Liabilities directly associated with disposal group classified as held-for-sale	10	9,885	964	-	964
Trade and other payables		1,363	2,064	4,064	2,712
Other liabilities		339	677	160	241
Provision for income tax		-	63	-	-
		<u>12,412</u>	<u>4,330</u>	<u>4,679</u>	<u>4,089</u>
<b>Non-Current Liabilities</b>					
Loans and borrowings	10	3,037	2,849	3,037	2,496
<b>Total Liabilities</b>		<u>15,449</u>	<u>7,179</u>	<u>7,716</u>	<u>6,585</u>
<b>Equity Attributable to Equity Holders of the Company</b>					
Share capital	11	402,747	402,747	402,747	402,747
Foreign currency translation reserve		(487)	(470)	-	-
Accumulated losses		(388,218)	(388,300)	(397,150)	(397,619)
		<u>14,042</u>	<u>13,977</u>	<u>5,597</u>	<u>5,128</u>
Non-controlling interests		2,726	77	-	-
<b>Total Equity</b>		<u>16,768</u>	<u>14,054</u>	<u>5,597</u>	<u>5,128</u>
<b>Total Liabilities and Equity</b>		<b><u>32,217</u></b>	<b><u>21,233</u></b>	<b><u>13,313</u></b>	<b><u>11,713</u></b>

\* Less than S\$1,000

- 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>Group</b>	
	FY2021 S\$'000	FY2020 S\$'000
<b>Cash Flows from Operating Activities</b>		
Profit/(loss) before income tax from continuing operations	575	(266)
Adjustments for:		
Depreciation of property, plant and equipment	697	649
Finance costs	220	269
Interest income	-	(225)
Bargain Purchase	-	(37)
Net gain on disposal of assets held for sale	(432)	(38)
Allowance for impairment loss on assets held for sale	-	452
Share of results of associate	-	46
Unrealised exchange gain	-	137
Operating cash flows before changes in working capital	1,060	987
Changes in working capital:		
Inventories	(8,903)	(1,979)
Trade and other receivables, contract assets	1,200	801
Prepayments	(861)	-
Trade and other payables	4,878	(145)
Other liabilities	(337)	319
Cash flows used in operations	(2,963)	(17)
Interest received	-	26
Interest paid	(220)	(221)
Income tax paid	-	-
<b>Net cash flows used in operating activities</b>	<b>(3,183)</b>	<b>(212)</b>
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant and equipment	(841)	(110)
Proceeds from disposal of assets held-for-sale	1,652	1,388
Net cash inflow on acquisition of subsidiary	-	-
Amount due from related parties	-	(311)
Dividends received from an associate	-	114
Net cash outflow on acquisition of subsidiary	-	(5)
<b>Net cash flows (used in) / generated from investing activities</b>	<b>811</b>	<b>1,076</b>

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

(cont'd)

	<b>Group</b>	
	FY2021	FY2020
	S\$'000	S\$'000
<b>Cash Flows from Financing Activities</b>		
Net proceeds from bank loans	825	(240)
Principal payment of lease liabilities	(374)	(439)
Amount due to related parties	-	489
Capital contribution by non-controlling interest	-	28
Dividend paid to non-controlling interest	-	(20)
<b>Net cash flows generated used in financing activities</b>	<b>(451)</b>	<b>(182)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(1,921)</b>	<b>682</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>4,489</b>	<b>3,879</b>
Effects of exchange rate changes on cash and cash equivalents held in foreign currencies	(17)	(72)
<b>Cash and cash equivalents at the end of year (Note A)</b>	<b>2,551</b>	<b>4,489</b>

**Note A:**

<i>Cash and bank balance per condensed interim consolidated statement of cash flow</i>	2,551	4,489
<i>Cash and bank balance included in assets held-for-sale</i>	(346)	-
<i>Cash and bank balance per condensed interim consolidated statement of financial position</i>	<b>2,205</b>	<b>4,489</b>

1(d) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**

	← Attributable to equity holders of the Company →						
	Share capital S\$'000	Fair value adjustment S\$'000	Foreign currency translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000	Non- controlling interests S\$'000	
<b>Group</b>							
<b>Balance at 1 January 2021</b>	402,747	-	(470)	(388,300)	13,977	77	14,054
(Loss)/profit for the year	-	-	-	82	82	487	569
Other comprehensive income	-	-	(17)	-	(17)	-	(17)
<b>Total comprehensive income/(loss) for the year</b>	-	-	(17)	82	65	487	552
Acquisition and incorporation of subsidiaries	-	-	-	-	-	2,162	2,162
<b>Balance at 31 December 2021</b>	402,747	-	(487)	(388,218)	14,042	2,726	16,768
<b>Balance at 1 January 2020</b>	402,747	-	(473)	(387,972)	14,302	29	14,331
(Loss) for the year	-	-	-	(328)	(328)	(1)	(329)
Other comprehensive income	-	-	3	-	3	-	3
<b>Total comprehensive income/(loss) for the year</b>	-	-	3	(328)	(325)	(1)	(326)
Acquisition and incorporation of subsidiaries	-	-	-	-	-	69	69
Dividend paid to non-controlling interest	-	-	-	-	-	(20)	(20)
<b>Balance at 31 December 2020</b>	402,747	-	(470)	(388,300)	13,977	77	14,054



**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**

<u>Company</u>	<u>Share capital</u> S\$'000	<u>Accumulated losses</u> S\$'000	<u>Total</u> S\$'000
<b>Balance at 1 January 2021</b>	402,747	(397,619)	5,128
Profit for the year	-	469	469
<b>Total comprehensive income for the year</b>	-	469	469
<b>Balance at 31 December 2021</b>	<u>402,747</u>	<u>(397,150)</u>	<u>5,597</u>
<b>Balance at 1 January 2020</b>	402,747	(391,911)	10,836
Loss for the year	-	(5,708) #	(5,708) #
<b>Total comprehensive loss for the year</b>	-	(5,708) #	(5,708) #
<b>Balance at 31 December 2020</b>	<u>402,747</u>	<u>(397,619) #</u>	<u>5,128 #</u>

#Figures have been restated from the Company's announcement dated 1 March 2021 in relation to its unaudited financial statements for the financial year ended 31 December 2020.

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### 1. Corporate information

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, Singapore 408830.

The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are set out in Note 4.

These condensed interim consolidated financial statements as at and for the six months and full financial year ended 31 December 2021 comprise the Company and its subsidiaries (collectively, the “**Group**”).

### 2. Basis of Preparation

These condensed interim consolidated financial statements for the six months and full financial year ended 31 December 2021 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last interim consolidated financial statements for the six months ended 30 June 2021.

The accounting policies and methods of computations adopted in these condensed interim consolidated financial statements are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1 below.

The condensed interim consolidated financial statements are presented in Singapore dollars, which is the Company’s functional currency.

#### 2.1 New and amended standards adopted by the Group

On 1 January 2021, the Group adopted new and amended SFRS(I) and interpretations to SFRS(I) (“**INT SFRS(I)**”) that are mandatory for application for the financial period. The adoption of these new or amended SFRS(I) and INT SFRS(I) did not have a material effect on the financial statements. The Group also did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

## 2.2 New and Revised Standards Issued but Not Yet Effective

At the date of authorisation of these financial statements, the Group has not adopted the following new and revised standards applicable to the Group that have been issued but are not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 16 <i>COVID-19 Related Rent Concessions beyond 30 June 2021</i>	1 April 2021
Annual Improvements to SFRS(I)s/FRSs Standards 2018-2020 Cycle - SFRS(I) 9 <i>Financial Instruments – Fees in the ‘10 per cent’ test for derecognition</i>	1 January 2022
Amendments to SFRS(I) 1-16 <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
Amendments to SFRS(I) 1-37 <i>Provisions - Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to SFRS(I) 3 <i>Business Combinations – Reference to the Conceptual Framework</i>	1 January 2022
Amendments to SFRS(I) 1-1 <i>Presentation of Financial Statements: Classification of liabilities as current or non-current</i>	1 January 2023
Amendments to SFRS(I) 10 and SFRS(I) 1-28 <i>Investments in Associates and Joint Ventures – Sale or contribution of assets between an investor and its associate or joint venture</i>	Deferred indefinitely, early application is still permitted
Amendments to SFRS(I) 1-1 <i>Disclosure of Accounting Policies and SFRS(I) Practice Statement 2 Making Materiality Judgements</i>	1 January 2023
Amendments to SFRS(I) 1-8 <i>Definition of Accounting Estimates</i>	1 January 2023

The Group expects that the adoption of the other new and revised standards above will have no material impact on the financial statements in the period of initial application.

## 2.3 Use of judgements and estimates

In preparing the condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited financial statements as at and for the financial year ended 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

### **3. Seasonal operations**

The Group's businesses were not affected significantly by seasonal or cyclical factors during the financial period reported on.

### **4. Segment and revenue information**

For management reporting 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 importing and exporting, and wholesale and retail of premium lifestyle products.
- II. The customer services segment provides after-market services to end consumers for equipment repairs, refurbishments and technical services in Singapore.
- III. The consumer electronics segment engages in the corporate sale of telecom, IT, educational robotics and consumer electronics products in Singapore.
- IV. The distribution segment distributes mobile handsets and accessories for leading brands. This segment is currently dormant following the disposal of the Company's shareholding interest in Polaristitans Philippines Inc. as announced by the Company on 4 June 2021.
- V. The corporate segment is involved in Group-level corporate services, treasury functions and investments in marketable securities. It is also involved in strategic investments and joint venture opportunities in emerging South East Asia markets to synergise and complement the Group's existing offerings.

The principal activities of the Company's subsidiaries are those of the reportable operating activities described above.

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.

#### 4.1 Reportable segments

##### (a) Segment revenues and results

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

	<b>Group</b>			
	<b>Segment revenue</b>		<b>Segment profit/(loss)</b>	
	FY2021 S\$'000	FY2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
Distribution	1,208	5,458	(495)	46
Pre-owned luxury goods sales	33,908	5,433	1,184	69
Consumer electronics sales	16,619	18,754	(575)	(464)
Customer services	2,489	3,148	656	336
Other Revenue/Corporate	3	-	248	(163)
	<u>54,227</u>	<u>32,793</u>	1,018	(176)
Share of results of associate			-	(46)
Interest income			-	225
Finance costs			(443)	(269)
Profit/(loss) before income tax			<u>575</u>	<u>(266)</u>

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 the allocation of share of results of associate, interest income and finance costs.

#### 4.1 Reportable segments (cont'd)

##### (b) Reconciliation

	<b>Group</b>	
	FY2021	FY2020
	S\$'000	S\$'000
<b>Segment assets</b>		
Distribution	492	1,529
Pre-owned luxury goods sales	22,808	6,337
Consumer electronics sales	5,098	4,767
Customer services	-	769
Corporate	3,819	7,019
Total segment assets	<u>32,217</u>	<u>20,421</u>
Unallocated: Investment in an associate*	-	812
Consolidated total assets	<u><u>32,217</u></u>	<u><u>21,233</u></u>
<b>Segment liabilities</b>		
Distribution	36	90
Pre-owned luxury goods sales	10,076	1,602
Consumer electronics sales	1,660	1,199
Customer services	-	365
Corporate	185	291
Total segment liabilities	<u>11,957</u>	<u>3,547</u>
Unallocated: Loans and borrowings (excluding lease liabilities)	3,492	3,632
Consolidated total liabilities	<u><u>15,449</u></u>	<u><u>7,179</u></u>

\* Included the Group's assets held-for-sale.

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

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

#### 4.1 Reportable segments (cont'd)

##### (c) Other segment information

	<b>Group</b>			
	<b>Depreciation</b>		<b>Additions to non-current assets</b>	
	FY2021 S\$'000	FY2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
Distribution	6	4	17	-
Pre-owned luxury goods sales	96	16	813	100
Consumer electronics sales	347	346	7	10
Customer services	70	97	-	72
Corporate	178	186	4	-
	<b>697</b>	<b>649</b>	<b>841</b>	<b>182</b>

##### (d) Geographical information

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

	<b>Group</b>			
	<b>Revenue</b>		<b>Non-current assets</b>	
	FY2021 S\$'000	FY2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
Singapore	21,148	21,923	4,005	4,545
Hong Kong	338	414	-	-
Indonesia	52	160	-	-
Philippines	1,615	5,605	3	5
United States	31,021	4,635	-	19
Korea	53	56	23	-
Thailand	-	-	9	16
Vietnam	-	-	16	-
Japan	-	-	47	-
	<b>54,227</b>	<b>32,793</b>	<b>4,103</b>	<b>4,585</b>

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

## 4.2 Disaggregation of Revenue

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

	<b>Group</b>	
	FY2021 S\$'000	FY2020 S\$'000
<b>Principal geographical market</b>		
<u>Distribution</u>		
- Philippines	1,208	5,458
<u>Pre-owned luxury goods sales</u>		
- Singapore	3,010	560
- Hong Kong	40	22
- Indonesia	52	160
- United States	30,753	4,635
- Korea	53	56
	33,908	5,433
<u>Consumer electronics sales</u>		
- Singapore	15,649	18,215
- Hong Kong	298	392
-UK	268	-
-Philippines	404	147
	16,619	18,754
<u>Customer services</u>		
- Singapore	2,489	3,148
<u>Other Revenue</u>		
- Philippines	3	-
	<u>54,227</u>	<u>32,793</u>

	<b>Group</b>	
	FY2021 S\$'000	FY2020 S\$'000
<b>Major product or service lines and timing of revenue recognition</b>		
Distribution	1,208	5,458
Pre-owned luxury goods sales	33,908	5,433
Consumer electronics sales	16,619	18,754
Customer services	2,489	3,148
Other Revenue	3	-
At a point of time	<u>54,227</u>	<u>32,793</u>



**5. Financial assets and financial liabilities**

	<b>Group</b>		<b>Company</b>	
	FY2021 S\$'000	FY2020 S\$'000	FY2021 S\$'000	FY2020 S\$'000
<b>Financial assets</b>				
Cash and bank balances and trade and other receivables	3,851	11,351	9,739	6,584
<b>Financial liabilities</b>				
Trade and other payables, loan and borrowings, liabilities and other liabilities (Amortised cost)	5,522	6,948	7,690	6,559

**6. Profit before taxation**

**6.1 Significant items**

	<b>Group</b>	
	FY2021 S\$'000	FY2020 S\$'000
<b>Income:</b>		
Interest income	-	225
<b>Expenses:</b>		
Interest on borrowings	(443)	(269)
Depreciation of property, plant and equipment and investment properties	(697)	(649)
Foreign exchange gain/(loss), net	62	(52)

**6.2 Related party transactions**

There were no material related party transactions at the Group level during the financial period reported on.

## 7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss and other comprehensive income are:

	<b>Group</b>	
	<b>FY2021</b> <b>S\$'000</b>	<b>FY2020</b> <b>S\$'000</b>
Current year	-	40
Under provision in respect of prior years	6	23
Current income tax expense	<u>6</u>	<u>63</u>

## 8. Net Asset Value

	<b>Group</b>		<b>Company</b>	
	<b>31 December</b> <b>2021</b>	<b>31 December</b> <b>2020</b>	<b>31 December</b> <b>2021</b>	<b>31 December</b> <b>2020</b>
Net assets value per ordinary share (cents)	<u>0.082</u>	<u>0.082</u>	<u>0.033</u>	<u>0.030</u>

## 9. Property, plant and equipment

During the financial year ended 31 December 2021, the Group acquired assets amounting to S\$841,416 (31 December 2020: S\$182,000). The assets amounting to S\$841,416 acquired during the financial period reported on were for the expansion of the pre-owned luxury goods business and distribution segments. As at 31 December 2021, the net book value of Marque Luxury America which amounted to S\$673,181 was reclassified as held for sale asset.

## 10. Borrowings

	<b>Group</b>	
	31 December 2021 S\$'000	31 December 2020 S\$'000
<u>Amount repayable within one year or less, or on demand</u>		
Secured	825	562 <sup>#</sup>
Unsecured	-	-
<u>Amount repayable after one year</u>		
Secured	3,037	2,849
Unsecured	-	-

The bank loan and borrowings of the Group are secured over certain properties of the Group.

<sup>#</sup>Figures have been restated from the Company's results announcement dated 1 March 2021.

## 11. Share Capital

The Company did not hold any treasury shares as at 31 December 2021 and 31 December 2020.

	<b>The Group and the Company</b>			
	31 December 2021		31 December 2020	
	Number of ordinary shares '000	Amount S\$'000	Number of ordinary shares '000	Amount S\$'000
Beginning and end of interim period	17,053,170	402,747	17,053,170	402,747

The Company's subsidiaries did not hold any shares in the Company as at 31 December 2021 and 31 December 2020.

Accordingly, there were no sales, transfers, cancellation and/or use of treasury shares or subsidiary holdings as at 31 December 2021 and 31 December 2020.

## 12. Subsequent events (after 31 December 2021)

Except for the following, there are no known subsequent events (after 31 December 2021) which have led to adjustments to this set of interim financial statements.

- a) The Company has on 7 February 2022 resolved to initiate member's voluntary liquidation processes for its wholly-owned subsidiary, Polaris Device Pte. Ltd., which has ceased its business activities since 19 November 2021.
- b) The Company's indirectly 51%-owned subsidiary, Marque Luxury America LLC ("**MLA**"), has on 22 February 2022 entered into a subscription agreement (the "**Agreement**") with Englory Media Holdings Pte. Ltd. (the "**Investor**") in connection with the Company's circular to shareholders dated 28 October 2021, pursuant to which MLA shall sell and issue to the Investor, and the Investor shall purchase from MLA, 608,000 Class A Units representing 60.8% of the total issued and outstanding Units of MLA for an aggregate purchase price of US\$10,000,000, on the terms and subject to the conditions of the Agreement.

**OTHER INFORMATION REQUIRED BY APPENDIX 7C OF THE CATALIST RULES**

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There were no changes in the Company's share capital for the six-month financial period ended 31 December 2021. There were no outstanding convertibles, treasury shares or subsidiary holdings as at 31 December 2021 and 31 December 2020.

	<b>Number of issued shares '000</b>	<b>Issued and paid-up share capital S\$'000</b>
Balance as at 31 December 2021 (excluding treasury shares and subsidiary holdings)	17,053,170	402,747
Balance as at 31 December 2020 (excluding treasury shares and subsidiary holdings)	17,053,170	402,747

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<b>As at 31 December 2021 '000</b>	<b>As at 31 December 2020 '000</b>
Total number of issued shares (excluding treasury shares and subsidiary holdings)	17,053,170	17,053,170

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable as the Company did not hold any treasury shares at the beginning and end of the financial period reported on.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable as there are no subsidiary holdings at the beginning and end of the financial period reported on.

**2 Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The financial statements presented above have not been audited or reviewed by the Company's auditors.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**3A Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

**(a) Updates on the efforts taken to resolve each outstanding audit issue.**

**(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable.

The Company's latest audited financial statements (for the financial year ended 31 December 2020) are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of both the financial statements for the current reporting period as well as the audited financial statements for the financial year ended 31 December 2020.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reason for, and the effect of, the change.**

The Group has adopted all the applicable new and revised Singapore Financial Reporting Standards (International) ("**SFRS(I)**") and Interpretations of SFRS(I) ("**INT SFRS(I)**") that are relevant to its operations and effective for annual periods beginning on 1 January 2021. The adoption of these new and revised SFRS(I) and INT SFRS(I) did not result in any substantial change to the Group's accounting policies and has no material impact on the financial statements for the current financial reporting period.

- 6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:**  
**(a) based on the weighted average number of ordinary shares on issue; and**  
**(b) on a fully diluted basis (detailing any adjustments made to the earnings).**

	FY2021 S\$'000	FY2020 S\$'000
Continuing operations:		
Profit/(loss) for the period attributable to owners of the Company used in the computation of basic earnings per share	82	(328)
	No. of shares '000	No. of shares '000
Weighted average number of ordinary shares for basic earnings per share computation	17,053,170	17,053,170
<b>Earnings/(Loss) per share attributable to owners of the Company (cents per share)</b>		
Basic	0.0005	(0.002)
Diluted	0.0005	(0.002)

The basic earnings per share is calculated by dividing the profit for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

The diluted earnings per share is calculated on the same basis as basic earnings per share except that the denominator is adjusted to include any dilutive potential of ordinary shares deemed issued pursuant to the exercise of any outstanding convertibles at the beginning of each financial period. However, as disclosed above, there were no outstanding convertibles as at 31 December 2021 and 31 December 2020.

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares at the end of the:**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

	Group		Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Net asset value per ordinary share is calculated based on 17,053,169,818 (31 Dec 2020: 17,053,169,818) ordinary shares in issue at the end of the financial period under review and of the immediately preceding financial year (cents per share)	0.082	0.082	0.033	0.030

- 8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

(a) Turnover, costs and earnings

For the financial year ended 31 December 2021 (“FY2021”), the Group recorded a turnover of S\$54.23 million, representing an increase of 65% over the turnover of the previous financial year ended 31 December 2020 (“FY2020”) of S\$32.79 million. For the second half of the financial year ending 31 December 2021 (“2H2021”), the Group recorded a turnover of S\$33.30 million, representing an increase of 76% over the turnover for the second half of the financial year ended 31 December 2020 (“2H2020”) of S\$18.93million. This increase was mainly due to increased turnover from pre-owned luxury goods sales. The pre-owned luxury goods segment saw an increase in turnover by 524% from S\$5.43 million in FY2020 to S\$33.91 million in FY2021. The turnover from the customer service segment decreased by 21% from S\$3.15 million in FY2020 to S\$2.49 million in FY2021, primarily as a result of a reclassification of non-service related revenue to other receivables. The turnover from consumer electronics sales decreased by 12% from S\$18.75 million in FY2020 to S\$16.62 million in FY2021 as a result of a drop in customers’ demand and the negative economic effects of the COVID-19 pandemic. The turnover from the distribution sales of mobile handsets and accessories decreased by 78% from S\$5.46 million in FY2020 to S\$1.21 million in FY2021, due to the segment being dormant in the second half of FY2021 following the disposal of the Company’s shareholding interest in Polaristitans Philippines Inc. (as announced on 4 June 2021).

The Group’s cost of sales increased by 43% from S\$29.8 million in FY2020 to S\$42.51 million in FY2021, and by 55% from S\$16.95 million in 2H2020 to S\$26.30 million in 2H2021, such increase being in line with the increase in the Group’s turnover from FY2020 to FY2021, and from 2H2020 to 2H2021, as described above.

Due to the higher turnover of the Group in FY2021 as described above, the Group's gross profit increased by 292% from S\$2.99 million in FY2020 to S\$11.72 million in FY2021. The Group's gross profit also increased by 255% from S\$1.97 million in 2H2020 to S\$7.00 million in 2H2021.

The Group’s interest income decreased from S\$0.22 million in FY2020 to nil in FY2021 and from S\$0.15 million in 2H2020 to nil in 2H2021, due to no interest received from trade receivables from third parties.

Other income decreased by 14% from S\$0.99 million in FY2020 to S\$0.85 million in FY2021 and by 4.8% from S\$0.68 million in 2H2020 to S\$0.65 million in 2H2021. This was mainly due to lower government grants received.

The increase in marketing and distribution expenses by 496% from S\$0.24 million in FY2020 to S\$1.40 million in FY2021 and by 348% from S\$0.20 million in 2H2020 to S\$0.89 million in 2H2021, were mainly due to higher marketing and travelling expenses incurred in respect of our expanded pre-owned luxury goods business. The increase in administrative expenses by 242% from S\$2.81 million in FY2020 to S\$9.6 million in FY2021 and by 217% from S\$1.88 million in 2H2020 to S\$5.96 in 2H2021, were mainly due to the expanded pre-owned luxury goods business as well.

The Group's finance costs increased by 65% from S\$0.27 million in FY2020 to S\$0.44 million in FY2021 and by 100% from S\$0.15 in 2H2020 to S\$0.30 million in 2H2021, due to an increase in interest on borrowings.

Other expenses decreased by 51% from S\$1.12 million in FY2020 to S\$0.55 million in FY2021 and by 75% from S\$0.91 million in 2H2020 to S\$0.23 million in 2H2021. This decrease was mainly due to the absence of the allowance for impairment loss on assets held-for-sale of

approximately S\$0.45 million which was recognised in 2H2020. Depreciation of property, plant and equipment was S\$0.70 million in FY2021 as compared to S\$0.65 million in FY2020. Net loss on foreign exchange was S\$0.05 million in FY2020, as compared to a net gain of S\$0.06 million in FY2021.

The Group posted a net profit from continuing operations of S\$0.57 million for FY2021 as compared to a net loss of S\$0.33 million in FY2020 and S\$0.29 million in 2H2021 compared to a net loss of S\$0.40 million in 2H2020, mainly due to an increase in turnover, as elaborated above, which was offset by lower government grants.

(b) Cash flow, working capital, assets or liabilities

The Group's total assets increased by S\$10.99 million from S\$21.23 million as at 31 December 2020 to S\$32.22 million as at 31 December 2021.

Property, plant and equipment comprised of property, plant and equipment and right of use ("ROU") assets. Property, plant and equipment decreased to S\$4.06 million as at 31 December 2021 as compared to S\$4.59 million as at 31 December 2020. The ROU assets comprise of leases of the retail outlet and motor vehicles.

Trade and other receivables decreased to S\$1.76 million as at 31 December 2021 as compared to S\$6.87 million as at 31 December 2020 mainly due to the settlement of trade receivables.

Assets held for sale as at 31 December 2021 was S\$21.19 million as compared to S\$2.18 million as at 31 December 2020. This variance was mainly due to the potential dilution of the Company's effective equity interest in Marque Luxury America, LLC ("MLA") as approved by the shareholders of the Company at the extraordinary general meeting of the Company held on 12 November 2021.

Inventories increased to S\$2.90 million as at 31 December 2021 as compared to S\$2.83 million as at 31 December 2020 mainly due to the growing pre-owned luxury goods business.

Cash and bank balances decreased from S\$4.49 million as at 31 December 2020 to S\$2.21 million as at 31 December 2021.

Trade and other payables decreased from S\$2.06 million as at 31 December 2020 to S\$1.36 million as at 31 December 2021 owing mainly to a move of assets and liabilities to assets held for sale.

Loans and borrowings comprised a bank loan on properties, lease liabilities and one temporary bridge loan. The bank loan on properties decreased to S\$3.51 million as at 31 December 2021 as compared to S\$3.63 million as at 31 December 2020 owing to repayment of loans. Lease liabilities decreased to S\$0.55 million as at 31 December 2021 as compared to S\$0.74 million as at 31 December 2020 owing to lease payments of S\$0.19 million. The temporary bridge loan of S\$1.00 million was added during the financial period reported on.

The Group's net cash flow used in operating activities was S\$3.26 million in FY2021 as compared to net cash flows used in operating activities of S\$0.21 million in FY2020. This was mainly due to an increase in inventories of S\$8.90 million which was partially offset by an increase in trade and other payables of S\$4.80 million as well as an increase in other liabilities of S\$0.34 million.

The Group's net cash flow generated from investing activities was S\$0.89 million in FY2021 as compared to net cash flow generated from investing activities of S\$1.08 million in FY2020. The Group had acquired property, plant and equipment of S\$0.76 million in FY2021 for business expansion purposes.

Net cash flows used in financing activities was S\$0.45 million in FY2021 as compared to net cash flows used in financing activities of S\$0.18 million in FY2020. This was mainly due to the repayment of loans and borrowings as well as principal payment of lease liabilities.



### Incorporation of subsidiaries in FY2021

On 4 June 2021, the Company, through its indirect 51%-owned subsidiary Mastro Luxe Pte Ltd (previously known as Marque Luxury Pte Ltd) (“**MLS**”), announced the incorporation of Marque Luxury Vietnam Company Limited (“**MLV**”). 80% of MLV’s shares is held by MLS and the remaining 20% of the shares is held by Nguyen Huu Hanh (“**NHH**”). MLV has a paid-up share capital of VND 1,150,000,000 (approximately S\$66,000). For further information, please refer to the Company’s announcement on 9 June 2021.

### Disclosures pursuant to Rule 706A(1)

On 4 June 2021, Polaris Explorer Pte. Ltd. (“**PEPL**”), a wholly owned subsidiary of the Company, entered into a sale and purchase agreement with Techtitan Technology Inc. (“**Buyer**”) for the disposal of the Group’s entire 40% shareholding in Polaristitans Philippines Inc to the Buyer (“**Disposal**”), for a total consideration of thirty million Pesos (PHP 30,000,000.00) (the “**Consideration**”). Following the Disposal, the Group has exited its existing business in the distribution sales of mobile handsets and accessories in the Philippines.

On 11 June 2021, MLS, an indirect 51% owned subsidiary of the Company, had increased its issue and paid-up share capital from S\$100 to S\$4,373,408 via an allotment and issuance of 4,373,308 new ordinary shares to its shareholders, PEPL and Marque Luxury LLC (“**MLL**”), at an issue price of S\$1.00 per share, for a total consideration of S\$4,373,308, which was satisfied by way of the capitalisation of amounts due to PEPL and MLL of S\$2,230,387 and S\$2,142,921 respectively (the “**Capitalisation**”). The Capitalisation was made pursuant to an asset purchase agreement entered between MLS, MLA, MLL, Marque Supply Company LLC and Mr. Quentin Phillip Caruana, as announced by the Company on 13 March 2021. There was no change in the Company’s effective indirect shareholding in MLS (51%) following the Capitalisation.

On 26 October 2021, the Company announced that it had, on 24 October 2021, entered into a memorandum containing heads of agreement with Englory Media Holdings Pte. Ltd. (the “**Investor**”) and MLL for a potential US\$10,000,000 investment by way of a subscription of equity interests in MLA by the Investor (“**Potential Injection**”). If completed, the Potential Injection will result in a reduction of the Group’s effective interest in MLA from 51.0% (prior to the Potential Injection) to not less than 19.99% (after the Potential Injection), representing a maximum reduction in the Company’s effective interest in MLA of 31.01% (the “**Potential Dilution**”), and MLA will cease to be a subsidiary of the Group.

Please refer to page 18 of this announcement for additional information on the Potential Injection and the Potential Dilution, both of which have not been completed as at the date of this announcement. The Company will make the necessary announcement(s) upon completion of the Potential Injection and the Potential Dilution.

For further information on the above, please refer to the relevant announcements on SGXNET.

**9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

There was no forecast or prospect statement disclosed by the Group to shareholders previously.

**10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The pre-owned luxury goods space, in which the Company’s pre-owned luxury goods re-commerce business operates, is expected to see continued growth in the coming 12 months. The Group has over the past year expanded its sourcing and sales capabilities in Asia and North America, to be able to benefit from this market growth.

Our consumer electronics segment faced headwinds, with margins challenged as a result of

distributorship restructuring by the manufacturer. Corporate sales, though affected by supply constraints, continued its steady progress in government tenders and securing new key accounts. Educational robotics posted strong growth year on year as STEM education (i.e. in science, technology, engineering and mathematics) continues to expand in Singapore.

The customer services business segment experienced continued demand growth and added refurbishing, another pillar in the Company's sustainability drive, to its portfolio of services provided. It is expected to remain stable the next 12 months.

The Group remains cautiously optimistic that with our established operational capabilities we will emerge more resilient from the challenges of the past years and be well placed to benefit when market conditions improve. Additionally, we are encouraged by our progress to become a company focused on sustainability-related businesses, with pre-owned luxury goods becoming our largest business segment for the first time.

**11 If a decision regarding dividend has been made:**

- (a) Whether an interim (final) ordinary dividend has been declared (recommended); and**
- (b)(i) Amount per share (cents)**
- (b)(ii) Previous corresponding period (cents)**
- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated.)**
- (d) The date the dividend is payable.**
- (e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

No decision regarding dividend has been made. Not applicable as no dividend was declared for the current reporting period or the previous corresponding financial period.

**12 If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended for the financial period reported on due to the accumulated losses of the Group.

**13 If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

No IPT mandate has been obtained for the period under review.

**14 Status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8.**

There are no outstanding proceeds raised from IPO and any offerings for the period under review.

**15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).**

The Company confirms that it has procured undertakings from all of the directors and executive officers in the required format.

## PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENTS

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 16 Segmented revenue and results for operating segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.**

*For segmented revenue and results for operating segments, please refer to Note 4 on pages 11 to 15 of this announcement.*

- 17 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

The pre-owned luxury goods sales increased by 524.5% from S\$5.43 million in FY2020 to S\$33.91 million in 2021, following an expansion of sales to the US and the Group’s operational footprint in Asia.

Further explanations for material changes in contributions to turnover and earnings were elaborated on page 22 of this announcement.

- 18 Breakdown of sales:**

	Group		
	FY2021 S\$'000	FY2020 S\$'000	% increase/ (decrease)
(a) Sales reported for first half year	20,928	13,868	50.9
(b) Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	282	72	291.7
(c) Sales reported for second half year	33,299	18,925	76.0
(d) Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	287	(401)	N.M.

*N.M. denotes not meaningful*

- 19 A breakdown of the total annual dividend (in dollar value) for the issuer’s full year and its previous full year as follows:**

Not applicable.

No dividend has been declared or recommended for FY2021 and FY2020 due to the accumulated losses of the Group.

- 20 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Dian Stefani Sugialam	30	<p>Daughter of Mr. Sugiono Wiyono Sugialam (“<b>Mr. Sugiono</b>”).</p> <p>Mr. Sugiono is an Executive Director and the Chairman of the Board of Directors of the Company. He is also a substantial shareholder of the Company.</p>	Executive Director of Mastro Luxe Asia Pte Ltd, a 51%-owned subsidiary of the Company (since November 2019)	N.A

On behalf of the Board of Directors,

Soennerstedt Carl Johan Pontus  
Executive Director & Chief Executive Officer

Mr Sugiono Wiyono Sugialam  
Executive Director & Executive Chairman

Date: 1 March 2022

*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.*

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