

**POLARIS LTD.**

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


**UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2016**
**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.

**Consolidated Income Statement and Statement of Comprehensive Income**

	Group		
	Three Months Ended		
	31 Mar 2016	31 Mar 2015	Inc/(Dec)
	S\$'000	S\$'000	%
<b>Revenue</b> (Note 1)	17,668	37,298	(53)
Cost of Sales	(16,842)	(34,601)	(51)
<b>Gross profit</b>	826	2,697	(69)
<b>Other items of income</b>			
Other income (Note 2)	301	259	16
<b>Other items of expense</b>			
Marketing and distribution	(28)	(144)	(81)
Administrative expenses	(1,635)	(1,838)	(11)
Finance costs	(74)	(67)	10
Other expenses (Note 3)	(118)	(782)	(85)
Share of results of an associate	-	1,404	(100)
<b>(Loss)/Profit before tax</b>	(728)	1,529	N.M.
Income tax expense	(8)	(171)	(95)
<b>(Loss)/Profit, net of tax</b>	<b>(736)</b>	<b>1,358</b>	<b>N.M.</b>
<b>Attributable to:</b>			
Owners of the Company	(733)	1,375	N.M.
Non-controlling interests	(3)	(17)	(82)
<b>(Loss)/Profit for the period</b>	<b>(736)</b>	<b>1,358</b>	<b>N.M.</b>
<b>Other comprehensive income:</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Foreign currency translation	(160)	361	N.M.
<b>Other comprehensive income for the period, net of tax</b>	<b>(160)</b>	<b>361</b>	<b>N.M.</b>
<b>Total comprehensive income for the period</b>	<b>(896)</b>	<b>1,719</b>	<b>N.M.</b>
<b>Attributable to:</b>			
Owners of the Company	(893)	1,736	N.M.
Non-controlling interests	(3)	(17)	(82)
<b>Total comprehensive income for the period</b>	<b>(896)</b>	<b>1,719</b>	<b>N.M.</b>

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	Three Months Ended		
	31 Mar 2016	31 Mar 2015	Inc/(Dec)
	S\$'000	S\$'000	%
<i>Note 1 - Revenue</i>			
Distribution sale of mobile handsets & accessories	2,751	20,495	(87)
Retail sale of mobile handsets & other apparatus	10,408	9,953	5
Retail sale of computer hardware & accessories and computer software	4,509	6,843	(34)
Other revenue	-	7	(100)
	17,668	37,298	(53)

	Three Months Ended		
	31 Mar 2016	31 Mar 2015	Inc/(Dec)
	S\$'000	S\$'000	%
<i>Note 2 - Other income</i>			
Net gain on divestment of investment securities	108	-	N.M.
Rental income	31	34	(9)
Other miscellaneous income*	162	225	(28)
	301	259	16

\* Other miscellaneous income comprises of Productivity Innovation Credit bonus pay-out, Wage Credit Scheme pay-out and Core Executive Programme pay-out by the Inland Revenue Authority of Singapore.

	Three Months Ended		
	31 Mar 2016	31 Mar 2015	Inc/(Dec)
	S\$'000	S\$'000	%
<i>Note 3 - Other expenses</i>			
Amortisation of intangible assets	(80)	(80)	-
Bank charges	(69)	(84)	(18)
Depreciation of property, plant and equipment	(172)	(160)	8
Depreciation of investment property	(23)	(23)	-
Net loss on disposal of property, plant and equipment	(7)	(85)	(92)
Net foreign exchange gain/(loss)	233	(346)	N.M.
Inventories written-down	-	(4)	(100)
	(118)	(782)	(85)

N.M. denotes Not Meaningful

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1(b)(i) 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.

**Consolidated Balance Sheets**

	Group		Company	
	31 Mar 2016 S\$'000	31 Dec 2015 S\$'000	31 Mar 2016 S\$'000	31 Dec 2015 S\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	5,947	6,102	5,778	5,880
Investment properties	2,480	2,501	2,480	2,501
Intangible assets	539	619	-	-
Investment in subsidiaries	-	-	8,425	8,425
Investment in associates	470	470	-	-
Other receivables	63	58	5,513	5,713
	9,499	9,750	22,196	22,519
<b>Current assets</b>				
Trade and other receivables **	7,491	11,867	774	774
Inventories	2,585	3,814	-	-
Assets held-for-sales	-	600	-	-
Prepaid operating expenses	442	133	70	32
Cash and cash equivalents	5,463	2,737	464	657
	15,981	19,151	1,308	1,463
<b>Total assets</b>	<b>25,480</b>	<b>28,901</b>	<b>23,504</b>	<b>23,982</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Current liabilities</b>				
Loans and borrowings (Note 4)	2,105	3,098	264	268
Trade and other payables	5,012	6,370	578	566
Deferred revenue	35	60	-	-
Other liabilities	844	812	489	422
Income tax payable	-	116	-	-
	7,996	10,456	1,331	1,256
<b>Net current assets/ (liabilities)</b>	<b>7,985</b>	<b>8,695</b>	<b>(23)</b>	<b>207</b>
<b>Non-current liabilities</b>				
Loans and borrowings (Note 4)	5,562	5,627	5,562	5,627
Other payables	-	-	1,361	2,037
	5,562	5,627	6,923	7,664
<b>Total liabilities</b>	<b>13,558</b>	<b>16,083</b>	<b>8,254</b>	<b>8,920</b>
<b>Net assets</b>	<b>11,922</b>	<b>12,818</b>	<b>15,250</b>	<b>15,062</b>
<b>Equity attributable to members</b>				
Share capital	402,747	402,747	402,747	402,747
Retained losses	(391,960)	(391,227)	(387,497)	(387,685)
Foreign currency translation reserve	633	792	-	-
	11,420	12,312	15,250	15,062
<b>Non-controlling interests</b>	502	506	-	-
<b>Total equity</b>	<b>11,922</b>	<b>12,818</b>	<b>15,250</b>	<b>15,062</b>
<b>Total equity and liabilities</b>	<b>25,480</b>	<b>28,901</b>	<b>23,504</b>	<b>23,982</b>

\*\* Including receivables assigned to an associate company

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**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

	As at 31 Mar 2016		As at 31 Dec 2015	
	Secured	Unsecured	Secured	Unsecured
	S\$'000	S\$'000	S\$'000	S\$'000
<i>Note 4 - Loans and borrowings</i>				
<b>Current:</b>				
Bank borrowing	1,841	-	2,830	-
Commercial property loans	264	-	268	-
Amount repayable in one year or less, or on demand	2,105	-	3,098	-
<b>Non-current:</b>				
Commercial property loan	5,562	-	5,627	-
Amount repayable after one year	5,562	-	5,627	-
	<b>7,667</b>	<b>-</b>	<b>8,725</b>	<b>-</b>

United Overseas Bank Limited - First commercial properties loan

These loans are secured by a first mortgage over the Group's commercial properties and are repayable in 240 instalments, bear interest at 3.22% below Bank's Commercial Financing Rate ("BCFR") for the 1st year, 3.12% below BCFR for the 2nd year, and 2.82% below BCFR for the 3rd year and thereafter at BCFR. Currently, BCFR is at 5.10% p.a.

United Overseas Bank Limited - Second commercial properties loan

These loans are secured by a first mortgage over the Group's commercial properties and are repayable in 240 instalments, bear interest at 3.32% below Bank's Commercial Financing Rate ("BCFR") for the 1st year, 3.02% below BCFR for the 2nd year, and 1.85% below BCFR for the 3rd year and thereafter 0.75% over BCFR. Currently, BCFR is at 4.50% p.a.

RHB Bank Berhad - Investment property loan

This loan is secured by a first mortgage over the Group's investment property and is repayable in 240 instalments, bear interest at 3.40% below Bank's Commercial Variable Rate 2 ("CR2") for the 1st year, 3.08% below BCFR for the 2nd year, and 2.30% below BCFR for the 3rd year and thereafter at CR2. Currently, CR2 is at 4.68% p.a.

Bank borrowing

This loan is entered into by one of the subsidiary to finance its trading/ business activities and is secured by corporate guarantee by the Company and deed of debenture executed in favour of the bank, bears interest at bank's prevailing cost of fund + 2.0% p.a

**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.****Consolidated Cash Flow Statement**

	Three Months Ended	
	31 Mar 2016	31 Mar 2015
	S\$'000	S\$'000
<b>OPERATING ACTIVITIES</b>		
<b>(Loss)/Profit before tax</b>	(728)	1,529
<u>Adjustments for :</u>		
Amortisation of intangible assets	80	80
Depreciation of property, plant and equipment	172	160
Depreciation of investment properties	23	23
Finance costs	74	67
Inventories written-down	-	4
Gain on divestment of investment securities	(108)	-
Net loss on disposal of property, plant and equipment	7	85
Share of result of an associate	-	(1,404)
Total adjustments	248	(985)

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<b>Operating cash flows before changes in working capital</b>	<b>(480)</b>	<b>544</b>
<u>Changes in working capital</u>		
(Increase)/ Decrease in:		
Inventories	1,229	(1,220)
Trade and other receivables	4,371	7,889
Prepaid operating expenses	(309)	(1,341)
(Decrease)/ Increase in:		
Trade and other payables	(1,385)	42
Other liabilities	32	(119)
Total changes in working capital	3,938	5,251
<b>Cash flows generated from operations</b>	<b>3,458</b>	<b>5,795</b>
Interest paid	(74)	(67)
Income taxes paid	(124)	(30)
<b>Net cash flows generated from operating activities</b>	<b>3,260</b>	<b>5,698</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(25)	(12)
Proceed from divestment of investment securities	708	-
<b>Net cash flows generated from/(used in) investing activities</b>	<b>683</b>	<b>(12)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from loans and borrowings	-	3,514
Repayment of loans and borrowings	(926)	(5,224)
<b>Net cash flows used in financing activities</b>	<b>(926)</b>	<b>(1,710)</b>
<b>Net increase in cash and cash equivalents</b>	<b>3,017</b>	<b>3,976</b>
Effect of exchange rate changes on cash and cash equivalents	(291)	579
Cash and cash equivalents at 1 January	2,737	3,173
<b>Cash and cash equivalents at 31 March</b>	<b>5,463</b>	<b>7,728</b>

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- 1(d)(i) 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.

**Statements of Change in Equity :**

2016 Group	Equity, total	Share capital	Retained losses	Other Reserve	Foreign currency translation reserve	Non-controlling interests
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Opening balance at 1 January 2016</b>	<b>12,818</b>	<b>402,747</b>	<b>(391,227)</b>	<b>-</b>	<b>792</b>	<b>506</b>
<b>Loss for the period</b>	(736)	-	(733)	-	-	(3)
<u>Other comprehensive income</u>						
Foreign currency translation	(160)	-	-	-	(159)	(1)
<b>Other comprehensive income for the period, net of tax</b>	<b>(160)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(159)</b>	<b>(1)</b>
<b>Total comprehensive income for the period</b>	<b>(896)</b>	<b>-</b>	<b>(733)</b>	<b>-</b>	<b>(159)</b>	<b>(4)</b>
<b>Closing balance at 31 March 2016</b>	<b>11,922</b>	<b>402,747</b>	<b>(391,960)</b>	<b>-</b>	<b>633</b>	<b>502</b>

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<b>2015 Group</b>	<b>Equity, total</b>	<b>Share capital</b>	<b>Retained losses</b>	<b>Other Reserve</b>	<b>Foreign currency translation reserve</b>	<b>Non-controlling interests</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Opening balance at 1 January 2015</b>	<b>338,607</b>	<b>402,747</b>	<b>(65,521)</b>	<b>451</b>	<b>560</b>	<b>370</b>
<b>Profit/ (loss) for the period</b>	1,358	-	1,375	-	-	(17)
<u>Other comprehensive income</u>						
Foreign currency translation	361	-	-	-	318	43
<b>Other comprehensive income for the period, net of tax</b>	<b>361</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>318</b>	<b>43</b>
<b>Total comprehensive income for the period</b>	<b>1,719</b>	<b>-</b>	<b>1,375</b>	<b>-</b>	<b>318</b>	<b>26</b>
<u>Transactions with owners of the Company, recognised directly in equity Contributions by and distributions to owners</u>						
Capital injection by non-controlling interest	2,058	-	-	-	-	2,058
<b>Total contributions by and distributions to owners</b>	<b>2,058</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,058</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>2,058</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,058</b>
<b>Closing balance at 31 March 2015</b>	<b>342,384</b>	<b>402,747</b>	<b>(64,146)</b>	<b>451</b>	<b>878</b>	<b>2,454</b>
<b>Loss for the period</b>	(329,433)	-	(327,081)	-	-	(2,352)
<u>Other comprehensive income</u>						
Share of associates - other comprehensive income	(625)	-	-	(451)	(174)	-
Foreign currency translation	75	-	-	-	88	(13)
<b>Other comprehensive income for the period, net of tax</b>	<b>(550)</b>	<b>-</b>	<b>-</b>	<b>(451)</b>	<b>(86)</b>	<b>(13)</b>
<b>Total comprehensive income for the period</b>	<b>(329,983)</b>	<b>-</b>	<b>(327,081)</b>	<b>(451)</b>	<b>(86)</b>	<b>(2,365)</b>
<u>Transactions with owners of the Company, recognised directly in equity Contributions by and distributions to owners</u>						
Capital injection by non-controlling interest	417	-	-	-	-	417
<b>Total contributions by and distributions to owners</b>	<b>417</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>417</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>417</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>417</b>
<b>Closing balance at 31 December 2015</b>	<b>12,818</b>	<b>402,747</b>	<b>(391,227)</b>	<b>-</b>	<b>792</b>	<b>506</b>

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2016 Company	Equity, total	Share capital	Retained losses
	S\$'000	S\$'000	S\$'000
Opening balance at 1 January 2016	15,062	402,747	(387,685)
Profit for the period, representing total comprehensive income for the period	188	-	188
Closing balance at 31 March 2016	15,250	402,747	(387,497)

2015 Company	Equity, total	Share capital	Retained losses
	S\$'000	S\$'000	S\$'000
Opening balance at 1 January 2015	330,345	402,747	(72,402)
Profit for the period, representing total comprehensive income for the period	112	-	112
Closing balance at 31 March 2015	330,457	402,747	(72,290)
Loss for the period, representing total comprehensive income for the period	(315,395)	-	(315,395)
Closing balance at 31 December 2015	15,062	402,747	(387,685)

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.

**Changes in Company's Share Capital :**

The Company did not have any convertibles and treasury shares as at 31 March 2016 and 31 March 2015.

	Company			
	31 Mar 2016		31 Dec 2015	
	Number of shares		Number of shares	
	'000	S\$'000	'000	S\$'000
At 1 January (excluding treasury shares)	17,053,170	402,747	17,053,170	402,747
Pursuant to share placement	-	-	-	-
At the end of the period	17,053,170	402,747	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.  
 Please refer to 1(d)(ii)

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.  
 Not applicable, as the Company held no treasury shares at the beginning and end of the financial period reported.



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**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.

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

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with those used in the audited financial statements for the financial year ended 31 December 2015, except for the adoption of the revised financial reporting standard ("FRS") and interpretations to FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2016.

**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 reasons for, and the effect of, the change.**

The Group has adopted all the new and revised Singapore Financial Reporting Standards ("FRS") for accounting periods beginning 1 January 2016, where applicable.

The adoption of new / revised FRS and INT FRS does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior 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.**

	Three Months Ended	
	31 Mar 2016 S\$'000	31 Mar 2015 S\$'000
(Loss)/Profit for the period attributable to owners of the Company used in the computation of basic earnings per share	(733)	1,375
	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>(Loss)/Earnings per share attributable to owners of the Company (cents per share)</b>		
Basic	(0.004)	0.008
Diluted	(0.004)	0.008

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 ordinary shares deemed exercised at the beginning of each financial period.

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

	Group		Company	
	31 Mar 2016	31 Dec 2015	31 Mar 2016	31 Dec 2015
Net asset value per ordinary share is calculated based on 17,053,169,818 (31.12.2015: 17,053,169,818) ordinary shares in issue at the end of the period under review and of the immediate preceding financial year (S\$ cents per share)	0.07	0.08	0.09	0.09

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 first quarter of the year 2016 ("1QFY2016"), the Group's revenue decreased by 53% from S\$37.3 million to approximately S\$17.7 million for the first quarter of the year 2015("1QFY2015"). The decrease was due to lower revenue from the Group's mobile handset & accessories distribution business and retail sale of computer electronics & related product business for 1QY2016, decreased by 87% from approximately S\$20.5 million to approximately S\$2.8 million and 34% from approximately S\$6.8 million to approximately S\$4.5 million respectively, as compared to the same period under review in 2015.

For 1QFY2016, the Group gross profit decreased by 69% to S\$0.8 million from S\$2.7 million for 1QFY2015. The decrease was mainly attributable to significant lower revenue from the Group's mobile handset & accessories distribution business and retail sale of computer electronics & related product business for 1QFY2016 as compared to 1QFY2015.

The other income of the Group increased by 16% to S\$0.3 million for 1QFY2016 as compared to 1Q2015. The improvement was mainly due to S\$0.1 million gain on divestment of investment securities, partially offset by lower other miscellaneous income for 1Q2016 as compared to 1QFY2015. In addition, the Group recorded lower amount of other expenses for 1QFY2016, mainly due to the Group recorded foreign exchange gain of S\$0.2 million for 1QFY2016 as compared to foreign exchange loss of S\$0.3 million for 1QFY2015.

The Group posted net loss of S\$0.7 million for 1QFY2016. The net loss was mainly attributable to the lower revenue and there was no share of result of an associate, partially offset by lower other expenses for 1QFY2016 as compared to 1QFY2015.

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

The Group recorded net increase in cash and cash equivalents as at 31 March 2016 primarily attributable to higher cash generated from operating, investing activities and partially offset by higher cash used for repayment of borrowings in financing activities.

The Group's trade and other receivables and inventories decreased from S\$11.9 million and S\$3.8 million as at 31 December 2015 to S\$7.5 million and S\$2.6 million as at 31 March 2016 respectively. The decreases were mainly due to a decrease in sales of the Group.

The Group's trade and other payables and loans and borrowings decreased from S\$6.4 million and S\$3.1 million as at 31 December 2015 to S\$5.0 million and S\$2.1 million as at 31 March 2016 respectively. The decreases were mainly due to a decrease in purchase of goods and the repayment of loans and borrowings respectively.

The Group's net assets decreased from S\$12.8 million as at 31 December 2015 to S\$11.9 million as at 31 March 2016. The decrease was mainly due to the Group posted net loss of S\$0.7 million and there was a decrease in foreign currency translation reserve.

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.

## POLARIS LTD.

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



### UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2016

**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 increasingly intense competition in the industry continues to be the key challenge for the Group to retain its ability to achieve sustainable profitability for its handset distribution and retail businesses in a matured and saturated market. Retail rental costs and manpower costs remained as a key challenge to the bottom line. In the event the growth of both costs is not in line with the increment of the margin and the growth of revenue of the Group, the bottom line would be at a negative level. The thin margin may also have an adverse impact on the overall performance of the Group, particularly for the handset distribution business.

We do not have full information on the future business strategy of operators and brand principals, which is out of our control, as to whether this would have further impact on the profitability of the Group in future.

Indonesia, being the regional country that contributes most to the Group's profitability among all other regions where the Group's associate, PT Trikomsel Oke Tbk, operates, has been experiencing tremendous challenges due to external factors and the volatile macro exchange rate. The Group's associate is currently under the order of PKPU (Penundaan Kewajiban Pembayaran Utang), meaning a suspension of Debt Payment Obligation, the completion processes of which may take up to 270 days based on the relevant law. Whilst waiting for the process to end and the court decision to materialize, the Group has taken a conservative approach on the impairment of its equity investment in addition to trade receivables outstanding.

Notwithstanding the above, the Group will continue to strengthen its regional footprint, to pursue strategic investment and joint ventures in emerging Asian markets, to develop e-commerce capabilities and to pursue new brand portfolio expansion especially in lifestyle products as and when the appropriate opportunities arise. These will help the Group gain greater market acceptance.

**11. Dividend**

**(a) Current financial period reported on**

**Any dividend declared for the current financial period reported on?**  
None.

**(b) Corresponding period of the immediately preceding financial year**

**Any dividend declared for the corresponding period of the immediately preceding financial year?**  
None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared (recommended), a statement to that effect.**

No dividend has been declared or recommended for the period under review.

**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.**

No proceeds raised from IPO and any offerings for the period under review.

**15. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)**

The Board of Directors hereby confirm that to the best of our knowledge, nothing material has come to the attention of the Board which may render the interim financial results set out above to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

JULIANA JULIANTI SAMUDRO  
DIRECTOR/ CHIEF FINANCIAL OFFICER  
Date: 9 MAY 2016

ANG CHUAN HUI, PETER  
DIRECTOR/ CHIEF EXECUTIVE OFFICER  
Date: 9 MAY 2016

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B : Rules of Catalist. The Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume 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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