



81 Ubi Avenue 4 #03-11  
 UB.One Singapore 408830  
 T +65 6309 9088  
 F +65 6305 0489

**POLARIS LTD.**

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

**(i) RE-ANNOUNCEMENT ON THE DIFFERENCES BETWEEN AUDITED AND UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015 AND (ii) ANNOUNCEMENT PURSUANT TO RULE 704(4) OF THE OF THE CATALIST RULES IN RELATION TO THE AUDITED FINANCIAL STATEMENTS**

**a) Pursuant to Rule 704(5) of the Catalist Rules on the differences between audited and unaudited financial statement for the financial year ended 31 December 2015**

The Board of Directors (the “**Board**”) of Polaris Ltd. (the “**Company**”) refers to the announcement made by the Company on 26 February 2016 on the full year unaudited financial statements (the “**Unaudited Results**”) for the financial year ended 31 December 2015 (“**FY2015**”).

With the guidance from the Company’s external auditor, Ernst & Young LLP (the “**Auditors**”) and further recommendation by the Audit Committee, the Board has taken a prudent approach in its FY2015 reporting, particularly in the treatment of a goodwill, loan extended to the Company’s investee and provision of slow moving inventory.

In accordance with Rule 704(5) of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (the “**Catalist Rules**”), the Board wishes to announce and clarify the material differences between the audited financial results (the “**Audited Results**”) and the Unaudited Results of the Group and of the Company for the FY2015.

<b>Consolidated Income Statement for the Full Year ended 31 December 2015</b>				
	<b>FY2015 Unaudited Results S\$'000</b>	<b>FY2015 Audited Results S\$'000</b>	<b>Difference S\$'000</b>	<b>Note</b>
Provision for impairment of investment in an associate	(302,328)	(300,990)	1,338	B
Share of result of associates	(15,404)	(16,742)	(1,338)	B
Allowance for impairment of goodwill	-	(668)	(668)	A
Provision for doubtful debts	(2,513)	(9,278)	(6,765)	A
Provision for slow-moving inventories	-	(1,195)	(1,195)	A
<b>Loss before tax</b>	<b>(319,778)</b>	<b>(328,406)</b>	<b>(8,628)</b>	<b>A</b>
Other comprehensive income: <i>Items that may be reclassified subsequently to profit or loss</i>				
Share of an associate's other comprehensive income	(625)	(625)	-	
Foreign currency translation	587	436	(151)	A
<b>Other comprehensive income for the year, net of tax</b>	<b>(38)</b>	<b>(189)</b>	<b>(151)</b>	<b>A</b>
<b>Total comprehensive income for the year</b>	<b>(319,485)</b>	<b>(328,264)</b>	<b>(8,779)</b>	<b>A</b>
Attributable to:				
Owners of the Company	(319,583)	(325,925)	(6,342)	A
Non-controlling interests	98	(2,339)	(2,437)	A

<b>Consolidated Balance Sheets</b>				
	<b>FY2015 Unaudited Results S\$'000</b>	<b>FY2015 Audited Results S\$'000</b>	<b>Difference S\$'000</b>	<b>Note</b>
Intangible assets	1,287	619	(668)	A
Other receivables	6,428	58	(6,370)	A
<b>Total non-current assets</b>	<b>16,789</b>	<b>9,750</b>	<b>(7,039)</b>	A
Trade and other receivables	11,645	11,867	222	B
Inventories	5,014	3,814	(1,200)	A
Prepaid operating expenses	910	133	(777)	B
<b>Total current assets</b>	<b>20,906</b>	<b>19,151</b>	<b>(1,755)</b>	A
<b>Total assets</b>	<b>37,695</b>	<b>28,901</b>	<b>(8,794)</b>	A
Retained losses	(385,066)	(391,227)	(6,161)	A
Non-controlling interests	3,005	506	(2,499)	A
Foreign currency translation reserve	973	792	(181)	A
<b>Total equity</b>	<b>21,659</b>	<b>12,818</b>	<b>(8,841)</b>	A
<b>Total equity and liabilities</b>	<b>37,695</b>	<b>28,901</b>	<b>(8,794)</b>	A

Note:

A: The differences are due to the finalisation of the audited figures for the Company's allowance for impairment of goodwill of S\$668,000, provision for doubtful debts of S\$6,765,000 and provision for slow-moving inventories of S\$1,195,000.

B: The differences are mainly due to the reclassification of S\$178,000 rental deposits from non-current assets to current assets and S\$644,000 advanced payment was reclassified from prepaid operating expenses to trade and other receivables. In addition, S\$1,338,000 was reclassified from provision for impairment of investment in an associate, PT Trikonsel Oke Tbk, to share of result of associates.

**b) Pursuant to Rule 704(4) of the Catalist Rules in relation to the audited financial statements**

Pursuant to Rule 704(4) of the Catalist Rules, the Board wishes to also announce that the Company's Auditors have in their Independent Auditor's Report issued a Disclaimer of Opinion on the audited consolidated financial statements of the Company and its subsidiaries for FY2015 (the "**Independent Auditor's Report**").

Please refer to the copy of the Independent Auditor's Report and extracts of the Independent Auditor's Report to the Members of the Company attached herein.

**By Order of the Board  
Ang Chuan Hui, Peter  
Executive Director & CEO**

**4 April 2016**

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*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the SGX-ST. The Company's Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by 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*

**Independent auditors' report**  
**For the financial year ended 31 December 2015**

**Independent Auditor's Report to the Members of Polaris Ltd.**

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*Basis for Disclaimer of Opinion*

Investment in associate, PT Trikonsel Oke Tbk

The Group equity accounted for its shares of loss of \$16,618,000 of its associate, PT Trikonsel Oke Tbk ("TRIO") for nine months up till 30 September 2015. As at that date, the Group also equity accounted for the post-acquisition losses of \$11,652,000 of TRIO. In view of the events faced by TRIO as disclosed in Note 16 to the financial statements, the management has made a full impairment loss of \$301,615,000 and \$313,267,000 on the Group and Company's investment in TRIO respectively for the financial year ended 31 December 2015.

The financial statements of TRIO for the financial year ended 31 December 2015 were not made available to its auditor and the Company. Accordingly, the financial statements of TRIO for the financial year ended 31 December 2015 were not audited by its auditor.

As at the date of this report, we were unable to obtain sufficient information to determine the appropriateness of the impairment losses and share of results in TRIO for the financial year ended 31 December 2015, as well as the carrying values and recoverability of the Group and Company's investment in TRIO as at 31 December 2015. Any adjustments to these amounts would have a significant consequential effect on the financial position of the Group and Company as at 31 December 2015 and the financial performance of the Group for the financial year ended on that date.

*Disclaimer of Opinion*

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

Ernst & Young LLP  
Public Accountants and  
Chartered Accountants

Singapore  
2016