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

(A) ACQUISITION OF SHARES IN PT TRIKOMSEL OKE TBK. FROM JPMIB CANOPUS CORPORATE FINANCE LIMITED

(B) PROPOSED ACQUISITION OF SHARES IN PT TRIKOMSEL OKE TBK. FROM ASIA CENTURY VENTURES LTD

1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of Polaris Ltd. (the "**Company**") wishes to announce that the Company has today, 6 August 2014, entered into:

(a) a sale and purchase agreement (the "**Canopus SPA**") with JPMIB Canopus Corporate Finance Limited ("**Canopus**"), pursuant to which the Company has purchased 989,583,000 common shares in the capital of PT Trikomsel Oke Tbk. ("**Trikomsel**", and issued common shares in Trikomsel, the "**Trikomsel Shares**") representing approximately 20.78% of the issued Trikomsel Shares (the "**Canopus Acquisition**"); and

(b) a sale and purchase agreement (the "**ACV SPA**") with Asia Century Ventures Ltd ("**ACV**"), pursuant to which the Company has agreed to purchase 233,889,120 common shares in the capital of Trikomsel, representing approximately 4.91% of the issued Trikomsel Shares (the "**ACV Acquisition**").

The Board also wishes to announce that the Company has engaged the services of PT Trimegah Securities Tbk as a securities broker to purchase up to 11,000,000 common shares in the capital of Trikomsel representing approximately 0.23% of the issued Trikomsel Shares from the open market at the Company's instructions from time to time (the "**Market Acquisitions**").

The Canopus Acquisition, the ACV Acquisition and the Market Acquisitions shall collectively be referred to as the "**Acquisitions**".

Further details on the principal terms of the Canopus SPA, the ACV SPA and the Market Acquisitions are set out in this announcement.

2. RATIONALE AND BENEFITS OF THE ACQUISITIONS

The Board believes that the Acquisitions are in the best interests of the Company and its shareholders for the following reasons:

(a) The Acquisitions will open up new market opportunities for the Polaris Group in Indonesia where it currently does not have operations and enable the Polaris Group to tap on Asia's increasing purchasing power;

(b) The Acquisitions are opportunities to gain access to an extensive brand portfolio. Trikomsel is widely known in Indonesia and operates retail store Okeshop and Global Teleshop which have stores throughout Indonesia. Trikomsel also distributes mobile devices to approximately 15,000 resellers in Indonesia; and

(c) The Acquisitions are synergistic and complementary to the Polaris Group's existing business offerings which will continue post-acquisition, and Trikomsel provides a diversified, resilient and scalable business model for the Polaris Group to leverage on.

3. DETAILS OF THE CANOPUS ACQUISITION

3.1 Information on PT Trikomsel Oke Tbk.

PT Trikomsel Oke Tbk. ("**Trikomsel**") is an Indonesian public listed company dealing in retail and distribution of telecommunication and multimedia products. Trikomsel has a market capitalisation of approximately Rp5,951,496 million equivalent to approximately S$632.05 million as at 5 August 2014 (using an exchange rate of Rp9,416.16: S$1 (*Source: Bank of Indonesia*)).

3.2 Canopus Sale Shares

The Company has, subject to the terms and conditions of the Canopus SPA, agreed to purchase and Canopus has agreed to sell 989,583,000 common shares in the capital of Trikomsel representing approximately 20.78% of the total number of outstanding shares in Trikomsel (the "**Canopus Sale Shares**").

Prior to the date of this announcement, the Company had an interest in 504,359,000 Trikomsel Shares, representing approximately 10.59% of the issued Trikomsel Shares (the "**Existing Trikomsel Shares**").

The Canopus Acquisition was completed today, 6 August 2014. Following the completion of the Canopus Acquisition, the Company has an interest in an aggregate of 1,493,942,000 Trikomsel Shares, representing approximately 31.38% of the issued Trikomsel Shares.

3.3 Canopus Consideration

The consideration payable by the Company to Canopus for the Canopus Sale Shares is S$149,999,903 (the "**Canopus Consideration**") and has been fully satisfied in cash.

The Canopus Consideration being Rp1,440 per Canopus Sale Share converted at an exchange rate of Rp9,500: S$1 was arrived at after arm's length negotiations, on a willing-buyer and willing-seller basis and taking into account the potential synergistic benefits to the Company and its subsidiaries (the "**Polaris Group**") arising from the Canopus Acquisition.

The Consideration was funded using the Polaris Group's internal resources as well as the net proceeds from the subscription of 6,521,739,130 new ordinary shares in the capital of the

Company by Tres Maria Capital Ltd. which was completed on 4 August 2014 (the "**Subscription**"). Further details on the use of proceeds from the Subscription are set out in paragraph 5 of this announcement.

3.4 Value of the Canopus Sale Shares

In this paragraph 3.4, the exchange rate of Rp9,416.16: S$1 as at 5 August 2014 (*Source: Bank of Indonesia*) has been used.

3.4.1 Book Value

Based on the unaudited consolidated financial statements of Trikomsel and its subsidiaries (the "**Trikomsel Group**") for the first quarter ended 31 March 2014 (the "**Trikomsel Group 1Q2014 Results**"), the book value (excluding non-controlling interests) of the Canopus Sale Shares is approximately Rp431,404 million which is equivalent to approximately S$45.82 million.

3.4.2 Net Tangible Asset Value

Based on the Trikomsel Group 1Q2014 Results, the net tangible asset value (excluding non-controlling interests) of the Canopus Sale Shares is approximately Rp431,287 million which is equivalent to approximately S$45.80 million.

3.4.3 Market Value

Based on the VWAP of the Trikomsel Shares transacted on the Indonesia Stock Exchange on 5 August 2014 (being the full market day immediately prior to the day on which the SPA was entered into on which the Trikomsel Shares were traded on the Indonesia Stock Exchange), the open market value of the Canopus Sale Shares is approximately Rp1,236,721 million which is equivalent to approximately S$131.34 million.

3.4.4 Net Profits

Based on the Trikomsel Group 1Q2014 Results, the profit before income tax, minority interests and extraordinary items attributable to the Canopus Sale Shares is approximately Rp31,585 million which is equivalent to approximately S$3.35 million.

3.5 Directors' Service Contracts

No person is proposed to be appointed as a director of the Company in connection with the Canopus Acquisition and accordingly, no service contract is proposed to be entered into between the Company and any such person.

4. RULE 704(16)(b) OF THE CATALIST RULES

Pursuant to Rule 704(16)(b) of the Catalist Rules, following the completion of the Canopus Acquisition, the Company's aggregate cost of investment in quoted securities has exceeded 805% of the latest audited consolidated net tangible assets of the Polaris Group as at 31 December 2013, as follows:

Rule 704(16)(b)	Prior to the Canopus Acquisition	After the Canopus

			Acquisition
(i)	Aggregate cost of the Company's quoted investments (S$'000)	NA	150,000
	Aggregate cost of the Company's quoted investments as a percentage of the latest audited consolidated net tangible assets of the Polaris Group as at 31 December 2013	NA	805.91%
(ii)	Total market value of the quoted investments (S$'000)[(1)]	NA	131,359
(iii)	Amount of any provision for diminution in value of investments (S$'000)	NA	NA
	Audited consolidated net tangible assets of the Polaris Group as at 31 December 2013 (S$'000)	18,612	168,612

Notes:

(1) Based on the VWAP of the quoted securities transacted on the full market day preceding this announcement using an exchange rate of Rp9416.16: S$1 (*Source: Bank of Indonesia*).

5. USE OF PROCEEDS FROM THE SUBSCRIPTION

In accordance with Rule 704(30) of the Catalist Rules, the Board wishes to announce that the net proceeds of approximately S$149,000,000 from the Subscription have been fully utilised to fund the payment of the Consideration to the Vendor pursuant to the Acquisition. The use of the net proceeds from the Subscription is in accordance with the stated use of the expansion of business of the distribution of mobile communication devices (including purchasing shares in a mobile communication business) and in accordance with the percentage allocated in the Company's announcement dated 3 July 2014.

6. DETAILS OF THE ACV ACQUISITION

6.1 ACV Sale Shares

The Company has, subject to the terms and conditions of the ACV SPA, agreed to purchase and ACV has agreed to sell 233,889,120 common shares in the capital of Trikomsel, representing approximately 4.91% of the total number of outstanding shares in Trikomsel (the "**ACV Sale Shares**").

Following the completion of the Canopus Acquisition and the ACV Acquisition (but before the completion of the Market Acquisitions), the Company will have an interest in 1,727,831,120 Trikomsel Shares, representing approximately 36.29% of the issued Trikomsel Shares.

6.2 ACV Consideration

The consideration payable by the Company to ACV for the ACV Sale Shares is S$43,084,838 and shall be satisfied in cash (the "**ACV Consideration**").

The ACV Consideration being Rp1,750 per ACV Sale Share converted at an exchange rate of Rp9,500: S$1 was arrived at after arm's length negotiations, on a willing-buyer and willing-seller basis and taking into account the potential synergistic benefits to the Company and its subsidiaries (the "**Polaris Group**") arising from the Acquisition.

6.3 Conditions of the ACV SPA

Under the terms of the ACV SPA, the completion of the ACV Acquisition is conditional upon the Company procuring financing for the payment of the ACV Consideration. The ACV Consideration is expected to be funded using the Polaris Group's internal resources as well as through future fund-raisings (including issuances of debt securities). Completion of the Acquisition will take place no later than 3 business days after the Company procures financing for the payment of the AVC Consideration, or such other date as may be agreed.

6.4 Value of the ACV Sale Shares

In this paragraph 6.4, the exchange rate of Rp9,416.16: S$1 as at 5 August 2014 (*Source: Bank of Indonesia*) has been used.

6.4.1 Book Value

Based on the Trikomsel Group 1Q2014 Results, the book value (excluding non-controlling interests) of the ACV Sale Shares is approximately Rp101,934 million which is equivalent to approximately S$10.83 million.

6.4.2 Net Tangible Asset Value

Based on the Trikomsel Group 1Q2014 Results, the net tangible asset value (excluding non-controlling interests) of the ACV Sale Shares is approximately Rp101,907 million which is equivalent to approximately S$10.82 million.

6.4.3 Market Value

Based on the VWAP of the Trikomsel Shares transacted on the Indonesia Stock Exchange on 5 August 2014 (being the full market day immediately prior to the day on which the SPA was entered into on which the Trikomsel Shares were traded on the Indonesia Stock Exchange), the open market value of the ACV Sale Shares is approximately Rp292,218 million which is equivalent to approximately S$31.03 million.

6.4.4 Net Profits

Based on the Trikomsel Group 1Q2014 Results, the profit before income tax, minority interests and extraordinary items attributable to the ACV Sale Shares is approximately Rp7,463 million which is equivalent to approximately S$0.79 million.

6.5 Directors' Service Contracts

No person is proposed to be appointed as a director of the Company in connection with the ACV Acquisition, and accordingly, no service contract is proposed to be entered into between the Company and any such person.

7. FINANCIAL EFFECTS OF THE CANOPUS ACQUISITION AND THE ACV ACQUISITION

7.1 Assumptions

The pro forma financial effects of the Canopus Acquisition and the ACV Acquisition on the Company and its subsidiaries (the "**Polaris Group**") have been prepared based on the figures derived from the Polaris Group's audited consolidated financial statements for the financial year ended 31 December 2013 ("**FY2013**") and are purely for illustration purposes only and do not reflect the actual future results and financial position of the Polaris Group following the completion of the Canopus Acquisition and the ACV Acquisition.

7.2 Net Tangible Assets

For illustrative purposes and assuming the Canopus Acquisition and the ACV Acquisition had been completed on 31 December 2013, the pro forma financial effects on the consolidated net tangible assets ("**NTA**") for FY2013 are as follows:

	Before the Canopus Acquisition and the ACV Acquisition	**After the Canopus Acquisition but before the ACV Acquisition**	**After the Canopus Acquisition and ACV Acquisition**
NTA (S$'000)	18,612	18,612	18,612
Number of shares ('000)	3,432,846	3,432,846	3,432,846
NTA (cents per share S$)	0.54	0.54	0.54

7.3 Earnings

For illustrative purposes and assuming the Canopus Acquisition and the ACV Acquisition had been completed on 1 January 2013, the pro forma financial effects on the earnings per share of the Polaris Group for FY2013 are as follows:

	Before the Canopus Acquisition and the ACV Acquisition	**After the Canopus Acquisition but before the ACV Acquisition**	**After the Canopus Acquisition and the ACV Acquisition**
Net profit attributable to shareholders after tax (S$'000)	796	11,131	13,572
Number of shares ('000)	3,031,511	3,031,511	3,031,511
Earnings (cents per share S$)	0.026	0.367	0.448

8. CHAPTER 10 OF THE CATALIST RULES

The relative figures for (i) the Canopus Acquisition on its own; (ii) the ACV Acquisition on its own; and (iii) the Canopus Acquisition and ACV Acquisition aggregated with the acquisition of the Existing Trikomsel Shares ("**Acquisitions Aggregated**"), computed on the bases set out in Rule 1006 ("**Rule 1006**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") are as follows:

Rule 1006(a)	**Canopus Acquisition on its own**	**ACV Acquisition on its own**	**Acquisitions Aggregated**
Net asset value attributable to the assets to be disposed of	Not applicable		
Net asset value of the Polaris Group's net asset value			
Size of relative figure			

Rule 1006(b)	**Canopus Acquisition on its own**	**ACV Acquisition on its own**	**Acquisitions Aggregated**
Net profit attributable to the assets acquired ('000)[(1)]	S$10,335	S$2,442	S$18,044
Polaris Group's net profit ('000)[(1)]	S$796	S$796	S$796
Size of relative figure	1,298.33%	306.78%	2,266.77%

Rule 1006(c)	**Canopus Acquisition on its own**	**ACV Acquisition on its own**	**Acquisitions Aggregated**
Aggregate value of the consideration given ('000)[(2)]	S$150,000	S$43,085	S$258,917
Company's market capitalisation as at 5 August 2014 ('000)[(2)]	S$358,872	S$358,872	S$358,872
Size of relative figure	41.80%	12.01%	72.15%

Rule 1006(d)	**Canopus Acquisition on its own**	**ACV Acquisition on its own**	**Acquisitions Aggregated**
Number of equity securities issued by the Company as consideration for the acquisition ('000)	Not applicable	Not applicable	2,862,266
Number of equity securities previously in issue ('000)	Not applicable	Not applicable	12,816,851
Size of relative figure	Not applicable	Not applicable	22.33%

Rule 1006(e)	**Canopus Acquisition on its own**	**ACV Acquisition on its own**	**Acquisitions Aggregated**
Aggregate volume or amount or proven and probable reserves to be disposed of	Not applicable		
Aggregate of the Polaris Group's proven and probable reserves			
Size of relative figure			

Notes:

(1) Net profit is defined as profit before income tax, minority interests and extraordinary items. The figures are based on the audited consolidated financial statements of the Trikomsel Group for the financial year ended 31 December 2013 ("**Trikomsel Group FY2013 Results**") and the audited consolidated financial statements of the Polaris Group for the financial year ended 31 December 2013 ("**Polaris Group FY2013 Results**"). Net profit of Rp478,832 million (approximately S$49.7 million) was reported by the Trikomsel Group in the Trikomsel Group FY2013 Results. Net profit of S$795,991 was reported by the Polaris Group in the Polaris Group FY2013 Results.

(2) Market capitalisation has been calculated on the basis of 12,816,851,283 Shares in issue multiplied by the VWAP of the Polaris Shares transacted on Catalist on the market day preceding the date of the SPA.

Having regard to the above, as one of the relative figures set out above exceeds 100%, the Acquisitions would constitute "very substantial acquisitions" or "reverse takeovers" under Rule 1015 of the Catalist Rules.

However, pursuant to Rule 1014(2) and 1015(8) of the Catalist Rules, as the Acquisitions are acquisitions of profitable assets and the only limit breached and exceeding 75% is Rule 1006(b) of the Catalist Rules, the Acquisitions constitute "major transactions" as defined in Chapter 10 of the Catalist Rules and are not subject to the approval of shareholders of the Company.

The Market Acquisitions have not been taken into account in the calculation of the relative figures as such acquisitions have not taken place. The Company will make further announcements as and when the Market Acquisitions take place in accordance with the Catalist Rules.

9. MARKET ACQUISITIONS OF TRIKOMSEL SHARES

The Board also wishes to announce that the Company has engaged the services of PT Trimegah Securities Tbk ("**Trimegah**") as a securities broker to purchase up to 11,000,000 common shares in the capital of Trikomsel representing approximately 0.23% of the issued Trikomsel Shares from the open market (the "**Market Acquisitions**") during the period from 6 August 2014 to 30 December 2014. Trimegah will conduct settlement of the Market Acquisitions in accordance with the Company's instructions.

The Market Acquisitions are expected to be funded using the Polaris Group's internal resources as well as through future fund-raisings (including issuances of debt securities). As such, the Market Acquisitions will be conditional upon the Company procuring the requisite financing for such acquisitions.

Following the completion of the Canopus Acquisition and the ACV Acquisition and assuming the completion of the acquisition of a maximum of 11,000,000 Trikomsel Shares pursuant to the Market Acquisitions, the Company will have an interest in 1,738,831,120 Trikomsel Shares representing approximately 36.52% of the total outstanding Trikomsel Shares. Further announcements will be issued by the Company when there are further material developments regarding the Market Acquisitions.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the directors or shareholders of the Company (other than in their capacity as directors or shareholders of the Company) has any interest, direct or indirect, in the Acquisitions. Both Canopus and ACV have confirmed that they are not related to any of the directors or shareholders of the Company.

11. DOCUMENTS FOR INSPECTION

Copies of the Canopus SPA and the ACV SPA are available for inspection during normal business hours at the registered office of the Company at 81 Ubi Avenue 4, #03-11 UB. One, Singapore 408830 for a period commencing three (3) months from the date of this announcement.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Acquisitions, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

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

6 August 2014

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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. (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 had 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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