



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 2023

*This announcement has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited (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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For the purpose of this announcement, “FY2023” refers to the full financial year ended 31 December 2023, whereas “FY2022” refers to the preceding full financial year ended 31 December 2022. “2H2023” refers to the six-month financial period ended 31 December 2023, whereas “2H2022” refers to the corresponding six-month financial period ended 31 December 2022.

PART I - INFORMATION REQUIRED FOR 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	2H2023 S\$'000	2H2022 Restated S\$'000	Increase/ (Decrease) %	FY2023 S\$'000	FY2022 Restated S\$'000	Increase/ (Decrease) %
Revenue	4	12,556	13,471	-6.79%	22,457	27,281	-17.68%
Cost of sales		(11,382)	(12,139)	-6.24%	(20,075)	(24,160)	-16.91%
Gross profit		1,174	1,332	-11.86%	2,382	3,121	-23.68%
Other items of income:							
Other income		-*	-*	N.M.	118	387	-69.51%
Other items of expense:							
Marketing and distribution		(230)	(147)	56.46%	(406)	(271)	49.82%
Administrative expenses		(2,271)	(1,923)	18.10%	(4,163)	(4,120)	1.04%
Finance costs		(29)	(44)	-34.09%	(80)	(89)	-10.11%
Other expenses		(121)	(2,343)	-94.84%	(268)	(2,720)	-90.15%
Loss before income tax	6	(1,477)	(3,125)	-52.74%	(2,417)	(3,692)	-34.53%
Income tax expense	7	-*	-*	N.M.	-*	-*	N.M.
Loss for the period / year		(1,477)	(3,125)	-52.74%	(2,417)	(3,692)	-34.53%
Attributable to:							
Equity holders of the Company		(1,342)	(2,861)	-53.09%	(2,045)	(3,397)	-39.80%
Non-controlling interests		(135)	(264)	-48.86%	(372)	(295)	26.10%
Total loss for the period / year		(1,477)	(3,125)	-52.74%	(2,417)	(3,692)	-34.53%

* Less than S\$1,000
N.M. denotes not meaningful

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

(cont'd)

	Group					
<u>Note</u>	2H2023 S\$'000	2H2022 Restated S\$'000	Increase/ (Decrease) %	FY2023 S\$'000	FY2022 Restated S\$'000	Increase/ (Decrease) %
Total loss for the period / year	(1,477)	(3,125)	-52.74%	(2,417)	(3,692)	-34.53%
Other comprehensive income, net of tax:						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Exchange differences on translation	-*	-*	N.M.	-*	-*	N.M.
Other comprehensive loss for the period / year	(1,477)	(3,125)	-52.74%	(2,417)	(3,692)	-34.53%
Total comprehensive loss for the period / year	(1,477)	(3,125)	-52.74%	(2,417)	(3,692)	-34.53%
Attributable to:						
Equity holders of the Company	(1,342)	(2,861)	-53.09%	(2,045)	(3,397)	-39.80%
Non-controlling interests	(135)	(264)	-48.86%	(372)	(295)	26.10%
Total comprehensive loss for the period / year	(1,477)	(3,125)	-52.74%	(2,417)	(3,692)	-34.53%
Loss per share attributable to equity holders of the Company:						
Basic and diluted (cents per share)	(0.008)	(0.017)	-53.09%	(0.012)	(0.020)	-39.80%

* Less than S\$1,000

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 2023 S\$'000	31 December 2022 Restated S\$'000	31 December 2023 S\$'000	31 December 2022 Restated S\$'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	9	3,664	3,522	3,222	3,394
Investments in subsidiaries		-	-	856	856
Other receivables		-	-	-	-
		<u>3,664</u>	<u>3,522</u>	<u>4,078</u>	<u>4,250</u>
Current Assets					
Trade and other receivables		2,672	1,479	6,403	5,327
Inventories		1,539	1,361	-	-
Prepayments		460	758	9	4
Cash and bank balances		2,353	6,234	358	2,959
		<u>7,024</u>	<u>9,832</u>	<u>6,770</u>	<u>8,290</u>
Total Assets		<u>10,688</u>	<u>13,354</u>	<u>10,848</u>	<u>12,540</u>
LIABILITIES AND EQUITY					
Current Liabilities					
Loans and borrowings	10	447	459	447	440
Trade and other payables		959	979	120	20
Other liabilities		674	457	261	247
		<u>2,080</u>	<u>1,895</u>	<u>828</u>	<u>707</u>
Non-Current Liabilities					
Loans and borrowings	10	2,302	2,691	2,214	2,658
Total Liabilities		<u>4,382</u>	<u>4,586</u>	<u>3,042</u>	<u>3,365</u>
Equity Attributable to Equity Holders of the Company					
Share capital	11	402,747	402,747	402,747	402,747
Foreign currency translation reserve		138	(77)	-	-
Accumulated losses		(396,207)	(393,836)	(394,941)	(393,572)
		<u>6,678</u>	<u>8,834</u>	<u>7,806</u>	<u>9,175</u>
Non-controlling interests		(372)	(66)	-	-
Total Equity		<u>6,306</u>	<u>8,768</u>	<u>7,806</u>	<u>9,175</u>
Total Liabilities and Equity		<u>10,688</u>	<u>13,354</u>	<u>10,848</u>	<u>12,540</u>

- 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

	Group	
	FY2023 S\$'000	FY2022 Restated S\$'000
Cash Flows from Operating Activities		
Loss before income tax	(2,417)	(3,692)
Adjustments for:		
Depreciation of property, plant and equipment	241	352
Loss on deconsolidation of subsidiary	-	2,142
Unrealised exchange loss	125	-
Operating cash flows before changes in working capital	(2,051)	(1,198)
Changes in working capital:		
Inventories	(178)	1,484
Trade and other receivables	(1,193)	296
Prepayments	298	(711)
Trade and other payables	(48)	487
Other liabilities	217	30
Cash flows used in operations	(2,955)	388
Interest paid	(66)	(167)
Net cash flows (used in)/generated from operating activities	(3,021)	221
Cash Flows used in Investing Activities		
Repayment from former subsidiary	-	4,602
Purchase of property, plant and equipment	(401)	(39)
Net cash flows (used in)/generated from investing activities	(401)	4,623
Cash Flows from Financing Activities		
Principal payment of lease liabilities	(22)	(317)
Repayment of bank loans	(437)	(395)
Net cash flows used in financing activities	(459)	(712)
Net (decrease)/increase in cash and cash equivalents	(3,881)	4,132
Cash and cash equivalents at the beginning of the year	6,234	2,102
Cash and cash equivalents at the end of year	2,353	6,234

- 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

<u>Group</u>	Share capital S\$'000	Foreign currency translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total S\$'000
Balance at 1 January 2023	402,747	(77)	(393,836)	8,834	(66)	8,768
(Loss) for the year	-	-	(2,045)	(2,045)	(372)	(2,417)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	(2,045)	(2,045)	(372)	(2,417)
Derecognition of non-controlling interest arising from disposal of interests in subsidiaries	-	215	(326)	(111)	66	(45)
Balance at 31 December 2023	402,747	138	(396,207)	6,678	(372)	6,306
Balance at 1 January 2022	402,747	(513)	(388,694)	13,540	2,206	15,746
Loss for the year	-	-	(3,397)	(3,397)	(295)	(3,692)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive loss for the year	-	-	(3,397)	(3,397)	(295)	(3,692)
Derecognition of non-controlling interest arising from disposal of interests in subsidiaries	-	436	(1,745)	(1,309)	(1,977)	(3,286)
Restated Balance at 31 December 2022	402,747	(77)	(393,836)	8,834	(66)	8,768

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 2023 are in respect of 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 2023 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 financial period ended 30 June 2023.

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

There has not been any change in the accounting policies and methods of computation adopted by the Group for the current reporting period compared with the audited financial statements for the financial year ended 31 December 2022, except for the adoption of new or revised SFRS(I) and interpretations of SFRS(I) (“**INT SFRS(I)**”) that are mandatory for the financial year beginning on or after 1 January 2023. The adoption of these SFRS(I) and INT SFRS(I) has no significant impact on the Group.

2.2 New and revised standards issued but not yet effective

The Group has not adopted any other new and revised SFRS(I) and INT SFRS(I) that have been issued but are not yet effective.

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 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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-loved luxury goods segment engages in the business of importing and exporting pre-loved luxury goods and premium lifestyle products on a wholesale and/or retail basis, with extensive operations in Asia under the Mastro Luxe and ALLU brands (operations in Singapore, Indonesia, Philippines, South Korea and South Africa).
- II. The customer services segment provides after-market services to end customers for equipment repairs, refurbishments and technical services in Singapore.
- III. The consumer electronics segment engages in the corporate sale of telecommunication, IT and consumer electronics products, primarily in Singapore. This segment offers a wide range of electronic products and services from reputable brands such as Apple.
- IV. The corporate segment provides Group-level corporate services, treasury functions and investment in marketable securities. It is also involved in strategic investment and joint venture opportunities to synergise and complement the Group's existing offerings, such as the entry into the pre-loved luxury goods business.

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:

	Group			
	Segment revenue		Segment (loss) / profit	
	FY2023	FY2022	FY2023	FY2022
	S\$'000	Restated S\$'000	S\$'000	Restated S\$'000
Pre-loved luxury goods sales	9,212	7,121	(774)	(845)
Consumer electronics sales	12,375	17,334	170	(113)
Customer services	698	2,756	78	570
Other Revenue	172	70	(402)	(47)
Corporate	-	-	(1,527)	(3,555)
	<u>22,457</u>	<u>27,281</u>	<u>(2,455)</u>	<u>(3,990)</u>
Other income			118	387
Finance costs			(80)	(89)
Loss before income tax			<u>(2,417)</u>	<u>(3,692)</u>

Revenue reported above represents revenue generated from external customers. There were no inter-segment sales.

Segment (loss) / profit represents the profit or loss earned or incurred by each reportable operating segment, interest income and finance costs.

4.1 Reportable segments (cont'd)

(b) Reconciliation

	Group	
	FY2023	FY2022
	S\$'000	Restated S\$'000
Segment assets		
Pre-loved luxury goods sales	2,342	1,888
Consumer electronics sales	3,694	3,489
Customer services	155	359
Corporate	3,958	7,618
Others	539	-
Consolidated total assets	<u>10,688</u>	<u>13,354</u>
Segment liabilities		
Pre-loved luxury goods sales	583	235
Consumer electronics sales	797	664
Customer services	131	263
Corporate	122	274
Total segment liabilities	<u>1,633</u>	<u>1,436</u>
Unallocated: Loans and borrowings (excluding lease liabilities)	<u>2,749</u>	<u>3,150</u>
Consolidated total liabilities	<u>4,382</u>	<u>4,586</u>

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

- all assets are allocated to reportable segments; and
- all liabilities (other than loans and borrowings) are allocated to reportable segments.

4.1 Reportable segments (cont'd)

(c) Other segment information

	Group			
	Depreciation		Additions to non-current assets	
	FY2023 S\$'000	FY2022 Restated S\$'000	FY2023 S\$'000	FY2022 Restated S\$'000
Pre-loved luxury goods sales	41	83	34	39
Consumer electronics sales	3	74	-	-
Customer services	1	5	-	-
Others	18	-	367	-
Corporate	178	190	-	-
	241	352	401	39

(d) Geographical information

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

	Group			
	Revenue		Non-current assets	
	FY2023 S\$'000	FY2022 Restated S\$'000	FY2023 S\$'000	FY2022 Restated S\$'000
Singapore	11,555	23,432	3,260	3,479
Indonesia	8,240	1,821	386	30
Philippines	2,257	1,291	14	8
South Korea	298	737	4	5
South Africa	107	-	-	-
	22,457	27,281	3,664	3,522

Non-current assets presented above consist of property, plant and equipment, 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.

	Group	
	FY2023 S\$'000	FY2022 Restated S\$'000
Principal geographical market		
<u>Pre-loved luxury goods sales</u>		
- Singapore	487	3,341
- Indonesia	6,063	1,752
- South Korea	297	737
- South Africa	107	-
- Philippines	2,258	1,291
	9,212	7,121
<u>Consumer electronics sales</u>		
- Singapore	10,370	17,334
- Indonesia	2,005	-
	12,375	17,334
<u>Customer services</u>		
- Singapore	698	2,756
<u>Other Revenue</u>		
- Indonesia	172	70
	<u>22,457</u>	<u>27,281</u>
Major product or service lines and timing of revenue recognition		
Pre-loved luxury goods sales	9,212	7,121
Consumer electronics sales	12,375	17,334
Customer services	698	2,756
Other Revenue	172	70
At a point of time	<u>22,457</u>	<u>27,281</u>

5. Financial assets and financial liabilities

	Group		Company	
	FY2023 S\$'000	FY2022 Restated S\$'000	FY2023 S\$'000	FY2022 Restated S\$'000
Financial assets				
Cash and bank balances and trade and other receivables	5,025	7,713	6,761	8,286
Financial liabilities				
Trade and other payables, loan and borrowings, liabilities and other liabilities (Amortised cost)	4,382	4,586	3,042	3,365

6. Loss before income tax

6.1 Significant items

	Group	
	FY2023 S\$'000	FY2022 Restated S\$'000
Other Income:		
Government grant	77	35
Marketing support	-	56
Authentication service	41	3
Advisory fees	-	293
	118	387
Finance Cost:		
Interest on borrowings	(80)	(89)
	(80)	(89)
Other Expenses:		
Deconsolidation of loss of MLA	-	(2,142)
Depreciation of property, plant and equipment	(241)	(352)
Provision for bad debt	(5)	(48)
Net foreign loss/(gain)	(121)	(23)
Inventories write-down	-	(75)
Reversal inventories write-down	120	-
Bank charges	(21)	(77)
Other miscellaneous expenses	-	(3)
	(268)	(2,720)

6.2 Related party transactions

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

7. Income Tax Expense

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:

	Group	
	FY2023	FY2022
	S\$'000	Restated S\$'000
Current year	-*	-*
Under provision in respect of prior years	-	-
Current income tax expense	-*	-*

* Less than S\$1,000

8. Net Asset Value

	Group		Company	
	31 December 2023	31 December 2022 Restated	31 December 2023	31 December 2022 Restated
Net assets value per ordinary share (cents)	0.037	0.051	0.046	0.054

9. Property, plant and equipment

During the financial year ended 31 December 2023, the Group acquired assets amounting to S\$ 400,877 (31 December 2022: S\$38,580). The assets amounting to S\$367,221 acquired during the financial year reported on were for the expansion of PT Polaris Orbit Indonesia offices and equipment, and the assets amounting to S\$ 33,656 were for the expansion of Mastro Luxe sub-group.

10. Borrowings

	Group	
	31 December 2023 S\$'000	31 December 2022 Restated S\$'000
<u>Amount repayable within one year or less, or on demand</u>		
Secured	447	459
<u>Amount repayable after one year</u>		
Secured	2,302	2,691

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

11. Share Capital

The Company did not hold any treasury shares as at 31 December 2023 and 31 December 2022.

	The Group and the Company			
	31 December 2023		31 December 2022	
	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 2023 and 31 December 2022.

Accordingly, there were no sales, transfers, cancellation and/or use of treasury shares or subsidiary holdings as at 31 December 2023 and 31 December 2022.

12. Subsequent events

There are no known subsequent events (after 31 December 2023) which have led to adjustments to this set of interim financial statements.

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 2023. There were no outstanding convertibles, treasury shares or subsidiary holdings as at 31 December 2023 and 31 December 2022.

	Number of issued shares '000	Issued and paid-up share capital S\$'000
Balance as at 31 December 2023 (excluding treasury shares and subsidiary holdings)	17,053,170	402,747
Balance as at 31 December 2022 (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.**

	As at 31 December 2023 '000	As at 31 December 2022 '000
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 during 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 were no subsidiary holdings during 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.

The Company's latest audited financial statements (for the financial year ended 31 December 2022) are subject to disclaimer of opinion with the following notes from auditor:

"As stated in Note 13(a) to the financial statements, the financial statements of Marque Luxury America LLC and its subsidiary, Marque Mentor LLC ("MLA sub-group") were included in the Group's consolidated financial statements based on unaudited management accounts for the current financial year ended 31 December 2022. This MLA sub-group is the disposal group classified as held-for-sale (Note 17)"

Following the deconsolidation of the MLA sub-group, the Company has undertaken the restatement of FY2022 financials, as outlined in the note accompanying the FY2022 restatement announcement on December 4, 2023.

"... the Company has engaged a US law firm, Dillon Miller Ahuja & Boss, LLP (the "US Legal Counsel") to opine on the effective date on which Englory Media Holdings Pte. Ltd.'s ("Englory") investment in Marque Luxury America LLC ("MLA"), a former US subsidiary of the Company, was completed and therefore diluted the Company's effective indirect shareholding in MLA. In the legal opinion dated 30 August 2023 issued by the US Legal Counsel to the Company's wholly-owned subsidiary, Polaris Explorer Pte. Ltd. ("PEPL"), it was stated that the completion date of Englory's investment and the effective date of dilution of MLA was 28 February 2022, whereby, from the aforesaid date, PEPL's effective interest in MLA was reduced from 51% to 19.99%. Accordingly, with effect from 28 February 2022, MLA has ceased to be a subsidiary of the Company and is instead treated as an unquoted equity investment."

Regarding the restated FY2022 figures announced on December 4, 2023, interpretations are evolving as the Group prepares its financials for FY2023. This affects the comparability of the restated numbers in this report with those announced on December 4, 2023.

Please refer to the Company's separate announcement on 13 April 2023 on the disclaimer opinion pertaining to the confirmation from the Board that the impact of all outstanding audit issues on the financial statements has been adequately disclosed.

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 2022.

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 2023. 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).**

	FY2023 S\$'000	FY2022 Restated S\$'000
Loss for the period attributable to owners of the Company used in the computation of basic loss per share	2,045	3,397
	No. of shares '000	No. of shares '000
Weighted average number of ordinary shares for basic loss per share computation	17,053,170	17,053,170
Loss per share attributable to owners of the Company (cents per share)		
Basic	0.012	0.020
Diluted	0.012	0.020

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

The diluted loss per share is calculated on the same basis as the basic loss 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 2023 and 31 December 2022.

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 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Net asset value per ordinary share is calculated based on 17,053,169,818 (31 Dec 2022: 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)	0.037	0.051	0.046	0.054

- 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 2023 ("FY2023"), the Group recorded a turnover of S\$22.46 million, representing a decrease of 18% over the turnover of the previous restated financial year ended 31 December 2022 ("FY2022") of S\$27.28 million. For the second half of the financial year ended 31 December 2023 ("2H2023"), the Group recorded a turnover of S\$12.56 million, representing a decrease of 7% over the turnover for the second half of the financial year ended 31 December 2022 ("2H2022") of S\$13.47 million. This decrease in turnover in 2H2023 as compared to 2H2022 was mainly due to the decreased turnover from the consumer electronics and customer service segments. Nevertheless, the pre-loved luxury goods segment saw an increase in turnover by 29% from S\$7.12 million in FY2022 to S\$9.21 million in FY2023 due to business expansion in Asia. The turnover from the consumer electronics segment decreased by 29% from S\$17.33 million in FY2022 to S\$12.38 million in FY2023, partially due to the closure of its Apple Premium Reseller store FY2022. The turnover from customer services sales decreased by 75% from S\$2.76 million in FY2022 to S\$0.70 million in FY2023 due to the closure of service centre operated by the Group in late FY2022 as per agreement with key partner.

The Group's cost of sales decreased by 17% from S\$24.16 million in FY2022 to S\$20.08 million in FY2023 and decreased by 6% from S\$12.14 million in 2H2022 to S\$11.38 million in 2H2023. Such a decrease was in line with the overall decrease in the Group's turnover from FY2022 to FY2023.

The Group's gross profit decreased by 24% from S\$3.12 million in FY2022 to S\$2.38 million in FY2023. Meanwhile, the Group's gross profit decreased by 12% from S\$1.33 million in 2H2022 to S\$1.17 million in 2H2023.

Other income decreased by 70% from S\$0.39 million in FY2022 to S\$0.12 million in FY2023. This was mainly due to advisory fee income recorded in FY2022.

The increase in marketing and distribution expenses by 50% from S\$0.27 million in FY2022 to S\$0.41 million in FY2023 and by 56% from S\$0.15 million in 2H2022 to S\$0.23 million in 2H2023 were mainly due to higher marketing and travelling expenses incurred in respect of our expanded pre-loved luxury goods business. The Group's administrative expenses increased by 1% from S\$4.12 million in FY2022 to S\$4.16 million in FY2023 and by 18% from S\$1.92 million in 2H2022 to S\$2.27 million in 2H2023.

The Group's finance costs decreased by 10% from S\$0.09 million in FY2022 to S\$0.08 million in FY2023 and by 34% from S\$0.04 in 2H2022 to S\$0.03 million in 2H2023 due to a decrease in interest on borrowings.

Other expenses decreased by 90% from S\$2.72 million in FY2022 to S\$0.27 million in FY2023 and by 95% from S\$2.34 million in 2H2022 to S\$0.12 million in 2H2023 due to the loss of deconsolidation of subsidiary in FY2022 and HY2022. Adjustment for depreciation of property, plant and equipment was S\$0.24 million in FY2023 as compared to S\$0.35 million in FY2022.

The Group posted a net loss of S\$2.42 million for FY2023 as compared to a net loss of S\$3.69 million in FY2022 and a net loss of S\$1.48 million in 2H2023 compared to a net loss of S\$3.13 million in 2H2022. The net losses from continuing operations in both FY2023 and 2H2023 were mainly due to losses incurred by our pre-loved luxury goods operations and holding operations, although the Group's results have improved year-on-year.

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

The Group's total assets decreased by S\$2.67 million from S\$13.35 million as at 31 December 2022 to S\$10.69 million as at 31 December 2023.

Property, plant and equipment comprised of property, plant and equipment and right of use ("ROU") assets. Property, plant and equipment increased to S\$3.66 million as at 31 December 2023 from S\$3.52 million as at 31 December 2022 due to expansion of PT Polaris Orbit Indonesia and Mastro Luxe sub-group.

Trade and other receivables increased from S\$1.48 million as at 31 December 2022 to S\$2.67 million as at 31 December 2023, mainly due to receivables from sales to key partners on Consumer Electronics and Preloved Luxury Goods business units.

Inventories increased to S\$1.54 million as at 31 December 2023 from S\$1.36 million as at 31 December 2022, mainly due to the Group's inventory of Consumer Electronics products and Preloved Luxury Goods products.

Cash and bank balances decreased from S\$6.23 million as at 31 December 2022 to S\$2.35 million as at 31 December 2023 due to operating losses and increase in receivables and inventory.

Trade and other payables decreased slightly from S\$0.98 million as at 31 December 2022 to S\$0.96 million as at 31 December 2023.

Loans and borrowings comprised a bank loan on properties, lease liabilities and one temporary bridge loan. These loans decreased to S\$2.75 million as at 31 December 2023 as compared to S\$3.15 million as at 31 December 2022 due to partial repayment of the loan.

The Group's net cash flows used in operating activities was -\$3.02 million in FY2023 as compared to S\$0.22 million in FY2022, which was mainly due to the changes in working capital in FY2023.

The Group's net cash flows used in investing activities was S\$0.40 million in FY2023 as compared to S\$4.60 million in FY2022, mainly due to repayment from a former subsidiary in FY2022 and acquisition of property, plant and equipment in FY2023 for business expansion purposes.

Net cash flows generated from financing activities was -\$0.46 million in FY2023 as compared to -\$0.71 million in FY2022. No additional bank loans were undertaken by the Group in FY2023.

Disclosures pursuant to Rule 706A(1)

The Group had, on 7 December 2023, incorporated a new subsidiary, IXTerra Pte. Ltd. ("IXT"), in the Republic of Singapore. The total issued and paid-up share capital of IX is S\$ 100, comprising 100 ordinary shares ("Shares"), of which 65% of the Shares are held by Polaris Network Pte. Ltd. ("PEPL"), a wholly-owned subsidiary of the Company, and the remaining 35% are held by Insect Technologies Group Private Limited ("ITG"). The principal activities of IXT are those of retail & wholesale trade of insect protein products, primarily for animal feed. IXT was established to service the joint venture relationship with ITG, a company incorporated in Singapore. ITG is represented by Hoe Wen, Zechary, who has years of experience in sales, marketing, and product development of insect protein, which aligns with the Group's direction for a sustainable economy. The Group has decided to incorporate IXT in order to expand into the market of insect protein, particularly as an alternative animal feed, with a focus on sourcing markets in Asia. For the period under review, there were no transactions (i.e. revenue) that occurred for IXT.

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.

As of now, the Group does not foresee or expect any substantial shifts in trends in the competitive landscape of the consumer electronics and customer services spaces within the forthcoming reporting period and the subsequent 12 months that might have a significant impact on the Group.

In the upcoming reporting period, the consumer electronics segment will be affected by global corporate pricing strategies implemented by the Group's key partners. Additionally, updates to the business plans of a key partner in the customer services segment may impact the Group in the latter half of FY2024.

The Group is committed to expanding its sustainability-focused businesses, including its pre-loved luxury goods business in Asia, and its planned low environmental impact protein in Indonesia. The Group plans to continue its expansion of its pre-loved luxury goods business in Indonesia, the Philippines, and Korea and to improve efficiency in its operations in Singapore and South Africa. The Group intends to maintain a presence in the global e-commerce marketplace to market products to the USA and the rest of the world.

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 dividends has been made, and no dividend was declared for the current financial period reported on 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 or any offerings pursuant to Chapter 8 of the Listing Manual 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 its directors and executive officers in the required format as set out in Appendix 7H under Rule 720(1) of the Listing Manual of the SGX-ST.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENTS

- 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 9 to 12 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-loved luxury goods sales revenue increased by 29% from S\$7.12 million in FY2022 to S\$9.21 million in FY2023, following an expansion of sales in both Asia.

Further explanations for material changes in contributions to turnover and earnings are provided on pages 19 and 20 of this announcement.

- 18 Breakdown of sales:**

	Group		
	FY2023 S\$'000	FY2022 Restated S\$'000	% increase/ (decrease)
(a) Sales reported for first half year	9,901	13,810	-28.31%
(b) Operating loss after tax before deducting non-controlling interests reported for first half year	(940)	(567)	65.78%
(c) Sales reported for second half year	12,556	13,471	-6.79%
(d) Operating loss after tax before deducting non-controlling interests reported for second half year	(1,477)	(3,125)	-52.74%

- 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 FY2023 and FY2022 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	33	<p>Daughter of Mr. Sugiono Wiyono Sugialam (“Mr. Sugiono”).</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>	<p>Head of Operation of the Group’s pre-loved luxury goods business (since March 2023).</p> <p>Director in PT Mastro Luxe Indonesia (since 2022) and PT Polaris Orbit Indonesia (since 2023)</p>	<p>Ms. Dian Stefani Sugialam has, on 8 March 2023, resigned as an Executive Director of Mastro Luxe Asia Pte. Ltd., to focus on other aspects of the Group’s pre-loved luxury goods business.</p>

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 2024

*This announcement has been reviewed by the Company’s Sponsor, Evolve Capital Advisory Private Limited (the “**Sponsor**”). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Mr Jerry Chua (Tel: (65) 6241 6626), at 138 Robinson Road, #13-02 Oxley Tower, Singapore 068906.