

P.O.L.I.C.Y. LIMITED

Unaudited interim quarterly condensed financial statements

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

| | Unaudited as at 30 June 2022 Rs'000 | Unaudited as at 30 June 2021 Rs'000 | Audited as at 31 December 2021 Rs'000 |
|---|--|---|---|
| ASSETS | | | |
| Non-current assets | 1,054,822 | 1,075,211 | 1,208,916 |
| Current assets | 71,406 | 194,908 | 143,297 |
| Total assets | 1,126,228 | 1,270,119 | 1,352,213 |
| EQUITY AND LIABILITIES | | | |
| Capital and reserves | 1,123,297 | 1,266,591 | 1,327,840 |
| Current liabilities | 2,931 | 3,528 | 24,373 |
| Total equity and liabilities | 1,126,228 | 1,270,119 | 1,352,213 |
| Net asset value per share - (Rs) | 4.95 | 5.58 | 5.85 |
| No. of shares used in calculation | 226,986,672 | 226,986,672 | 226,986,672 |

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UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2022

| | Unaudited Three months to 30 June 2022 Rs'000 | Unaudited Six months to 30 June 2022 Rs'000 | Unaudited Three months to 30 June 2021 Rs'000 | Unaudited Six months to 30 June 2021 Rs'000 |
|--|---|---|---|---|
| Income | 5,770 | 6,727 | 11,498 | 12,052 |
| Profit before finance costs | 3,237 | 1,307 | 9,627 | 7,099 |
| Net foreign exchange (losses)/gains | (619) | (2,307) | 1,273 | 752 |
| Finance costs | - | - | (1) | (1) |
| Gain on fair value of financial assets designated at FVTPL | - | - | 2,564 | 2,564 |
| Profit/(loss) before taxation | 2,618 | (1,000) | 13,463 | 10,414 |
| Taxation | 3 | (1) | (8) | (8) |
| Profit/(loss) for the period | 2,621 | (1,001) | 13,455 | 10,406 |
| Other comprehensive income for the period, net of tax | (145,754) | (203,542) | 151,189 | 121,756 |
| Comprehensive income for the period | (143,133) | (204,543) | 164,644 | 132,162 |
| | | | | |
| Basic earnings per share for the period - (Rs.) | 0.01 | (0.00) | 0.06 | 0.05 |
| | | | | |
| Dividends per share - (Rs.) | - | - | - | - |
| | | | | |
| No. of shares in issue and ranking for dividends | 226,986,672 | 226,986,672 | 226,986,672 | 226,986,672 |

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UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2022

| | Share capital | Share premium | Fair value reserve | Retained earnings | Total Equity |
|---|--------------------------|--------------------------|-------------------------------|------------------------------|-------------------------|
| | Rs'000 | Rs'000 | Rs'000 | Rs'000 | Rs'000 |
| At 01 January 2022 | 226,987 | 5,217 | 457,950 | 637,686 | 1,327,840 |
| <i>Comprehensive income</i> | | | | | |
| Loss for the period | - | - | - | (1,001) | (1,001) |
| Other comprehensive income | - | - | (203,542) | - | (203,542) |
| Transfer of fair value reserve of equity instruments designated at FVTOCI on disposal | - | - | (82,617) | 82,617 | - |
| Total comprehensive income for the period | - | - | (286,159) | 81,616 | (204,543) |
| <i>Transaction with owners</i> | | | | | |
| Dividends | - | - | - | - | - |
| At 30 June 2022 | 226,987 | 5,217 | 171,790 | 719,302 | 1,123,297 |
| At 01 January 2021 | 226,987 | 5,217 | 431,899 | 470,326 | 1,134,429 |
| <i>Comprehensive income</i> | | | | | |
| Profit for the period | - | - | - | 10,406 | 10,406 |
| Other comprehensive income | - | - | 121,756 | - | 121,756 |
| Transfer of fair value reserve of equity instruments designated at FVTOCI on disposal | - | - | (115,946) | 115,946 | - |
| Total comprehensive income for the period | - | - | 5,810 | 126,352 | 132,162 |
| <i>Transaction with owners</i> | | | | | |
| Dividends | - | - | - | - | - |
| At 30 June 2021 | 226,987 | 5,217 | 437,709 | 596,678 | 1,266,591 |

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UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2022

| | Unaudited Six months to 30 June 2022 Rs'000 | Unaudited Six months to 30 June 2021 Rs'000 |
|--|--|--|
| Operating activities | | |
| Net cash generated from operating activities | 9,296 | 1,223 |
| Investing activities | | |
| Net cash generated (used in)/from investing activities | (21,049) | 51,554 |
| Financing activities | | |
| Net cash used in financing activities | (20,437) | (1) |
| (Decrease)/increase in cash and cash equivalents | (32,190) | 52,776 |
| Movement in cash and cash equivalents | | |
| At 1 January | 86,081 | 73,065 |
| (Decrease)/increase in cash and cash equivalents | (32,190) | 52,776 |
| Effect of exchange difference on cash and cash equivalents | (2,307) | 752 |
| At 30 June | 51,584 | 126,593 |

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Unaudited interim quarterly condensed financial statements

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022

BASIS OF ACCOUNTING

The unaudited interim quarterly condensed financial statements have been prepared using the same accounting policies set out in the statutory financial statements of the Company for the year ended 31 December 2021.

COMMENTS AND REVIEW

- (i) The change in the Net Assets Value per share at 30 June 2022 (Rs 4.95) as compared to 30 June 2021 (Rs 5.58) and 31 December 2021 (Rs 5.85) resulted mainly from a drop in the values of the foreign investments (see outlook in the factsheet).
- (ii) Capital and reserves stood at Rs. 1.12 billion at 30 June 2022 compared to Rs. 1.27 billion at 30 June 2021.
- (iii) During the quarter under review, the Company's top investment, MCB Group Limited had declared an interim dividend of Rs. 5.90 per ordinary share.

By Order of the Board
SILEO Corporate Services Ltd
Secretary

09 August 2022

This communiqué is issued pursuant to Listing Rule 12.20 and Securities Act 2005.

The Board of Directors of P.O.L.I.C.Y. Limited accepts full responsibility for the accuracy of the information contained in these financial statements.

Copies of the full financial statements and the statement of direct and indirect interests of the Company, pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007, are available to the public, free of charge, at the registered office of the Company, c/o SILEO Corporate Services Ltd, Office GF001 1827, Vivea Business Park, Moka.

The auditors of the Company are Ernst & Young.