

UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	Unaudited as at 31 March 2019	Unaudited as at 31 March 2018	Audited as at 31 December 2018
	Rs'000	Rs'000	Rs'000
ASSETS			
Non-current assets	1,309,696	1,439,071	1,361,019
Current assets	47,469	11,593	3,798
Total assets	1,357,165	1,450,664	1,364,817
EQUITY AND LIABILITIES			
Capital and reserves	1,353,459	1,447,682	1,360,308
Current liabilities	3,706	2,982	4,509
Total equity and liabilities	1,357,165	1,450,664	1,364,817
Net asset value per share - (Rs)	5.96	6.38	5.99
No. of shares used in calculation	226,986,672	226,986,672	226,986,672

UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 MARCH 2019

	Unaudited Three months to 31 March 2019	Unaudited Three months to 31 March 2018
	Rs'000	Rs'000
Income	1,726	1,590
Loss before finance costs	(857)	(935)
Finance income/(costs)	60	(237)
Loss before taxation	(797)	(1,172)
Taxation	-	-
Loss for the period	(797)	(1,172)
Other comprehensive income for the period, net of tax	(6,052)	39,677
Total comprehensive income for the period	(6,849)	38,505
Basic earnings per share for the period - (Rs.)	-	-
Dividends per share - (Rs.)	-	-
No. of shares in issue and ranking for dividends	226,986,672	226,986,672

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2019

	Share capital	Share premium	Fair value reserve	Retained earnings	Total Equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
At 01 January 2019	226,987	5,217	747,204	380,900	1,360,308
<i>Comprehensive income</i>					
Loss for the period	-	-	-	(797)	(797)
Other comprehensive income	-	-	(1,662)	(4,390)	(6,052)
Total comprehensive income for the period	-	-	(1,662)	(5,187)	(6,849)
At 31 March 2019	226,987	5,217	745,542	375,713	1,353,459
At 01 January 2018	226,987	5,217	747,450	429,523	1,409,177
<i>Comprehensive income</i>					
Loss for the period	-	-	-	(1,172)	(1,172)
Other comprehensive income	-	-	39,677	-	39,677
Total comprehensive income for the period	-	-	39,677	(1,172)	38,505
At 31 March 2018	226,987	5,217	787,127	428,351	1,447,682

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 31 MARCH 2019

	Audited Three months to 31 March 2019	Audited Three months to 31 March 2018
	Rs'000	Rs'000
Operating activities		
Net cash (used in)/generated from operating activities	(2,042)	169
Investing activities		
Net cash generated from/(used in) investing activities	45,272	(11,597)
Increase/(decrease) in cash and cash equivalents	43,230	(11,428)
Movement in cash and cash equivalents		
At 1 January	3,424	22,666
Increase/(decrease) in cash and cash equivalents	43,230	(11,428)
Exchange gain/(loss) on cash and cash equivalents	55	(237)
At 31 March	46,709	11,001

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2019

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 2018.

COMMENTS AND REVIEW

- (i) At 31 March 2019, the Net Assets Value per share of the Company stood at Rs. 5.96 compared to Rs. 5.99 at 31 December 2018 and Rs. 6.38 at 31 March 2018. This is mainly attributable to a decrease in the fair valuation of Investments, which is shown as other comprehensive income.
- (ii) Shareholders' interest was Rs. 1.36 billion at 31 March 2019 compared to Rs. 1.45 billion at 31 March 2018.
- (iii) It is to be noted that P.O.L.I.C.Y. Limited derives most of its dividend income during the second half of its financial year.

By Order of the Board
Ocorian Corporate Administrators Limited
Secretary

09 May 2019

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 Ocorian Corporate Administrators Limited, 6th Floor, Tower A, 1 CyberCity, Ebene.

The auditors of the Company are BDO & Co.

MANAGER'S REPORT FOR THE QUARTER ENDED 31 MARCH 2019

NAV Performance for Q1 2019

The Net Asset Value of POLICY went down by 0.5% during the first quarter of 2019, while the SEMTRI posted a negative performance of 2.3%. Within our top 5 holdings, two stocks fell sharply, namely Lux* Island Resorts Ltd. and Ciel Textile Ltd., which went down by 9.8% and 9.2% respectively.

Outlook

The Mauritian economy is at a turning point, where several key sectors have to review their strategies. Internationally, we have increased the exposure to emerging markets.

SHARE PRICE AND NAV

Period ending	31-Mar-18	30-Jun-18	30-Sep-18	31-Dec-18	31-Mar-19
Share price	7.08	6.74	6.62	6.58	6.10
NAV	6.38	6.25	6.25	5.99	5.96
Premium to NAV	11.0%	7.8%	5.9%	9.8%	2.3%

Performance ratios

	Year ended 31 December					
	2014	2015	2016	2017	2018	1Q 2019
POLICY						
Share price ¹	5.3%	-8.7%	-6.0%	31.1%	-3.8%	-7.3%
Net Asset Value ¹	2.6%	3.5%	7.3%	21.9%	2.1%	-0.5%
LOCAL MARKET						
SEMTRI	1.8%	-10.1%	3.3%	25.3%	3.7%	-2.3%
SEM-10 ²	-4.4%	-10.2%	-0.4%	22.3%	0.9%	-1.3%

¹ Performance adjusted for dividends paid

² SEM-10 replaced the SEM-7 as from Oct-14.

Sector allocation as at 31 March 2019	Portfolio allocation	SEMDEX
Banks, Insurance & Other Finance	62.8%	37.1%
Industry	10.9%	7.5%
Leisure & Hotels	8.2%	12.1%
Investments	6.3%	24.3%
International	6.6%	0.1%
Commerce	0.3%	16.8%
Others	4.9%	-
Total	100.0%	100.0%

**Top 5 holdings as at
31 March 2019**

	% of NAV	Market price change 1Q19 (+/-)
MCB Group Limited	51.1%	0.7%
Lux* Island Resorts Ltd.	7.0%	-9.8%
ABC Banking Corporation Ltd.	6.3%	-0.6%
Phoenix Beverages Limited	5.9%	0.5%
Ciel Textile Ltd.	2.6%	-9.2%
Total	72.9%	

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