

P.O.L.I.C.Y. Limited
CAUTIONARY ANNOUNCEMENT

Notice is hereby given that the directors of P.O.L.I.C.Y. Limited have proposed the following:

The removal of the Article 8 of the Memorandum and Articles of Association of P.O.L.I.C.Y. Limited, stating that no shareholder shall hold more than five per cent (5%) of the issued ordinary share capital of the Company.

The adoption of a new Constitution, as any change in the Memorandum and Articles of Association of P.O.L.I.C.Y. Limited will entail the revocation of the existing Memorandum and Articles of Association.

The above proposals will be submitted to the shareholders for approval at the next Annual Meeting to be held by 30 June 2006.

Shareholders of P.O.L.I.C.Y. Limited are therefore advised to exercise caution in dealing with the shares of the Company.

By order of the Board
L&P Financial Services Ltd
Secretary
03 April 2006

This cautionary announcement is issued pursuant to Listing Rule 11.3.

The Board of Directors of P.O.L.I.C.Y. Limited accepts full responsibility for the accuracy of the information contained in this cautionary announcement