



Building
Momentum for
GROWTH



Quarterly Report (un-audited)

For the Half Year ended June 30, 2020

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COMPANY INFORMATION

Board of Directors

Hasan Reza-ur Rahim - (Chairman) Non-Executive Director
Kulsum Dawood - Non-Executive Director
Inam Ur Rahman - Non-Executive Director
Kamran Nishat - Independent Director
Shafiq Ahmed - Non-Executive Director
Sulaiman S. Mehdi - (Chief Executive) Executive Director
Faisal Nadeem - (Chief Financial Officer) Executive Director
Ahsan Iqbal – (Secretary)

Board Audit Committee

Kamran Nishat (Chairman)
Shafiq Ahmed
Inam Ur Rahman
Kiran Hassan (Secretary)

Board HR & Remuneration Committee

Kamran Nishat (Chairman)
Inam Ur Rahman
Hasan Reza-ur Rahim
Faisal Nadeem (Secretary)

Board Investment Committee

Hasan Reza-ur Rahim (Chairman)
Inam Ur Rahman
Shafiq Ahmed
Faisal Nadeem (Secretary)

Chief Financial Officer

Faisal Nadeem

Company Secretary

Ahsan Iqbal

Head of Internal Audit

Kiran Hassan

Executives*

Sulaiman S. Mehdi (CEO)
Faisal Nadeem (CFO)
Ahsan Iqbal (Company Secretary)
Kiran Hassan (Head of Internal Audit)
Muhammad Anas Karimi (Senior Manager Finance)
Naresh Kumar (Investment Associate)
Syeda Humaira Akhtar (Senior Investment Analyst)
Zulqarnain (Manager)

*As determined by the Board of Directors

Auditors

A.F. Ferguson & Co.
(Chartered Accountants)
State Life Building 1-C,
I.I. Chundrigar Road, Karachi.
Website: www.pwc.com/pk

Tax Consultants

A.F. Ferguson & Co.
(Chartered Accountants)
State Life Building 1-C,
I.I. Chundrigar Road, Karachi.
Website: www.pwc.com/pk

Share Registrar/Transfer Agent

CDC Share Registrar Services Limited
CDC House, 99 – B, Block 'B',
S.M.C.H.S., Main Shahra-e-Faisal
Karachi-74400
Tel # (92-21) 111-111-500
Fax: (92-21) 34326053
Email: info@cdcrsl.com
Website: www.cdcrsl.com

Legal Advisors

Mohsin Tayebally & Co.
1st Floor, Dime Centre,
BC-4, Block 9, Khekashan,
Clifton, Karachi

Rating Agency

JCR – VIS Credit Rating Agency
VIS House, 128/C,
25th Lane Off Khayaban-e-Ittehad,
Phase VII, DHA, Karachi

Bankers

Bank Al Habib Limited
Bank Al Falah Limited
Habib Bank Limited
National Bank of Pakistan
MCB Bank Limited

Registered Office

Dawood Centre, M.T. Khan Road
Karachi-75530
Website: www.cyanlimited.com

Directors' Review

The Board of Directors of Cyan Limited is pleased to present the un-audited condensed interim financial statements of the Company for the half year ended June 30, 2020.

Economic Review and Outlook

In tandem with the slowdown in the global economy, Pakistan's GDP growth turned to negative 0.4% in FY20. The slowdown in economic activity was mainly a result of lockdown imposed to curb Covid-19 spread in the country. Before the pandemic, most of the indicators had shown significant improvement suggesting that the economy was on track for sustainable growth in the future. However, the outbreak of Covid-19 brought hiccups to the growth trajectory.

Even though the economic growth turned negative for the first time in 70 years, there is still a silver lining. The Current Account Deficit (CAD) has declined by 78% to clock in at USD 2.97 billion in FY20. The headline inflation has maintained its downward course to clock in at 10.7% for FY20 mainly because of the decline in fuel prices and stringent measures adopted by the government to control food prices. On the foreign flows side, the remittances have managed to post a meagre growth of 2.7%. Being cognizant of the unusual circumstances, the government provided fiscal stimuli to the economy by announcing support packages for different sectors, reducing tax burden, and providing cash disbursements to the most vulnerable segment of the society. In addition to the fiscal stimulus, the expansionary monetary policy regime was adopted to ensure resumption of businesses and revival of economic growth through a cumulative 625 bps cut in policy rate to 7%. Further, a host of measures were introduced by the central bank to support businesses, such as loan restructuring facility and financing facility for the health sector. Moreover, the deferral in principal payments by G20 and support from multilateral organizations has also provided support to the reserves position.

We believe that once the pandemic is over or curtailed considerably, the recent measures will play a key role in providing a boost to the economy. Moreover, the country could benefit enormously from the new trade and import substitution opportunities provided by the pandemic.

Stock Market Review and Outlook

The local bourse made strong recovery in 2QCY20 as it posted a positive return of 17.8%, taking 1HCY20 return to negative 15.5%. The outbreak of novel coronavirus and the subsequent 'lockdown strategy' took a toll on the economic activity. Hence, a global selling spree was observed in all the major equity markets. The situation in Pakistan was no different. However, the host of economic packages announced by the government provided some respite to the investors. Market activity remained robust during 1HCY20 where average daily traded value of KSE-100 index increased to PKR 7.9 billion compared to PKR 5.2 billion in 1HCY19. Likewise, the average daily traded volume increased to 207.5 million shares as compared to 131.9 million shares in 1HCY19.

The international portfolio investors remained net seller during 2QCY20 as they sold shares of worth USD 154.6 million as compared to the net buying of USD 17 million in the same period last year. Thus, foreigners net selling totaled USD 292.9 million in 1HCY20. Amongst local investors, Insurance companies remained the largest buyers as they purchased shares of worth USD 147.3 million during 1HCY20.

Going forward, we believe that the shape of the infectious curve will dictate the direction of the market. The strategy of 'Smart Lockdown' has proven to be quite effective resulting in the

decline of active cases. On the other hand, economic activity that came to a halt because of lockdown have begun to restore in the country that will stir optimism amongst the investors. KSE-100 index is currently trading at an attractive trailing PE multiple of 9.18x (forward PE of 7.77x) against an average regional valuation of 19.14x, representing a significant discount of 108%.

Company Performance

During the half year ended June 30, 2020 the company posted a loss per share of Rs.7.21 compared to loss per share of Rs.0.91 in the corresponding period in 2019.

The equity portfolio was maintained to have a balance between high growth and high yield investments. To this effect, investments were made in Commercial Banks, Textile Composite, Cements, Cements, Technology and Communication, Oil and Gas Marketing Companies, Vanaspati and Allied Industries and Food and Personal Care Products.

The company recorded loss on investment of Rs.432 million compared to investment income of Rs.44 million in the similar period last year.

Acknowledgement

We would like to thank all our stakeholders, especially our valued investors, who have placed their confidence in us and also appreciate the efforts put in by the management team for their unswerving commitment and hard work. The Board would also like to place its appreciation for the Securities & Exchange Commission of Pakistan, State Bank of Pakistan and the management of the Pakistan Stock Exchange for their continued support and cooperation.

On behalf of the Board

Hasan Reza Ur Rahim
Chairman

Sulaiman S. Mehdi
CEO

Karachi: August 24, 2020

ڈائریکٹرز کا تجزیہ

سیان لمیٹڈ کے بورڈ آف ڈائریکٹرز انتہائی مسرت کے ساتھ 30 جون، 2020 کو ختم ہونے والے نصف سال کی غیر آڈٹ شدہ مختصر عبوری مالیاتی معلومات پیش کرتے ہیں۔

معاشی جائزہ اور آثار

عالمی معیشت میں سست روی کے رجحان کے ساتھ پاکستان کی مجموعی ترقیاتی پیداوار (GDP) مالی سال 2020 میں منفی 0.4 فیصد ہوگئی۔ معاشی سرگرمیوں میں کمی کی بنیادی وجہ ملک میں COVID-19 کے خاتمہ کے لئے نافذ کیا جانے والا لاک ڈاؤن تھا۔ عالمی وبا کے پھیلاؤ سے قبل بیشتر معاشی اشارے نمایاں بہتری ظاہر کر رہے تھے جس کا مطلب یہ تھا کہ معیشت مستقبل میں پائیدار ترقی کی راہ پر گامزن تھی۔ تاہم COVID-19 کے پھیلاؤ نے ترقی کی رفتار میں رکاوٹ پیدا کر دی۔

اگرچہ 70 سالہ تاریخ میں پہلی بار معاشی نمو کی شرح منفی ہوگئی تاہم ابھی بھی اُمید کی کرن موجود ہے۔ مالی سال 2020 میں کرنٹ اکاؤنٹ خسارہ (CAD) 78 فیصد کمی کے بعد 2.97 ارب امریکی ڈالر رہا۔ مجموعی افراطِ زر میں کمی کا رجحان برقرار رہا اور مالی سال 2020 میں 10.7 فیصد پر بند ہوئی جس کی بنیادی وجوہات میں فیول کی قیمتوں میں کمی اور ایشیائے خورد و نوش کی قیمتوں پر قابو پانے کے لئے حکومت کی جانب سے اختیار کئے جانے والے سخت اقدامات شامل ہیں۔ بیرونی اخراج کے پہلو سے، ترسیلاتِ زر نے 2.7 فیصد کی معمولی نمو ظاہر کی۔ غیر معمولی حالات کا ادراک کرتے ہوئے حکومت نے مختلف شعبہ جات کے لئے امدادی پیکیج کے اعلان، ٹیکس کے بوجھ میں کمی اور معاشرے کے کمزور طبقے کو مالی امداد کی فراہمی کے ذریعے معیشت کو مالی ترغیب فراہم کی۔ مالی ترغیبات کے علاوہ پالیسی شرح میں 625 پیسز پوائنٹس کی کمی کے بعد 7 فیصد پر لا کر توسیعی مالیاتی پالیسی اختیار کی گئی تاکہ کاروبار کے دوبارہ آغاز اور معاشی ترقی کو یقینی بنایا جاسکے۔ مزید برآں، مرکزی بینک کی جانب سے کاروبار کی اعانت کے لئے متعدد اقدامات کئے گئے۔ جیسے کہ صحت کے شعبہ کے لئے قرضہ جات کی تنظیم نو اور فنانشنگ کی سہولیات وغیرہ۔ اس کے علاوہ G20 کی جانب سے مرکزی ادائیگیوں کو مؤخر کئے جانے کی سہولت اور کثیر فریقی تنظیموں کی جانب سے اعانت نے بھی زرمبادلہ کے ذخائر کی صورت حال بہتر بنانے میں مدد کی۔

ہمیں یقین ہے کہ ایک بار اس وبائی مرض کے خاتمہ یا اس پر کافی حد تک قابو پالینے کے بعد حالیہ اقدامات معیشت کو بہتر بنانے میں کلیدی کردار ادا کریں گے۔ مزید برآں، اس وبائی مرض کے باعث پیدا ہونے والے نئے تجارتی اور درآمدی مواقع سے ملک کو بے حد فائدہ ہو سکتا ہے۔

مقامی مارکیٹ نے کیلنڈر سال 2020 کی دوسری سہ ماہی میں مستحکم بحالی ظاہر کی اور 17.8 فیصد کا مثبت منافع ریکارڈ کیا گیا جس سے کیلنڈر سال 2020 کی پہلی سہ ماہی کا منافع منفی 15.5 فیصد ہو گیا۔ کورونا وائرس کے پھیلاؤ اور اس کے نتیجے میں نافذ ”لاک ڈاؤن حکمت عملی“ نے معاشی سرگرمیوں پر انتہائی منفی اثرات مرتب کئے۔ لہذا تمام بڑی ایکویٹی مارکیٹس میں عالمی سطح پر فروخت کا شدید رجحان سامنے آیا۔ پاکستان میں بھی صورت حال اس سے مختلف نہ تھی۔ تاہم حکومت کی جانب سے اعلان کردہ متعدد معاشی پیکجز سے سرمایہ کاروں کو کچھ سہولت ملی۔ کیلنڈر سال 2020 کی پہلی سہ ماہی میں مارکیٹ کی سرگرمی مستحکم رہی جب KSE-100 انڈیکس کا اوسط یومیہ تجارتی حجم کیلنڈر سال 2019 کی پہلی سہ ماہی 5.2 ارب روپے کے مقابلے میں بڑھ کر 7.9 ارب روپے ہو گئی۔ اسی طرح اوسط یومیہ تجارتی حکم کیلنڈر سال 2019 کی پہلی سہ ماہی کے 131.9 ملین حصص کے مقابلے میں بڑھ کر 207.5 ملین حصص ہو گیا۔

بین الاقوامی پورٹ فولیو کے سرمایہ کار کیلنڈر سال 2020 کی دوسری سہ ماہی کے دوران اصل فروخت کنندہ رہے اور انہوں نے گزشتہ سال کی اسی مدت میں 17 ملین امریکی ڈالر کی اصل خریداری کے مقابلے میں زیر جائزہ مدت میں 154.6 ملین ڈالر کے حصص فروخت کئے۔ لہذا کیلنڈر سال 2020 کی پہلی سہ ماہی میں غیر ملکی سرمایہ کاران کی اصل فروخت مجموعی طور پر 292.9 ملین امریکی ڈالر رہی۔ مقامی سرمایہ کاروں میں انشورنس کمپنیوں نے سب سے زیادہ خریداری کی اور کیلنڈر سال 2020 کی پہلی سہ ماہی کے دوران 147.3 امریکی ڈالر مالیت کے حصص خریدے۔

ہم سمجھتے ہیں کہ آگے چل کر انفیکشن کے بڑھنے کی رفتار کی صورت حال مارکیٹ کی سمت کا تعین کرے گی۔ ”اسمارٹ لاک ڈاؤن“ کی حکمت عملی کافی موثر ثابت ہوئی ہے جس کے نتیجے میں مرض کے فعال کیسز میں کمی آئی ہے۔ دوسری جانب ملک میں معاشی سرگرمیاں جو لاک ڈاؤن کی وجہ سے جمود کا شکار تھیں، بحال ہونا شروع ہو گئی ہیں جس سے سرمایہ کاروں میں خوش امیدیں پیدا ہو گی۔ KSE-100 انڈیکس موجودہ طور پر 19.14x اوسط علاقائی قدر کے مقابلے میں 9.18x کے پُرکشش PE ملٹی پل (فارورڈ PE 7.7x) پر کام کر رہی ہے جو 108 فیصد کا نمایاں منافع ظاہر کرتی ہے۔

کمپنی کی کارکردگی

30 جون، 2020 کو ختم ہونے والے نصف سال میں کمپنی نے 2019 کی اسی مدت کے 0.91 روپے فی حصص خسارہ کے مقابلے میں 7.21 روپے فی حصص خسارہ ظاہر کیا۔

زیادہ تیزی سے بڑھنے والی اور زیادہ منافع بخش سرمایہ کاریوں میں توازن قائم رکھنے کے لئے ایکویٹی پورٹ فولیو کو برقرار رکھا گیا۔ اس مقصد کے لئے کمرشل بینکس، ٹیکسٹائل کمپوزٹ، سیمنٹ، ٹیکنالوجی اور کمیونیکیشن، آئل اور گیس مارکیٹنگ کمپنیز، بنا سستی اور الائیڈ انڈسٹریز اور فوڈ اور پرسنل کیئر پروڈکٹس میں سرمایہ کاری کی گئی۔

کمپنی کو سرمایہ کاریوں پر 432 ملین روپے کا خسارہ ہوا جبکہ گزشتہ سال کی اسی مدت میں سرمایہ کاریوں سے 44 ملین روپے کی آمدنی

حاصل ہوئی تھی۔

اظہار تشکر

ہم اپنے تمام شریکانِ کار، بالخصوص اپنے قابلِ قدر سرمایہ کاران کے تہہ دل سے مشکور ہیں جنہوں نے ہم پر اپنے اعتماد کا اظہار کیا اور اس کے ساتھ ہی ہم اپنی انتظامیہ کی غیر متزلزل وابستگی اور انتھک محنت کی بھی دل سے قدر کرتے ہیں۔ کمپنی کے بورڈ آف ڈائریکٹرز سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کے بھی ان کے مسلسل تعاون اور اشتراک کے لئے تہہ دل سے مشکور ہیں۔

منجانب بورڈ

حسن رضا الرحیم

چیئرمین

سلیمان ایس مہدی

سی ای او

کراچی: 24 اگست، 2020



INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF CYAN LIMITED ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Cyan Limited (the Company) as at June 30, 2020 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the interim financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures for the quarters ended June 30, 2020 and June 30, 2019 in the condensed interim statement of profit or loss and other comprehensive income have not been reviewed and we do not express a conclusion on them.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is **Shahbaz Akbar**.


Chartered Accountants

Karachi

Dated: August 27, 2020

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

CYAN LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2020

	Note	(Un-audited) June 30, 2020	(Audited) December 31, 2019
------(Rupees in '000)-----			
ASSETS			
Non-current assets			
Property and equipment	6	33,646	39,236
Intangible assets	7	311	109
Deferred taxation		154,191	83,815
Long term investments	9	43,136	42,248
Long term loans	8	3,726	4,282
Long term deposits		2,500	2,500
		<u>237,510</u>	<u>172,190</u>
Current assets			
Short term investments	9	1,758,056	2,325,275
Long term loans - current portion	8	1,548	2,094
Trade and other receivables		13,228	11,976
Advances and short-term prepayments		9,655	8,298
Cash and bank balances	10	1,880	1,869
		<u>1,784,367</u>	<u>2,349,512</u>
TOTAL ASSETS		<u><u>2,021,877</u></u>	<u><u>2,521,702</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital 100,000,000 (2019: 100,000,000) Ordinary shares of Rs 10 each		<u>1,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid-up share capital		615,591	586,277
Unappropriated profit		226,134	757,785
Reserves		133,088	133,088
Remeasurement on post retirement benefits obligation - net of tax		(384)	(384)
Surplus on revaluation of investment carried at fair value through other comprehensive income		454,740	639,564
		<u>1,429,169</u>	<u>2,116,330</u>
Non-current liabilities			
Deferred liability - gratuity		19,876	17,358
Lease liability against right-of-use asset		4,605	9,143
		<u>24,481</u>	<u>26,501</u>
Current liabilities			
Trade and other payables		15,751	68,174
Current portion of lease liability against right-of-use asset		8,902	8,023
Unclaimed dividend		25,657	26,727
Short term borrowings	11	436,415	195,446
Taxation - net		81,502	80,501
		<u>568,227</u>	<u>378,871</u>
TOTAL EQUITY AND LIABILITIES		<u><u>2,021,877</u></u>	<u><u>2,521,702</u></u>
CONTINGENCIES AND COMMITMENTS	12	-	-

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

CYAN LIMITED
CONDENSED INTERIM PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2020

	Note	Half Year Ended		Quarter Ended	
		June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
----- (Rupees in '000) -----					
Return on investments	13	19,854	51,099	3,713	38,922
(Loss) / gain on sale of investments - net		(170,412)	6,438	(55,952)	(62,628)
Other income		7,035	8,132	3,513	4,898
		<u>(143,523)</u>	<u>65,669</u>	<u>(48,726)</u>	<u>(18,808)</u>
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net		<u>(288,569)</u>	<u>(21,324)</u>	<u>218,680</u>	<u>(67,083)</u>
		<u>(432,092)</u>	<u>44,345</u>	<u>169,954</u>	<u>(85,891)</u>
Expenses					
Operating and administrative expenses		<u>(55,941)</u>	<u>(57,958)</u>	<u>(27,093)</u>	<u>(28,851)</u>
Financial charges		<u>(21,703)</u>	<u>(3,618)</u>	<u>(7,517)</u>	<u>(141)</u>
		<u>(77,644)</u>	<u>(61,576)</u>	<u>(34,610)</u>	<u>(28,992)</u>
(Loss) / profit for the period before taxation		<u>(509,736)</u>	<u>(17,231)</u>	<u>135,344</u>	<u>(114,883)</u>
Taxation - net	14	66,027	(38,547)	(9,462)	(6,438)
(Loss) / profit for the period after taxation		<u>(443,709)</u>	<u>(55,778)</u>	<u>125,882</u>	<u>(121,321)</u>
Other comprehensive income for the period					
Items that will not be reclassified to profit or loss					
(Deficit) / surplus on revaluation of investments carried at fair value through other comprehensive income		(184,824)	87,186	(83,046)	(12,303)
Total comprehensive (loss) / income for the period		<u>(628,533)</u>	<u>31,408</u>	<u>42,836</u>	<u>(133,624)</u>
----- (Rupees) -----					
			(Restated)		(Restated)
Basic and diluted (loss) / earnings per share	15	<u>(7.21)</u>	<u>(0.91)</u>	<u>2.04</u>	<u>(1.97)</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

CYAN LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2020

	Share Capital	Capital reserves			Revenue reserves		Remeasurement on post retirement benefits obligation-net of tax	Surplus / (deficit) on revaluation of investments carried at fair value through other comprehensive income	Total
	Issued, subscribed and paid-up	Reserve for exceptional losses	Reserve for bonus shares	Capital gain reserve	General reserve	Unappropriated profit			
----- (Rupees in '000)-----									
Balance as at January 1, 2019	586,277	10,535	-	2,553	120,000	659,843	(1,855)	456,777	1,834,130
Net loss for the half year ended June 30, 2019	-	-	-	-	-	(55,778)	-	-	(55,778)
Other comprehensive income	-	-	-	-	-	-	-	87,186	87,186
	-	-	-	-	-	(55,778)	-	87,186	31,408
Balance as at June 30, 2019	586,277	10,535	-	2,553	120,000	604,065	(1,855)	543,963	1,865,538
Balance as at January 1, 2020	586,277	10,535	-	2,553	120,000	757,785	(384)	639,564	2,116,330
Transfer to reserve for issue of bonus shares	-	-	29,314	-	-	(29,314)	-	-	-
Issue of bonus shares @ 5% for the year ended Dec 31, 2019	29,314	-	(29,314)	-	-	-	-	-	-
Final dividend @ Rs.1 per share for the year ended Dec 31, 2019	-	-	-	-	-	(58,628)	-	-	(58,628)
	29,314	-	-	-	-	(87,942)	-	-	(58,628)
Net loss for the half year ended June 30, 2020	-	-	-	-	-	(443,709)	-	-	(443,709)
Other comprehensive loss	-	-	-	-	-	-	-	(184,824)	(184,824)
	-	-	-	-	-	(443,709)	-	(184,824)	(628,533)
Balance as at June 30, 2020	615,591	10,535	-	2,553	120,000	226,134	(384)	454,740	1,429,169

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

CYAN LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2020

	HALF YEAR ENDED	
	June 30,	June 30,
Note	2020	2019
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(509,736)	(17,231)
Adjustment for non cash charges and other items:		
Depreciation / amortisation	6,729	2,441
Loss / (gain) on sale of investments - net	170,412	(6,438)
Gain on sale of property and equipment	(5)	(977)
Amortisation income on government securities	(888)	(2,276)
Financial charges	21,703	3,618
Unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss - net	288,569	21,324
	486,520	17,692
Operating (loss) / profit before working capital changes	(23,216)	461
(Increase) / decrease in operating assets		
Trade and other receivables	(1,252)	(13,531)
Long term loan	1,102	1,037
Advances and short-term prepayments	(1,357)	(4,292)
	(1,507)	(16,786)
(Decrease) / increase in operating liabilities		
Trade and other payables	(52,423)	(22,031)
Deferred liability	2,518	1,974
	(74,628)	(36,382)
Taxes paid	(3,348)	(21,153)
Financial charges paid	(20,042)	(9,823)
Net cash used in operating activities	(98,018)	(67,358)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	1,263,007	3,336,359
Investment in securities	(1,339,592)	(3,041,009)
Capital expenditure incurred	(1,361)	(15,223)
Proceeds from sale of property and equipment	25	1,388
Net cash (used) in / generated from investing activities	(77,921)	281,515
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease liability against right-of-use asset	(3,660)	-
Dividend paid	(59,698)	(5,788)
Net cash utilised in financing activities	(63,358)	(5,788)
Net (decrease) / increase in cash and cash equivalents	(239,297)	208,369
Cash and cash equivalents at the beginning of the period	(185,113)	(199,230)
Cash and cash equivalents at the end of the period	10.1 (424,410)	9,139

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

CYAN LIMITED
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

Cyan Limited ("the Company"), a DH Group Company, is a Public Limited Company incorporated in Pakistan on April 23, 1960 under the Companies Act, 1913 (now Companies Act, 2017). The Company is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at 4th Floor Dawood Centre, Moulvi Tamizuddin Khan Road, Karachi. The Company is a subsidiary of Dawood Corporation (Private) Limited (the Parent Company).

The company is engaged in making equity investments in companies with high growth potential.

2 BASIS OF PRESENTATION

2.1 Statement of Compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information and disclosures made in the annual published financial information and should be read in conjunction with the annual published financial statements of the Company for the year ended December 31, 2019.

These condensed interim financial statements are un-audited. However, a review has been performed by the statutory auditors in accordance with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

2.2 Changes in accounting standards, interpretations and pronouncements

2.2.1 Standards, interpretations and amendments to published approved accounting and reporting standards that are effective in the current period:

There are certain amendments to the published approved accounting and reporting standards that are mandatory for the Company's condensed interim financial statements. However, these do not have any significant impact on the Company's operations and therefore have not been detailed in these financial statements.

2.2.2 Standards, interpretations and amendments to published approved accounting and reporting standards that are not yet effective:

There are certain standards and amendments to the published standards that are not yet effective and are also not relevant to the Company's condensed interim financial statements and operations and therefore, have not been presented in these condensed interim financial statements.

2.2.3 These condensed interim financial statements include the condensed interim statement of financial position as at June 30, 2020 and the condensed interim profit or loss and other comprehensive income, the condensed interim statement of changes in equity, the condensed interim statement of cash flows and notes thereto for the six months period then ended which have been subjected to a review but have not been audited. These condensed interim financial statements also include the condensed interim profit or loss and other comprehensive income for the quarter ended June 30, 2020 which were not subjected to review.

The comparative statement of financial position presented in these condensed interim financial statements as at December 31, 2019 has been extracted from the audited financial statements of the Company for the year ended December 31, 2019. The comparative condensed interim profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows for the six months period ended June 30, 2019 have been extracted from the condensed reviewed interim financial statements of the Company for the six months period then ended. The comparative condensed interim profit or loss and other comprehensive income for the quarter ended June 30, 2019 are also included in these condensed interim financial statements which were not subjected to review.

2.3 Basis of measurement

These condensed interim financial statements have been prepared using the historical cost convention, except for certain investments which are measured at fair value. Further, obligations in respect of staff retirement benefits are carried at present value of defined benefit obligation less fair value of plan assets

2.4 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani rupee, which is also the Company's functional and presentation currency.

2.5 Rounding off

Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of the condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2019.

4 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on the management's experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. The significant judgments made by the management in applying the Company's accounting policies and the key resources of estimation and uncertainty were the same as those applied to the financial statements for the year ended December 31, 2019.

5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the company are consistent with those disclosed in the financial statements for the year ended December 31, 2019.

6 PROPERTY AND EQUIPMENT

	(Un-audited) June 30, 2020	(Audited) December 31, 2019
	----- (Rupees in '000) -----	
Opening book value	39,236	13,405
Additions during the period / year	1,109	39,812
	40,345	53,217
Less: Written down value of disposals during the period / year	(20)	(636)
Less: Depreciation for the period / year	(6,679)	(13,345)
	(6,699)	(13,981)
	<u>33,646</u>	<u>39,236</u>

The details of additions and disposals during the period / year are as follows:

Additions - cost

Furniture and fixture	-	403
Office equipment	1,109	3,333
Vehicles	-	12,629
Right-of-use asset	-	23,447
	<u>1,109</u>	<u>39,812</u>

Disposals - cost

Vehicles	-	1,518
Office equipment	36	1,851
	<u>36</u>	<u>3,369</u>

		(Un-audited) June 30, 2020	(Audited) December 31, 2019
		------(Rupees in '000)-----	
7	INTANGIBLE ASSETS		
	Opening book value	109	66
	Additions during the period / year	252	141
	Less: Amortisation for the period / year	(50)	(98)
		<u>311</u>	<u>109</u>
	Additions - cost		
	Software license	252	141
		<u>252</u>	<u>141</u>
8	LONG TERM LOANS		
	These represent loans given to executives disbursed under mark-up arrangements.		
		(Un-audited) June 30, 2020	(Audited) December 31, 2019
	Note	------(Rupees in '000)-----	
9	INVESTMENTS		
	Long term investment	43,136	42,248
	Short term investment	1,758,056	2,325,275
		<u>1,801,192</u>	<u>2,367,523</u>
9.1	Long term investment		
	Investments carried at amortised cost	43,136	42,248
		<u>43,136</u>	<u>42,248</u>
9.1.1	These are five year Pakistan Investment Bonds placed with the State Bank of Pakistan as statutory deposit in accordance with the requirements of clause (a) of sub section 2 of section 29 of the Insurance Ordinance, 2000. The Pakistan Investment Bonds have a face value of Rs. 50 million and market value of Rs. 50.611 million as at June 30, 2020 (December 31, 2019: Rs. 45.151 million). These will be released once the outstanding claims and balances relating to insurance business are settled.		
9.1.2	These carry a profit yield at 13.71% per annum (December 31, 2019: Rs. 13.71% per annum) payable at six month interval. These PIB's are maturing on July 12, 2023 .		
		(Un-audited) June 30, 2020	(Audited) December 31, 2019
	Note	------(Rupees in '000)-----	
9.2	Short term investment		
	Investments carried at amortised cost	10,500	10,500
	Investments carried at fair value through other comprehensive income	572,682	757,506
	Investments carried at fair value through profit or loss	1,174,874	1,557,269
		<u>1,758,056</u>	<u>2,325,275</u>
9.2.1	Investments carried at amortised cost		
	Deposits maturing within one month	3,000	3,000
	Deposits maturing within one year	7,500	7,500
		<u>10,500</u>	<u>10,500</u>
9.2.1.1	These 'Term Deposit Receipts' carry mark-up at 5.5% per annum (December 31, 2019: 11.25% per annum) and are due to mature on July 27, 2020.		
9.2.1.2	These 'Term Deposit Receipts' carry mark-up at 7.3% per annum (December 31, 2019: 11.7% per annum) and are due to mature on April 28, 2021.		

9.2.2 Investments carried at fair value through other comprehensive income	Note	(Un-audited)	(Audited)
		June 30, 2020	December 31, 2019

-----Rupees in '000'-----

Quoted shares - related parties	9.2.2.1	572,682	757,506
		<u>572,682</u>	<u>757,506</u>

9.2.2.1 Quoted Shares - Related Parties

Name of investee company	Number of Shares		Cost	Market value	
	30-Jun-20	31-Dec-19	30-Jun-20	30-Jun-20	31-Dec-19

----- Rupees '000' -----

Inv. Banks/Inv. Cos/ Securities Cos.					
Dawood Hercules Corporation Limited Equity held: 0.17% (2019: 0.17%)	794,380	794,380	47,652	101,617	122,501
Textile Composite					
Dawood Lawrencepur Limited Equity held: 5.02% (2019: 5.02%)	2,965,095	2,965,095	222,111	471,065	635,005
			<u>269,763</u>	<u>572,682</u>	<u>757,506</u>
Less : Provision for impairment			<u>(151,821)</u>		
Carrying value			<u>117,942</u>		
Market value as at June 30, 2020			<u>572,682</u>		
Unrealised gain on quoted shares			<u>454,740</u>		

9.2.3 Investment carried at fair value through profit or loss	Note	Market Value	
		(Un-audited) June 30, 2020	(Audited) December 31, 2019

----- Rupees '000' -----

Quoted shares	9.2.3.1	1,172,590	1,554,984
Mutual funds	9.2.3.2	2,284	2,285
		<u>1,174,874</u>	<u>1,557,269</u>

9.2.3.1 Quoted Shares

Name of investee company	Note	Number of Shares		Carrying Value	Market value	
		30-Jun-20	31-Dec-19	30-Jun-20	30-Jun-20	31-Dec-19

----- Rupees '000' -----

Oil & Gas Exploration Companies						
Oil and Gas Development Company Limited		-	500,000	-	-	71,160
Pakistan Petroleum Limited		500,000	-	48,127	43,390	-
Oil and Gas Marketing Companies						
Sui Northern Gas Pipeline Limited	9.2.3.1.2	2,899,000	1,250,000	225,413	158,285	95,213
Pakistan State Oil Company Limited		-	550,000	-	-	105,402
Cement						
Lucky Cement Limited		-	200,000	-	-	85,680
Maple Leaf Cement Factory Limited	9.2.3.1.2	5,000,000	-	135,411	129,900	-
Chemical						
Ghani Global Holdings Limited		1,000,000	-	16,306	15,730	-
Engineering						
Mughal Iron & Steel Industries Limited	9.2.3.1.2	750,000	-	32,810	29,910	-
Textile Composite						
Gul Ahmed Textile Mills Limited		529,000	-	24,263	15,145	-

Name of investee company	Note	Number of Shares		Carrying Value	Market value	
		30-Jun-20	31-Dec-19	30-Jun-20	30-Jun-20	31-Dec-19
----- Rupees '000' -----						
Food & Personal Care Products						
At-Tahur Limited	9.2.3.1.2	2,756,050	2,756,050	57,739	47,487	57,739
Fauji Foods Limited		2,023,000	-	22,188	19,117	-
Pharmaceuticals						
Searle Pakistan Limited		-	250,000	-	-	47,185
Technology & Communication						
Netsol Technologies Limited	9.2.3.1.2	1,418,400	1,218,400	94,178	70,509	80,244
TRG Pakistan Limited	9.2.3.1.4	7,500,000	6,000,000	200,538	211,800	147,300
Commercial Banks						
Bank Alfalah Limited	9.2.3.1.2	2,500,000	5,000,000	114,250	83,925	228,500
Faysal Bank Limited	9.2.3.1.2 & 9.2.3.1.3	8,514,500	8,305,000	161,887	118,607	157,961
Habib Bank Limited	9.2.3.1.2	500,000	1,000,000	78,725	48,435	157,420
Meezan Bank Limited	9.2.3.1.2	1,000,000	2,000,000	95,130	68,850	190,260
United Bank Limited		-	600,000	-	-	98,700
Vanaspati & Allied Industries						
Unity Foods Limited	9.2.3.1.1	10,000,000	2,000,000	154,193	111,500	32,220
				1,461,158	1,172,590	1,554,984
Unrealised loss on Quoted Shares				(288,568)		

9.2.3.1.1 5 million shares of Unity Foods Limited having market value of Rs. 55.75 million as at June 30, 2020 have been pledged as collateral in favor of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

9.2.3.1.2 3.305 million shares of Faysal Bank Limited having a market value of Rs. 46.039 million, 2.5 million shares of Sui Northern Gas Pipelines Limited having a market value of Rs. 136.5 million, 0.5 million shares of Habib Bank Limited having a market value of Rs. 48.435 million, 1 million shares of Meezan Bank Limited having a market value of Rs. 68.85 million, 5 million shares of Maple Leaf Cement Factory Limited having a market value of Rs. 129.90 million, 0.75 million shares of Mughal Iron and Steel Industries Limited having a market value of Rs. 29.91 million, 1.4184 million shares of Netsol Technologies Limited having a market value of Rs. 70.509 million, 2.756 million shares of At-Tahur Limited having a market value of Rs. 47.487 million and 2.5 million shares of Bank Al Falah Limited having a market value of Rs. 83.925 million as at June 30, 2020, have been pledged with MCB Bank Limited as collateral against running finance facility obtained from the bank.

9.2.3.1.3 5 million shares of Faysal Bank Limited having a market value of Rs. 69.65 million as at June 30, 2020, have been pledged with Bank Al-Habib Limited as collateral against running finance facility obtained from the Bank.

9.2.3.1.4 2.5 million shares of TRG Pakistan Limited having a market value of Rs. 70.6 million as at June 30, 2020, have been pledged with National Bank of Pakistan as collateral against running finance facility obtained from the Bank.

9.2.3.2 Mutual Funds

Name of fund	Note	Number of Units		Carrying value	Market value	
		30-Jun-20	31-Dec-19	30-Jun-20	30-Jun-20	31-Dec-19
----- Rupees '000' -----						
NBP Government Securities Liquid Fund	9.2.3.2.1	223,871	223,871	2,285	#REF!	2,285
Carrying cost as at June 30, 2020				2,285	#REF!	2,285
Market Value as at June 30, 2020				#REF!		
Unrealised loss on mutual fund				#REF!		

9.2.3.2.1 223,871 units (December 31, 2019: 223,871 units) of NBP Government Liquid Fund having a market value of Rs. 2.284 million (December 31, 2019: Rs. 2.285 million) have been kept under pledge with NBP Government Liquid Fund pending settlement of a claim in litigation.

	(Un-audited) June 30, 2020	(Audited) December 31, 2019
	----- (Rupees in '000) -----	
10 CASH AND BANK BALANCES		
Cash in hand	50	22
Cash at bank	1,830	1,847
	<u>1,880</u>	<u>1,869</u>
	(Un-audited) June 30, 2020	(Audited) June 30, 2019
	----- (Rupees in '000) -----	
10.1 Cash and cash equivalents		
Cash and cash equivalents for the purpose of cash flow comprises of the following:		
Cash and bank balances	1,880	6,139
Term deposit receipts	3,000	3,000
Short term borrowings	(429,290)	-
	<u>(424,410)</u>	<u>9,139</u>
	(Un-audited) June 30, 2020	(Audited) December 31, 2019
	----- (Rupees in '000) -----	
11 SHORT TERM BORROWINGS		
Short term borrowings	429,290	189,982
Markup accrued	7,125	5,464
	<u>436,415</u>	<u>195,446</u>
11.1	The Company has running finance facility of Rs. 1,000 million under mark-up arrangement with MCB Bank Limited. The facility carries mark-up at 1 month KIBOR plus 0.25% per annum and had expired on June 30, 2020. However the management is in the process of renewal of the running financing facility.	
11.2	The Company has running finance facility of Rs. 500 million under mark-up arrangement with Bank Al Habib Limited. The facility carries mark-up at 3 month KIBOR plus 1.00% per annum and expired on March 31, 2021.	
11.3	The Company has running finance facility of Rs.500 million under mark-up arrangement with National Bank Limited. The facility carries mark up at 3 months KIBOR plus 0.20% per annum and will expire on December 31, 2020.	
	(Un-audited) June 30, 2020	(Audited) December 31, 2019
	----- (Rupees in '000) -----	
12 CONTINGENCIES AND COMMITMENTS		
Guarantee issued on behalf of the Company by a commercial bank	<u>2,800</u>	<u>2,800</u>
12.1	The status of taxation related contingencies as disclosed in note 24.1 to the annual financial statements of the Company for the year ended December 31, 2019 has remained unchanged.	
	(Un-audited) June 30, 2020	(Audited) June 30, 2019
	----- (Rupees in '000) -----	
13 RETURN ON INVESTMENTS		
Amortisation on Government Securities	888	2,276
Interest Income on Government Securities	1,997	318
Dividend income	16,969	48,505
	<u>19,854</u>	<u>51,099</u>

		(Un-audited)	
		June 30, 2020	June 30, 2019
		----- (Rupees in '000) -----	
14	TAXATION		
	- Current year	(4,349)	(9,891)
	- Prior year	-	13,105
		<u>(4,349)</u>	<u>3,214</u>
	- Deferred	70,376	(41,761)
		<u>66,027</u>	<u>(38,547)</u>
		(Un-audited)	
		June 30, 2020	June 30, 2019
		----- (Rupees in '000) -----	
15	LOSS PER SHARE - BASIC AND DILUTED		
	Loss for the period after taxation	<u>(443,709)</u>	<u>(55,778)</u>
		(Number of shares)	
		(Restated)	
	Weighted average number of ordinary shares outstanding as at the period end	<u>61,559,108</u>	<u>61,559,108</u>
		----- (Rupees) -----	
	Loss per share	<u>(7.21)</u>	<u>(0.91)</u>
15.1	During the period 2,931,386 bonus shares were issued (i.e. 5 bonus shares for every 100 shares held) by the Company. Accordingly weighted average number of shares for the corresponding period have been adjusted.		

16 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise companies with common directors, group companies, associated companies, defined contribution plan, defined benefit plan directors and key management personnel and their close family members. Transactions with related parties are entered into at rates negotiated with them. Remuneration to key management personnel are in accordance with their terms of employment. Transactions with related parties other than those which have been disclosed elsewhere in the condensed interim financial statements are as follows:

16.1	Transactions	Half year ended June 30		Quarter ended June 30	
		2020	2019	2020	2019
		Un-audited			
		----- (Rupees in '000) -----			
	Associated companies				
	Rendering of service	6,000	6,000	3,000	3,000
	Purchase of service	<u>4,524</u>	<u>4,292</u>	<u>2,262</u>	<u>2,056</u>
	Dividend Income	<u>1,589</u>	<u>30,870</u>	<u>1,589</u>	<u>30,870</u>
	Dividend paid	<u>39,262</u>	<u>-</u>	<u>39,262</u>	<u>-</u>
	Bonus shares issued	<u>19,631</u>	<u>-</u>	<u>19,631</u>	<u>-</u>
	Other related parties				
	Dividend paid to sponsors	<u>10,034</u>	<u>-</u>	<u>10,034</u>	<u>-</u>
	Bonus shares issued to sponsors	<u>5,017</u>	<u>-</u>	<u>5,017</u>	<u>-</u>
	Provision relating to staff retirement gratuity scheme	<u>2,518</u>	<u>2,456</u>	<u>1,259</u>	<u>1,228</u>
	Membership fee & other subscription	<u>-</u>	<u>75</u>	<u>-</u>	<u>37</u>
	Contribution to staff provident fund	<u>2,300</u>	<u>2,215</u>	<u>1,227</u>	<u>1,098</u>
	Key management personnel				
	Director fee	<u>600</u>	<u>450</u>	<u>350</u>	<u>200</u>
	Remuneration	<u>21,518</u>	<u>18,616</u>	<u>11,681</u>	<u>11,163</u>
	Loan recovery	<u>1,165</u>	<u>1,165</u>	<u>466</u>	<u>466</u>
	Dividend paid	<u>428</u>	<u>-</u>	<u>428</u>	<u>-</u>
	Bonus shares issued	<u>214</u>	<u>-</u>	<u>214</u>	<u>-</u>

	(Un-audited) June 30, 2020	(Audited) December 31, 2019
	----- (Rupees in '000) -----	
16.2 Balances outstanding		
Loan to Chief Executive Officer	334	880
Loan to other executive	4,940	5,496
Receivable from related party	1,474	1,419
Payable to related party	343	117
Security deposit with related party	1,740	1,740

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from carrying value as the items are short-term in nature or periodically repriced.

As per the requirements of the IFRS 13, the Company shall classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

Investment carried at fair value are categorized as follows:

	----- As at June 30, 2020 -----			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
ASSETS				
Investment in securities - financial assets at fair value through profit or loss				
- Quoted shares	1,172,590	-	-	1,172,590
- Mutual fund units	-	2,284	-	2,284
	<u>1,172,590</u>	<u>2,284</u>	<u>-</u>	<u>1,174,874</u>
Investment in securities - financial assets at fair value through other comprehensive income				
- Quoted shares	572,682	-	-	572,682
	<u>572,682</u>	<u>-</u>	<u>-</u>	<u>572,682</u>
	----- As at December 31, 2019 -----			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
ASSETS				
Investment in securities - financial assets at fair value through profit or loss				
- Quoted shares	1,554,984	-	-	1,554,984
- Mutual fund units	-	2,285	-	2,285
	<u>1,554,984</u>	<u>2,285</u>	<u>-</u>	<u>1,557,269</u>
Investment in securities - financial assets at fair value through other comprehensive income				
- Quoted shares	757,506	-	-	757,506
	<u>757,506</u>	<u>-</u>	<u>-</u>	<u>757,506</u>

18 CORRESPONDING FIGURES

There were no significant re-classifications / restatements during the period.

19 AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on August _____, 2020 by the Board of Directors of the Company.

20 IMPACT OF COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Company has made an assessment in order to evaluate the impact of COVID-19 pandemic over the business, operations and profitability of the Company as well as a going concern assessment. As a result of such assessment, the management has not identified any adverse impact on the profitability, liquidity and continuity of the Company due to COVID-19 pandemic situation.

Chief Financial Officer

Chief Executive Officer

Director