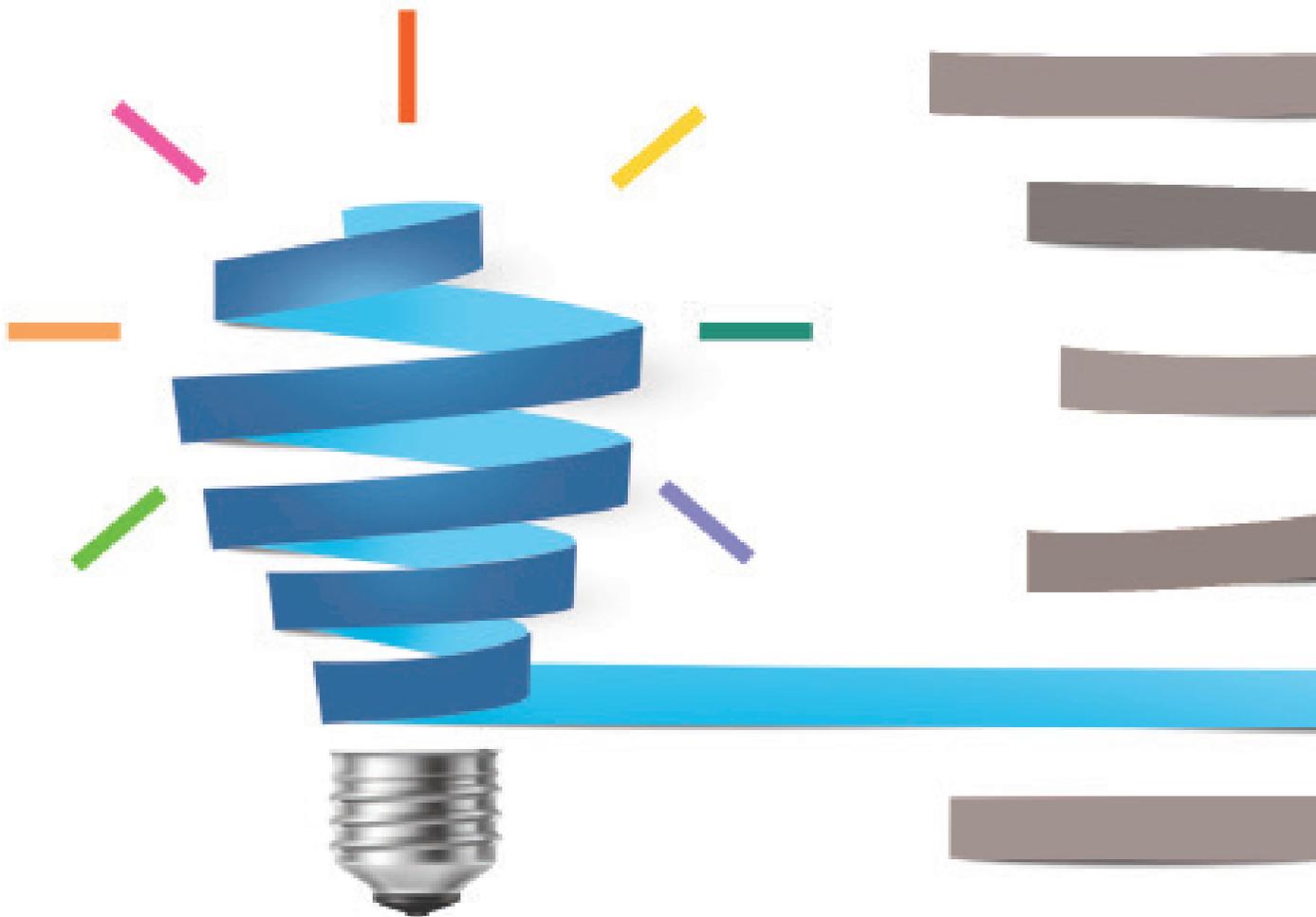




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Quarterly Accounts (un-audited)

For the quarter ended March 31, 2022

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COMPANY INFORMATION

Board of Directors

Mr. Abdul Samad Dawood - Chairman
Ms. Sabrina Dawood – Director
Mr. Hasan Reza Ur Rahim – Independent Director
Mr. Kamran Nishat - Independent Director
Mr. Shabbir Hussain Hashmi- Independent Director
Mr. Shafiq Ahmed - Director
Mohammad Shamoon Chaudry - Chief Executive Officer

Board Audit Committee

Mr. Shabbir Hussain Hashmi - Chairman
Mr. Hasan Reza Ur Rahim - Member
Mr. Kamran Nishat – Member

Board HR & Remuneration Committee

Mr. Hasan Reza Ur Rahim - Chairman
Mr. Abdul Samad Dawood - Member
Ms. Sabrina Dawood - Member

Board Investment Committee

Mr. Abdul Samad Dawood - Chairman
Mr. Hasan Reza Ur Rahim - Member
Mr. Kamran Nishat - Member
Mr. Shabbir Hussain Hashmi - Member

Chief Financial Officer

Muhammad Anas Karimi

Company Secretary

Mr. Asim H. Akhund

Bankers

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

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, Kheকাশan,
Clifton, Karachi

Rating Agency

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

Registered Office

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

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 quarter ended March 31, 2022.

Economic Review and Outlook

After witnessing a sharp economic recovery in 2021, Pakistan's economy fell victim to implications of a global conflict (Russia-Ukraine war) as commodity prices spiraled posing major risks to Pakistan's economic growth and effective continuation of ongoing reforms.

The Current Account Deficit (CAD) during 8MFY22 clocked in at USD 12.1 billion against the positive balance of USD 994 million in the same period last year. The sharp drop in external account can be attributed to 72.5% YoY increase in country's trade deficit to USD 29.9 billion, mainly on account of higher imports (up 47.8% YoY). Remittances, on the flip side, continued to remain strong, posting a growth of 7.6% YoY, reaching USD 20.1 billion in 8MFY22.

Country's foreign exchange reserves have gradually declined on account of external debt repayments and trade related pressures. However, rollover of bilateral loan facilities and inflow through Roshan Digital Account to the tune of USD 3.9 billion has provided some cushion to the SBP reserves, which stood at USD 12.0 billion at the end of 1QCY22, reflecting an import cover of ~2 months. Depleting forex reserves led to pressure on local currency, which has undergone devaluation close to 4% in the first quarter of 2022.

Fiscal deficit for the first half FY22 was recorded at 2.1% of GDP as compared to a deficit of 2.5% of GDP during the same period last year. Nevertheless, recently announced fiscal stimuli in the form of fuel and energy subsidies amid rising global commodity prices is expected to put pressure on an already limited fiscal space, during the 2HFY22.

CPI for the month of March 2022 clocked in at 12.72% on a year-on-year basis compared to 9.05% in March 2021, despite cuts in petroleum prices and electricity charges, pulling the average up to 10.8% in 9MFY22 vs 8.3% in the same period last year. Keeping in view the trajectory of global energy and food prices given the Russia-Ukraine conflict, the inflationary pressures are expected to remain elevated in the coming months. The State Bank of Pakistan (SBP) expects average inflation for FY22 to clock-in around 11% before moderating in FY23.

Although the Central Bank maintained the policy rate at 9.75% in two consecutive meetings held in Jan'22 and Mar'22, strong outlook for high near-term inflationary readings may entice the SBP to gradually push the policy rate higher to achieve mildly positive real rates of return in the upcoming months.

Stock Market Review and Outlook

The local bourse began the calendar year with a host of negative developments (overshadowing the few positive ones like inclusion in MSCI FM index), leading to muted index performance of +0.75% during 1QCY22, to close at 44,929 points.

The year started with delays in resumption of IMF program, followed by geo-political crisis (Russia-Ukraine war) translating into sharp spike in global commodity prices. This resulted into external account pressure in addition to inflationary concerns and depleting forex reserves. The investor

sentiment was further derailed by the political impasse on domestic front to oust the incumbent government through no confidence motion.

Heightened local and geo-political uncertainty chipped away investors' sentiment as reflected by 58.3% YoY decline in average traded volumes to 232 million shares during 1QCY22. Likewise, the average daily traded value dropped sharply by 72.6% YoY to USD 41 million during the period under review.

Foreign investors remained net sellers during the quarter as they sold shares worth USD 20.8 million. On the other hand, banks, companies and individuals remained net buyers during the quarter.

Pakistan is currently facing challenges from the geopolitical situation, weak macroeconomic buffers amid limited fiscal space and domestic political noise. While KSE-100 index continues to trade at attractive levels (forward P/E multiple of 5x), we believe effective continuation of macroeconomic reforms coupled with quick resumption of IMF program could pave way for recovery in market sentiments. In this regards, the resolution of domestic political uncertainty remains the key.

Company Performance

During the quarter ended March 31, 2022 the company posted an loss per share of Rs.0.77 compared to earnings per share of Rs.6.82 in the corresponding period in 2021.

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, Food & Personal Care Products, Technology and Communication, Textile Composite and Oil and Gas Marketing Companies.

The company recorded loss on investment of Rs.1.00 million compared to income on investment of Rs.543 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

Mr. Samad Dawood
Chairman

Mr. Mohammad Shamoony Chaudry
CEO

Karachi: April 26, 2022

ڈائریکٹرز کی رپورٹ

سیان لمیٹڈ کے بورڈ آف ڈائریکٹرز انتہائی مسرت کے ساتھ 31 مارچ، 2022 کو ختم ہونے والی سہ ماہی کے لئے کمپنی کی غیر آڈٹ شدہ مختصر عبوری مالیاتی معلومات پیش کرتے ہیں۔

معاشی جائزہ اور آثار

2021 میں تیز رفتار معاشی بحالی کے بعد پاکستانی معیشت ایک عالمی تنازع (روس - یوکرین جنگ) کے مضمرات و نتائج کا شکار ہو گئی جب ایشیائے صرف کی قیمتوں میں تیزی سے اضافہ نے معاشی ترقی اور جاری اصلاحات کے تسلسل کو خطرے سے دوچار کر دیا۔

مالی سال 2022 کے 08 ماہ میں کرنٹ اکاؤنٹ خسارہ (CAD) گزشتہ سال کی اسی مدت کے 994 ملین امریکی ڈالر کے مثبت توازن کے مقابلہ میں 12.1 ارب روپے ہو گیا۔ بیرونی اکاؤنٹ میں تیزی سے گراؤ کی وجہ ملکی تجارتی خسارے میں سال بہ سال 72.5 فیصد اضافے کو قرار دیا جاسکتا ہے، جو بڑھ کر 29.9 ارب امریکی ڈالر ہو گیا، جس کی بنیادی وجہ درآمدات میں اضافہ تھی (47.8 فیصد سال بہ سال اضافہ)۔ دوسری جانب ترسیلات زر بدستور مستحکم رہیں اور ان میں 7.6 فیصد سال بہ سال اضافہ دیکھنے میں آیا۔ مالی سال 2022 کے پہلے 08 ماہ میں ترسیلات زر 20.1 ارب امریکی ڈالر ہو گئیں۔

ملک کے زرمبادلہ کے ذخائر میں بتدریج کمی دیکھی گئی جس کی وجہ بیرونی قرضوں کی واپسی کے لئے ادائیگیاں اور تجارت سے متعلقہ دباؤ تھا۔ تاہم دو طرفہ قرضوں کی سہولت کی فراہمی اور روشن ڈیجیٹل اکاؤنٹ کے ذریعے 3.9 ارب امریکی ڈالر کی آمد نے اسٹیٹ بینک آف پاکستان کے زرمبادلہ کے ذخائر کو کچھ سہارا دیا، جو کیلنڈر سال 2022 کی پہلی سہ ماہی کے اختتام پر 12.0 ارب امریکی ڈالر پر برقرار رہے، جو 2 ماہ کے برآمدی کور کو ظاہر کرتے ہیں۔ زرمبادلہ کے ذخائر میں کمی مقامی کرنسی پر دباؤ کا باعث بنی اور 2022 کی پہلی سہ ماہی میں مقامی کرنسی کی قدر میں تقریباً 4 فیصد کمی دیکھنے میں آئی۔

مالی سال 2022 کے پہلے نصف حصہ میں مالیاتی خسارہ مجموعی ترقیاتی پیداوار (GDP) کا 2.1 فیصد ریکارڈ کیا گیا جبکہ گزشتہ سال کی اسی مدت میں مالیاتی خسارہ مجموعی ترقیاتی پیداوار کا 2.5 فیصد تھا۔ بہر حال عالمی سطح پر ایشیائے صرف کی بڑھتی ہوئی قیمتوں کے باوجود گورنمنٹ کی طرف سے ایندھن اور توانائی پر دی جانے والی مالیاتی مراعات کے نتیجے میں مالی سال 2022 کے دوسرے نصف میں پہلے سے ہی محدود مالیاتی گنجائش پر مزید دباؤ بڑھنے کی توقع ہے۔

مارچ 2022 کے دوران پیٹرول اور بجلی کی قیمتوں میں کمی کے باوجود کنزیومر پرائس انڈیکس مارچ 2021 کے 9.05 فیصد کے مقابلہ میں بڑھ کر سال بہ سال کی بنیاد پر 12.72 فیصد ہو گئی جس سے یہ اوسط، مالی سال 2022 کے 09 ماہ کے دوران گزشتہ سال کی اسی

مدت کی 8.3 فیصد سے بڑھ کر 9.05 فیصد ہوگئی۔ روس یوکرین جنگ کے باعث عالمی سطح پر توانائی اور خوراک کی قیمتوں کے منظر نامے کو پیش نظر رکھیں تو آئندہ مہینوں میں افراط زر کا دباؤ بدستور زیادہ رہنے کی توقع ہے۔ مالی سال 2022 میں اسٹیٹ بینک آف پاکستان کو افراط زر کی اوسط شرح مالی سال 2023 میں معتدل ہونے سے پہلے 11 فیصد کے قریب رہنے کی توقع ہے۔

اگرچہ مرکزی بینک نے جنوری 2022 اور مارچ 2022 میں منعقدہ اپنے دو مسلسل اجلاسوں میں پالیسی شرح 9.75 فیصد پر برقرار رکھی ہے، تاہم قریبی مدت میں افراط زر کی بڑھتی ہوئی شرح کے واضح امکانات اسٹیٹ بینک آف پاکستان کو پالیسی شرح میں اضافے پر مائل کر سکتے ہیں تاکہ آئندہ مہینوں میں مثبت شرح تبادلہ کا حصول ممکن ہو سکے۔

اسٹاک مارکیٹ کا جائزہ اور آثار

مقامی مارکیٹ میں کیلنڈر سال کا آغاز منفی پیش رفت سے ہوا (جس نے MSCI FM انڈیکس میں شمولیت جیسے بعض مثبت اقدامات کو بھی دھندلا دیا)، جس کا نتیجہ کیلنڈر سال 2022 کی پہلی سہ ماہی کے دوران +0.75 فیصد کارکردگی کی صورت میں برآمد ہوا، اور مارکیٹ 44,929 پوائنٹس پر بند ہوئی۔

سال کا آغاز آئی ایم ایف پروگرام کے دوبارہ آغاز میں تاخیر سے ہوا جس کے بعد جغرافیائی و سیاسی بحران (روس۔ یوکرین جنگ) سامنے آیا جس سے اشیائے صرف کی قیمتوں میں تیزی سے اضافہ ہوا۔ اس کا نتیجہ کرنٹ اکاؤنٹ پر دباؤ اور اس کے ساتھ ساتھ افراط زر میں اضافہ کے خدشات اور زرمبادلہ کے ذخائر میں کمی کی صورت میں برآمد ہوا۔ برسر اقتدار حکومت کو عدم اعتماد کے ذریعے اقتدار سے ہٹانے کے باعث مقامی سطح پر پیدا ہونے والے بحران نے سرمایہ کاروں کے رجحان کی مزید حوصلہ شکنی کی۔

بڑھتی ہوئی مقامی اور جغرافیائی۔ سیاسی غیر یقینی نے سرمایہ کاروں میں سرمایہ کاری کے رجحان کو بتدریج گھٹا دیا، جیسا کہ کیلنڈر سال 2022 کی پہلی سہ ماہی میں اوسط تجارتی حجم میں کمی سے ظاہر ہوتا ہے، جو 58.3 فیصد سال بہ سال کمی کے بعد 232 ملین حصص رہ گیا۔ اسی طرح زیر جائزہ مدت میں اوسط یومیہ تجارتی قدر تیزی سے 72.6 فیصد سال بہ سال کم ہو کر 41 ملین امریکی ڈالر رہ گئی۔

زیر جائزہ سہ ماہی کے دوران غیر ملکی سرمایہ کار اصل فروخت کنندہ رہے اور انہوں نے 20.8 ملین امریکی ڈالر مالیت کے حصص فروخت کئے۔ دوسری جانب بینک، کمپنیاں اور افراد بدستور اصل خریدار رہے۔

پاکستان کو اس وقت جغرافیائی۔ سیاسی صورتحال، محدود مالیاتی گنجائش میں کمزور معاشی سہاروں اور مقامی سطح پر سیاسی شورش کی وجہ سے کئی چیلنجز کا سامنا ہے۔ اب جبکہ KSE-100 پر کشش سطح (5x کے فارورڈ P/E ملٹی پل) پر تجارت کر رہی ہے، ہمیں یقین ہے کہ معاشی اصلاحات کا موثر تسلسل اور IMF پروگرام کی فوری بحالی مارکیٹ کے رجحان میں بحالی کی راہ ہموار کر سکتی ہے۔ اس سلسلے میں مقامی سطح پر سیاسی غیر یقینی کی صورتحال کا خاتمہ سب سے اہم ہے۔

کمپنی کی کارکردگی

31 مارچ، 2022 کو ختم ہونے والی سہ ماہی میں کمپنی نے سال 2021 کی اسی مدت کی 6.82 روپے فی حصص آمدنی کے مقابلہ میں 0.77 روپے فی حصص خسارہ ظاہر کیا۔

زیادہ نمو کے حامل اور زیادہ آمدنی والے شعبوں میں توازن قائم رکھنے کے لئے ایکویٹی پورٹ فولیو برقرار رکھا گیا۔ اس مقصد کے لئے کمرشل بینکس، فوڈ اور پرنٹل کیئر پروڈکٹس، ٹیکنالوجی اور کمیونٹی کیشن، ٹیکسٹائل کمپوزٹ اور آئل اینڈ گیس مارکیٹنگ کمپنیوں کے شعبہ جات میں سرمایہ کاری کی گئی۔

زیر جائزہ مدت میں کمپنی نے سرمایہ کاریوں پر 1.00 ملین روپے کا خسارہ ظاہر کیا جبکہ گزشتہ سال کی اسی مدت میں سرمایہ کاریوں پر 543 ملین روپے کی آمدنی ریکارڈ کی گئی تھی۔

اظہار تشکر

ہم اپنے تمام شریکان کار بالخصوص اپنے قابل قدر سرمایہ کاروں کے تہہ دل سے مشکور ہیں جنہوں نے ہم پر اعتماد 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، سیکریٹریز اینڈ ایکسیچج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان اور پاکستان اسٹاک ایکسیچج کی انتظامیہ کے بھی اس کے مسلسل تعاون اور اشتراک کے لئے تہہ دل سے مشکور ہیں۔

بحکم بورڈ

جناب محمد شمعون چوہدری

سی ای او

جناب صمد داؤد

چیرمین

کراچی: 26 اپریل، 2022

CYAN LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

	Note	(Un-audited) March 31 2022	(Audited) December 31, 2021
------(Rupees in '000)-----			
ASSETS			
Non-current assets			
Property and equipment	6	4,500	50,146
Intangible assets	7	178	114
Deferred taxation		36,420	28,956
Long term investments	8.1	46,784	46,218
Long term deposits		2,500	2,500
		90,382	127,934
Current assets			
Short term investments	8.2	2,496,180	2,586,129
Trade and other receivables		14,822	12,895
Advances and short term prepayments		3,324	3,110
Cash and bank balances	9	17,465	234
		2,531,791	2,602,368
TOTAL ASSETS		2,622,173	2,730,302
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital		1,000,000	1,000,000
100,000,000 (2021: 100,000,000) Ordinary shares of Rs 10 each			
Issued, subscribed and paid-up share capital		615,591	615,591
Unappropriated profit		340,609	634,362
Reserves		133,088	133,088
Remeasurement on post retirement benefits obligation - net of tax		3,256	3,215
Surplus on revaluation of investment carried at fair value through other comprehensive income		514,269	496,982
		1,606,813	1,883,238
Non-current liabilities			
Deferred liability - gratuity		22,546	20,910
Lease liability against right-of-use asset		-	22,829
		22,546	43,739
Current liabilities			
Trade and other payable		16,376	69,402
Current portion of lease liability against right-of-use asset		-	8,339
Dividend Payable		246,236	-
Unclaimed dividend		28,846	28,859
Short term borrowings	10	671,025	671,401
Taxation - net		30,331	25,324
		992,814	803,325
TOTAL EQUITY AND LIABILITIES		2,622,173	2,730,302
CONTINGENCIES AND COMMITMENTS	11	-	-

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

Chief Financial Officer

Chief Executive Officer

Director

CYAN LIMITED

**CONDENSED INTERIM PROFIT OR LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2022**

	Note	For the Quarter Ended	
		2022	2021
	 Rupees in '000.....	
Return on investments	12	42,490	8,773
Gain on sale of investments - net		1,115	125,681
Other (Loss) / income		(4,345)	3,298
		39,260	137,752
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net		(44,123)	408,686
		(4,863)	546,438
Expenses			
Operating and administrative expenses		(25,186)	(34,709)
Financial charges		(18,660)	(9,777)
		(43,846)	(44,486)
(Loss) / Profit for the period before taxation		(48,709)	501,952
Taxation	13	1,192	(81,971)
(Loss) / Profit for the period after taxation		(47,517)	419,981
Other comprehensive income for the period			
Items that will not be reclassified to profit or loss			
Surplus on revaluation of investments carried at fair value through other comprehensive income		17,287	3,676
Total comprehensive (loss) / income for the period		(30,230)	423,657
Basic and diluted (loss) / Earnings per share Rupees	14	(0.77)	6.82

The annexed notes from 1 to 18 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 QUARTER ENDED MARCH 31, 2022

	Share Capital	Capital reserves			Revenue reserves		Remeasurement on post retirement benefits obligation-net of tax	Surplus on revaluation of available for sale investments	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, 31 2021	615,591	10,535	-	2,553	120,000	1,027,125	1,831	674,723	2,452,358
Transactions with owners recorded directly in equity									
Transfer to reserve on gain on sale of investment	-	-	-	-	-	80,995	-	(70,700)	10,295
Final dividend @ Rs.5 per share for the year ended Dec 31, 2020	-	-	-	-	-	(307,796)	-	-	(307,796)
Total comprehensive income for the period ended March 31, 2021						(226,801)		(70,700)	(297,501)
Net profit during the quarter	-	-	-	-	-	419,981	-	-	419,981
Other comprehensive income	-	-	-	-	-	-	-	3,676	3,676
	-	-	-	-	-	419,981	-	3,676	423,657
Balance as at March 31, 2021	615,591	10,535	-	2,553	120,000	1,220,305	1,831	607,699	2,578,514
Balance as at January 1, 2022	615,591	10,535	-	2,553	120,000	634,362	3,215	496,982	1,883,238
Final dividend @ Rs.4 per share for the year ended Dec 31, 2021	-	-	-	-	-	(246,236)	-	-	(246,236)
Net loss during the quarter	-	-	-	-	-	(47,517)	-	-	(47,517)
Other comprehensive loss	-	-	-	-	-	-	41	17,287	17,328
	-	-	-	-	-	(47,517)	41	17,287	(30,189)
Balance as at March 31, 2022	615,591	10,535	-	2,553	120,000	340,609	3,256	514,269	1,606,813

The annexed notes from 1 to 18 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 QUARTER ENDED MARCH 31, 2022

Note	For the Quarter Ended	
	March 31,	
	2022	2021
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / Profit before taxation	(48,709)	501,952
Adjustment for non cash charges and other items:		
Depreciation / amortisation	2,524	3,158
Capital Gain on sale of investments - net	(1,115)	(125,681)
Loss / (Gain) on sale of property and equipment	6,317	(38)
Amortisation income on government securities	(565)	(495)
Financial charges	18,660	9,777
Unrealised diminution / (appreciation) on re-measurement of investments classified as financial assets at fair value through profit or loss - net	44,123	(408,686)
	69,944	(521,965)
Operating profit / (loss) before working capital changes	21,235	(20,013)
(Increase) / decrease in operating assets		
Trade and other receivables	(5,659)	(71,233)
Long term loan	-	4,362
Advances and short term prepayments	(214)	(1,763)
	(5,873)	(68,634)
(Decrease) / increase in operating liabilities		
(Decrease)/ increase in trade and other payable	(53,026)	(147,759)
Deferred liability	1,694	1,151
	(35,970)	(235,255)
Taxes paid	(1,282)	(1,243)
Financial charges paid	(8,427)	(9,044)
Net cash used in operating activities	(45,679)	(245,542)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	116,180	2,330,563
Investment in securities	(48,220)	(2,248,455)
Capital expenditure incurred	(98)	(298)
Proceeds from sale of property and equipment	7,821	53
Net cash generated from investing activities	75,683	81,863
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease liability against right-of-use asset dividend paid	(2,151)	(2,283)
Net cash utilised in financing activities	(13)	(9)
	(2,164)	(2,292)
Net increase / (decrease) in cash and cash equivalents	27,840	(165,971)
Cash and cash equivalents at the beginning of the year	(660,162)	(206,282)
Cash and cash equivalents at the end of the period	9.1 (632,322)	(372,253)

The annexed notes from 1 to 18 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 QUARTER ENDED MARCH 31, 2022

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 Limited. The registered office of the Company is situated at 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, 2021.

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 March 31, 2022 and the condensed interim profit or loss account and other comprehensive income, the condensed interim statement of changes in equity, the condensed interim statement of cash flows and notes thereto for the first quarter period then ended.

The comparative statement of financial position presented in these condensed interim financial statements as at December 31, 2021 has been extracted from the audited financial statements of the Company for the year ended December 31, 2021. The comparative condensed interim profit or loss account and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows for the quarter ended March 31, 2021 have been extracted from the condensed interim financial statements of the Company for the three months period then ended.

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 same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2021.

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, 2021.

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, 2021.

6 PROPERTY AND EQUIPMENT

Opening book value
Additions during the period / year

Less: Written down value of disposals during the period / year
Less: Depreciation for the period / year

	(Un-audited) March 31, 2022	(Audited) December 31, 2021
	------(Rupees in '000)-----	
	50,146	28,074
	-	35,058
	<u>50,146</u>	<u>63,132</u>
	(43,156)	(59)
	(2,490)	(12,927)
	<u>(45,646)</u>	<u>(12,986)</u>
	<u>4,500</u>	<u>50,146</u>

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

Additions - cost

Office equipment
Furniture and Fixture
Right of use asset

Disposals - cost

Vehicles
Right of use asset
Furniture and Fixture
Office equipment

	(Un-audited) March 31, 2022	(Audited) December 31, 2021
	------(Rupees in '000)-----	
	-	3,231
	-	66
	-	31,761
	<u>-</u>	<u>35,058</u>
	10,020	-
	31,761	23,447
	16,830	-
	9,615	1,467
	<u>68,226</u>	<u>24,914</u>

7 INTANGIBLE ASSETS

Opening book value
Additions during the period / year
Less: Amortisation for the period / year

	114	246
	98	-
	(34)	(132)
	<u>178</u>	<u>114</u>

Additions - cost

Software, License

	98	-
	<u>98</u>	<u>-</u>

8 INVESTMENTS

Long term investment
Short term investment

	(Un-audited) March 31, 2022	(Audited) December 31, 2021
	------(Rupees in '000)-----	
Note		
8.1	46,784	46,218
8.2	2,496,180	2,586,129
	<u>2,542,964</u>	<u>2,632,347</u>

8.1 Long term investment

Investments carried at amortised cost	8.1.1 & 8.1.2	46,784	46,218
		<u>46,784</u>	<u>46,218</u>

8.1.1 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.47.45 million as at March 31, 2022. These will be released once the outstanding claims and balances relating to insurance business are settled.

8.1.2 These carry a profit yield at 13.71% per annum (December 31, 2021: Rs. 13.71% per annum) payable at six months interval. These PIB's are maturing on July 12, 2023 .

8.2 Short term investment

Investments carried at amortised cost	8.2.1	3,000	10,500
Investments carried at fair value through other comprehensive income	8.2.2	606,362	589,075
Investments carried at fair value through profit or loss	8.2.3	1,886,818	1,986,554
		<u>2,496,180</u>	<u>2,586,129</u>

8.2.1 Investments carried at amortised cost

Deposits maturing within one month	8.2.1.1	3,000	3,000
Deposits maturing within one year		-	7,500
		<u>3,000</u>	<u>10,500</u>

8.2.1.1 These 'Term Deposit Receipts' carry mark-up at 8.5% per annum (December 31, 2021: 8.5% per annum) and are due to mature on April 17, 2022.

	Note	(Un-audited) March 31, 2022	(Audited) December 31, 2021
		-----Rupees in '000'-----	
8.2.2 Investments carried at fair value through other comprehensive income			

Quoted shares - related parties	8.2.2.1	606,362	589,075
		<u>606,362</u>	<u>589,075</u>

8.2.2.1 Quoted Shares - Related Parties

Name of investee company	Note	Number of Shares		Cost	Market value	
		31-Mar-22	31-Dec-21	31-Mar-22	31-Mar-22	31-Dec-21
----- Rupees '000' -----						
Inv. Banks/Inv. Cos/ Securities Cos.						
Dawood Lawrencepur Limited		2,965,095	2,965,095	222,111	606,362	589,075
Equity held: 5.02% (2021: 5.02%)				<u>222,111</u>	<u>606,362</u>	<u>589,075</u>
Less : Provision for impairment				(130,018)		
Carrying value				<u>92,093</u>		
Market value as at March 31, 2022				<u>606,362</u>		
Unrealised gain on quoted shares				<u>514,269</u>		

		Market Value	
		(Un-audited)	(Audited)
	Note	March 31, 2022	December 31, 2021
		----- Rupees '000' -----	
8.2.3 Investment carried at fair value through profit or loss			

Quoted shares	8.2.3.1	1,884,529	1,984,265
Mutual funds	8.2.3.2	2,289	2,289
		<u>1,886,818</u>	<u>1,986,554</u>

8.2.3.1 Quoted Shares

Name of investee company	Number of Shares		Carrying Value	Market value		
	31-Mar-22	31-Dec-21	31-Mar-22	31-Mar-22	31-Dec-21	
	Rupees '000'					
Oil and Gas Marketing						
Pakistan State Oil Company Limited	8.2.3.1.3	500,000	750,000	90,945	83,335	136,418
Pharmaceuticals						
Citi Pharma Limited		-	283,550	-		10,140
Textile Composite						
Gul Ahmed Textile Mills Limited	8.2.3.1.2	500,000	500,000	23,530	23,725	23,530
Chemical						
Nimir Resins Limited		3,079,500	3,079,500	58,079	52,659	58,079
Technology & Communication						
Air Link Communication Limited		1,000,000	1,000,000	58,060	53,930	58,060
Avanceon Limited	8.2.3.1.2	500,000	500,000	45,560	44,255	45,560
Hum Network Limited		5,565,000	5,565,000	35,950	37,620	35,949
Worldcall Telecom Limited		10,000,000	10,000,000	20,800	17,900	20,800
Commercial Banks						
Bank Alfalah Limited	8.2.3.1.2	1,000,000	1,000,000	34,600	33,920	34,600
	8.2.3.1.2 &					
Habib Bank Limited	8.2.3.1.3	2,500,000	2,500,000	291,550	282,275	291,550
MCB Bank Limited		1,250,000	1,250,000	191,687	182,075	191,688
	8.2.3.1.2 &					
United Bank Limited	8.2.3.1.3	4,500,405	4,500,405	614,665	613,810	614,665
Food & Personal Care Products						
	8.2.3.1.1&					
Unity Foods Limited	8.2.3.1.4	17,500,000	17,500,000	463,226	459,025	463,226
				<u>1,928,652</u>	<u>1,884,529</u>	<u>1,984,265</u>
Unrealised loss on Quoted Shares				<u>(44,123)</u>		

8.2.3.1.1 4 million shares (December 31, 2021: 4 million) of Unity Foods Limited having market value of Rs. 104.920 million (December 31, 2021: 105.880) as at March 31, 2022 have been pledged as collateral in favor of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

8.2.3.1.2 0.5 million shares (December 31, 2021: 0.5 million) of Avanceon Limited having a market value of Rs. 44.255 million (December 31, 2021: Rs.45.560 million), 1.0 million shares (December 31, 2021: 1.0 million) of Bank Al Falah Limited having a market value of Rs. 33.920 million (December 31, 2021: Rs. 34.600 million), 0.5 million shares (December 31, 2021: 0.5 million) of Gul Ahmed Textile Mills Limited having a market value of Rs. 23.725 million (December 31, 2021: Rs. 23.530 million), 0.7 million shares (December 31, 2021: 0.7 million) of Habib Bank Limited having a market value of Rs. 79.037 million (December 31, 2021: Rs. 81.634 million), 0.7 million shares (December 31, 2021: 0.7 million) of MCB Bank Limited having a market value of Rs.101.962 million (December 31, 2021: Rs.107.345 million) and 0.7 million shares (December 31, 2021: 0.7 million) of United Bank Limited having a market value of Rs. 95.473 million (December 31, 2021: 95.606) as at March 31, 2022, have been pledged with Habib Metropolitan Bank Limited as collateral against running finance facility obtained from the bank.

8.2.3.1.3 1.3 million shares (December 31, 2021: 1 million) of Habib Bank Limited having a market value of Rs. 146.783 million (December 31, 2021: Rs. 116.62 million), 0.25 million shares (December 31, 2021: 0.25 million) of Pakistan State Oil Company Limited having a market value of Rs. 41.667 million (December 31, 2021: Rs. 45.473 million) and 3.7 million shares (December 31, 2021: 3.7 million) of United Bank Limited having a market value of Rs. 504.643 million (December 31, 2021: Rs. 505.346 million) as at March 31, 2022, have been pledged with MCB Bank Limited as collateral against running finance facility obtained from the bank.

8.2.3.1.4 3.5 million shares (December 31, 2021: 3.5 million) of Unity Foods Limited having a market value of Rs. 91.805 million (December 31, 2021: Rs. 92.645 million) as at March 31, 2022, have been pledged with Bank Al Habib Limited as collateral against running finance facility obtained from the bank.

8.2.3.2 Mutual Funds

Name of fund	Note	Number of Units		Carrying Value	Market value	
		31-Mar-22	31-Dec-21	31-Mar-22	Rupees '000'	
					31-Mar-22	31-Dec-21
NAFA Government Securities Liquid Fund	8.2.3.2.1	223,871	223,871	2,289	2,289	2,289
				<u>2,289</u>	<u>2,289</u>	<u>2,289</u>
Market Value as at March 31, 2022				2,289		
Unrealised gain on mutual fund				-		

8.2.3.2.1 223,871 units (December 31, 2021: 223,871 units) of NBP Government Liquid Fund having a market value of Rs. 2.289 million (December 31, 2021: Rs. 2.289 million) have been kept under pledge with NBP Government Liquid Fund pending settlement of a claim in litigation.

9 CASH AND BANK BALANCES	Note	(Un-audited)	(Audited)
		March 31, 2022	December 31, 2021
----- (Rupees in '000) -----			
Cash in hand		15	50
Cash at bank	9.1	<u>17,450</u>	<u>184</u>
		<u>17,465</u>	<u>234</u>

9.1 Cash and cash equivalents	(Un-audited)	(Audited)
	March 31, 2022	December 31, 2021
----- (Rupees in '000) -----		
Cash and cash equivalents for the purpose of cash flow comprises of the following:		
Cash and bank balances	17,465	504
Term deposit receipts	3,000	3,000
Short term borrowings	<u>(652,787)</u>	<u>(375,757)</u>
	<u>(632,322)</u>	<u>(372,253)</u>

10 SHORT TERM BORROWINGS	(Un-audited)	(Audited)
	March 31, 2022	December 31, 2021
----- (Rupees in '000) -----		
Short term borrowings	652,787	663,396
Financial charges	<u>18,238</u>	<u>8,005</u>
	<u>671,025</u>	<u>671,401</u>

10.1 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 0.50% per annum and will expire on April 30, 2022.

10.2 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 will expire on March 31, 2023.

10.3 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 April 30, 2022.

10.4 The Company has running finance facility of Rs.300 million under mark-up arrangement with Habib Metropolitan Bank Limited. The facility carries mark up at 3 months KIBOR plus 0.50% per annum and will expire on April 30, 2022.

11 CONTINGENCIES AND COMMITMENTS	(Un-audited)	(Audited)
	March 31, 2022	December 31, 2021
----- (Rupees in '000) -----		
Guarantee issued on behalf of the Company by a commercial bank	<u>2,800</u>	<u>2,800</u>

11.1 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, 2021 has remained unchanged.

		(Un-audited) For the Quarter Ended March 31,	
		2022	2021
		----- (Rupees in '000) -----	
12	RETURN ON INVESTMENTS		
	Amortisation on Government Securities	565	495
	Interest Income on Government Securities	992	992
	Dividend income	40,932	7,286
		<u>42,490</u>	<u>8,773</u>
13	TAXATION		
	- Current year	(6,289)	(30,239)
	- Deferred	7,481	(51,732)
		<u>1,192</u>	<u>(81,971)</u>
		(Un-audited) For the Quarter Ended March 31,	
		2022	2021
		----- (Rupees in '000) -----	
14	(LOSS) / PROFIT PER SHARE - BASIC AND DILUTED		
	(Loss) / profit for the period after taxation	<u>(47,517)</u>	<u>419,981</u>
		(Number of shares)	
	Weighted average number of ordinary shares outstanding as at the period end	<u>61,559,108</u>	<u>61,559,108</u>
		----- (Rupees) -----	
	(Loss) / Earnings per share	<u>(0.77)</u>	<u>6.82</u>
15	TRANSACTIONS WITH RELATED PARTIES		
	Related parties comprise companies with common directors, group companies, staff retirement fund, directors and key management personnel. 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:		
15.1			
	Transactions		
		Un-audited For the Quarter Ended March 31,	
		2022	2021
		Un-audited ----- (Rupees in '000) -----	
	Parent company		
	Dividend distributed	159,316	199,146
	Sale of Assets	635	-
	Associated companies		
	Rendering of service	2,000	3,000
	Purchase of service	2,993	2,489
	Dividend distributed	5,587	6,984
	Other related parties		
	Dividend distributed to sponsors	36,439	52,676
	Provision relating to staff gratuity fund	2,226	1,151
	Contribution to staff provident fund	772	1,106
	Key management personnel		
	Director fee	650	350
	Remuneration	9,123	10,127
	Loan recovery	-	4,367
	Dividend Distributed	7,493	2,252
15.2			
		March 31, 2022	December 31, 2021
		(Un-audited) (Audited) ----- (Rupees in '000) -----	
	Balances outstanding		
	Receivable from related party	900	1,500
	Payable to related party	688	226
	Security deposit with related party	1,740	1,740
	Lease liability against right-of-use asset with associated company	-	31,168

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