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Condensed Interim Financial Information (Un-audited)  
for the Half Year ended June 30, 2015

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## Company Information

### Board of Directors

Kulsum Dawood (Chairperson)  
 Shahzada Dawood  
 Hasan Reza-Ur Rahim  
 Ghias Uddin Khan  
 Kamran Nishat  
 Shafiq Ahmed  
 Sulaiman S. Mehdi (Chief Executive)

### Board Audit Committee

Kamran Nishat (Chairman)  
 Shafiq Ahmed  
 Hasan Reza-Ur Rahim  
 Ghias Uddin Khan

### Board HR & Remuneration Committee

Ghias Uddin Khan (Chairman)  
 Kamran Nishat  
 Hasan Reza-Ur Rahim

### Board Investment Committee

Hasan Reza-Ur Rahim (Chairman)  
 Kulsum Dawood  
 Shahzada Dawood  
 Shafiq Ahmed

### CFO & Company Secretary

Faisal Nadeem Mangoria

### Head of Internal Audit

Ayman Anwer

### Executives\*

Sulaiman S. Mehdi (CEO)  
 Faisal Nadeem Mangoria (CFO & CS)  
 Shahab Farooq (Head of Research)  
 Ayman Anwer (Head of Internal Audit)  
 Muhammad Anas Karimi (Manager Finance)  
 Mustafa Bandukda (Investment Analyst)  
 Sheikh Zulqarnain (Assistant Manager)

### Auditors

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

### Tax Consultants

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

### Internal Auditor

The Internal Audit Function has been  
 Outsourced to Anjum Asim Shahid Rahman  
 (Chartered Accountants)

### Share Registrar/Transfer Agent

Technology Trade (Pvt.) Ltd.  
 Dagia House, 241-C, Block-2,  
 P.E.C.H.S. Off: Shahrah-e- Quaideen, Karachi.  
 Tel: (92-21) 34391316-7, 19 & 34387960-1  
 Fax: (92-21) 34391318

### Legal Advisors

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

### Bankers

Allied Bank Limited  
 Bank Al Habib Limited  
 Bank Al Falah Limited  
 Habib Bank Limited

### Registered Office

Dawood Centre, M.T. Khan Road  
 Karachi-75530  
 Website: [www.cyanlimited.com](http://www.cyanlimited.com)

### Rating Agency

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

\*As determined by the Board of Directors

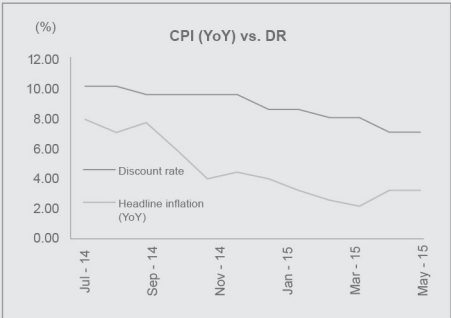
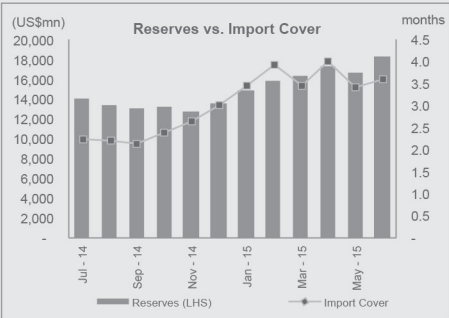
# Directors’ Review

The Board of Directors of Cyan Limited is pleased to present the un-audited condensed interim financial information of the company for the half year ended June 30, 2015.

## Economy Review

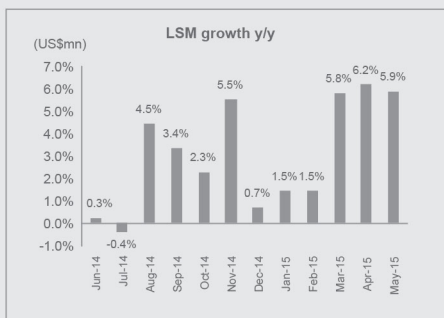
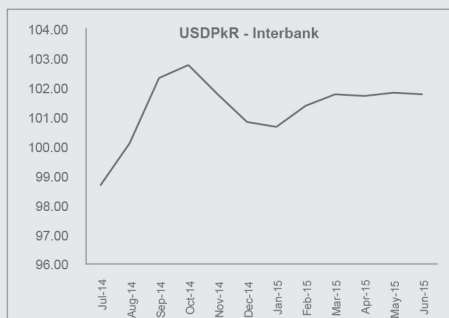
Macro economy of the country continued its journey on the revival path during the period under review. Strong external account, stable exchange rate, modest GDP growth, benign inflation and easing monetary policy stance were the highlights of the period under review. Multiple positives were witnessed on the external account front including smooth sailing of the IMF Extended Fund Facility (EFF), secondary public offering of HBL and nosediving of international crude oil prices. Foreign exchange reserves have improved to US\$18.7 billion at the end of June 2015 as compared to US\$14.1 billion a year ago and US\$15.3 billion at the end of December 2014. Strong growth in remittances continued during the period under review as well increasing by 16.5%/y/y to US\$18.5 billion during FY15 as compared to US\$15.8 billion during FY14. Significant decline in international crude oil prices resulted in decline in oil imports by 17.8%/y/y to US\$12.1 billion during FY15 while total imports reported a 1.2%/y/y decline to US\$41.2 billion. Exports growth however lagged and declined by 3.8%/y/y due to domestic energy problems and slow global demand particularly in the EU where the impact of GSP Plus status is still muted. Current account deficit stood at US\$2.3 billion (0.8% of GDP) compared to US\$3.1 billion (1.3% of GDP) in FY14. Strong external account also enabled the exchange rate to remain stable and the PKR has depreciated by 1.3% against the US\$ since December 2014.

Decelerating trend in inflation continued during the period under review and average CPI inflation for FY15 stood at 4.5% compared to 8.6% in FY14. It touched a low of 2.1%/y/y in April 2015. Food and energy prices and base effect are the prime factors for deceleration in inflation. Improving external account and slowdown in inflation enabled the central bank to continue with its easing monetary policy stance and has reduced the discount rate by 250bps since December 2014. In the latest monetary policy announcement SBP has amended the structure of interest rate corridor by introducing a target rate and reducing the gap between the floor and the ceiling. These amendments are likely to improve the liquidity management and money market operations of the economy.





The real side of the economy is still lacking behind even the targets set by the government itself. Real GDP reported a growth of 4.2% during FY15 as compared to 4% achieved during FY14. Energy shortages and slow growth in private sector lending are the major culprits. International oil price plunge is a blessing in disguise for reduction in energy sector circular debt, oil import bill and inflation. However, political and law & order instability can continue hampering the economy in achieving its full growth potential. Committed financial assistance from friendly countries and lending & donor agencies, CSF inflows and reduction in import bill are likely to keep the external account healthy. On the real side the China-Pakistan Economic Corridor (CPEC) can be a turning point for stimulating the economic activities in various sectors across the country. Planned projects in the energy sector including the multinational gas pipeline projects are likely to improve the energy demand-supply situation in the medium to long term. Your company remains optimistic on the overall direction of the macroeconomic fundamentals with operation Zarb-e-azb already fetching results. However, timely implementation of the development projects and optimum utilization of resources remain the key factors for the growth to continue. Slowdown in various economies plus the EU debt crises can hinder the potential exports growth of the country further.



### Stock Market Review 1HCY15 & Outlook

The period under review witnessed a volatile performance of the equities market of the country. The KSE-100 Index posted a return of 7.1% during Jan. – Jun. 2015 and 16%/y in FY15 driven by improving macroeconomic fundamentals and healthy corporate profitability. The index dipped by 12%/m in Mar. 2015 due to a major selling by a foreign fund and some regulatory concerns. Foreign investors on a year-to-date basis remained net sellers (net YTD outflow US\$73.3 million) however, improved domestic liquidity resulted increased market performance from local institutional and retail investors. IPOs and secondary offering of HBL also attracted fresh liquidity towards the equities market. Another major highlight of the period under is the announcement by MSCI regarding inclusion of Pakistan for potential reclassification in MSCI Emerging Markets Index from MSCI Frontier Markets Index.

During the period under review, non-conventional sectors lead the rally at the Karachi Stock Exchange. These include Software & Computer Services, Support Services, Real Estate Investment, Household Goods and Technology Hardware. Amongst the main board Commercial Banks was down 11% due to budgetary announcements of uniform tax rate for all sources of income and super tax in addition to decrease in interest rates. Personal goods primarily textile sector was down 8% due to slow exports growth and energy shortages. Oil & gas was down by 7% besides the fact that international oil prices have increased by 13.1% during the period under review. Construction &

materials primarily cement sector gained 13% due to announcement of major development projects and CPEC by the government.

### Outlook

With the economy seemingly headed for an upturn, continued valuation rerating appears likely particularly as the market's forward P/E at 8x remains un-stretched relative to both the 10yr average (9x+) and the region. Despite a net YTD outflow from FIPI, foreigners have been net buyers over the last couple of months where major outflow occurred during earlier part of the period under review due to the liquidation of a foreign fund. Ample domestic liquidity and a spread of around 5% between earnings yield and T-Bills rate coupled with a healthy overall corporate profitability, the overall direction of the domestic equities market is likely to remain positive. Concerns remain on the political noise, law & order situation, which although have improved a lot, and timely implementation of planned energy and infrastructure development projects by the government.

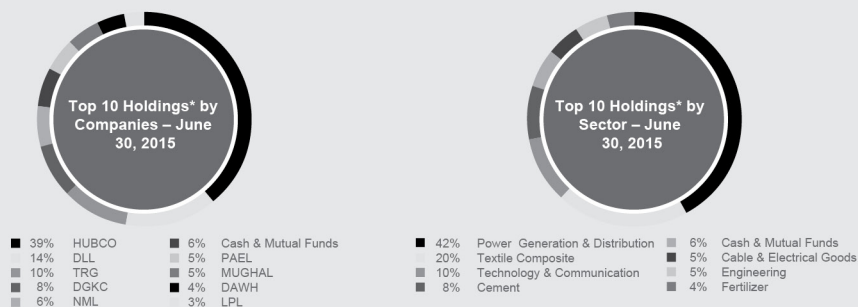
### Company Performance

During the half year the company adopted an aggressive stance on the public equities and increased its exposure to 87% (average), whereas 13% was vested towards mutual funds and Government Securities. The increase in equity exposure was based on overall improvement in the key macroeconomic metrics, particularly FX reserves, inflation in single digits and continuous flows from foreign investors.

The equity portfolio was realigned to have a balance between high growth and high yield investments. To this effect, sizable investments were made in Electricity, textile composite, technology and communication and money market mutual funds. Due to alignment of company's portfolio towards Growth oriented stocks and bumper dividends of Rs.4 Billion, the dividend income decreased by 30% to Rs.85 million for the half year ended June 30, 2015 as opposed to Rs.121 million earned in the corresponding period last year. Un-realized gain of Rs.278 million were recorded during the quarter as compared Rs.352 million reported un-realized gains in the corresponding period in 2014. The company also earned capital gains of Rs.85 million during the half year as opposed to Rs.193 million recorded in the corresponding period in 2014.

The brief summary of the financial highlights for the half year ended June 30, 2015 and 2014 is as under:

	June 30, 2015	June 30, 2014	Rs. '000 Change
Return on Investments	86,904	122,702	(29%)
Gain on Sale of Investments - Net	84,592	193,026	(56%)
Other Income	6,053	16,028	(62%)
	177,549	331,756	(46%)
Unrealized appreciation on re-measurement of investments classified as financial assets at fair value through profit and loss-net	278,328	352,416	(21%)
	455,877	684,172	(33%)
Operating & Administrative Expenses	(32,433)	(104,018)	(69%)
Profit before tax	423,444	580,154	(27%)
Taxation	(130,885)	(90,561)	45%
Net Profit for the period	292,559	489,593	(40%)
EPS - Rupees	4.99	8.35	(40%)



\*Top Ten Holding represent 88% of the total portfolio

### Earnings per Share

During the half year ended June 30, 2015 the company posted earnings per share of Rs.4.99 compared to Rs.8.35 in the corresponding period in 2014.

### Private Equity Update

During the period all efforts were focused on conducting due diligence of a transaction in the Pharma sector. In addition to the above the company is at an advance stage of transaction evaluation in the Transportation/Logistics sector.

### Credit Rating

On May 16, 2014 JCR-VIS Credit Rating Company Limited has assigned initial entity ratings of 'A+/A-1' (A Plus/A-One) to Cyan Limited (CL). The assigned ratings take into account adequate capitalization and strong liquidity profile of the company. Outlook on ratings is 'Stable'.

### Related Party Transactions

During the quarter all transactions made with associated companies/related parties were duly approved by the Board of Directors of the company. All transactions with related parties are on arms length basis.

### 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, the management of the Karachi and Lahore Stock Exchanges and the Auditors for their continued support and cooperation.

On behalf of the Board

Hasan Reza-Ur-Rahim  
Director

Sulaiman S. Mehdi  
CEO

Karachi: August 24, 2015

# independent auditors' report to the members on review of condensed interim financial information

## Introduction

We have reviewed the accompanying condensed interim statement of financial position of Cyan Limited as at June 30, 2015 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the accounts for the half year then ended (herein-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended June 30, 2015 and June 30, 2014 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2015.

## Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information 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 condensed interim financial information as of and for the half year ended June 30, 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting

Chartered Accountants

Engagement Partner: Rashid A. Jafer

Dated: August 25, 2015

Karachi

# condensed interim statement of financial position

as at june 30, 2015

	Note	June 30, 2015 (Un-audited)	December 31, 2014 (Audited)
(Rupees in '000)			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	5	16,478	17,644
Intangible assets	6	344	1,108
Long term loans		12,294	13,343
Long term deposits		2,500	2,500
		31,616	34,595
<b>Current assets</b>			
Short term investments	7	2,707,038	4,780,356
Long term loans - current portion		2,457	2,677
Trade and other receivables		17,429	44,850
Advances, deposits and short term prepayments		2,111	2,226
Cash and bank balances	8	10,358	21,844
		2,739,393	4,851,953
<b>TOTAL ASSETS</b>		<b>2,771,009</b>	<b>4,886,548</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised share capital			
100,000,000 (2014: 100,000,000)			
Ordinary shares of Rs 10/- each		1,000,000	1,000,000
Issued, subscribed and paid-up share capital		586,277	586,277
Unappropriated profit		1,336,339	3,535,458
Reserves		133,088	133,088
Remeasurement on post retirement benefits obligation - net of tax		(3,697)	(3,697)
Surplus on revaluation of available-for-sale investments		348,139	339,387
		2,400,146	4,590,513
<b>Non-current liabilities</b>			
Deferred liability - gratuity		10,689	9,377
Deferred taxation		62,989	16,171
		73,678	25,548
<b>Current liabilities</b>			
Creditors, accrued expenses and other liabilities		84,513	126,828
Taxation - net		212,672	143,659
		297,185	270,487
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,771,009</b>	<b>4,886,548</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			

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The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

Kamran Nishat  
Director

Sulaiman S. Mehdi  
CEO

# condensed interim profit and loss account

for the half year ended june 30, 2015 - (un-audited)

Note	Half Year Ended		Quarter Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
------(Rupees in '000)-----				
<b>REVENUE</b>				
Return on investments	86,904	122,702	26,491	20,153
Gain / (loss) on sale of investments - net	84,592	193,026	(16,764)	170,237
Other income	6,053	16,028	5,432	15,363
	177,549	331,756	15,159	205,753
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	278,328	352,416	358,029	181,206
	455,877	684,172	373,188	386,959
<b>EXPENSES</b>				
Operating and administrative expenses	(32,433)	(104,018)	(10,968)	(49,424)
	(32,433)	(104,018)	(10,968)	(49,424)
<b>PROFIT FOR THE PERIOD BEFOR TAXATION</b>	423,444	580,154	362,220	337,535
<b>Taxation</b> - current year	(46,644)	(68,130)	(5,536)	(54,603)
- prior year	(37,423)	-	(37,423)	-
- deferred	(46,818)	(22,431)	(87,881)	(34,580)
	(130,885)	(90,561)	(130,840)	(89,183)
<b>PROFIT FOR THE PERIOD AFTER TAXATION</b>	292,559	489,593	231,380	248,352
----- (Rupees) -----				
<b>BASIC AND DILUTED EARNINGS PER SHARE</b> 11	4.99	8.35	3.95	4.24

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

Kamran Nishat  
Director

Sulaiman S. Mehdi  
CEO



## condensed interim statement of comprehensive income

for the half year ended june 30, 2015 - (un-audited)

	Half Year Ended		Quarter Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	------(Rupees in '000)-----			
<b>Profit after taxation</b>	292,559	489,593	231,380	248,352
<b>Items that may be reclassified subsequently to profit or loss</b>				
Surplus on revaluation of available-for-sale investments - net of tax	8,752	113,317	47,769	82,846
<b>Items that will not be reclassified to profit or loss</b>				
Remeasurement of post retirement benefits obligations - net of tax	-	(53)	-	(53)
<b>Total comprehensive income for the period</b>	<u>301,311</u>	<u>602,857</u>	<u>279,149</u>	<u>331,145</u>

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

Kamran Nishat  
Director

Sulaiman S. Mehdi  
CEO

## condensed interim statement of changes in equity

for the half year ended june 30, 2015 - (un-audited)

	Share Capital	Capital reserves			Revenue reserves		Remesurement on post retirement benefits obligation-net of tax	Surplus / (deficit) 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 1, 2014	586,277	10,535	-	2,553	120,000	4,395,503	(1,726)	198,150	5,311,292
Final dividend @ Rs.5 per share for the year ended Dec 31, 2013	-	-	-	-	-	(293,139)	-	-	(293,139)
Net Profit for the half year ended June 30, 2014	-	-	-	-	-	489,593	-	-	489,593
Other comprehensive income	-	-	-	-	-	-	(53)	113,317	113,264
Balance as at June 30, 2014	<u>586,277</u>	<u>10,535</u>	<u>-</u>	<u>2,553</u>	<u>120,000</u>	<u>4,591,957</u>	<u>(1,779)</u>	<u>311,467</u>	<u>5,621,010</u>
Balance as at December 31, 2014	586,277	10,535	-	2,553	120,000	3,535,458	(3,697)	339,387	4,590,513
Final dividend @ Rs.42.5 per share for the year ended Dec 31, 2014	-	-	-	-	-	(2,491,678)	-	-	(2,491,678)
Net Profit for the half year ended June 30, 2015	-	-	-	-	-	292,559	-	-	292,559
Other comprehensive income	-	-	-	-	-	-	-	8,752	8,752
Balance as at June 30, 2015	<u>586,277</u>	<u>10,535</u>	<u>-</u>	<u>2,553</u>	<u>120,000</u>	<u>1,336,339</u>	<u>(3,697)</u>	<u>348,139</u>	<u>2,400,146</u>

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

Kamran Nishat  
Director

Sulaiman S. Mehdi  
CEO

# condensed interim statement of cash flows

for the half year ended june 30, 2015 - (un-audited)

	Half Year Ended	
	June 30, 2015	June 30, 2014
	(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	423,444	580,154
Adjustment for non cash charges and other items:		
Depreciation / Amortisation	2,235	2,506
Gain on sale of property and equipment	-	(398)
Capital gain on sale of investments - net	(84,592)	(193,026)
Amortization income on government securities	(1,932)	(2,096)
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss -net	(278,328)	(352,416)
	(362,617)	(545,430)
Operating profit before working capital changes	60,827	34,724
<b>(Increase) / Decrease in operating assets</b>		
Trade and other receivables	27,421	46,265
Long term loans	1,269	(9,740)
Advances and short term prepayments	115	(96)
	28,805	36,429
<b>Increase / (Decrease) in operating liabilities</b>		
Creditors, accrued expenses and other liabilities	(54,991)	(33,049)
Deferred liability	1,312	877
<b>Net cash generated from operations</b>	35,953	38,981
Taxes paid	(15,054)	(20,702)
Dividend paid	(2,479,002)	(287,358)
<b>Net cash used in operating activities</b>	(2,458,103)	(269,079)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	10,201,193	8,274,359
Investment in securities	(7,754,271)	(8,004,307)
Capital expenditure incurred	(343)	(1,731)
Proceeds from sale of property and equipment	38	1,026
<b>Net cash generated from investing activities</b>	2,446,617	269,347
Net (decrease) / increase in cash and cash equivalents	(11,486)	268
Cash and cash equivalents at the beginning of the period	24,844	17,835
Cash and cash equivalents at the end of the period	8.2 13,358	18,103

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

Kamran Nishat  
Director

Sulaiman S. Mehdi  
CEO

# notes to and forming part of the condensed interim financial information

for the half year ended june 30, 2015 - (un-audited)

## 1 LEGAL STATUS AND NATURE OF BUSINESS

Cyan Limited, a DH Group Company ("the Company"), is a Public Limited Company incorporated in Pakistan on 23 April 1960 under the Companies Act, 1913 (now Companies Ordinance, 1984). The Company is listed on the Karachi and Lahore Stock Exchanges. The registered office of the Company is situated at Dawood Centre, Molvi Tamizuddin Khan Road, Karachi.

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

## 2 BASIS OF PRESENTATION

### 2.1 Statement of Compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Companies Ordinance, 1984 and the directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Companies Ordinance, 1984 and the directives issued by the SECP prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34, "Interim Financial Reporting". This condensed interim financial information does 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, 2014.

This condensed interim financial information is un-audited however a review has been performed by the statutory auditors in accordance with the requirements of the Code of Corporate Governance.

### 2.2 Basis of Measurement

This condensed interim financial information has been prepared on the historical cost basis, except for certain investments which are measured at fair value. Further, obligation in respect of staff retirement benefits is carried at present value of defined benefit obligation less fair value of plan assets.

### 2.3 Functional and presentation currency

This condensed interim financial information has been presented in Pakistani rupees, which is also the Company's functional and presentation currency.

### 2.4 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 information are the same as those applied in the preparation of the financial statements of the Company for the year ended December 31, 2014.

### 4 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of this condensed interim financial information in conformity with approved Accounting Standards 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, 2014.

### 5 PROPERTY AND EQUIPMENT

Opening book value  
Additions during the Period / year

Less: Written down value (WDV) of disposal during the  
Period / year  
Less: Depreciation for the Period / year

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

#### Additions-Cost

Furniture and Fixtures  
Office Equipment  
Vehicles

#### Disposals-Cost

Office Equipment  
Vehicles

June 30, 2015 (Un-audited)	December 31, 2014 (Audited)
(Rupees in '000)	
17,644	20,237
343	1,997
17,987	22,234
(38)	(1,002)
(1,471)	(3,588)
(1,509)	(4,590)
16,478	17,644
-	-
343	1,952
-	45
343	1,997
(102)	(2,036)
-	-
(102)	(2,036)

	Note	June 30, 2015 (Un-audited)	December 31, 2014 (Audited)
(Rupees in '000)			
<b>6 INTANGIBLE ASSETS</b>			
Opening book value		1,108	2,577
Additions during the Period / year		-	76
		1,108	2,653
Less: Written down value (WDV) of disposal during the Period / year		-	(3)
Less: Amortisation for the Period / year		(764)	(1,542)
		(764)	(1,545)
		344	1,108
The details of additions during the Period / year are as follows:			
Additions-Cost			
Computer software		-	76
		-	76
<b>7 INVESTMENTS</b>			
Held-to-maturity investments - short term	7.1	42,444	43,743
Available-for-sale investments	7.2	475,731	466,978
Investments at fair value through profit or loss	7.3	2,185,863	4,266,635
Term Deposit Receipts	7.4	3,000	3,000
		2,707,038	4,780,356
		2,707,038	4,780,356

- 7.1** These are Treasury Bills 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 Treasury Bills have a face value of Rs. 45 million and market value of Rs. 42.648 million as at June 30, 2015 (December 31, 2014: Rs. 43.807 million). These will be released once the outstanding claims and balances relating to insurance are settled.



	Note	June 30, 2015 (Un-audited) (Rupees in '000)	December 31, 2014 (Audited)
<b>7.2 Available-for-sale investments</b>			
Un-quoted shares	7.2.1	-	-
Mutual funds	7.2.2	41,985	42,462
Un-quoted debentures	7.2.3	-	-
Quoted shares - related parties	7.2.4	433,746	424,516
		<u>475,731</u>	<u>466,978</u>

### 7.2.1 Un-quoted Shares

Name of investee company	Note	Number of Shares		Cost	
		30-Jun-15	31-Dec-14	30-Jun-15	31-Dec-14
				----- (Rupees '000') -----	
Bankers Equity Limited	7.2.1.1	13,465	13,465	117	117
Saifi Development Corporation Limited		-	8,900	-	34
				117	151
Less: Provision for Impairment				(117)	(151)
Carrying Value				-	-

**7.2.1.1** Unquoted companies in which the Company has made investments are in the process of liquidation, therefore, the names of the respective Chief Executives are not available.

During the period, the management has decided to write off the investment in Saifi Development Corporation Limited.

### 7.2.2 Mutual Funds

Name of fund	Note	Number of Units		Cost	Market value	
		30-Jun-15	31-Dec-14	30-Jun-15	30-Jun-15	31-Dec-14
					----- Rupees '000' -----	
National Investment Unit Trust (NIT)	7.2.2.1	240,500	240,500	3,131	15,332	15,880
Golden Arrow Selected Stock Fund		2,405,532	2,405,532	8,798	26,653	26,582
				11,929	41,985	42,462
Less : Provision for impairment				(2,279)		
Carrying value				9,650		
Market value as at 30 June 2015				41,985		
Unrealised gain on mutual funds				32,335		

**7.2.2.1** NIT units amounting to Rs.15.332 million (2014: 15.880 million), are under lien against a bank guarantee issued by Habib Bank Limited.

## 7.2.3 Un-quoted debentures

	Number of Debentures		Cost	
	30-Jun-15	31-Dec-14	30-Jun-15	31-Dec-14
			-----Rupees '000'-----	
Name of investee company				
Hyson Sugar Mills Limited	240,500	240,500	60	60
			60	60
Less: Provision for Impairment			(60)	(60)
Carrying value			-	-

## 7.2.4 Quoted Shares - Related Parties

	Number of Shares		Cost	Market value	
	30-Jun-15	31-Dec-14	30-Jun-15	30-Jun-15	31-Dec-14
				----- Rupees '000'-----	
Name of investee company					
<b>Fertilizer</b>					
Dawood Hercules Corporation Limited	794,380	794,380	47,653	92,760	67,133
Equity held: 0.17% (2014: 0.17%)					
<b>Textile Composite</b>					
Dawood Lawrencepur Limited	2,965,095	2,965,095	222,110	340,986	357,383
Equity held: 5.02% (2014: 5.02%)					
			269,763	433,746	424,516
Less: Provision for impairment			(151,821)		
Carrying value			117,942		
Market value as at 30 June, 2015			433,746		
Unrealised gain on quoted shares			315,804		

Note	Market Value	
	June 30, 2015 (Un-audited)	December 31, 2014 (Audited)
	(Rupees in '000)	

## 7.3 Investment Carried at fair value through profit or loss

Quoted shares	7.3.1	2,103,053	3,868,136
Mutual funds	7.3.2	82,810	398,499
		<u>2,185,863</u>	<u>4,266,635</u>

### 7.3.1 Quoted Shares

Name of investee company	Note	Number of Shares		Carrying Value	Market value	
		30-Jun-15	31-Dec-14	30-Jun-15	30-Jun-15	31-Dec-14
		----- Rupees '000' -----				
<b>Oil &amp; Gas Exploration Companies</b>						
Pakistan Oil Fields Limited		-	200,000	-	-	75,872
Pakistan Petroleum Limited		-	500,000	-	-	88,260
Oil & Gas Development Company Limited		-	200,000	-	-	41,174
<b>Oil &amp; Gas Marketing Companies</b>						
Hascol Petroleum Limited		-	1,249,000	-	-	92,551
Pakistan State Oil Company Limited		100,000	-	40,228	38,579	-
<b>Fertilizer</b>						
Fauji Fertilizer Bin Qasim Limited		1,000,000	1,917,500	57,723	55,320	86,690
<b>Chemical</b>						
ICI Pakistan Limited		-	98,900	-	-	45,737
<b>Cement</b>						
D.G Khan Cement Company Limited		1,400,000	4,191,000	184,591	199,878	463,231
Lafarge Pakistan Cement Limited		-	2,500,000	-	-	43,375
Lucky Cement Limited		-	300,000	-	-	150,084
<b>Power Generation &amp; Distribution</b>						
The Hub Power Company Limited - (related party)	7.3.1.1	10,000,000	10,000,000	783,600	935,700	783,600
Equity held: 0.86% (2014: 0.86%)						
Lalpur Power Limited		2,235,000	4,000,000	66,826	68,168	119,600
K-Electric Limited		-	5,000,000	-	-	46,100
<b>Textile Composite</b>						
Nishat Mills Limited		1,300,000	1,000,000	156,513	148,499	120,990
Gul Ahmed Textile Mills Limited		1,000,000	1,165,000	64,990	49,050	75,713
<b>Automobile Assembler</b>						
Millat Tractors Limited		-	50,000	-	-	32,343
<b>Engineering</b>						
Mughal Iron and Steel Industries Limited		2,000,000	-	68,000	112,480	-
<b>Technology &amp; Communication</b>						
TRG Pakistan Limited		7,964,500	5,000,000	169,909	243,315	72,800
<b>Commercial Banks</b>						
National Bank of Pakistan		-	8,500,000	-	-	590,410
MCB Bank Limited		40,500	-	12,134	10,089	-
Habib Metropolitan Bank Limited		-	6,000,000	-	-	223,800
NIB Bank Limited		28,000,000	30,000,000	64,960	56,560	69,600
<b>Cable &amp; Electrical Goods</b>						
Pak Elektron Limited		1,500,000	5,017,000	97,700	124,110	205,346

	Note	Number of Shares		Carrying Value	Market value	
		30-Jun-15	31-Dec-14	30-Jun-15	30-Jun-15	31-Dec-14
		----- Rupees '000' -----				
<b>Pharmaceuticals</b>						
The Searle Company Limited		-	839,400	-	-	203,000
<b>Non Life Insurance</b>						
Adamjee Insurance Company Limited (AICL)		-	4,500,000	-	-	222,570
EFU General Insurance Company		-	100,000	-	-	15,290
<b>Investment Banks</b>						
Jahangir Siddiqui and Company Limited		2,467,000	-	57,640	61,305	-
Carrying Cost as at 30 June 2015				1,824,814	2,103,053	3,868,136
Market Value as at 30 June 2015				2,103,053		
Unrealised gain on quoted shares				278,239		

**7.3.1.1** 5 million (December 31, 2014: 5 million) shares of The Hub Power Company Limited having market value of Rs. 467.85 million (December 31, 2014: Rs. 391.80 million) as at June 30, 2015 have been pledged as collateral in favor of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

**7.3.1.2** The Company has running finance facility of Rs.500 million (December 2014: 500 million) under mark-up arrangement with Bank Al Habib Limited. The facility carries mark-up at 3 month KIBOR plus 0.85% and will expire on March 31, 2016.

The facility is secured against pledge of 4.5 million shares of HUBCO having a market value of Rs. 421.07 million at June 30, 2015 ( December 31, 2014: Rs 352.62 million ).

### 7.3.2 Mutual Funds

		Note	Number of Units		Cost	Market value	
			30-Jun-15	31-Dec-14	30-Jun-15	30-Jun-15	31-Dec-14
Name of fund					-----	Rupees '000'-----	
PICIC Cash Fund			489,407	3,304,535	49,025	49,082	346,097
Primus Daily Reserve Fund			309,053	383,215	31,222	31,332	40,172
NAFA Government Securities Liquid Fund		7.3.2.1	236,220	223,871	2,474	2,396	2,349
NAFA Money Market Fund			-	944,869	-	-	9,881
Carrying Cost as at 30 June 2015					82,721	82,810	398,499
Market Value as at 30 June 2015					82,810		
Unrealised Gain on Mutul Fund units					89		

**7.3.2.1** 236,220 units (December 31, 2014: 223,871) of NAFA Government Securities Liquid Fund having a market value of Rs. 2,396 million (December 31, 2014: 2,349 million) have been kept under lien with National Bank of Pakistan pending settlement of a claim in litigation.

	Note	June 30, 2015 (Un-audited)	December 31, 2014 (Audited)
		(Rupees in '000)	
<b>7.4 Term Deposit Receipts</b>			
Deposits maturing within one month	7.4.1	3,000	3,000

**7.4.1** Term Deposit Receipts carry mark-up at 6% per annum (2014: 7.5%) and maturity on July 24, 2015.

## 8 CASH AND BANK BALANCES

	June 30, 2015 (Un-audited)	December 31, 2014 (Audited)
	(Rupees in '000)	
Cash in hand	50	17
Cash at bank - saving accounts	10,308	21,827
	<u>10,358</u>	<u>21,844</u>

- 8.1 These accounts carry effective mark-up rate, ranging between 4.5% to 6.5% (2014: 6.5% to 8%) per annum.

## 8.2 CASH AND CASH EQUIVALENTS

	June 30, 2015 (Un-audited)	June 30, 2014 (Un-audited)
	(Rupees in '000)	
Cash and bank balances	10,358	18,103
Term deposit receipts	3,000	-
	<u>13,358</u>	<u>18,103</u>

Cash and cash equivalents for the purpose of cash flow comprises of the following:

## 9 CONTINGENCIES AND COMMITMENTS

Guarantees issued on behalf of the Company by commercial banks

	5,205	5,205
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## 10 TAXATION

The Finance Act 2015 has introduced a one-time super tax at the rate of 3 percent of the taxable income of the company. This levy applies retrospectively for the tax year 2015, i.e year ended December 31, 2014. Accordingly, an amount of Rs. 37.423 million (June 30, 2014 : Nil) has been recognised as prior year tax charge.

## 11 EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the period after taxation	292,559	489,593
	(Number of shares)	
Weighted average number of ordinary shares outstanding as at the period end	58,627,722	58,627,722
	(Rupees)	
Earnings per share	4.99	8.35

## 12 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 engagement. Transactions with related parties other than those which have been disclosed elsewhere in the condensed interim financial information are as follows:

**Transactions**

	Half Year Ended		Quarter Ended	
	June 30, 2015 (Un-audited)	June 30, 2014 (Un-audited)	June 30, 2015 (Un-audited)	June 30, 2014 (Un-audited)
	Rupees '000'			
Rent paid	3,164	2,876	1,582	1,438
Dividend received	40,794	25,794	794	794
Dividend paid	1,668,671	198,254	-	198,254
Bonus shares received (face value)	-	7,417	-	1,795
Brokerage	746	776	-	306
Purchase of units	-	612,000	-	298,000
Sale of units	-	776,510	-	681,510
Services charges	600	600	300	300
Commission income from a related party on sale of property	3,900	-	3,900	-
Contribution to provident fund	1,077	1,848	558	961
Charge for staff retirement gratuity scheme	1,621	1,951	810	975

**Key Management Personnel**

Dividend paid	17,850	7,563	-	7,563
Remuneration excluding bonus	18,115	25,675	9,380	12,837
Director meeting fee	350	300	150	250
Proceeds from sale of property and equipment	38	63	38	63
Employee loan recovered	2,181	871	1,283	445
Employee loan disbursed	530	10,400	-	10,000

June 30, 2015 (Un-audited)	December 31, 2014 (Audited)
(Rupees in '000)	

**Balances**

Loan to chief executive officer	5,227	5,787
Loan to other executives	9,524	10,233
Receivable from a related party	4,485	-
Payable to related parties	827	122

**13 AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue on August 24, 2015 by the Board of Directors of the Company.

**14 CORRESPONDING FIGURES**

Corresponding information has been reclassified, rearranged or additionally incorporated in this condensed interim financial information, wherever necessary, to facilitate comparison and to conform with changes in presentation in the current period. However no significant re-arrangements have been made.

**15 GENERAL**

The figures in this condensed interim financial information have been rounded off to the nearest thousand rupees unless otherwise stated.

Kamran Nishat  
Director

Sulaiman S. Mehdi  
CEO



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Website: [www.cyanlimited.com](http://www.cyanlimited.com)



4th Floor, Dawood Centre, M.T. Khan Road, Karachi-75530  
Ph: (92-21) 35684019, 35681491 Fax: (92-21) 35680218