



April 30, 2020

The General Manager,
Pakistan Stock Exchange Ltd.,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Subject: Published Copies of Notice of 60th Annual General Meeting of Cyan Limited

Dear Sir,

Enclosed please find copies of English and Urdu Notice of the 60th Annual General Meeting of Cyan Limited to be held on May 21, 2020, published in the following newspapers:

Newspaper	Date
Business Recorder	April 30, 2020
Daily Express – Urdu	April 30, 2020

Yours sincerely,

Ahsan Iqbal
Company Secretary

Email: ahsan.iqbal@cyanlimited.com



NOTICE OF THE SIXTIETH (60TH) ANNUAL GENERAL MEETING

Notice is hereby given that the Sixtieth (60th) Annual General Meeting (AGM) of Cyan Limited will be held at Karachi at 2:00 p.m. on Thursday May 21, 2020 at The TDF Business Hub, Ground Floor, Dawood Center, M.T. Khan Road, Karachi to transact the following businesses:

Ordinary Business

- To confirm the minutes of the 59th Annual General Meeting of the Company held on March 29, 2019.
- To receive, consider and adopt the Audited Financial Statements of the Company for the year ended December 31, 2019 together with the Auditors' and Directors' Reports thereon and Chairman's Review Report.
- To approve the payment of final cash dividend at the rate of Rs. 1.00/- per share i.e. 10% for the year ended December 31, 2019 as recommended by the Board of Directors.
- To appoint Auditors for the year ending December 31, 2020 and to fix their remuneration.
- To elect seven (7) directors of the Company as fixed by the Board of Directors, in accordance with Section 159(1) of the Companies Act, 2017 for a term of three years commencing from May 22, 2020. The following retiring directors are eligible to offer themselves for re-election:
 - Hasan Reza-Ur Rahim
 - Kulsum Dawood
 - Kamran Nishat
 - Inam ur Rahman
 - Shafiq Ahmed
 - Sulaiman Sadduruddin Mehdi
 - Faisal Nadeem

Special Business

- To approve the issue of Bonus Shares in the ratio of 5 bonus shares for every hundred (100) existing Ordinary Shares held by the shareholders (5%) as recommended by the Board of Directors in their meeting held on February 24, 2020. To give effect to the above, the Directors have recommended to consider and, if thought fit, pass, with or without modification(s), the following resolutions as ordinary resolutions:

RESOLVED that a sum of Rs. 29,313,861/- (Rupees Twenty nine million three hundred thirteen thousand eight hundred sixty one) be capitalised out of the unappropriated profit of the Company and applied towards the issue of 2,931,386 Ordinary Shares of Rs. 10/- each as fully paid bonus shares to be allotted to the shareholders in proportion of 5 (in numbers) shares for every hundred (100) existing Ordinary Shares held by the Members of the Company at the close of business on Thursday May 28, 2020, and that, after allotment, such new shares shall rank par passu in all respects with the existing Ordinary Shares of the Company. These bonus shares will not be eligible for the final cash dividend of 10% for the year ended December 31, 2019.

FURTHER RESOLVED that Members' fractional entitlement to Bonus Shares may be consolidated and sold on the Pakistan Stock Exchange Limited and net sale proceeds of such fractional entitlements when realized be paid to a charitable institution.

FURTHER RESOLVED that for the purpose of giving effect to the foregoing, the Chief Executive or the Company Secretary be and are hereby authorized to give such directions as may be necessary and settle any questions or any difficulties that may arise in the distribution of the said Bonus Shares or in the payment of the sale proceeds of the fractions.
- To transact any other business with the permission of the Chair.

Attached to this notice of meeting being sent to the members is a statement under Section 134(3) and 166(3) of the Companies Act, 2017.

By order of the Board
AHSAN IQBAL
Company Secretary

Notes:

Corona Virus Contingency Planning

- In view of the recent outbreak of COVID-19 and the restriction imposed by the Government of Sindh on large public gatherings at one place, the Securities and Exchange Commission of Pakistan (SECP) has, vide circular No. EMD/MISC/92/2012 dated March 17, 2020, advised the companies to modify their usual planning for annual general meetings for the well-being of the shareholders and avoid large gatherings by provision of video link facilities.
- Considering the restriction imposed by the Government on public gatherings and SECP's directives, the Company intends to convene this AGM with minimum number of shareholders in person while ensuring compliance with the quorum requirements and requests the Members to consolidate their attendance and voting at the AGM through proxies.
- Furthermore, the Members who are willing to attend and participate in the AGM can do so through video-link. To attend the AGM through video-link, Members are required to register their particulars by sending an email at ahsan.iqbal@cyanlimited.com. The Members registering to connect through video-link facility are required to mention their Name, Folio Number and Number of Shares held in their name in the email with subject 'Registration for

CYAN'S AGM' alongwith valid copy of CNIC (both sides). Video link and login credentials will be shared with the Members whose emails, containing all the required particulars, are received at the given email address at least 24 hours before the time of AGM. The Members are also encouraged to send their comments/suggestions, related to the agenda items of the AGM on the above mentioned email address.

The Company will follow the best practices and comply with the instructions of the Government and SECP to ensure protective measures are in place for wellbeing of its Members. Therefore, the Members are encouraged to attend the AGM through video-link or by consolidating their attendance through proxies.

Notice of Closure of Share Transfer Books for attending AGM and Dividend Entitlement

The Share transfer books of the Company will remain closed from Friday May 15, 2020 to Thursday May 21, 2020 (both days inclusive). Transfers received in order at the office of our Registrar, M/s. CDC Share Registrar Services Limited, CDC House-99B, Block 'B', S.M.C.H.S., main Shahrah-e-Faisal, Karachi-74000, by the close of business (3:00 p.m. Ramadan timings) on Thursday May 14, 2020 will be treated in time for the purpose of payment of final cash dividend to the shareholders as to attend and vote at the AGM.

Notice of Closure of Share Transfer Books for Bonus Entitlement

The Share transfer books of the Company will remain closed from Friday May 29, 2020 to Friday June 05, 2020 (both days inclusive). Transfers received in order at the office of our Registrar, M/s. CDC Share Registrar Services Limited, CDC House-99B, Block 'B', S.M.C.H.S., main Shahrah-e-Faisal, Karachi-74000, by the close of business 5:00 p.m. on Thursday May 28, 2020 will be treated in time for the entitlement of bonus shares.

Participation in the Annual General Meeting

A member entitled to attend and vote at the meeting may appoint any other member as his/her proxy to attend and vote. A Corporation being a member may appoint any person, whether or not a member of the Company, as its Proxy. A Proxy, duly appointed, shall have such rights as respects speaking and voting at the Meeting as are available to a member.

In order to be effective, Proxy Forms, duly filled and signed, must be received at the Registered Office of the Company, not less than forty-eight (48) working hours before the Meeting. A blank Proxy Form is attached at the end of the report.

CDC account holders will further have to follow the under-mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:

A. For Attending the Meeting

- In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall authenticate their original valid Computerized National Identity Card (CNIC) or the original passport at the time of attending the meeting.
- In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For Appointing Proxy

- In case of individuals, the account holders or sub-account holders whose registration details are uploaded as per the Regulations shall submit the proxy form as per the above requirement.
- Attested copies of valid CNIC or the passport of the beneficial owners and the Proxy shall be furnished with the Proxy Form.
- The proxy shall produce original valid CNIC or original passport at the time of the meeting.
- In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with the proxy form to the Company.
- Proxy form will be witnessed by two persons whose names, addresses and valid CNIC numbers shall be mentioned on the forms.

Deduction of Income Tax from Dividend under Section 150 of the Income Tax Ordinance, 2001 ("Income Tax Ordinance")

The rates of deduction of withholding tax for filers and non-filers as prescribed under Section 150 of the Income Tax Ordinance, 2001, are as under:

- | | |
|---|--------|
| (a) For filers of income tax returns | 15.00% |
| (b) For non-filer of income tax returns | 30.00% |

Withholding tax on Dividend in case of Joint Account Holders

Members who have joint shareholdings held by Filers and Non-Filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his/her shareholding.

If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher side, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company latest by the Annual General Meeting date.

Folio/CDC No.	Full Name of Shareholder	Shareholding	Name of Joint Holder	Shareholding
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Valid Tax Exemption Certificate for Exemption from Withholding Tax

A valid tax exemption certificate is necessary for exemption from the deduction of withholding tax under Section 150 of the Income Tax Ordinance, 2001. Members who qualify under Clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 and wish to seek an exemption must provide a copy of their valid tax exemption certificate to the Share Registrar prior to the date of commencement of Book closure otherwise tax will be deducted according to the applicable law.

Unclaimed Dividend

Shareholders, who by any reason, could not claim their dividend, if any, are advised to contact our Share Registrar CDC House-99B, Block 'B', S.M.C.H.S., main Shahrah-e-Faisal, Karachi-74000 to collect / enquire about their unclaimed dividend, if any.

In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividend.

Change of Address and Zakat Deduction

Shareholders (Non-CDC) are requested to promptly notify the Company's Registrar of any change in their addresses and submit, if applicable to them, the Non-deduction of Zakat Form CD-50 with the Company's Registrar. All the shareholders holding their shares through the CDC are requested to please update their addresses and Zakat status with their participants.

Postal Ballot and E-voting:

- Pursuant to the Companies (Postal Ballot) Regulations, 2018 for the purpose of election of directors and for any other agenda item subject to the requirements of sections 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right of vote through postal ballot, that is voting by post or through any electronic mode, in accordance with the requirements and procedure contained in the aforesaid Regulations.
- If the number of persons who offer themselves to be elected is more than the number of directors fixed under Section 159(1) of the Companies Act, 2017, then the Company shall provide its members with the option of e-voting or voting by postal ballot in accordance with the provisions of the Companies (Postal Ballot) Regulations, 2018.
- Shareholders who wish to participate through e-voting, kindly provide immediately or not later than 14 days before the date of the meeting through a letter duly signed by them as per the Company record with his/her details (i.e. Name, Folio / CDC No., Email Address, and Contact Number) to the Share Registrar of the Company i.e. CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main, Shahrah-e-Faisal, Karachi.

d) Voting lines for Election of Directors will be open for Members from May 15, 2020 at 9:00 am till May 20, 2020 at 3:00 p.m. Ramadan timings.

Deposit of Physical Shares into CDC Accounts

As per Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Companies Act, 2017 i.e. May 31, 2017.

The shareholder having physical shareholding may open CDC sub-account with any of the brokers or investors' account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways including safe custody and sale of shares, anytime they wish as the trading of physical shares is not permitted as per existing Regulations of the Pakistan Stock Exchange Limited.

CNIC Number

Shareholders holding physical shares were requested to submit copies of their valid CNICs/NTNs Certificates along with the following to the Company's Share Registrar: M/s. CDC Share Registrar Services Limited, CDC House-99B, Block 'B', S.M.C.H.S., main Shahrah-e-Faisal, Karachi-74000. No dividend will be payable unless the CNIC number is printed on the dividend warrants, so please let us have your CNIC numbers, failing which we will not be responsible if we are not able to pay the dividend.

Dividend Mandate

The provisions of Section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account of designated by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address given herein above, electronic dividend mandate on E-Dividend Form provided in the annual report and available on website of the Company, in case of shareholding to be treated as same information should be provided to the CDCS participants for updating and forwarding to the Company.

Election of Directors

In terms of Section 158 read with Section 161 of the Companies Act, 2017 (the Act), the Board of Directors of Cyan Limited (the Company) shall complete its 3 years term on April 30, 2020. The Company had earlier announced to hold an election of directors in the 60th Annual General Meeting (AGM) that was scheduled to

be held on April 29, 2020. However, due to lock down on account of COVID-19 outbreak, SECP vide its Circular No. 6 issued on March 22, 2020 granted a general extension of 30 days for holding AGM till May 29, 2020 in terms of Section 132 of the Act and for the delay in election of directors, SECP advised filing of impediment report under Section 158(2) of the Act. In order to safeguard the interest of the members and ensure protection of its employees and members in the light of the risks posed by the COVID-19, the Company rescheduled its 60th AGM and holding the election of directors of the company on May 21, 2020.

Pursuant to the Circular, the Company filed the impediment report hence the current directors have continued their terms in accordance with Section 158(2) of the Act, the Circular and the impediment report filed with the Registrar under the Circular.

In terms of Section 159(1) of the Companies Act, 2017, the Directors have fixed the number of elected directors at seven (7) to be elected in the AGM for the next term of three years.

Any person who seeks to contest the election of directors shall, whether he is a retiring director or otherwise, file with the Company the following documents and information: (including its registered office not later than fourteen days before the day of the above said meeting:

- His/her Folio No./CDC Investors Account No./CDC Participant No./Sub-Account No.
- A statement of his/her intention to offer himself/herself for the election of directors in terms of Section 159(3) of the Companies Act, 2017.
- Consent to act as director on Form 28 under section 167 of the Companies Act, 2017.
- A detailed profile along with his/her office address for placement on the Company's website <https://www.cyanlimited.com>.
- The selection of independent directors shall be as per requirements of Section 166 of the Companies Act, 2017. Any member intending to contest as independent director shall submit a declaration and he/she qualifies the criteria of eligibility and independence notified under the Companies Act, 2017 and rules and regulations issued thereunder.
- An attested copy of Computerized National Identity Card (CNIC).
- A declaration that:
 - He/she is not ineligible to become a director of the Company under any applicable laws and regulations (including the Pakistan Stock Exchange Limited Regulations).
 - He/she is not serving as a director of more than seven listed companies.
 - Neither he/she nor his/her spouse is engaged in the business of brokerage or is a sponsor director or officer of a corporate brokerage house.
 - He/she is aware of his/her duties and powers under the relevant laws, Memorandum and Articles of Association of Company and Pakistan Stock Exchange Limited Regulations.

Statement of Material Facts Under Section 166 (3) of the Companies Act, 2017

This statement sets out the material facts concerning election of directors, given in agenda item No.5 of the Notice, to be transacted at the Sixtieth (60th) Annual General Meeting of the Company.

Section 166(3) of the Companies Act, 2017 (the Act) requires that a statement of material facts is required to be annexed to the notice of the general meeting called for the purpose of election of directors which shall indicate the justification for choosing independent director.

The Company is required to have at least two (2) independent directors on the Board under the Listed Companies (Code of Corporate Governance) Regulations, 2019. The independent directors shall also be elected through the process of election of directors in terms of section 159 of the Companies Act, 2017 and Articles of Association of the Company.

As regards the justification for choosing independent directors, candidates should be eligible for election as director of a listed company under Section 153 of the Act and meet the criteria of independence laid down under section 166(2) of the Act and the Companies (Manner and Selection of Independent Directors) Regulation, 2018 and his/her name is included in the data bank of independent directors maintained by the Pakistan Institute of Corporate Governance (PICG) duly authorized by the Securities & Exchange Commission of Pakistan.

The Directors of the Company have no interest in the above said business except being eligible for re-election as director of the company.

Statement of Material Facts Under Section 134(3) of the Companies Act, 2017, Regarding the Special Business

This statement sets out the material facts concerning the Special Business, given in agenda item No.6 of the Notice, to be transacted at the Sixtieth (60th) Annual General Meeting of the Company.

The Board of Directors are of the view that the Company's financial position and its reserves justify the Company to issue of bonus shares amounting to Rs. 29,313,861 for the issue of Bonus Shares in the ratio of 5 (in numbers) Bonus Shares for every hundred (100) Ordinary Shares held i.e. 5%.

The new ordinary shares when issued shall rank par passu with the existing ordinary shares in all respects.

The Directors of the Company, directly or indirectly, are not personally interested in this business except to the extent of their shareholding in the company.

