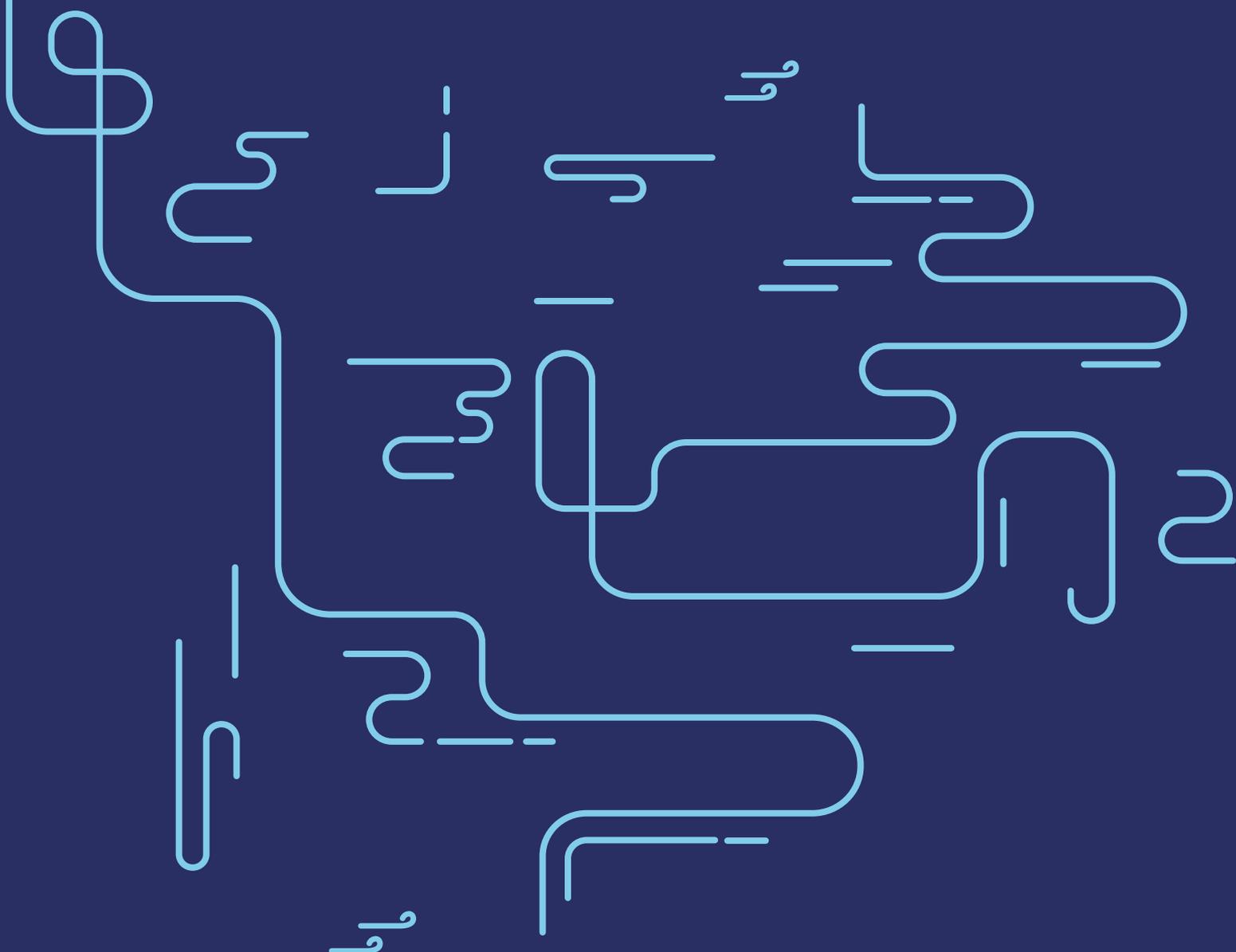




# BUILDING VALUE



Quarterly Accounts

For the quarter ended  
March 31, 2023

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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 Shamoan 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. Imran Chagani

### 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](http://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](http://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](mailto:info@cdcrsl.com)  
Website: [www.cdcrsl.com](http://www.cdcrsl.com)

### Legal Advisors

Ali Raza  
643, Block - B  
Bhittai Colony, Korangi Crossing, 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](http://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, 2023.

### Economic Overview

Pakistan's economy continued to remain under pressure owing to the absence of the IMF program. Despite extended meetings between IMF and Pakistan, the government failed to sign a Staff Level Agreement (SLA) with the Fund as GoP was unable to secure \$6bn external funding gap from friendly countries. As a pre-requisite by IMF, the Government of Pakistan (GoP) devalued its currency by ~25% to Rs 283/USD to minimize the difference of official interbank rate with black market.

This steered an increase in Remittances and Exports proceeds to flow-in from formal channel leading Current Account Balance (CAB) to post a minor deficit. However, during the period under review, headline inflation peaked to 35.4%, while similar trend was witnessed in core inflation (non-food & non-energy) settling at around 20.6%. State bank of Pakistan raised the policy rate by 4% to 20%.

### Market Overview

The stock market reflected Pakistan's deteriorating macro indicators and remained flat during 1Q2023. The benchmark-100 index decreased by 5% to 38,342 in January but settled at 40,000 points by the later half of the quarter; down by 1% from December end. Continuous production shutdowns and higher finance cost across wide range of sectors were witnessed.

As a result, institutional investors switched away from equities and into fixed income instruments, with foreign investors, local mutual funds, and insurance companies all being net sellers. The defensive themes held up relatively well, with outperformance shown by the likes of Technology and Fertilizer, while the more exposed sectors such as Steel, Cements, Autos and Pharmaceuticals saw the bulk of the selling pressure.

### Company Performance

During the quarter ended March 31, 2023 the company posted an earnings per share of Rs.0.72 compared to loss per share of Rs.0.77 in the corresponding period in 2022.

The equity portfolio was maintained to have a balance between high growth and high yielding investments. To this effect, investments were made in Commercial Banks, Food & Personal Care Products and Investment Banks/Investment Companies /Securities Limited.

The company recorded income on investment of Rs.68.64 million compared to loss on investment of Rs.0.52 million in the similar period last year.

### Future Outlook

Market participants remained optimistic on re-initiation of IMF program which is expected in April-2023. The GoP is likely to secure the funding gap from friendly countries that along with IMF disbursement will reduce pressure on PKR and restart production across the sectors which were facing difficulties for imports due to LC issues. The development will lead to a possible relief rally as KSE-100 index is trading at historic cheap valuation on both PER and PBV basis. Though market during the year will remain range bound owing to election year and enticing returns in fixed income market.

## 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. Mohammad Shamoan Chaudry**  
Chief Executive Officer

**Mr. Shabbir Hussain Hashmi**  
Director

Karachi: April 26, 2023

## ڈائریکٹرز رپورٹ

سیان لمیٹڈ کا بورڈ آف ڈائریکٹرز 31 مارچ 2023 کو اختتام پذیر ہونے والی سہ ماہی کے غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرتے ہوئے دلی مسرت محسوس کر رہے ہیں۔

### اقتصادی جائزہ

آئی ایم ایف کے پروگرام کے بغیر پاکستانی اقتصادیات کو بدستور دباؤ سہنا پڑ رہا ہے۔ آئی ایم ایف اور پاکستانی حکومت کے ہونے والے متعدد اجلاسوں کے باوجود ہماری حکومت آئی ایم ایف کے ساتھ اسٹاف لیول ایگریمنٹ کرنے میں کامیاب نہیں ہو سکی ہے کیوں کہ حکومت پاکستان کو دوست ممالک کی جانب سے فنڈز یا اس کی فراہمی کی یقین دہانیاں تاحال حاصل نہیں ہو سکی ہیں۔ انٹرنیٹک اور بلیک مارکیٹ کے درمیان فرق کو کم کرنے کی غرض سے آئی ایم ایف کی شرط کے مطابق حکومت نے پاکستانی روپے کی قدر میں %25 کی کمی کر کے 283.00 روپے فی امریکی ڈالر مقرر کی ہے۔

اس اقدام کی بدولت بیرون ملک سے ترسیلات اور برآمدات کی یافتیں باقاعدہ چیلن سے بھیجے جانے میں اضافہ ہوا جس سے کرنٹ اکاؤنٹ خسارے میں بھی کسی حد تک کمی آئی ہے۔ تاہم زیر جائزہ مدت کے دوران headline inflation بڑھ کر %35.4 تک پہنچا جب کہ core inflation (اجناس اور توانائی کی مصنوعات کے سوا) میں بھی یہی رجحان دیکھنے میں آیا جو %20.6 کے آس پاس رہا۔ اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں %4 کا اضافہ کر کے اسے %20 تک پہنچا دیا۔

### مارکیٹ کا جائزہ

اسٹاک مارکیٹ نے ملک کی تباہ کن میکرو اکنامک صورت حال کا آئینہ دکھایا اور 2023 کی پہلی سہ ماہی کے اختتام پر 100-benchmark انڈیکس جنوری کے مہینے میں %5 کم ہو کر 38,342 پوائنٹس پر بند ہوا لیکن سہ ماہی کے بقیہ نصف حصے میں 40,000 پوائنٹس تک پہنچا جو دسمبر کے آخر سے %1 کم تھا۔ متعدد سیکٹروں میں پیداواری عمل میں مسلسل تعطل اور مالیات کی لاگت میں اضافہ دیکھنے میں آیا۔

نتیجے میں سرمایہ کار ادارے ایکویٹیز سے ہٹ گئے اور انہوں نے فیکسڈ انکم انسٹرومنٹس کی جانب توجہ مبذول کی اور غیر ملکی سرمایہ کار، ملکی میوچل فنڈز اور انسٹورنس کمپنیاں خالص فروشنده رہے۔ مارکیٹ پر دفاعی انداز غالب رہا اور ٹیکنالوجی اور فریٹلائزر جیسے سیکٹروں نے اسٹاک مارکیٹ میں بہترین کارکردگی کا مظاہرہ کیا جب کہ اسٹیل، سیمنٹ، آٹوز اور فارماسیوٹیکلز جیسی کم زور صنعتوں پر فروخت کا دباؤ قائم رہا۔

### کمپنی کی کارکردگی

31 مارچ 2023 کو اختتام تک پہنچنے والی سہ ماہی کے دوران کمپنی نے 0.72 روپے فی شیئر کمائی ظاہر کی جب کہ 2022 کی اسی مدت کے دوران 0.77 روپے فی شیئر کا خسارہ ہوا تھا۔

ایکویٹی پورٹ فولیو نے بہتر بڑھوتی اور زیادہ حاصل دینے والی سرمایہ کاریوں میں توازن قائم رکھا۔ اس کے لئے کمرشل بینکوں، خوراک اور ذاتی دیکھ بھال کی مصنوعات، اور انوسٹمنٹ بینکوں/ انوسٹمنٹ کمپنیوں/ سیکورٹیز لمیٹڈ میں سرمایہ کاریاں کی گئیں۔

سرمایہ کاری پر کمپنی نے 68.64 روپے کا منافع ریکارڈ کیا جب گزشتہ برس اسی مدت کے دوران 0.52 ملین روپے کا نقصان ریکارڈ کیا گیا تھا۔

### آئندہ کا منظر نامہ

آئی ایم ایف پروگرام کی بحالی کے لئے مارکیٹ پر امید ہے جس کے اپریل 2023 میں دوبارہ شروع ہونے کی توقع ہے۔ توقع ہے کہ حکومت پاکستان دوست ممالک سے قرضے حاصل کرنے میں کامیاب ہو جائے گی جو آئی ایم ایف کی جانب سے قسط کی بحالی کے بعد پاکستانی روپے پر موجود دباؤ میں کمی لانے اور ایل سیز کھولے جانے میں حائل رکاوٹوں کے سبب خام مال وغیرہ کی درآمد رک جانے کے نتیجے میں متعدد سیکٹروں میں بند ہوجانے والی پیداواری دوبارہ شروعات میں مدد دے گی۔ حالات میں ممکنہ بہتری اسٹاک مارکیٹ کو معمول پر لانے میں مدد دے گی کیوں کہ KSE-100 انڈیکس PBR اور PBV دونوں بنیادوں پر تاریخ کی کم ترین قدر کاری پر کاروبار کر رہی ہے۔ ایکشن کا سال ہونے اور فیکسڈ انکم مارکیٹ میں پرجوش آمدنیوں کے باعث سال کے دوران مارکیٹ اپنی رینج تک محدود رہے گی۔

## اظہار تشکر

ہم اپنے تمام اسٹیک ہولڈروں، خصوصاً ہمارے قابل قدر سرمایہ کاروں کو تہنیت پیش کرتے ہیں کہ انہوں نے ہم پر اپنا بھروسہ قائم رکھا۔ ہم اپنی مینجمنٹ ٹیم کی کوششوں، محنت اور جدوجہد کا بھی قدر کی نگاہ سے دیکھتے ہیں۔ بورڈ آف ڈائریکٹرز، اعانت اور تعاون فراہم کرنے پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کے بھی سپاس گزار ہیں۔

منجانب بورڈ

محمد شمعون چوہدری  
چیف ایگزیکٹو آفیسر

شبیر حسین ہاشمی  
ڈائریکٹر

کراچی: مورخہ 26 اپریل 2023

**CYAN LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2023**

	Note	(Un-audited) March 31 2023	(Audited) December 31, 2022
------(Rupees in '000)-----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	6	3,227	3,444
Intangible assets	7	82	106
Deferred taxation		82,731	87,287
Long term investments	8.1	622,671	622,671
Long term deposits		2,500	2,500
		<u>711,211</u>	<u>716,008</u>
<b>Current assets</b>			
Short term investments	8.2	632,091	846,820
Trade and other receivables		30,248	10,497
Advances and short term prepayments		1,291	1,036
Cash and bank balances	9	1,160	428
		<u>664,790</u>	<u>858,781</u>
<b>TOTAL ASSETS</b>		<u><u>1,376,001</u></u>	<u><u>1,574,789</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised share capital			
100,000,000 (2022: 100,000,000) Ordinary shares of Rs 10 each		<u>1,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid-up share capital		615,591	615,591
Unappropriated profit		113,697	69,116
Reserves		13,088	13,088
Remeasurement on post retirement benefits obligation - net of tax		3,145	3,145
Surplus on revaluation of investment carried at fair value through other comprehensive income		530,578	530,578
		<u>1,276,099</u>	<u>1,231,518</u>
<b>Non-current liabilities</b>			
Deferred liability - gratuity		166	99
		<u>166</u>	<u>99</u>
<b>Current liabilities</b>			
Trade and other payable		9,991	9,151
Unclaimed dividend		29,792	29,821
Short term borrowings	10	7,416	255,674
Taxation - net		52,537	48,526
		<u>99,736</u>	<u>343,172</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>1,376,001</u></u>	<u><u>1,574,789</u></u>
<b>CONTINGENCIES AND COMMITMENTS</b>	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, 2023**

	Note	For the Quarter Ended March 31,	
		2023	2022
----- (Rupees in '000) -----			
Return on investments	12	36,234	42,490
Gain on sale of investments - net		22,481	1,115
Other income / (loss)		283	(4,345)
		<u>58,998</u>	<u>39,260</u>
Unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss - net		9,929	(44,123)
		<u>68,927</u>	<u>(4,863)</u>
<b>Expenses</b>			
Operating and administrative expenses		(7,066)	(25,186)
Financial charges		(7,247)	(18,660)
		<u>(14,313)</u>	<u>(43,846)</u>
<b>Profit / (loss) for the period before taxation</b>		<u>54,614</u>	<u>(48,709)</u>
Taxation	13	(10,033)	1,192
<b>Profit / (loss) for the period after taxation</b>		<u>44,581</u>	<u>(47,517)</u>
<b>Other comprehensive income for the period</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Surplus on revaluation of investments carried at fair value through other comprehensive income		-	17,287
<b>Total comprehensive income / (loss) for the period</b>		<u>44,581</u>	<u>(30,230)</u>
<b>Basic and diluted Earnings / (loss) per share</b>	14	<u>0.72</u>	<u>(0.77)</u>

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, 2023**

	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)								
<b>Balance as at January 1, 2022</b>	<b>615,591</b>	<b>10,535</b>	<b>-</b>	<b>2,553</b>	<b>120,000</b>	<b>634,362</b>	<b>3,215</b>	<b>496,982</b>	<b>1,883,238</b>
Final dividend @ Rs.4 per share for the year ended Dec 31, 2021	-	-	-	-	-	(246,236)	-	-	(246,236)
<b>Total comprehensive income for the period ended March 31, 2022</b>						(246,236)	-	-	(246,236)
Net loss during the quarter	-	-	-	-	-	(47,517)	-	-	(47,517)
Other comprehensive Income	-	-	-	-	-	-	41	17,287	17,328
	-	-	-	-	-	(47,517)	41	17,287	(30,189)
<b>Balance as at March 31, 2022</b>	<b>615,591</b>	<b>10,535</b>	<b>-</b>	<b>2,553</b>	<b>120,000</b>	<b>340,609</b>	<b>3,256</b>	<b>514,269</b>	<b>1,606,813</b>
<b>Balance as at January 1, 2023</b>	<b>615,591</b>	<b>10,535</b>	<b>-</b>	<b>2,553</b>	<b>-</b>	<b>69,116</b>	<b>3,145</b>	<b>530,578</b>	<b>1,231,518</b>
Net Profit during the quarter	-	-	-	-	-	44,581	-	-	44,581
Other comprehensive Income	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	44,581	-	-	44,581
<b>Balance as at March 31, 2023</b>	<b>615,591</b>	<b>10,535</b>	<b>-</b>	<b>2,553</b>	<b>-</b>	<b>113,697</b>	<b>3,145</b>	<b>530,578</b>	<b>1,276,099</b>

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, 2023**

	For the Quarter Ended	
	March 31,	
Note	2023	2022
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before taxation	54,614	(48,709)
<b>Adjustment for non cash charges and other items:</b>		
Depreciation / amortisation	241	2,524
Capital Gain on sale of investments - net	(22,481)	(1,115)
Loss on sale of property and equipment	-	6,317
Amortisation income on government securities	(645)	(565)
Financial charges	7,247	18,660
Unrealised (appreciation) / diminution on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(9,929)	44,123
	(25,567)	69,944
Operating profit before working capital changes	29,047	21,235
<b>(Increase) / decrease in operating assets</b>		
Trade and other receivables	(19,751)	(5,659)
Advances and short term prepayments	(255)	(214)
	(20,006)	(5,873)
<b>(Decrease) / increase in operating liabilities</b>		
Increase / (Decrease) in trade and other payable	840	(53,026)
Deferred liability	67	1,694
	9,948	(35,970)
Taxes paid	(1,466)	(1,282)
Financial charges paid	(12,200)	(8,427)
<b>Net cash used in operating activities</b>	(3,718)	(45,679)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	370,818	116,180
Investment in securities	(123,034)	(48,220)
Capital expenditure incurred	-	(98)
Proceeds from sale of property and equipment	-	7,821
<b>Net cash generated from investing activities</b>	247,784	75,683
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal portion of lease liability against right-of-use asset	-	(2,151)
dividend paid	(29)	(13)
Net cash utilised in financing activities	(29)	(2,164)
<b>Net increase in cash and cash equivalents</b>	244,037	27,840
Cash and cash equivalents at the beginning of the year	(239,877)	(660,162)
<b>Cash and cash equivalents at the end of the period</b>	9.1 4,160	(632,322)

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, 2023**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

Cyan Limited ("the Company"), a Dawood 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, 2022.

**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, 2023 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, 2022 has been extracted from the audited financial statements of the Company for the year ended December 31, 2022. 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, 2022 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, 2022.

## 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, 2022.

## 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, 2022.

## 6 PROPERTY AND EQUIPMENT

	(Un-audited) March 31, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
Opening book value	3,444	50,146
Additions during the period / year	-	-
	3,444	50,146
Less: Written down value of disposals during the period / year	-	(42,309)
Less: Depreciation for the period / year	(217)	(4,393)
	(217)	(46,702)
	<u>3,227</u>	<u>3,444</u>

	(Un-audited) March 31, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
<b>Additions - cost</b>		
Office equipment	-	-
Furniture and Fixture	-	-
Right of use asset	-	-
	<u>-</u>	<u>-</u>
<b>Disposals - cost</b>		
Vehicles	-	10,020
Right of use asset	-	31,761
Furniture and Fixture	-	16,830
Office equipment	-	10,616
	<u>-</u>	<u>69,227</u>

## 7 INTANGIBLE ASSETS

Opening book value	106	114
Additions during the period / year	-	99
Less: Amortisation for the period / year	(24)	(107)
	<u>82</u>	<u>106</u>
<b>Additions - cost</b>		
Software, License	-	99
	<u>-</u>	<u>99</u>



### 8.2.2.1 Quoted Shares

Name of investee company	Number of Shares		Carrying Value	Market value		
	31-Mar-23	31-Dec-22	31-Mar-23	31-Mar-23	31-Dec-22	
	Rupees '000'					
<b>Oil and Gas Marketing</b>						
Pakistan State Oil Company Limited	25,000	30,000	2,957	2,947	4,320	
<b>Cement</b>						
Cherat Cement Company Limited	-	35,000	-	-	3,567	
Attock Cement Pakistan Limited	50,000	-	2,995	2,873	-	
<b>Refinery</b>						
National Refinery Limited	25,000	25,000	4,401	3,706	4,401	
<b>Chemical</b>						
Nimir Resins Limited	-	1,000,500	-	-	14,377	
<b>Property</b>						
TPL Properties Limited	40,000	-	687	568	-	
<b>Technology &amp; Communication</b>						
Avanceon Limited	150,000	150,000	9,905	9,603	9,905	
System Limited	25,000	-	11,588	11,552	-	
<b>Power Generation &amp; Distribution</b>						
Hub Power Company Limited	-	100,000	-	-	6,308	
<b>Commercial Banks</b>						
Habib Bank Limited	-	1,115,153	-	-	71,069	
MCB Bank Limited	1,250,000	1,250,000	145,200	143,750	145,200	
United Bank Limited	8.2.2.1.1	3,000,000	3,994,773	302,250	319,680	402,473
<b>Food &amp; Personal Care Products</b>						
Unity Foods Limited	4,646,426	9,297,418	65,608	61,751	131,280	
The Oganic Meat Company Limited	500,000	-	10,595	9,675	-	
			<u>556,186</u>	<u>566,105</u>	<u>792,900</u>	
Unrealised Gain on Quoted Shares			<u>9,919</u>			

8.2.2.1.1 0.3 million shares (December 31, 2022: 0.25 million) of United Bank Limited having market value of Rs. 31.97 million (December 31, 2022: 29.040 million) as at March 31, 2023 have been pledged as collateral in favor of National Clearing Company of Pakistan Limited against exposure margins and mark to market losses.

### 8.2.2.2 Mutual Funds

Name of fund	Note	Number of Units		Carrying Value	Market value	
		31-Mar-23	31-Dec-22	31-Mar-23	31-Mar-23	31-Dec-22
		Rupees '000'				
NAFA Government Securities Liquid Fund	8.2.2.2.1	223,871	223,871	2,295	2,295	2,295
MCB Cash Management Optimizer		112,577	-	11,411	11,421	-
				<u>13,706</u>	<u>13,716</u>	<u>2,295</u>
Market Value as at March 31, 2023				<u>13,716</u>		
Unrealised gain on mutual fund				<u>10</u>		

8.2.2.2.1 223,871 units (December 31, 2022: 223,871 units) of NBP Government Liquid Fund having a market value of Rs. 2.295 million (December 31, 2022: Rs. 2.295 million) have been kept under pledge with NBP Government Liquid Fund pending settlement of a claim in litigation.

	Note	(Un-audited) March 31, 2023	(Audited) December 31, 2022
<b>9 CASH AND BANK BALANCES</b>		----- (Rupees in '000) -----	
Cash in hand		15	-
Cash at bank	9.1	1,145	428
		<u>1,160</u>	<u>428</u>
		(Un-audited) March 31, 2023                      2022	
<b>9.1 Cash and cash equivalents</b>		----- (Rupees in '000) -----	
Cash and cash equivalents for the purpose of cash flow comprises of the following:			
Cash and bank balances		1,160	17,465
Term deposit receipts		3,000	3,000
Short term borrowings		-	(652,787)
		<u>4,160</u>	<u>(632,322)</u>
		(Un-audited)                      (Audited) March 31,                      December 31, 2023                      2022	
		----- (Rupees in '000) -----	
<b>10 SHORT TERM BORROWINGS</b>			
Short term borrowings		-	243,305
Financial charges		7,416	12,369
		<u>7,416</u>	<u>255,674</u>
<b>10.1</b>	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 June 30, 2023.		
<b>10.2</b>	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 0.30% per annum and will expire on April 30, 2023.		
<b>10.3</b>	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, 2023.		
<b>11 CONTINGENCIES AND COMMITMENTS</b>		(Un-audited)                      (Audited) March 31,                      December 31, 2023                      2022	
		----- (Rupees in '000) -----	
Guarantee issued on behalf of the Company by a commercial bank		<u>2,800</u>	<u>2,800</u>
<b>11.1</b>	The status of taxation related contingencies as disclosed in note 23.1 to the annual financial statements of the Company for the year ended December 31, 2022 has remained unchanged.		
		(Un-audited) For the Quarter Ended March 31, 2023                      2022	
<b>12 RETURN ON INVESTMENTS</b>		----- (Rupees in '000) -----	
Amortisation on Government Securities		645	565
Interest Income on Government Securities		992	992
Dividend income		34,597	40,933
		<u>36,234</u>	<u>42,490</u>
<b>13 TAXATION</b>			
- Current year		(5,477)	(6,289)
- Deferred		(4,556)	7,481
		<u>(10,033)</u>	<u>1,192</u>

		(Un-audited) For the Quarter Ended March 31,	
		2023	2022
		----- (Rupees in '000) -----	
<b>14</b>	<b>PROFIT / (LOSS) PER SHARE - BASIC AND DILUTED</b>		
	<b>Profit / (Loss) for the period after taxation</b>	44,581	(47,517)
		<b>(Number of shares)</b>	
	Weighted average number of ordinary shares outstanding as at the period end	61,559,108	61,559,108
		----- (Rupees) -----	
	<b>Earnings / (Loss) per share</b>	0.72	(0.77)

**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**

		Un-audited For the Quarter Ended March 31,	
		2023	2022
		----- (Rupees in '000) -----	
	<b>Transactions</b>		
	<b>Parent company</b>		
	Dividend distributed	-	159,316
	Sale of Assets	-	635
	<b>Associated companies</b>		
	Rendering of service	-	2,000
	Purchase of service	1,676	2,993
	Dividend distributed	-	5,587
	<b>Other related parties</b>		
	Dividend distributed to sponsors	-	36,439
	Provision relating to staff gratuity fund	67	2,226
	Contribution to staff provident fund	103	772
	<b>Key management personnel</b>		
	Director fee	300	650
	Remuneration	2,251	9,123
	Loan recovery	-	-
	Dividend Distributed	-	7,493

**15.2**

		March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
		----- (Rupees in '000) -----	
	<b>Balances outstanding</b>		
	Receivable from related party	461	164
	Payable to related party	981	695

## 16 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

Investment carried at fair value are categorized as follows:

	----- As at March 31, 2023 -----			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000-----			
<b>ASSETS</b>				
Investment in securities - financial assets at fair value through profit or loss				
- Quoted shares	566,105	-	-	566,105
- Mutual fund units	-	13,716	-	13,716
	<u>566,105</u>	<u>13,716</u>	<u>-</u>	<u>579,821</u>
Investment in securities - financial assets Through Other Comprehensive income				
- Quoted shares	<u>622,671</u>	<u>-</u>	<u>-</u>	<u>622,671</u>

	----- As at December 31, 2022 -----			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000-----			
<b>ASSETS</b>				
Investment in securities - financial assets at fair value through profit or loss				
- Quoted shares	792,900	-	-	792,900
- Mutual fund units	-	2,295	-	2,295
	<u>792,900</u>	<u>2,295</u>	<u>-</u>	<u>795,195</u>
Investment in securities - financial assets Through Other Comprehensive income				
- Quoted shares	<u>622,671</u>	<u>-</u>	<u>-</u>	<u>622,671</u>

## 17 CORRESPONDING FIGURES

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

## 18 AUTHORISATION FOR ISSUE

These condensed interim financial statements was authorised for issue on April 26, 2023 by the Board of Directors of the Company.

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

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



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