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Our Vision

To give our customers an energy abundant future by harnessing the potential of the environment in a safe and sustainable manner.

Our Mission

We aim to be the leading renewable energy solutions company of Pakistan, with a turnover exceeding Rs.50 billion by 2025. We will achieve this by resolutely following our Core Values and by:

- Anticipating customer needs and consistently optimizing our products & services.
- Building strategic partnerships with technology suppliers, vendors and financial institutions.
- Becoming the employer of choice and developing a culture that inspires performance, excellence and teamwork.

Company Information

Board of Directors

- Mr. Shahid Hamid Pracha (Chairman)
- Mr. Shahzada Dawood
- Ms. Sabrina Dawood
- Mr. Shafiq Ahmed
- Mr. Hasan Reza Ur Rahim
- Mr. Shabbir Hussain Hashmi
- Mr. Zamin Zaidi
- Mr. Mujtaba Haider Khan (Chief Executive Officer)

Board Audit Committee

- Mr. Shabbir Hussain Hashmi (Chairman)
- Mr. Shahzada Dawood
- Mr. Hasan Reza Ur Rahim

Human Resource and Remuneration Committee

- Mr. Hasan Reza Ur Rahim (Chairman)
- Mr. Shahid Hamid Pracha
- Mr. Shabbir Hussain Hashmi

Chief Financial Officer

- Mr. Saad Faridi

Company Secretary

- Mr. Imran Chagani

Head of Internal Audit

- Mr. Amjad Ali

Auditors

- A. F. Ferguson & Co.
(Chartered Accountants)

Bankers

- Bank Al-Habib Limited
- Standard Chartered Bank (Pakistan) Limited
- Habib Bank Limited
- National Bank of Pakistan
- Habib Metropolitan Bank Limited
- MCB Bank Limited

Legal Advisor

- Zia Law Associates
17, Second Floor
Shah Chiragh Chambers
The Mall, Lahore

Share Registrar

- Central Depository Company of Pakistan Ltd.
CDC House, 99-B, Block B, S.M.C.H.S
Main Shahra-e-Faisal
Karachi-74400
Tel.: 021-1 11-1 11-500

Registered / Head Office

- 3rd Floor, Dawood Centre
M. T. Khan Road
Karachi-75530
Tel.: 021-35632200-9
Fax: 021- 35633970
E-mail: info.reon@dawoodhercules.com
Website: www.dawoodlawrencepur.com

Lahore Office

- Office No. SO-1&2 2nd Floor Colabs
Building 50-N, Gurumangat Road
Gulbarg II Lahore
Tel.: 042-35751287-88

Mills

- Dawoodabad
Railway Station Road and
Luddan Road, Chak 439, E.B, Tehsil
Burewala, District Vehari.
Tel.: 067- 3353347, 3353 145, 3353246
Fax: 067- 3354679

DawoodPur

- G.T. Road, Faqirabad,
District Attack.
Tel.: 057-2641074-6
Fax: 057-2641073

**DAWOOD LAWRENCEPUR LIMITED
DIRECTORS' REVIEW REPORT
FOR THE PERIOD ENDED SEPTEMBER 30, 2021**

The Directors are pleased to present their report together with the unaudited unconsolidated condensed interim financial statements of the Company and the unaudited consolidated condensed interim financial statements of the Group for the nine months period ended September 30, 2021.

BUSINESS REVIEW

Renewable Energy Business

Topline growth continued in the latest quarter as the company booked its highest ever revenue of Rs 5.79 Billion in the nine months period ended September 30, 2021. This was achieved largely as a result of a back log of large deals won in 2020. Significantly however, the company has also signed 74MW of new EPC contracts, majority in the Cement and Textile sectors and these will begin to feature in our growth going forward. Other highlights for the 9 month period include the signing of turnkey contracts for 497 telecom sites in the Telecom business segment and as previously disclosed, the company has also signed its first international contract for the design and construction of 5.3 MW solar system for the Lusail Bus Depot in Qatar. This aligns with our market diversification strategy and we plan add to our international portfolio as more experience is gained on the risks and rewards of operating overseas. Reon which also introduced a new product, Battery Energy Storage Systems (BESS) for C&I segment signed its first deal with Gatron Industries for a 2.7MWh BESS solution alongside its rooftop solar solution. This BESS solution provides both economic and emergency demand response service to the local grid and adds to stability of supply voltage to the customer's processing machinery. Demand for BESS has the potential to increase in line with the share of Renewable Energy in the grid hence it represents a fairly large adjacent opportunity for Reon Energy. During the 4th Quarter, Reon has signed its second BESS deal.

On the delivery side, during the 9 months, the company has successfully commissioned first two of the four plants of Bestway Cement which remains the largest deal ever booked by the company. The 3rd plant in the series is due to be completed in 4th quarter, and concurrently, Reon has signed a contract for the extension of the already energized plant. Segment level profitability remained subdued but on an improving trend as the country's economy began its growth spurt and the disruptive impact of the global supply chain began to ease.

Nevertheless, the broader economic outlook is still very uncertain due to the risk posed by the pandemic. The global supply chain has also experienced significant disruption due to the pandemic resulting in PV panel and chip shortages and other events, such as the closure of the Suez Canal, resulted in delayed deliveries and higher input costs. The closure of factories in China due to power outages to meet climate related targets will continue to affect the availability of critical equipment during the 4th quarter. Our response has been to monitor and adapt to the unfolding changes and to keep the company focused on delivering value for our customers while ensuring the safety and protection of our employees and of wider stakeholders.

In the wake of the re-emergence of the COVID 19 threat, the company took a number of steps to ensure the safety and health of its employees and workers. Work-from-home for all office-based staff has been encouraged and where necessary, offices have been closed to protect employees and comply with Government directives. The highest standards of safety and vigilance are being ensured for limited numbers mobilized on our dispersed customer sites, keeping health and safety as the utmost priority.

Wind Energy Project

The Plant is operating satisfactorily and meeting the expected targets for availability and BOP loss. The BOP Loss for the period was 0.93 % against a target of 2.5 %, whilst the Availability was 99.31 % against

a target of 98.0 %. Health Safety and the Environment (HSE) remained the priority and 437,470 safe man-hours have been clocked since COD with zero injury rate and TRIR. The plant has been operating safely, without injury, for 1,556 days.

The plant, together with Dawood HydroChina and Zephyr, has now been shifted to the NTDC network feeding into the Jhampir Grid. This change took place on September 5, 2021 after the contract between CPPA and K Electric came to an end. To date the new connection is proving stable and there has been no curtailment even though the plant was operating at 48MW. The issue of high voltage in the system is however occasionally being experienced. The total energy billed during the current quarter (50.36 GWh) is higher than the P75 level (46.27 GWh). The Plant experienced unusually good winds during this quarter and this trend is likely to continue in October.

FINANCIAL HIGHLIGHTS

The unconsolidated financial highlights of the Company are as under:

	Nine months ended September 30, 2021	Nine months ended September 30, 2020
Rupees in thousands		
Revenue – net	2,588	1,962
Cost of revenue	(2,616)	(9,546)
Gross loss	(28)	(7,584)
Other income	74,007	105,603
Profit before taxation from continued operations	337,490	528,641
Loss from discontinued operations	(14,920)	(11,668)
Taxation	(52,604)	(85,909)
Profit after taxation	269,966	431,064
Unappropriated profit brought forward	2,960,800	2,708,349
Unappropriated profit carried forward	3,023,217	2,901,099
Earnings per share - basic & diluted (Rupees)	4.55	7.27

During nine months ended September 30, 2021, dividend income from associate - Dawood Hercules Corporation Limited amounted to PKR 350.69 million against PKR 545.52 million for the period ended September 30, 2020.

Consolidated revenues for the period were PKR 8,302 million as against PKR 4,172 million for comparative period. This was mainly due to increase in revenue from solar energy projects amounting to PKR 4,103 million as against the corresponding period last year. After considering the share of profit from associate of PKR 1,202 million (September 30, 2020: share of profit of PKR 873 million), the consolidated profit after tax for nine months ended stood at PKR 2,100 million as against PKR 1,530 million for the similar period last year. Consolidated earnings per share attributable to the owners of the Holding Company was PKR 30.17 as against PKR 21.30 for the comparative period last year.

FUTURE OUTLOOK

Renewable Energy Business

Following the renewed global impetus on mitigating Climate Change, industries that differentiate themselves by being committed to renewables are more likely to remain globally competitive. This is likely in future to translate into soft pressure underpinning international trade and economic relations as well and will potentially impact the country's exports performance. Moreover, the declining cost trend for RE technologies is forecasted to continue over the next 5-10 years further enhancing the economic case.

The Government has announced increase in energy prices as part of the Circular Debt Management Plan (CDMP) in line with commitments made with the IMF. This, along with a shortage of gas and a moratorium on supply to captive power plants is likely to push commercial and industrial customers to look for alternative sources of power, of which renewables will remain a competitive and viable option. The environment is therefore ripe for these businesses to improve their international acceptability and competitiveness by converting to solar powered energy options supported by concessionary finance schemes such as currently being offered by the SBP to reduce upfront costs.

The TERF facility from State Bank of Pakistan, which provided concessionary loans for industrial activity proved to very popular and saw PKR 435.7 Bn of new credit extended to businesses. This is likely to show its results in the form of industrial expansion that will in turn translate into higher overall energy demand, especially in the Commercial and Industrial segment. In addition, Battery Energy Storage Systems are also expected to make major strides in the energy eco-system of the country in the near future. The Company, therefore, sees an excellent opportunity whereby industrial expansion, coupled with international pressures to counter climate change, will translate into a growing demand for Solar Energy and Storage in the coming years. However, owing to growing demand worldwide both for solar and storage product, supply chain bottlenecks could aggravate further.

Wind Energy Project

The wind power sector is still facing the full impact of the circular debt and payments from the Government are severely curtailed, with the outstanding payment at 9 months level. This is likely to continue as the Government has still not initiated the final discussion on the MoU with the renewable energy sector. Payments of the 40% advance has been made to the 1999 and 2002 policy project except for one IPP. The cash flow situation for CPPA has improved to some extent and CPPA is making the payments for tax and debt repayment obligations on priority. Challenges still loom as fund availability with the power purchaser (CPPA) is not fully secure.

The wind plants in Jhimpir are not being subjected to severe curtailment after the commissioning of the HVDC line. The fourth transformer at the Jhimpir Grid is being installed and the stability will improve after the commissioning in January 2022. Currently TGL is not being affected and it is expected that this will continue.

The government is now actively pushing for a reduction in the cost of energy. The MoU signed with the IPPs of the 1999 and the 2002 power policy have been implemented and the initial payments made. The negotiations with the Wind IPPs is currently on hold as the Government is negotiating with the foreign financiers of these projects. There are indications that the sessions with the IPPs will initiated soon and the plants will be clubbed on the basis of the foreign financier. Currently the financiers have differing views on the basis for the negotiations and they also have to align themselves.

The tariff bidding process has still not fully evolved, and this is a cause of concern for the developers. This process still remains to be clarified even after the issuance of the new renewable energy policy. The government has cancelled the 7 LOI for wind-solar hybrid installations. The tariff will now be covered by the new RE Policy.



MUJTABA HAIDER KHAN
Chief Executive Officer



SHAHID HAMID PRACHA
Chairman

Karachi, October 28, 2021

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTH ENDED SEPTEMBER 30, 2021

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021

(Amounts in thousand)

		Unaudited September 30, 2021	Audited December 31, 2020
	Note	-----Rupees-----	
ASSETS			
Non-current assets			
Property, plant and equipment		17,586	19,292
Intangible assets		10	27
Long-term investments	4	3,503,042	3,502,996
Long-term deposits		2,778	2,778
Total non-current assets		3,523,416	3,525,093
Current assets			
Stores and spares		892	892
Stock		11,735	17,780
Trade debts		23	23
Loans to subsidiaries	5	738,343	738,101
Loans and advances		821	2,930
Deposits, prepayments and other receivables	6	135,555	165,917
Taxes recoverable		17,841	-
Interest accrued	7	163,588	123,153
Cash and bank balances	8	31,175	29,713
Total current assets		1,099,973	1,078,509
TOTAL ASSETS		4,623,389	4,603,602
EQUITY AND LIABILITIES			
Equity			
Share capital	9	592,998	592,998
Capital reserves		206,666	206,666
Unappropriated profit		3,023,217	2,960,800
Total equity		3,822,881	3,760,464
Non-current liabilities			
Staff retirement benefits		3,773	2,755
Current liabilities			
Trade and other payables		39,434	46,132
Unpaid dividend		4,455	-
Unclaimed dividend		69,407	70,307
Provision		7,360	7,360
Short-term borrowings	10	661,787	699,795
Taxes payable		-	270
Accrued mark-up		14,292	16,519
Total current liabilities		796,735	840,383
Contingencies and commitments	11	800,508	843,138
TOTAL EQUITY AND LIABILITIES		4,623,389	4,603,602

The annexed notes from 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE NINE MONTH ENDED SEPTEMBER 30, 2021

[Amounts in thousand except for earnings / (loss) per share]

	Note	Quarter ended		Nine month ended	
		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
		-----Rupees-----		-----Rupees-----	
CONTINUING OPERATIONS					
Revenue from contracts with customers - net		2,588	-	2,588	1,962
Cost of revenue		(2,616)	-	(2,616)	(9,546)
Gross loss		(28)	-	(28)	(7,584)
Dividend income	12	-	389,659	350,694	545,523
		(28)	389,659	350,666	537,939
Selling and distribution expenses		-	(112)	-	(335)
Administrative expenses		(16,761)	(12,390)	(43,558)	(37,107)
Other charges		-	1,456	-	-
Other income	13	22,971	25,598	74,007	105,603
		6,182	404,211	381,115	606,100
Finance cost		(13,657)	(18,269)	(43,625)	(77,459)
Profit before taxation		(7,475)	385,942	337,490	528,641
Taxation	14	(1,976)	(54,894)	(52,604)	(85,909)
Profit after taxation		(9,451)	331,048	284,886	442,732
DISCONTINUED OPERATIONS					
Loss from discontinued operations		2,897	(8,669)	(14,920)	(11,668)
Profit for the period		(6,554)	322,379	269,966	431,064
Earnings per share - basic and diluted					
Continuing operations	15	(0.16)	5.58	4.80	7.47
Loss per share - basic and diluted					
Discontinued operations	15	0.05	(0.15)	(0.25)	(0.20)

The annexed notes from 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTH ENDED SEPTEMBER 30, 2021

(Amounts in thousand)

	Quarter ended		Nine month ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
	-----Rupees-----			
Profit for the period	(6,554)	322,379	269,966	431,064
Other comprehensive income:				
Total comprehensive income for the period	(6,554)	322,379	269,966	431,064

The annexed notes from 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (UNAUDITED)
FOR THE NINE MONTH ENDED SEPTEMBER 30, 2021

(Amounts in thousands)

Share capital	Capital reserves					Revenue reserve	Total	
	Merger reserve	Share premium reserve	Capital redemption reserve	Others	Total	Unappropriated profit		
-----Rupees-----								
Balance as at January 1, 2020 (Audited)	590,578	10,521	136,865	25,969	33,311	206,666	2,708,349	3,505,593
Profit for the period	-	-	-	-	-	-	431,064	431,064
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the nine month ended September 30, 2020	-	-	-	-	-	-	431,064	431,064
Transaction with owners								
First interim cash dividend for the year ending December 31, 2020 @ Rs. 4 per share	-	-	-	-	-	-	(237,199)	(237,199)
Issuance of ordinary shares (note 9.3)	1,305	-	-	-	-	-	-	1,305
Issuance of bonus shares (note 9.3)	1,115	-	-	-	-	-	(1,115)	-
Balance as at September 30, 2020 (Unaudited)	592,998	10,521	136,865	25,969	33,311	206,666	2,901,099	3,700,763
Profit for the period	-	-	-	-	-	-	59,860	59,860
Other comprehensive income for the period	-	-	-	-	-	-	(159)	(159)
Total comprehensive income for the half year ended December 31, 2020	-	-	-	-	-	-	59,701	59,701
Balance as at January 1, 2021 (Audited)	592,998	10,521	136,865	25,969	33,311	206,666	2,960,800	3,760,464
Profit for the period	-	-	-	-	-	-	269,966	269,966
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income for the nine month ended September 30, 2021	-	-	-	-	-	-	269,966	269,966
Transactions with owners								
First interim cash dividend for the year ending December 31, 2021 @ Rs. 3.5 per share (note 9.2)	-	-	-	-	-	-	(207,549)	(207,549)
Balance as at September 30, 2021 (Unaudited)	592,998	10,521	136,865	25,969	33,311	206,666	3,023,217	3,822,881

The annexed notes from 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE MONTH ENDED SEPTEMBER 30, 2021

(Amounts in thousands)

	September 30, 2021	September 30, 2020
Note	-----	-----
	Rupees	-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	322,570	516,973
Add: Loss before taxation attributable to discontinued operations	14,920	11,668
Profit before taxation from continuing operations	<u>337,490</u>	<u>528,641</u>
Adjustments for non-cash and other items:		
Depreciation	1,221	1,741
Amortization	17	25
Provision for gratuity - net	881	515
Provision for impairment of trade debts - net	-	31
Provision for slow moving and obsolete stock	-	8,086
Finance costs	43,625	77,459
Royalty income	(8,700)	-
Dividend income	(350,694)	(545,523)
(Gain) / loss on National Investment Trust unit	(46)	(286)
Mark up charged to related parties	(56,635)	(95,385)
Profit on deposits	(145)	(61)
	<u>(32,986)</u>	<u>(24,757)</u>
Working capital changes		
Decrease / (increase) in current assets		
Stock	2,616	3,190
Trade debts	-	-
Loans and advances	1,550	(1,591)
Deposits, prepayments and other receivables	39,062	(51,602)
(Decrease) / increase in current liabilities		
Trade and other payables	(6,600)	(368)
Advance from customer	-	1,668
	<u>36,628</u>	<u>(48,703)</u>
Cash generated from operations	3,642	(73,460)
Gratuity paid	-	(255)
Finance cost paid	(45,852)	(86,848)
Taxes paid	(70,447)	(23,628)
Discontinued operations	(21,119)	(6,058)
Net cash used in operating activities	<u>(133,776)</u>	<u>(190,249)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Advance against purchase of shares of subsidiary	-	(300,286)
Subordinated loans to subsidiaries	(242)	(300,003)
Repayment of loan by subsidiary	-	300,000
Mark up received from related parties	16,200	53,203
Profit received on deposits	(145)	61
Dividend received	350,694	155,939
Discontinued operations	10,733	192
Net cash generated from / (used in) investing activities	<u>377,240</u>	<u>(90,895)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of dividend	(203,994)	(671)
Net cash generated from / (used in) from financing activities	<u>(203,994)</u>	<u>(671)</u>
Net increase / (decrease) in cash and cash equivalents	<u>39,470</u>	<u>(281,815)</u>
Cash and cash equivalents at beginning of the period	<u>(670,082)</u>	<u>(545,983)</u>
Cash and cash equivalents at end of the period	<u>16</u> <u>(630,612)</u>	<u>(827,798)</u>

The annexed notes from 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTH ENDED SEPTEMBER 30, 2021

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

- 1.1 Dawood Lawrencepur Limited (the Company) was incorporated in Pakistan in the year 2004 as a public listed company. It was formed as a result of a Scheme of Arrangement for Amalgamation in terms of the provisions of the (now repealed) Companies Ordinance, 1984 between Dawood Cotton Mills Limited (DCM), Dilon Limited (DL), Burewala Textile Mills Limited (BTM) and Lawrencepur Woollen and Textile Mills Limited (LWTM). The shares of the Company are listed on the Pakistan Stock Exchange Limited. The Company manages investment in its subsidiaries and associates and is engaged in the business of trading and marketing of renewable energy solutions, mainly solar, to commercial and industrial consumers, along with the legacy textile business.

The business units of the Company include the following:

Business units	Geographical location
Head office (registered office)	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
BTM Factory	Dawoodabad, Railway Station Road and Luddan Road, Chak 439, E.B, Tehsil Burewala, District Vehari.
LWTM Factory	G.T. Road, Faqirabad, District Attock.

- 1.2 In prior years, the Company suspended operations of LWTM, BTM, DL and DCM. Land, building, plant and machinery and related assets of DL and DCM were disposed off. Furthermore, plant and machinery and related assets of LWTM and BTM were also disposed off in prior periods. Currently, the Company does not have any industrial unit in production.
- 1.3 The Company continues to operate the 'Lawrencepur' brand name under a license.
- 1.4 These unconsolidated condensed interim financial statements represent the standalone financial statements of the Company in which investment in subsidiaries (as detailed in note 4) have been stated at cost less accumulated impairment losses, if any. The consolidated condensed interim financial statements of the Company and its subsidiaries have been presented separately.

2. BASIS OF PREPARATION

- 2.1 These unconsolidated 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;
- 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.

(Amounts in thousand)

- 2.2 The cumulative figures for the nine month ended September 30, 2021 presented in these unconsolidated condensed interim financial statements have been subjected to limited scope review by the auditors, as required under section 237 of the Companies Act, 2017. These unconsolidated condensed interim financial statements do not include all the information required for annual financial statements and should, therefore, be read in conjunction with the annual audited financial statements of the company for the year ended December 31, 2020.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT

- 3.1 The accounting policies and the methods of computation adopted in the preparation of this unconsolidated condensed interim financial information are consistent with those applied in the preparation of the annual financial statements of the company for the year ended December 31, 2020.

The financial risk management objectives and policies of the Company are also consistent with those disclosed in the audited unconsolidated financial statements of the company for the year ended December 31, 2020.

- 3.2 The preparation of this unconsolidated condensed interim financial information in conformity with the approved accounting and reporting 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 the application of accounting policies of the Company. The estimates, judgments and associated assumptions are based on historical 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 years if the revision affects both current and future periods.

During the preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that were applied to the financial statements of the company for the year ended December 31, 2020.

- 3.3 There were certain amendments to accounting and reporting standards which were mandatory for the Company's annual accounting period which began on January 1, 2021. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in this unconsolidated condensed interim financial information.

	Unaudited September 30, 2021	Audited December 31, 2020
-----Rupees-----		
4 LONG TERM INVESTMENTS		
Investment in related parties at cost (note 4.1)	3,519,102	3,519,102
Less: Provision for impairment	(30,007)	(30,007)
	3,489,095	3,489,095
Other investments		
- Financial assets at fair value through profit or loss (note 4.2)	13,932	13,886
- Financial assets at fair value through other comprehensive income (note 4.2)	15	15
	13,947	13,901
	3,503,042	3,502,996

(Amounts in thousand)

	Unaudited September 30, 2021	Audited December 31, 2020
	-----Rupees-----	
4.1 Investment in related parties - at cost		
<i>Subsidiary - unquoted</i>		
Tenaga Generasi Limited (TGL)		
Percentage holding 75% (December 31, 2020: 75%)		
227,027,613 (December 31, 2020: 227,027,613)		
fully paid ordinary shares of Rs. 10 each	2,294,804	2,294,804
<i>Wholly owned subsidiaries - unquoted</i>		
Reon Energy Limited (REL)		
Percentage holding 100% (December 31, 2020: 100%)		
102,600,000 (December 31, 2020: 102,600,000)		
fully paid ordinary shares of Rs. 10 each	1,026,000	1,026,000
Reon Alpha (Private) Limited (RAPL)		
Percentage holding 100% (December 31, 2020: 100%)		
13,300,100 (December 31, 2020: 13,300,100)		
fully paid ordinary shares of Rs. 10 each	133,001	133,001
Mozart (Private) Limited (MPL)		
Percentage holding 100% (December 31, 2020: 100%)		
100 (December 31, 2020: 100)		
fully paid ordinary shares of Rs. 10/- each	1	1
Greengo (Private) Limited (GPL)		
Percentage holding 100% (December 31, 2020: 100%)		
100 (December 31, 2020: 100)		
fully paid ordinary shares of Rs. 10/- each	1	1
Abrax (Private) Limited (APL)		
Percentage holding 100% (December 31, 2020: 100%)		
100 (December 31, 2020: 100)		
fully paid ordinary shares of Rs. 10/- each	1	1
	<u>3,453,808</u>	<u>3,453,808</u>
<i>Associate - quoted</i>		
Dawood Hercules Corporation Limited (DHCL)		
Percentage holding 16.19% (December 31, 2020: 16.19%)		
77,931,896 (December 31, 2020: 77,931,896)		
fully paid ordinary shares of Rs. 10/- each		
Market value Rs. 8,026,985 (December 31, 2020: Rs. 9,471,843)	65,294	65,294
	<u>3,519,102</u>	<u>3,519,102</u>

(Amounts in thousand)

- 4.1.1 The Company has pledged ordinary shares of its associate and subsidiaries as security against financing facilities availed by itself and its subsidiaries from various commercial banks the details of which are as follows:

Bank	Shares pledged	Unaudited As at September 30, 2021			Audited As at December 31, 2020		
		Number of shares pledged	Face value of shares pledged -----Rupees-----	Market value of pledged shares	Number of shares pledged	Face value of shares pledged -----Rupees-----	Market value of pledged shares
Pledged against short-term financing and other facilities availed by the Company and its subsidiaries							
Standard Chartered Bank (Pakistan) Limited (note 4.1.2)	Dawood Hercules Corporation	20,459,737	204,597	2,107,353	26,899,737	268,997	3,269,394
Bank AL Habib Limited (note 10.1)	Limited (DHCL)	10,200,000	102,000	1,050,600	10,200,000	102,000	1,239,708
MCB Bank Limited (note 10.2)		5,910,000	59,100	608,730	7,250,000	72,500	881,165
Pledged under Musharka Agreement entered into between RAPL and FBL							
Faysal Bank Limited (FBL)	Reon Alpha (Private) Limited (RAPL)	5,300,000	53,000	-*	5,300,000	53,000	-*
Pledged under Sponsor Share Agreement							
Citibank N.A.	Tenaga Generasi Limited	34,599,995	346,000	-*	34,599,995	346,000	-*

*Tenaga Generasi Limited is an unlisted company and Reon Alpha (Private) Limited is a private company.

- 4.1.2 During the period, running finance facility from Standard Chartered Bank (Pakistan) Limited have been extinguished resulting in a release of 6.44 million pledged shares, while remaining shares pledged is on account of arrangement of Stand-by- Letter of Credit (SBLC) in favor of the Lenders of TGL.

4.2 Other investments

September 30, 2021	December 31, 2020	Name of Investee	Unaudited September 30, 2021	Audited December 31, 2020
Units / Number of Shares			-----Rupees-----	
200,000	200,000	Listed securities National Investment (Unit) Trust	13,932	13,886
1,500	1,500	Un-listed securities Asian Co-operative Society Limited	15	15
			<u>13,947</u>	<u>13,901</u>

5. LOANS TO SUBSIDIARIES - UNSECURED

Subordinated loans to subsidiary companies:

- Tenaga Generasi Limited (note 5.1)	437,000	437,000
- Reon Energy Limited (note 5.2)	300,000	300,000
- Abrax (Private) Limited	458	378
- Mozart (Private) Limited	426	344
- Greengo (Private) Limited	459	379
	<u>738,343</u>	<u>738,101</u>

- 5.1 In April 2017, the Company had entered into a subordinated loan agreement with Tenaga Generasi Limited (TGL, a subsidiary Company) for arranging finance upto a Limit of Rs. 300,000. The original term of the loan was one year. However, in 2018, the facility was extended for a period upto three year with all the other terms unchanged. During the period, the facility was extended for another year with all the other terms unchanged. As at September 30, 2021 the entire loan amounting to Rs. 300,000 has been utilised. Mark-up is calculated at the rate of three months KIBOR plus 1.775% per annum.

In 2019, the Company had entered into another subordinated loan agreement with TGL for arranging finance upto a limit of Rs. 1,000,000. The term of the loan was initially for one year, however, on June 10, 2020, the tenure of the loan had been extended for another one year. As at September 30, 2021, TGL has utilized Rs. 137,000 of this Facility. Mark-up is calculated at the rate of three months KIBOR plus 2.5% per annum. During the period, the loan has been extended for one more year.

(Amounts in thousand)

- 5.2 On February 22, 2019, the Company provided a loan to Reon Energy Limited (REL, a subsidiary company) of Rs. 300,000 to fulfil its working capital requirements. Originally, the principal amount was to be repaid on a lump-sum basis on June 30, 2021. During the year, repayment date is extended to December 31, 2021. Mark-up is payable on a monthly basis at the rate of 1% above the average borrowing cost of the Company.

	Unaudited September 30, 2021	Audited December 31, 2020
-----Rupees-----		
6. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
- unsecured, considered good		
Security deposits	7,414	8,964
Prepayments	4,446	2,224
Sales tax	5,508	4,942
Others (notes 6.1)	118,187	149,787
	<u>135,555</u>	<u>165,917</u>
6.1		
This includes amount due from the following related parties:		
- Sach International (Private) Limited	51,257	39,507
- Tenaga Generasi Limited	28,683	97,616
- Engro Fertilizers Limited	-	3,320
- Reon Energy Limited	36,012	-
- The Dawood Foundation	1,546	-
- Reon Alpha (Private) Limited	1,042	193
	<u>118,540</u>	<u>140,636</u>
7. INTEREST ACCRUED		
This represents mark-up receivable from related parties as follows:		
- Tenaga Generasi Limited	149,052	118,388
- Reon Energy Limited	14,262	4,613
- Reon Alpha (Private) Limited	64	30
- Mozart (Private) Limited	66	38
- Abrax (Private) Limited	72	42
- Greengo (Private) Limited	72	42
	<u>163,588</u>	<u>123,153</u>
8. CASH AND BANK BALANCES		
Cash in hand	82	82
Balances with banks in:		
- current accounts	28,508	27,519
- deposit accounts (note 8.1)	2,585	2,112
	<u>31,093</u>	<u>29,631</u>
	<u>31,175</u>	<u>29,713</u>
8.1		
This represent deposits with commercial banks and carry profit at the rate of 5.5% (December 31, 2020: 5.5%) per annum.		

(Amounts in thousand)

9. SHARE CAPITAL**Authorized capital**

September 30 2021	December 31 2020	Unaudited September 30 2021	Audited December 31 2020
-----Number of shares-----		-----Rupees-----	
<u>75,000,000</u>	<u>75,000,000</u>	<u>750,000</u>	<u>750,000</u>

Issued, subscribed and paid-up capital

September 30 2021	December 31 2020	Unaudited September 30 2021	Audited December 31 2020
-----Number of shares-----		-----Rupees-----	
2,204,002	2,204,002		
			Ordinary shares of Rs. 10 each full paid in cash
		22,040	22,040
12,805,118	12,805,118		Issued for consideration other than cash
		128,051	128,051
44,048,739	44,048,739		Fully paid as bonus
		440,487	440,487
130,520	130,520		Issued as right shares as per the Court Order (note 9.3)
		1,305	1,305
111,430	111,430		Issued as bonus shares as per the Court Order (note 9.3)
		1,115	1,115
<u>59,299,809</u>	<u>59,299,809</u>	<u>592,998</u>	<u>592,998</u>

Unaudited September 30, 2021	Audited December 31, 2020
-----Number of shares-----	

9.1 Associates holding the Company's share capital are as under:

Dawood Corporation (Private) Limited	29,016,622	29,016,622
The Dawood Foundation	2,979,324	2,979,324
Patek (Private) Limited	3,713,984	3,713,984
Cyan Limited	2,965,095	2,965,095
Dawood Industries (Private) Limited	494,921	494,921
Sach International (Private) Limited	3,776	3,776
	<u>39,173,722</u>	<u>39,173,722</u>

9.2 During the period, the Company paid dividends to the aforementioned Associated Companies amounting to Rs. 137,108 (2020: Nil).

9.3 In compliance with the orders passed by the Honourable Sindh High Court, the Company had issued 241,950 shares (denoting 130,520 shares as right issue and 111,430 as bonus issue) to National Investment Trust Limited on May 12, 2020. However, the amount of Rs. 1,305 against subscription of 130,520 right shares by NIT in the year 1975 that was deposited with the Nazir of Sindh High Court has been received on February 22, 2021 along with interest thereon.

(Amounts in thousand)

	Unaudited September 30, 2021	Audited December 31, 2020
	-----Rupees-----	
10. SHORT-TERM BORROWINGS		
Running finance under mark-up arrangement (notes 10.1 & 10.2)	661,787	199,795
Money market loan (note 10.2)	-	500,000
	661,787	699,795
10.1	<p>This denotes short-term running finance facility aggregating to Rs.1,500,000 (December 31, 2020: Rs 1,500,000) obtained under mark-up arrangement from a commercial banks. As at September 30, 2021, the Company has utilised the facility against running finance facility to the extent of Rs. 661,787 (December 31, 2020 Rs. 199,795) and has issued guarantees to the extent of Rs. 36,175 (December 31, 2020 Rs. 36,179). Furthermore, out of the aforementioned facility, the Company has negotiated sub-limits for financing the operations of REL amounting to Rs. 300,000. This facility is secured by way of a first pari passu mortgage charge on immovable property (including land and building), current assets, and pledge over the Company's investments in related party (note 4.1.1). Rate of mark-up applicable on this facility is one month KIBOR plus 100 basis points to there month KIBOR plus 90 basis point (December 31, 2020: three months KIBOR plus 90 basis points to three months KIBOR plus 100 basis points per annum). During the period, Rs. 500,000 facility has been extinguished and securities have been released.</p>	
10.2	<p>This denotes money market loan obtained for three months from the running finance facility obtained under the mark-up arrangement from a commercial bank. This facility is secured by way of a first pari passu mortgage charge on immovable property (including land and building), current assets, and pledge over the Company's investments in related party. Rate of mark up applicable on this facility is three months KIBOR plus 100 basis points (as at December 31, 2020: three months KIBOR plus 100 basis points). The facility of the loan is six month. During the period, money market loan amounting to Rs 500 million from MCB have been converted into running finance facility.</p>	
11. CONTINGENCIES AND COMMITMENTS		
11.1	<p>There have been no material changes in contingencies and commitments as reported in the annual audited statements for the year ended December 31, 2020. except as follows:</p> <p>On April 30, 2021 Sindh High Court (SHC) passed an order in respect of the petition filed by the Company relating to applicability of section 5A i.e. "Tax on undistributed profit" of the Income Tax Ordinance, 2001 and decided the case in favour of the Company. However, during this quarter, Federal Board of revenue (FBR) has filed a constitutional appeal with Supreme Court of Pakistan (SCP) against the decision of SHC.</p>	
12. DIVIDEND INCOME		
	<p>This represents first interim cash dividend of Rs. 4.5 per share pertaining to the year ending December 31, 2021 received from Dawood Hercules Corporation Limited, an associated Company.</p>	

(Amounts in thousand)

	Unaudited September 30, 2021	Unaudited September 30, 2020
-----Rupees-----		
13. OTHER INCOME		
Income from financial assets		
Profit on bank deposits / savings accounts	145	61
Mark-up charged to related parties	56,636	95,385
	56,781	95,446
Income from non-financial assets and others		
Gain on sale of fixed asset	-	-
Royalty income	8,700	6,535
Rental income	13,227	17,796
Agriculture income	4,611	3,705
Profit on financial assets at fair value through profit or loss	46	286
Miscellaneous income	19,212	7,621
	45,796	35,943
	102,577	131,389
Related to discontinued operations	(28,570)	(25,786)
	74,007	105,603
14. TAXATION		
Current		
For the period	52,604	80,922
For prior period (note 14.1)	-	4,987
	52,604	85,909

14.1 This denotes prior period shortfall of super tax levied for the rehabilitation of temporary displaced persons at the rate of 3% on specified income for tax year 2017.

15. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings/ (loss) per share of the Company which is based on:

	Quarter ended Unaudited		Nine month ended Unaudited	
	30-Sep-21	30-Sep-20	30-Sep-21	30-Sep-20
Continuing operations				
Profit for the period	(9,451)	331,048	284,886	442,732
Weighted average number of ordinary shares (in thousands)	59,300	59,300	59,300	59,295
Earnings per share	(0.16)	5.58	4.80	7.47
Discontinued operations				
Loss for the period	2,897	(8,669)	(14,920)	(11,668)
Weighted average number of ordinary shares (in thousands)	59,300	59,300	59,300	59,295
Loss per share	0.05	(0.15)	(0.25)	(0.20)

(Amounts in thousand)

	Unaudited September 30, 2021	Unaudited September 30, 2020
	-----Rupees-----	
16. CASH AND CASH EQUIVALENTS		
Cash and bank balances (note 8)	31,175	12,057
Short-term borrowings (note 10)	(661,787)	(839,855)
	<u>(630,612)</u>	<u>(827,798)</u>

17. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between 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.

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets 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:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: 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); and
- Level 3: Inputs for the asset or liability that are not based on observable market data.

The Company held the following assets measured at fair values:

	<u>As at September 30, 2021</u>			
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
Non-current assets				
<i>Financial assets at fair value through profit or loss</i>				
- Long-term investments (investments in units of mutual funds)	-	13,932	-	13,932
<i>Financial assets at fair value through other comprehensive income</i>				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
	<u>-</u>	<u>13,932</u>	<u>15</u>	<u>13,947</u>
	<u>Audited</u>			
	<u>As at December 31, 2020</u>			
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
Non-current assets				
<i>Financial assets at fair value through profit or loss</i>				
- Long-term investments (investments in units of mutual funds)	-	13,886	-	13,886
<i>Financial assets at fair value through other comprehensive income</i>				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
	<u>-</u>	<u>13,886</u>	<u>15</u>	<u>13,901</u>

(Amounts in thousand)

The Company has a number of financial instruments which are not measured at fair value in the unconsolidated condensed interim statement of financial position. These include cash and bank balances, loans to employees and subsidiaries, trade debts, mark-up receivable and payable, short-term borrowings, trade and other payables. For the majority of these instruments, the fair values are considered not to be materially different from their respective carrying amounts since the instruments are either short-term in nature or are periodically repriced.

18. SEGMENT REPORTING

Management has determined the operating segments for allocation of resources and assessment of performance which are organized into the following two reportable operating segments:

- Renewable energy solutions- This includes business of trading and constructions of renewable energy projects, mainly solar to commercial and industrial consumers which has been transferred to REL in prior years;
- Textile - This was legacy business of the Company and has been discontinued in prior years; and
- Other operations - It mainly includes management of investment in associate by the Company.

18.1 Segment results

The table below shows the segment information for the reportable segments for the half-years ended September 30, 2021 and 2020 and also the basis on which revenue is recognised:

	Renewable energy		Textile - discontinued operations		Other operations		Total	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
	-----Unaudited-----							
	-----Rupees-----							
Revenue from contract with customers - net								
At a point in time	2,588	-	3,450	2,677	-	-	6,038	2,677
Over time		1,962		-		-		1,962
Revenue from external customers	2,588	1,962	3,450	2,677	-	-	6,038	4,639
Cost of revenue	(2,616)	(9,546)	(3,429)	(5,137)	-	-	(6,045)	(14,683)
Segment gross loss	(28)	(7,584)	21	(2,460)	-	-	(7)	(10,044)
Dividend income	-	-	-	-	350,694	545,523	350,694	545,523
Selling and distribution expenses	-	(335)	(64)	(17)			(64)	(352)
Administrative expenses	(3,251)	(695)	(43,448)	(34,977)	(40,306)	(36,412)	(87,005)	(72,084)
Other income	-	-	28,570	25,786	74,007	105,603	102,577	131,389
Finance costs	-	-	-	-	(43,625)	(77,459)	(43,625)	(77,459)
Taxation	-	-	-	-	(52,604)	(85,909)	(52,604)	(85,909)
Segment (loss) / profit	(3,279)	(8,614)	(14,921)	(11,668)	288,166	451,346	269,966	431,064
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
	-----Rupees-----							
Segment assets	4,375	36,644	37,612	28,548	4,581,402	4,538,410	4,623,389	4,603,602
Segment liabilities	-	2,562	5,891	5,937	794,618	834,640	800,509	843,138

(Amounts in thousand)

19. RELATED PARTY TRANSACTIONS AND BALANCES

19.1 Balances with related parties have been disclosed in the respective notes to these unconsolidated condensed interim financial statements. Details of transactions with related parties, other than those disclosed elsewhere in these unconsolidated financial statements, are as follows:

Relationship	Nature of transaction	Unaudited	Unaudited
		September 30, 2021	September 30, 2020
-----Rupees-----			
a. Subsidiary companies			
Tenaga Generasi Limited (TGL)	Reimbursable expenses incurred by the Company on behalf of TGL	3,468	13,864
	Reimbursement of expenses - Payable	793	924
	Stand-by letter of credit cost reimbursement	24,837	34,714
	Interest on reimbursable expenses	4,227	7,698
	Interest on subordinated loans to TGL	31,149	41,850
Reon Energy Limited (REL)	Advance given against issue of right shares on behalf of the Company	-	300,000
	Reimbursable expenses incurred by REL	16,430	12,723
	Interest charged to the Company on reimbursable expenses	65	
	Interest charged to REL on reimbursable expenses	88	110
	Short-term loan disbursed to REL	-	300,000
	Repayment of short-term loan by REL	-	300,000
	Interest on short-term loan to REL	-	12,290
	Interest on long-term loan to REL	21,139	28,430
	Reimbursable expenses incurred by the Company on behalf of REL	37,789	22,990
Mozart (Private) Limited (MPL)	Subordinated loan disbursed	82	2
	Interest on subordinated loan	21	27
Abrax (Private) Limited (APL)	Subordinated loan disbursed	80	-
	Interest on subordinated loan	23	30
Greengo (Private) Limited (GPL)	Subordinated loan disbursed	80	-
	Interest on subordinated loan	30	30
Reon Alpha (Private) Limited (RAPL)	Interest on reimbursement of expenses	34	45
	Reimbursable expenses incurred by the Company on behalf of RAPL	850	1,621
b. Associated companies			
Dawood Hercules Corporation Corporation Limited (DHCL)	Dividend income	350,694	545,523
	Reimbursable expenses incurred on behalf of the Company	930	1,559
Sach International (Private) Limited (SIL)	Reimbursable expenses incurred by the Company on behalf of SIL	291	273
	Royalty charged by the Company	8,700	6,535
	Rental income	495	495
	Penalty charged against overdue receivables	2,199	1,819
c. Key management personnel	Salaries and benefits	13,841	13,243
	Other retirement benefits	378	311
d. Directors	Directors' meeting fee	1,200	1,500

(Amounts in thousand)

20. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated financial statements were authorized for issue on October 28, 2021 by the Board of Directors of the Company.

21. GENERAL

Figures have been rounded off to the nearest thousand of Rupees.



Chief Executive Officer



Director



Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTH ENDED SEPTEMBER 30, 2021

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT SEPTEMBER 30, 2021

(Amounts in thousand)

	Note	Unaudited September 30, 2021 -----Rupees-----	Audited December 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment		12,352,900	12,493,884
Intangible assets		44,785	41,193
Long-term investments	5	11,767,971	10,909,397
Long-term loans to employees		-	95
Right-of-use assets		108,206	116,689
Long-term deposits		2,778	2,778
		24,276,640	23,564,036
Current assets			
Stores and spares		892	892
Stock-in-trade		518,654	241,852
Trade debts		4,363,065	2,896,123
Loans and advances		277,999	55,330
Deposits, prepayments and other receivables		1,305,966	1,075,134
Accrued interest		5,017	7,369
Contract assets		619,710	324,240
Taxes recoverable		82,520	130,757
Short-term investments		45,703	96,024
Cash and bank balances		293,418	689,185
		7,512,944	5,516,906
TOTAL ASSETS		31,789,584	29,080,942
EQUITY AND LIABILITIES			
Equity			
Share capital	6	592,998	592,998
Capital reserves		216,762	206,666
Unappropriated profit		14,946,900	13,358,781
Non-controlling interest		1,803,342	1,492,729
		17,560,002	15,651,174
Non-current liabilities			
Long-term borrowings		6,913,975	7,802,777
Deferred taxation		1,600,370	1,478,980
Non-current portion of lease liabilities		107,630	109,778
Deferred government grant		2,056	3,056
Staff retirement benefits		75,564	60,575
		8,699,595	9,455,166
Current liabilities			
Current portion of:			
Long-term borrowings		1,462,795	1,304,685
Deferred government grant		2,189	5,369
Lease liabilities		17,103	29,355
Trade and other payables		2,157,360	1,005,778
Unpaid dividend		4,455	-
Unclaimed dividend		69,407	70,307
Provision		7,360	7,360
Short-term borrowings	7	1,281,933	992,745
Contract liabilities		382,135	410,985
Accrued mark-up		145,250	148,018
		5,529,987	3,974,602
Contingencies and Commitments	8		
TOTAL EQUITY AND LIABILITIES		31,789,584	29,080,942

The annexed notes from 1 to 14 form an integral part of this consolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR NINE MONTHS ENDED SEPTEMBER 30, 2021

(Amounts in thousand except for earnings / (loss) per share)

	Note	Quarter Ended		Nine Months Ended	
		September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
-----Rupees-----					
CONTINUING OPERATIONS					
Revenue - net	9	3,747,757	1,407,760	8,302,056	4,171,764
Cost of revenue		(2,570,566)	(762,811)	(6,220,493)	(2,372,187)
Gross profit		1,177,191	644,949	2,081,563	1,799,577
Selling and distribution expenses		(99,832)	(68,022)	(271,051)	(196,633)
Other operating expenses		(18,313)	(13,349)	(53,335)	(18,321)
Administrative expenses		(102,070)	(85,371)	(294,535)	(237,180)
Other income		33,767	28,251	105,782	62,089
Operating profit		990,743	506,458	1,568,424	1,409,532
Finance costs		(132,745)	(164,719)	(405,364)	(582,817)
		857,998	341,739	1,163,060	826,715
Share of profit from investment in an associate		276,098	582,558	1,201,562	873,465
Profit before taxation		1,134,096	924,297	2,364,622	1,700,180
Taxation		(74,060)	(91,788)	(249,932)	(158,802)
Profit after taxation		1,060,036	832,509	2,114,690	1,541,378
DISCONTINUED OPERATIONS					
Profit/(Loss) from discontinued operations		2,897	(5,992)	(14,920)	(11,668)
Profit for the period		1,062,933	826,517	2,099,770	1,529,710
Earnings per share - Basic and diluted					
Continuing operations	10	14.46	12.22	30.42	21.50
Earnings/(Loss) per share - Basic and diluted					
Discontinued operations	10	0.05	(0.10)	(0.25)	(0.20)
Profit attributable to:					
Owners of the Holding Company		860,422	718,745	1,789,157	1,263,258
Non controlling interest		202,511	107,772	310,613	266,452
		1,062,933	826,517	2,099,770	1,529,710

The annexed notes from 1 to 14 form an integral part of this consolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER
COMPREHENSIVE INCOME (UNAUDITED)
FOR NINE MONTHS ENDED SEPTEMBER 30, 2021

(Amounts in thousand)

	Quarter ended		Nine months ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
-----Rupees-----				
Profit for the period	1,062,933	826,517	2,099,770	1,529,710
Other comprehensive income				
Items that may be reclassified subsequently through profit or loss account				
Share of other comprehensive income / (loss) of associate - net of tax	11,990	(17,223)	6,511	19,771
Total comprehensive income for the period	1,074,923	809,294	2,106,281	1,549,481
Total comprehensive income / (loss) attributable to:				
- Continuing operations	1,072,026	815,286	2,121,201	1,561,149
- Discontinued operations	2,897	(5,992)	(14,920)	(11,668)
	1,074,923	809,294	2,106,281	1,549,481
Total comprehensive income attributable to:				
- Owners of the Holding Company	872,412	701,522	1,795,668	1,283,029
- Non-controlling interest	202,511	107,772	310,613	266,452
	1,074,923	809,294	2,106,281	1,549,481

The annexed notes from 1 to 14 form an integral part of this consolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
 CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
 FOR NINE MONTHS ENDED SEPTEMBER 30, 2021

(Amounts in thousand)

	Capital reserves					Revenue Reserves		Non controlling interest	Total
	Share capital	Merger reserve	Share premium reserve	Capital reserve	Capital redemption reserve fund	Total	Unappropriated profit / (loss)		
-----Rupees-----									
Balance at January 01, 2020 (Audited)	590,578	10,521	136,865	33,311	25,969	206,666	12,094,910	1,210,800	14,102,954
Profit for the period	-	-	-	-	-	-	1,263,258	266,452	1,529,710
Other comprehensive income for the period	-	-	-	-	-	-	19,771	-	19,771
Total comprehensive income for the nine month ended September 30, 2020	-	-	-	-	-	-	1,283,029	266,452	1,549,481
Issuance of ordinary shares	1,305	-	-	-	-	-	-	-	1,305
Issuance of bonus shares	1,115	-	-	-	-	-	(1,115)	-	-
Transactions with owners	-	-	-	-	-	-	(237,199)	-	(237,199)
First interim dividend for the year ended December 31, 2020 @ Rs. 4 per share	-	-	-	-	-	-	-	-	-
Balance at September 30, 2020 (Unaudited)	592,998	10,521	136,865	33,311	25,969	206,666	13,139,625	1,477,252	15,416,541
Profit for the period	-	-	-	-	-	-	245,284	15,577	260,861
Other comprehensive income for the period	-	-	-	-	-	-	(25,748)	-	(25,748)
Total comprehensive income for the half year ended December 31, 2019	-	-	-	-	-	-	219,536	15,577	235,113
Acquisition of 40% of share capital of Grid Edge (Private) Limited	-	-	-	-	-	-	(380)	(100)	(480)
Balance at December 31, 2020 (Audited)	592,998	10,521	136,865	33,311	25,969	206,666	13,358,781	1,492,729	15,651,174
Profit for the period	-	-	-	-	-	-	1,789,157	310,613	2,099,770
Other comprehensive income for the period	-	-	-	-	-	-	6,511	-	6,511
Total comprehensive income for the nine month ended September 30, 2021	-	-	-	-	-	-	1,795,668	310,613	2,106,281
Employee share option scheme	-	-	-	12,077	-	12,077	-	-	12,077
Share issuance cost	-	-	-	(1,981)	-	(1,981)	-	-	(1,981)
Transactions with owners	-	-	-	-	-	-	(207,549)	-	(207,549)
First interim dividend for the year ended December 31, 2021 @ Rs. 4 per share	-	-	-	-	-	-	-	-	-
Balance at September 30, 2021 (Unaudited)	592,998	10,521	136,865	43,407	25,969	216,762	14,946,900	1,803,342	17,560,002

The annexed notes from 1 to 14 form an integral part of this consolidated condensed interim financial statements.


 Chief Executive Officer


 Director


 Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR NINE MONTHS ENDED SEPTEMBER 30, 2021

(Amounts in thousand)

	Nine Months Ended	
	September 30, 2021	September 30, 2020
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,349,702	1,688,512
Loss / (profit) before taxation attributable to discontinued operations	14,920	11,668
Profit before taxation from continued operations	2,364,622	1,700,180
Adjustments for non-cash and other items		
Depreciation	581,786	632,736
Amortization	5,836	3,674
Provision for gratuity	16,138	11,947
Provision / (reversal) for impairment for stock in trade	756	9,707
Provision for warranties	51,304	14,370
Provision for impairment against financial assets	31,563	2,467
Government grant recognized as income	(4,180)	-
Charge related to employee share options scheme	12,077	-
Profit on deposit	(8,468)	(14,322)
Interest income on short-term investments	(11,742)	(11,808)
(Gain) / loss on National Investment Trust unit	(46)	(286)
Finance costs	355,279	582,817
Gain on scrap sales	(36)	-
Share of profit from associate	(1,201,562)	(873,465)
	2,193,327	2,058,017
Working capital changes		
Decrease / (increase) in current assets		
Stock in trade	(276,031)	(45,245)
Trade debts	(1,498,505)	(291,069)
Contract assets	(295,470)	(86,166)
Loans and advances	(222,789)	(41,718)
Deposits, prepayments and other receivables	(230,832)	(343,020)
(Decrease) / increase in current liabilities		
Increase in contract liability	(28,850)	9,563
Trade and other payables	1,151,582	(436,335)
	(1,400,895)	(1,233,991)
Cash generated from operations	792,432	824,026
Gratuity paid	(1,149)	(10,399)
Long term loan	95	689
Finance costs paid	(398,500)	(662,507)
Taxes paid	(159,793)	(117,080)
Discontinued operations	(10,386)	(6,058)
Net cash generated from / (used in) in operating activities	222,699	28,671
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(53,589)	(10,713)
Additions to capital work-in-progress	-	(16,215)
Purchase of intangible assets	(9,428)	(21,498)
Short-term investments redeemed	50,321	375,236
Interest received on deposits	108,134	72,147
Dividend received	350,694	214,387
Discontinued operations	-	192
Net cash generated from investing activities	446,132	613,536
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of dividend	(203,684)	(671)
Payment of lease liabilities	(23,917)	(27,074)
Repayment of loan	(1,259,710)	(1,156,033)
Proceeds from borrowings	133,525	135,472
	(1,353,786)	(1,048,306)
Net decrease in cash and cash equivalents	(684,955)	(406,100)
Cash and cash equivalents at beginning of the period	(303,560)	(389,320)
Cash and cash equivalents at end of the period	(988,515)	(795,420)
Cash and cash equivalents:		
Cash and bank balances	293,418	234,421
Short term borrowings	(1,281,933)	(1,029,841)
	(988,515)	(795,420)

The annexed notes from 1 to 14 form an integral part of this consolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR NINE MONTHS ENDED SEPTEMBER 30, 2021

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

- 1.1 Dawood Lawrencepur Limited (the Holding Company) was incorporated in Pakistan in the year 2004 as a public listed company. It was formed as a result of a Scheme of Arrangement for Amalgamation in terms of the provisions of the repealed Companies Ordinance, 1984 (now Companies Act, 2017) between Dawood Cotton Mills Limited (DCM), Dilon Limited (DL), Burewala Textile Mills Limited (BTM) and Lawrencepur Woolen and Textile Mills Limited (LWTM). The shares of the Holding Company are listed on Pakistan Stock Exchange. The Holding Company manages its investment in its subsidiary and associated companies and is engaged in the business of trading and marketing of renewable energy solutions, mainly solar, to commercial and industrial consumers, along with the legacy textile business.

The business units of the Holding Company include the following:

Business Units

Head Office / Registered Office of the Holding Company and its subsidiaries

Geographical Location

3rd Floor Dawood Centre, M.T Khan Road Karachi.

Factories of the Holding Company

BTM Factory

Dawoodabad, Railway Station Road and Luddan Road Chak 439, E.B. Tehsil Burewala District Vehari.

LWTM Factory

G.T Road Faqirabad, District Attock.

Regional offices of the subsidiary company

Solar Project Sales Office I

3rd Floor, Asia House L-block, Gulberg III, main Ferozpur road, Lahore.

Solar Project Sales Office II

Emirates Tower, suite # 324, 3rd Floor Capital Territory, F7 Markaz, Islamabad.

Solar and Wind Power Plant of the subsidiary companies

Solar Power Plant
Wind Farm

Block II, District Tharparkar, Sindh.
Khutinkun Area, Gharo, District Thatta Sindh.

- 1.2 In prior years, the Holding Company suspended operations of LWTM, BTM, DL and DCM. Land, building, plant and machinery and related assets of DL and DCM were disposed off. Further, plant and machinery and related assets of LWTM and BTM were also disposed off in the prior period.
- 1.3 The 'Lawrencepur' brand name continues to operate under license.
- 1.4 The "Group" consists of:

The Holding Company: Dawood Lawrencepur Limited (incorporated in Pakistan)

Subsidiary Companies: Companies in which the Holding Company owns over 50% of voting rights:

	Percentage of direct holding		
	Period Ended	2021	2020
- Reon Energy Limited (note 1.4.1)	September 30	100%	100%
- Teneqa Generasi Limited (note 1.4.2)	September 30	75%	75%
- Mozart (Private) Limited (note 1.4.3)	September 30	100%	100%
- Abrax (Private) Limited (note 1.4.4)	September 30	100%	100%
- Greenqo (Private) Limited (note 1.4.5)	September 30	100%	100%
- Reon Alpha (Private) Limited (note 1.4.6)	September 30	100%	100%

1.4.1 Reon Energy Limited

Reon Energy Limited (REL) was incorporated in Pakistan on September 15, 2014 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a public unlisted company to carry out the business of trading and marketing of renewable energy solutions, mainly solar, to commercial and industrial consumers. The registered office of REL is situated at 3rd Floor, Dawood Centre, M.T.Khan Road, Karachi in the province of Sindh. REL is a wholly owned subsidiary of the Holding Company.

(Amounts in thousand)

1.4.2 Tenaga Generasi Limited

Tenaga Generasi Limited (TGL) was incorporated in Pakistan on December 01, 2005 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a public unlisted company to primarily carry out the business of power generation as an independent power producer using wind energy. The registered office of the Subsidiary Company is situated at 3rd Floor, Dawood Centre, M.T. Khan Road, Karachi, in the Province of Sindh.

TGL has set up a 49.5 MW wind power plant at Gharo Sindh. The project achieved 'Financial Close' in March 2015 and has received the Government of Pakistan Guarantee. The Plant commenced commercial operations on October 11, 2016. The electricity generated is transmitted to the National Transmission and Despatch Company (NTDC) under the Energy Purchase Agreement (EPA) dated December 29, 2015. The EPA is for 20 years.

1.4.3 Mozart (Private) Limited

Mozart (Private) Limited (MPL) was incorporated in Pakistan on October 4, 2016 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a private limited company to manage investments in associated company. The registered office of MPL is situated at 3rd Floor, Dawood Centre, M.T.Khan Road, Karachi in the province of Sindh. MPL is a wholly owned subsidiary of the Holding Company.

1.4.4 Abrax (Private) Limited

Abrax (Private) Limited (APL) was incorporated in Pakistan on October 4, 2016 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a private limited company to manage Holding Company's legacy assets located in Burewala Mill. The registered office of APL is situated at 3rd Floor, Dawood Centre, M.T.Khan Road, Karachi in the province of Sindh. APL is a wholly owned subsidiary of the Holding Company.

1.4.5 Greengo (Private) Limited

Greengo (Private) Limited (GPL) was incorporated in Pakistan on October 4, 2016 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a private limited company to manage Holding Company's legacy assets located in Attock Mill. The registered office of GPL is situated at 3rd Floor, Dawood Centre, M.T.Khan Road, Karachi in the province of Sindh. GPL is a wholly owned subsidiary of the Holding Company.

1.4.6 Reon Alpha (Private) Limited

Reon Alpha (Private) Limited (RAPL) was incorporated in Pakistan on October 23, 2017 under the Companies Act, 2017 as a private limited company to carry out business of trading and construction of renewable energy projects. The principal business of RAPL is to own and operate electric power generation project and supply of electricity as an independent power producer. RAPL is in the process of setting up a 5 MW solar power project at District Thar, in the province of Sindh, to provide clean electricity to Sindh Engro Coal Mining Company (SECMC) under a 15- year Energy Purchase Agreement. The registered office of RAPL is situated at 3rd Floor, Dawood Centre, M.T.Khan Road, Karachi in the province of Sindh. RAPL is a wholly owned subsidiary of the Holding Company.

1.5 Associated company

the Holding Company also holds investments in Dawood Hercules Corporation Limited (DHCL, an associate) the details of which have been provided in note 5.1.

'Dawood Hercules Corporation Limited (DHCL) was incorporated in Pakistan on April 17, 1968 as a public limited company under the Companies Act 1913 (now Companies Act, 2017) (the Act) and its shares are quoted on Pakistan Stock Exchange Limited. The principal activity of DHCL is to manage investments in its subsidiary and associated companies. The registered office of DHCL is situated at Dawood Center, M.T. Khan Road, Karachi. The Holding Company holds ownership of 16.19% (2020: 16.19%) in DHCL.

2. BASIS OF PREPARATION

2.1 These consolidated 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 34, 'Interim Financial Reporting' (IAS 34), issued by 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT

3.1 The accounting policies and the methods of computation adopted in the preparation of this consolidated condensed interim financial information are consistent with those applied in the preparation of the annual financial statements of the Group for the year ended December 31, 2020.

3.2 The financial risk management objectives and policies of the Group are also consistent with those disclosed in the audited consolidated financial statements of the Group for the year ended December 31, 2020

(Amounts in thousand)

- 3.3 The preparation of this consolidated condensed interim financial information in conformity with the approved accounting and reporting 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 the application of accounting policies of the Group. The estimates, judgments and associated assumptions are based on historical 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 years if the revision affects both current and future periods.

4. BASIS OF CONSOLIDATION

The condensed interim financial statements of the subsidiary companies have been consolidated on a line by line basis. The carrying value of investments held by the Holding Company is eliminated against the subsidiaries' share capital and pre-acquisition reserves.

Non-controlling interest has been presented as a separate item in this consolidated condensed interim financial statements. All material intercompany balances and transactions have been eliminated.

The consolidated condensed interim financial statements is presented in Pakistan Rupees, which is the Holding Company's functional currency. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income, except where such gains and losses are directly attributable to the acquisition, construction or production of a qualifying asset, in which case, such gain and losses are capitalized as part of the cost of that asset.

5. LONG TERM INVESTMENTS

Share of investment in an associate (note 5.1)
Other investments

Unaudited September 30, 2021	Audited December 31, 2020
-----Rupees-----	
11,754,024	10,895,496
13,947	13,901
11,767,971	10,909,397

5.1 Share of investment in an associate

Associated company - quoted
Dawood Hercules Corporation Limited

Opening balance
Add: Share of profit after taxation
Share of other comprehensive income
Other equity transactions

Less: Dividend received

10,895,496	10,364,454
1,201,562	1,227,619
7,660	4,810
-	-
1,209,222	1,232,429
(350,694)	(701,387)
11,754,024	10,895,496

6. SHARE CAPITAL**6.1 Authorized capital**

Unaudited September 30, 2021	Audited December 31, 2020
-----Number of shares-----	
75,000,000	75,000,000

Ordinary shares of Rs. 10 each

Unaudited September 30, 2021	Audited December 31, 2020
-----Rupees-----	
750,000	750,000

6.2 Issued, subscribed and paid-up capital

Unaudited September 30, 2021	Audited December 31, 2020
-----Number of shares-----	
2,204,002	2,204,002
12,805,118	12,805,118
44,048,739	44,048,739
130,520	130,520
111,430	111,430
59,299,809	59,299,809

Ordinary shares of Rs. 10 each
full paid in cash
Issued for consideration other
than cash
Fully paid as bonus shares
Issued as right issue as per the
Court's order (Note 6.2.2)
Issued as bonus shares as per
the Court's order (Note 6.2.2)

Unaudited September 30, 2021	Audited December 31, 2020
-----Rupees-----	
22,040	22,040
128,051	128,051
440,487	440,487
1,305	1,305
1,115	1,115
592,998	592,998

(Amounts in thousand)

	Unaudited September 30, 2021	Audited December 31, 2020
	-----Number of shares-----	
6.2.1 Associates holding the Company's share capital are as under:		
Dawood Corporation (Private) Limited	29,016,622	29,016,622
The Dawood Foundation	2,979,324	2,979,324
Patek (Private) Limited	3,713,984	3,713,984
Cyan Limited	2,965,095	2,965,095
Dawood Industries (Private) Limited	494,921	494,921
Sach International (Private) Limited	3,776	3,776
	<u>39,173,722</u>	<u>39,173,722</u>

6.2.2 In compliance with the orders passed by the Honourable Sindh High Court, the Holding Company had issued 241,950 shares (denoting 130,520 shares as right issue and 114,430 as bonus issue) to National Investment Trust Limited on May 12, 2020. However, the amount of Rs. 1,305 against subscription of 130,520 right shares by NIT in the year 1975 that was deposited with the Nazir of Sindh High Court has been received on February 22, 2021 along with interest thereon.

7. SHORT TERM BORROWING

This denotes short-term running finance facility aggregating to Rs.1,500,000 (December 31, 2020: Rs 1,500,000) obtained under mark-up arrangement from a commercial banks. As at June 30, 2021, the Holding Company has utilised the facility against running finance facility to the extent of Rs. 456,140 (December 31, 2020 Rs. 199,795) and has issued guarantees to the extent of Rs. 36,175 (December 31, 2020 Rs. 36,179). Furthermore, out of the aforementioned facility, the Holding Company has negotiated sub-limits for financing the operations of REL amounting to Rs. 300,000. This facility is secured by way of a first pari passu mortgage charge on immovable property (including land and building), current assets, and pledge over the Holding Company's investments in related party. Rate of mark-up applicable on this facility is one month KIBOR plus 100 basis points to three month KIBOR plus 90 basis point (December 31, 2020: three months KIBOR plus 90 basis points to three months KIBOR plus 100 basis points per annum). During the period, Rs. 500,000 facility has been extinguished and securities have been released. During the period, money market loan amounting to Rs 500 million from MCB have been converted into running finance facility.

8. CONTINGENCIES AND COMMITMENTS

There have been no material change in status of contingencies and commitments as reported in the audited financial statement for the year ended December 31, 2020, except for the following:

Contingencies

8.1 The Holding Company

On April 30, 2021 Sindh High Court (SHC) passed an order in respect of the petition filed by the Holding Company relating to applicability of section 5A i.e. "Tax on undistributed profit" of the Income Tax Ordinance, 2001 and decided the case in favour of the Holding Company. However, during the period, Federal Board of revenue (FBR) has filed a constitutional appeal with Supreme Court of Pakistan (SCP) against the decision of SHC.

8.2 Tenaga Generasi Limited

8.2.1 On April 27, 2018, the Officer Inland Revenue (OCIR) through an order raised a sales tax demand of Rs. 97,282,565 along with a default surcharge arising due to inadmissibility of input sales tax credit related to civil works carried out on account of building and foundation of wind turbines. TGL filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)] on May 14, 2018 on the grounds that sales tax at 14% was paid on services for installation of wind project which is related to the core taxable activity for the business and is, therefore, admissible as per law. During February 2021 after conducting case CIR(A) has passed the order and confirmed the demand raised by the taxation officer. Subsequently company has filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against the order passed by CIR(A). The management of TGL, based on the advice of its tax consultants, is confident of a favorable outcome of this matter. Accordingly, no provision has been recognized in this respect in this condensed consolidated interim financial information.

8.2.2 On March 30, 2021, TGL received an order in respect of Tax year 2016, after sales tax audit conducted by Federal Board of Revenue as per section 25 of Sales Tax Act, 1990 from Deputy Commissioner Inland Revenue (DCIR) amounting to Rs 348,073,571 excluding default surcharge and penalty of Rs. 167,075,313 and Rs. 17,413,677 due to inadmissibility of input sales tax credit related to services / goods obtained by the Company for building construction, electrical and mechanical works and short payment of output tax. However, on April 29, 2021, taxation DCIR has rectified order on the basis of argument presented by TGL, whereby sales tax demand of Rs. 12,085,247 along with default surcharge and penalty of Rs. 4,891,553 and Rs. 614,261, respectively has been raised after rectification. The management of TGL, based on the advice of its tax consultants, is confident of a favorable outcome of this matter. Accordingly, no provision has been recognized in this respect in this condensed consolidated interim financial information.

(Amounts in thousand)

	Unaudited For nine months ended September 30, 2021	Audited For the year ended December 31, 2020
	-----Rupees-----	
8.3 Commitments		
8.3.1 Reon Energy Limited		
Contingent liabilities - guarantees	749,645	579,324
Commitments in respect of:		
- Purchase orders	627,942	423,602
- Letter of credit	1,967,527	279,766
- Forward foreign exchange contracts	603,746	506,780
	3,199,215	1,210,148
8.3.2 Bank guarantees have been issued against mobilization advances from customers and performance of the goods and services rendered for a tenure varying from three months to three years.		
8.3.3 The Holding Company has provided a corporate guarantee amounting to Rs. 144,000 to Pak Oman Investment Company Limited to secure funded facility provided to Grid Edge (Private) Limited (subsidiary of Reon Energy Limited).		

	Unaudited For nine months ended September 30, 2021	September 30, 2020
	-----Rupees-----	
9. REVENUE - NET		
Renewable energy		
Project revenue (Solar)	5,795,097	1,689,391
Alternate Energy (Wind)	2,506,959	2,482,373
	8,302,056	4,171,764
Textile		
Fabric	3,450	2,677
	8,305,506	4,174,441
Related to discontinued operations	(3,450)	(2,677)
	8,302,056	4,171,764

10. EARNING / (LOSS) PER SHARE - Basic and diluted

There is no dilutive effect on the basic earnings / (loss) per share of the Holding Company which is based on:

	Unaudited			
	Quarter Ended		Nine months Ended	
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
Continuing operations				
Profit for the period (attributable to the owners of the Holding Company)	857,525	724,737	1,804,077	1,274,926
Weighted average number of ordinary shares (in thousand)	59,300	59,300	59,300	59,297
Earnings per share	14.46	12.22	30.42	21.50
Discontinued operations				
Loss for the period (attributable to the owners of the Holding Company)	2,897	(5,992)	(14,920)	(11,668)
Weighted average number of ordinary shares (in thousand)	59,300	59,300	59,300	59,297
Loss per share	0.05	(0.10)	(0.25)	(0.20)

11. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**11.1 Financial risk factors**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

There have been no changes in the risk management policies during the period, consequently this consolidated condensed interim financial statements does not include all the financial risk management information and disclosures required in the annual financial statements.

11.2 Fair value hierarchy

As per the requirements of IFRS 13 "Fair Value Measurement", the Group shall classify fair value instruments using a fair value hierarchy that reflects the significance of 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 the asset or liability that are not based on observable market data (level 3).

(Amounts in thousand)

As at September 30, 2021 (Unaudited)				
Level 1	Level 2	Level 3	Total	
-----Rupees-----				
Non-current assets				
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)				
-	13,932	-	13,932	
Financial assets at fair value through other comprehensive income				
- Long-term investments (investments in unquoted equity shares)				
-	-	15	15	
Current liability				
Financial liability at fair value through profit or loss				
- Derivative financial liability				
-	-	-	-	
-	13,932	15	13,947	
As at December 31, 2020 (Audited)				
Level 1	Level 2	Level 3	Total	
-----Rupees-----				
Non-current assets				
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)				
-	13,886	-	13,886	
Financial assets at fair value through other comprehensive income				
- Long-term investments (investments in unquoted equity shares)				
-	-	15	15	
Current liability				
Financial liability at fair value through profit or loss				
- Derivative financial liability				
-	9,200	-	9,200	
-	23,086	15	23,101	

The carrying value of all financial assets and liabilities reflected in this consolidated condensed interim financial statements approximate their fair value.

12 SEGMENT REPORTING

12.1 Management has determined the operating segments for allocation of resources and assessment of performance which are organized into the following three reportable operating segments;

- Renewable energy solutions
- Textile - discontinued operations
- Alternate energy

Segment analysis is as under:

	Renewable energy		Textile - discontinued operations		Alternate Energy		Unallocated		Total	
	-----Unaudited-----									
	September 30, 2021		September 30, 2020		September 30, 2021		September 30, 2020		September 30, 2021	
-----Rupees-----										
Revenue from contract with customers - net										
Timing of revenue recognition										
- At a point in time	2,588	-	3,450	2,677	-	-	-	-	6,038	2,677
- Over time	5,792,509	1,689,391	-	-	2,506,969	2,482,373	-	-	8,299,468	4,171,764
	5,795,097	1,689,391	3,450	2,677	2,506,969	2,482,373	-	-	8,305,506	4,174,441
Cost of revenue	(5,360,263)	(1,515,708)	(3,429)	(5,137)	(860,230)	(856,478)	-	-	(6,223,922)	(2,377,323)
Segment gross profit / (loss)	434,834	173,683	21	(2,460)	1,646,729	1,625,895	-	-	2,081,584	1,797,118
Selling and distribution expenses	(271,051)	(196,633)	(64)	(17)	-	-	-	-	(271,115)	(196,650)
Administrative expenses	(181,983)	(142,182)	(43,447)	(34,977)	(72,246)	(58,456)	(40,306)	(36,545)	(337,982)	(272,160)
Other expenses	(53,335)	(18,321)	-	-	-	-	-	-	(53,335)	(18,321)
Other income	23,058	32,624	28,570	25,786	8,717	14,261	74,007	15,203	134,352	87,874
Finance cost	(23,327)	(42,771)	-	-	(338,412)	(462,588)	(43,625)	(77,459)	(405,364)	(582,818)
Share of profit from associate	-	-	-	-	-	-	1,201,562	873,465	1,201,562	873,465
Taxation	(62,250)	(23,700)	-	-	(2,336)	-	(165,346)	(135,098)	(249,932)	(158,798)
Segment net profit	(134,054)	(217,300)	(14,920)	(11,668)	1,242,452	1,119,112	1,006,292	639,566	2,099,770	1,529,710
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020	September 30, 2021	December 31, 2020
	-----Rupees-----									
Segment assets	3,946,484	2,273,276	37,612	28,548	16,037,516	15,770,790	11,767,972	11,008,328	31,789,584	29,080,942
Segment liabilities	4,509,201	1,880,670	16,591	5,937	8,909,173	9,231,063	794,618	2,312,098	14,229,583	13,429,768

(Amounts in thousand)

13 TRANSACTIONS WITH RELATED PARTIES

Transaction with related parties, other than those which have been disclosed elsewhere in this consolidated condensed interim financial statements, are as follows:

Relationship	Nature of transaction	Unaudited	Unaudited
		September 30, 2021	September 30, 2020
		-----Rupees-----	
a. Associated companies			
Dawood Hercules Corporation Limited	Dividend income	350,694	545,523
	Reimbursable expenses by the Company incurred on behalf of the Company	15,534	14,075
	Reimbursable expenses to the Company	41	1,600
Sach International (Private) Limited	Reimbursable expenses incurred by the Company	291	273
	Royalty charged by the Company	8,700	6,535
	Penalty charged against overdue receivables	2,199	1,819
	Rental Income	495	495
The Dawood Foundation	Expenses incurred by the Company	13,035	14,681
	Project revenue	9,940	7,217
Enqro Energy Limited	Operations and maintenance expenses	270,818	272,848
	Project revenue	802	85,250
	Delayed Payment Interest	5,735	-
	Extra work	12,311	11,476
Engro Vopak Terminal Limited	Project revenue	227	-
Enfrashare (Private) Limited	Project revenue	746,953	749,117
International Finance Corporation	Borrowing cost charged to the Company	56,046	90,468
	Repayment of loan	337,910	321,369
	Supervision fee	2,991	3,231
	Accrued mark-up	28,290	28,290
b. Key management personnel			
	Salaries and benefits	57,071	49,727
	Retirement benefit	378	311
	Project revenue	524	-
c. Directors			
	Meeting fees	1,950	2,500

14 DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial statements were authorized for issue on October 28, 2021 by the Board of Directors of the Holding Company.



Chief Executive Officer



Director



Chief Financial Officer

کے بیٹری انرجی اسٹوریج سسٹمز کی مقبولیت میں بیش بہا اضافے کا بھی قوی امکان دکھائی دیتا ہے۔ چنانچہ کمپنی کے سامنے ایسا شان دار موقع موجود ہے کہ صنعتوں میں توسیع اور ماحولیات میں تبدیلی کے اثرات پر قابو پانے کے سلسلے میں عالمی دباؤ کے نتیجے میں آنے والے برسوں میں سٹشس توانائی اور اسٹوریج سسٹمز کی طلب میں بیش بہا اضافہ ہوگا۔ تاہم دنیا بھر میں سٹشس توانائی اور توانائی ذخیرہ کرنے کی مصنوعات کی طلب بڑھ جانے کے نتیجے میں سپلائی چین میں تعطل پیدا ہو جانے کے بھی بہت سے امکانات ہیں۔

ہوا سے توانائی کا پروجیکٹ

ہوا سے توانائی کشید کرنے کا سیکٹر تاحال گردش قرضوں کے مضر اثرات کا شکار ہے اور حکومت کی جانب سے ادائیگیوں میں کافی کمی آئی ہے اور قابل وصولی ادائیگیاں 09 ماہ کی سطح پر رکی ہوئی ہیں۔ امکان ہے کہ یہ صورت حال جاری رہے گی کیوں کہ حکومت قابل تجدید توانائی کے شعبے کے ساتھ تاحال MoU پر حتمی مذاکرات شروع نہیں کر سکی ہے۔ ماسوائے ایک IPP کے 1999 اور 2002 کے پالیسی پروجیکٹ کو 40% پیشگی ادائیگیاں کر دی گئی ہیں۔ CPPA کے لئے نقدی کے بہاؤ کی صورت حال میں کسی حد تک بہتری آئی ہے اور CPPA ٹیکس اور قرضوں کی واپس ادائیگی کی ذمہ داری ترجیحی بنیادوں پر کر رہی ہے۔ توانائی کی خریدار (CPPA) کے پاس فنڈز کی دستیابی ابھی پوری طرح یقینی نہیں ہو سکی ہے۔

جھمپیر میں واقع پون چکیوں کا پلانٹ HVDC لائن کے کام شروع کر دینے کے بعد شدید کمی کی کیفیت کا سامنا نہیں کر رہے۔ جھمپیر گزڈ میں چوتھے ٹرانسپارمر کی تنصیب کی جا رہی ہے اور جنوری 2022 میں اس کے کام شروع کر دینے کے بعد استحکام میں بہتری آئے گی۔ حالیہ طور سے TGL پر کوئی اثر نہیں پڑ رہا اور توقع ہے کہ یہ کیفیت جاری رہے گی۔

حکومت، اب سرگرمی سے توانائی کی لاگت میں کمی کرنے کے لئے دباؤ ڈال رہی ہے۔ 1999 اور 2002 پاور پالیسی کے IPPS کے ساتھ دستخط کردہ MoU کو نافذ کر دیا گیا ہے اور ابتدائی ادائیگیاں کی جا چکی ہیں۔ پون چکیوں کی IPPS کے ساتھ مذاکرات حالیہ طور سے تعطل کا شکار ہیں کیونکہ حکومت فی الوقت ان پروجیکٹس کے غیر ملکی فنانسرز کے ساتھ مذاکرات میں مصروف ہے۔ ایسے اشارے ہیں کہ IPPS کے ساتھ مذاکرات جلد شروع ہو جائیں گے اور ان پلانٹس کو بیرونی فنانسرز کی بنیاد پر فنڈز فراہم کئے جائیں گے۔ حالیہ طور سے مذاکرات کی بنیاد پر فنانسرز کے خیالات مختلف ہیں اور انہیں بھی اپنا موقف واضح کرنا ہے۔

ٹیرف کی بولی کی کارروائی ابھی مکمل طور سے مرتب نہیں کی گئی ہے اور ڈویلپرز کے لئے یہ بات باعث تشویش ہے۔ یہ کارروائی ابھی تک واضح نہیں کی گئی ہے حالانکہ قابل تجدید توانائی کی نئی پالیسی جاری کر دی گئی ہے۔ حکومت نے wind-solar hybrid تنصیبات کے لئے 7 LOI منسوخ کر دی ہے۔ ٹیرف اب نئی قابل تجدید توانائی پالیسی کے ذریعے وضع کی جائے گی۔

شاہد حمید پراچہ

چیئر مین

مجتبیٰ حیدر خان

چیف ایگزیکٹو آفیسر

کراچی، 28 اکتوبر، 2021

(85,909)	(52,604)	ٹیکسیشن
431,064	269,966	منافع بعد از ٹیکس
2,708,349	2,960,800	گذشتہ حسابات سے موصولہ غیر مختص منافع (brought forward)
2,901,099	3,023,217	آئندہ حسابات کو منتقلہ غیر مختص منافع (carried forward)
7.27	4.55	آمدنی فی حصص - بنیادی اور مجموعی

30 ستمبر 2021 کو ختم ہونے والی نو ماہی مدت کے دوران ہماری ایسوسی ایٹ، داؤد ہرکولیس کارپوریشن لمیٹڈ کی ڈیوڈنڈ آمدنی 350.69 ملین روپے رہی جو گزشتہ برس یعنی 30 ستمبر 2020 کو ختم ہونے والے نصف سال کے دوران 545.52 ملین روپے رہی تھی۔

زیر جائزہ مدت کے دوران حاصل ہونے والی مجموعی آمدنی 8,302 ملین روپے رہی جو گزشتہ برس کی قابل موازنہ مدت کے دوران 4,172 ملین روپے رہی تھی۔ آمدنی میں اضافے کی بڑی وجہ سٹشی توانائی کے پروجیکٹس سے ہونے والی 4,103 ملین روپے کی آمدنی تھی۔ ایسوسی ایٹ کمپنی کے منافع میں 1,202 ملین روپے کا اپنا حصہ (جو 30 ستمبر 2020 تک کی مدت کے دوران 873 ملین روپے رہا تھا) شامل کرنے کے بعد، ختم ہونے والی نو ماہی مدت کا بعد از ٹیکس مجموعی منافع 2,100 ملین روپے حاصل ہوا جو گزشتہ برس کی اسی مدت کے دوران 1,530 ملین روپے رہا تھا۔ ہولڈنگ کمپنی کے مالکان سے منسوب فی حصص مجموعی آمدنی 30.17 روپے حاصل ہوئی جب کہ گزشتہ برس کی اسی مدت کے دوران فی حصص مجموعی آمدنی 21.30 روپے رہی تھی۔

مستقبل کا خاکہ

قابل تجدید توانائی کا کاروبار

ماحولیات میں تبدیلی کی رفتار کو دیکھتے ہوئے کہا جاسکتا ہے کہ جو صنعتیں اپنے آپ کو قابل تجدید توانائی کو کام میں لانے کی جانب راغب ہوں گی، عالمی سطح پر وہی صنعتیں مسابقت کر سکیں گی۔ امکان ہے کہ آئندہ مستقبل میں یہی بات نہ صرف نرم دباؤ کے لئے استعمال کی جائے گی بلکہ بین الاقوامی تجارت اور اقتصادی تعلقات کی بھی بنیاد قابل تجدید توانائی ثابت ہوگی اور ممکنہ طور پر کسی بھی ملک کی برآمدی کارکردگی پر اثر انداز بھی ہوگی۔ مزید برآں، اندازہ لگایا گیا ہے کہ قابل تجدید توانائی کی ٹیکنالوجیوں کی لاگتوں میں کمی کا رجحان آئندہ پانچ سے دس برسوں تک قائم رہے گا جو قابل تجدید توانائی کے اقتصادی مقدمہ کو مضبوط بنا رہا ہے۔ آئی ایم ایف سے کئے گئے وعدے کی تکمیل کی غرض سے حکومت نے گزشتہ قرضوں پر قابو پانے کے پلان (CDMP) کے حصے کے طور پر توانائی کی قیمتوں میں اضافے کا اعلان کیا ہے۔ یہ اور گیس کی قلت اور پاور پلانٹس کو سپلائی میں تعطل کے سبب امکانات ہیں کہ کمرشل اور صنعتی صارفین توانائی کے متبادل ذرائع کی جانب دیکھنے لگیں جن میں قابل تجدید توانائی مسابقتی اور قابل عمل انتخاب رہے گی۔ چنانچہ ایسے کاروباروں کے لئے ماحول انتہائی سازگار ہے کہ وہ لاگتوں میں کمی کی غرض سے اسٹیٹ بینک آف پاکستان کی جانب سے حالیہ طور پر پیش کی جانے والی رعایتی مالیاتی اسکیموں کی مدد سے سٹشی توانائی پر منتقل ہو کر عالمی مارکیٹ میں اپنی قبولیت اور مسابقتی صلاحیت بہتر بنائیں۔

اسٹیٹ بینک آف پاکستان کی جانب سے پیش کی گئی TERF سہولت، جس کے تحت صنعتی سرگرمیوں کے لئے رعایتی قرضے دیئے گئے انتہائی مقبول ثابت ہوئی ہے اور اس سہولت کے تحت مختلف کاروباروں کو 435.7 ارب روپے کے نئے توسیعی قرضے دیئے گئے ہیں۔ اس سہولت کا نتیجہ صنعتوں میں توسیع کی صورت میں برآمد ہونے کا امکان ہے جو مجموعی طور سے، خصوصاً تجارتی اور صنعتی شعبوں میں توانائی کی طلب کے بڑھنے پر متوجہ ہوگا۔ اس کے علاوہ مستقبل قریب میں توانائی

اور اسٹیک ہولڈروں کے تحفظ کو یقینی بناتے ہوئے اپنے گاہکوں کو قدر کی فراہمی پر مرکوز رکھنا تھا۔
 کووڈ 19 کی نئی لہر شروع ہونے پر اپنے ملازمین اور کارکنوں کی حفاظت اور صحت کو یقینی بنانے کی غرض سے کمپنی نے کئی اقدامات اٹھائے۔ جہاں ضرورت محسوس ہوئی، تمام دفتری اسٹاف کے گھر سے کام کرنے کے چلن کی حوصلہ افزائی کی گئی، ملازمین کے تحفظ اور سرکاری ہدایات کی تعمیل کی غرض سے دفاتر بند کر دیئے گئے۔ تحفظ اور نگرانی کے اعلیٰ ترین معیار پر عمل درآمد یقینی بنانے کی غرض سے ہماری پھیلی ہوئی کسٹمر سائنس پر گاہکوں کی تعداد محدود کر دی گئی ہے کیوں کہ صحت اور تحفظ ہماری اولین ترجیح ہے۔

ہوا سے توانائی کے پروجیکٹ

پلانٹ تسلی بخش طریقے سے کام کر رہا ہے اور دستیابی اور BOP نقصانات کے ضمن میں متوقع ٹارگٹس پورے کر رہا ہے۔ اس مدت کے دوران BOP نقصانات 2.5% کے متوقع ٹارگٹ کے مقابلے میں 0.93% رہے جب کہ دستیابی 98.0% کے ٹارگٹس کے مقابلے میں 99.31% رہی۔ صحت، تحفظ اور ماحولیات (HSE) ہماری ترجیح رہی اور کووڈ 19 کی آمد کے بعد سے 437,470 محفوظ گھنٹے کام ہوا ہے جس دوران زخمی ہونے اور TRIR کی شرح صفر رہی۔ یہ پلانٹ 1,556 دن سے کسی حادثے کے بغیر محفوظ طریقے سے کام کر رہا ہے۔

Dawood HydroChina اور Zephyr کے ساتھ مل کر یہ پلانٹ اب NTDC میٹ ورک پر منتقل کیا جا چکا ہے جو چھمپیر گڑھ کو بجلی فراہم کر رہا ہے۔ یہ تبدیلی 5 ستمبر 2021 کو CPPA اور کے الیکٹرک کے درمیان معاہدے کے اختتام پر کی گئی۔ آج کی تاریخ تک یہ نیا کنکشن مستحکم ثابت ہو رہا ہے اور پلانٹ کے 48MW پر کام کرنے کے باوجود پیداوار میں کوئی کمی نہیں کی گئی۔ تاہم کبھی کبھی ہائی وولٹیج کے ایشو کا سامنا رہتا ہے۔ حالیہ سہ ماہی کے دوران فروخت کردہ کل بجلی (50.36GWh) P75 کی سطح (46.27GWh) سے زیادہ ہے۔ رواں سہ ماہی کے دوران پلانٹ کو غیر معمولی طور سے ہوا موصول ہوئی ہے اور یہ چلن اکتوبر میں بھی جاری رہنے کی توقع ہے۔

مالیاتی صورت حال

کمپنی کے غیر منظم مالیاتی اعداد و شمار درج ذیل ہیں:-

نومابہی مدت اختتامیہ 30 ستمبر 2020	نومابہی مدت اختتامیہ 30 ستمبر 2021
روپے ہزاروں میں	روپے ہزاروں میں
1,962	2,588
(9,546)	(2,616)
(7,584)	(28)
105,603	74,007
528,641	337,490
(11,668)	(14,920)

آمدنی.....خالص

لاگت آمدنی

مجموعی نقصان

دیگر آمدنی

جاری آپریشنز سے حاصل شدہ قبل از ٹیکس نفع

منقطع آپریشنز سے حاصل شدہ نقصان

داؤڈ لارنس پور لمیٹڈ

ڈائریکٹرز کی جائزہ رپورٹ برائے اختتام نومبر 30 2021

ڈائریکٹرز مسرت کے ساتھ 30 ستمبر 2021 کو ختم ہونے والے نومبر ماہ کیلئے اپنی رپورٹ بمع کمپنی کے عبوری، غیر آڈٹ شدہ، مجموعی مالی حسابات کا خلاصہ اور گروپ کے عبوری، غیر آڈٹ شدہ، مجموعی مالی حسابات پیش کئے جا رہے ہیں۔

کاروباری جائزہ

قابل تجدید توانائی کا کاروبار

ٹاپ لائن میں اضافہ حالیہ سہ ماہی میں بھی جاری رہا اور کمپنی نے 30 ستمبر 2021 تک کی نومبر ماہ کی مدت میں 5.79 بلین روپے کی بلند ترین آمدنی ریکارڈ کی۔ اس کی بڑی وجہ سال 2020 میں کئے جانے والے متعدد معاہدے تھے۔ تاہم قابل ذکر بات یہ ہے کہ کمپنی نے 74MW کے نئے EPC معاہدوں پر بھی دستخط کئے ہیں جن کی اکثریت سیمنٹ اور ٹیکسٹائل سیکٹر سے ہے، جن کا اثر ہمارے آگے بڑھنے میں واضح طور سے دکھائی دے گا۔ اس نومبر ماہی مدت کے دوران دیگر اہم واقعات میں ٹیلی کام کے کاروبار میں 497 ٹیلی کام سائٹوں کے ٹرن کی معاہدوں پر دستخط اور، جیسا کہ پہلے ذکر کیا گیا ہے، قطر میں واقع ٹیلی بس ڈپو کے لئے 5.3 میگا واٹ سولر سسٹم کے ڈیزائن اور تعمیر کی غرض سے اپنے پہلے انٹرنیشنل معاہدے پر بھی دستخط کیا جانا شامل ہیں۔ یہ اپنی مارکیٹ میں متفرق ہونے کی ہماری حکمت عملی کے عین مطابق ہے اور ہم نے پلان بنایا ہے کہ بیرون ملک کام کرنے سے منسلک خطرات اور انعامات کا تجربہ حاصل کر لینے کے بعد اپنے عالمی پورٹ فولیو کو بڑھایا جائے۔ REON جس نے C&I سیگمنٹ کے لئے ایک نئی پروڈکٹ ”بیٹری انرجی اسٹوریج سسٹم (BESS)“ متعارف کروائی ہے، گیٹرون انڈسٹریز کے ساتھ 2.7MWh گنجائش والے BESS سولر سولوشن کے ساتھ روف ٹاپ سولر سولوشن کی فراہمی کا اپنا پہلا معاہدہ بھی کیا ہے۔ یہ BESS سولوشن مقامی گریڈ کو اوپر جنسی صورت حال میں سستی بجلی فراہم کرتا ہے اور گا ہوں کی مشینری کو وولٹیج کی سپلائی میں استحکام لاتا ہے۔ گریڈ میں قابل تجدید توانائی کے حصے کی مناسبت سے BESS اپنی طلب میں اضافہ کروانے کی صلاحیت رکھتا ہے لہذا یہ REON ENERGY کے لئے ایک بہت اچھا موقع ہے۔ چوتھی سہ ماہی کے دوران REON نے BESS کی دوسری ڈیل پر بھی دستخط کر دیئے ہیں۔

جہاں تک نتائج دینے کا تعلق ہے تو گزشتہ نومبر ماہ کے دوران کمپنی نے بیسٹ وے سیمنٹ کے چار میں سے پہلے دو (02) پلانٹ شروع کر دیئے ہیں جو کمپنی کی جانب سے کی گئی سب سے بڑی ڈیل ہے۔ اس سلسلے کا تیسرا پلانٹ چوتھی سہ ماہی میں مکمل ہو جائے گا۔ اس کے ساتھ ساتھ REON نے پہلے سے متحرک پلانٹ کی توسیع کے معاہدے پر دستخط کئے ہیں۔ سیگمنٹ کی سطح پر منافع میں کمی آئی لیکن وہ بہتری کی جانب گامزن ہے کیوں کہ ملکی معیشت نے سنبھالا لیا ہے اور عالمی سپلائی چین میں خلل کے اثرات اب زائل ہونا شروع ہو گئے ہیں۔

لیکن عالمی وباء کے خطرے کے باعث وسیع تر اقتصادی منظر نامہ تا حال غیر یقینی کا شکار ہے۔ وباء کے سبب عالمی سپلائی چین بھی تہ وبالا ہوئی جس کے نتیجے میں پی وی بیٹری اور چپ کی قلت پیدا ہوئی اور سوز کینال کی بندش جیسے دیگر واقعات کے باعث مال پہنچانے میں تاخیر ہوئی اور لاگتوں میں بھی اضافہ ہوا۔ ماحولیات سے متعلق مقرر کئے گئے ٹارگٹس کے حصول کی غرض سے بجلی کے بندش کے سبب چین میں فیکٹریاں بند ہو جانے کا اثر چوتھی سہ ماہی کے دوران اہم ترین آلات و اوزاروں کی دستیابی پر پڑتا رہے گا۔ اس پر ہمارا رد عمل ظاہر ہونے والی تبدیلیوں پر نظر رکھنا، ان کے مطابق خود کو ڈھالنا اور کمپنی کی توجہ اپنے ملازمین

PHYSICAL SHAREHOLDERS

Bank Account Details for Payment of Cash Dividend (Mandatory Requirement as per the Companies Act, 2017)

Dear Shareholder,

This is to inform you that in accordance with the Section 242 of the Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder. Please note that giving bank mandate for dividend payments is mandatory and in order to comply with this regulatory requirement and to avail the facility of direct credit of dividend amount in your bank account, you are requested to please provide the following information:

Details of Shareholder	
Name of shareholder	
Folio No.	
CNIC No.	
Cell number of shareholder	
Landline number of shareholder, if any	
Details of Bank Account	
Title of Bank Account	
International Bank Account Number (IBAN) “Mandatory”	PK _____ (24 digits) (Kindly provide your accurate IBAN number after consulting with your respective bank branch since in case of any error or omission in given IBAN, the company will not be held responsible in any manner for any loss or delay in your cash dividend payment).
Bank's name	
Branch name and address	
It is stated that the above-mentioned information is correct and in case of any change therein, I / we will immediately intimate Participant / Share Registrar accordingly.	
_____ Signature of shareholder	

You are requested to kindly send photocopy of this letter immediately duly filled in and signed by you along with legible photocopy of your valid CNIC at the Company's Share Registrar Office, **CDC Share Registrar Services Limited, Share Registrar Services, CDC House, 99-B, Block B, Main Shahrah-e-Faisal, Karachi. 74400, Pakistan.**

CDS SHAREHOLDERS

Bank Account Details for Payment of Cash Dividend (Mandatory Requirement as per the Companies Act, 2017)

Dear Shareholder,

This is to inform you that in accordance with the Section 242 of the Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank accounts of entitled shareholder as designated by them. In pursuance of the direction given by Securities and Exchange Commission of Pakistan (SECP), kindly immediately contact your relevant CDC Participant/CDC Investor Account Services Department and provide them your bank mandate information including International Bank Account Number (IBAN) which is now mandatory for all cash dividend payments.

In order to comply with regulatory requirement and to avail the facility of direct credit of dividend amount in your bank account, you are requested to please provide requisite bank mandate information to your respective Participant/CDC Investor Account Services Department immediately.

ELECTRONIC TRANSMISSION CONSENT FORM

The Securities & Exchange Commission of Pakistan through SRO 787(I)/2014 of September 8, 2014 allowed the Company to circulate its annual balance sheet and profit & loss accounts, auditor's report and directors' report etc. (Audited Financial Statements) along with the Company's Notice of Annual General Meeting to its shareholders through email. Those shareholders who wish to receive the Company's Annual Report through email are requested to complete the requisite form below.

CDC shareholders are requested to submit their Electronic Transmission Consent Form along with their CNIC directly to their broker (participant)/CDC; while shareholders having physical shares are to send the forms and a copy of their CNIC to the Company's Share Registrar, Messrs. CDC Share Registrar Services Limited, CDC House, 99-B, Block "B", S.M.C.H.S., Main Shakra-e-Faisal, Karachi.

Electronic Transmission Consent Form

Pursuant to the directions given by the Securities & Exchange Commission of Pakistan through its SRO 787(I)/2014 of September 8, 2014, I Mr. / Ms. _____
S/o, D/o, W/o _____ hereby consent to have the Dawood Lawrencepur Limited Audited Financial Statements and Notice of Annual General Meeting delivered to me via email on my email address provided below:

Folio / CDC Account No.	
Postal Address:	
Email Address:	
Contact No:	
CNIC No.:	

It is stated that the above mentioned information is true and correct and that I shall notify the Company and its Share Registrar in writing of any change in my email address or withdrawal of my consent to email delivery of the Company's Audited Financial Statements and Notice of the Meeting.

Dear Shareholder,

REQUEST FORM FOR HARD COPY OF ANNUAL AUDITED ACCOUNTS

The Securities and Exchange Commission of Pakistan, vide S.R.O 470(I)/2016 dated May 31, 2016, has allowed companies to circulate their annual balance sheet, profit and loss account, auditor's report, directors' report and ancillary statements/notes/documents ("Annual Audited Accounts") along with notice of general meeting to the registered addresses of its shareholders in electronic form through CD/DVD/USB.

However, Shareholders may request a hard copy of the Annual Audited Accounts along with notice of general meetings to be sent to their registered address instead of receiving the same in electronic form on CD/DVD/USB. If you require a hard copy of the Annual Audited Accounts, please fill the following form and send it to our Share Registrar or Company Secretary at the address given below.

Date: _____

I/We _____ request that a hard copy of the Annual Audited Accounts along with notice of general meetings be sent to me through post. My/our particulars in this respect are as follows:

Folio /CDC A/c No.	
Postal Address:	
Email Address:	
Contact No:	
CNIC No.	
Signature	

The form may be sent directly to Dawood Lawrencepur Limited Share Registrar or Company Secretary at the following address:

CDC Share Registrar Services Limited CDC
House, 99-B, Block "B", S.M.C.H.S
Main Shahra-e-Faisal, Karachi, Pakistan
Tel: +92 (21) 111-111-500
Website: <http://cdcpakistan.com>

Dawood Lawrencepur Limited
Dawood Centre, M.T. Khan Road
Karachi -75530, Pakistan
Tel: +92 (21) 35632200
Email: info.reon@dawoodhercules.com
Website: www.dawoodlawrencepur.com

If you are a CDC Account Holder, you should submit your request directly to your CDC Participant through which you maintain your CDC account.



Registered Office:
3rd Floor, Dawood Center, M.T. Khan Road, Karachi- 75530, Pakistan.

UAN: (021) 111 736 611
Tel: (92 21) 3563 2200-09
Fax: (92 21) 3563 3970

info.reon@dawoodhercules.com
www.dawoodlawrencepur.com