

Quarterly Report
March 31, 2020



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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.10 billion by 2020. 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. 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

Legal Advisor

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

Share Registrar

- CDC Share Registrar Services Limited
CDC House, 99-B, Block B, S.M.C.H.S
Main Shakra-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

- 3rd floor, Asia House, 19-C/D, L Block
Gulberg III, Main Feroz Pur Road
Lahore
Tel.: 042-35861 050-53
Fax.: 042-3586 1054

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 Attock.
Tel.: 057-2641074-6
• Fax: 057-2641073

DAWOOD LAWRENCEPUR LIMITED

DIRECTORS' REVIEW REPORT

FOR THE QUARTER ENDED MARCH 31, 2020

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 period ended March 31, 2020.

BUSINESS REVIEW

Renewable Energy Business

Following the renewal of the SBP Green Financing Scheme last year, Reon opened the year strongly with a robust deal pipeline and looked set to extend its progression in the current year. However with the onset of COVID 19 pandemic and the consequential industrial and commercial lockdown, the outlook for the year became very uncertain. Due to compressed demand, most customers are awaiting lifting of lockdown and the normalization of activity to finalize the orders. However, even during these uncertain times, Reon was able to secure deals of 7.5MW.

The impact of plummeting oil prices is yet to be seen on the local energy prices which had witnessed a rise last year when the power tariff for all consumers was raised by PKR 3 due to removal of PM's subsidy. The rising energy prices created a favorable environment for Reon's core business as Solar PV is seen as a hedge against increasing energy prices.

On the regulatory front, Government of Pakistan had shared its draft Renewable Energy Policy for comments. Overall objective has been to increase contribution from renewable sources to 30% of the installed capacity by 2030. While this represents a major shift in priorities for the Federal Government, details of how this target will be achieved are yet to be developed. We believe that Solar PV will constitute a lion's share of the incremental capacity between now and 2030 due to its inherent flexibilities both in front and behind the meter. Storage will also play an important role towards helping integrate a higher percentage of intermittent renewable sources in the long term. We foresee Solar PV and Storage solutions competing with gas peaker plants in the country by 2022 based on their ever improving cost curves and efficiencies.

In the wake of the COVID 19 pandemic, the company took a number of steps to ensure the safety and health of its employees and workers. From the appearance of the first COVID case in Pakistan, necessary steps were taken both at offices and in the field. Later on, work-from-home for all office based staff was made mandatory, while employees were demobilized from site. As the lock down is lifted by the Government, the Company will recommence mobilization keeping safety and health of its employees as an utmost priority.

Wind Energy Project

Despite the situation arising out of COVID-19 lockdown, the Plant operated satisfactorily during the quarter and is meeting the expected targets for availability and BOP loss. The BOP Loss for the period was 1.01 % against a target of 2.5 %, whilst the Availability was 98.84 % against a target of 98.0 %. Health Safety and the Environment (HSE) remained the priority and 387,809 safe man-hours have been clocked since COD with zero injury rate and TRIR. The plant has been operating safely, without injury, for 1,280 days.

The plant, together with Dawood HydroChina and Zephyr, is now supplying power to K Electric on an ongoing dispatch basis. This arrangement is providing stable operations and both grid outage and curtailment has substantially reduced. The total NPMV for Q1 2020 was 0.03 GWh as compared to 0.78 GWh for Q4 2019. The total energy billed during the current quarter (25.13 GWh) is at the P75 level (25.16 GWh). The Plant experienced unusually high winds during this quarter. It is expected that the NPMV events will be minimal during 2020.

During the current quarter the average wind speed observed was 6.3 m/sec, which is higher than the P75 wind speed of 6.05 m/sec. The trend of the wind speed has altered appreciably, with lower wind during the summer months and substantially higher winds during the winter months. This trend was observed in January and February, but the March wind speeds were at the P90 value. This downward trend in continuing in April 2020.

FINANCIAL HIGHLIGHTS

The unconsolidated financial highlights of the Company are as under:

	Three month period ended March 31, 2020	Three month period ended March 31, 2019
	Rupees in thousands	
Revenue – net	981	1,600
Cost of revenue	(604)	(633)
Gross profit	377	967
Other income	38,823	14,235
(Loss) / profit before taxation from continued operations	(940)	(9,191)
(Loss) / profit from discontinued operations	(2,999)	(5,929)
Taxation	(754)	(1,162)
(Loss) / profit after taxation	(4,693)	(16,282)
Unappropriated profit brought forward	2,708,349	2,293,821
Unappropriated profit carried forward	2,703,656	2,277,539
(Loss) / earnings per share - basis & diluted (Rupees)	(0.08)	(0.28)

During the three-month period ended March 31, 2020, dividend income from associate - Dawood Hercules Corporation Limited amounted to PKR Nil against PKR Nil million for the period ended March 31, 2019.

Consolidated revenues for the period were PKR 1,196.06 million as against PKR 1,298.74 million for comparative period. This was mainly due to decrease in revenue from solar energy projects amounting to PKR 349.62 million set off partially by an increase in revenue from the wind energy subsidiary amounting to PKR 158 million. After considering, the share of loss from associate of PKR 45.73 million (March 31, 2019: share of profit of PKR 259.29 million), the consolidated profit after tax for the three month period stood at PKR 15.13 million as against PKR 209.41 million for the similar period last year. Consolidated (loss) / earnings per share attributable to the owners of the Holding Company was (PKR 0.45) as against PKR 3.56 for the comparative period last year.

FUTURE OUTLOOK

Renewable Energy Business

The governments' objective in the current situation remains avoiding large market disruptions, limiting layoffs, keeping businesses solvent and providing for the vulnerable, yet managing the health shock. While dramatically low oil and commodity prices coupled with low demand could conceivably balance out the decline in exports there are other looming challenges at a regional and global level which make the macro economic future uncertain. At this juncture the full impact of the Covid 19 disruptions on the overall economy in general and on the solar business in particular, is yet to unfold. Whereas, any decrease in energy demand and cash constraints faced by locked down industries are likely to decrease the overall demand for solar during the year, the longer term case for clean energy remains extremely robust given especially developing competitiveness of energy storage solutions. Government policy is also beginning to recognize this development.

Renewal of SBP Financing for a further period of 3 years had been major positive development for the renewable industry and will certainly help bridge the funding gap for customers interested in EPC and O&M Services. However, delays in the allotment of financing limits to commercial banks is resulting in a delay in

finalization of deals as customers are waiting for a go ahead from Banks on the financing before committing themselves to any contract.

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 6 months level. This is likely to continue as the Government is delaying the introduction of sukuk / bonds to raise the requisite funds even though the circular debt has reached PKR 2.0 trillion. The cash flow situation for CPPA has also deteriorated due to the coronavirus epidemic as the collections have reduced appreciably. However, CPPA is making the payments for tax and debt repayment obligations on priority. Challenges loom as fund availability with the power purchaser (CPPA) is likely to be further constrained in view of the relief measures announced by the Government for payment of utility bills.

Concurrently the government is now actively pushing for a reduction in the cost of energy from IPPs without pursuing the long delayed restructuring and reform of the transmission and distribution sectors. The main emphasis is on elimination / reduction of the capacity payment charges for the thermal plants and a reduction in the applicable tariff for all power plants. There are meetings scheduled for April 16 and 17. It is after these meetings that more clarity will be obtained on the Government's approach. Any forced resolution is likely to set a bad precedent and give rise to a distrusting environment for any investment in the country.

The tariff bidding process has still not fully evolved, and this is a cause of concern for the developers. This process will be clarified once the new renewable energy policy is issued. The introduction date of the policy is still uncertain as the draft is not being accepted by the Provinces. The government has issued 7 LOI for wind-solar hybrid installations. These are being affected as there is no clarity on the tariff that will be available.

Mujtaba Haider Khan
Chief Executive Officer

Shahid Hamid Pracha
Chairman

Karachi, April 30, 2020

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020

	(Unaudited) March 31 2020	(Audited) December 31 2019
Note	Rupees in '000	
ASSETS		
Non-current assets		
Property, plant and equipment	27,000	27,853
Intangible assets	47	56
Long term investments	4 3,198,525	3,201,817
Long term loan	5 300,000	300,000
Long term deposits	2,778	2,778
	3,528,350	3,532,504
Current assets		
Stores and spares	892	892
Stock	6 33,301	34,582
Trade debts	71	71
Loans to subsidiaries	737,925	437,922
Loans and advances	3,622	2,635
Taxes recoverable	20,453	21,609
Deposits, prepayments and other receivables	7 134,500	106,665
Interest accrued	100,636	70,276
Cash and bank balances	8 209,537	6,362
	1,240,937	681,014
TOTAL ASSETS	4,769,287	4,213,518
EQUITY AND LIABILITIES		
Equity		
Share capital and reserves		
Authorized capital	750,000	750,000
Share capital	590,578	590,578
Capital reserve	206,666	206,666
Unappropriated profit	2,703,656	2,708,349
	3,500,900	3,505,593
LIABILITIES		
Non-current liabilities		
Staff retirement benefits	1,479	1,477
Current liabilities		
Trade and other payables	52,909	51,166
Contract liabilities	6,407	2,657
Short term borrowings	9 1,110,477	552,345
Unclaimed dividend	60,430	46,806
Unpaid dividend	4,739	18,561
Provision	7,360	7,360
Accrued markup	24,586	27,553
	1,266,908	706,448
CONTINGENCIES AND COMMITMENTS	10	
TOTAL EQUITY AND LIABILITIES	4,769,287	4,213,518

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.

Mujtaba Haider Khan
Chief Executive Officer

Shabbir Hussain Hashmi
Director

Saad Faridi
Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT PROFIT OR LOSS (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2020

		Three month period ended March 31, 2020	Three month period ended March 31, 2019
	Note	Rupees in '000	
CONTINUING OPERATIONS			
Revenue - net	11	981	1,600
Cost of revenue		(604)	(633)
Gross Profit		377	967
Other income		38,823	14,235
Selling and distribution expenses		(112)	(553)
Administrative expenses		(11,821)	(7,247)
Other charges		(3,292)	-
Finance cost		(24,915)	(16,593)
		(40,140)	(24,393)
Loss before taxation		(940)	(9,191)
Taxation		(754)	(1,162)
Loss after taxation		(1,694)	(10,353)
DISCONTINUED OPERATIONS			
Loss from discontinued operations		(2,999)	(5,929)
Loss for the period		(4,693)	(16,282)
Loss per share - Basic and diluted			
Continuing operations (Rs.)	12	(0.03)	(0.18)
Loss per share - Basic and diluted			
Discontinued operations (Rs.)	12	(0.05)	(0.10)

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.

Mujtaba Haider Khan
Chief Executive Officer

Shabbir Hussain Hashmi
Director

Saad Faridi
Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2020

	Three month period ended March 31, 2020	Three month period ended March 31, 2019
	Rupees in '000	
Loss after taxation	(4,693)	(16,282)
Other comprehensive income		
Items that may be reclassified subsequently through profit and loss account		
Loss on remeasurement of 'available for sale' investments	-	(28)
Total comprehensive loss for the period	<u>(4,693)</u>	<u>(16,310)</u>

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.

Mujtaba Haider Khan
Chief Executive Officer

Shabbir Hussain Hashmi
Director

Saad Faridi
Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2020

Ordinary Shares	Capital Reserves					Unappropriated profit	Unrealized gain on remeasurement of available for sale investments	Total	
	Merger reserve	Share premium reserve	Capital redemption reserve fund	Capital reserve	Total				
..... Rupees in '000									
Balance at January 01, 2019 (Audited)	590,578	10,521	136,865	25,969	33,311	206,666	2,293,821	-	3,091,065
Loss for the period	-	-	-	-	-	-	(16,282)		(16,282)
Other comprehensive loss	-	-	-	-	-	-		(28)	(28)
Total comprehensive loss for the period	-	-	-	-	-	-	(16,282)	(28)	(16,310)
Balance at March 31, 2019 (Unaudited)	590,578	10,521	136,865	25,969	33,311	206,666	2,277,539	(28)	3,074,755
Balance at January 01, 2020 (Audited)	590,578	10,521	136,865	25,969	33,311	206,666	2,708,349	-	3,505,593
Loss for the period	-	-	-	-	-	-	(4,693)	-	(4,693)
Balance at March 31, 2020 (Unaudited)	590,578	10,521	136,865	25,969	33,311	206,666	2,703,656	-	3,500,900

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.

Mujtaba Haider Khan
Chief Executive Officer

Shabbir Hussain Hashmi
Director

Saad Faridi
Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020

	Quarter ended March 31, 2020	Quarter ended March 31, 2019
	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(3,939)	(15,120)
Add: Loss before taxation attributable to discontinued operations	2,999	5,929
Profit before taxation from continuing operations	(940)	(9,191)
Adjustments for		
Depreciation	469	502
Amortization	9	5
Provision for staff retirement gratuity	218	158
Loss on disposal of property, plant and equipment	39	-
Unrealized Loss on investment	3,292	-
Provision against doubtful debts	-	13
Profit on deposit	(37)	(41)
Royalty Income	(3,562)	-
Dividend Income	-	-
Markup charge to related parties	(34,595)	(11,827)
Finance cost	24,915	16,593
Operating loss before working capital changes	(10,192)	(3,788)
(Increase) / decrease in current assets		
Stock in trade	-	41
Trade debts	-	4,362
Loans and advances	(878)	(534)
Deposits, prepayments and other receivables	(23,230)	(21,126)
Increase / (decrease) in current liabilities		
Trade and other payables	7,619	(77)
Contract liabilities	(472)	-
	(16,961)	(17,334)
Cash used in operations	(27,153)	(21,122)
Staff retirement benefits paid	-	-
Finance cost paid	(27,882)	(11,033)
Taxes paid	402	(365)
Discontinued operations	(4,587)	(13,001)
Net cash used in operating activities	(59,220)	(45,521)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	-	(65)
Purchase of intangible assets	-	(68)
Sale proceeds from disposal of property, plant and equipment	192	-
Interest received	37	41
Interest received from related parties	4,235	3,577
Subordinated loan to a subsidiary	(300,003)	(330,000)
Net cash used in investing activities	(295,539)	(326,515)

CASH FLOWS FROM FINANCING ACTIVITIES

Payment of dividend	(198)	(409)
Net cash used in financing activities	(198)	(409)
Net decrease in cash and cash equivalents	(354,957)	(372,445)
Cash and cash equivalents at beginning of the period	(545,983)	(368,481)
Cash and cash equivalents at end of the period	(900,940)	(740,926)
Cash and cash equivalent:		
Cash and bank balances	209,537	10,355
Running finance	(1,110,477)	(751,281)
	(900,940)	(740,926)

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.

Mujtaba Haider Khan
Chief Executive Officer

Shabbir Hussain Hashmi
Director

Saad Faridi
Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020

(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 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 Company are listed on Pakistan Stock Exchange. The Company manages investment in its subsidiaries 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 registered office of the Company is located at 3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
- 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, DCM, LWTM and BTM were disposed off.
- 1.3** The 'Lawrencepur' brand name continues to operate under license.
- 1.4** On 11 March 2020, the World Health Organization declared Coronavirus disease (COVID-19) a pandemic, and its spread has gained momentum. As at March 31, 2020, COVID-19 has spread throughout the country and lockdowns have been imposed in most parts of the country. The measures taken to reduce the spread have resulted in an overall economic slowdown and disruptions to various businesses, including decline in equity valuations on Pakistan Stock Exchange. The Government of Pakistan and State Bank of Pakistan have announced several monetary and fiscal policy measures to mitigate the adverse economic impacts of the COVID 19. The aforementioned measures have also affected the business operations of the Company significantly in the form of disruption to normal course of business. As this is still an evolving situation at the time of issuing these condensed interim financial statements, the overall impact on the Company's financial position cannot be estimated with reasonable certainty.

2 BASIS OF PREPARATION

- 2.1** This unconsolidated condensed interim statement of financial statements of the Company for the quarter ended Mar 31, 2020 is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017 (the Act). In case where requirements differ, the provisions of or directives issued under the Act have been followed. This unconsolidated condensed interim statement of financial statements does not include all the statements required for annual financial statements and therefore should be read in conjunction with the audited annual financial statements of the Company for the year ended December 31, 2019.
- 2.2** The preparation of this unconsolidated condensed interim statement of financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.
- 2.3** During the preparation of this unconsolidated condensed interim statement of financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to audited financial statements of the Company for the year ended December 31, 2019.

3 ACCOUNTING POLICIES

- 3.1** The accounting policies and the methods of computation adopted in the preparation of this unconsolidated condensed interim statement of financial statements are consistent with those applied in the preparation of the audited financial statements for the year ended December 31, 2019, except for IFRS 15 "Revenue from contract with customers" and IFRIC 22 "Foreign Currency Transactions and Advance Consideration", which become applicable during the period. The adoption of these accounting standard and amendments did not have any significant effect on the unconsolidated condensed interim financial statements.

3.2 There are certain other International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning January 1, 2020. These are considered not to be relevant or have any significant effect on the Company's financial reporting and operations and, therefore, not disclosed in this unconsolidated condensed interim financial statements.

3.3 Taxes on income in the interim period are accrued using tax rate that would be applicable to expected total annual profit or loss.

	(Unaudited) March 31, 2020	(Audited) December 31, 2019
	Rupees in '000	
4 LONG TERM INVESTMENTS		
Investment in subsidiary companies	3,123,808	3,123,808
Investment in associated companies	65,294	65,294
Other investments		
- Financial assets at fair value through profit or loss	9,408	12,700
- Financial assets at fair value through other comprehensive income	15	15
	<u>9,423</u>	<u>12,715</u>
	<u>3,198,525</u>	<u>3,201,817</u>
5 LONG TERM LOAN		
This represents subordinated loan of Rs. 300 million (December 31, 2019: Rs. 300 million) provided to Tenaga Generasi Limited, a subsidiary company, the loan carries mark-up at the rate of three months KIBOR plus 1.775%.		
6 STOCK		
<i>Renewable energy</i>		
Finished goods	44,671	44,671
Provision for slow moving and obsolete items	(33,170)	(33,170)
	<u>11,501</u>	<u>11,501</u>
<i>Textile</i>		
Finished goods	26,836	28,117
Provision for write down to net realisable value	(5,036)	(5,036)
	<u>21,800</u>	<u>23,081</u>
	<u>33,301</u>	<u>34,582</u>
7. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Includes amount receivable from Tenaga Generasi Limited amounting to Rs. 88.74 million (December 31, 2019: Rs 57.32 million).		
8. CASH AND BANK BALANCES		
Cash in hand	333	167
Balances with banks in:		
- current accounts	207,185	4,105
- deposit accounts (note 8.1)	2,019	2,090
	<u>209,204</u>	<u>6,195</u>
	<u>209,537</u>	<u>6,362</u>

8.1 These represents deposits with commercial banks and carry profit at the rate of 11.25% (2019 : 11.75%) per annum.

9. SHORT TERM BORROWINGS

9.1 This includes short-term running finance facilities aggregating to Rs. 1,500,000 (2019: Rs 1,500,000) obtained under mark-up arrangement from various banks. Out of the aforementioned facilities, the Company has negotiated sub-limits for financing the operations of Reon Energy Limited (a subsidiary company) amounting to Rs. 300,000. These facilities are 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. The rate of mark-up applicable on these facilities ranges from three months KIBOR plus 90 basis points to three months KIBOR plus 100 basis points (2019: three months KIBOR plus 75 basis points to three months KIBOR plus 100 basis points) per annum.

10. CONTINGENCIES AND COMMITMENTS

Contingencies

10.1 The Company has provided a corporate guarantee amounting to Rs. 225,000 to Habib Metro Bank Limited to secure unfunded facility provided to Reon Energy Limited (subsidiary).

10.2 There have been no material changes in contingencies and commitments as reported in the annual audited statements for the year ended December 31, 2019.

11. REVENUE - NET

	Unaudited Quarter ended March 31	
	2020	2019
	Rupees in '000	
Renewable energy		
Project revenue	981	1,600
	981	1,600
Textile- discontinued operations		
Fabric	1,270	2,237
Related to discontinued operations	(1,270)	(2,237)
	981	1,600

12. 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:

Continuing operations

	Unaudited Quarter ended March 31	
	2020	2019
Loss for the period (Rupees in thousand)	(1,694)	(10,353)
Weighted average number of ordinary shares (in thousand)	59,058	59,058
Loss per share (Rupees)	(0.03)	(0.18)

Discontinued operations

	Unaudited Quarter ended March 31	
	2020	2019
Loss for the period (Rupees in thousand)	(2,999)	(5,929)
Weighted average number of ordinary shares (in thousand)	59,058	59,058
Loss per share (Rupees)	(0.05)	(0.10)

13. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

13.1 Financial Risk Factors

The Company'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 unconsolidated condensed interim statements does not include all the financial risk management statements and disclosures required in the annual financial statements.

13.2 Fair value estimation

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- 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).

	March 31, 2020 (Unaudited)			Total
	Level 1	Level 2	Level 3	
	-----Rupees in '000-----			
Non-current assets				
<i>Financial assets at fair value through profit or loss</i>				
- Long-term investments (investments in units of mutual funds)	-	9,408	-	9,408
<i>Financial assets at fair value through other comprehensive income</i>				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
	<u>-</u>	<u>9,408</u>	<u>15</u>	<u>9,423</u>
	December 31, 2019 (Audited)			
	Level 1	Level 2	Level 3	Total
	-----Rupees in '000-----			
Non-current assets				
<i>Financial assets at fair value through profit or loss</i>				
- Long-term investments (investments in units of mutual funds)	-	12,700	-	12,700
<i>Financial assets at fair value through other comprehensive income</i>				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
	<u>-</u>	<u>12,700</u>	<u>15</u>	<u>12,715</u>

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

14 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
- Textile - discontinued operations

Segment analysis is as under;

14.1 Segment results	Renewable energy		Textile - discontinued operations		Unallocated		Total	
	-----Unaudited-----							
	March 31, 2020	2019	March 31, 2020	2019	March 31, 2020	2019	March 31, 2020	2019
-----Rupees in '000-----								
Revenue - net	981	1,600	1,270	2,237	-	-	2,251	3,837
Cost of revenue	(604)	(633)	(1,281)	(2,327)	-	-	(1,885)	(2,960)
Segment gross profit / (loss)	377	967	(11)	(90)	-	-	366	877
Selling and distribution expenses	(112)	(553)	(13)	(18)	-	-	(125)	(571)
Administrative expenses	(2,806)	(343)	(13,624)	(10,915)	(9,015)	(6,904)	(25,445)	(18,162)
Other charges	-	-	-	-	(3,292)	-	(3,292)	-
Finance cost	-	-	-	-	(24,915)	(16,593)	(24,915)	(16,593)
Other income	-	-	10,649	5,093	38,823	14,235	49,472	19,327
Taxation	-	-	-	-	(754)	(1,162)	(754)	(1,162)
Segment net (loss) / profit	(2,541)	71	(2,999)	(5,929)	847	(10,424)	(4,693)	(16,282)
	Unaudited March 31, 2020	Audited December 31, 2019	Unaudited March 31, 2020	Audited December 31, 2019	Unaudited March 31, 2020	Audited December 31, 2019	Unaudited March 31, 2020	Audited December 31, 2019
	-----Rupees in '000-----							
Segment assets	32,928	35,433	65,367	68,041	4,670,992	4,110,044	4,769,287	4,213,518
Segment liabilities	14,728	14,592	10,935	3,244	1,242,724	690,089	1,268,387	707,925

15 TRANSACTIONS WITH RELATED PARTIES

The Company in the normal course of business carries out transactions with various related parties. Related parties comprise of subsidiary companies, associated undertakings, directors, key management personnel and others. Transaction with related parties are carried out at agreed terms. Remuneration of key management personnel are as per terms of employment.

Relationship	Nature of transaction	(Unaudited)	(Unaudited)
		March 31, 2020	March 31, 2019
Rupees in '000			
a. Subsidiary company			
Tenaga Generasi Limited	Expenses incurred by the Company	2,163	383
	Expenses incurred on behalf of the Company	248	-
	Interest on reimbursement of expenses	2,982	1,230
	Equity arrangement fee (SBLC) / SBLC cost reimbursement	29,591	27,531
	Interest on loan	17,191	6,322
	Subordinated Loan	-	30,000
Reon Energy Limited	Interest on reimbursement of expenses	23	-
	Short term loan	-	97,000
	Repayment of short term loan	-	97,000
	Interest on short term loan	-	1,027
	Expenses incurred by the Company	20,161	940
	Expenses incurred on behalf of the Company	4,085	1,611
	Rental Income	-	90
	Subordinated Loan	300,000	300,000
	Interest on subordinated loan	14,357	3,225
Reon Alpha (Private) Ltd	Expenses incurred by the Company	253	156
	Interest on reimbursement of expenses	7	1
	Interest on loan	-	3

Greengo (Private) Limited	Subordinated Loan	-	60
	Interest on loan	12	6
Mozart (Private) Limited	Subordinated Loan	2	43
	Interest on loan	11	6
Abrax (Private) Limited	Subordinated Loan	-	60
	Interest on loan	12	7
Relationship	Nature of transaction		
b. Associated companies			
Dawood Hercules Corporation Limited	Expenses incurred on behalf of the Company	72	685
Sach International (Private) Limited	Royalty	3,562	1,943
	Penalty	689	166
	Expenses incurred by the Company	86	58
	Rental Income	165	150
Engro Fertilizer Limited	Rental Income	-	695
	Expenses incurred by the Company	-	95
Fatima Fertilizer Limited	Rental Income	-	3,424
	Expenses incurred by the Company	-	5
c. Key management personnel			
	Retirement benefit	-	99
	Salaries and benefits	8,448	1,711
d. Director			
	Director Fee	400	550

16 DATE OF AUTHORIZATION FOR ISSUE

This unconsolidated condensed interim financial statements was authorized for issue on April 30, 2020 by the Board of Directors of the Company.

17 GENERAL

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

Mujtaba Haider Khan
Chief Executive Officer

Shabbir Hussain Hashmi
Director

Saad Faridi
Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020

(Amounts in thousand)

	Note	Unaudited March 31, 2020	Audited December 31, 2019
-----Rupees-----			
ASSETS			
Non-current assets			
Property, plant and equipment		13,247,114	12,868,110
Right-of-use assets		133,566	140,160
Intangible assets		34,557	24,585
Long-term investments	5	10,360,095	10,377,169
Long-term deposits		2,778	2,778
Long-term loans to employees		-	689
Total non-current assets		23,778,110	23,413,491
Current assets			
Stores and spares		892	892
Stock-in-trade		286,896	191,393
Trade debts		2,477,766	2,794,097
Contract assets		334,204	159,240
Loans and advances		33,244	32,279
Deposits, prepayments and other receivables		713,625	614,768
Accrued interest		7,398	15,074
Taxes recoverable		97,539	94,433
Short-term investments		134,116	419,964
Cash and bank balances		579,898	422,336
Total current assets		4,665,579	4,744,476
TOTAL ASSETS		28,443,689	28,157,967
EQUITY AND LIABILITIES			
Share capital		590,578	590,578
Capital reserves		206,666	206,666
Unappropriated profit		12,095,442	12,094,910
Unrealized gain on remeasurement of available-for-sale financial assets		-	-
Non-controlling interest		1,252,555	1,210,800
TOTAL EQUITY		14,145,241	14,102,954
Non-current liabilities			
Staff retirement benefits		35,615	42,494
Deferred taxation		1,459,491	1,461,558
Long-term borrowings		8,581,902	8,700,594
Long-term portion of lease liabilities		114,536	126,193
Total non-current liabilities		10,191,543	10,330,839
Current liabilities			
Current portion of long-term borrowings		1,240,976	1,130,837
Current portion of lease liabilities		27,196	26,482
Unclaimed dividend		60,430	46,806
Unpaid dividend		4,739	18,561
Short-term borrowings		1,402,051	811,656
Trade and other payables		897,083	1,223,816
Provision		7,360	7,360
Contract liabilities		250,076	230,977
Accrued mark-up		216,995	227,679
Total current liabilities		4,106,906	3,724,174
TOTAL LIABILITIES		14,298,448	14,055,013
Contingencies and commitments	6		
TOTAL EQUITY AND LIABILITIES		28,443,689	28,157,967

The annexed notes from 1 to 12 form an integral part of these consolidated condensed interim financial statements.

Mujtaba Haider Khan
Chief Executive Officer

Shabbir Hussain Hashmi
Director

Saad Faridi
Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020

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

	Note	Quarter Ended	
		March 31 2020	March 31 2019
-----Rupees-----			
CONTINUING OPERATIONS			
Revenue from contracts with customers - net		1,196,059	1,298,743
Cost of revenue		(785,469)	(966,105)
Gross profit		410,590	332,638
Selling and distribution expenses		(78,519)	(55,069)
Administrative expenses		(71,661)	(52,641)
Other expenses		(5,830)	-
Other income		25,069	15,912
Operating profit		279,649	240,840
Finance cost		(210,866)	(232,507)
Share of (loss) / profit of associate		(45,731)	259,285
Profit before taxation		23,052	267,618
Taxation		(4,923)	(52,282)
Profit from continuing operations		18,129	215,336
DISCONTINUED OPERATIONS			
Loss from discontinued operations		(2,999)	(5,929)
Profit for the period		15,130	209,407
(Loss) / profit attributable to:			
- Owners of the Holding Company		(26,625)	210,249
- Non-controlling interest		41,755	(842)
		15,130	209,407
Earnings / (loss) per share - basic and diluted			
- Continuing operations	7.1	(0.40)	3.66
- Discontinued operations	7.2	(0.05)	(0.10)

The annexed notes from 1 to 12 form an integral part of these consolidated condensed interim financial statements.

Mujtaba Haider Khan
Chief Executive Officer

Shabbir Hussain Hashmi
Director

Saad Faridi
Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020

(Amounts in thousand)

Note	Quarter Ended	
	March 31 2020	March 31 2019
-----Rupees-----		
Profit for the period	15,130	209,407
Other comprehensive income:		
<i>Items that may be reclassified subsequently through profit or loss</i>		
Loss on remeasurement of 'available-for-sale' investments	-	(28)
Share of other comprehensive income of associate - net of tax	27,157	-
	27,157	(28)
Total comprehensive income for the period	42,287	209,379
Total comprehensive income / (loss) attributable to:		
- Continuing operations	45,286	215,308
- Discontinued operations	(2,999)	(5,929)
	42,287	209,379
Total comprehensive income / (loss) attributable to:		
- Owners of the Holding Company	532	210,221
- Non-controlling Interest	41,755	(842)
	42,287	209,379

The annexed notes from 1 to 12 form an integral part of these consolidated condensed interim financial statements.

Mujtaba Haider Khan
Chief Executive Officer

Shabbir Hussain Hashmi
Director

Saad Faridi
Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED MARCH 31, 2020

(Amounts in thousand)

	Attributable to owners of the Holding Company									Non-Controlling Interest (NCI)	Total
	Share capital	Capital reserves					Revenue reserves				
		Merger reserve	Share premium reserve	Capital redemption reserve	Others	Total	Unappropriated profit	Unrealized gain on remeasurement of available-for-sale investments	Total		
-----Rupees-----											
Balance as at January 1, 2019 (Audited)	590,578	10,521	136,865	25,969	33,311	206,666	11,218,244	-	11,218,244	940,763	12,956,251
Profit for the period	-	-	-	-	-	-	210,249	-	210,249	(842)	209,407
Other comprehensive income / (loss)	-	-	-	-	-	-	-	(28)	(28)	-	(28)
Total comprehensive income for the period	-	-	-	-	-	-	210,249	(28)	210,221	(842)	209,379
Effect of other transactions of associate	-	-	-	-	-	-	1,030	-	1,030	-	1,030
Balance as at March 31, 2019 (Unaudited)	<u>590,578</u>	<u>10,521</u>	<u>136,865</u>	<u>25,969</u>	<u>33,311</u>	<u>206,666</u>	<u>11,429,523</u>	<u>(28)</u>	<u>11,429,495</u>	<u>939,921</u>	<u>13,166,660</u>
Balance as at January 1, 2020 (Audited)	590,578	10,521	136,865	25,969	33,311	206,666	12,094,910	-	12,094,910	1,210,800	14,102,954
Profit for the period	-	-	-	-	-	-	(26,625)	-	(26,625)	41,755	15,130
Other comprehensive income / (loss)	-	-	-	-	-	-	27,157	-	27,157	-	27,157
Total comprehensive income for the period	-	-	-	-	-	-	532	-	532	41,755	42,287
Balance as at March 31, 2020 (Unaudited)	<u>590,578</u>	<u>10,521</u>	<u>136,865</u>	<u>25,969</u>	<u>33,311</u>	<u>206,666</u>	<u>12,095,442</u>	<u>-</u>	<u>12,095,442</u>	<u>1,252,555</u>	<u>14,145,241</u>

The annexed notes from 1 to 12 form an integral part of these consolidated condensed interim financial statements.

Mujtaba Haider Khan
Chief Executive Officer

Shabbir Hussain Hashmi
Director

Saad Faridi
Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020

(Amounts in thousand)

	Quarter Ended	
	March 31 2020	March 31 2019
-----Rupees-----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	20,053	261,689
Add: Loss before taxation attributable to discontinued operations	2,999	5,929
Profit before taxation from continuing operations	23,052	267,618
Adjustment for non-cash charges and other items:		
Depreciation on property plant and equipment	180,268	160,286
Amortization	151	71
Provision for impairment against financial assets	-	13
Provision for gratuity - net	4,128	2,904
Provision for warranty	4,864	7,509
Finance cost	210,866	232,507
Loss on disposal of property, plant and equipment	39	-
Interest income on short-term investments	(10,017)	-
Royalty income	(3,562)	-
Share of profit of associate	45,731	(259,285)
Unrealized Loss on investment	3,292	-
Profit on deposits	(6,696)	(2,985)
Operating profit before working capital changes	452,116	408,638
(Increase) / decrease in current assets		
Stock-in-trade	(95,503)	(70,454)
Trade debts	316,331	(586,122)
Contract assets	(174,964)	-
Loans and advances	(965)	(32,173)
Deposits, prepayments and other receivables	(36,380)	(129,861)
Increase / (decrease) in current liabilities		
Contract liabilities	19,099	-
Trade and other payables	(330,370)	(90,583)
	(302,752)	(909,193)
Net cash generated from / (utilized in) operations	149,364	(500,555)
Gratuity paid	(11,008)	(52)
Long-term loans	689	-
Taxes paid	(14,150)	(13,416)
Discontinued operations	(4,587)	(13,001)
Net cash generated from / (utilized in) operating activities	120,308	(527,024)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(16,828)	(86,482)
Sale proceeds from disposal / transfer of property, plant and equipment	192	-
Purchase of intangible assets	(10,123)	(612)
Short-term investments redeemed	285,848	3,577
Interest received	24,389	7,445
Loan received	-	19
Net cash generated from / (utilized in) investing activities	283,478	(76,053)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	-	192,076
Repayment of borrowings	(552,076)	(283,987)
Payment of lease liability	(14,815)	-
Finance costs paid	(269,530)	(222,272)
Payment of dividend	(198)	(409)
Net cash used in financing activities	(836,619)	(314,592)
Net decrease in cash and cash equivalents	(432,833)	(917,669)
Cash and cash equivalents at beginning of the year	(389,320)	68,134
Cash and cash equivalents at end of the year	(822,153)	(849,535)

The annexed notes from 1 to 12 form an integral part of these consolidated condensed interim financial statements.

Mujtaba Haider Khan
Chief Executive Officer

Shabbir Hussain Hashmi
Director

Saad Faridi
Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER ENDED MARCH 31, 2020

(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 (now repealed) Companies Ordinance, 1984 among Dawood Cotton Mills Limited (DCML), Dilon Limited (DL), Burewala Textile Mills Limited (BTML) and Lawrencepur Woolen and Textile Mills Limited (LWTM). The shares of the Holding Company are listed on the Pakistan Stock Exchange Limited. The Holding Company manages investment in its subsidiaries and associated companies which are currently engaged in the business of alternate energy, engineering, procurement, construction, trading and marketing of renewable energy solutions, mainly solar, to commercial and industrial consumers, along with the legacy textile business. The registered office of the Company is situated at 3rd Floor, Dawood Centre, M.T. Khan Road, Karachi in the province of 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. Furthermore, plant and machinery and related assets of LWTM and BTM were also disposed off in prior years.

1.3 The Holding Company continues to operate the 'Lawrencepur' brand name under license.

1.4 The "Group" consists of:

Holding Company: Dawood Lawrencepur Limited; and

Subsidiary Companies: Companies in which the Holding Company owns 50% or more of the voting rights or companies directly controlled by the Holding Company:

	%age of direct holding	
	March 31, 2020	March 31, 2019
Reon Energy Limited (note 1.4.1)	100%	100%
Tenaga Generasi Limited (note 1.4.2)	75%	75%
Reon Alpha (Private) Limited (note 1.4.3)	100%	100%
Mozart (Private) Limited (note 1.4.4)	100%	100%
Abrax (Private) Limited (note 1.4.5)	100%	100%
Greengo (Private) Limited (note 1.4.6)	100%	100%

1.4.1 Reon Energy Limited

Reon Energy Limited (REL) was incorporated in Pakistan on September 15, 2014 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)

REL holds 60% shareholding in its subsidiary namely Grid Edge (Private) Limited (GEL) which is a private limited company, incorporated in Pakistan on August 8, 2018. The principal business of GEL is to own and operate electric power generation project and to supply electricity as an independent power producer.

1.4.2 Tenaga Generasi Limited

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

The Company 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 has been transmitted to the National Transmission and Despatch Company (NTDC) under the Energy Purchase Agreement (EPA) till June 18, 2019. However, subsequently electricity generated is being transmitted to K-Electric Limited.

1.4.3 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. 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.

1.4.4 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 companies. 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.

1.4.5 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 Company's legacy assets located in Burewala. 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.

(Amounts in thousand)

1.4.6 Greengo (Private) Limited

Greengo (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 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.

1.4.7 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) 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% (December 31, 2019: 16.19%) in DHCL.

1.5 On 11 March 2020, the World Health Organization declared Coronavirus disease (COVID-19) a pandemic, and its spread has gained momentum. As at March 31, 2020, COVID-19 has spread throughout the country and lockdowns have been imposed in most parts of the country. The measures taken to reduce the spread have resulted in an overall economic slowdown and disruptions to various businesses, including decline in equity valuations on Pakistan Stock Exchange. The Government of Pakistan and State Bank of Pakistan have announced several monetary and fiscal policy measures to mitigate the adverse economic impacts of the COVID 19. The aforementioned measures have also affected the business operations of the Group significantly in the form of disruption to normal course of business. As this is still an evolving situation at the time of issuing these consolidated condensed interim financial statements, the overall impact on the Group's financial position cannot be estimated with reasonable certainty.

2. BASIS OF PREPARATION

2.1 These consolidated condensed interim financial statements of the Group for the quarter ended March 31, 2020 are unaudited and has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017 (the Act). In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. These consolidated condensed interim financial statements should be read in conjunction with the audited consolidated financial statements of the Group for the year ended December 31, 2018.

2.2 The preparation of these consolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Holding Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

2.3 During the preparation of these consolidated condensed interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that apply to the consolidated financial statements of the Group for the year ended December 31, 2019.

(Amounts in thousand)

3. BASIS OF CONSOLIDATION

- 3.1 The condensed interim financial statements of the subsidiary companies has 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.
- 3.2 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.
- 3.3 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.

4. ACCOUNTING POLICIES

- 4.1 The accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the financial statements for the year ended December 31, 2019.
- 4.2 There are certain new International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning January 1, 2020. These are considered not to be relevant or have any significant effect on the Group's financial reporting and operations and, therefore, not disclosed in these condensed interim consolidated financial statements.

5. LONG-TERM INVESTMENTS

	Unaudited March 31, 2020	Audited December 31, 2019
	-----Rupees-----	
Investment in associate (note 5.1)	10,350,672	10,364,454
Other investments	9,423	12,715
	<u>10,360,095</u>	<u>10,377,169</u>

(Amounts in thousand)

5.1 Investment in associate (quoted)

Dawood Hercules Corporation Limited (DHCL)

Opening balance	10,364,454	10,828,538
Add:		
- Share of profit after taxation	(45,731)	915,237
- Share of other comprehensive income	31,949	10,725
- Other equity transactions	-	(65,204)
	(13,782)	860,758
Less: Dividend received	-	(1,324,842)
	10,350,672	10,364,454

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

The Group has provided a corporate guarantee amounting to Rs. 225,000 to Habib Metro Bank Limited to secure unfunded facility provided to REL.

6.2 There have been no material changes (other than mentioned above) in contingencies and commitments as reported in the annual audited consolidated financial statements of the Group, for the year ended December 31, 2019.

	Unaudited March 31, 2020	Unaudited March 31, 2019
	-----Rupees-----	
7. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED		
7.1 Continuing operations		
(Loss) / profit for the period (attributable to the owners of the Holding Company)	(23,626)	216,178
Weighted average number of ordinary shares (in thousands)	59,058	59,058
(Loss) / earnings per share (Rupees)	(0.40)	3.66

(Amounts in thousand)

7.2 **Discontinued operations**

Loss for the period (attributable to the owners of the Holding Company)	(2,999)	(5,929)
Weighted average number of ordinary shares (in thousands)	59,058	59,058
Loss per share (Rupees)	(0.05)	(0.10)

8. **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

8.1 **Financial risk factors**

The Group's activities expose it to a variety of financial risks: market 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.

8.2 **Fair value estimation**

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- 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).

	As at March 31, 2020			Total
	Level 1	Level 2	Level 3	
Non-current assets				
<i>Financial assets at fair value through profit or loss</i>				
- Long-term investments (investments in units of mutual funds)	-	9,408	-	9,408
<i>Financial assets at fair value through other comprehensive income</i>				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
Current liability				
<i>Financial liability at fair value through profit or loss</i>				
- Derivative financial liability	-	826	-	826
	-	10,234	15	10,249

(Amounts in thousand)

	As at December 31, 2019			
	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)	-	12,700	-	12,700
<i>Financial assets at fair value through other comprehensive income</i>				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
Current liability				
<i>Financial liability at fair value through profit or loss</i>				
- Derivative financial liability	-	826	-	826
	<u>-</u>	<u>13,526</u>	<u>15</u>	<u>13,541</u>

9. SEGMENT REPORTING

9.1 A business segment is a group of assets and operations engaged in providing products that are subject to risks and returns that are different from those of other business segments. The management has determined the operating segments based on the information that is presented to the Board of Directors of the Group for the allocation of resources and the assessment of performance. Based on internal management reporting structure and products produced and sold, the Group is organized into the following operating segments:

- Renewable energy solutions;
- Textile - discontinued operations; and
- Alternate Energy.

Management monitors the operating results of the abovementioned segments separately for the purpose of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on the operating profit or loss which in certain respects, as explained in table below, is measured differently from the profit and loss in the consolidated financial statements. Segment results and assets include items directly attributable to a segment.

(Amounts in thousand)

9.2 Segment analysis is as under:

	Renewable energy		Textile - discontinued operations		Alternate Energy		Unallocated		Total	
	-----Unaudited-----									
	March 31,		March 31,		March 31,		March 31,		March 31,	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	-----Rupees-----									
Revenue from contract with customers - net										
Timing of revenue recognition										
- At a point in time	-	-	1,270	2,237	-	-	-	-	1,270	2,237
- Over time	539,359	800,109	-	-	656,700	498,634	-	-	1,196,059	1,298,743
	539,359	800,109	1,270	2,237	656,700	498,634	-	-	1,197,329	1,300,980
Cost of revenue	(507,434)	(699,531)	(1,281)	(2,327)	(278,034)	(266,574)	-	-	(786,749)	(968,432)
Segment gross profit / (loss)	31,925	100,578	(11)	(90)	378,665	232,060	-	-	410,580	332,548
Selling and distribution expenses	(78,519)	(55,069)	(13)	(18)	-	-	-	-	(78,532)	(55,087)
Administrative expenses	(42,876)	(27,351)	(13,624)	(10,914)	(19,721)	(18,341)	(9,064)	(6,949)	(85,285)	(63,555)
Other expenses	(2,538)	-	-	-	-	-	(3,292)	-	(5,830)	-
Other income	11,976	10,650	10,649	5,093	8,843	2,943	4,250	2,319	35,719	21,005
Finance cost	(7,865)	(4,291)	-	-	(178,088)	(211,623)	(24,915)	(16,593)	(210,868)	(232,507)
Share of profit from associate	-	-	-	-	-	-	(45,731)	259,285	(45,731)	259,285
Taxation	(8,465)	(11,265)	-	-	(2,564)	(807)	6,106	(40,210)	(4,923)	(52,282)
Segment net profit	(96,360)	13,252	(2,999)	(5,929)	187,135	4,232	(72,646)	197,852	15,130	209,407
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	March 31,	December 31,	March 31,	December 31,	March 31,	December 31,	March 31,	December 31,	March 31,	December 31,
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	-----Rupees-----									
Segment assets	2,073,492	1,423,054	65,367	60,182	15,679,930	13,609,056	10,624,899	11,125,239	28,443,689	26,217,531
Segment liabilities	1,447,333	657,337	10,935	4,910	10,140,815	9,683,030	2,699,365	2,703,812	14,298,448	13,049,089

10. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

10.1 The Group in the normal course of business carries out transactions with various related parties. Related parties comprise of associated undertakings, directors, key management personnel and others. Transaction with related parties are carried out at agreed terms. Remuneration of key management personnel are as per terms of employment.

(Amounts in thousand)

Relationship	Nature of transaction	Unaudited	Unaudited
		March 31, 2020	March 31, 2019
-----Rupees-----			
Associated companies			
Dawood Hercules Corporation Limited	Expenses reimbursable by the Group	5,007	2,311
	Expenses reimbursable to the Group	14	14
Sach International (Private) Limited	Expenses reimbursable to the Group	86	58
	Royalty charged	3,562	1,943
	Rental income	165	150
	Penalty charged	689	166
The Dawood Foundation	Expenses reimbursable by the Group	10,985	155
Engro Fertilizers Limited	Rental income	-	695
	Expenses reimbursable by the Group	-	95
Fatima Fertilizers	Rental income	-	3,424
	Expenses reimbursable by the Group	-	5
Engro Energy Limited	Operation and maintenance cost	91,419	77,073
	Extra work (reimbursement)	3,825	-
Other related parties			
International Finance Corporation	Borrowing cost charged to the Group	42,336	48,673
	Loan repayment	152,429	129,140
	Supervision fees	1,155	858
Workers' profit participation fund	Contribution to WPPF	8,475	-
Key management personnel	Salaries and other benefits	14,235	9,398
	Directors fee	600	750

11. DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue on April 30, 2020 by the Board of Directors of the Holding Company.

(Amounts in thousand)

12. GENERAL

Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.

Mujtaba Haider Khan
Chief Executive Officer

Shabbir Hussain Hashmi
Director

Saad Faridi
Chief Financial Officer

دے رہی ہے۔ بنیادی توجہ تھرمل پلانٹوں کے لئے معاوضے کی ادائیگی کی صلاحیت اور تمام بجلی گھروں کے لئے قابل اطلاق محصولات میں کمی پر ہے۔ 16 اور 17 اپریل کو ہونے والے اجلاسوں کے بعد ہی حکومت کے نقطہ نظر پر مزید وضاحت حاصل کی جائے گی۔ کسی بھی جبری قرارداد سے ایک بری مثال قائم ہو سکتی ہے اور ملک میں کسی بھی سرمایہ کاری کے لئے ایک بدگمانی کے ماحول کو جنم ملتا ہے۔

ٹیرف بڈنگ کا عمل ابھی تک پوری طرح سے تیار نہیں ہوا ہے، اور یہ ڈویلپرز کے لئے پریشانی کا سبب ہے۔ نئی قابل تجدید توانائی پالیسی جاری ہونے کے بعد اس طریقہ کار کی وضاحت کی جائے گی۔ پالیسی کی تعارفی تاریخ اب بھی غیر یقینی ہے کیونکہ اس مسودے کو صوبوں نے قبول نہیں کیا ہے۔ حکومت نے ونڈ سولر ہاؤسنگ ڈیولپمنٹ کے لئے 17 ایل او آئی جاری کی ہیں جو دستیاب محصولات کے بارے میں کسی وضاحت کی عدم دستیابی کی وجہ سے یہ ایل او آئی متاثر ہو رہے ہیں۔

مجتبیٰ حیدر خان
چیف ایگزیکٹو آفیسر

شاہد حمید پراچہ
چیرمین

کراچی، ۱۳۰ اپریل ۲۰۲۰

۳۱ مارچ ۲۰۲۰ کو ختم ہونے والی سہ ماہی مدت کے دوران، شریک کمپنی - واؤڈ ہر کو لیس کارپوریشن لمیٹڈ کی جانب سے ڈیویڈنڈ آمدنی ۳۱ مارچ ۲۰۱۹ کو ختم ہونے والی مدت میں NIL ملین روپے کے مقابلے میں NIL ملین روپے تھی۔

اس مدت کیلئے مجموعی آمدنی 1,196.06 ملین روپے تھی، جبکہ تقابلی مدت کیلئے 1,298.74 ملین روپے تھی۔ اس کی بنیادی وجہ سٹشی توانائی کے منصوبوں سے حاصل شدہ آمدنی میں کمی یعنی 349.62 روپے ہے جسکی وجہ وینڈاز جی کے ماتحت ادارے سے ہونے والی آمدنی یعنی 158 ملین روپے تھی۔ شریک کمپنی کے نقصان یعنی 45.73 ملین روپے کے پیش نظر (31 مارچ 2019: منافع کا حصہ 259.29 ملین روپے) کے شیئرز سے ہونے والے نقصان کا حصہ، تین ماہ کی مدت کیلئے ٹیکس کے بعد مستحکم منافع پچھلے سال کی اسی مدت میں 209.41 ملین روپے کے مقابلے میں 15.13 ملین روپے رہا۔ (مجموعی نقصان/منافع) ہولڈنگ کمپنی کے مالکان سے منسوب فی شیئر آمدنی (0.45 روپے) تھی جو گذشتہ سال کی تقابلی مدت کیلئے 3.56 روپے تھی۔

مستقبل کا جائزہ

قابل تجدید توانائی کاروبار

موجودہ صورتحال میں حکومتوں کا مقصد مارکیٹ کی بڑے اجتماعات سے بچنا، حد بندی کرنا، کاروبار رکھنا اور معاشی طور پر کمزوروں کو سہولت فراہم کرنا ہے۔ اور اس کے ساتھ ساتھ صحت کے غیر متوقع معاملے کا انتظام بھی کرنا ہے۔ جبکہ ڈرامائی طور پر تیل اور اجناس کی قیمتوں میں کمی اور کم طلب نے برآمدات میں کمی کو بھی بخوبی متوازن کر دیا ہے۔ علاقائی اور عالمی سطح پر دیگر مشکل چیلنجز ہیں جو وسیع معاشی مستقبل کو غیر یقینی بنا سکتے ہیں۔ اس موقع پر مجموعی معیشت پر عمومی اور خاص طور پر سٹشی کاروبار پر COVID-19 کی تباہ کاریوں کا مکمل اثر ابھی باقی ہے۔ جبکہ لاک ڈاؤن سے توانائی کی طلب میں کمی اور بند صنعتوں کو درپیش نقد رقوم کی فراہمی میں رکاوٹوں سے پورے سال کے دوران سٹشی توانائی کی مجموعی طلب میں کمی کا خدشہ ہے، خاص طور پر توانائی کے اسٹوریج کے حل کی مسابقت کو دیکھتے ہوئے صاف توانائی کے لئے طویل المدتی کیس انتہائی مضبوط ہے۔ حکومتی پالیسی بھی اس پیش رفت کو تسلیم کرنے لگی ہے۔

3 سال کی مزید مدت کے لئے اسٹیٹ بینک فنانسنگ کی تجدید قابل تجدید صنعت کے لئے اہم مثبت پیشرفت رہی ہے اور ای پی سی اور او اینڈ ایم سروسز میں دلچسپی رکھنے والے صارفین کے لئے فنڈز کے فرق کو پورا کرنے میں یقینی طور پر مدد کرے گی۔ تاہم، تجارتی بینکوں کو مالی اعانت کی حد کی الاٹمنٹ میں تاخیر سودوں کو حتمی شکل دینے میں تاخیر کا باعث ہے کیوں کہ صارفین کسی بھی معاہدے کو خود کرنے سے قبل فنانسنگ کے لئے بینکوں سے اجازت کے منتظر ہیں۔

وینڈاز جی پروجیکٹ

وینڈاز پاور سیکٹر کو ابھی بھی سرکلر ڈیٹ کے مکمل اثرات کا سامنا ہے اور حکومت کی طرف سے ادائیگیوں کو سختی سے روکا گیا ہے، اور بقایا جات کی ادائیگی 6 ماہ کی بنیاد پر کی جا رہی ہے۔ یہ صورتحال جاری رہنے کا امکان ہے کیونکہ حکومت مطلوب فنڈز اکٹھا کرنے کیلئے سکوک/بانڈز کے تعارف میں تاخیر کر رہی ہے حالانکہ گروڈی قرضہ 2.0 ٹریلین روپے تک جا پہنچا ہے۔ کورونا وائرس کی وباء کی وجہ سے سی پی پی اے کیلئے کیش فلو کی صورتحال بھی خراب ہو گئی ہے کیوں کہ کلائیکشنز میں نمایاں کمی واقع ہوئی ہے۔ تاہم، سی پی پی اے کے ترقیاتی بنیادوں پر ٹیکس اور قرض کی ادائیگی کی ذمہ داریوں کی ادائیگی کر رہی ہے۔ چیلنجز میں بجلی کے خریدار (سی پی پی اے) کو فنڈز کی دستیابی میں کمی کے سبب حکومت کی جانب سے یوٹیلیٹی بلوں کی ادائیگی کے لئے اعلان کردہ امدادی ہیکینج کے پیش نظر مزید رکاوٹیں آنے کا امکان ہے۔

اس کے ساتھ ساتھ اب ٹرانسمیشن اور تقسیم کے شعبوں میں طویل تاخیر سے تنظیم نو اور اصلاحات پر توجہ دینے بغیر حکومت اب فعال طور پر آئی پی پی سے توانائی کی لاگت میں کمی کیلئے زور

وڈانرجی پروجیکٹ

COVID-19 کی وجہ سے لاک ڈاؤن سے پیدا ہونے والی صورتحال کے باوجود، پلانٹ سہ ماہی کے دوران اطمینان بخش طریقے سے چلتا رہا ہے اور وہ دستیابی اور بی او پی نقصان کے متوقع اہداف کو پورا کرتا رہا ہے۔ اس عرصے کے لئے بی او پی کا نقصان 2.5 فیصد ہدف کے مقابلے میں 1.01 فیصد تھا جبکہ اس کی دستیابی ٹارگٹ کئے گئے ہدف 98 فیصد کے مقابلے میں 98.84 فیصد تھی۔ صحت، حفاظت اور ماحولیات ترجیح رہی اور 387,809 محفوظ انسانی گھنٹے تک چوٹ کی صفر کی شرح اور TRIR کے ساتھ آپریٹور رہا۔ یہ پلانٹ 1,280 دن تک بغیر کسی چوٹ کے محفوظ طریقے سے چلتا رہا ہے۔

یہ پلانٹ، واؤڈ ہارڈ روچائنا اور زیفار کے ساتھ مل کر، کے ایکٹرک کو بجلی جاری ڈسپنچ کی بنیاد پر فراہم کر رہا ہے۔ یہ سسٹم مستحکم آپریشن فراہم کر رہا ہے اور گرڈ کی بندش اور غیر فعالیت دونوں میں کافی حد تک کمی واقع ہوئی ہے۔ 2020 کی پہلی سہ ماہی کیلئے کل NPMV، 2019 کی چوتھی سہ ماہی کے 0.78 گیگا واٹ کے مقابلے میں 0.03 گیگا واٹ تھی۔ موجودہ سہ ماہی کے دوران کل توانائی کا مل P75 کی سطح (25.16 گیگا واٹ) پر (25.13 گیگا واٹ) ہے۔ پلانٹ کو اس سہ ماہی کے دوران غیر معمولی تیز ہواؤں کا سامنا رہا۔ توقع ہے کہ 2020 کے دوران NPMV واقعات کم سے کم ہوں گے۔

موجودہ سہ ماہی کے دوران ہوا کی اوسط رفتار 6.3 میٹر/سیکنڈ تھی، جو P75 ہوا کی رفتار 6.05 میٹر/سیکنڈ سے زیادہ ہے۔ گرمی کے مہینوں میں کم ہوا اور سردیوں کے مہینوں میں کافی حد تک تیز ہواؤں کے ساتھ ہوا کی رفتار کا رجحان قابل تحسین ہے۔ یہ رجحان جنوری اور فروری میں دیکھا گیا تھا، لیکن مارچ کی ہوا کی رفتار P90 کی ویلیو پر تھی۔ اپریل 2020 میں اس کی کار رجحان متوقع ہے۔

مالیاتی جھلکیاں

کمپنی کی غیر مستحکم مالی جھلکیاں حسب ذیل ہیں:

سہ ماہی اختتام برائے ۳۱ مارچ ۲۰۲۰	سہ ماہی اختتام برائے ۳۱ مارچ ۲۰۱۹	
981	1,600	خالص آمدنی
(604)	(633)	آمدنی کی لاگت
377	967	مجموعی منافع
38,823	14,235	دیگر آمدنی
(940)	(9,191)	جاری آپریشنز سے قبل از محصول (نقصان)/منافع
(2,999)	(5,929)	بند آپریشنز سے (نقصان)/منافع
(754)	(1,162)	محصولات
(4,693)	(16,282)	(نقصان)/نفع بعد از محصولات
2,708,349	2,293,821	گذشتہ حسابات سے موصولہ غیر مختص منافع
2,703,656	2,277,539	آئندہ حسابات کو منقلہ غیر مختص منافع
(0.08)	(0.28)	(نقصان)/آمدنی فی حصص۔ بنیادی اور مجموعی (روپے)

داؤڈلارنس پورلیٹڈ

ڈائریکٹرز کی جائزہ رپورٹ

برائے اختتام سہ ماہی ۳۱ مارچ ۲۰۲۰

ڈائریکٹرز مسرت کے ساتھ ۳۱ مارچ ۲۰۲۰ کو ختم ہونے والی سہ ماہی کیلئے کمپنی کے عبوری، غیر آڈٹ شدہ، مجموعی مالی حسابات کا خلاصہ اور گروپ کے عبوری، غیر آڈٹ شدہ مجموعی مالی حسابات کا خلاصہ پیش کرتے ہیں۔

کاروباری جائزہ

قابل تجدید توانائی کا کاروبار

پچھلے سال اسٹیٹ بینک گرین فنانسنگ اسکیم کی تجدید کے بعد، Reon نے پائپ لائن کے ایک معاہدے کے ذریعے سال کا بھر پور آغاز کیا اور موجودہ سال میں اس پیش رفت کو جاری رکھنے کیلئے تیار ہے۔ تاہم COVID-19 جیسی وبائی بیماری کے آغاز اور اس کے نتیجے میں صنعتی اور تجارتی لاک ڈاؤن کے سبب، اس سال کیلئے پیش بینی کا معاملہ بہت ہی غیر یقینی بن گیا۔ کم طلب کی وجہ سے، بیشتر صارفین اپنے آرڈرز کو حتمی شکل دینے کیلئے لاک ڈاؤن کے ختم ہونے اور کاروباری سرگرمی کو معمول پر لانے کے منتظر ہیں۔ تاہم، اس غیر یقینی صورتحال میں بھی Reon، 7.5 میگا واٹ کا معاہدہ حاصل کرنے میں کامیاب رہا۔

تیل کی قیمتوں میں تیز ترین گراؤٹ کا اثر ابھی تک ملکی توانائی کی قیمتوں پر نہیں دیکھا جاسکا جو گذشتہ سال اس وقت بڑھیں تھیں جب وزیر اعظم کی سبڈی ہٹانے کی وجہ سے تمام صارفین کیلئے بجلی کے نرخوں کو 3 روپے تک بڑھایا گیا۔ توانائی کی بڑھتی قیمتوں نے Reon کے کاروبار کیلئے سازگار ماحول پیدا کیا ہے کیونکہ سولر PV کو توانائی کی بڑھتی قیمتوں کے حل کے طور پر دیکھا جا رہا ہے۔

ریگولیٹری محاذ پر، حکومت پاکستان نے اپنے تجدید کردہ توانائی پالیسی کا مسودہ تبصروں کے لئے شیئر کیا تھا، جس کا مجموعی مقصد 2030 تک قابل تجدید ذرائع سے حاصل کردہ توانائی کی تنصیب شدہ صلاحیت کی شراکت کو 30 فیصد تک بڑھانا ہے۔ اگرچہ یہ وفاقی حکومت کے لئے ترجیحات میں ایک بڑی تبدیلی کی نمائندگی کرتا ہے، لیکن اس ہدف کو کس طرح حاصل کیا جائے گا اس کی تفصیلات آنا ابھی باقی ہیں۔ ہمیں یقین ہے کہ سولر PV کا بڑھتی ہوئی صلاحیت کے باعث، اب اور 2030 کے مابین میٹر کے سامنے اور پیچھے اس کی فطری لچک کی وجہ سے بڑا حصہ ہوگا۔ اسٹوریج بھی طویل المدتی عرصے میں قابل تجدید ذرائع کی زیادہ شرح کو مربوط کرنے میں اہم کردار ادا کرے گا۔ ہم 2022 تک ملک میں سولر PV اور اسٹوریج سلوشنز کی قیمتوں میں تبدیلی اور استعداد کار میں بہتری کی بنیاد پر گیس سے چلنے والے پلانٹس سے مقابلے کی پیش گوئی کرتے ہیں۔

COVID-19 جیسی وبائی بیماری کے تناظر میں کمپنی نے اپنے ملازمین اور کارکنوں کی حفاظت اور صحت کو یقینی بنانے کے لئے متعدد اقدامات کیے۔ پاکستان میں پہلے COVID کیس کے ظاہر ہوتے ہی دفاتر اور فیلڈ میں ضروری اقدامات کیے گئے۔ بعد ازاں، دفتر پر کام کے لئے آنے والے تمام عملے کے لئے گھر سے کام لازمی کر دیا گیا، جبکہ ملازمین کو سائٹ سے ہی غیر متحرک کر دیا گیا۔ جونہی حکومت کی طرف سے یہ لاک ڈاؤن ختم کیا گیا، کمپنی اپنے ملازمین کی حفاظت اور صحت کو اولین ترجیح کے طور پر برقرار رکھ کر انہیں دوبارہ متحرک کرے گی۔

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 Shahra-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 Shakra-e-Faisal, Karachi, Pakistan
Tel: +92 (21) 111-111-500
Website: <http://cdcspakistan.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