



Power & Responsibility

For the Quarter and Nine Month  
Period Ended September 30, 2018

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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. Mujtaba Haider Khan (Chief Executive Officer)
- Mr. Shahzada Dawood
- Mr. Abdul Samad Dawood
- Mr. Shafiq Ahmed
- Mr. Hasan Reza Ur Rahim
- Mr. Shabbir Hussain Hashmi

## Board Audit Committee

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

## Human Resource and Remuneration Committee

- Mr. Shahid Hamid Pracha (Chairman)
- Mr. Abdul Samad Dawood
- Mr. Hasan Reza Ur Rahim

## Chief Financial Officer (Acting)

- Mr. Haroon Naseer

## Company Secretary

- Mr. Imran Chagani

## 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

- Central Depository Company of Pakistan Ltd.  
CDC House, 99-B, Block B, S.M.C.H.S  
Main Shahra-e-Faisal  
Karachi - 74400  
Tel.: 021-111-111-500

## 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.: 042-35861050-53  
Fax.: 042-35861054

## Islamabad Office

- Suit # 324, 3rd Floor, Emirates Tower, F-7  
Markaz, Islamabad  
Tel.: 051-2099250

## Mills

- Dawoodabad  
District Vehari  
Tel.: 067- 3353347, 3353145, 3353246  
Fax: 067- 3354679

## Dawoodpur

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

# DAWOOD LAWRENCEPUR LIMITED

## DIRECTORS' REVIEW REPORT

FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018

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 month period ended September 30, 2018.

### BUSINESS REVIEW

#### Renewable Energy Business

Post the election, the country's economic environment continued to remain uncertain as the new Government grappled with a loss of business confidence emanating from a rapidly deteriorating foreign currency rate of exchange rate. Resultantly, investment decisions have been delayed leading to fewer contract signings by Reon's solar business and hence lower than forecast revenues in the quarter and nine month period. Nevertheless, with the forecast increase in electricity and fuel prices, the business case for inducting solar has in fact gained strength. Reon Energy Limited (REL) achieved a significant milestone in Q3 of 2018 by securing a 12.5MW deal with Fauji Cement Company Limited (FCCL) for a turnkey captive solar plant at their factory site near Attock. REL was competing with a host of local and international vendors for this deal. Once functional, this project will deliver significant savings to FCCL on its energy bills and carbon savings equivalent to 500,000 trees. This is single largest captive solar project to date in the country.

#### 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 0.9 % against a target of 2.5 %, whilst the availability was 98.7 % against a target of 99.0 %. Health Safety and the Environment (HSE) remained the priority and 161,514 safe man-hours have been clocked since COD with zero injury rate and TRIR.

The commissioning of the 220kV line, currently operating at 132 kV, from Gharo to Jhampir occurred on August 1. Following the energization of the new line Tenaga Generasi Limited (TGL) has recorded an output of 43.8 GWh for the third quarter. The total energy billed during the third quarter is higher than the P90 level of 42.0 Gwh and is lower than the P75 level of 45.6 GWh. This output was affected by extended grid outages during this period.

During the period July to September 2018, the average wind speed observed was 7.9 m/sec, which is slightly higher than the P75 wind speed of 7.75m/sec. However, the wind during the month of September 2018 was at the P50 level.

The collections during the period July to September were PKR 922 million. A further recovery of PKR 600 million is required by end December 2018 to meet the PCD criteria of HDSCR at 1.05:1.

### FINANCIAL HIGHLIGHTS

The unconsolidated financial highlights of the Company are as under:

	Nine month period ended Sep 30, 2018	Nine month period ended Sep 30, 2017
	Rupees in thousands	
Revenue – net	3,352	58,467
Cost of revenue	(3,108)	(61,957)
Gross profit / (loss)	244	(3,490)
Other income	417,324	345,464
Profit before taxation from continued operations	356,809	259,210
Profit / (loss) from discontinued operations	94,590	(16,930)
Taxation	(60,881)	(80,864)

<b>Profit after taxation</b>	<b>390,518</b>	<b>161,416</b>
Unappropriated profit brought forward	1,896,879	2,048,812
<b>Unappropriated profit carried forward</b>	<b>2,228,339</b>	<b>1,914,939</b>
Earnings per share - basis & diluted (Rupees)	<b>6.61</b>	<b>2.73</b>

During the nine-month period ended September 30, 2018, dividend income from associate - Dawood Hercules Corporation Limited amounted to PKR 389.66 million against PKR 311.73 million for the nine month period ended September 30, 2017.

Consolidated revenues for the period were PKR 2,363.12 million as against PKR 2,119.99 million for comparative period. The is mainly due to revenue from wind energy project amounting to PKR 1,990.70 million. After considering, the share of profit from associate of PKR 2,268.20 million (2017: PKR 389.05 million), the consolidated profit after tax for the nine month period stood at PKR 2,489.83 million as against PKR 332.14 million for the similar period last year. Consolidated earnings per share attributable to the owners of the Holding Company was PKR 39.29 as against PKR 3.63 for the comparative period last year.

## **FUTURE OUTLOOK**

### **Renewable Energy Business**

The elections in Q2 and the subsequent change of government both at the federal and provincial levels resulted in a natural slowdown. However, activity again picked up towards end of Q3 that saw REL secure the biggest captive deal in the country. The business environment will continue to be difficult for rest of the year because of a lack of policy direction from the new government. The volatile USD to PKR exchange rate is also resulting in a wait and see approach from potential customers.

On the flip side a decision to increase Gas and Power tariffs by the ECC will make captive solar investments more bankable for Commercial and Industrial customers. REL is positioned well to consolidate the market.

### **Wind Energy Project**

The wind power sector is now facing the full impact of the circular debt and payments from the Government were severely curtailed since December 2017. The payments have improved during the third quarter and currently TGL is at 60 days recovery cycle. This has enabled the company to meet its obligations without utilizing the Subordinated Loan facility. An additional working capital facility is being set up to plug any seasonal cash deficit or delayed payments from Central Power Purchasing Agency (CPPA). However, challenges loom as the CPPA is attempting to revise Operating Procedures to their benefit when calculating the Non-Project Missed Volume (NPMV) payments. The NPMV calculation methodology needs to be settled soon as no curtailment payments have been made since December 2017. Four projects in Jhimpir have accepted the calculation methodology of CPPA as their COD was being affected. Four other projects have gone into the dispute resolution process to resolve the issue. However, the indications are that CPPA is insisting on their methodology.

The tariff bidding process has still not fully evolved, and this is a cause of concern for the developers. National Electric Power Regulatory Authority conducted public hearing for some renewable energy developers on the basis of cost-plus tariff in early April. The tariff awarded is around 4.2 US cents. 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. The emphasis on short term base load solutions are taking focus away from renewables but we expect this to be a transient phenomenon and should be resolved post elections scheduled in mid-2018.

**Mujtaba Haider Khan**  
Chief Executive Officer

**Shahid Hamid Pracha**  
Chairman

Karachi, October 30, 2018

**DAWOOD LAWRENCEPUR LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2018**

	Note	Unaudited September 30 2018	Audited December 31 2017
Rupees in '000			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		32,520	35,759
Intangible assets		23	857
Long term investments	4	3,099,933	3,030,231
Long term loan	5	195,000	-
Long term deposits		2,778	2,778
		3,330,254	3,069,625
<b>Current assets</b>			
Stores and spares		892	7,789
Stock in trade	6	51,261	58,824
Trade debts		798	1,548
Loans and advances		1,499	106,293
Deposits, prepayments and other receivables	7	306,586	72,570
Tax recoverable		-	26,618
Accrued interest		25,146	14,531
Cash and bank balances		5,372	10,239
		391,554	298,412
Asset classified as 'held for sale'	8	-	37,238
<b>TOTAL ASSETS</b>		<b>3,721,808</b>	<b>3,405,275</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		590,578	590,578
Capital reserve		206,666	206,666
Unrealized gain on remeasurement of available for sale investments		11,376	11,674
Unappropriated profits		2,228,339	1,896,879
		3,036,959	2,705,797
<b>Current liabilities</b>			
Short term borrowing	9	559,626	561,820
Trade and other payables		62,664	84,435
Unpaid dividend		1,714	-
Unclaimed dividend		43,066	43,393
Tax payable		7,715	-
Accrued markup		10,064	9,830
		684,849	699,478
<b>CONTINGENCIES AND COMMITMENTS</b>	10		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,721,808</b>	<b>3,405,275</b>

The annexed notes from 1 to 18 form an integral part of this unconsolidated condensed interim financial statements.

**Mujtaba Haider Khan**  
Chief Executive Officer

**Shabbir Hussain Hashmi**  
Director

**Haroon Naseer**  
Acting Chief Financial Officer

**DAWOOD LAWRENCEPUR LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018**

	Note	Quarter Ended		Nine month Ended	
		September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
		Rupees in '000		Rupees in '000	
<b>CONTINUING OPERATIONS</b>					
Revenue - net	11	1,165	7,180	3,352	58,467
Cost of revenue		(1,450)	(6,427)	(3,108)	(61,957)
Gross (loss) / profit		(285)	753	244	(3,490)
Selling and distribution expenses		(112)	(2,662)	(351)	(13,018)
Administrative expenses		(8,999)	(9,730)	(30,744)	(43,583)
Other income		244,537	8,833	417,324	345,464
Finance cost		(10,130)	(9,761)	(29,664)	(26,163)
		225,296	(13,320)	356,565	262,700
Profit / (loss) before taxation		225,011	(12,567)	356,809	259,210
Taxation		(35,069)	(2,027)	(60,881)	(80,864)
Profit / (loss) after taxation		189,942	(14,594)	295,928	178,346
<b>DISCONTINUED OPERATIONS</b>					
Profit / (loss) from discontinued operations		8,360	(5,075)	94,590	(16,930)
Profit / (loss) for the period		198,302	(19,669)	390,518	161,416
Earnings / (loss) per share - Basic and diluted					
Continuing operations (Rs.)	12	3.22	(0.25)	5.01	3.02
Earnings / (loss) per share - Basic and diluted					
Discontinued operations (Rs.)	12	0.14	(0.09)	1.60	(0.29)

The annexed notes from 1 to 18 form an integral part of this unconsolidated condensed interim financial statements.

**Mujtaba Haider Khan**  
**Chief Executive Officer**

**Shabbir Hussain Hashmi**  
**Director**

**Haroon Naseer**  
**Acting Chief Financial Officer**



**DAWOOD LAWRENCEPUR LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018**

	<b>Quarter Ended</b>	<b>September 30,</b>	<b>Nine month Ended</b>	<b>September 30,</b>
	<b>September</b>	<b>2017</b>	<b>September 30,</b>	<b>2017</b>
	<b>30, 2018</b>		<b>2018</b>	
	<b>Rupees in '000</b>		<b>Rupees in '000</b>	
Profit / (loss) for the period	<b>198,302</b>	(19,669)	<b>390,518</b>	161,416
<b>Other comprehensive income</b>				
<b>Items that may be reclassified to profit and loss</b>				
Loss on remeasurement of 'available for sale' investments	<b>(954)</b>	(1,482)	<b>(298)</b>	(2,242)
Total comprehensive income / (loss) for the period	<b>197,348</b>	(21,151)	<b>390,220</b>	159,174

The annexed notes from 1 to 18 form an integral part of this unconsolidated condensed interim financial statements.

**Mujtaba Haider Khan**  
**Chief Executive Officer**

**Shabbir Hussain Hashmi**  
**Director**

**Haroon Naseer**  
**Acting Chief Financial Officer**

**DAWOOD LAWRENCEPUR LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018**

Share capital	Capital Reserves					Unrealized gain / (loss) on remeasurement of available for sale investments	Unappropriated profit	Total	
	Merger reserve	Share premium reserve	Capital reserve	Capital redemption reserve fund	Total				
<b>Rupees in '000</b>									
<b>Balance at January 01, 2017 (Audited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	15,068	2,048,812	2,861,124
Profit for the period	-	-	-	-	-	-	-	161,416	161,416
Other comprehensive loss for the period	-	-	-	-	-	-	(2,242)	-	(2,242)
Total comprehensive income / (loss) for period	-	-	-	-	-	-	(2,242)	161,416	159,174
<b>Transactions with owners</b>									
Final cash dividend for the year ended December 31, 2016 @ Rs. 5 per share	-	-	-	-	-	-	-	(295,289)	(295,289)
<b>Balance at September 30, 2017 (Unaudited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	12,826	1,914,939	2,725,009
<b>Balance at January 1, 2018 (Audited)</b>	<b>590,578</b>	<b>10,521</b>	<b>136,865</b>	<b>33,311</b>	<b>25,969</b>	<b>206,666</b>	<b>11,674</b>	<b>1,896,879</b>	<b>2,705,797</b>
Profit for the period	-	-	-	-	-	-	-	390,518	390,518
Other comprehensive loss for the period	-	-	-	-	-	-	(298)	-	(298)
Total comprehensive income / (loss) for the period	-	-	-	-	-	-	(298)	390,518	390,220
<b>Transactions with owners</b>									
Final cash dividend for the year ended December 31, 2017 @ Rs. 1 per share	-	-	-	-	-	-	-	(59,058)	(59,058)
<b>Balance at September 30, 2018 (Unaudited)</b>	<b>590,578</b>	<b>10,521</b>	<b>136,865</b>	<b>33,311</b>	<b>25,969</b>	<b>206,666</b>	<b>11,376</b>	<b>2,228,339</b>	<b>3,036,959</b>

The annexed notes from 1 to 18 form an integral part of this unconsolidated condensed interim financial statements.

**Mujtaba Haider Khan**  
**Chief Executive Officer**

**Shabbir Hussain Hashmi**  
**Director**

**Haroon Naseer**  
**Acting Chief Financial Officer**

**DAWOOD LAWRENCEPUR LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018**

September 30, 2018      September 30, 2017  
----- Rupees in '000 -----

**CASH FLOWS FROM OPERATING ACTIVITIES**

Profit before taxation	451,399	242,280
Add: (Profit) / loss before taxation attributable to discontinued operations	(94,590)	16,930
	356,809	259,210
<b>Adjustments for non cash and other items:</b>		
Depreciation	1,653	1,781
Amortization	834	3,795
Provision for gratuity	570	707
Gratuity transferred from subsidiary	-	731
(Reversal) / Provision for onerous contract	(1)	148
Reversal of provision against trade debts	(147)	(286)
(Reversal) / provision against stock in trade	-	1,737
Provision against trade debts	638	2,561
Finance cost	29,664	26,163
Loss on disposal of property, plant and equipment	67	-
Dividend income	(390,125)	(312,628)
Interest income on deposits	(112)	(2,070)
Interest income from related parties	(14,247)	(13,361)
	(14,397)	(31,512)
<b>Working capital changes</b>		
<b>Decrease / (increase) in current assets</b>		
Stock in trade	1,935	(8,082)
Trade debts	77	30,744
Loans and advances	(103)	(104,236)
Deposits, prepayments and other receivables	(23,102)	(94,736)
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	(27,768)	5,164
	(48,961)	(171,146)
Cash used in from operations	(63,358)	(202,658)
Gratuity paid	(1,404)	(678)
Finance cost paid	(29,430)	(27,030)
Taxes paid	(26,548)	(49,041)
Discontinued operations	40,632	10,974
Net cash used in from operating activities	(80,108)	(268,433)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(120)	(265)
Sale proceeds from disposal of property, plant and equipment	36	-
Purchase of intangible assets	-	(37)
Subordinated loan to a subsidiary company	(90,000)	-
Investment in a wholly owned subsidiary	(70,000)	(150,000)
Interest received	112	2,070
Interest received from related parties	3,533	13,361
Dividend received	156,330	312,628
Discontinued operations	135,215	-
Net cash generated from investing activities	135,106	177,757
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of dividend	(57,671)	(287,618)
Net cash used in financing activities	(57,671)	(287,618)
Net decrease in cash and cash equivalents	(2,673)	(378,294)
Cash and cash equivalents at beginning of the period	(551,581)	(166,157)
Cash and cash equivalents at end of the period	(554,254)	(544,451)
<b>Cash and cash equivalent:</b>		
Cash and bank balances	5,372	8,522
Short term borrowing	(559,626)	(552,973)
	(554,254)	(544,451)

The annexed notes from 1 to 18 form an integral part of this unconsolidated condensed interim financial statements.

**Mujtaba Haider Khan**  
Chief Executive Officer

**Shabbir Hussain Hashmi**  
Director

**Haroon Naseer**  
Acting Chief Financial Officer

**DAWOOD LAWRENCEPUR LIMITED**  
**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL**  
**STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018**

**1 LEGAL STATUS AND OPERATIONS**

- 1.1 Dawood Lawrencepur Limited (the Company) was incorporated in Pakistan in 2004 as a public listed Company. It was formed as a result of a Scheme of Arrangement for Amalgamation under 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 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 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 Company suspended operations of LWTM, BTM, DL and DCM. In 2015, the Company sold land, building and plant & machinery of DL and DCM. Further, plant & machinery and related assets of LWTM were also disposed off.
- 1.3 The 'Lawrencepur' brand name continues to operate under license.

**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 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.

- 2.2 These condensed interim financial statements represent the condensed interim financial statements of the company on a standalone basis. These condensed interim financial statements do not include all the information 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, 2017.
- 2.3 The preparation of these unconsolidated condensed interim financial statements in conformity with the accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the 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.

During preparation of these unconsolidated condensed interim financial statements, 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 for the year ended December 31, 2017.

### 3 ACCOUNTING POLICIES

- 3.1 The accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the audited financial statements for the year ended December 31, 2017.
- 3.2 There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on January 1, 2018. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in these unconsolidated condensed interim financial statements. Further, third and fourth schedules to the Companies Act, 2017 will be applicable to the Company for the first time in the preparation of annual financial statements for the year ending December 31, 2018 which have added / amended certain disclosure requirements.
- 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.

<b>Unaudited September 30, 2018</b>	Audited December 31, 2017
<b>Rupees in '000</b>	

### 4 LONG TERM INVESTMENTS

Investment in related parties at cost (note 4.1)	<b>3,086,102</b>	3,016,102
Other investments	<b>13,831</b>	14,129
	<b>3,099,933</b>	3,030,231
4.1 Balance at beginning of the period / year	<b>3,016,102</b>	2,586,099
Investment during the period / year in related party (note 4.2)	<b>70,000</b>	430,003
	<b>3,086,102</b>	3,016,102

- 4.2 Represents Rs. 70 million (December 31, 2017: Rs. 430 million) invested in Reon Energy Limited (REL) during the period / year against subscription of 7,000,000 (December 31, 2017: 43,000,000) fully paid ordinary shares of Rs. 10 each.

### 5 LONG TERM LOAN

This represents subordinated loan of Rs. 195 million (December 31, 2017: Rs. 105 million) provided to Tenaga Generasi Limited, a subsidiary company. The loan carries mark-up at the rate of three months KIBOR plus 1.775% . The total facility limit provided to the subsidiary amounts to Rs. 300 million. The interest and principal is repayable in three years' time. During the period loan was classified as non-current asset due to change in term from 1 year to 3 years on renewal.

<b>Unaudited</b>	Audited
<b>September 30, 2018</b>	December 31, 2017
-----'Rupees in '000-----	

## 6 STOCK IN TRADE

### Renewable Energy

Finished goods	46,642	48,576
Provision for slow moving and obsolete items	<b>(30,860)</b>	(30,860)
	<b>15,782</b>	17,716

### Textile

Finished goods	41,789	47,418
Provision for slow moving and obsolete items	<b>(6,310)</b>	(6,310)
	<b>35,479</b>	41,108
	<b>51,261</b>	58,824

## 7 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Includes amount receivable from Reon Energy Limited (REL) and Tenaga Generasi Limited (TGL) amounting to Rs. Nil and Rs.49.94 million (December 31, 2017: Rs. 23.33 million and Rs 19.49 million) respectively. Further, dividend income receivable from Dawood Hercules Corporation Limited amounts to Rs. 233.79 million (December 31, 2017: Nil).

## 8 ASSET CLASSIFIED AS HELD FOR SALE

During the period, the Company sold assets with net book value of Rs. 37.23 million, with sales proceed on disposal of the assets amounting to Rs. 134.72 million.

## 9 SHORT TERM BORROWING

This includes utilized portion of short-term running finance facility aggregating to Rs.1,000 million (2017: Rs. 1,000 million) obtained under mark-up arrangements from Bank Al-Habib Limited. Out of the aforementioned facility, the Company has negotiated sub limits with the banks for financing the operations of the subsidiary company - Reon Energy Limited, amounting to Rs. 300 million. The running finance under mark-up arrangement is secured by way of deposit of title deeds of the Company's fixed assets, first ranking hypothecation charge over receivables and stocks and pledge over Company's investment in related party. Rate of mark-up applicable to the facility ranges from three month KIBOR plus 65 basis points to three month KIBOR plus 75 basis points (December 31, 2017: three month KIBOR plus 65 basis points to three month KIBOR plus 75 basis points) per annum. The facility will expire on January 30, 2019.

Also includes utilized portion of short-term running finance facility aggregating to Rs. 500 million (December 31, 2017: Rs 500 million) obtained under mark-up arrangements from Standard Chartered Bank (Pakistan) Limited. The running finance under mark-up arrangement is secured by way of Company's investment in related party. Rate of mark-up applicable to the facility is three months KIBOR plus 90 basis points (December 31, 2017: three months KIBOR plus 90 basis points) per annum. The facility will expire on March 31, 2019.

## 10 CONTINGENCIES AND COMMITMENTS

There is no material change in contingencies and commitments since financial year ended December 31, 2017.

	Unaudited For the nine month period ended September 30, 2018	Unaudited September 30, 2017
-----'Rupees in '000-----		

## 11 REVENUE- NET

### *Renewable energy*

Project revenue	3,013	57,871
Solar lights	22	-
Energy Sale	84	130
Others	233	466
	3,352	58,467

### *Textile- discontinued operations*

Fabric	5,222	6,678
Related to discontinued operations	(5,222)	(6,678)
	3,352	58,467

## 12 EARNINGS / (LOSS) PER SHARE - Basic and diluted

	Quarter ended Unaudited		Nine month period ended Unaudited	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
<b>Continuing operations</b>				
Profit / (loss) for the period	189,942	(14,594)	295,928	178,346
Weighted average number of ordinary shares (in thousands)	59,058	59,058	59,058	59,058
Earnings / (loss) per share	3.22	(0.25)	5.01	3.02
<b>Discontinued operations</b>				
Profit / (loss) for the period	8,360	(5,075)	94,590	(16,930)
Weighted average number of ordinary shares (in thousands)	59,058	59,058	59,058	59,058
Earnings / (loss) per share	0.14	(0.09)	1.60	(0.29)





## 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;

		-----Unaudited-----							
		Renewable energy		Textile - discontinued operations		Unallocated		Total	
		September 30,		September 30,		September 30,		September 30,	
14.1 Segment results		2018	2017	2018	2017	2018	2017	2018	2017
		-----Rupees in '000-----							
Revenue		3,352	58,467	5,222	6,678	-	-	8,574	65,145
Cost of goods sold		(3,108)	(61,957)	(5,629)	(7,613)	-	-	(8,737)	(69,570)
Segment gross profit		244	(3,490)	(407)	(935)	-	-	(163)	(4,425)
Administrative expenses		(30,744)	(43,583)	(38,267)	(46,456)	-	-	(69,011)	(90,039)
Selling and distribution expenses		(351)	(13,018)	(55)	(95)	-	-	(406)	(13,113)
Finance cost		-	-	-	-	(29,664)	(26,163)	(29,664)	(26,163)
Other income		-	-	133,319	30,556	417,324	345,464	550,643	376,020
Taxation		-	-	-	-	(60,881)	(80,864)	(60,881)	(80,864)
Segment net (loss) / profit		(30,851)	(60,091)	94,590	(16,930)	326,779	238,437	390,518	161,416
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
		September 30,	December 31,	September 30,	December 31,	September 30,	December 31,	September 30,	December 31,
		2018	2017	2018	2017	2018	2017	2018	2017
		-----Rupees in '000-----							
14.2 Segment assets		360,856	107,795	35,478	110,004	3,325,474	3,187,476	3,721,808	3,405,275
Segment liabilities		27,320	46,714	80,124	74,622	577,405	578,142	684,849	699,478

## 15 TRANSACTIONS WITH RELATED PARTIES

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

Relationship	Nature of transaction	Nine months period ended	
		September 30, 2018 Unaudited	September 30, 2017 Unaudited
		----- Rupees in '000' -----	
<b>a. Subsidiary Company</b>			
Tenaga Generasi Limited	Reimbursable expenses incurred by the Company	3,132	5,530
	Reimbursement of SBLC commission	24,362	21,808
	Interest on reimbursement of expenses and loan	13,452	8,675
	Subordinated loan disbursed	90,000	105,000
Reon Energy Limited	Subscription of ordinary shares	70,000	150,000
	Sales of renewable energy products by the Company	999	74,401
	Interest on reimbursement of expenses	695	4,648
	Purchase of renewable energy products by the Company	-	133
	Bid Bond of SECMC	-	5,250
	Refund of security deposit against SECMC bid bond	5,250	-
	Short term loan obtained	-	80,000
	Short term loan repaid	-	80,000
	Interest on short term loan obtained	-	186
	Short term loan	-	7,000
	Interest on loan	-	37
	Reimbursable expenses incurred by the Company	4,968	35,189
	Reimbursable expenses incurred on behalf of the Company	3,885	16,881
	Mozart (Private) Limited	Reimbursable expenses incurred by the Company	8
Reimbursement of expenses-classified as unsecured loan		13	-
Unsecured loan		69	-
Interest on loan		0.35	-
Abrax (Private) Limited	Reimbursable expenses incurred by the Company	6	1
	Reimbursement of expenses-classified as unsecured loan	7	-
	Unsecured loan	82	-
	Interest on loan	0.35	-
Greengo (Private) Limited	Reimbursable expenses incurred by the company	7	2
	Reimbursement of expenses-classified as unsecured loan	8	-
	Unsecured loan	82	-
	Interest on loan	0.35	-
Reon Alpha (Private) Limited	Reimbursable expenses incurred by the company	12	-
	Reimbursement of expenses-classified as unsecured loan	59	-
	Interest on loan	0.47	-
<b>b. Associated Companies</b>			
Dawood Hercules Corporation Limited	Dividend income	389,658	311,728

	Reimbursable expenses incurred by the Company	4	23
	Reimbursable expenses by the Company	3,998	-
Sach International (Private) Limited	Sale of fabric	-	477
	Reimbursable expenses incurred on behalf of the Company	-	1,956
	Rental Income	100	-
	Reimbursable expenses incurred by the Company	-	123
	Royalty charged by the Company	10,402	7,629
	Penalty charged against overdue receivables	187	6
The Dawood Foundation	Rental charges	-	5,440
	Maintenance and utility charges payable	-	877
Engro Fertilizer Limited	Rental Income	1,135	-
Fauji Fertilizer Limited	Rental Income	1,750	-
Fatima Fertilizer Limited	Rental Income	10,273	-
<b>c. Key management personnel</b>	Salaries	4,811	4,796
	Other retirement benefits	141	147
<b>d. Directors</b>	Directors' meeting fee	1,250	1,300

#### 16 CORRESPONDING FIGURES

Corresponding figures and balance have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison, better presentation and to reflect the substance of the transaction.

Following reclassifications have been made in these unconsolidated condensed interim financial statements:

Description	Amount	Head of account in unconsolidated condensed interim financial statements for the nine month period ended September 30, 2018	Head of account in financials statements for the year ended December 31, 2017
<b>Statement of financial</b>			
Unclaimed dividend	43,393	Unclaimed dividend	Trade and other payables

#### 17 NON-ADJUSTING EVENT AFTER STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors in its meeting held on October 30, 2018 have approved interim cash dividend of Rs. 2 per share for the period ended September 30, 2018 amounting to Rs. 118.12 million. These unconsolidated condensed interim financial statements do not recognise interim dividend from unappropriated profit as it has been declared subsequent to the statement of financial position date.

#### 18 DATE OF AUTHORIZATION FOR ISSUE

This unconsolidated condensed interim financial information was authorized for issue on **October 30, 2018** by the Board of Directors of the Company.

**Mujtaba Haider Khan**  
Chief Executive Officer

**Shabbir Hussain Hashmi**  
Director

**Haroon Naseer**  
Acting Chief Financial Officer

**DAWOOD LAWRENCEPUR LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2018**

	Unaudited September 30, 2018	Audited December 31, 2017
Note	Rupees in ' 000	
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	11,571,578	11,205,846
Intangible assets	23,238	24,294
Long term investments	10,868,209	8,969,639
Long term loans	-	308
Long term deposits	4,428	4,428
	<b>22,467,453</b>	<b>20,204,515</b>
<b>Current assets</b>		
Stores and spares	21,960	7,822
Stock in trade	131,881	96,178
Trade debts	1,487,223	739,062
Loans and advances	35,138	8,481
Deposits, prepayments and other receivables	450,211	116,006
Accrued interest	1,364	11,333
Taxes recoverable	-	27,636
Cash and bank balances	348,850	941,433
	<b>2,476,627</b>	<b>1,947,951</b>
Asset classified as 'held for sale'	-	37,238
	<b>24,944,080</b>	<b>22,189,704</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	590,578	590,578
Capital reserves	206,666	206,666
Unrealized gain on remeasurement of 'available for sale investments'	11,376	10,763
Unappropriated profits	11,339,846	9,057,908
Non controlling interest	987,691	818,537
	<b>13,136,157</b>	<b>10,684,452</b>
<b>Non-current liabilities</b>		
Borrowings	7,946,326	8,026,609
Deferred taxation	1,618,362	1,333,533
Staff retirement gratuity	23,856	28,228
<b>Current liabilities</b>		
Trade and other payables	464,048	278,176
Short term borrowing	664,402	561,820
Current portion of long term borrowing	869,215	1,074,976
Unpaid dividend	1,714	-
Unclaimed dividend	43,066	43,393
Tax Payable	2,512	-
Accrued markup	174,422	158,517
	<b>2,219,379</b>	<b>2,116,882</b>
<b>Contingencies and Commitments</b>		
	<b>24,944,080</b>	<b>22,189,704</b>

The annexed notes from 1 to 17 form an integral part of this consolidated condensed interim financial statements

**Mujtaba Haider Khan**  
Chief Executive Officer

**Shabbir Hussain Hashmi**  
Director

**Haroon Naseer**  
Acting Chief Financial Officer

**DAWOOD LAWRENCEPUR LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018**

	Note	Quarter ended		Nine month ended	
		September 30	September 30	September 30	September 30
		2018	2017	2018	2017
		Rupees in ' 000		Rupees in ' 000	
<b>CONTINUING OPERATIONS</b>					
Revenue - net	10	1,028,704	716,884	2,363,125	2,119,995
Cost of revenue		(355,242)	(301,348)	(998,907)	(1,021,714)
Gross profit		673,462	415,536	1,364,218	1,098,281
Selling and distribution expenses		(47,300)	(42,281)	(132,004)	(117,581)
Other expenses		(7,566)	(1,270)	(18,417)	(1,484)
Administrative expenses		(62,878)	(58,248)	(176,807)	(187,825)
Other income		7,103	17,403	18,745	69,331
		(110,641)	(84,396)	(308,483)	(237,559)
Operating profit		562,821	331,140	1,055,735	860,722
Finance costs		(195,338)	(196,769)	(577,021)	(580,300)
		367,483	134,371	478,714	280,422
Share of profit from investment in an associate		206,547	196,595	2,268,202	389,047
Profit before taxation		574,030	330,966	2,746,916	669,469
Taxation		(34,934)	(35,973)	(351,680)	(320,399)
Profit after taxation		539,096	294,993	2,395,236	349,070
<b>DISCONTINUED OPERATIONS</b>					
Profit / (loss) from discontinued operations		8,360	(5,075)	94,590	(16,930)
Profit for the period		547,456	289,918	2,489,826	332,140
Earnings per share - Basic and diluted					
Continuing operations (attributable to the owners of the holding company)	11	7.25	4.14	37.69	3.92
Earnings / (loss) per share - Basic and diluted					
Discontinued operations (attributable to the owners of the holding company)	11	0.14	(0.09)	1.60	(0.29)
<b>Profit attributable to:</b>					
Owners of the Holding Company		436,525	239,266	2,320,672	214,692
Non controlling interest		110,931	50,652	169,154	117,448
		547,456	289,918	2,489,826	332,140

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

**Mujtaba Haider Khan**  
**Chief Executive Officer**

**Shabbir Hussain Hashmi**  
**Director**

**Haroon Naseer**  
**Acting Chief Financial Officer**

**DAWOOD LAWRENCEPUR LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018**

	Quarter ended		Nine month ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
	Rupees in ' 000		Rupees in ' 000	
Profit for the period	547,456	289,918	2,489,826	332,140
<b>Other comprehensive income</b>				
<b>Items that may be reclassified subsequently through profit and loss account</b>				
Loss on remeasurement of 'available for sale' investments	(954)	(1,070)	(298)	(1,331)
Share of other comprehensive income from investment in associate	-	789	12,088	789
<b>Total comprehensive income for the period</b>	<b>546,502</b>	<b>289,637</b>	<b>2,501,616</b>	<b>331,598</b>
Total comprehensive income / (loss) attributable to:				
- Continuing operations	538,142	294,712	2,407,026	348,528
- Discontinued operations	8,360	(5,075)	94,590	(16,930)
	<b>546,502</b>	<b>289,637</b>	<b>2,501,616</b>	<b>331,598</b>
Total comprehensive income attributable to:				
- Owners of the Holding Company	435,571	238,985	2,332,462	214,150
- Non-controlling interest	110,931	50,652	169,154	117,448
	<b>546,502</b>	<b>289,637</b>	<b>2,501,616</b>	<b>331,598</b>

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

**Mujtaba Haider Khan**  
**Chief Executive Officer**

**Shabbir Hussain Hashmi**  
**Director**

**Haroon Naseer**  
**Acting Chief Financial Officer**

DAWOOD LAWRENCEPUR LIMITED  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018

Share capital	Capital reserves					Unrealized gain on remeasurement of available for sale investments	Unappropriated profit	Non controlling interest	Total	
	Merger reserve	Share premium reserve	Capital reserve	Capital redemption reserve fund	Total					
-----'Rupees in ' 000-----										
<b>Balance at January 01, 2017 (Audited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	14,157	9,083,774	708,256	10,603,431
Profit for the period	-	-	-	-	-	-	-	214,692	117,448	332,140
Other comprehensive loss for the period	-	-	-	-	-	-	(1,331)	789	-	(542)
Total comprehensive profit for the nine month ended September 30, 2017	-	-	-	-	-	-	(1,331)	215,481	117,448	331,598
<b>Transactions with owners</b>										
Final cash dividend for the year ended December 31, 2016 @ Rs. 5 per share	-	-	-	-	-	-	-	(295,289)	-	(295,289)
Effect of other transaction of associate	-	-	-	-	-	-	-	13,423	-	13,423
<b>Balance at September 30, 2017 (Unaudited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	12,826	9,017,389	825,704	10,653,163
<b>Balance at January 01, 2018 (Audited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	11,674	9,057,908	818,537	10,685,363
Profit for the period	-	-	-	-	-	-	-	2,320,672	169,154	2,489,826
Other comprehensive loss for the period	-	-	-	-	-	-	(298)	-	-	(298)
Total comprehensive income for the nine month ended September 30, 2018	-	-	-	-	-	-	(298)	2,320,672	169,154	2,489,528
<b>Transactions with owners</b>										
Final cash dividend for the year ended December 31, 2017 @ Rs. 1 per share	-	-	-	-	-	-	-	(59,058)	-	(59,058)
Effect of other transaction of associate	-	-	-	-	-	-	-	12,088	-	12,088
Other equity transaction	-	-	-	-	-	-	-	8,236	-	8,236
<b>Balance at September 30, 2018 (Unaudited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	11,376	11,339,846	987,691	13,136,157

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

Mujtaba Haider Khan  
Chief Executive Officer

Shabbir Hussain Hashmi  
Director

Haroon Naseer  
Acting Chief Financial Officer

**DAWOOD LAWRENCEPUR LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018**

	2018	2017
-----Rupees in ' 000-----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,652,326	686,399
Add: profit / (loss) before taxation	94,590	(16,930)
	<b>2,746,916</b>	669,469
<b>Adjustments for non-cash and other items:</b>		
Depreciation	430,842	408,582
Amortization	1,153	4,042
Provision for gratuity	9,307	7,948
Reversal of provision for stock in trade	(52,953)	(16,189)
Reversal of provision for doubtful debts	(147)	(286)
Provision for onerous contract-net	248	148
Provision for stock in trade	-	1,737
Provision for doubtful debts	1,290	4,318
Finance costs	577,021	580,300
Loss on disposal of property, plant and equipment	63	298
Share of profit from associate	(2,268,202)	(389,047)
Dividend income	(466)	(900)
Provision for warranty	2,156	-
Interest income	(4,788)	-
	<b>1,442,440</b>	1,270,420
<b>Working capital changes</b>		
<b>Decrease / (increase) in current assets</b>		
Stores and spares	(21,035)	(32)
Long term deposits	-	(1,650)
Stock in trade	11,622	29,624
Trade debts	(749,486)	(485,412)
Loans and advances	(26,615)	13,764
Deposits, prepayments and other receivables	(347,888)	170,566
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	177,471	(427,256)
	<b>(955,931)</b>	(700,396)
Cash generated from operations	486,509	570,024
Long term loan	308	49
Gratuity paid	(14,513)	(7,341)
Finance costs paid	(561,116)	(569,983)
Taxes paid	(27,458)	(59,586)
Discontinued operations	40,732	10,974
Net cash used in from operating activities	<b>(75,538)</b>	(55,863)



**DAWOOD LAWRENCEPUR LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018**

	<b>2018</b>	<b>2017</b>
-----Rupees in ' 000-----		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(1,069)	(65,245)
Addition to intangible assets	(97)	(242)
Sale proceeds from disposal of property, plant and equipment	82	629
Interest received	18,290	-
Dividend received	390,125	312,628
Discontinued operation	135,215	-
Net cash generated from investing activities	<b>542,546</b>	247,770
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of dividend	(57,671)	(287,618)
Repayment of long term loan	(1,104,502)	-
Proceeds from borrowings	-	8,825
Net cash used in from financing activities	<b>(1,162,173)</b>	(278,793)
Net decrease in cash and cash equivalents	<b>(695,165)</b>	(86,886)
Cash and cash equivalents at beginning of the period	<b>379,613</b>	332,367
Cash and cash equivalents at end of the period	<b>(315,552)</b>	245,481
<b>Cash and cash equivalents:</b>		
Cash and bank balances	<b>348,850</b>	798,454
Short term borrowings	<b>(664,402)</b>	(552,973)
	<b>(315,552)</b>	245,481

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

**Mujtaba Haider Khan**  
**Chief Executive Officer**

**Shabbir Hussain Hashmi**  
**Director**

**Haroon Naseer**  
**Acting Chief Financial Officer**

**DAWOOD LAWRENCEPUR LIMITED**  
**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2018**

**1. LEGAL STATUS AND OPERATIONS**

- 1.1 Dawood Lawrencepur Limited (the Company) was incorporated in Pakistan in 2004 as a public listed Company. It was formed as a result of a Scheme of Arrangement for Amalgamation under 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 its investment in 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 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 Company suspended operations of LWTM, BTM, DL and DCM. In 2015, the Company sold land, building and plant & machinery of DL and DCM. Further, plant & machinery and related assets of LWTM were also disposed off.
- 1.3 The 'Lawrencepur' brand name continues to operate under license with associated Company.
- 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:

	Period Ended	Percentage of direct holding	
		2018	2017
-Reon Energy Limited (note 1.5.1)	Sep 30	100%	100%
-Tenega Generasi Limited (note 1.5.2)	Sep 30	75%	75%
-Mozart (Private) Limited (note 1.5.3)	Sep 30	100%	100%
-Abrax (Private) Limited (note 1.5.4)	Sep 30	100%	100%
-Greengo (Private) Limited (note 1.5.5)	Sep 30	100%	100%
-Reon Alpha (Private) Limited (note 1.5.6)	Sep 30	100%	100%
<b>Associated Company:</b>			
- Dawood Hercules Corporation Limited (note 1.6)	Sep 30	16.19%	16.19%

**1.5 Subsidiary companies**

**1.5.1 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.

**1.5.2 Tenaga Generasi Limited**

Tenaga Generasi Limited (TGL) was incorporated in Pakistan on December 01, 2005 under the 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.

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 is transmitted to the National Transmission and Dispatch Company (NTDC) under the Energy Purchase Agreement (EPA) dated December 29, 2015. The EPA is for 20 years.

### 1.5.3 **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.

### 1.5.4 **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 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.

### 1.5.5 **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 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.

### 1.5.6 **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 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.

## 1.6 **Associated company**

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 Ordinance, 1984) (the Ordinance) 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% (2017: 16.19%) in DHCL.

## 2 **BASIS OF PREPARATION**

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

International Accounting Standard 34, 'Interim Financial Reporting' (IAS 34), issued by International Accounting and Standard 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.

2.2 The preparation of this consolidated condensed interim financial information is 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 Holding 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 consolidated condensed interim financial information, the significant judgements made by management in applying the Holding Company's accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to financial statements of the Holding Company for the year ended December 31, 2017.

### 3. BASIS OF CONSOLIDATION

The condensed interim financial information 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.

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

The consolidated condensed interim financial information 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 this consolidated condensed interim financial information are consistent with those applied in the preparation of the financial statements of the group for the year ended December 31, 2017.

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, 2018. These are considered not to be relevant or have any significant effect on the Holding Company's financial reporting and operations and, therefore, not disclosed in this consolidated condensed interim financial statements.

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

<b>Unaudited September 30, 2018</b>	Audited December 31, 2017
<b>Rupees in ' 000</b>	

### 5. LONG TERM INVESTMENTS

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

<b>10,854,378</b>	8,955,510
<b>13,831</b>	14,129
<b>10,868,209</b>	<b>8,969,639</b>

<b>Unaudited September 30, 2018</b>	Audited December 31, 2017
<b>Rupees in '000</b>	

#### 5.1 Share of investment in an associate

Associated company - quoted

Dawood Hercules Corporation Limited

Opening balance  
Add: Share of profit after taxation (note 5.1.1)  
Share of other comprehensive income  
Other equity transaction

<b>8,955,510</b>	8,691,306
<b>2,268,202</b>	560,026
<b>12,088</b>	2,725
<b>8,236</b>	13,181
<b>2,288,526</b>	575,932
<b>(389,658)</b>	(311,728)
<b>10,854,378</b>	<b>8,955,510</b>

Less: Dividend

5.1.1 This includes Rs. 1,797 million (2017: Nil) representing Holding Company's share of gain on disposal of entire investment in The Hub Power Company Limited, held by associated company.

<b>Unaudited September 30, 2018</b>	Audited December 31, 2017
---	---------------------------------

**Rupees in ' 000**

## 6 CASH AND BANK BALANCES

Cash in hand	688	414
Current accounts	3,783	10,439
Deposit accounts (note 6.1)	344,379	898,568
Deposit accounts- foreign currency	-	32,012
	<u>348,850</u>	<u>941,433</u>

The rates of profits on the deposit account ranges from 3.75% to 5.05% per annum (Dec 2017: 3.7% to 5.15%)

6.1

## 7 ASSET CLASSIFIED AS HELD FOR SALE

During the period, the Company sold assets with net book value of Rs. 37.23 million, with sales proceed on disposal of the assets amounting to Rs. 134.72 million.

## 8 SHORT TERM BORROWING

This includes utilized portion of short-term running finance facility aggregating to Rs.1,000 million (2017: Rs. 1000 million) obtained under mark-up arrangements from Bank Al-Habib Limited. Out of the aforementioned facility, the Company has negotiated sub limits with the banks for financing the operations of the subsidiary company - Reon Energy Limited, amounting to Rs. 300 million. The running finance under mark-up arrangement is secured by way of deposit of title deeds of the Company's fixed assets, first ranking hypothecation charge over receivables and stocks and pledge over Company's investment in related party. Rate of mark-up applicable to the facility ranges from three month KIBOR plus 65 basis points to three month KIBOR plus 75 basis points (2017: three month KIBOR plus 65 basis points to three month KIBOR plus 75 basis points) per annum. The facility will expire on January 30, 2019.

Also includes utilized portion of short-term running finance facility aggregating to Rs. 500 million (2017: Rs 500 million) obtained under mark-up arrangements from Standard Chartered Bank (Pakistan) Limited. The running finance under mark-up arrangement is secured by way pledge over Company's investment in related party. Rate of mark-up applicable to the facility is three months KIBOR plus 90 basis points (2017: three months KIBOR plus 90 basis points) per annum. The facility will expire on March 31, 2019.

## 9 CONTINGENCIES AND COMMITMENTS

There is no material change in contingencies and commitments since financial year ended December 31, 2017 except for the following:

- 9.1 One of the Company's contractors has levied late payment charges amounting to US Dollars 110,997 on payments pertaining to the construction phase of the project. The Company believes that the delay did not occur due to any inadvertence on its part and expects the same will be waived off. Accordingly, no provision has been made in this respect in this condensed interim financial statements.
- 9.2 In 2017, the company received order from Assistant Commissioner Inland Revenue (ACIR) amounting to Rs. 344 million against alleged incorrect withholding of income tax along with penalty and default surcharge for tax year 2016. On appeal by the Company, the Commissioner Inland Revenue Appeals (CIRA) remanded the case to ACIR for fresh consideration. The ACIR after fresh consideration again raised a demand of Rs. 344 million. The Company thereafter filed an appeal with CIRA against the order. Simultaneously on application by the Company, the High Court of Sindh granted stay against any recovery proceeding by the tax authorities. The management of the Company, based on the advice of its tax consultants, is confident of favorable outcome of this matter, accordingly, no provision has been recognized in this respect in this condensed interim financial statements.

- 9.3 During the period, the Officer Inland Revenue (OCIR) through order raised a sales tax demand of Rs. 97 million along with default surcharge on account of inadmissibility of input sales tax credit related to civil works carried out on account of building and foundation of wind turbines. The Company filed an appeal before the CIRA 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. The appeal is pending hearing. Simultaneously on application by the Company, the High Court of Sindh granted stay against any recovery proceeding by the tax authorities. The management of the Company, based on the advice of its tax consultants, is confident of favorable outcome of this matter, accordingly, no provision has been recognized in this respect in this condensed interim financial statements.

#### Commitments

Commitments in respect of capital expenditure contracted for but not incurred amounts to Rs. 14 million

(December 31, 2017: Nil).

**Unaudited**                      Unaudited  
**For the nine month period ended**  
**September 30,**              September 30,  
**2018**                              2017  
**Rupees in ' 000**

## 10 REVENUE - NET

### Renewable energy

Project revenue

Solar lights

Energy sale

Alternate energy

Others

### Textile

Fabric

### Less:

Related to discontinued operations

372,086	456,709
22	-
84	130
1,990,700	1,662,690
233	466
<b>2,363,125</b>	<b>2,119,995</b>
5,222	6,678
<b>(5,222)</b>	<b>(6,678)</b>
<b>2,363,125</b>	<b>2,119,995</b>

## 11 EARNINGS / (LOSS) PER SHARE

	Quarter ended		Nine month period ended	
	Unaudited		Unaudited	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
<b>Continuing operations</b>				
Profit for the period (attributable to the owners of the Holding Company)	428,165	244,341	2,226,082	231,622
Weighted average number of ordinary shares (in thousands)	59,058	59,058	59,058	59,058
Earnings per share	7.25	4.14	37.69	3.92
<b>Discontinued operations</b>				
Profit / (loss) for the period (attributable to the owners of the Holding Company)	8,360	(5,075)	94,590	(16,930)
Weighted average number of ordinary shares (in thousands)	59,058	59,058	59,058	59,058
Earnings / (loss) per share	0.14	(0.09)	1.60	(0.29)

## 12 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 12.1 Financial risk factors

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

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

### 12.2 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).

	September 30, 2018 (Unaudited)			
	Level 1	Level 2	Level 3	Total
	Rs. '000			
<b>Non-current assets</b>				
Long term investments	13,816	-	15	13,831
	December 31, 2017 (Audited)			
	Level 1	Level 2	Level 3	Total
	Rs. '000			
<b>Non-current assets</b>				
Long term investments	14,114	-	15	14,129

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

## 13 SEGMENT REPORTING

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
- Alternate energy
- Textile - discontinued operations

Segment analysis is as under:

13.1 Segment results	Unaudited									
	Renewable energy		Textile - discontinued operations		Alternate Energy		Unallocated		Total	
	September 30, 2018	2017	September 30, 2018	2017	September 30, 2018	2017	September 30, 2018	2017	September 30, 2018	2017
	Rupees in '000									
Revenue	372,425	457,305	5,222	6,678	1,990,700	1,662,690	-	-	2,368,347	2,126,673
Cost of goods sold	(311,122)	(407,865)	(5,629)	(7,613)	(687,785)	(613,849)	-	-	(1,004,536)	(1,029,327)
Segment gross profit / (loss)	61,303	49,440	(407)	(935)	1,302,915	1,048,841	-	-	1,363,811	1,097,346
Dividend income	-	-	-	-	-	-	466	900	466	900
Selling and distribution expense	(132,004)	(117,581)	(55)	(95)	-	-	-	-	(132,059)	(117,676)
Administrative expenses	(124,965)	(129,123)	(38,267)	(46,456)	(51,842)	(58,702)	-	-	(215,074)	(234,281)
Other expenses	-	-	-	-	(18,417)	(1,484)	-	-	(18,417)	(1,484)
Other income	-	13,231	133,319	30,556	4,938	22,364	13,341	32,836	151,598	98,987
Finance costs	-	(18,079)	-	-	(545,474)	(536,058)	(31,547)	(26,163)	(577,021)	(580,300)
Profit from associate	-	-	-	-	-	-	2,268,202	389,047	2,268,202	389,047
Taxation	-	-	-	-	-	(5,169)	(351,680)	(315,230)	(351,680)	(320,399)
Segment (loss) / profit	(195,666)	(202,112)	94,590	(16,930)	692,120	469,792	1,898,782	81,390	2,489,826	332,140
	(Unaudited) September 30, 2018	(Audited) December 31, 2017	(Unaudited) September 30, 2018	(Audited) December 31, 2017	(Unaudited) September 30, 2018	(Audited) December 31, 2017	(Unaudited) September 30, 2018	(Audited) December 31, 2017	(Unaudited) September 30, 2018	(Audited) December 31, 2017
	Rupees in '000									
13.2 Segment assets	636,660	362,852	35,478	110,004	13,372,030	12,675,900	10,899,912	9,040,948	24,944,080	22,189,704
Segment liabilities	105,969	137,783	80,124	74,622	9,261,344	9,381,172	2,360,486	1,911,675	11,807,923	11,505,252

#### 14 TRANSACTIONS WITH RELATED PARTIES

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

Relationship	Nature of transaction	Unaudited	Unaudited
		Nine month period ended September 30, 2018	September 30, 2017
		-----Rupees in '000'-----	
<b>a. Associated companies</b>			
Dawood Hercules Corporation Limited	Dividend income	389,658	311,728
	Reimbursable expenses incurred on behalf of the Company	11,012	58
	Reimbursable expenses incurred by the Company	99	8,064
Sach International (Private) Limited	Sale of fabric	-	477
	Reimbursable expenses incurred by the Company	-	123
	Reimbursable expenses incurred on behalf of the Company	-	1,956
	Royalty charged by the Company	10,402	7,629
	Rental Income	100	-
	Penalty charged against overdue receivables	187	6
The Dawood Foundation	Rental charges paid	7,795	5,440
	Maintenance and utility charges	-	877
Engro Energy Limited	Project management fee	3,600	3,600
	Reimbursable expenses incurred on behalf of the Company	10,340	7,214
International Finance Corporation	Commitment fee	-	434
	Borrowing cost charged to the Company	124,920	102,652
	Borrowing received	-	280,620
	Repayment of loan	297,672	89,814
	Accrued interest	42,658	35,355
	Supervision fees	2,521	3,078
	Commitment fee	-	434
Engro Fertilizer Limited	Rental Income	1,135	-
Fauji Fertilizer Limited	Rental Income	1,750	-
Fatima Fertilizer Limited	Rental Income	10,273	-
<b>c. Key management personnel</b>			
	Salaries and benefits	48,448	53,121
	Other retirement benefits	141	147
<b>d. Director</b>			
	Director's meeting fee	1,950	1,800

#### 15 CORRESPONDING FIGURES

Corresponding figures and balance have been rearranged and reclassified, wherever considered necessary, for the purpose of comparison, better presentation and to reflect the substance of the transaction.

Following reclassifications have been made in these unconsolidated condensed interim financial statements:

Description	Amount	Head of account in	Head of account in financials
		unconsolidated condensed interim financial statements for the nine month period ended September 30, 2018	statements for the year ended December 31, 2017
<b>Statement of financial position</b>			
Unclaimed dividend	43,393	Unclaimed dividend	Trade and other payables

#### 16 NON-ADJUSTING EVENT AFTER STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors of the Holding Company in its meeting held on October 30, 2018 have approved interim cash dividend of Rs. 2 per share for the period ended September 30, 2018 amounting to Rs. 118.12 million. These consolidated condensed interim financial statements do not recognise interim dividend from unappropriated profit as it has been declared subsequent to the statement of financial position date.

#### 17. DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial information was authorized for issue on **October 30, 2018** by the Board of Directors of the Holding Company.

Mujtaba Haider Khan  
Chief Executive Officer

Shabbir Hussain Hashmi  
Director

Haroon Naseer  
Acting Chief Financial Officer



دوسری سہ ماہی کے دوران عام انتخابات اور اس کے نتیجے میں وفاقی اور صوبائی سطح پر حکومتوں کی تبدیلی کا فطری نتیجہ سست روی کے رجحان کی صورت میں سامنے آیا۔ تاہم تیسری سہ ماہی میں کاروباری سرگرمی میں اس وقت تیزی آئی جب REL نے ملک کی سب سے بڑی Captive ڈیل حاصل کی۔ سال کے باقی ماندہ حصے میں کاروباری ماحول نئی حکومت کی جانب سے پالیسی سمت کا سہارا نہ ہونے کے باعث مشکلات کا شکار رہے گا۔ ڈالر کے مقابلے میں پاکستانی روپے کی شرح تبادلہ میں بدلاؤ کا نتیجہ بھی ممکنہ سرمایہ کاروں کو صورت حال کا جائزہ لینے اور انتظار کی پالیسی پر کاربند رہنے کا باعث بنے گا۔

اس کے برعکس ECC کی جانب سے گیس اور پاور کے شعبے میں قیمتوں میں اضافے کے فیصلے سے کاروباری اور صنعتی صارفین کے لئے Captive سولر سرمایہ کاریاں زیادہ قابل اعتبار ہوں گی۔ REL اپنی مارکیٹ کو مستحکم کرنے کے لئے پوری طرح تیار ہے۔

## پن بجلی کا منصوبہ

پن بجلی کا شعبہ مکمل طور پر گردش قرضوں کے اثرات کا سامنا کر رہا ہے اور دسمبر 2017 کے بعد سے حکومت کی جانب سے ادائیگیوں میں شدید رکاوٹ کا سامنا ہے۔ تیسری سہ ماہی کے دوران ادائیگیوں میں بہتری آئی ہے اور موجودہ طور پر TGL ساٹھ روز کے ریکوری سائیکل پر ہے۔ اس سے کمپنی ٹانوی قرضوں کی سہولت استعمال کئے بغیر اپنے واجبات ادا کرنے کے قابل ہو گئی ہے۔ وقتی طور پر رقم کی کمی یا CPPA کی جانب سے تاخیری ادائیگیوں کی صورت حال کا مقابلہ کرنے کے لئے اضافی جاری سرمایہ کا بندوبست کیا جا رہا ہے۔ تاہم چینلنگز نا حال ظاہر ہیں کیونکہ پاور پر چیز (CPPA)، NPMV ادائیگیوں کے شمار کے وقت اپنے مفاد میں آپریٹنگ پروسیجر میں تبدیلی کی کوشش کر رہی ہے۔ ضرورت اس بات کی ہے کہ NPMV اپنا شماریات کا طریقہ کار جلد طے کر لے کیونکہ دسمبر 2017 کے بعد سے اب تک تاخیری ادائیگیاں نہیں کی گئی ہیں۔ جھمپیر کے چار منصوبوں نے CPPA کے شماریات کے طریقہ کار کو تسلیم کر لیا ہے کیونکہ ان کا CoD متاثر ہو رہا تھا۔ چار مزید منصوبے اس مسئلے کے حل کے لئے Dispute Resolution Process میں جا چیک ہیں۔ تاہم علامات یہی ہیں کہ CPPA بدستور اپنے طریقہ کار پر قائم ہے۔

ٹیرف بڈنگ کا طریقہ کار بھی ابھی تک مکمل طور پر وضع نہیں کیا گیا ہے اور یہ سرمایہ کاروں کے لئے باعث تشویش ہے۔ NEPA نے اپریل کے اوائل میں قابل تجدید توانائی کے سرمایہ کاروں کے لئے Cost-Plus ٹیرف کی بنیاد پر کچھ عوامی بولیاں منعقد کی تھیں۔ جس میں 14.2 امریکی سینٹ ٹیرف مقرر کیا گیا تھا۔ حکومت نے ونڈ سولر ہا بئرو تنصیبات کے لئے سات (7) لیٹر آف انٹین جاری کئے ہیں۔ یہ محض اس لئے متاثر ہو رہے ہیں کیونکہ دستیاب ٹیرف پر صورت حال واضح نہیں ہے۔ مختصر مدت کے لئے لوڈ سولوشنز کے باعث قابل تجدید توانائی پر توجہ نہیں دی جا رہی تاہم یہ ایک عارضی صورت حال ہے اور ہمیں امید ہے کہ آگے چل کر اس میں بہتری آئے گی۔

شاہد حامد پراچہ

چیئر مین

مجتبیٰ حیدر خان

چیف ایگزیکٹو آفیسر

کراچی: 30 اکتوبر، 2018

## مالیاتی نکات

کمپنی کے مالیاتی نکات درج ذیل ہیں۔

30 ستمبر 2017 کو ختم ہونے والے نو ماہ	30 ستمبر 2018 کو ختم ہونے والے نو ماہ	
روپے ”ہزار“ میں		
58,467	3,352	آمدنی۔ خالص
(61,957)	(3,108)	آمدنی کی لاگت
(3,490)	244	مجموعی منافع / (خسارہ)
345,460	417,324	دیگر آمدنی
259,210	356,809	منافع قبل از ٹیکس۔ جاری کاروبار
(16,930)	94,590	منافع / (خسارہ) موقوف کاروبار
(80,864)	(60,881)	ٹیکس
161,416	390,518	منافع بعد از ٹیکس
2,048,812	1,896,879	غیر تخصیصی منافع brought forward
1,914,939	2,228,339	غیر تخصیصی منافع carried forward
2.73	6.61	فی حصص آمدنی Basic and Diluted

30 ستمبر، 2018 کو ختم ہونے والے نو ماہ کے دوران شریک کار کمپنی داؤد ہرکولیس کارپوریشن لمیٹڈ کا ڈیویڈنڈ 389.66 ملین روپے رہا جو کہ 30 ستمبر، 2018 کو ختم ہونے والے نو ماہ کی مدت کے لئے 311.73 ملین روپے رہا تھا۔

انضمامی آمدنی گزشتہ سال کی اسی مدت کے 2,119.99 ملین روپے کے مقابلے میں 2,363.12 ملین روپے رہی۔ اس کی بنیادی وجہ پن بجلی کے منصوبے سے ہونے والی 1,990.70 ملین روپے کی آمدنی تھی۔ شریک کار کمپنی کی جانب سے 2,268.20 ملین روپے کے منافع (2017: 389.05 ملین روپے) کو شمار کرنے کے بعد نو ماہ کی مدت کے لئے مجموعی بعد از ٹیکس منافع 2,489.83 ملین روپے رہا جو گزشتہ سال کی اسی مدت کے دوران 332.14 ملین روپے رہا تھا۔ مجموعی فی حصص آمدنی گروپ کے مالکان کے تناسب سے 39.29 روپے رہی جو کہ گزشتہ سال کی اسی مدت کے دوران 3.63 روپے تھی۔

## داؤڈلارنس پور لمیٹڈ

### ڈائریکٹرز کی جائزہ رپورٹ

برائے اختتامِ نو ماہ 30 ستمبر، 2018

کمپنی کے ڈائریکٹرز مسرت کے ساتھ 30 ستمبر، 2018 کو ختم ہونے والے نو ماہ کے لئے اپنی رپورٹ مع کمپنی کے غیر انضمامی مختصر عبوری مالیاتی حسابات اور گروپ کے غیر آڈٹ شدہ مختصر عبوری مالیاتی حسابات پیش کرتے ہیں۔

### کاروبار کا جائزہ

#### قابل تجدید توانائی کا کاروبار

ملک کی معاشی صورت حال انتخابات کے بعد بھی غیر یقینی کا شکار ہے کیونکہ نئی حکومت بدستور اس کاروبار کی اعتماد کی عدم موجودگی کی کیفیت سے نبرد آزما ہے جو غیر ملکی زرمبادلہ کی تیزی سے گرتی ہوئی شرح کے باعث پیدا ہوئی ہے۔ نتیجتاً، ریون انرجی لمیٹڈ (REL) کے سٹش توانائی کے کاروبار کے لئے سرمایہ کاری کے فیصلے مؤخر کرتے ہوئے انہیں چند معاہدوں تک محدود کر دیا گیا ہے اور اس کے نتیجے میں اس سہ ماہی اور نو ماہ کی مدت میں توقع سے کم منافع حاصل ہوا ہے۔ اس کے باوجود بجلی اور ایندھن کی قیمتوں میں متوقع اضافے سے سٹش توانائی کے ذرائع پر انحصار کرنے کی کاروباری صورت حال مضبوط ہوئی ہے۔ 2018 کی تیسری سہ ماہی میں REL نے ایک اہم سبک میل اس وقت عبور کیا جب کمپنی نے فوجی سینٹ کمپنی لمیٹڈ (FCCL) کی انک کے نزدیک فیکٹری سائٹ کے لئے Turnkey Captive پلانٹ کے لئے 12.5 میگا واٹ کا معاہدہ کیا۔ اس معاہدے کے لئے REL کا مقابلہ مقامی اور بین الاقوامی وینڈرز کے ساتھ تھا۔ ایک بار فعال ہونے کے بعد یہ پروجیکٹ FCCL کو توانائی کے بلوں کی مد میں زبردست بچت کے ساتھ 500,000 درختوں کے برابر کاربن کی بچت میں بھی مددگار ہوگا۔ یہ ملک میں اب تک کا واحد سب سے بڑا Captive سولر پروجیکٹ ہے۔

#### بجلی کا منصوبہ

پلانٹ تسلی بخش انداز سے کام کرتے ہوئے دستیابی اور BOP loss کے متوقع اہداف حاصل کر رہا ہے۔ زیر جائزہ مدت کے دوران BOP نقصان 2.5 فیصد کے ہدف کے مقابلے میں 0.9 فیصد جبکہ دستیابی 99.0 فیصد کے مقابلے میں 98.7 فیصد رہی۔ صحت، تحفظ اور ماحول (HSE) بدستور اولین ترجیحات رہیں اور کمرشل آپریشن کے آغاز کی تاریخ سے اب تک 161,514 گھنٹے محفوظ انداز میں کام کے ساتھ بغیر کسی حادثہ اور TRIR کے مکمل کئے گئے۔

گھارو سے جھمپیر تک 220 Kv لائن کی تنصیب، جو موجودہ طور پر 132 Kv پر آپریٹ کر رہی ہے، یکم اگست کو مکمل ہوئی۔ نئی لائن کی تنصیب کے بعد سے TGL میں تیسری سہ ماہی کے لئے 43.8 گیگا واٹ کی پیداوار ریکارڈ کی گئی۔ تیسری سہ ماہی میں فروخت کردہ کل توانائی 42.0 گیگا واٹ کے P90 لیول سے زیادہ اور 45.6 گیگا واٹ کے P90 لیول سے کم ہے۔ بڑے پیمانے پر گرڈ آؤٹج نے اس سہ ماہی کی پیداوار کو متاثر کیا۔

جولائی تا ستمبر، 2018 کی مدت کے دوران ہوا کی اوسط رفتار 7.9M فی سیکنڈ ریکارڈ کی گئی، جو 7.75m فی سیکنڈ کی P75 ہوا کی رفتار سے قدرے زیادہ ہے۔ تاہم ستمبر، 2018 کے دوران ہوا کی رفتار P50 لیول رہی۔

جولائی تا ستمبر، 2018 کے دوران ہوا کی رفتار 922 ملین روپے رہی۔ دسمبر 2018 کے اختتام تک 600 ملین روپے کی رقم کی وصولی کی ضرورت ہے تاکہ 1:05 پر HDSCR کے PCD Criteria پر پورا اتر اچاسکے۔

## 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:

<b>Details of Shareholder</b>	
Name of shareholder	
Folio No.	
CNIC No.	
Cell number of shareholder	
Landline number of shareholder, if any	
<b>Details of Bank Account</b>	
Title of Bank Account	
International Bank Account Number (IBAN) <b>"Mandatory"</b>	<b>PK _____ (24 digits)</b> (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, **Central Depository Company of Pakistan 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. Central Depository Company of Pakistan 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:

**Central Depository Company of Pakistan 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](mailto:info.reon@dawoodhercules.com)  
Website: [www.dawoodlawrencepur.com](http://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.



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\*Mobile apps are also available for download for android and ios devices





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