

Third Quarterly Report September 2024



Dawood
Lawrencepur
Limited

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COMPANY INFORMATION

Board of Directors

Mr. Ruhail Muhammad (Chairman)
Mr. Abdul Samad Dawood
Ms. Sabrina Dawood
Mr. Muhammed Amin
Mr. Shafiq Ahmed
Mr. Muhammad Bilal Ahmed
Mr. Mohammad Shamoon Chaudry
(Chief Executive Officer)

Board Audit Committee

Mr. Muhammed Amin (Chairman)
Mr. Shafiq Ahmed
Mr. Muhammad Bilal Ahmed

Human Resource and Remuneration Committee

Mr. Ruhail Muhammad (Chairman)
Mr. Abdul Samad Dawood
Mr. Muhammed Amin

Chief Financial Officer

Ms. Nazia Hasan

Company Secretary

Mr. Imran Chagani

Head of Internal Audit

Mr. Amjad Ali

Auditors

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

Bankers

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

Legal Advisor

Zia Law Associates I7,
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 I Head Office

Dawood Centre, M.T. Khan Road Karachi-75530
Tel: +92-21-35686001-16
Fax: +92-21-35644147
E-mail: company.secretary@dawoodhercules.com
Website: www.dawoodlawrencepur.com

Mills

Dawoodabad
Railway Station Road and
Luddan Road, Chak 439, E.B, Tehsil Burewala,
District Vehari.
Tel.: 067- 3353347, 3353 1 45, 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 SEPTEMBER 30, 2024

The Directors are pleased to present their report together with the unaudited unconsolidated condensed interim financial statements of Dawood Lawrencepur Limited (the Company) and the unaudited consolidated condensed interim financial statements of the Group for the period ended September 30, 2024.

MACROECONOMIC AND BUSINESS REVIEW

The global economy demonstrated continued improvement in the last quarter. Energy prices and global interest rates persistently declined in most advanced economies amid disinflation, promoting conditions for greater economic activity. This is an especially positive signal for emerging markets as it indicates a greater appetite for risk taking and investment in developing economies.

However, this easing of cost pressures is balanced on a very tenuous geopolitical situation, especially in the Middle East. Any entrants or escalations in the War may cause severe supply shocks (notably, oil) and trade disruptions that could significantly reverse economic momentum. Aside from the unfathomable human cost this war has directly had on people in the region, the ramifications of further adverse movements are likely to indirectly affect billions more around the world. A similar impact was seen when the Russia-Ukraine War rattled energy and food markets globally; this is, therefore, a necessary watch-out and call-out.

In sync with global trends, economic indicators continued improving in Pakistan. Inflation fell to a single digit as a result of tight monetary policy and a stable exchange rate; the State Bank of Pakistan, thus, cut the policy rate to 17.5%, a decline of 200bps since July. While this progress is commendable, the rate is still too high to significantly stimulate investment and consumption. All eyes will remain on the policy rate in the months to come.

In addition to this, Pakistan's foreign exchange reserves grew because of robust remittances, export earnings, and decreased volatility in currency markets. Additionally, the first tranche of USD 1 billion came through at the end of September as the IMF's Executive Board green-lighted a new IMF package (formally known as Extended Fund Facility, or EFF). The release of the first tranche of the EFF meant that at the end of September, Pakistan's foreign exchange reserves reached a total of USD 10.7 billion, a 30-month high.

One important development in the past quarter was the renegotiation of contracts of Independent Power Producers (IPPs). Undermining contract integrity in the power sector has raised concerns about future investment in this space, largely due to the private sector bearing the costs of improper planning. It is key to remember that the countries that have prospered the most in the world have done so based on a fundamental respect for capital and contracts. Renegotiations may be considered necessary now, but this fact about contract enforcement must be an essential consideration in any dialogue with the private sector, who are partners in national growth.

All in all, our assessment of the last quarter’s macro developments is this: *steady but tenuous gains*.

The Government of Pakistan must be recognized for negotiating the current IMF package and for their focus on structural macro reform in the last few months, supported by the lender. Despite progress, however, our vulnerabilities and structural challenges remain formidable. A difficult business environment, weak governance and contract enforcement, and the state’s considerable presence in the economy may affect investment levels from the domestic and international business community. The tax base also remains too narrow to ensure equitable taxation and, consequently, fiscal sustainability. We trust the State will fully pursue reform efforts in these key areas to overcome its economic challenges and continue on a path to progress.

Solar Energy Business

Reon Energy Limited (REL) was disposed of post-reporting period, with all covenants under the Share Purchase Agreement (SPA) met by the reporting period, and the transaction executed after September 30, 2024.

Wind Energy Project

The Plant is operating satisfactorily and meeting expected targets for Availability and Balance of Plant (BOP) Loss. The BOP Loss and auxiliary consumption for the reporting quarter was 1.31% against a target of 4.6%, while Availability was 99.37 % against a target of 97.0%. Health Safety and Environment (HSE) remained a priority, and 691,541 safe man-hours have been clocked since COD with zero injury rate and TRIR. The plant has been operating safely without injury for 2,912 days.

Wind speeds were below expectations in July but above projections in August and September. July saw notable curtailment, escalating in August but decreasing in September. During the reporting period, due to curtailment, the project lost 13.85 GWh of energy with 19.32 GWh billed under NPMV. The total energy billed during the reporting period (89.94 GWh) was lower than both the P90 level (114.04 GWh) and the budget (109.10 GWh).

FINANCIAL HIGHLIGHTS

The unconsolidated financial highlights of the Company are as under:

	Nine Months ended September 30, 2024	Nine Months ended September 30, 2023
	Rupees in thousands	
Dividend Income	1,814,631	1,319,479
Other income	548,327	162,099
Profit / (loss) before taxation from continued operations	2,093,470	1,130,395
Profit / (loss) from discontinued operations	(17,322)	(16,163)
Taxation	(395,506)	(394,739)

Profit / (loss) after taxation	1,646,654	719,493
Unappropriated profit brought forward	3,461,234	2,543,935
Unappropriated profit carried forward	4,929,989	3,263,428
Earnings per share - basic & diluted (Rupees)	27.77	12.13

On a standalone basis, the Company has received dividends amounting to PKR 1,815 million from its investment in subsidiaries, associates, listed securities and mutual funds. Unrealized gain on investments in the equity portfolio amounted to PKR 360 million.

The earnings per share for the period amounted to PKR 27.77 against earnings per share of PKR 12.13 for the same period last year.

The consolidated revenue of the Group from continued operations was PKR 4.1 billion compared to nearly PKR 4.7 billion for the same period last year.

The consolidated gross profit of the Group from continuing operations for the period was PKR 2.7 billion against PKR 3.3 billion in the last period.

The share of profit from associated company was PKR 1 billion, registering a decrease of PKR 243 million in comparison to the previous year.

After accounting for a tax charge of PKR 647 million, the profit after tax from continuing operations stood at PKR 398 million, a decrease of PKR 3.1 billion over September 2023.

Loss from discontinued operations and disposal group stood at PKR 12 million compared to a loss of PKR 394 million during the same period last year. The bulk of the decrease is attributed to reclassification of one of the subsidiary from being held for sale.

FUTURE OUTLOOK

Economic reforms under the IMF's extended fund facility are expected to boost growth and ease inflation in Pakistan, with growth projected to increase from 2.4% in FY2024 to 2.8% in FY2025, driven by the government's stabilization efforts. This recovery will be supported by a favourable external environment, stable exchange rates, declining inflation, and an accommodative monetary policy, while the government's commitment to fiscal consolidation strengthens the State's fiscal position. However, risks remain from trade tensions and rising oil prices due to ongoing geopolitical challenges in the Middle East.

Furthermore, as mentioned earlier, it is worth noting that ongoing renegotiations with IPPs are likely to significantly impact investment in the power space especially in the long-term.

Wind Energy Project

One of the most pressing challenges affecting shareholder returns in the IPP realm is persistent circular debt. This ongoing issue has historically hindered our ability to generate significant payouts for

shareholders. However, the company has been able to pay dividends amounting to PKR 1.4 billion in the month of July 2024.

Curtailement of wind power plants has been very high for the period and is expected to continue for the wind power plants in Gharo and Jhimpir. The wind power plants are actively working with the Government (collectively through their association) to decrease curtailement.

The Company had previously disclosed the sale transaction of TGL which had a long-stop date of September 6, 2024, as mentioned in the SPA. The conditions required to complete the transaction were not met by this date. Despite the Company's best efforts to move forward, the buyer ultimately chose not to proceed. In the interim, the Company is deploying its surplus funds into short- and medium-term investments in capital markets.

Acknowledgement

The Directors extend their appreciation to all our shareholders for their trust and support in the Company to manage their capital. We also thank our stakeholders, including the Government, regulators, market participants, and financial institutions, for their cooperation and support, and our employees for their valuable contributions to Dawood Lawrencepur.

RUHAIL MUHAMMAD

Director

Karachi

Dated: October 29, 2024

MOHAMMAD SHAMOON CHAUDRY

Chief Executive Officer

داؤڈلانس پورلیٹیڈ

ڈائریکٹرز کی جائزہ رپورٹ برائے سہ ماہی مدت اختتامیہ 30 ستمبر 2024

مورخہ 30 ستمبر 2024 کو اختتام پذیر ہونے والی مدت کے لئے اپنی رپورٹ مع داؤڈلانس پورلیٹیڈ ("کمپنی") کے غیر آڈٹ شدہ عبوری، غیر انضمام وغیر آڈٹ شدہ، مجموعی مالی حسابات کا خلاصہ اور گروپ کے عبوری، غیر آڈٹ شدہ، مجموعی مالی حسابات پیش کرتے ہوئے ڈائریکٹرز انتہائی مسرت محسوس کر رہے ہیں۔

میکرو اکنامک اور کاروباری جائزہ

گزشتہ سہ ماہی میں عالمی معیشت نے مسلسل بہتری کا مظاہرہ کیا۔ ضبط افراط زر، وسیع تر اقتصادی سرگرمیوں کے ماحول کی ترویج کے تناظر میں توانائی کی قیمتوں اور دنیا کی ترقی یافتہ ترین معیشتوں میں شرح سود میں مسلسل کمی دیکھنے میں آئی۔ یہ صورتحال خاص طور سے ابھرتی ہوئی مارکیٹوں کیلئے ایک مثبت علامت ہے کیونکہ ترقی پذیر معیشتوں میں رسک اٹھانے اور سرمایہ کاری کرنے کی خواہش کا مظہر ہے۔

تاہم لاگوں پر موجود باؤ میں کمی دراصل عالمی جغرافیائی سیاست خصوصاً مشرق وسطیٰ کے حالات کے پل صراط پر کھڑی ہے۔ (خدا نخواستہ) جنگ پھیل جانے کی صورت میں (خصوصاً) تیل کی سپلائی اور تجارتی سرگرمیوں میں بڑی رکاوٹ پیدا ہو جائیگی جو اقتصادی بہتری کو بھی برباد کر دے گی۔ مشرق وسطیٰ میں جاری جنگ نے ویسے تو خطے میں رہنے والے انسانوں کو براہ راست متاثر کیا ہے لیکن جنگ پھیل جانے کی صورت میں دنیا میں رہنے والے اربوں لوگ اس کے اثرات سے متاثر ہوں گے۔ روس، یوکرین کی جنگ کے نتیجے میں دنیا جنگ کے اثرات سے متاثر ہو چکی ہے جب توانائی اور خوراک کی مارکیٹیں اٹھل پھٹل ہو گئی تھیں لہذا ضروری ہے کہ عالمی برادری مشرق وسطیٰ میں جاری جنگ کو پھیلنے سے روکنے کی کوششیں کرے۔

عالمی رجحان کی طرز پر پاکستان میں بھی اقتصادی اشاریے بہتری کا مظاہرہ کرتے رہے ہیں۔ مہنگائی کم ہو کر ایک ہندسے پر آگئی جو زری پالیسی میں مزید سختی کا نتیجہ ہے؛ چنانچہ اسٹیٹ بینک آف پاکستان نے جولائی کے بعد پالیسی ریٹ میں 200bps کمی کر کے 17.5% مقرر کی۔ اگرچہ یہ بہتری قابل تعریف ہے تاہم پالیسی ریٹ اب بھی کافی زیادہ ہے جو سرمایہ کاری اور ایشیائے صرف کا استعمال بڑھانے میں ایک بڑی رکاوٹ ہے۔ آنے والے مہینوں میں سب کی نظریں پالیسی ریٹ پر ہی رہیں گی۔

اسکے ساتھ ساتھ بیرون ملک سے ترسیلات میں اضافے، برآمدات سے ہونے والی آمدنیوں، اور کرنسی مارکیٹ میں کسی حد تک بہتری آنے سے پاکستان کے زرمبادلہ کے ذخائر میں اضافہ ہوا۔ مزید یہ کہ آئی ایم ایف کے ایگزیکٹو بورڈ کی جانب سے نئے پیکیج (Extended Fund Facility) کی منظوری کے نتیجے میں ستمبر کے آخر میں پاکستان نے آئی ایم ایف سے ایک بلین ڈالر کی پہلی قسط بھی وصول کی۔ EFF کی پہلی قسط کے اجراء کے نتیجے میں پاکستان کے زرمبادلہ کے ذخائر بڑھ کر 10.7 بلین ڈالر تک پہنچے جو گزشتہ 30 ماہ میں سب سے زیادہ ہیں۔

گزشتہ سہ ماہی میں ایک اہم واقعہ انڈیپنڈنٹ پاور پروڈیوسرز (IPPs) کے معاہدوں پر نظر ثانی کیا جانا تھا۔ توانائی کے شعبہ میں ایسے معاہدوں کو کم زور کرنے سے اس شعبہ میں مستقبل میں ہونے والی سرمایہ کاری پر سوالات پیدا ہو گئے ہیں خاص طور سے اس صورت میں کہ غیر مناسب منصوبہ بندی کی بدولت پرائیویٹ سیکٹر کو سارا بوجھ اٹھانا پڑ رہا ہے۔ یہ بات یاد رکھنے کی ہے کہ دنیا کے جن ممالک نے ترقی کی ہے وہ سرمائے اور معاہدوں کا احترام کر کے کی ہے۔ معاہدوں پر مذاکرات فی الوقت ضروری سمجھے جا رہے ہیں لیکن قومی ترقی میں حصہ دار پرائیویٹ سیکٹر کے ساتھ گفت و شنید میں معاہدوں کے ضمن میں کسی قسم کی زبردستی کرنے سے پہلے سوچنا چاہیے۔

خلاصہ یہ کہ گزشتہ سہ ماہی میں ہونے والے میکرو اکنامک کے متعلق ہمارا تخمینہ ہے: مستقل لیکن نازک فوائد۔

کامیاب مذاکرات کے بعد آئی ایم ایف کا حالیہ پیکیج حاصل کرنے اور گزشتہ چند مہینوں کے دوران میکرو نظام میں اصلاحات پر توجہ مرکوز کرنے پر حکومت پاکستان کی تعریف کی جانی چاہیے جس کیلئے انہیں قرض دینے والے ادارے کی حمایت حاصل ہے۔ تاہم اس سمت میں بہتری کے باوجود ہماری کم زوریاں اور درپیش چیلنج خوفناک ہیں۔ کاروبار کرنے کا مشکل ماحول، کمزور حکمرانی اور اپنی مرضی کے

معاهدوں کو تھوپنا اور ملکی معیشت میں ریاست کا کافی بڑا کردار ہونا ملکی اور غیر ملکی کاروباری برادری کی جانب سے سرمایہ کاری کی سطح کو متاثر کر سکتا ہے۔ ٹیکسوں کی بنیاد بھی اس قدر وسیع نہیں کہ منصفانہ ٹیکس کاری کی جاسکے اور مالیاتی استحکام حاصل کیا جاسکے۔ ہمیں بھروسہ ہے کہ ریاست ان اہم علاقوں میں درپیش مشکلات پر قابو پانے کی غرض سے اصلاحات کا عمل جاری رکھے گی اور ترقی کی راہ پر گامزن ہوگی۔

سٹشی توانائی کا کاروبار

زیر جائزہ مدت کے بعد ریون انرجی لمیٹڈ (REL) کو فروخت کر دیا گیا جس کیلئے شیئرز پر چیز ایگریمنٹ (SPA) کے تحت مطلوب تمام معاہدوں کی تکمیل زیر جائزہ مدت کے دوران ہی کر لی گئی اور یہ سودا 30 ستمبر 2024 کے بعد مکمل ہو گیا۔

ہوا سے بجلی کا منصوبہ

پلانٹ تسلی بخش طور سے کام کر رہا اور دستیابی اور بیلنس آف پلانٹ (BOP) خسارے کے متوقع ٹارگٹ حاصل کر رہا ہے۔ زیر جائزہ مدت کے دوران BOP خسارہ اور ذیلی صرف 4.6% کے مقابلے میں 1.31% رہا جبکہ دستیابی کی شرح 97.0% کے مقرر کردہ ٹارگٹ کے مقابلے میں 99.37% رہا۔ صحت، تحفظ اور ماحول (HSE) ترجیح رہے اور زخمی ہونے کی صفر شرح اور TRIR کے ساتھ COD کے بعد 691,541 محفوظ انسانی گھنٹے کام کیا گیا۔ پلانٹ 2,912 دن سے کسی کے زخمی ہوئے بغیر محفوظ طور سے کام کر رہا ہے۔

جولائی کے مہینے میں ہوا کی رفتار توقع سے کم رہی البتہ اگست اور ستمبر میں ہوا کی رفتار اندازے سے زیادہ رہی۔ جولائی میں قابل ذکر تخفیف دیکھی گئی جو اگست میں اس سے بھی زیادہ ہوئی البتہ ستمبر کے مہینے میں تخفیف میں کمی واقع ہوئی۔ زیر جائزہ مدت کے دوران تخفیف کے باعث پروجیکٹ کو 13.85GWh بجلی سے محروم ہونا پڑا جبکہ NPMV کے تحت 19.32GWh بجلی فروخت کی گئی۔

زیر جائزہ مدت کے دوران فروخت کی جانے والی بجلی کا کل حجم (89.94GWh) P90 لیول (114.04GWh) اور بجٹ (109.10GWh) سے کم ہے۔

مالیاتی صورت حال

کمپنی کے غیر انضمام شدہ مالی جھلکیاں درج ذیل ہیں:-

نومائی مدت اختتامیہ	نومائی مدت اختتامیہ
30 ستمبر 2023	30 ستمبر 2024
روپے ہزاروں میں	روپے ہزاروں میں
1,319,479	1,814,631
162,099	548,327
1,130,395	2,093,470
(16,163)	(17,322)
(394,739)	(395,506)
719,493	1,646,654
2,543,935	3,461,234
3,263,428	4,929,989
12.13	27.77

منافع مقسمہ کی آمدنی

دیگر آمدنی

جاری آپریشنز سے حاصل قبل از ٹیکس نفع / (نقصان)

منقطع آپریشنز سے حاصل شدہ نفع / (نقصان)

محصولات

نفع / (نقصان) بعد از محصولات

گذشتہ حسابات سے موصولہ غیر مختص منافع (brought forward)

آئندہ حسابات کو منتقلہ غیر مختص منافع (carried forward)

آمدنی فی حصص - بنیادی اور مجموعی

انفرادی طور پر ذیلی کمپنیوں، ایسوسی ایٹ کمپنیوں، لسٹڈ سیکورٹیز اور میوچل فنڈز میں سرمایہ کاری پر کمپنی کو 1,815 ملین روپے کا منافع منقسمہ موصول ہوا ہے۔ ایکویٹی پورٹ فولیو میں سرمایہ کاری سے غیر حاصل شدہ نفع کا حجم 360 ملین روپے رہا۔

زیر جائزہ مدت کے دوران فی شیئر کمائی 27.77 روپے رہی جبکہ گزشتہ برس کی اسی مدت کے دوران فی شیئر کمائی 12.13 روپے رہی تھی۔

جاری کاروباروں سے گروپ کو حاصل ہونے والی مجموعی آمدنی 4.1 بلین روپے رہی جو گزشتہ برس کی اسی مدت کے دوران 4.7 بلین روپے رہی تھی۔

زیر جائزہ مدت کے دوران جاری آپریشنوں سے گروپ کو 2.7 بلین روپے کا خام منافع ہوا جو گزشتہ سال کی اسی مدت کے دوران 3.3 بلین روپے رہا تھا۔

ایسوسی ایٹ کمپنی کے منافع میں حصہ 01 بلین روپے تھا جس میں گزشتہ برس کی اسی مدت کے مقابلے میں 243 ملین روپے کی کمی واقع ہوئی۔

647 ملین روپے کے ٹیکس کی ادائیگی کے بعد جاری آپریشنوں سے ہونے والے منافع کا حجم 398 ملین روپے رہا جس میں ستمبر 2023 کے مقابلے میں 3.1 بلین روپے کی کمی آئی۔

منقطع کئے گئے آپریشنوں اور ڈسپوزل گروپ سے ہونے والا خسارہ 12 ملین روپے تھا جبکہ گزشتہ برس کی اسی مدت کے دوران 394 ملین روپے کا خسارہ ہوا تھا۔ خسارے میں کمی کی بڑی وجہ ایک ذیلی کمپنی کی دوبارہ درجہ بندی تھی۔

مستقبل کا خاکہ

آئی ایم ایف کی توسیعی فنڈ کی سہولت کے تحت کی جانے والی اصلاحات سے توقع ہے کہ پاکستان کی اقتصادی صورت حال میں بہتری آئے گی اور مہنگائی میں کمی واقع ہوگی۔ تخمینہ لگایا گیا ہے کہ ملک میں استحکام لانے کے حکومتی اقدامات کے نتیجے میں شرح نمو مالی سال 2024 میں 2.4% سے بڑھ کر 2025 میں 2.8% ہو جائیگی۔ اس بازاریابی میں موافق بیرونی ماحول، شرح مبادلہ میں استحکام، افراط زر میں کمی، اور بہتر زری پالیسی اہم کردار ادا کریں گے اور حکومت کی مالیاتی استحکام لانے میں سنجیدگی ملک کی مالیاتی حیثیت مستحکم کرے گی۔ تاہم مشرق وسطیٰ کی صورت حال کے نتیجے میں تجارت میں تناؤ اور تیل کی بڑھتی ہوئی قیمتوں کے سبب خطرات بہر حال موجود رہیں گے۔

مزید برآں، جیسا کہ پہلے بیان کیا جا چکا ہے کہ یہ کہنا بے جا نہ ہوگا کہ آئی پی پیز کے ساتھ جاری مذاکرات طویل مدت میں توانائی کے شعبہ میں سرمایہ کاری پر مضراثرات پیدا کرنے کے امکانات پیدا کر رہے ہیں۔

ہوا سے بجلی کا منصوبہ

انڈیپنڈنٹ پاور پروڈیکشن کے کاروبار میں شیئر ہولڈروں کی آمدنی کو متاثر کرنے والی سب سے بڑی رکاوٹ مستقل سرکلر ڈیٹ ہے۔ یہ پرانا ایٹمیٹر ہولڈروں کو بہتر ادائیگیاں کرنے کی ہماری صلاحیت کو بری طرح متاثر کرتا چلا آ رہا ہے۔ تاہم کمپنی جولائی 2024 کے مہینے میں 1.4 بلین روپے کا منافع منقسمہ ادا کرنے کے قابل ہو سکی ہے۔

زیر جائزہ مدت کے دوران ونڈ پاور پلانٹس میں تخفیف بہت زیادہ رہی ہے اور گھار اور تھمپیر کے ونڈ پاور پلانٹوں میں یہ تخفیف بدستور جاری رہنے کی توقع ہے۔ تخفیف میں کمی لانے کی غرض سے ونڈ پاور پلانٹس (اجتماعی طور پر) حکومت کے ساتھ کام کر رہے ہیں۔

کمپنی قبل ازیں TGL کی فروخت کی کارروائی کے بارے میں بتا چکی ہے جس کی متفقہ تاریخ 6 ستمبر 2024 مقرر کی گئی تھی۔ لیکن مذکورہ تاریخ تک مطلوبہ شرائط کی تکمیل نہیں کی جاسکی۔ کمپنی کی بہترین کوششوں کے باوجود خریدار نے یہ کارروائی روک دی ہے۔ اس دوران کمپنی اپنے سرپلس فنڈز کو کپٹل مارکیٹ میں قلیل اور وسط مدتی سرمایہ کاریوں میں لگانے پر توجہ مرکوز کر رہی ہے۔

تشکر

ڈائریکٹر اپنے سینئر ہولڈرز کا شکریہ ادا کرتے ہیں کہ انہوں نے اپنا سرمایہ سنبھالنے کے لئے کمپنی پر اعتماد اور اس سے تعاون کیا۔ ہم حکومت، ضابطہ کاروں، مارکیٹ کے رفقاء اور مالیاتی اداروں سمیت اپنے تمام اسٹیک ہولڈروں کا بھی شکریہ ادا کرنا چاہیں گے کہ انہوں نے اپنا تعاون جاری رکھا۔ ہم داؤد دلار نس پور کے لئے انجام دی جانے والی گراں قدر خدمات پر اپنے ملازمین کے بھی شکرگزار ہیں۔

محمد شمعون چوہدری
چیف ایگزیکٹو آفیسر

روحیل محمد
ڈائریکٹر

کراچی، 29 اکتوبر، 2024

DAWOOD LAWRENCEPUR LIMITED

**UNCONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS FOR
THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024**

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

		Unaudited September 30, 2024	Audited December 31, 2023
	Note	------(Rupees in '000)-----	
ASSETS			
Non-current assets			
Property, plant and equipment		16,925	18,566
Intangible assets		117	-
Long-term investments	4	2,398,136	80,496
Long-term deposits		2,778	2,778
Total non-current assets		2,417,956	101,840
Current assets			
Stores and spares		892	892
Stock-in-trade		2,686	4,418
Loans to subsidiaries	5	439,892	439,422
Loans and advances		1,736	2,004
Deposits, prepayments and other receivables	6	136,745	85,056
Interest accrued	7	419,096	338,020
Short-term investments	8	2,901,786	1,303,809
Cash and bank balances	9	168,052	143,741
		4,070,885	2,317,362
Assets held for sale	10	100,000	2,394,804
TOTAL ASSETS		6,588,841	4,814,006
EQUITY AND LIABILITIES			
Equity			
Share capital		592,998	592,998
Capital reserves		206,666	206,666
Unappropriated profits		4,929,989	3,461,234
Total equity		5,729,653	4,260,898
Non-current liability			
Staff retirement benefits		11,447	3,506
Deferred taxation		68,515	-
		79,962	3,506
Current liabilities			
Trade and other payables	11	249,697	181,729
Unclaimed dividend		77,859	78,046
Unpaid dividend		3,284	-
Provisions		7,360	7,360
Taxation - net		441,026	282,467
Total current liabilities		779,226	549,602
		859,188	553,108
TOTAL EQUITY AND LIABILITIES		6,588,841	4,814,006
Contingencies and commitments	12		

The annexed notes from 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Note	Quarter ended		Nine months period ended	
		September 30, 2024	September 30, 2023 (Restated)	September 30, 2024	September 30, 2023 (Restated)
----- (Rupees in '000) -----					
CONTINUING OPERATIONS					
Dividend income	13	1,331,169	130,617	1,814,631	1,319,479
Administrative expenses	14	(95,683)	(14,127)	(216,828)	(46,547)
Other expenses		(16,046)	(18,828)	(51,879)	(290,594)
		(111,729)	(32,955)	(268,707)	(337,141)
Other income	15	180,100	61,563	548,326	162,099
Finance cost		(180)	(70)	(780)	(3,157)
Profit before taxation and levy		1,399,360	159,155	2,093,470	1,141,280
Levy	16	(12,413)	(5,914)	(33,988)	(10,885)
Profit before taxation		1,386,947	153,241	2,059,482	1,130,395
Taxation	16	(265,889)	(29,519)	(395,506)	(394,739)
Profit after taxation		1,121,058	123,722	1,663,976	735,656
DISCONTINUED OPERATIONS					
Loss from discontinued operations	17	(9,324)	7,087	(17,322)	(16,163)
Profit for the period		<u>1,111,734</u>	<u>130,809</u>	<u>1,646,654</u>	<u>719,493</u>
----- (Rupees) -----					
Earnings / (loss) per share - basic and diluted					
- Continuing operations	18	<u>18.90</u>	<u>2.09</u>	<u>28.06</u>	<u>12.41</u>
- Discontinued operations	18	<u>(0.16)</u>	<u>0.12</u>	<u>(0.29)</u>	<u>(0.27)</u>

The annexed notes from 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Quarter ended		Nine months period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	------(Rupees in '000)-----			
Profit for the period	1,111,734	130,809	1,646,654	719,493
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	1,111,734	130,809	1,646,654	719,493

The annexed notes from 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Share capital	Capital reserves				Total	Revenue reserve	Total
		Merger reserve	Share premium reserve	Capital redemption reserve (note 11.1)	Others		Unappropriated profits	
----- (Rupees in '000) -----								
Balance as at January 1, 2023	592,998	10,521	136,865	25,969	33,311	206,666	2,543,935	3,343,599
Profit for the period	-	-	-	-	-	-	719,493	719,493
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the nine months period ended September 30, 2023	-	-	-	-	-	-	719,493	719,493
Balance as at September 30, 2023 (Unaudited)	592,998	10,521	136,865	25,969	33,311	206,666	3,263,428	4,063,092
Balance as at January 1, 2024	592,998	10,521	136,865	25,969	33,311	206,666	3,461,234	4,260,898
Profit for the period	-	-	-	-	-	-	1,646,654	1,646,654
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the nine months period ended September 30, 2024	-	-	-	-	-	-	1,646,654	1,646,654
First interim dividend @ Rs. 3.00 per share	-	-	-	-	-	-	(177,899)	(177,899)
Balance as at September 30, 2024 (Unaudited)	592,998	10,521	136,865	25,969	33,311	206,666	4,929,989	5,729,653

The annexed notes from 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	September 30, 2024	September 30, 2023 (Restated)
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	2,042,160	1,114,232
Add: Loss before taxation attributable to discontinued operations	17,322	16,163
Profit before income tax from continuing operations	2,059,482	1,130,395
Adjustments for non-cash items:		
Depreciation	958	1,092
Levy	33,988	10,885
Provision for gratuity - net	9,001	527
Provision for impairment of Interest accrued on loan to a subsidiary	51,536	90,594
Dividend income classified as investing cash flows	(1,814,631)	(1,319,479)
Royalty income	(28,266)	(25,978)
Loss on remeasurement of assets held for sale	-	200,000
Unrealised gain on investments at fair value through profit or loss	(360,604)	800
Gain on disposal of short term investments	(9,672)	-
Gain on disposal of property, plant and equipment	(20,850)	(10)
Mark up charged to related parties	(132,612)	(130,426)
Profit on bank deposits	(15,906)	(5,700)
Finance costs	780	3,157
	(226,796)	(44,143)
Working capital changes		
(Increase) / Decrease in current assets		
Loans and advances	(1,388)	227
Deposits, prepayments and other receivables	(59,984)	(44,148)
	(61,372)	(43,921)
(Decrease) / increase in current liabilities		
Trade and other payables	64,029	3,100
	2,657	(40,821)
Cash generated from/ (used in) operations		
	(224,139)	(84,964)
Finance cost paid	(780)	(5,436)
Gratuity paid	(1,060)	(3,596)
Income tax and levy paid	(199,846)	(243,902)
Discontinued operations	(194)	12,647
Net cash used in operating activities	(426,019)	(325,251)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(386)	-
Purchase of intangible asset	(117)	-
Purchase of short-term investments	(1,489,656)	(1,136,360)
Proceeds from disposal of property, plant and equipment	20,850	10
Payment made to subsidiary for purchase of shares	(20,000)	(15,000)
Proceeds from sale of short term investment	259,118	105,000
Restricted cash in escrow account	(107,438)	-
Loan to subsidiaries	(470)	(382)
Mark up received from related parties	165	617
Profit received on bank deposits	15,906	5,700
Royalty income	28,266	25,978
Dividend received	1,814,631	1,319,479
Discontinued operations	-	(2,165)
Net cash generated from investing activities	520,870	302,877
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of dividend	(177,896)	(460)
Net cash used in financing activities	(177,896)	(460)
Net decrease in cash and cash equivalents	(83,045)	(22,834)
Cash and cash equivalents at beginning of the period	143,741	64,951
Cash and cash equivalents at end of the period	60,696	42,117

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The annexed notes from 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

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 Companies Ordinance, 1984 among Dawood Cotton Mills Limited (DCM), Dilon Limited (DL), Burewala Textile Mills Limited (BTM) and Lawrencepur Woollen and Textile Mills Limited (LWTM). The shares of the Company are listed on the Pakistan Stock Exchange Limited.
- 1.2** The Company's head office is situated at Dawood Centre, M.T. Khan Road, Karachi.
- 1.3** Dawood Corporation (Private) Limited (DCPL) being the parent holds 54.84% of the shares in the Company.
- 1.4** These unconsolidated condensed interim financial statements represent the separate financial statements of the Company in which investment in subsidiaries and associates are stated at cost less accumulated impairment losses, if any. The consolidated condensed interim financial statements of the Company and its subsidiaries have been presented separately.
- 1.5** During the years 2007 and 2008, the Company suspended operations of LWTM, BTM, DL and DCM. In this respect, land, building, plant and machinery and related assets of DL and DCM were disposed of. Whereas, plant and machinery and related assets of LWTM and BTM were subsequently disposed of except for the land and building as stated in note 4.4 to the unconsolidated financial statements of the Company for the year ended December 31, 2023. Consequently, as of reporting date, the Company does not have any industrial unit in production.
- 1.6** The Company continues to operate the 'Lawrencepur' brand name under a license.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; 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.

2.3 New standards, amendments and interpretation to published accounting and reporting standards which became effective during the period ended September 30, 2024

There were certain amendments to accounting and reporting standards which became effective for the Company during the current period. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim financial statements except that during the period, the Institute of Chartered Accountant of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Company has changed its accounting policy to recognise minimum and final taxes as 'levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognised as 'Income tax'.

The Company has accounted for the effects of these changes in accounting policy retrospectively under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures have been restated in these unconsolidated condensed interim financial statements. The effects of restatements are as follows:

Effect on statement of profit or loss

	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
	------(Rupees in '000)-----		
Effect on condensed interim statement of profit or loss			
For the quarter ended September 30, 2024			
Levy	-	12,413	12,413
Profit before taxation	1,399,360	(12,413)	1,386,947
Taxation	(278,302)	12,413	(265,889)
Profit after taxation	1,121,058	-	1,121,058
For the quarter ended September 30, 2023			
Levy	-	5,914	5,914
Profit before taxation	159,155	(5,914)	153,241
Taxation	(35,433)	5,914	(29,519)
Profit after taxation	123,722	-	123,722

Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
---	---	---

------(Rupees in '000)-----

**For the Nine months period ended
September 30, 2024**

Levy	-	33,988	33,988
Profit before taxation	2,093,470	(33,988)	2,059,482
Taxation	(429,494)	33,988	(395,506)
Profit after taxation	1,663,976	-	1,663,976

**For the nine months period ended
September 30, 2023**

Levy	-	10,885	10,885
Profit before taxation	1,141,280	(10,885)	1,130,395
Taxation	(405,624)	10,885	(394,739)
Profit after taxation	735,656	-	735,656

The related changes to the statement of cash flows with respect to the amount of profit before taxation have been made as well. There is no impact on profit after taxation and earnings per share, basic and diluted and the statement of financial position.

2.4 New standards and amendments to published accounting and reporting standards that are not yet effective and not early adopted by the Company:

There are certain new standards and amendments that will be applicable to the Company for its annual periods beginning on or after January 1, 2025. The new standards include IFRS 18 Presentation and Disclosure in Financial Statements and IFRS 19 Subsidiaries without Public Accountability: Disclosures both with applicability date of January 1, 2027 as per IASB. These standards will become part of the Company's financial reporting framework upon adoption by the Securities and Exchange Commission of Pakistan (SECP). The overall amendments include those made to IFRS 7 and IFRS 9 which clarify the date of recognition and derecognition of a financial asset or financial liability which are applicable effective January 1, 2026. The Company's management at present is in the process of assessing the full impacts of these new standards and the amendments to IFRS 7 and IFRS 9 and is expecting to complete the assessment in due course.

3. MATERIAL 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 unconsolidated financial statements of the Company for the year ended December 31, 2023, except for the matter stated in note 2.3.
- 3.2** The preparation of these unconsolidated condensed interim financial statements in conformity with the approved accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of accounting policies of the Company. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future years if the revision affects both current and future periods.
- 3.3** During the preparation of these unconsolidated condensed interim financial statements, the significant estimates, judgments and assumptions 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 unconsolidated financial statements of the Company for the year ended December 31, 2023.
- 3.4** Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.
- 3.5** The financial risk management objectives and policies of the Company are also consistent with those disclosed in the unconsolidated financial statements of the Company for the year ended December 31, 2023.

	Note	Unaudited September 30, 2024	Audited December 31, 2023
------(Rupees in '000)-----			
4. LONG-TERM INVESTMENTS			
Investment in related parties - at cost	4.1	2,528,102	213,298
Less: Provision for impairment		<u>(148,001)</u>	<u>(148,001)</u>
		2,380,101	65,297
Other investments			
- Financial assets at fair value through profit or loss	4.2	18,020	15,184
- Financial assets at fair value through other comprehensive income	4.2	15	15
		18,035	15,199
		<u>2,398,136</u>	<u>80,496</u>
		Unaudited September 30, 2024	Audited December 31, 2023
	Note	------(Rupees in '000)-----	
4.1 Investment in related parties - at cost			
Subsidiary - unquoted			
Tenaga Generasi Limited (TGL)	4.1.1 & 10.2	2,294,804	-
Wholly owned subsidiaries - unquoted			
Reon Alpha (Private) Limited (RAPL)	4.1.2	168,001	148,001
Mozart (Private) Limited (MPL)		1	1
Greengo (Private) Limited (GPL)		1	1
Abrax (Private) Limited (APL)		1	1
		<u>2,462,808</u>	<u>148,004</u>
Associate - quoted			
Dawood Hercules Corporation Limited	4.3	65,294	65,294
		<u>2,528,102</u>	<u>213,298</u>
4.1.1			
Tenaga Generasi Limited (TGL) was incorporated in Pakistan on December 1, 2005 as a public unlisted company to carry out the business of power generation as an independent power producer using wind energy.			

4.1.2 Reon Alpha (Private) Limited (RAPL) was incorporated in Pakistan on October 23, 2017 as a private limited company to carry out the business of sale and construction of renewable energy projects. The principal business of RAPL is to own and operate electric power generation project and supply electricity as an independent power producer. RAPL's plant commenced commercial operations on April 22, 2020. During the period, the Company paid advance against right issue for additional two million ordinary shares of RAPL while maintaining shareholding of 100% in the Company.

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

Bank	Shares pledged	(Unaudited) As at September 30, 2024			(Audited) As at December 31, 2023		
		Number of shares pledged	Face value of shares pledged	Market value of pledged shares	Number of shares pledged	Face value of shares pledged	Market value of pledged shares
		------(Rupees in '000)-----			------(Rupees in '000)-----		
Pledged against short-term financing and other facilities availed by the Company and its subsidiaries							
Bank AL Habib Limited	Dawood Hercules Corporation Limited	6,200,000	62,000	858,700	6,200,000	62,000	667,368
United Bank Limited		27,900,000	279,000	3,864,150	27,900,000	279,000	3,003,156
Pledged under Musharka Agreement entered into between RAPL and FBL							
Faysal Bank Limited (FBL)	Reon Alpha (Private) Limited	5,300,000	53,000	-*	5,300,000	53,000	-*
Pledged under Sponsor Share Agreement							
Citibank N.A.	Tenaga Generasi Limited	34,599,995	346,000	-*	34,599,995	346,000	-*

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

4.2 Other investments

September 30, 2024	December 31, 2023	Name of Investee	Unaudited September 30, 2024	Audited December 31, 2023
----- Units / No. of Shares -----	-----		------(Rupees in '000)-----	-----
Listed securities				
200,000	200,000	National Investment (Unit) Trust	18,020	15,184
Un-listed securities				
1,500	1,500	Asian Co-operative Society Limited	15	15
			<u>18,035</u>	<u>15,199</u>

4.3 During the period, DHCL, along with Engro Corporation Limited (ECL) and DH Partners (Private) Limited (DHPL) - both subsidiaries of DHCL - filed a petition in the Islamabad High Court in respect of a Scheme of Arrangement (the Scheme) under which it is envisaged that:

- (i) DHCL shall be demerged into two legal entities whereby all its assets, liabilities and obligations other than its investment in shares of ECL as specified in the Scheme shall vest into DHPL against which DHPL shall issue its shares to the existing shareholders of DHCL (which includes the Company) in the same proportion in which they hold shares in DHCL; and
- (ii) shares held by the shareholders of ECL, other than DHCL, ("the Transferred Shareholders") shall vest with and into DHCL (i.e., ECL shall become a wholly owned subsidiary of DHCL) in exchange whereof DHCL shall issue shares in its share capital to the Transferred Shareholders in a proportion such that the Transferred Shareholders shall hold their present proportionate shareholding in ECL indirectly through DHCL and name of DHCL shall be changed to 'Engro Holdings Limited'.

On July 18, 2024, through its order, the IHC has sanctioned the Scheme. As per the Scheme, it shall become effective from January 1, 2025.

	Note	Unaudited September 30, 2024	Audited December 31, 2023
------(Rupees in '000)-----			
5. LOANS TO SUBSIDIARIES - unsecured, considered good			
Subordinated loans to subsidiary companies:			
- Tenaga Generasi Limited	5.1	437,000	437,000
- Abrax (Private) Limited	5.2	974	823
- Mozart (Private) Limited	5.2	948	780
- Greengo (Private) Limited	5.2	970	819
		439,892	439,422
- Reon Energy Limited	5.2	300,000	300,000
Less: Provision for impairment		(300,000)	(300,000)
		-	-
		439,892	439,422

5.1 In April 2017, the Company entered into a subordinated loan agreement with Tenaga Generasi Limited (TGL, a subsidiary company) for arranging finance upto a limit of Rs 300 million. The original term of the facility was one year. However, in 2018, the facility was extended for a period upto three years with all other terms unchanged.

Furthermore, the facility had been extended till April 2024 with all other terms unchanged. During the period, the facility has been extended again till April 2025 with all other terms unchanged. The facility carries mark-up at the rate of 3 months KIBOR plus 1.775%.

In 2019, the Company entered into another subordinated loan agreement with TGL for arranging finance to the extent of Rs 1,000 million to fulfill its working capital requirements. The loan is subject to mark-up calculated at the rate of three months KIBOR plus 2.5%. The term of the loan was initially for one year, however, in 2020, the tenure of the loan was further extended for another one year, with further extension till July 11, 2023. The facility has been extended till July 11, 2024. Upto September 30, 2024, TGL has utilised Rs 137 million of the facility amount.

- 5.2** There have been no material changes in the status and terms and conditions of loans given to subsidiaries as disclosed in the notes 11.3 and 11.4 to the unconsolidated financial statements of the Company for the year ended December 31, 2023.

	Note	Unaudited September 30, 2024	Audited December 31, 2023
------(Rupees in '000)-----			
6. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
- unsecured, considered good			
Security deposits		7,413	7,413
Prepayments		4,484	735
Sales tax		28,386	15,728
Others	6.1	96,462	61,180
		<u>136,745</u>	<u>85,056</u>
6.1 This includes amount due from the following related parties:			
- Sach International (Private) Limited		26,716	33,095
- Tenaga Generasi Limited	6.1.1	43,514	5,607
- Reon Energy Limited		11,954	15,018
- The Dawood Foundation		1,546	1,546
- Reon Alpha (Private) Limited		6,309	4,749
- Dawood Hercules Corporation Limited		-	1,165
		<u>90,039</u>	<u>61,180</u>
6.1.1 During the period, an amount of Rs 8.185 million has been recorded as the Company's liability towards staff retirement gratuity upon transfer of certain employees from TGL. This incremental liability has been recorded as receivable from TGL.			
7. INTEREST ACCRUED			
This represents mark-up receivable from related parties as follows:			
- Tenaga Generasi Limited		407,701	330,383
- Reon Energy Limited		168,557	114,640
- Reon Alpha (Private) Limited		2,108	1,201
- Mozart (Private) Limited		481	328
- Abrax (Private) Limited		506	347
- Greengo (Private) Limited		505	347
		<u>579,858</u>	<u>447,246</u>
Allowance for expected credit losses		<u>(160,762)</u>	<u>(109,226)</u>
		<u>419,096</u>	<u>338,020</u>

	Note	Unaudited September 30, 2024	Audited December 31, 2023
------(Rupees in '000)-----			
8. SHORT-TERM INVESTMENTS			
At fair value through profit or loss			
Investment in mutual fund			
Pakistan Cash Management Fund Nil (December 31, 2023: 2,889,140) units		-	145,809
MCB Cash Management Optimizer 7,876,316 (December 31, 2023: Nil) units		845,052	-
UBL Cash Fund (UCF) 4,927,735 (December 31, 2023: Nil) units		518,139	-
		1,363,191	145,809
Investment in listed equity securities			
MCB Bank Limited 2,075,000 (December 31, 2023: 2,500,000) ordinary shares		498,830	431,375
Pakistan Petroleum Limited 800,000 (December 31, 2023: 800,000) ordinary shares		85,456	92,024
United Bank Limited 1,550,000 (December 31, 2023: 1,550,000) ordinary shares		451,701	275,652
Systems Limited 847,457 (December 31, 2023: 847,457) ordinary shares		343,974	358,949
Oil & Gas Development Company Limited 1,106,000 (December 31, 2023: Nil) ordinary shares		158,634	-
		1,538,595	1,158,000
		<u>2,901,786</u>	<u>1,303,809</u>
9. CASH AND BANK BALANCES			
Cash in hand		144	160
Balances with banks in:			
- current accounts		46,965	114,437
- deposit accounts		120,943	29,144
		167,908	143,581
		<u>168,052</u>	<u>143,741</u>

	Note	Unaudited September 30, 2024	Audited December 31, 2023
------(Rupees in '000)-----			
10. ASSETS CLASSIFIED AS HELD FOR SALE			
Investments in subsidiaries			
Reon Energy Limited (REL)			
- Cost		1,026,000	1,026,000
- Accumulated impairment loss		(926,000)	(926,000)
	10.1	100,000	100,000
Tenaga Generasi Limited (TGL)	10.2	-	2,294,804
		<u>100,000</u>	<u>2,394,804</u>

- 10.1** On March 22, 2023, the Board of Directors of the Company approved sale of 100% shareholding in REL following which a share purchase agreement (SPA) was signed between the Company and Juniper International FZ LLC stipulating a maximum consideration of Rs 300 million subject to certain adjustments. On May 30, 2023, the sale of REL was approved by the shareholders in the Annual General Meeting. Accordingly, the Company has classified its investment in REL as held for sale. The Company has signed an addendum to the SPA at revised consideration of Rs 100 million, hence, the carrying amount has been restricted to Rs 100 million.

Subsequent to the quarter ended September 30, 2024, the Company completed the sale transaction and transferred its entire shareholding in REL to Junipur International FZ LLC as per the terms and conditions under SPA.

- 10.2** On December 18, 2023, the Board of Directors of the Company approved the strategic decision to dispose the entire shareholding in TGL. On May 29, 2024, the sale of TGL was approved by the shareholders in the Annual General Meeting. Following this decision, a comprehensive due diligence process was undertaken, and non-binding offers were received from potential buyers. The management of the Company based on the high probability of approval from the International Finance Corporation (IFC) and the shareholders of the Company in respect of the proposed sale transaction had classified the Company's investment in TGL as held for sale. During the period, the Company has entered into an SPA with Artistic Milliner (Private) Limited specifying a consideration of US Dollars 30.9 million for 100% stakes, subject to various potential adjustments. IFC in its letter dated March 11, 2024 agreed to tag along with the said transaction, agreeing to sell its 25% shareholding in TGL, under section 4.06(b) of the TGL's Shareholders' Agreement.

During the quarter, the conditions required for completing the disposal transaction were not met by the time stipulated in the SPA. Despite the company's best efforts to move forward, the buyer ultimately chose not to proceed with the transaction.

- 10.3** The management has classified the fair value determination of investments in its subsidiary (note 10.1) as level 3 valuation based on the amounts agreed under the respective SPAs. An explanation of level 3 valuation technique is provided in note 20.1.

	Note	Unaudited September 30, 2024	Audited December 31, 2023
------(Rupees in '000)-----			
11. TRADE AND OTHER PAYABLES			
Creditors		2,289	2,561
Accrued liabilities		109,004	28,323
Due to Islamic Development Bank	11.1	25,969	25,969
Deposits		489	489
Withholding tax		592	1,376
Advance from TGL		50	50
Advance against disposal of REL	11.2	107,438	100,004
Other payables		3,867	22,957
		<u>249,697</u>	<u>181,729</u>

11.1 This represents amount payable against the preference shares issued before amalgamation in the year 2004 by one of the merged entities to Islamic Development Bank with a right to redeem. The merged entity had served notice to the Bank for redemption of the preference shares before the scheme of amalgamation and had created a capital redemption reserve.

11.2 This represents amount received from Juniper International FZ LLC against sale of Company's investment in REL classified as held for sale (note 10.1).

Following the period end, on October 2, 2024, the funds were released in accordance with the SPA, as all conditions precedent had been met.

12. CONTINGENCIES AND COMMITMENTS

12.1 There have been no material changes in contingencies and commitments as disclosed in notes 21.1 and 22.2 to the unconsolidated financial statements for the year ended December 31, 2023 except for the following matters disclosed in note no 12.1.1 to 12.1.3 below:

12.1.1 During the period, the following corporate guarantees issued by the Company in favour of the lenders of REL were discharged as per the terms of SPA:

- Rs 300 million issued in favour of MCB Bank Limited to secure unfunded facility provided to REL for the import / purchase of plant, machinery, stores, and spares; and
- Rs 500 million issued in favour of Karandaz Pakistan through JS Bank Limited against financing facilities for REL.

12.1.2 The corporate guarantee amounting to Rs 600 million issued in favour of Bank Al Habib Pakistan Limited to secure a long-term running facility for REL has expired which has not been renewed.

12.1.3 During the period, the Company has arranged an additional amount of USD 2.575 million against Stand-by Letter of Credit (SBLC) in favour of the lenders of Tenaga Generasi Limited. The aggregate facility amounting to USD 10 million (i.e. USD 7.425 million and 2.575 million) is secured by way of a first pari passu charge on immovable property and pledge over the Company's investments in DHCL (note 4.1.3).

13. DIVIDEND INCOME

Dividend income for the nine months period ended September 30, 2024 includes first interim cash dividend of Rs 5 per ordinary share (September 30, 2023: Rs 15 per ordinary share) and second interim cash dividend of Rs 3 per ordinary share (September 30, 2023: Rs 1 per ordinary share) for the year ending December 31, 2024 received from Dawood Hercules Corporation Limited, an associated company, amounting to Rs 623.455 million (September 30, 2023: Rs 1,948.297 million).

14. ADMINISTRATIVE EXPENSES

Administrative expenses for the nine months period ended September 30, 2024 includes amount of Rs 175 million as transaction cost related to the disposal of subsidiary.

15. OTHER INCOME

Income from financial assets

	Unaudited			
	Quarter ended		Nine months period ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
------(Rupees in '000)-----				
Profit on bank deposits	7,824	617	15,906	5,700
Unrealised gain / (loss) on remeasurement of investments at fair value through profit or loss	123,027	2,288	360,604	(800)
Realized gain on sale of investments	-	-	9,416	-
Realized gain on sale of mutual funds u	256	-	256	-
Mark-up charged to related parties	42,210	48,121	132,777	130,426
	<u>173,318</u>	<u>51,026</u>	<u>518,959</u>	<u>135,326</u>

Income from non-financial assets and others

Gain on disposal of property, plant and equipment	4,431	-	4,536	214
Royalty income	6,103	8,092	28,266	25,978
Rental income	20,598	20,451	40,510	35,157
Agriculture income / (loss)	(405)	11,696	374	13,104
Gain on sale of scrap	-	-	16,314	-
Others	679	785	1,101	785
	<u>31,406</u>	<u>41,024</u>	<u>91,101</u>	<u>75,238</u>
	204,724	92,050	610,060	210,564
Related to discontinued operations	(20,193)	(30,488)	(61,734)	(48,466)
	<u><u>184,531</u></u>	<u><u>61,562</u></u>	<u><u>548,326</u></u>	<u><u>162,098</u></u>

		Unaudited			
		Quarter ended		Nine months period ended	
		September 30, 2024	September 30, 2023 (Restated)	September 30, 2024	September 30, 2023 (Restated)
Note		------(Rupees in '000)-----			
16.	LEVY AND TAXATION				
	Levy	12,413	5,914	33,988	10,885
	Taxation				
	Current:				
	- for the period	237,762	29,519	326,991	325,329
	- for prior period	-	-	-	69,410
		237,762	29,519	326,991	394,739
	Deferred tax	28,127	-	68,515	-
		<u>278,302</u>	<u>35,433</u>	<u>429,494</u>	<u>405,624</u>

- 16.1** This represents final taxes paid under section 150 of the Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.

		Unaudited			
		Quarter ended		Nine months period ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Note		------(Rupees in '000)-----			
17.	LOSS FROM DISCONTINUED OPERATIONS				
	Revenue from contracts with customers	616	587	1,642	1,710
	Cost of revenue	(627)	(641)	(1,732)	(1,927)
	Gross (loss)	(11)	(54)	(90)	(217)
	Selling and distribution expenses	(6)	(6)	(16)	(17)
	Administrative expenses	(29,500)	(23,341)	(78,950)	(64,396)
	Other income	20,193	30,489	61,734	48,467
		<u>(9,324)</u>	<u>7,087</u>	<u>(17,322)</u>	<u>(16,163)</u>

- 17.1** This represents the revenue and expenses transactions entered into by the Company in relation to the Company's discontinued textile segment.

18. 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:

	Unaudited			
	Quarter ended September 30, 2024	September 30, 2023	Nine months period ended September 30, 2024	September 30, 2023
	----- (Rupees in '000) -----			
Continuing operations				
Profit after tax for the period	<u>1,121,058</u>	<u>123,722</u>	<u>1,663,976</u>	<u>735,656</u>
	----- (Number of shares) -----			
Weighted average number of ordinary shares	<u>59,299,809</u>	<u>59,299,809</u>	<u>59,299,809</u>	<u>59,299,809</u>
	----- (Rupees) -----			
Earnings per share	<u>18.90</u>	<u>2.09</u>	<u>28.06</u>	<u>12.41</u>
Discontinued operations				
Loss for the period	<u>(9,324)</u>	<u>7,087</u>	<u>(17,322)</u>	<u>(16,163)</u>
	----- (Number of shares) -----			
Weighted average number of ordinary shares	<u>59,299,809</u>	<u>59,299,809</u>	<u>59,299,809</u>	<u>59,299,809</u>
	----- (Rupees) -----			
Loss per share	<u>(0.16)</u>	<u>0.12</u>	<u>(0.29)</u>	<u>(0.27)</u>

19. CASH AND CASH EQUIVALENTS

	Unaudited September 30, 2024	Unaudited September 30, 2023
	----- (Rupees in '000) -----	
Cash and bank balances	168,052	42,117
Escrow account	<u>(107,356)</u>	<u>-</u>
	<u>60,696</u>	<u>42,117</u>

20. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

20.1 Fair value disclosures

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

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

The Company held the following assets measured at fair values:

	Unaudited			
	As at September 30, 2024			
	Level 1	Level 2	Level 3	Total
	------(Rupees in '000)-----			
Non-current assets				
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)	-	18,020	-	18,020
Financial assets at fair value through other comprehensive income -				
- Long-term investments (investments in 'unquoted equity shares)	-	-	15	15
Current assets				
Financial assets at fair value through profit or loss				
- Short term investments (investments in quoted equity shares)	1,538,595	-	-	1,538,595
- Short-term investments (investments in units of mutual funds)		1,363,191	-	1,363,191
Asset Classified as held fo sale				
- Reon Energy Limited (REL)	-	-	100,000	100,000
	<u>1,538,595</u>	<u>1,381,211</u>	<u>100,015</u>	<u>3,019,821</u>

Audited
As at December 31, 2023

	Level 1	Level 2	Level 3	Total
------(Rupees in '000)-----				
Non-current assets				
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)	-	15,184	-	15,184
Financial assets at fair value through other comprehensive income				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
Current assets				
Financial assets at fair value through profit or loss				
- Short term investments (investments in quoted equity shares)	1,158,000	-	-	1,158,000
- Short-term investments (investments in units of mutual funds)	-	145,809	-	145,809
Asset Classified as held fo sale				
- Reon Energy Limited (REL)	-	-	100,000	100,000
	<u>1,158,000</u>	<u>160,993</u>	<u>100,015</u>	<u>1,419,008</u>

There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

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

21. 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:

- Textile - This was legacy business of the Company and has been discontinued in prior years and is being disclosed as part of discontinued operations in these unconsolidated condensed interim financial statements; and
- Other operations - It mainly includes management of investment in associate by the Company.

21.1 Segment operating results

The table below shows the segment information for the reportable segments for the nine months period ended September 30, 2024 and 2023 and also the basis on which revenue is recognized:

	Textile - discontinued operations (note 17)		Other operations		Total	
	Unaudited		Unaudited		Unaudited	
	September 30,		September 30,		September 30,	
	2024	2023	2024	2023	2024	2023
	----- (Rupees in '000) -----					
Revenue from external customers	1,642	1,710	-	-	1,642	1,710
Cost of revenue	(1,732)	(1,927)	-	-	(1,732)	(1,927)
Segment gross loss	(90)	(217)	-	-	(90)	(217)
Dividend income	-	-	1,814,631	1,319,479	1,814,631	1,319,479
Selling and distribution expenses	(16)	(17)	-	-	(16)	(17)
Administrative expenses	(78,950)	(64,396)	(216,828)	(290,285)	(295,778)	(354,681)
Other expenses	-	-	(51,879)	(46,547)	(51,879)	(46,547)
Other income	61,734	48,466	548,326	162,099	610,060	210,565
Finance costs	-	-	(780)	(3,157)	(780)	(3,157)
Levy	-	-	(33,988)	(10,885)	(33,988)	(10,885)
Taxation	-	-	(395,506)	(394,739)	(395,506)	(394,739)
Segment (loss) / profit	(17,322)	(16,164)	1,663,976	735,965	1,646,654	719,801

	Textile - discontinued operations		Other operations		Total	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
	----- (Rupees in '000) -----					
Total segment assets	36,394	20,152	6,552,447	4,793,854	6,588,841	4,814,006
Total segment liabilities	17,255	13,316	761,971	539,792	779,226	553,108

22. RELATED PARTY TRANSACTIONS AND BALANCES

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

Relationship	Nature of transaction	Unaudited	Unaudited
		September 30, 2024	September 30, 2023
		------(Rupees in '000)-----	
a. Subsidiary companies			
Tenaga Generasi Limited	Expenses reimbursable to the Company	19,354	6,228
	Expenses reimbursable by the Company	14,305	1,548
	SBLC cost reimbursement	39,281	99,842
	Interest on outstanding receivable balance	246	647
	Interest on subordinated loans	77,238	75,238
	Interest on outstanding payable balance	313	-
	Dividend income received	1,050,000	-
Reon Energy Limited	Expenses reimbursable to the Company	1,262	5,469
	Expenses reimbursable by the Company	4,327	8,476
	Interest on expenses reimbursable to the Company	2,381	3,110
	Interest on loans disbursed by the Company	51,536	50,541
	Rental income	-	216
Mozart (Private) Limited	Unsecured loan disbursed by the Company	169	118
	Interest on loan	152	118
Abrax (Private) Limited	Unsecured loan disbursed by the Company	151	134
	Interest on loan	159	122
Greengo (Private) Limited	Unsecured loan disbursed by the Company	151	129
	Interest on loan	159	122
Reon Alpha (Private) Limited	Investment in subsidiary	20,000	-
	Interest on reimbursement of expenses	907	530
	Expenses reimbursable to the Company	1,560	1,457
b. Associated companies			
Dawood Hercules Corporation Limited	Dividend income	623,455	1,246,910
	Expenses reimbursable to the Company	20,189	2,877
	Expenses reimbursable by the Company	3,846	11,233
Sach International (Private) Limited	Expenses reimbursable to the Company	530	926
	Royalty charged	28,266	25,978
	Rental income	495	495
c. Other related parties			
Key management personnel	Salaries and other benefits	14,986	16,789
	Directors fee	500	300

23. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the unconsolidated condensed interim statement of financial position has been compared with the balances of annual audited unconsolidated financial statements of the preceding financial year, whereas the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

24. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on October 29, 2024 by the Board of Directors of the Company.

25. GENERAL

25.1 Figures have been rounded off to the nearest thousand of Pakistan Rupee.

25.2 The Board of Directors of the Company in its meeting held on October 29, 2024 has approved an interim cash dividend of Rs Nil (2023: Nil) per ordinary share amounting to Rs. Nil (2023: Nil) for the year ending December 31, 2024. These unconsolidated condensed interim financial statements do not include the effect of the said interim dividend.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED

**CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)**

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

	Note	Unaudited September 30 2024	Audited December 31, 2023
------(Rupees in '000)-----			
ASSETS			
Non-current assets			
Property, plant and equipment	3	6,405,004	295,737
Intangible assets	4	117	-
Long-term investments	5	11,128,696	10,656,105
Long-term deposits		<u>2,778</u>	<u>2,778</u>
Total non-current assets		17,536,595	10,954,620
Current assets			
Stores and spares		892	892
Stock-in-trade		2,686	4,418
Trade debts		3,031,057	5,664
Contract assets		8,688	4,842
Loans and advances		1,736	2,004
Deposits, prepayments and other receivables		2,416,713	50,924
Accrued interest		75,000	44
Short-term investments		2,913,275	1,303,809
Cash and bank balances		1,829,358	145,897
Total current assets		10,279,405	1,518,494
Assets of disposal group classified as held for sale	6.3	4,621,942	22,194,612
TOTAL ASSETS		<u>32,437,942</u>	<u>34,667,726</u>
EQUITY AND LIABILITIES			
Share capital	7	592,998	592,998
Capital reserves		(478,316)	(478,316)
Unappropriated profit		16,537,762	15,978,598
Non-controlling interest		1,648,067	2,123,656
TOTAL EQUITY		18,300,512	18,216,936
Non-current liabilities			
Staff retirement benefits		13,141	3,506
Deferred taxation		2,738,022	2,643,918
Long-term borrowings		2,885,478	223,350
Total non-current liabilities		5,636,640	2,870,774
Current liabilities			
Current portion of:			
Long-term borrowings		2,583,050	23,826
Lease liabilities		9,762	-
Unclaimed dividend		77,859	78,046
Unpaid dividend		3,284	-
Short-term borrowings	8	-	-
Trade and other payables		672,212	191,190
Provision		7,360	7,360
Taxation - Net		481,241	283,157
Accrued mark-up		144,080	752
Total current liabilities		3,978,848	584,331
Total current liabilities		9,615,489	3,455,105
Liabilities of disposal group classified as held for sale	6.3	4,521,942	12,995,685
Contingencies and commitments	9		
TOTAL EQUITY AND LIABILITIES		<u>32,437,942</u>	<u>34,667,726</u>

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Note	Quarter Ended		Nine Months Period Ended	
		Unaudited September 30 2024	Unaudited September 30 2023	Unaudited September 30 2024	Unaudited September 30 2023
		------(Rupees in '000)-----		------(Rupees in '000)-----	
CONTINUING OPERATIONS					
Revenue from contracts with customers - net	10	1,652,357	2,250,633	4,149,037	4,706,990
Cost of revenue		<u>(464,127)</u>	<u>(505,406)</u>	<u>(1,437,646)</u>	<u>(1,379,917)</u>
Gross profit		1,188,230	1,745,227	2,711,391	3,327,073
Dividend Income		47,374	52,685	141,176	72,569
Administrative expenses		(44,049)	(48,151)	(264,962)	(156,131)
Adjustment in respect of carrying value TGL's assets	6.2	(1,157,761)	-	(2,900,954)	-
Other expenses		(1,404)	7,913	(3,210)	(1,682)
Other income		85,009	231,035	704,577	354,439
Operating profit		117,398	1,988,709	388,019	3,596,267
Finance cost		(118,733)	(195,234)	(372,851)	(666,045)
Share of profit from associate		399,631	986,362	1,029,716	1,273,132
Profit before taxation and levy		398,296	2,779,838	1,044,884	4,203,354
Levy		(12,413)	(5,914)	(33,988)	(10,885)
Profit before taxation		385,883	2,773,924	1,010,896	4,192,469
Taxation		(312,135)	(196,291)	(612,796)	(633,776)
Profit from continuing operations		73,748	2,577,633	398,100	3,558,693
DISCONTINUED OPERATIONS					
(Loss) / profit from disposal group and discontinued operations		(4,148)	12,647	(12,146)	(393,699)
Profit for the period		69,600	2,590,280	385,954	3,164,994
Profit attributable to:					
- Owners of the Holding Company		79,132	2,162,871	511,543	2,470,547
- Non-controlling interest		(9,532)	427,409	(125,589)	694,447
		69,600	2,590,280	385,954	3,164,994
Earnings / (loss) per share - basic and diluted					
- Continuing operations	11	<u>1.24</u>	<u>43.47</u>	<u>6.71</u>	<u>60.01</u>
- Discontinued operations and disposal group	11	<u>(0.07)</u>	<u>0.21</u>	<u>(0.20)</u>	<u>(6.64)</u>

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Nine Months Period Ended	
	Unaudited September 30 2024	Unaudited September 30 2023
	----- (Rupees in '000) -----	
Profit for the period	385,954	3,164,994
Other comprehensive income / (loss):		
<i>Items that may be reclassified subsequently through profit or loss</i>		
Share of other comprehensive income from associate - net of tax	47,621	(10,164)
Total comprehensive income for the period	433,575	3,154,830
Total comprehensive income / (loss) attributable to:		
- Continuing operations	445,721	3,170,993
- Discontinued operations	(12,146)	(16,163)
	433,575	3,154,830
Total comprehensive income attributable to:		
- Owners of the Holding Company	559,164	2,460,383
- Non-controlling Interest	(125,589)	694,447
	433,575	3,154,830

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	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
------(Rupees in '000)-----									
Balance as at January 1, 2023 (Audited)	592,998	10,521	136,865	25,969	33,311	206,666	16,439,671	2,220,372	19,459,707
Profit for the period	-	-	-	-	-	-	2,470,547	694,447	3,164,994
Other comprehensive income	-	-	-	-	-	-	(10,164)	-	(10,164)
Total comprehensive income for the period	-	-	-	-	-	-	2,460,383	694,447	3,154,830
Balance as at September 30, 2023 (Unaudited)	592,998	10,521	136,865	25,969	33,311	206,666	18,900,054	2,914,819	22,614,537
Balance as at January 1, 2024 (Audited)	592,998	10,521	136,865	25,969	(651,671)	(478,316)	15,978,598	2,123,656	18,216,936
Profit for the period	-	-	-	-	-	-	511,543	(125,589)	385,954
Other comprehensive income	-	-	-	-	-	-	47,621	-	47,621
Total comprehensive income for the period	-	-	-	-	-	-	559,164	(125,589)	433,575
Transactions with owners									
Dividend by subsidiaries allocable to Non-Controlling Interest	-	-	-	-	-	-	-	(350,000)	(350,000)
Balance as at September 30, 2024 (Unaudited)	592,998	10,521	136,865	25,969	(651,671)	(478,316)	16,537,762	1,648,067	18,300,512

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

	Nine Months Period Ended	
	Unaudited September 30 2024	Unaudited September 30 2023
------(Rupees in '000)-----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	998,750	4,203,354
Add: Loss before taxation attributable to disposal group and discontinued operations	12,146	393,699
Profit before taxation from continuing operations	1,010,896	4,597,053
Adjustment for non-cash charges and other items:		
Depreciation	754,452	748,216
Levy	33,988	-
Amortization	643	318
Provision for gratuity - net	11,181	1,021
Unrealised gain on investments at fair value through profit or loss	(360,604)	-
Adjustment in respect of carrying value TGL's assets	2,900,954	-
Provision for impairment against financial assets	-	800
Loss on remeasurement of asset and liabilities of disposal group	-	402,813
(Gain) on investments in mutual fund units	(9,672)	-
Finance cost	372,851	666,045
Gain on disposal of property, plant and equipment and scrap	(20,850)	(18)
Royalty income	(28,266)	(25,978)
Share of profit from associate	(1,029,716)	(1,273,132)
Dividend income	(141,176)	(72,569)
Profit on deposits	(305,112)	(173,261)
Operating profit before working capital changes	2,178,673	274,255
decrease / (Increase) in current assets		
Trade debts	668,029	(1,662,692)
Contract assets	(3,846)	1,235
Loans and advances	(1,388)	227
Deposits, prepayments and other receivables	(103,230)	(275,372)
decrease / (Increase) in current liabilities		
Sales tax Payable	97,028	-
Trade and other payables	(10,182)	129,438
	646,411	(1,807,164)
Net cash generated from operations	3,835,981	3,064,145
Gratuity paid	(9,245)	(3,663)
Finance costs paid	(716,134)	(886,977)
Taxes paid	(273,672)	(259,253)
Discontinued operations	(194)	12,647
Disposal group	712,107	50,008
Net cash generated from operating activities	3,548,842	1,976,908
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(452)	(22,857)
Sale proceeds from disposal / transfer of property, plant and equipment	20,850	18
Purchase of short-term investments	(1,502,182)	(1,151,360)
Restricted cash in escrow account	(107,438)	-
Redemption of short-term investments	259,118	105,000
Interest received	227,796	109,544
Dividend received	142,716	72,569
Royalty Income	28,266	25,978
Discontinued operations	-	(2,165)
Disposal group	25,831	266,400
Net cash used in investing activities	(905,494)	(596,874)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(2,438,360)	(2,125,888)
Payment of lease liability	-	(9,762)
Payment of dividend	(527,896)	(460)
Disposal group	(88,882)	(72,808)
Net cash used in financing activities	(3,055,139)	(2,208,918)
Net decrease in cash and cash equivalents	(411,790)	(828,884)
Cash and cash equivalents at beginning of the period	2,409,430	2,008,981
Cash and cash equivalents at end of the period	1,997,640	1,180,097

The annexed notes from 1 to 16 form an integral part of these consolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

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 between Dawood Cotton Mills Limited (DCM), Dilon Limited (DL), Burewala Textile Mills Limited (BTM) and Lawrencepur Woolen and Textile Mills Limited (LWTM). The shares of the Holding Company are listed on the Pakistan Stock Exchange Limited (PSX).

The Holding Company's head office is situated at Dawood Centre, M.T. Khan Road, Karachi.

The business units of the Holding Company include the following:

Business Unit	Geographical Location
Head Offices (registered offices)	
The Holding Company	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
Abrax (Private) Limited	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
GreenGo (Private) Limited	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
Mozart (Private) Limited	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
Reon Alpha (Private) Limited	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
Reon Energy Limited	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
Tenaga Generasi Limited	3rd Floor, Dawood Centre, M.T. Khan Road, Karachi.
Solar and Wind Power Plant of subsidiary companies / indirect subsidiaries	
Solar Power Plant of Reon Alpha (Private) Limited	Block II, District Tharparkar, Sindh.
Solar Power Plant of Grid Edge (Private) Limited	Proctor and Gamble's facility, Bin Qasim Town, Karachi.
Wind Farm of Tenaga Generasi Limited	Khutikun Area, Mirpur Sakro, District Thatta, Sindh.

- 1.2 In prior years, the Holding Company suspended operations of LWTM, BTM, DL and DCM. Land, building, plant and machinery and related assets of DL and DCM were disposed off. Further, plant and machinery and related assets of LWTM and BTM were also disposed off in the prior period. Currently, the Holding Company does not have any industrial unit in production.

- 1.3 The 'Lawrencepur' brand name continues to operate under license.

- 1.4 The "Group" consists of:

The Holding Company: Dawood Lawrencepur Limited;

Associated Company: Associated company is an entity over which the Group has significant influence but not control; and

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

	Period Ended	Percentage of direct holding	
		2024	2023
- Reon Energy Limited	September 30	100%	100%
- Tenaga Generasi Limited	September 30	75%	75%
- Mozart (Private) Limited	September 30	100%	100%
- Abrax (Private) Limited	September 30	100%	100%
- Greengo (Private) Limited	September 30	100%	100%
- Reon Alpha (Private) Limited	September 30	100%	100%

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 construction of renewable energy projects, mainly solar projects for commercial and industrial customers.

REL holds 100% shareholding in its subsidiary namely Grid Edge (Private) Limited (GEL). GEL is a private limited company incorporated in Pakistan on August 8, 2018 with the principal business to own and operate electric power generation project and to supply electricity as an independent power producer. It currently holds a generation license of upto 2MW for generation and sale of electricity to Proctor and Gamble Pakistan (Private) Limited (P&G) as a bulk power consumer. As at September 30, 2024, REL (together with its nominee directors) held 100% (2023: 100%) of the share capital of GEL.

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

Tenaga Generasi Limited

Tenaga Generasi Limited (TGL) was incorporated in Pakistan on December 1, 2005 as a public unlisted company to primarily carry out the business of power generation as an independent power producer using wind energy.

TGL has set up a 49.5 MW Wind Power Plant at Gharo, Sindh. The Project achieved 'Financial Close' in March 2015 and has received the Government of Pakistan Guarantee. The Plant commenced commercial operations on October 11, 2016. The electricity initially generated was being transmitted to the National Transmission and Despatch Company (NTDC) under the Energy Purchase Agreement (EPA) until June 18, 2019, subsequent to which the electricity generated was being transmitted to K-Electric Limited under a Short term Power Purchase Agency Agreement (STPPAA). As of September 6, 2021 the STPPAA has expired and now the electricity again is being transmitted to NTDC.

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 associate company.

MPL is yet to execute its business activities. The Directors have no intention to windup MPL.

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 the Holding Company's legacy assets located in Burewala.

APL is yet to execute its business activities. The Directors have no intention to windup APL.

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 the Holding Company's legacy assets located in Attock.

GPL is yet to execute its business activities. The Directors have no intention to windup GPL.

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. Originally, RAPL had to set up a 4 MW solar project which was upgraded to 5 MW through an addendum dated March 11, 2019, at District Thar, in the province of Sindh, to provide clean electricity to Sindh Engro Coal Mining Company (SECMC) under a 15-year Power Purchase Agreement (PPA). The commercial operations date and final acceptance date of the project was April 22, 2020.

Associated company

The Holding Company also holds investments in Dawood Hercules Corporation Limited (DHCL, an associate).

DHCL was incorporated in Pakistan on April 17, 1968 as a public limited company under the Companies Act 1913 (now the Companies Act, 2017) and its shares are quoted on the PSX. The principal activity of DHCL is to manage investments in its subsidiaries and associated companies. The registered office of DHCL is situated at Dawood Center, M.T. Khan Road, Karachi.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 The significant accounting policies adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of consolidated audited financial statements of the Group for the year ended December 31, 2023.

2.2 Basis of preparation

These consolidated condensed interim financial statements have been prepared under the historical cost convention except as specified in the relevant accounting policies.

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 Group'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 the preparation of these consolidated condensed interim financial statements, the significant judgements 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 audited financial statements of the Group for the year ended December 31, 2023.

These consolidated condensed interim financial statements do not include all the information required for consolidated annual financial statements and therefore should be read in conjunction with the consolidated audited financial statements of the Group for the year ended December 31, 2023.

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

2.3 New standards, amendments and interpretation to published accounting and reporting standards which became effective during the period ended September 30, 2024

There were certain amendments to accounting and reporting standards which became effective for the Company during the current period. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim financial statements except that during the year, the Institute of Chartered Accountant of Pakistan (ICAP) has withdrawn Technical Release 27 'IAS 12, Income Taxes (Revised 2012)' and issued the 'IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes' (the Guidance). Accordingly, in accordance with the Guidance, the Company has changed its accounting policy to recognise minimum and final taxes as 'levy' under IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" which were previously being recognised as 'Income tax'.

The Company has accounted for the effects of these changes in accounting policy retrospectively under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and the corresponding figures have been restated in these unconsolidated condensed interim financial statements. The effects of restatements are as follows:

Effect on statement of profit or loss

	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
------(Rupees in '000)-----			
Effect on condensed interim statement			
For the quarter ended September 30, 2024			
Levy	-	12,413	12,413
Profit before taxation	398,296	(12,413)	385,883
Taxation	(324,548)	12,413	(312,135)
Profit after taxation	73,748	-	73,748

For the quarter ended September 30, 2023

Levy	-	5,914	5,914
Profit before taxation	2,779,838	(5,914)	2,773,924
Taxation	(202,205)	5,914	(196,291)
Profit after taxation	2,577,633	-	2,577,633

	Had there been no change in accounting policy	Impact of change in accounting policy	After incorporating effects of change in accounting policy
--	---	---	--

------(Rupees in '000)-----

**For the nine months period ended
September 30, 2024**

Levy	-	33,988	33,988
Profit before taxation	1,044,884	(33,988)	1,010,896
Taxation	(646,784)	33,988	(612,796)
Profit after taxation	398,100	-	398,100

**For the nine months period ended
September 30, 2023**

Levy	-	10,885	10,885
Profit before taxation	4,203,354	(10,885)	4,192,469
Taxation	(644,661)	10,885	(633,776)
Profit after taxation	3,558,693	-	3,558,693

The related changes to the statement of cash flows with respect to the amount of profit before taxation have been made as well. There is no impact on profit after taxation and earnings per share, basic and diluted and the statement of financial position.

2.4 Standards and amendments to published accounting and reporting standards and interpretations that are not yet effective and have not been early adopted by the Holding Company

There are certain standards and amendments to accounting and reporting standards that are not yet effective and are considered either not to be relevant or to have any significant impact on the Holding Company's financial reporting and, therefore, have not been disclosed in these consolidated condensed interim financial statements.

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024

2.5 Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Provisions and directives issued under the Act.

Where provisions and directives issued under the Act differ from IFRSs, the provisions of and directives issued under the Act have been followed.

2.6 Functional and presentation currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees which is the Group's functional currency.

2.7 Basis of consolidation

- 2.7.1 The condensed interim financial statements of the subsidiary companies have been consolidated on a line by line basis. The carrying value of investments held by the Holding Company is eliminated against the subsidiaries' share capital and pre-acquisition reserves
- 2.7.2 Non-controlling interest has been presented as a separate item in these consolidated condensed interim financial statements. All material intercompany balances and transactions have been eliminated.
- 2.7.3 The Group's interest in its associated entity i.e. Dawood Hercules Corporation Limited has been accounted for using the equity method.

	Unaudited September 30, 2024	Audited December 31, 2023
	------(Rupees in '000)-----	
3 PROPERTY, PLANT AND EQUIPMENT		
Operating assets at net book value	13,204,632	13,936,346
Related to disposal group	(125,181)	(13,640,609)
	13,079,451	295,737
Provision for impairment	(6,674,446)	-
	6,405,004	295,737
4 INTANGIBLE ASSETS		
Intangible Assets	67,013	51,489
Related to disposal group	(44,062)	(51,489)
	22,951	-
Provision for impairment	(22,834)	-
	117	-

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	Unaudited September 30, 2024	Audited December 31, 2023
	------(Rupees in '000)-----	
5. LONG TERM INVESTMENTS		
Share of investment in an associate (note5.1)	11,110,661	10,640,906
Other investments	18,035	15,199
	<u>11,128,696</u>	<u>10,656,105</u>
5.1 Share of investment in an associate		
Associated company - quoted Dawood Hercules Corporation Limited		
Opening balance	10,640,906	11,358,451
Add: Share of profit after taxation	1,029,716	1,347,342
Share of other comprehensive income	63,494	22,869
Share of other components of equity	-	(684,982)
	<u>1,093,210</u>	685,229
Less: Dividend received	(623,455)	(1,402,774)
	<u>11,110,661</u>	<u>10,640,906</u>

5.2 During the period, DHCL, along with Engro Corporation Limited (ECL) and DH Partners Limited (DHPL) - both subsidiaries of DHCL - filed a petition in the Islamabad High Court in respect of a Scheme of Arrangement (the Scheme) under which it is envisaged that:

- (i) DHCL shall be demerged into two legal entities whereby all its assets, liabilities and obligations other than its investment in shares of ECL as specified in the Scheme shall vest into DHPL against which DHPL shall issue its shares to the existing shareholders of DHCL (which includes the Company) in the same proportion in which they hold shares in DHCL; and
- (ii) shares held by the shareholders of ECL, other than DHCL, ("the Transferred Shareholders") shall vest with and into DHCL (i.e., ECL shall become a wholly owned subsidiary of DHCL) in exchange whereof DHCL shall issue shares in its share capital to the Transferred Shareholders in a proportion such that the Transferred Shareholders shall hold their present proportionate shareholding in ECL indirectly through DHCL and name of DHCL shall be changed to 'Engro Holdings Limited'.

On July 18, 2024, through its order, the IHC has sanctioned the Scheme. As per the Scheme, it shall become effective from January 1, 2025.

6. ASSETS CLASSIFIED AS HELD FOR SALE

6.1 On March 22, 2023, the Board of Directors of the Holding Company approved sale of 100% shareholding in REL following which a share purchase agreement (SPA) was signed between the Holding Company and Juniper International FZ LLC stipulating a maximum consideration of Rs 300 million subject to certain adjustments. On May 30, 2023, the sale of REL was approved by the shareholders in the Annual General Meeting. Accordingly, the Holding Company has classified its investment in REL as held for sale. the Holding Company has signed an addendum to the SPA at revised consideration of Rs 100 million, hence, the carrying amount has been restricted to Rs 100 million.

Subsequent to the quarter ended September 30, 2024, the Holding Company completed the sale transaction and transferred its entire shareholding in REL to Junipur International FZ LLC as per the terms and conditions under SPA.

6.2 On December 18, 2023, the Board of Directors of the Holding Company approved the strategic decision to dispose the entire shareholding in TGL. On May 29, 2024, the sale of TGL was approved by the shareholders in the Annual General Meeting. Following this decision, a comprehensive due diligence process was undertaken, and non-binding offers were received from potential buyers. The management of the Holding Company based on the high probability of sale transaction had classified the Company's investment in TGL as held for sale. During the period, the Holding Company has entered into an SPA with Artistic Milliner (Private) Limited specifying a consideration of US Dollars 30.9 million for 100% stakes, subject to various potential adjustments. IFC in its letter dated March 11, 2024 agreed to tag along with the said transaction, agreeing to sell its 25% shareholding in TGL, under section 4.06(b) of the TGL's Shareholders' Agreement.

During the quarter, the conditions required for completing the disposal transaction were not met by the time stipulated in the SPA. Despite the company's best efforts to move forward, the buyer ultimately chose not to proceed with the transaction. Consequently, TGL is not classified as held for sale as at September 30, 2024.

As of the reporting date, management believes that the latest bid of USD 30.9 million locked as of December 31, 2023 provides a reasonable estimate of TGL's recoverable amount. In view of the impact of TGLs's net earnings and the dividend disbursed during the nine months period ended September 30, 2024 cumulative impairment amounting to Rs 2.9 billion has been recorded during the period.

Further, the management continues to closely monitor market conditions, foreign exchange fluctuations, and other macroeconomic factors that may affect TGL's valuation.

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6.3 Assets And Liabilities Of Disposal Group Classified As Held For Sale

	Unaudited September 30, 2024	Audited December 31, 2023
------(Rupees in '000)-----		
Assets classified as held for sale		
Non-current assets		
Property, plant and equipment	125,181	13,640,609
Right-of-use assets	-	88,220
Intangible assets	44,062	51,489
Deferred taxation - net	434,974	434,974
Long-term loans	369	369
	604,586	14,215,661
Current assets		
Stock-in-trade	1,033,696	1,444,699
Trade debts	1,008,276	4,542,443
Contract assets	803,351	1,440,693
Loans and advances	316,673	133,568
Deposits, prepayments and other receivables	966,086	2,375,830
Taxation - net	79,408	165,645
Short-term investments	17,562	42,471
Accrued return	2,983	257
Sales tax receivable	-	69,330
Cash and bank balances	575,655	2,263,533
	4,803,690	12,478,469
Provision for Impairment loss	(786,334)	(4,499,518)
TOTAL ASSETS OF DISPOSAL GROUP	4,621,942	22,194,612
Liabilities directly associated with assets classified as held for sale		
Non-current liabilities		
Staff retirement benefits	81,595	79,852
Long-term finances	437,558	5,758,936
Lease liabilities	-	116,502
	519,153	5,955,290
Current liabilities		
Current portion of:		
Long-term finances	52,408	2,517,316
Lease liabilities	-	20,134
Trade and other payables	1,560,226	2,479,505
Contract liabilities	2,077,348	861,981
Short-term finances	299,936	853,654
Sales tax payable	-	-
Accrued mark-up	12,871	264,598
Taxes payable	-	43,207
	4,002,789	7,040,395
TOTAL LIABILITIES	4,521,942	12,995,685
NET ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE	100,000	9,198,927

6.4 Financial Performance of Disposal Group Classified as Held for Sale

	Unaudited September 30, 2024	Unaudited September 30, 2023
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2024		
Revenue from contracts with customers - net	6,525,215	4,149,293
Cost of revenue	(5,644,425)	(3,341,961)
Gross profit	880,790	807,332
Selling and distribution expenses	(319,857)	(210,536)
Administrative expenses	(296,378)	(211,701)
Other expenses	(8,878)	(127,527)
Other income	45,382	16,781
Profit from operations	301,058	274,349
Finance cost	(130,843)	(197,081)
loss on remeasurment of net assets (note 6.5)	(83,142)	(402,813)
Profit before taxation	87,073	(325,545)
Taxation	(81,897)	(51,991)
Profit / loss after taxation	5,176	(377,536)
Profit / (loss) for the year	5,176	(377,536)

6.5 This refers to the estimated charge resulting from re-measurement of assets and liabilities of Disposal group of the Holding Company at lower of their respective carrying values and fair value less costs to sell in accordance with the requirements of IFRS-5. The recoverable amount of assets of REL is Rs 100 million.

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	Unaudited September 30, 2024	Unaudited September 30, 2023
	----- (Rupees in '000) -----	
6.6 Cashflows Generated By Disposal Group Classified As Held For Sale		
Net cash generated from operating activities	712,107	50,008
Net cash generated from investing activities	25,832	266,400
Net cash used in financing activities	(88,882)	(72,808)
Net increase in cash and cash equivalents generated	649,056	243,600

7 SHARE CAPITAL

Authorized Share Capital

Unaudited September 30, 2024	Audited December 31, 2023		Unaudited September 30, 2024	Audited December 31, 2023
-----Number of shares-----			-----Rupees-----	
75,000,000	75,000,000	Ordinary shares of Rs. 10 each	750,000	750,000

Issued, subscribed and paid-up share capital

Unaudited September 30, 2024	Audited December 31, 2023		Unaudited September 30, 2024	Audited December 31, 2023
-----Number of shares-----			----- (Rupees in '000) -----	
2,204,002	2,204,002	Ordinary shares of Rs. 10 each full paid in cash	22,040	22,040
12,805,118	12,805,118	Issued for consideration other than cash	128,051	128,051
44,048,739	44,048,739	Fully paid as bonus shares	440,487	440,487
130,520	130,520	Issued as right issue as per the Court's order	1,305	1,305
111,430	111,430	Issued as bonus shares as per the Court's order	1,115	1,115
59,299,809	59,299,809		592,998	592,998

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8. SHORT TERM BORROWING

Short-term running finance under mark-up arrangement	299,936	853,654
Related to disposal group	(299,936)	(853,654)
	<u>-</u>	<u>-</u>

9. CONTINGENCIES AND COMMITMENTS

There have been no material changes in contingencies and commitments as disclosed in notes 21.1 and 22.2 to the unconsolidated financial statements for the year ended December 31, 2023 except for the following matters disclosed in note no 9.1 to 9.3 below:

- 9.1 During the period, the following corporate guarantees issued by the Company in favour of the lenders of REL were discharged as per the terms of SPA:
- Rs 300 million issued in favour of MCB Bank Limited to secure unfunded facility provided to REL for the import / purchase of plant, machinery, stores, and spares; and
 - Rs 500 million issued in favour of Karandaa Pakistan through JS Bank Limited against financing facilities for REL.
- 9.2 The corporate guarantee amounting to Rs 600 million issued in favour of Bank Al Habib Pakistan Limited to secure a long-term running facility for REL has expired during the period which has not been renewed.
- 9.3 During the period, the Company has arranged an additional amount of USD 2.575 million against Stand-by Letter of Credit (SBLC) in favour of the lenders of Tenaga Generasi Limited. The aggregate facility amounting to USD 10 million (i.e. USD 7.425 million and 2.575 million) is secured by way of a first pari passu charge on immovable property and pledge over the Company's investments in DHCL.

10. REVENUE - NET

	Nine Month Period Ended	
	Unaudited	Unaudited
	September 30,	September 30,
	2024	2023
	----- (Rupees in '000) -----	
Renewable energy (Solar)	6,574,436	4,195,276
Alternate Energy (Wind)	4,099,816	4,661,007
	<u>10,674,252</u>	<u>8,856,283</u>
Textile		
Fabric	1,642	1,710
	<u>10,675,894</u>	<u>8,857,993</u>
Related to discontinued operations	(1,642)	(1,710)
Related to disposal group	(6,525,215)	(4,149,293)
	<u>4,149,037</u>	<u>4,706,990</u>

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

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

	Nine Month Period Ended	
	Unaudited	Unaudited
	September 30,	September 30,
	2024	2023
	----- (Rupees in '000) -----	
Continuing operations		
Profit for the period (attributable to the owners of the Holding Company)	398,100	3,558,693
Weighted average number of ordinary shares (in thousand)	59,300	59,300
Earnings per share	6.71	60.01
Discontinued operations and disposal group		
Loss for the period (attributable to the owners of the Holding Company)	(12,146)	(393,699)
Weighted average number of ordinary shares (in thousand)	59,300	59,300
Loss per share	(0.20)	(6.64)

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12. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

12.1 Financial risk factors

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

These consolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual consolidated financial statements and should be read in conjunction with the Company's annual consolidated financial statements as at December 31, 2023. There have been no changes in any risk management policies since the year end.

12.2 Fair value hierarchy

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

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

	Unaudited			
	As at September 30, 2024			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
Non-current assets				
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)	-	18,020	-	18,020
Financial assets at fair value through other comprehensive income -				
- Long-term investments (investments in 'unquoted equity shares)	-	-	15	15
Current assets				
Financial assets at fair value through profit or loss				
- Short term investments (investments in quoted equity shares)	1,538,595	-	-	1,538,595
- Short-term investments (investments in units of mutual funds)		1,363,191	-	1,363,191
	<u>1,538,595</u>	<u>1,381,211</u>	<u>15</u>	<u>3,019,821</u>

	Audited			
	As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
Non-current assets				
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)	-	15,184	-	15,184
Financial assets at fair value through other comprehensive income				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
Current assets				
Financial assets at fair value through profit or loss				
- Short term investments (investments in quoted equity shares)	1,158,000	-	-	1,158,000
- Short-term investments (investments in units of mutual funds)	-	145,809	-	145,809
	<u>1,158,000</u>	<u>160,993</u>	<u>15</u>	<u>1,319,008</u>

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13 SEGMENT REPORTING

The following information presents operating results regarding operating segments for the nine months period ended September 30, 2024:

	Renewable energy		Textile - discontinued operations		Other operations		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
-----Rupees-----								
Revenue from contract with customers - net								
Timing of revenue recognition								
- At a point in time	-	-	1,642	1,710	-	-	1,642	1,710
- Over time	4,149,036	4,706,990	-	-	-	-	4,149,036	4,706,990
	4,149,036	4,706,990	1,642	1,710	-	-	4,150,678	4,708,700
Cost of revenue	(1,437,646)	(1,379,917)	(1,732)	(1,927)	-	-	(1,439,378)	(1,381,844)
Segment gross profit / (loss)	2,711,390	3,327,073	(90)	(217)	-	-	2,711,300	3,326,856
Selling and distribution expenses	-	-	(16)	(17)	-	-	(16)	(17)
Administrative expenses	(127,200)	(109,585)	(78,950)	(64,396)	(137,762)	(46,546)	(343,912)	(220,527)
Other expenses	(3,210)	(1,682)	-	-	-	-	(3,210)	(1,682)
Dividend income	-	-	-	-	141,176	72,569	141,176	72,569
Other income	289,206	323,467	61,734	48,467	415,372	30,973	766,312	402,907
Finance cost	(372,070)	(665,685)	-	-	(781)	(362)	(372,851)	(666,047)
Share of profit from associate	-	-	-	-	1,029,716	1,273,132	1,029,716	1,273,132
Taxation	(41,759)	(48,067)	-	-	(605,025)	(596,594)	(646,784)	(644,661)
Impairment loss	-	-	(2,900,954)	-	-	-	(2,900,954)	-
Segment net profit / (loss)	2,456,357	2,825,521	(2,918,276)	(16,163)	842,696	733,171	380,777	3,542,530

14 TRANSACTIONS WITH RELATED PARTIES

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

Relationship	Nature of transaction	Unaudited	Unaudited
		September 30, 2024	September 30, 2023
-----Rupees in '000)-----			
a. Associated companies			
Dawood Hercules Corporation Limited	Reimbursable expenses by the Group	70,162	41,458
	Dividend Income	623,455	1,246,910
	Reimbursable expenses to the Group	20,231	3,222
Sach International (Private) Limited	Reimbursable expenses incurred by the Group	530	926
	Royalty charged by the Group	28,266	25,978
	Rental Income	495	495
The Dawood Foundation	Expenses incurred by the Group	326	41,039
International Finance Corporation	Borrowing cost charged to Group	140,580	194,941
	Repayment of loan	702,385	617,380
	Supervision fee	5,215	6,029
b. Other Related Parties			
Key management personnel	Salaries and benefits	60,295	80,465
d. Directors			
	Meeting fees	650	1,000

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15 NON-ADJUSTING EVENT AFTER STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors of the Holding Company in its meeting held on October 29, 2024 has approved an interim cash dividend of Rs. Nil amounting to Rs. Nil for the period ended September 30, 2024. This consolidated condensed interim financial statements do not recognize interim dividend from unappropriated profit as it has been declared subsequent to the reporting date.

16 DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial statements were authorized for issue on October 29, 2024 by the Board of Directors of the Holding Company.

Chief Executive

Director

Chief Financial Officer



Head Office/Registered Office:
Dawood Centre, M.T. Khan Road, Karachi-75530, Pakistan.
Tel: +92-21-35686001-16
company.secretary@dawoodhercules.com
www.dawoodlawrencepur.com