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Our Vision

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

Our Mission

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

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

Company Information

Board of Directors

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

Board Audit Committee

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

Human Resource and Remuneration Committee

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

Board Transaction Committee

- Mr. Hasan Reza Ur Rahim (Chairman)
- Mr. Shabbir Hussain Hashmi
- Mr. Shafiq Ahmed
- Mr. Zamin Zaidi

Chief Financial Officer

- Mr. Saad Faridi

Company Secretary

- Mr. Imran Chagani

Head of Internal Audit

- Mr. Amjad Ali

Auditors

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

Bankers

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

Legal Advisor

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

Share Registrar

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

Registered / Head Office

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

Lahore Office

- Regus 9th Floor Tricon Corporate Centre, 73-E Jail Road Lahore - 54660.
Tel.: 042-32301579

Mills

- Dawoodabad
Railway Station Road and
Luddan Road, Chak 439, E.B, Tehsil
Burewala, District Vehari.
Tel.: 067-3353347, 3353145, 3353246
Fax: 067-3354679

DawoodPur

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

DAWOOD LAWRENCEPUR LIMITED
DIRECTORS' REVIEW REPORT
 FOR THE HALF YEAR ENDED JUNE 30, 2021

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

BUSINESS REVIEW

Renewable Energy Business

Reon's growth continued in 2021 as the company booked its highest ever revenue in the first half of The Financial Year. The Company's revenue surpassed PKR 3 Billion during the review period on the back of a very large spillover of deals from 2020. However, the Company has also signed 54MW of new EPC contracts, majority in the Cement and Textile sectors. Other highlights for the period include the signing of turnkey contracts for 228 telecom sites in the Telecom business segment and remarkably, the Company also having signed its first international contract for the design and construction of 5.3 MW solar system for the Lusail Bus Depot in Qatar. We envisage that as part of our market diversification strategy, we will continue to add to our international portfolio as more experience is gained on the risks and rewards of operating overseas. Reon also introduced a new product, Battery Energy Storage Systems (BESS) for C&I segment and signed its first deal with Gatron Industries for a 2.7MWh BESS solution alongside its rooftop solar solution. This BESS solution provides both economic and emergency demand response service to the local grid and adds to stability of supply voltage to the customer's processing machinery. Demand for BESS will increase in line with share of Renewable Energy in the grid hence it represents a fairly large adjacent opportunity for Reon Energy.

During the 6 months, the Company has successfully commissioned first of the four plants of Bestway Cement which remains the largest deal ever booked by the Company. Two more plants totaling ~29MW are on course to be completed soon whereas work on a 4th project will commence in the last quarter of the year.

The broader economic outlook is still very uncertain due to the risk posed by the pandemic. The global supply chain has also experienced significant disruption due to the pandemic resulting in PV panel and chip shortages and other events, such as the closure of the Suez Canal, resulted in delayed deliveries and higher input costs. Our response has been to monitor and adapt to the unfolding changes and to keep the company focused on delivering value for our customers while ensuring the safety and protection of our employees and of wider stakeholders.

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

Wind Energy Project

The Plant is operating satisfactorily and is meeting the expected targets for availability and BOP loss. The BOP Loss for the period was 1.35 % against a target of 2.5 %, whilst the Availability was 98.96 % against a target of 98.0 %. Health Safety and the Environment (HSE) remained the priority and 471,195 safe man-hours have been clocked since COD with zero injury rate and TRIR. The plant has been operating safely, without injury, for 1,737 days.

The plant, together with Dawood HydroChina and Zephyr, is now supplying power to K Electric. This arrangement is providing stable operations and both grid outage and curtailment has substantially reduced. The total NPMV for Q2 2021 was 0.06 GWh as compared to 0.06 GWh for Q2 2020. The total energy billed during the current quarter (38.62 GWh) is lower than the P90 level (45.09 GWh). However, for the half-year ending June 30 2021, there has been an improvement in Q2 as compared to Q1. The Plant experienced unusually low winds during the first quarter with some improvement in the second quarter. The wind improved in June and this trend is expected to continue for Q3. Production in July was at the P75 level. It is expected that the NPMV events will be minimal during 2021.

FINANCIAL HIGHLIGHTS

The unconsolidated financial highlights of the Company are as under:

	Half year ended June 30, 2021	Half year ended June 30, 2020
	Rupees in thousands	
Revenue – net	-	1,962
Cost of revenue	-	(9,546)
Gross loss	-	(7,584)
Other income	51,036	80,005
Profit before taxation from continued operations	344,965	142,699
Loss from discontinued operations	(17,817)	(5,676)
Taxation	(50,628)	(31,015)
Profit after taxation	276,520	106,008
Unappropriated profit brought forward	2,813,242	2,708,349
Unappropriated profit carried forward	3,029,771	2,813,242
Earnings per share - basic & diluted (Rupees)	4.66	1.78

During the half year ended June 30, 2021, dividend income from associate - Dawood Hercules Corporation Limited amounted to PKR 350.69 million against PKR 155.86 million for the period ended June 30, 2020.

Consolidated revenues for the period were PKR 4,554 million as against PKR 2,764 million for comparative period. This was mainly due to increase in revenue from solar energy projects amounting to PKR 2,124 million as against the corresponding period last year. After considering the share of profit from associate of PKR 925 million (June 30, 2020: share of profit of PKR 291 million), the consolidated profit after tax for the half year ended stood at PKR 1,037 million as against PKR 703 million for the similar period last year. Consolidated earnings per share attributable to the owners of the Holding Company was PKR 15.66 as against PKR 9.18 for the comparative period last year.

FUTURE OUTLOOK

Renewable Energy Business

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

The Government has announced increase in energy prices as part of the Circular Debt Management Plan (CDMP) in line with commitments made with the IMF. This, along with a shortage of gas and a moratorium on supply to captive power plants is likely to push commercial and industrial customers

to look for alternative sources of power, of which renewables will remain a competitive and viable option. The environment is therefore ripe for these businesses to improve their international acceptability and competitiveness by converting to solar powered energy options supported by concessionary finance schemes such as currently being offered by the SBP to reduce upfront costs.

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

Wind Energy Project

The wind power sector is still facing the full impact of the circular debt and payments from the Government are severely curtailed, with the outstanding payment at 10 months level.

The wind plants in Jhimpir continue to face curtailment as the evacuation priority is for the coal and LNG projects, which have a lower tariff than wind, as these have been classified as must-run plants together with wind. Currently TGL is not being affected as it is being evacuated to K Electric. However, there are now indications that power evacuation will be done on commercial basis with the low tariff plants given the priority.

During the six months under review, the government actively pursued their target for a reduction in the cost of energy. The main emphasis is on elimination / reduction of the capacity payment charges for the thermal plants and a reduction in the applicable tariff for all power plants. The Negotiation Committee initiated the dialogue with the Wind IPPs which primarily focused on reduction in ROE and O&M costs, with actualization of insurance costs. The restructuring of the loan is currently on a best effort basis. After intense negotiation, the draft Agreements were initialed by the various IPPs with a stipulation that these will be finalized after obtaining the consent of the Financiers and the Board of Director of the IPP. A repayment mechanism, based on two payments, six months apart was agreed. Each payment is to consist of 1/3 cash, 1/3 as PIBs and the remaining 1/3 as Sukuk bonds. The wind IPPs have not initiated the process for applying for a reduction in tariff as they are awaiting the approval from their DFIs. The DFIs are in negotiations with the government and are seeking clarity on the way forward for the sector, especially with respect to the sector reforms being negotiated with the IMF.

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


MUJTABA HAIDER KHAN
Chief Executive Officer


SHAHID HAMID PRACHA
Chairman

Karachi, August 26, 2021



pwc

A.F. FERGUSON & Co.

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Dawood Lawrencepur Limited

Report on review of Unconsolidated Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Dawood Lawrencepur Limited as at June 30, 2021 and the related 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, and notes to the unconsolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "unconsolidated interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

The figures of the unconsolidated condensed interim statement of profit or loss and the unconsolidated condensed interim statement of comprehensive income for the quarters ended June 30, 2021 and 2020 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2021.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Khurshid Hasan.

Chartered Accountants

Karachi:

Date: August 27, 2021

*A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

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

(Amounts in thousand)

(Amounts in thousand)		Unaudited June 30, 2021	Audited December 31, 2020
	Note	-----Rupees-----	
ASSETS			
Non-current assets			
Property, plant and equipment		18,151	19,292
Intangible assets		15	27
Long-term investments	4	3,504,176	3,502,996
Long-term deposits		2,778	2,778
Total non-current assets		3,525,120	3,525,093
Current assets			
Stores and spares		892	892
Stock		15,991	17,780
Trade debts		23	23
Loans to subsidiaries	5	738,337	738,101
Loans and advances		999	2,930
Deposits, prepayments and other receivables	6	136,209	165,917
Taxes recoverable		18,477	-
Interest accrued	7	146,198	123,153
Cash and bank balances	8	45,708	29,713
Total current assets		1,102,834	1,078,509
TOTAL ASSETS		4,627,954	4,603,602
EQUITY AND LIABILITIES			
Equity			
Share capital	9	592,998	592,998
Capital reserves		206,666	206,666
Unappropriated profit		3,029,771	2,960,800
Total equity		3,829,435	3,760,464
Non-current liabilities			
Staff retirement benefits		3,445	2,755
Current liabilities			
Trade and other payables		39,742	46,132
Unpaid dividend		207,549	-
Unclaimed dividend		69,997	70,307
Provision		7,360	7,360
Short-term borrowings	10	456,140	699,795
Taxes payable		-	270
Accrued mark-up		14,286	16,519
Total current liabilities		795,074	840,383
Contingencies and commitments	11	798,519	843,138
TOTAL EQUITY AND LIABILITIES		4,627,954	4,603,602

The annexed notes from 1 to 22 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 HALF YEAR ENDED JUNE 30, 2021

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

		Quarter ended		Half year ended	
		June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Note		-----Rupees-----		-----Rupees-----	
CONTINUING OPERATIONS					
Revenue from contracts with customers - net		-	981	-	1,962
Cost of revenue		-	(8,942)	-	(9,546)
Gross loss		-	(7,961)	-	(7,584)
Dividend income	12	350,694	155,864	350,694	155,864
		350,694	147,903	350,694	148,280
Selling and distribution expenses		-	(111)	-	(223)
Administrative expenses		(17,197)	(12,896)	(26,797)	(24,717)
Other charges		-	1,836	-	(1,456)
Other income	13	29,773	41,182	51,036	80,005
		363,270	177,914	374,933	201,889
Finance cost		(15,136)	(34,275)	(29,968)	(59,190)
Profit before taxation		348,134	143,639	344,965	142,699
Taxation	14	(49,349)	(30,261)	(50,628)	(31,015)
Profit after taxation		298,785	113,378	294,337	111,684
DISCONTINUED OPERATIONS					
Loss from discontinued operations		(11,029)	(2,677)	(17,817)	(5,676)
Profit for the period		287,756	110,701	276,520	106,008
Earnings per share - basic and diluted					
Continuing operations	15	5.04	1.91	4.96	1.88
Loss per share - basic and diluted					
Discontinued operations	15	(0.19)	(0.05)	(0.30)	(0.10)

The annexed notes from 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.

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Chief Executive Officer


Director


Chief Financial Officer

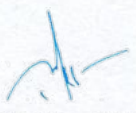
DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

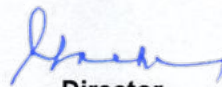
(Amounts in thousand)

	Quarter ended		Half year ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
	-----Rupees-----			
Profit for the period	287,756	110,701	276,520	106,008
Other comprehensive income:				
<i>Items that will not be reclassified to profit or loss:</i>				
Remeasurement of post employment benefit obligation - actuarial loss	-	-	-	-
Total comprehensive income for the period	287,756	110,701	276,520	106,008

The annexed notes from 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.

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Chief Executive Officer


Director


Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2021

(Amounts in thousands)

Share capital	Capital reserves					Revenue reserve	Total
	Merger reserve	Share premium reserve	Capital redemption reserve	Others	Total	Unappropriated profit	
Rupees							
590,578	10,521	136,865	25,969	33,311	206,666	2,708,349	3,505,593
-	-	-	-	-	-	106,008	106,008
-	-	-	-	-	-	-	-
-	-	-	-	-	-	106,008	106,008
1,305	-	-	-	-	-	-	1,305
1,115	-	-	-	-	-	(1,115)	-
592,998	10,521	136,865	25,969	33,311	206,666	2,813,242	3,612,906
-	-	-	-	-	-	384,916	384,916
-	-	-	-	-	-	(159)	(159)
-	-	-	-	-	-	384,757	384,757
-	-	-	-	-	-	(237,199)	(237,199)
592,998	10,521	136,865	25,969	33,311	206,666	2,960,800	3,760,464
-	-	-	-	-	-	276,520	276,520
-	-	-	-	-	-	-	-
-	-	-	-	-	-	276,520	276,520
-	-	-	-	-	-	(207,549)	(207,549)
592,998	10,521	136,865	25,969	33,311	206,666	3,029,771	3,829,435

The annexed notes from 1 to 22 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 HALF YEAR ENDED JUNE 30, 2021

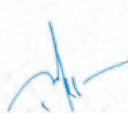
(Amounts in thousand)


	Half year ended June 30, 2021	Half year ended June 30, 2020
Note	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	327,148	137,023
Add: Loss before taxation attributable to discontinued operations	17,817	5,676
Profit before taxation from continuing operations	344,965	142,699
Adjustments for non-cash and other items:		
Depreciation	820	999
Amortization	11	18
Provision for gratuity - net	608	432
Provision for impairment of trade debts - net	-	31
Provision for slow moving and obsolete stock	262	8,086
Finance costs	29,968	59,190
Royalty income	(4,631)	-
Dividend income	(350,694)	(155,864)
(Gain) / loss on National Investment Trust unit	(1,180)	1,456
Mark up charged to related parties	(37,918)	(72,263)
Profit on deposits	(62)	(53)
	(17,851)	(15,269)
Working capital changes		
Decrease / (increase) in current assets		
Stock	-	413
Loans and advances	2,051	(142)
Deposits, prepayments and other receivables	34,337	(40,601)
(Decrease) / increase in current liabilities		
Trade and other payables	(4,689)	(2,421)
Contract liabilities	-	1,789
	31,699	(40,962)
Cash generated from operations	13,848	(56,231)
Gratuity paid	-	(255)
Finance cost paid	(32,194)	(52,735)
Taxes paid	(69,375)	(335)
Discontinued operations	(17,712)	3,248
Net cash used in operating activities	(105,433)	(106,308)
CASH FLOWS FROM INVESTING ACTIVITIES		
Advance against purchase of shares of subsidiary	-	(300,000)
Subordinated loans to subsidiaries	(236)	(300,003)
Repayment of loan by subsidiary	-	300,000
Mark up received from related parties	14,873	4,285
Profit received on deposits	62	53
Dividend received	350,694	-
Discontinued operations	-	192
Net cash generated from / (used in) investing activities	365,393	(295,473)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of dividend	(310)	(245)
Net increase / (decrease) in cash and cash equivalents	259,650	(402,026)
Cash and cash equivalents at beginning of the period	(670,082)	(545,983)
Cash and cash equivalents at end of the period	(410,432)	(948,009)

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The annexed notes from 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

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

The business units of the Company include the following:

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

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

2. BASIS OF PREPARATION

- 2.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; 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.

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(Amounts in thousand)

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

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

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

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

- 3.2 The preparation of this unconsolidated condensed interim financial information in conformity with the approved accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of accounting policies of the Company. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future years if the revision affects both current and future periods.

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

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

4 LONG TERM INVESTMENTS

Investment in related parties at cost (note 4.1)
Less: Provision for impairment

Other investments

- Financial assets at fair value through profit or loss (note 4.2)
- Financial assets at fair value through other comprehensive income (note 4.2)

	Unaudited June 30, 2021	Audited December 31, 2020
	-----Rupees-----	
	3,519,102	3,519,102
	(30,007)	(30,007)
	3,489,095	3,489,095
	15,066	13,886
	15	15
	15,081	13,901
	3,504,176	3,502,996

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(Amounts in thousand)

Unaudited June 30, 2021	Audited December 31, 2020
-----Rupees-----	

4.1 Investment in related parties - at cost**Subsidiary - unquoted**

Tenaga Generasi Limited (TGL)

Percentage holding 75% (December 31, 2020: 75%)

227,027,613 (December 31, 2020: 227,027,613)

fully paid ordinary shares of Rs. 10 each

2,294,804

2,294,804

Wholly owned subsidiaries - unquoted

Reon Energy Limited (REL)

Percentage holding 100% (December 31, 2020: 100%)

102,600,000 (December 31, 2020: 102,600,000)

fully paid ordinary shares of Rs. 10 each

1,026,000

1,026,000

Reon Alpha (Private) Limited (RAPL)

Percentage holding 100% (December 31, 2020: 100%)

13,300,100 (December 31, 2020: 13,300,100)

fully paid ordinary shares of Rs. 10 each

133,001

133,001

Mozart (Private) Limited (MPL)

Percentage holding 100% (December 31, 2020: 100%)

100 (December 31, 2020: 100)

fully paid ordinary shares of Rs. 10/- each

1

1

Greengo (Private) Limited (GPL)

Percentage holding 100% (December 31, 2020: 100%)

100 (December 31, 2020: 100)

fully paid ordinary shares of Rs. 10/- each

1

1

Abrax (Private) Limited (APL)

Percentage holding 100% (December 31, 2020: 100%)

100 (December 31, 2020: 100)

fully paid ordinary shares of Rs. 10/- each

1

1

3,453,808

3,453,808

Associate - quoted

Dawood Hercules Corporation Limited (DHCL)

Percentage holding 16.19% (December 31, 2020: 16.19%)

77,931,896 (December 31, 2020: 77,931,896)

fully paid ordinary shares of Rs. 10/- each

Market value Rs. 8,963,727 (December 31, 2020: Rs. 9,471,843)

65,294

65,294

3,519,102

3,519,102

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

Bank	Shares pledged	Unaudited As at June 30, 2021			Audited As at December 31, 2020		
		Number of shares pledged	Face value of shares pledged -----Rupees-----	Market value of pledged shares	Number of shares pledged	Face value of shares pledged -----Rupees-----	Market value of pledged shares
Pledged against short-term financing and other facilities availed by the Company and its subsidiaries							
Standard Chartered Bank (Pakistan) Limited (note 4.1.2)	Dawood Hercules Corporation Limited (DHCL)	20,459,737	204,597	2,353,279	26,899,737	268,997	3,269,394
Bank AL Habib Limited (note 10.1)		10,200,000	102,000	1,173,204	10,200,000	102,000	1,239,708
MCB Bank Limited (note 10.2)		5,910,000	59,100	679,768	7,250,000	72,500	881,165
Pledged under Musharka Agreement entered into between RAPL and FBL							
Faysal Bank Limited (FBL)	Reon Alpha (Private) Limited (RAPL)	5,300,000	53,000	-*	5,300,000	53,000	-*
Pledged under Sponsor Share Agreement							
Citibank N.A.	Tenaga Generasi Limited	34,599,995	346,000	-*	34,599,995	346,000	-*

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

(Amounts in thousand)

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

4.2 Other investments

June 30, 2021	December 31, 2020		Unaudited June 30, 2021	Audited December 31, 2020
Units / Number of Shares		Name of Investee	-----Rupees-----	
		Listed securities		
200,000	200,000	National Investment (Unit) Trust	15,066	13,886
		Un-listed securities		
1,500	1,500	Asian Co-operative Society Limited	15	15
			<u>15,081</u>	<u>13,901</u>

5. LOANS TO SUBSIDIARIES - UNSECURED

Subordinated loans to subsidiary companies:

- Tenaga Generasi Limited (note 5.1)	437,000	437,000
- Reon Energy Limited (note 5.2)	300,000	300,000
- Abrax (Private) Limited	456	378
- Mozart (Private) Limited	424	344
- Greengo (Private) Limited	457	379
	<u>738,337</u>	<u>738,101</u>

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

In 2019, the Company had entered into another subordinated loan agreement with TGL for arranging finance upto a limit of Rs. 1,000,000. The term of the loan was initially for one year, however, on June 10, 2020, the tenure of the loan was extended for another one year. As at June 30, 2021, TGL has utilized Rs. 137,000 out of this Facility. Mark-up is calculated at the rate of three months KIBOR plus 2.5% per annum. Furthermore, subsequent to period end on July 13, 2021 the loan has been extended for another one year.

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

Unaudited June 30, 2021	Audited December 31, 2020
-----Rupees-----	

6. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES
- unsecured, considered good

This includes amount due from the following related parties:

- Sach International (Private) Limited	46,985	39,507
- Tenaga Generasi Limited	65,753	97,616
- Engro Fertilizers Limited	-	3,320
- Reon Energy Limited	701	-
- The Dawood Foundation	1,546	-
- Reon Alpha (Private) Limited	707	193
	<u>115,692</u>	<u>140,636</u>

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(Amounts in thousand)

Unaudited June 30, 2021	Audited December 31, 2020
-----Rupees-----	

7. INTEREST ACCRUED

This represents mark-up receivable from related parties as follows:

- Tenaga Generasi Limited	138,873	118,388
- Reon Energy Limited	7,114	4,613
- Reon Alpha (Private) Limited	33	30
- Mozart (Private) Limited	56	38
- Abrax (Private) Limited	61	42
- Greengo (Private) Limited	61	42
	<u>146,198</u>	<u>123,153</u>

8. CASH AND BANK BALANCES

Cash in hand	82	82
Balances with banks in:		
- current accounts	14,305	27,004
- deposit accounts (note 8.1)	31,321	2,627
	<u>45,626</u>	<u>29,631</u>
	<u>45,708</u>	<u>29,713</u>

8.1 This represent deposits with commercial banks and carry profit at the rate of 5.5% (December 31, 2020: 5.5%) per annum.

9. SHARE CAPITAL**Authorized capital**

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

Issued, subscribed and paid-up capital

June 30, 2021	December 31, 2020	Unaudited June 30, 2021	Audited December 31, 2020
-----Number of shares-----		-----Rupees-----	
2,204,002	2,204,002		
12,805,118	12,805,118		
44,048,739	44,048,739		
130,520	130,520		
111,430	111,430		
<u>59,299,809</u>	<u>59,299,809</u>	<u>592,998</u>	<u>592,998</u>

Ordinary shares of Rs. 10 each
full paid in cash

22,040 22,040

Issued for consideration other
than cash

128,051 128,051

Fully paid as bonus

440,487 440,487

Issued as right shares as per
the Court Order (note 9.3)

1,305 1,305

Issued as bonus shares
as per the Court Order
(note 9.3)

1,115 1,115

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(Amounts in thousand)

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

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

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

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

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

Unaudited June 30, 2021	Audited December 31, 2020
-----Rupees-----	

10. SHORT-TERM BORROWINGS

Running finance under mark-up arrangement (notes 10.1 & 10.2)	456,140	199,795
Money market loan (note 10.2)	-	500,000
	<u>456,140</u>	<u>699,795</u>

10.1 This denotes short-term running finance facility aggregating to Rs.1,500,000 (December 31, 2020: Rs 1,500,000) obtained under mark-up arrangement from a commercial banks. As at June 30, 2021, the Company has utilised the facility against running finance facility to the extent of Rs. 456,140 (December 31, 2020 Rs. 199,795) and has issued guarantees to the extent of Rs. 36,175 (December 31, 2020 Rs. 36,179). Furthermore, out of the aforementioned facility, the Company has negotiated sub-limits for financing the operations of REL amounting to Rs. 300,000. This facility is secured by way of a first pari passu mortgage charge on immovable property (including land and building), current assets, and pledge over the Company's investments in related party (note 4.1.1). Rate of mark-up applicable on this facility is one month KIBOR plus 100 basis points to there month KIBOR plus 90 basis point (December 31, 2020: three months KIBOR plus 90 basis points to three months KIBOR plus 100 basis points per annum). During the period, Rs. 500,000 facility has been extinguished and securities have been released.

10.2 This denotes money market loan obtained for three months from the running finance facility obtained under the mark-up arrangement from a commercial bank. This facility is secured by way of a first pari passu mortgage charge on immovable property (including land and building), current assets, and pledge over the Company's investments in related party. Rate of mark up applicable on this facility is three months KIBOR plus 100 basis points (as at December 31, 2020: three months KIBOR plus 100 basis points). The facility of the loan is six month. During the period, money market loan amounting to Rs 500 million from MCB have been converted into running finance facility.

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(Amounts in thousand)

11. CONTINGENCIES AND COMMITMENTS

- 11.1 There have been no material changes in contingencies and commitments as reported in the annual audited statements for the year ended December 31, 2020. except as follows:

On April 30, 2021 Sindh High Court (SHC) passed an order in respect of the petition filed by the Company relating to applicability of section 5A i.e. "Tax on undistributed profit" of the Income Tax Ordinance, 2001 and decided the case in favour of the Company. However, subsequent to the period end on July 01, 2021 Federal Board of revenue (FBR) has filed a constitutional appeal with Supreme Court of Pakistan (SCP) against the decision of SHC.

12. DIVIDEND INCOME

This represents first interim cash dividend of Rs. 4.5 per share pertaining to the year ending December 31, 2021 received from Dawood Hercules Corporation Limited, an associated Company.

Unaudited	
For the half year ended	
June 30, 2021	June 30, 2020
-----Rupees-----	

13. OTHER INCOME**Income from financial assets**

Profit on bank deposits / savings accounts
Mark-up charged to related parties

62	53
37,918	72,263
37,980	72,316

Income from non-financial assets and others

Gain on sale of fixed assets
Royalty income
Rental income
Agriculture income
Profit on financial assets at fair value through profit or loss
Liability written back
Miscellaneous income

-	189
4,631	5,905
8,517	12,936
3,218	3,705
1,180	-
687	-
6,591	6,258
24,824	28,993
62,804	101,309
(11,768)	(21,304)
51,036	80,005

Related to discontinued operations

(11,768)	(21,304)
51,036	80,005

14. TAXATION**Current**

For the period
For prior period (note 14.1)

50,628	26,028
-	4,987
50,628	31,015

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

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(Amounts in thousand)

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

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

	Quarter ended Unaudited		Half year ended Unaudited	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Continuing operations				
Profit for the period	298,785	113,378	294,337	111,684
Weighted average number of ordinary shares (in thousands)	59,300	59,297	59,300	59,295
Earnings per share	5.04	1.91	4.96	1.88
Discontinued operations				
Loss for the period	(11,029)	(2,677)	(17,817)	(5,676)
Weighted average number of ordinary shares (in thousands)	59,300	59,297	59,300	59,295
Loss per share	(0.19)	(0.05)	(0.30)	(0.10)

	Unaudited June 30, 2021	Unaudited June 30, 2020
16. CASH AND CASH EQUIVALENTS	-----Rupees-----	
Cash and bank balances (note 8)	45,708	190,175
Short-term borrowings (note 10)	(456,140)	(1,138,184)
	<u>(410,432)</u>	<u>(948,009)</u>

17. FAIR VALUE MEASUREMENT

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

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

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Company to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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(Amounts in thousand)

The Company held the following assets measured at fair values:

As at June 30, 2021				
Level 1	Level 2	Level 3	Total	
-----Rupees-----				
Non-current assets				
<i>Financial assets at fair value through profit or loss</i>				
- Long-term investments (investments in units of mutual funds)	-	15,066	-	15,066
<i>Financial assets at fair value through other comprehensive income</i>				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
	<u>-</u>	<u>15,066</u>	<u>15</u>	<u>15,081</u>
Audited				
As at December 31, 2020				
Level 1	Level 2	Level 3	Total	
-----Rupees-----				
Non-current assets				
<i>Financial assets at fair value through profit or loss</i>				
- Long-term investments (investments in units of mutual funds)	-	13,886	-	13,886
<i>Financial assets at fair value through other comprehensive income</i>				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
	<u>-</u>	<u>13,886</u>	<u>15</u>	<u>13,901</u>

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

18. SEGMENT REPORTING

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

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

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(Amounts in thousand)

18.1 Segment results

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

	Renewable energy		Textile - discontinued operations		Other operations		Total	
	June 30, 2021	2020	June 30, 2021	2020	June 30, 2021	2020	June 30, 2021	2020
	Rupees							
Revenue from contract with customers - net	-	-	1,442	1,706	-	-	1,442	1,706
At a point in time	-	-	-	-	-	-	-	-
Over time	-	1,962	-	-	-	-	-	1,962
Revenue from external customers	-	1,962	1,442	1,706	-	-	1,442	3,668
Cost of revenue	-	(9,546)	(1,527)	(4,158)	-	-	(1,527)	(13,704)
Segment gross loss	-	(7,584)	(85)	(2,452)	-	-	(85)	(10,036)
Dividend income	-	-	-	-	350,694	155,864	350,694	155,864
Selling and distribution expenses	-	(223)	(43)	(17)	-	-	(43)	(240)
Administrative expenses	(2,608)	(1,364)	(29,457)	(24,511)	(24,189)	(23,353)	(56,254)	(49,228)
Other expenses	-	-	-	-	-	(1,456)	-	(1,456)
Other income	-	-	11,768	21,304	51,036	80,005	62,804	101,309
Finance costs	-	-	-	-	(29,968)	(59,190)	(29,968)	(59,190)
Taxation	-	-	-	-	(50,628)	(31,015)	(50,628)	(31,015)
Segment (loss) / profit	(2,608)	(9,171)	(17,817)	(5,676)	296,945	120,855	276,520	106,008
	Unaudited June 30, 2021	Audited December 31, 2020	Unaudited June 30, 2021	Audited December 31, 2020	Unaudited June 30, 2021	Audited December 31, 2020	Unaudited June 30, 2021	Audited December 31, 2020
	Rupees							
Total segment assets	18,976	36,644	28,178	28,548	4,580,800	4,538,410	4,627,954	4,603,602
Total segment liabilities	-	2,562	4,236	5,937	794,283	834,640	798,519	843,139

19. RELATED PARTY TRANSACTIONS AND BALANCES

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

Relationship	Nature of transaction	Unaudited June 30, 2021	Unaudited June 30, 2020
-----Rupees-----			
a. Subsidiary companies			
Tenaga Generasi Limited (TGL)	Reimbursable expenses incurred by the Company on behalf of TGL	1,815	7,890
	Reimbursement of expenses - Payable	454	498
	Stand-by letter of credit cost reimbursement	24,078	34,714
	Interest on reimbursable expenses	3,099	6,120
	Interest on subordinated loans to TGL	20,593	32,313
Reon Energy Limited (REL)	Advance given against issue of right shares	-	300,000
	Reimbursable expenses incurred by REL on behalf of the Company	11,275	6,788
	Interest charged to REL on reimbursable expenses	81	96
	Short-term loan disbursed to REL	-	300,000
	Repayment of short-term loan by REL	-	300,000
	Interest on short-term loan to REL	-	12,290
	Interest on long-term loan to REL	13,992	21,451
	Reimbursable expenses incurred by the Company on behalf of REL	2,670	21,473
Mozart (Private) Limited (MPL)	Subordinated loan disbursed	80	3
	Interest on subordinated loan	17	20
Abrax (Private) Limited (APL)	Subordinated loan disbursed	78	-
	Interest on subordinated loan	19	22
Greengo (Private) Limited (GPL)	Subordinated loan disbursed	78	-
	Interest on subordinated loan	19	24
Reon Alpha (Private) Limited (RAPL)	Interest on reimbursement of expenses	16	23
	Reimbursable expenses incurred by the Company on behalf of RAPL	515	842

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(Amounts in thousand)

		Unaudited June 30, 2021	Unaudited June 30, 2020
Relationship	Nature of transaction	-----Rupees-----	
b. Associated companies			
Dawood Hercules Corporation Corporation Limited (DHCL)	Dividend income	350,694	155,864
	Reimbursable expenses incurred on behalf of the Company	528	1,354
Sach International (Private) Limited (SIL)	Reimbursable expenses incurred by the Company on behalf of SIL	169	145
	Royalty charged by the Company	4,631	5,905
	Rental income	330	330
	Penalty charged against overdue receivables	1,416	1,325
c. Key management personnel	Salaries and benefits	9,154	7,808
	Other retirement benefits	249	201
d. Directors	Directors' meeting fee	800	1,100

19.2 During the period, the Company, paid dividends to its directors / sponsors amounting to Rs. 34,367 (2020: Nil).

20. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

The Board of Directors in its meeting held on August 26, 2021 has approved an interim cash dividend of Rs. 2.35 (2020: cash dividend of Rs.4) per share amounting to Rs. 163,074 (2020: Rs. 237,199) for the half-year ended June 30, 2021. These unconsolidated condensed interim financial statements do not include the effect of this appropriation which will be accounted for in the unconsolidated condensed interim financial statements of the Company in the subsequent reporting period.

21. DATE OF AUTHORIZATION FOR ISSUE

These 26 Aug 2021 unconsolidated financial statements were authorized for issue on 26 Aug 2021 by the Board of Directors of the Company.

22. GENERAL

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

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Chief Executive Officer


Director


Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

(Amounts in thousand)

		Unaudited June 30, 2021	Audited December 31, 2020
Note		Rupees-----	
ASSETS			
Non-current assets			
	Property, plant and equipment	12,061,384	12,493,884
	Intangible assets	43,965	41,193
5	Long-term investments	11,489,756	10,909,397
	Long-term loans to employees	-	95
	Right-of-use assets	105,605	116,689
	Long-term deposits	2,778	2,778
		23,703,488	23,564,036
Current assets			
	Stores and spares	892	892
	Stock-in-trade	864,207	241,852
	Trade debts	3,401,648	2,896,123
	Loans and advances	340,787	55,330
	Deposits, prepayments and other receivables	1,281,697	1,075,134
	Accrued interest	801	7,369
	Contract assets	446,071	324,240
	Taxes recoverable	112,611	130,757
	Short-term investments	64,657	96,024
	Cash and bank balances	605,632	689,185
		7,119,003	5,516,906
TOTAL ASSETS			
		30,822,491	29,080,942
EQUITY AND LIABILITIES			
Equity			
6	Share capital	592,998	592,998
	Capital reserves	213,579	206,666
	Unappropriated profit	14,083,715	13,358,781
	Non-controlling interest	1,600,831	1,492,729
		16,491,123	15,651,174
Non-current liabilities			
	Long-term borrowings	7,179,525	7,802,777
	Deferred taxation	1,559,964	1,478,980
	Non-current portion of lease liabilities	104,233	109,778
	Deferred government grant	2,056	3,056
	Staff retirement benefits	69,834	60,575
		8,915,612	9,455,166
Current liabilities			
	Current portion of:		
	Long-term borrowings	1,347,530	1,304,685
	Deferred government grant	3,534	5,369
	Lease liabilities	22,130	29,355
	Trade and other payables	2,258,100	1,005,778
	Unpaid dividend	207,549	-
	Unclaimed dividend	69,997	70,307
	Provision	7,360	7,360
7	Short-term borrowings	779,128	992,745
	Contract liabilities	582,383	410,985
	Accrued mark-up	138,045	148,018
		5,415,756	3,974,602
8	Contingencies and Commitments		
TOTAL EQUITY AND LIABILITIES			
		30,822,491	29,080,942

The annexed notes from 1 to 15 form an integral part of this consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

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

		Quarter Ended		Half Year Ended	
		June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Note		-----Rupees-----			
CONTINUING OPERATIONS					
Revenue - net	9	3,141,091	1,567,945	4,554,299	2,764,004
Cost of revenue		(2,376,221)	(823,907)	(3,649,927)	(1,609,376)
Gross profit		764,870	744,038	904,372	1,154,628
Selling and distribution expenses		(85,622)	(50,092)	(171,219)	(128,611)
Other operating expenses		53,553	858	(35,022)	(4,972)
Administrative expenses		(189,023)	(80,148)	(192,465)	(151,809)
Other income		58,074	8,769	72,015	33,838
Operating profit		601,852	623,425	577,681	903,074
Finance costs		(139,897)	(207,232)	(272,619)	(418,098)
		461,955	416,192	305,062	484,976
Share of profit from investment in an associate		439,561	336,638	925,464	290,907
Profit before taxation		901,516	752,830	1,230,526	775,883
Taxation		(84,185)	(62,091)	(175,872)	(67,014)
Profit after taxation		817,331	690,740	1,054,654	708,869
DISCONTINUED OPERATIONS					
Loss from discontinued operations		(11,029)	(2,677)	(17,817)	(5,676)
Profit for the period		806,302	688,063	1,036,837	703,193
Earnings per share - Basic and diluted					
Continuing operations	10	11.62	9.68	15.96	9.28
Loss per share - Basic and diluted					
Discontinued operations	10	(0.19)	(0.05)	(0.30)	(0.10)
Profit attributable to:					
Owners of the Holding Company		678,200	571,138	928,735	544,513
Non controlling interest		128,102	116,925	108,102	158,680
		806,302	688,063	1,036,837	703,193

The annexed notes from 1 to 15 form an integral part of this consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER
COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

(Amounts in thousand)

	Quarter ended		Half year ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
	-----Rupees-----			
Profit for the period	806,302	688,063	1,036,837	703,193
Other comprehensive income				
Items that may be reclassified subsequently through profit or loss account				
Share of other comprehensive income of associate - net of tax	9,888	9,837	4,409	36,994
Total comprehensive income for the period	816,190	697,900	1,041,246	740,187
Total comprehensive income attributable to:				
- Continuing operations	827,219	700,577	1,059,063	745,863
- Discontinued operations	(11,029)	(2,677)	(17,817)	(5,676)
	816,190	697,900	1,041,246	740,187
Total comprehensive income attributable to:				
- Owners of the Holding Company	688,088	580,975	933,144	581,507
- Non-controlling interest	128,102	116,925	108,102	158,680
	816,190	697,900	1,041,246	740,187

The annexed notes from 1 to 15 form an integral part of this consolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2021

(Amounts in thousand)

Share capital	Capital reserves				Revenue Reserves		Non controlling interest	Total	
	Merger reserve	Share premium reserve	Capital reserve	Capital redemption reserve fund	Total	Unappropriated profit / (loss)			
-----Rupees-----									
Balance at January 01, 2020 (Audited)	590,578	10,521	136,865	33,311	25,969	206,666	12,094,910	1,210,800	14,102,954
Profit for the period	-	-	-	-	-	-	544,513	158,680	703,193
Other comprehensive income for the period	-	-	-	-	-	-	36,994	-	36,994
Total comprehensive income for the half year ended June 30, 2020	-	-	-	-	-	-	581,507	158,680	740,187
Issuance of ordinary shares	1,305	-	-	-	-	-	-	-	1,305
Issuance of bonus shares	1,115	-	-	-	-	-	(1,115)	-	-
Balance at June 30, 2020 (Unaudited)	592,998	10,521	136,865	33,311	25,969	206,666	12,675,302	1,369,480	14,844,446
Profit for the period	-	-	-	-	-	-	964,029	123,349	1,087,378
Other comprehensive income for the period	-	-	-	-	-	-	(42,971)	-	(42,971)
Total comprehensive income for the half year ended December 31, 2019	-	-	-	-	-	-	921,058	123,349	1,044,407
Acquisition of 40% of share capital of Grid Edge (Private) Limited	-	-	-	-	-	-	(380)	-	(380)
Transactions with owners									
First interim dividend for the year ended December 31, 2020 @ Rs. 4 per share	-	-	-	-	-	-	(237,199)	(100)	(237,299)
Balance at December 31, 2020 (Audited)	592,998	10,521	136,865	33,311	25,969	206,666	13,358,781	1,492,729	15,651,174
Profit for the period	-	-	-	-	-	-	928,735	108,102	1,036,836
Other comprehensive income for the period	-	-	-	-	-	-	3,749	-	3,749
Total comprehensive income for the half year ended June 30, 2021	-	-	-	-	-	-	932,483	108,102	1,040,585
Employee share option scheme	-	-	-	6,913	-	6,913	-	-	6,913
Transactions with owners									
First interim dividend for the year ended December 31, 2021 @ Rs. 4 per share	-	-	-	-	-	-	(207,549)	-	(207,549)
Balance at June 30, 2021 (Unaudited)	592,998	10,521	136,865	40,224	25,969	213,579	14,083,715	1,600,831	16,491,123

The annexed notes from 1 to 15 form an integral part of this consolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

(Amounts in thousand)

	Half Year Ended	
	June 30, 2021	June 30, 2020
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,212,709	770,207
Loss / (profit) before taxation attributable to discontinued operations	17,817	5,676
Profit before taxation from continued operations	1,230,526	775,883
Adjustments for non-cash and other items		
Depreciation	387,831	383,283
Amortization	3,974	1,281
Provision for gratuity	10,464	8,037
Provision / (reversal) for impairment for stock in trade	1,029	9,707
Provision for warranties	30,228	9,911
Provision for impairment against financial assets	30,009	4,344
Government grant recognized as income	(2,835)	-
Charge related to employee share options scheme	6,913	-
Profit on deposit	(4,869)	(9,998)
Interest income on short-term investments	(2,543)	(11,413)
(Gain) / loss on National Investment Trust unit	(1,180)	1,456
Finance costs	272,619	418,098
Gain on scrap sales	(36)	-
Share of profit from associate	(925,464)	(290,907)
	1,036,666	1,299,682
Working capital changes		
Decrease / (increase) in current assets		
Stock in trade	(621,857)	(43,227)
Trade debts	(535,534)	(161,240)
Contract assets	(121,831)	(129,933)
Loans and advances	(285,577)	(18,442)
Deposits, prepayments and other receivables	(206,563)	(175,135)
(Decrease) / increase in current liabilities		
Increase in contract liability	171,398	(15,788)
Trade and other payables	1,252,322	(412,437)
	(347,642)	(956,202)
Cash generated from operations	689,024	343,479
Gratuity paid	(1,205)	(9,118)
Long term loan	95	689
Finance costs paid	(274,862)	(432,325)
Taxes paid	(157,726)	(27,260)
Discontinued operations	(17,712)	3,248
Net cash generated from / (used in) in operating activities	237,614	(121,287)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(46,349)	(10,048)
Additions to capital work-in-progress	-	(6,027)
Purchase of intangible assets	(6,746)	(18,788)
Short-term investments redeemed	31,367	375,236
Interest received on deposits	78,583	38,894
Dividend received	350,694	-
Discontinued operations	-	192
Net cash generated from investing activities	407,549	379,459
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of dividend	-	(245)
Payment of lease liabilities	(23,918)	(23,918)
Repayment of loan	(624,706)	(552,136)
Proceeds from borrowings	133,525	62,909
	(515,099)	(513,390)
Net decrease in cash and cash equivalents	130,064	(255,218)
Cash and cash equivalents at beginning of the period	(303,560)	(389,320)
Cash and cash equivalents at end of the period	(173,496)	(644,538)
Cash and cash equivalents:		
Cash and bank balances	605,632	724,079
Short term borrowings	(779,128)	(1,368,616)
	(173,496)	(644,538)

The annexed notes from 1 to 15 form an integral part of this consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2021

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

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

The business units of the Holding Company include the following:

Business Units

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

Geographical Location

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

Factories of the Holding Company

BTM Factory

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

LWTM Factory

G.T Road Faqirabad, District Attock.

Regional offices of the subsidiary company

Solar Project Sales Office I

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

Solar Project Sales Office II

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

Solar and Wind Power Plant of the subsidiary companies

Solar Power Plant

Block II, District Tharparkar, Sindh.

Wind Farm

Khutinkun Area, Gharo, District Thatta Sindh.

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

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

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

	Period Ended	Percentage of direct holding	
		2020	2019
- Reon Energy Limited (note 1.4.1)		100%	100%
- Tenaga Generasi Limited (note 1.4.2)	June 30	75%	75%
- Mozart (Private) Limited (note 1.4.3)	June 30	100%	100%
	June 30		
- Abrax (Private) Limited (note 1.4.4)		100%	100%
- Greengo (Private) Limited (note 1.4.5)	June 30	100%	100%
- Reon Alpha (Private) Limited (note 1.4.6)	June 30	100%	100%

1.4.1 Reon Energy Limited

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

(Amounts in thousand)

1.4.2 Tenaga Generasi Limited

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

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

1.4.3 Mozart (Private) Limited

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

1.4.4 Abrax (Private) Limited

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

1.4.5 Greengo (Private) Limited

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

1.4.6 Reon Alpha (Private) Limited

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

1.5 Associated company

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

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

2. BASIS OF PREPARATION

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

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

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

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

(Amounts in thousand)

- 3.3 The preparation of this consolidated condensed interim financial information in conformity with the approved accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of accounting policies of the Group. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future years if the revision affects both current and future periods.

4. BASIS OF CONSOLIDATION

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

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

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

	Unaudited June 30, 2021	Audited December 31, 2020
	-----Rupees-----	
5. LONG TERM INVESTMENTS		
Share of investment in an associate (note 5.1)	11,474,623	10,895,496
Other investments	15,133	13,901
	11,489,756	10,909,397
5.1 Share of investment in an associate		
Associated company - quoted		
Dawood Hercules Corporation Limited		
Opening balance	10,895,496	10,364,454
Add: Share of profit after taxation	925,464	1,227,619
Share of other comprehensive income	4,409	4,810
Other equity transactions	-	-
	929,873	1,232,429
Less: Dividend received	(350,746)	(701,387)
	11,474,623	10,895,496

6. SHARE CAPITAL

6.1 Authorized capital

Unaudited June 30, 2021	Audited December 31, 2020		Unaudited June 30, 2021	Audited December 31, 2020
-----Number of shares-----			-----Rupees-----	
75,000,000	75,000,000	Ordinary shares of Rs. 10 each	750,000	750,000

6.2 Issued, subscribed and paid-up capital

Unaudited June 30, 2021	Audited December 31, 2020		Unaudited June 30, 2021	Audited December 31, 2020
-----Number of shares-----			-----Rupees-----	
2,204,002	2,204,002	Ordinary shares of Rs. 10 each full paid in cash	22,040	22,040
12,805,118	12,805,118	Issued for consideration other than cash	128,051	128,051
44,048,739	44,048,739	Fully paid as bonus shares	440,487	440,487
130,520	130,520	Issued as right issue as per the Court's order (Note 6.2.3)	1,305	1,305
111,430	111,430	Issued as bonus shares as per the Court's order (Note 6.2.3)	1,115	1,115
59,299,809	59,299,809		592,998	592,998

(Amounts in thousand)

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

6.2.2 During the period, the Holding Company paid dividends to the aforementioned Associated Companies amounting to Rs. 137,108 (2020: Rs. 156,694).

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

7. SHORT TERM BORROWING

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

8. CONTINGENCIES AND COMMITMENTS

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

Contingencies

8.1 The Holding Company

On April 30, 2021 Sindh High Court (SHC) passed an order in respect of the petition filed by the Holding Company relating to applicability of section 5A i.e. "Tax on undistributed profit" of the Income Tax Ordinance, 2001 and decided the case in favour of the Holding Company. However, subsequent to the period end on July 01, 2021 Federal Board of revenue (FBR) has filed a constitutional appeal with Supreme Court of Pakistan (SCP) against the decision of SHC.

8.2 Tenaga Generasi Limited

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

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

(Amounts in thousand)

	Unaudited For the half year ended June 30, 2021	Audited For the year ended December 31, 2020
	-----Rupees-----	
8.3 Commitments		
8.3.1 Reon Energy Limited		
Contingent liabilities - guarantees	736,955	579,324
Commitments in respect of:		
- Purchase orders	894,034	423,602
- Letter of credit	1,127,052	279,766
- Forward foreign exchange contracts	1,247,290	506,780
	<u>3,268,376</u>	<u>1,210,148</u>
8.3.2 Bank guarantees have been issued against mobilization advances from customers and performance of the goods and services rendered for a tenure varying from three months to three years.		
8.3.3 The Holding Company has provided a corporate guarantee amounting to Rs. 144,000 to Pak Oman Investment Company Limited to secure funded facility provided to Grid Edge (Private) Limited.		

	Unaudited For the half year ended June 30, 2021	June 30, 2020
	-----Rupees-----	
9. REVENUE - NET		
Renewable energy		
Project revenue (Solar)	3,287,169	1,163,010
Alternate Energy (Wind)	1,267,130	1,600,994
	<u>4,554,299</u>	<u>2,764,004</u>
Textile		
Fabric	1,442	1,706
	<u>4,555,741</u>	<u>2,765,710</u>
Related to discontinued operations	<u>(1,442)</u>	<u>(1,706)</u>
	<u>4,554,299</u>	<u>2,764,004</u>

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

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

	Unaudited	
	Quarter Ended	Half year ended
	June 30, 2021	June 30, 2020
Continuing operations		
Profit for the period (attributable to the owners of the Holding Company)	689,229	573,815
Weighted average number of ordinary shares (in thousand)	59,300	59,297
Earnings per share	11.62	9.68
Discontinued operations		
Loss for the period (attributable to the owners of the Holding Company)	(11,029)	(2,677)
Weighted average number of ordinary shares (in thousand)	59,300	59,297
Loss per share	(0.19)	(0.05)

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

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

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

11.2 Fair value hierarchy

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

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

(Amounts in thousand)

Non-current assets**Financial assets at fair value through profit or loss**

- Long-term investments (investments in units of mutual funds)

Financial assets at fair value through other comprehensive income

- Long-term investments (investments in unquoted equity shares)

Current liability**Financial liability at fair value through profit or loss**

- Derivative financial liability

As at June 30, 2021 (Unaudited)			
Level 1	Level 2	Level 3	Total
-----Rupees-----			
-	15,066	-	15,066
-	-	15	15
-	-	-	-
-	15,066	15	15,081
As at December 31, 2020 (Audited)			
Level 1	Level 2	Level 3	Total
-----Rupees-----			
-	13,886	-	13,886
-	-	15	15
-	9,200	-	9,200
-	23,086	15	23,101

Non-current assets**Financial assets at fair value through profit or loss**

- Long-term investments (investments in units of mutual funds)

Financial assets at fair value through other comprehensive income

- Long-term investments (investments in unquoted equity shares)

Current liability**Financial liability at fair value through profit or loss**

- Derivative financial liability

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

12 SEGMENT REPORTING

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

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

Segment analysis is as under:

	Renewable energy		Textile - discontinued operations		Alternate Energy		Unallocated		Total	
	-----Unaudited-----		-----Unaudited-----		-----Unaudited-----		-----Unaudited-----		-----Unaudited-----	
	June 30,	June 30,	June 30,	June 30,	June 30,	June 30,	June 30,	June 30,	June 30,	June 30,
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	-----Rupees-----									
Revenue from contract with customers - net	-	-	-	1,706	-	-	-	-	-	1,706
Timing of revenue recognition	-	-	-	-	-	-	-	-	-	-
- At a point in time	-	-	-	-	-	-	-	-	-	-
- Over time	3,287,169	1,163,010	-	-	1,267,130	1,600,994	-	-	4,554,299	2,764,004
	3,287,169	1,163,010	-	1,706	1,267,130	1,600,994	-	-	4,554,299	2,765,710
Cost of revenue	(3,082,113)	(1,042,074)	-	(4,158)	(567,814)	(567,302)	-	-	(3,649,927)	(1,613,534)
Segment gross profit / (loss)	205,056	120,936	-	(2,452)	699,316	1,033,692	-	-	904,372	1,152,176
Selling and distribution expenses	(171,219)	(128,611)	-	(17)	-	-	-	-	(171,219)	(128,628)
Administrative expenses	(122,165)	(92,506)	-	(24,511)	(43,327)	(35,849)	(26,973)	(23,454)	(192,465)	(176,320)
Other expenses	(33,557)	(3,515)	-	-	(1,465)	-	-	(1,457)	(35,022)	(4,972)
Other income	15,861	16,151	-	21,304	5,118	9,945	51,036	7,742	72,015	55,142
Finance cost	(16,845)	(26,258)	-	-	(225,752)	(332,673)	(30,022)	(59,167)	(272,619)	(418,098)
Share of profit from associate	-	-	-	-	-	-	925,464	290,907	925,464	290,907
Taxation	(37,544)	(15,743)	-	-	(1,484)	-	(136,844)	(51,271)	(175,672)	(67,014)
Segment net profit	(160,413)	(129,545)	-	(5,676)	432,406	675,115	782,661	163,299	1,054,654	703,193
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	-----Rupees-----									
Segment assets	2,750,800	2,273,276	28,178	28,548	15,475,792	15,770,790	12,567,722	11,008,328	30,822,492	29,080,942
Segment liabilities	3,457,250	1,880,670	4,236	5,937	8,515,637	9,231,063	2,354,246	2,312,098	14,331,369	13,429,768

(Amounts in thousand)

13 TRANSACTIONS WITH RELATED PARTIES

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

		Unaudited June 30, 2021	Unaudited June 30, 2020
Relationship	Nature of transaction	-----Rupees-----	
a. Associated companies			
Dawood Hercules Corporation Limited	Dividend income	350,694	155,864
	Reimbursable expenses by the Company incurred on behalf of the Company	528	12,400
	Reimbursable expenses to the Company	-	27
Sach International (Private) Limited	Reimbursable expenses incurred by the Company	169	145
	Royalty charged by the Company	4,631	5,905
	Penalty charged against overdue receivables	1,416	1,325
	Rental Income	330	330
The Dawood Foundation	Expenses incurred by the Company	8,637	14,681
	Project revenue	9,327	
Engro Energy Limited	Operations and maintenance expenses	175,455	181,456
	Project revenue	802	72,671
	Delayed Payment Interest	5,735	
	Extra work	8,485	7,651
Enfrashare (Private) Limited	Project revenue	436,676	413,793
International Finance Corporation	Borrowing cost charged to the Company	27,694	42,336
	Repayment of loan	166,808	152,429
	Supervision fee	1,934	2,237
	Accrued mark-up	28,058	43,032
b. Key management personnel			
	Salaries and benefits	38,177	28,391
	Retirement benefit	249	201
c. Directors			
	Meeting fees	1,450	1,600

14 NON-ADJUSTING EVENT AFTER STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors in its meeting held on August 26, 2021 has approved an interim cash dividend of Rs. 2.75 (2020: cash dividend of Rs.4) per share amounting to Rs. 163,074 (2020: Rs. 237,199) for the half-year ended June 30, 2021. These consolidated condensed interim financial statements do not include the effect of this appropriation which will be accounted for in the consolidated condensed interim financial statements of the Holding Company in the subsequent reporting period.

15 DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial statements were authorized for issue on August 26, 2021 by the Board of Directors of the Holding Company.



Chief Executive Officer



Director



Chief Financial Officer

حصہ نقدی، 1/3 حصہ PIBs اور بقیہ 1/3 حصہ سکوک بونڈز کی صورت میں ہوگا۔ ہوا سے بجلی پیدا کرنے والی آئی پی پیز نے ٹیرف میں کمی کی درخواست دینے کی کارروائی شروع نہیں کی ہے کیوں کہ وہ تاحال اپنے DFIs کی جانب سے منظوری کا انتظار کر رہے ہیں۔ اُدھر DFIs حکومت کے ساتھ بات چیت کر رہے ہیں اور اس سیکٹر کے آگے بڑھنے کے لئے، خصوصاً اس شعبے میں اصلاحات لانے کی غرض سے آئی ایم ایف کے ساتھ کئے جانے والے مذاکرات کے پیش نظر، وضاحت حاصل کرنے کی تگ و دو کر رہے ہیں۔

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

شاہد حمید پراچہ
چیرمین

مجتبیٰ حیدر خان
چیف ایگزیکٹو آفیسر

کراچی، 26 اگست، 2021

ذرائع کی جانب دیکھنے لگیں۔ ان ذرائع میں قابل تجدید توانائی ایک مسابقتی اور نمونہ پذیر انتخاب رہے گا۔ چنانچہ ایسے کاروباروں کے لئے ماحول انتہائی سازگار ہے کہ وہ لاگتوں میں کمی کی غرض سے اسٹیٹ بینک آف پاکستان کی جانب سے حالیہ طور پر پیش کی جانے والی رعایتی مالیاتی اسکیموں کی مدد سے شمسی توانائی پر منتقل ہو کر عالمی مارکیٹ میں اپنی قبولیت اور مسابقتی صلاحیت بہتر بنائیں۔

اسٹیٹ بینک آف پاکستان کی جانب سے پیش کی گئی TERF سہولت، جس کے تحت صنعتی سرگرمیوں کے لئے رعایتی قرضے دیئے گئے انتہائی مقبول ثابت ہوئی ہے اور اس سہولت کے تحت مختلف کاروباروں کو 435.7 ارب روپے کے نئے توسیعی قرضے دیئے گئے ہیں۔ اس سہولت کا نتیجہ صنعتوں میں توسیع کی صورت میں برآمد ہونے کا امکان ہے جو مجموعی طور سے، خصوصاً تجارتی اور صنعتی شعبوں میں توانائی کی طلب کے بڑھنے پر منتج ہوگا۔ اس کے علاوہ مستقبل قریب میں توانائی کے بیٹری انرجی اسٹوریج سسٹمز کی مقبولیت میں بیش بہا اضافے کا بھی قوی امکان دکھائی دیتا ہے۔ چنانچہ کمپنی کے سامنے ایسا شاندار موقع موجود ہے کہ صنعتوں میں توسیع اور ماحولیات میں تبدیلی کے اثرات پر قابو پانے کے سلسلے میں عالمی دباؤ کے نتیجے میں آنے والے برسوں میں شمسی توانائی اور اسٹوریج سسٹمز کی طلب میں بیش بہا اضافہ ہوگا۔ تاہم دنیا بھر میں شمسی توانائی اور توانائی ذخیرہ کرنے کی مصنوعات کی طلب بڑھ جانے کے نتیجے میں سپلائی چین میں تعطل پیدا ہو جانے کے بھی بہت سے امکانات ہیں۔

ہوا سے توانائی کا پروجیکٹ

ہوا سے توانائی کشید کرنے کا سیکٹر تاحال گردش قرضوں کے مضر اثرات کا شکار ہے اور حکومت کی جانب سے ادائیگیوں میں کافی کمی آئی ہے اور قابل وصولی ادائیگیاں 10 ماہ کی سطح پر رکی ہوئی ہیں۔

جھمپیر میں واقع پون چکیوں کا پلانٹ تاحال ادائیگیوں میں کمی کا سامنا کر رہا ہے کیوں کہ فی الوقت ترجیح کوئلے اور LNG پروجیکٹس کو دی جا رہی ہے جن کی ٹیرف ہوا سے کشید کردہ بجلی کے مقابلے میں کم ہے اور پون چکیوں کے ساتھ ساتھ انہیں بھی لازمی چلائے جانے کے قابل پلانٹس کا درجہ دیا گیا ہے۔ حالیہ طور پر TGL کوئی زیادہ متاثر نہیں ہو رہی کیوں کہ بجلی کے الیکٹرک کو مہیا کی جا رہی ہے۔ تاہم اب اس بات کے اشارے ملے ہیں کہ بجلی کی کشید تجارتی بنیادوں پر کی جائے گی اور کم ٹیرف والے پلانٹس کو ترجیح دی جائے گی۔

چھ ماہ کی زیر جائزہ مدت کے دوران حکومت نے توانائی کی لاگت میں کمی کے اپنے ٹارگٹ پورے کرنے میں انتہائی سرگرمی دکھائی ہے۔ اس مقصد کے لئے زیادہ زور تھرمل پلانٹس کے لئے لکسیٹھی پیمنٹ چارجز کے خاتمے/کمی اور تمام پاور پلانٹس کے قابل اطلاق ٹیرف میں کمی کرنے پر دیا گیا ہے۔ اس مقصد کے لئے تشکیل کردہ مذاکراتی کمیٹی نے ہوا سے بجلی پیدا کرنے والے آئی پی پیز سے گفتگو شروع کی ہے جس کا مرکزی نقطہ انشورنس کی لاگت کو حقیقی بنانے کے ساتھ ROE اور O&M لاگتوں میں کمی لانا ہے۔ قرضوں کی ری اسٹرکچرنگ حالیہ طور سے بہترین کاوشوں کی بنیاد پر ہے۔ طویل مذاکرات کے بعد مختلف آئی پی پیز نے اس شرط کے ساتھ معاہدوں کے مسودے تیار کئے ہیں کہ انہیں مالیات فراہم کرنے والوں اور آئی پی پیز کے بورڈ آف ڈائریکٹرز کی جانب سے منظوری حاصل کرنے کے بعد حتمی شکل دی جائے گی۔ چھ ماہ کے وقفے سے دو ادائیگیوں پر مبنی ری پیمنٹ مکینزم پر بھی اتفاق کیا گیا ہے۔ ان میں سے ہر ادائیگی کا 1/3

80,005	51,036
142,699	344,965
(5,676)	(17,817)
(31,015)	(50,628)
106,008	276,520
2,708,349	2,813,242
2,813,242	3,029,771
1.78	4.66

دیگر آمدنی

جاری آپریشنز سے حاصل شدہ قبل از ٹیکس منافع

منقطع آپریشنز سے حاصل شدہ نقصان

ٹیکسیشن

منافع بعد از ٹیکس

گزشتہ حسابات سے موصولہ غیر مختص منافع

آئندہ حسابات کو منتقلہ غیر مختص منافع

آمدن فی حصص - بنیادی اور مجموعی

30 جون 2021 کو ختم ہونے والے نصف سال کے دوران ہماری ایسوسی ایٹ، ڈاؤد ہرکولیس کارپوریشن لمیٹڈ کی ڈیویڈنڈ آمدنی 350.69 ملین روپے رہی جو گزشتہ برس یعنی 30 جون 2020 کو ختم ہونے والے نصف سال کے دوران 155.86 ملین روپے رہی تھی۔

زیر جائزہ مدت کے دوران حاصل ہونے والی مجموعی آمدنی 4,554 ملین روپے تھی جو گزشتہ برس کی قابل موازنہ مدت کے دوران 2,764 ملین روپے رہی تھی۔ آمدنی میں اضافے کی بڑی وجہ سٹیشی توانائی کے پروجیکٹس سے ہونے والی 2,124 ملین روپے کی آمدنی تھی۔ ایسوسی ایٹ کمپنی کے منافع میں 925 ملین روپے کا اپنا حصہ (جو 30 جون 2020 تک کی مدت کے دوران 291 ملین روپے رہا تھا) شامل کرنے کے بعد، ختم ہونے والے نصف سال کا بعد از ٹیکس مجموعی منافع 1,037 ملین روپے حاصل ہوا جو گزشتہ برس کی اسی مدت کے دوران 703 ملین روپے رہا تھا۔ ہولڈنگ کمپنی کے ماکان سے منسوب فی حصص مجموعی آمدنی 15.66 روپے حاصل ہوئی جب کہ گزشتہ برس کی اسی مدت کے دوران فی حصص مجموعی آمدنی 9.18 روپے رہی تھی۔

مستقبل کا خاکہ

قابل تجدید توانائی کا کاروبار

ماحولیات میں تبدیلی کی رفتار کو دیکھتے ہوئے کہا جاسکتا ہے کہ جو صنعتیں اپنے آپ کو قابل تجدید توانائی کو کام میں لانے کی جانب راغب ہوں گی، عالمی سطح پر وہی صنعتیں مسابقت کر سکیں گی۔ امکان ہے کہ آئندہ مستقبل میں یہی بات نہ صرف نرم دباؤ کے لئے استعمال کی جائے گی بلکہ بین الاقوامی تجارت اور اقتصادی تعلقات کی بھی بنیاد قابل تجدید توانائی ثابت ہوگی اور ممکنہ طور پر کسی بھی ملک کی برآمدی کارکردگی پر اثر انداز بھی ہوگی۔ مزید برآں، اندازہ لگایا گیا ہے کہ قابل تجدید توانائی کی ٹیکنالوجی کی لاگتوں میں کمی کا رجحان آئندہ پانچ سے دس برسوں تک قائم رہے گا جو قابل تجدید توانائی کے مقدمہ کو مضبوط تر بناتا ہے۔

بین الاقوامی مالیاتی فنڈ سے کئے گئے وعدے کی تکمیل کی غرض سے حکومت نے گزشتہ قرضوں پر قابو پانے کے پلان (CDMP) کے حصے کے طور پر توانائی کی قیمتوں میں اضافے کا اعلان کیا ہے۔ یہ اور گیس کی قلت اور پاور پلانٹس کو سپلائی میں تعطل کے سبب امکانات ہیں کہ کمرشل اور صنعتی صارفین توانائی کے متبادل

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

ہوا سے توانائی کے پروجیکٹ

پلانٹ تسلی بخش طریقے سے کام کر رہا ہے اور دستیابی اور BOP نقصانات کے ضمن میں متوقع ٹارگٹس پورے کر رہا ہے۔ اس مدت کے دوران BOP نقصانات 2.5% کے متوقع ٹارگٹ کے مقابلے میں 1.35% رہی جب کہ دستیابی 98.0% کے ٹارگٹس کے مقابلے میں 98.96% رہی۔ صحت، تحفظ اور ماحولیات (HSE) ہماری ترجیح رہی اور کو وڈ 19 کی آمد کے بعد سے 471,195 محفوظ گھنٹے کام ہوا ہے جس دوران زخمی ہونے اور TRIP کی شرح صفر رہی۔ یہ پلانٹ 1,737 دن سے کسی حادثے کے بغیر محفوظ طریقے سے کام کر رہا ہے۔

Dawood HydroChina اور Zephyr کے ساتھ مل کر یہ پلانٹ اب کے الیکٹرک کو بجلی فراہم کر رہا ہے۔ اس انتظام سے آپریشنز میں استحکام آیا ہے اور بجلی جانے کے وقفوں اور بجلی کی مقدار میں کمی میں کافی کمی واقع ہوئی ہے۔ سال 2021 کی دوسری سہ ماہی میں مجموعی 0.06 GWh، NPMV رہی جو سال 2020 کی دوسری سہ ماہی میں 0.06 GWh رہی تھی۔ حالیہ سہ ماہی کے دوران توانائی کی وہ مقدار جس کا بل پیش کیا گیا (38.62 GWh)، P90 لیول (45.09 GWh) سے کم تر ہے۔ تاہم 30 جون 2021 کو اختتام کو پہنچنے والے نصف سال کے اعداد و شمار پہلی سہ ماہی کی بہ نسبت دوسری سہ ماہی میں بہتری کی نوید دیتے ہیں۔ پلانٹ کو پہلی سہ ماہی کے دوران ہوا غیر معمولی طور سے کم ملی جس میں دوسری سہ ماہی میں کچھ بہتری آئی ہے۔ ہوا چلنے کی صورت حال میں جون کے مہینے میں بہتری آئی اور توقع ہے کہ یہ چلن تیسری سہ ماہی میں بھی جاری رہے گا۔ توانائی کی پیداوار جولائی کے مہینے میں P75 سطح پر تھی۔ توقع کی جاتی ہے کہ NPMV کے واقعات 2021 کے دوران کم سے کم رہے گی۔

مالیاتی صورت حال

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

نصف سال ختمہ 30 جون 2021	نصف سال ختمہ 30 جون 2020
روپے ہزاروں میں	روپے ہزاروں میں
.....	1,962
.....	(9,546)
.....	(7,584)

آمدنی..... خالص

لاگت آمدنی

مجموعی منافع

داؤڈلارنس پور لمیٹڈ

ڈائریکٹرز کی جائزہ رپورٹ

برائے اختتام نصف سال 30 جون 2021

کمپنی کے ڈائریکٹرز کی مسرت کے ساتھ 30 جون 2021 کو ختم ہونے والی نصف سال کیلئے اپنی رپورٹ کمپنی کے عبوری غیر آڈٹ شدہ غیر انضمامی مختصر عبوری مالیاتی حسابات اور گروپ کے غیر آڈٹ شدہ انضمامی مختصر عبوری مالیاتی حسابات پیش کرتے ہیں۔

کاروباری جائزہ

قابل تجدید توانائی کا کاروبار

Reon کی ترقی 2021 میں بھی جاری رہی اور کمپنی نے جاری مالی سال کے پہلے نصف حصے میں بلند ترین آمدنی ریکارڈ کی۔ 2020 میں کئے جانے والے بیوپار کے نتیجے میں زیر جائزہ مدت کے دوران کمپنی کی آمدنی نے 03 ارب روپے کا ہدف عبور کیا۔ تاہم کمپنی نے 54MW کے نئے EPC معاہدوں پر دستخط کئے ہیں جن کی اکثریت سیمنٹ اور ٹیکسٹائل سیکٹر سے ہے۔ اس مدت کے دوران ہونے والے دیگر اہم واقعات میں 228 ٹیلی کام سائٹوں کے کلیدی معاہدوں پر دستخط کے علاوہ قطر میں واقع لُسل بس ڈپو کے لئے 5.3 میگا واٹ سولر سسٹم کے ڈیزائن اور تعمیر کی غرض سے اپنے پہلے انٹرنیشنل معاہدے پر بھی دستخط کیا جانا شامل ہیں۔ ہم سمجھتے ہیں کہ اپنی مارکیٹ میں متفرق ہونے کی حکمت عملی کے طور پر ہم اپنے انٹرنیشنل پورٹ فولیو میں اضافہ کرتے رہیں گے کیوں کہ بیرون ملک کام کرنے سے منسلک خطرات اور فوائد سے بیش بہا تجربہ حاصل ہوتا ہے۔ REON نے C&I سیگمنٹ کے لئے ایک نئی پروڈکٹ ”بیٹری انرجی اسٹوریج سسٹم (BESS)“ متعارف کروائی ہے اور گیٹرون انڈسٹریز کے ساتھ 2.7MWh گنجائش والے BESS سولیوشن کے ساتھ روف ٹاپ سولر سولیوشن کی فراہمی کا پہلا معاہدہ بھی کیا ہے۔ یہ BESS سولیوشن مقامی گرڈ کو ایمرجنسی صورت حال میں سستی بجلی فراہم کرتا ہے اور گاہکوں کی مشینری کو وولٹیج کی سپلائی میں استحکام لاتا ہے۔ گرڈ میں قابل تجدید توانائی کے طور پر BESS کی طلب میں اضافہ ہوگا لہذا یہ Reon Energy کے لئے ایک بہت اچھا موقع ہے۔

گزشتہ چھ ماہ کے دوران کمپنی نے بیسٹ وے سیمنٹ کے چار میں سے پہلا پلانٹ شروع کیا ہے۔ یہ کمپنی کی جانب سے کی جانے والی اب تک کی سب سے بڑی ڈیل ہے۔ 29 میگا واٹ کی مجموعی گنجائش والے ایسے دو مزید پلانٹ تکمیل کی جانب تیزی سے گامزن ہیں جبکہ چوتھے پروجیکٹ پر کام سال کی آخری سہ ماہی میں شروع ہو جائے گا۔

عالمی وباء کے خطرے کے باعث وسیع تر اقتصادی منظر نامہ متاثر حال غیر یقینی کا شکار ہے۔ وباء کے سبب عالمی سپلائی چین بھی متاثر ہوئی جس کے نتیجے میں پی پی وی بینل اور چپ کی قلت پیدا ہوئی اور سوز کینال کی بندش جیسے دیگر واقعات کے باعث مال پہنچانے میں تاخیر ہوئی اور لاگتوں میں بھی اضافہ ہوا۔ اس پر ہمارا رد عمل ظاہر ہونے والی تبدیلیوں پر نظر رکھنا، ان کے مطابق خود کو ڈھالنا اور کمپنی کی توجہ اپنے ملازمین اور اسٹیک ہولڈروں کے تحفظ کو یقینی بناتے ہوئے اپنے گاہکوں کو قدر کی فراہمی پر مرکوز رکھنا تھا۔

PHYSICAL SHAREHOLDERS

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

Dear Shareholder,

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

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

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

CDS SHAREHOLDERS

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

Dear Shareholder,

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

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

ELECTRONIC TRANSMISSION CONSENT FORM

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

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

Electronic Transmission Consent Form

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

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

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

Dear Shareholder,

**REQUEST FORM FOR HARD COPY OF
ANNUAL AUDITED ACCOUNTS**

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

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

Date: _____

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

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

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

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

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

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



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

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

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