

Half Yearly Report June 2024



Dawood
Lawrencepur
Limited

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COMPANY INFORMATION

Board of Directors

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

Board Audit Committee

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

Human Resource and Remuneration Committee

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

Chief Financial Officer

Ms. Nazia Hasan

Company Secretary

Mr. Imran Chagani

Head of Internal Audit

Mr. Amjad Ali

Auditors

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

Bankers

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

Legal Advisor

Zia Law Associates I7,
Second Floor, Shah Chiragh Chambers
The Mall, Lahore

Share Registrar

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

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Dawood Lawrencepur Limited

DAWOOD LAWRENCEPUR LIMITED DIRECTORS' REVIEW REPORT FOR THE QUARTER ENDED JUNE 30, 2024

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

MACROECONOMIC AND BUSINESS REVIEW

Since the start of the year, the Government of Pakistan has focused on structural economic reforms, prioritizing revenue generation through deregulation, privatization, and increased taxation. This has been especially evidenced by the Federal Budget's tax hikes across various industries and sectors, as well as various high-stakes privatization initiatives, including of Pakistan International Airlines (PIA). These reforms aim to strengthen the economy in the medium-to-long term but have resulted in significant short-term challenges, including reduced disposable incomes and increased energy costs which have particularly affected the salaried class and energy-dependent industries of the country. These movements come alongside a gradual decline in Consumer Price Inflation (CPI) to a 33-month low of 11.1% which has led to two consecutive interest rate cuts by the State Bank of Pakistan (SBP), signaling potential economic recovery. Further policy rate cuts are anticipated later in the year, especially if the Pakistani Rupee remains stable and the U.S. Federal Reserve begins its own rate cuts.

Solar Energy Business

Reon Energy Limited (REL) experienced a moderate start in the year 2024. During the year, the total order intake amounted to 52 MWs with an approximate value of PKR 3 billion; these orders signify a promising journey for the company's operations this year. Furthermore, the company is actively engaged in negotiations with leading conglomerates which hold great potential for securing significant business opportunities and establishing strategic partnerships.

The Telco segment continued to witness strong growth in terms of margins and delivered sites in addition to expanding the portfolio of product offerings, gaining 750 sites' orders with an approximate value of PKR 1.4 billion. Deliveries under the project are expected to start from Q3 2024. This degree of order intake signifies the trust of customers in REL as a leading choice and partner for energy solutions.

Wind Energy Project

The Plant is operating satisfactorily and meeting expected targets for Availability and Balance of Plant (BOP) Loss. The BOP Loss and auxiliary consumption for the reporting quarter was 1.28% against a target of 4.6%, while Availability was 99.15 % against a target of 97.0%. Health Safety and Environment



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(HSE) remained a priority and 673,625 safe man-hours have been clocked since COD with zero injury rate and TRIR. The plant has been operating safely without injury for 2,821 days.

There was significant curtailment in the first half of the year along with substantially lower wind speeds than anticipated. The curtailment NPMV for the reporting period was 14.15 GWh with an energy loss of 8.04 GWh. The total energy billed during the reporting quarter (55.08 GWh) is lower than the P90 level (70.45 GWh) and the budget (67.28 GWh).

FINANCIAL HIGHLIGHTS

The unconsolidated financial highlights of the Company are as under:

	Half Year ended June 30, 2024	Half Year ended June 30, 2023
	Rupees in thousands	
Dividend Income	483,462	1,188,862
Other income	368,226	100,536
Profit before income tax and final tax - continued operations	694,110	982,125
Loss from discontinued operations	(7,998)	(23,250)
Taxation	(129,617)	(365,220)
Profit after taxation	542,918	611,934
Unappropriated profit brought forward	3,461,234	2,543,935
Unappropriated profit carried forward	3,996,154	3,461,234
Earnings per share - basic & diluted (Rupees) - continued operations	9.16	10.32

On a standalone basis, the Company has received dividends amounting to PKR 483.46 million from its investment in listed securities and mutual funds. Unrealized gain on investments in the equity portfolio amounted to PKR 237.5 million.

The earnings per share for the period amounted to PKR 9.16 against earnings per share of PKR 10.32 for the same period last year.

The consolidated revenue of the Group from continued operations was PKR 36.01 million compared to PKR 31.6 million for the same period last year.

The consolidated gross profit of the Group from continuing operations for the period was PKR 17.90 million against PKR 16.30 million in the last period.

The share of profit from associated company was PKR 630.08 million, registering an increase of PKR 343.31 million in comparison to the previous year.

After accounting for a tax charge of PKR 245.70 million, the profit after tax from continuing operations stood at PKR 620.80 million, an increase of PKR 849.20 million over June 2023.



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Loss from discontinued operations and disposal group stood at PKR 414.7 million compared to a gain of PKR 373.06 million during the same period last year. The bulk of the decrease is attributed to a loss recognized on re-measurement of assets of disposal group amounting to PKR 1,932.16 million.

FUTURE OUTLOOK

Despite gradual progress on the macroeconomic front and increases in energy tariffs, circular debt in the energy sector persists, largely due to rising generation costs and structural issues within the sector. Although the Government has prioritized reforms, progress on this front has been slow. In summary, while there are early signs of economic revival, serious efforts are needed to stabilize the economy, address imbalances, and promote inclusive and sustainable growth. Continued commitment to reforms and prudent macroeconomic management are crucial for sustaining economic recovery and achieving long-term development objectives.

Solar Energy Business

Reon Energy is poised for a dynamic future, underscored by its ambitious growth targets and innovative service expansions. Having already deployed 410 MW of energy solutions, the company is on track to reach 480 MW by year-end, reflecting a robust growth trajectory. In its energy storage segment, Reon aims to increase its Reflex deployments from the current level of roughly around 13 MWh to 30 MWh, demonstrating a commitment to enhancing energy storage capabilities. In the telecom sector, Reon has sold SPARK licenses for over 4,350 sites and is targeting an additional 4,650 sites this year, showcasing a strong market presence and expansion strategy. The company is also focusing on solarizing telecom infrastructure with a goal of equipping 4,300 sites with solar power. Furthermore, Reon has diversified its portfolio by introducing consultancy services aimed at helping companies capitalize on global environmental initiatives such as International Renewable Energy Certificates (I-RECs). With plans to support a 100 MW portfolio in the I-RECs market, Reon is setting itself up as a leader in sustainable energy solutions and environmental compliance.

Wind Energy Project

One of the most pressing challenges affecting shareholder returns in the IPP realm is persistent circular debt. This ongoing issue has historically hindered our ability to generate significant payouts for shareholders. Recent increases in energy tariffs have resulted in better payments and some cash flow for shareholders; the company has been able to pay a dividend of PKR 1.4 billion in the month of July 2024.

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

The Company had previously disclosed the sale transactions of REL and TGL which had long-stop dates of 31st August 2024 and 6th September 2024 respectively. We are committed to managing these negotiations in the best interests of our shareholders. In the interim, the Company is deploying its surplus funds into short- and medium-term investments in capital markets.



Dawood Lawrencepur Limited

Acknowledgement

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

MOHAMMAD SHAMOON CHAUDRY
Chief Executive Officer

RUHAIL MUHAMMAD
Director

Karachi
Dated: August 28, 2024

مورخہ 30 جون 2024 کو اختتام پذیر ہونے والی مدت کے لئے اپنی رپورٹ معداؤد لانس پور لمیٹڈ ("کمپنی") کے غیر آڈٹ شدہ عبوری، غیر انضمام وغیرہ آڈٹ شدہ، مجموعی مالی حسابات کا خلاصہ اور گروپ کے عبوری، غیر آڈٹ شدہ، مجموعی مالی حسابات پیش کرتے ہوئے ڈائریکٹرز انتہائی مسرت محسوس کر رہے ہیں۔

میکرو اکنامک اور کاروباری جائزہ

سال کے آغاز سے ہی حکومت پاکستان نے اپنی توجہ ساختی اقتصادی اصلاحات، پرائیویٹائزیشن اور ٹیکسوں کے ذریعے آمدنی بڑھانے کو ترجیح بنانے پر مرکوز کر رکھی ہے۔ وفاقی بجٹ میں حکومت کی جانب سے متعدد صنعتوں اور سیکٹروں پر عائد ٹیکسوں کی شرح بڑھانے کے ساتھ ساتھ پاکستان انٹرنیشنل ائیر لائن (پی آئی اے) سمیت دیگر اہم اداروں کی منج کاری کے اقدامات سے خاص طور سے ظاہر ہے۔ ان اصلاحات کا مقصد وسط سے طویل مدت میں ملکی معیشت کو مضبوط کرنا ہے لیکن ان کے نتیجے میں قلیل مدت میں کئی ایک چیلنج سامنے آئے ہیں جن میں قابل خرچ آمدنیوں میں کمی اور توانائی کی قیمتوں میں اضافہ شامل ہیں جنہوں نے نتخواہ دار طبقے اور بجلی پر انحصار کرنے والی ملکی صنعتوں کو بری طرح متاثر کیا ہے۔ ان اقدامات کے نتیجے میں کنزیومر پرائس انفلیشن (CPI) میں مرحلہ وار کمی واقع ہوئی جو 33 ماہ کی کم ترین سطح یعنی 11.1% ہوئی لہذا اسٹیٹ بینک آف پاکستان نے مسلسل دومرتبہ شرح سود میں کمی کر کے معیشت کی ممکنہ بحالی کا اشارہ دیا۔ سال کے بقیہ حصے میں پالیسی ریٹ میں مزید کمی کی توقع ہے خصوصاً اگر پاکستانی روپے کی قدر مستحکم رہے اور یو ایس فیڈرل ریزرو ڈالر کی قدر میں بہ ذات خود کمی کرے۔

شمسی توانائی کا کاروبار

سال 2024 میں ریون انرجی لمیٹڈ (REL) کو معتدل آغاز کا تجربہ ہوا۔ سال کے دوران ملنے والے آرڈرز کا حجم 52MWs رہا جس کی مالیت تقریباً 3 بلین روپے بنتی ہے۔ یہ آرڈرز دراصل رواں سال کے دوران کمپنی کے کامیاب سفر کو اجاگر کرتے ہیں۔ مزید یہ کہ کمپنی بڑے کاروباری اداروں کے ساتھ گفت و شنید میں مصروف ہے جو شان دار کاروباری مواقع حاصل کرنے اور اہم شراکت داریاں قائم کرنے کے بہترین امکانات کے مظہر ہیں۔

کمپنی کے حصے Telco نے بھی بچتوں کے ضمن میں مستحکم بڑھوتی دکھائی اور مصنوعات پیش کرنے کے پورٹ فولیو میں توسیع کے ساتھ ساتھ مزید سائٹیں حوالے کیں، اس کے پاس 750 سائٹوں کے آرڈرز ہیں جن کی مالیت لگ بھگ 1.4 بلین روپے بنتی ہے۔ اس پروجیکٹ کے تحت سائٹوں کی سپردگی 2024 کی تیسری سہ ماہی میں شروع ہو جانے کی توقع ہے۔ اس بڑی تعداد میں آرڈرز کا ملنا REL پر گاہکوں کے اعتماد و بھروسے کو ظاہر کرتا ہے اور ثابت کرتا ہے کہ ریون توانائی کے مسائل کے حل کے لئے بہترین انتخاب ہے۔

پون بجلی (ہوا سے بجلی) کے پروجیکٹ

پلانٹ تسلی بخش طور سے کام کر رہا ہے اور دستیابی اور بیلنس آف پلانٹ (بی او پی) نقصان کے متوقع اہداف پورے کر رہا ہے۔ زیر جائزہ سہ ماہی کے لئے بی او پی خسارہ اور ضمنی استعمال 4.6% کے مقررہ ٹارگٹ کے مقابلے میں 1.28% رہا جبکہ 97.0% کے متوقع ٹارگٹ کے برخلاف دستیابی 99.15% رہی۔ صحت، تحفظ اور ماحول (HSE) ترجیح رہے اور COD کے بعد 673,625 محفوظ انسانی گھنٹے حاصل ہوئے اور TRIR اور زخمی ہونے کی شرح صفر رہی۔ مذکورہ پلانٹ 2,821 دن سے کسی کے زخمی ہوئے بغیر محفوظ طریقے سے کام کر رہا ہے۔

سال کے پہلے نصف حصے میں اچھی خاصی تخفیف ہوئی کیوں کہ ہوا کی رفتار توقع سے کافی کم رہی۔ زیر جائزہ مدت کے دوران تخفیف شدہ NPMV کی مقدار 14.15GWh تھی اور توانائی کے نقصان کا حجم 8.04GWh تھا۔ زیر جائزہ مدت کے دوران فروخت کی جانے والی بجلی کا حجم 55.08GWh (P90) لیول (70.45GWh) اور بجٹ (67.28GWh) سے کم ہے۔

مالیاتی صورت حال

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

ششماہی مدت اختتامیہ 30 جون 2023	ششماہی مدت اختتامیہ 30 جون 2024
روپے ہزاروں میں	روپے ہزاروں میں
1,188,862	483,462
100,536	368,226
982,125	694,110
(23,250)	(7,998)
(365,220)	(129,617)
611,934	542,918
2,543,935	3,461,234
3,461,234	3,996,154
10.32	9.16

منافع مقسمہ کی آمدنی

دیگر آمدنی

جاری آپریشنز سے حاصل قبل انکم ٹیکس اور حتمی ٹیکس

منقطع آپریشنز سے حاصل شدہ نقصان

محصولات

نفع بعد از محصولات

گذشتہ حسابات سے موصولہ غیر مختص منافع (brought forward)

آئندہ حسابات کو منتقلہ غیر مختص منافع (carried forward)

آمدن فی حصص - بنیادی اور مجموعی

انفرادی طور پر لسٹڈ سیکورٹیز اور میوچل فنڈز میں سرمایہ کاری پر کمپنی کو 483.46 ملین روپے کا منافع منقسمہ موصول ہوا ہے۔ ایکویٹی پورٹ فولیو میں سرمایہ کاری سے غیر حاصل شدہ نفع کا حجم 237.5 ملین روپے رہا۔

زیر جائزہ مدت کے دوران فی شیئر کمائی 9.16 روپے رہی جبکہ گزشتہ برس کی اسی مدت کے دوران فی شیئر کمائی 10.32 روپے رہی تھی۔

جاری کاروباروں سے گروپ کو حاصل ہونے والی مجموعی آمدنی 36.01 ملین روپے رہی جو گزشتہ برس کی اسی مدت کے دوران 31.6 ملین روپے رہی تھی۔

زیر جائزہ مدت کے دوران جاری آپریشنوں سے گروپ کو 17.90 ملین روپے کا خام منافع ہوا جو گزشتہ سال کی اسی مدت کے دوران 16.30 ملین روپے رہا تھا۔

ایسوسی ایٹ کمپنی کے منافع میں حصہ 630.08 ملین روپے تھا جو گزشتہ سال کی اسی مدت کے دوران حاصل ہونے والے منافع سے 343.31 ملین روپے زیادہ تھا۔

245.70 ملین روپے کے ٹیکس کی ادائیگی کے بعد جاری آپریشنوں سے ہونے والے منافع کا حجم 620.80 ملین روپے رہا جو جون 2023 میں ہونے والے منافع سے 849.20 ملین روپے زیادہ تھا۔

منقطع کئے گئے آپریشنوں اور ڈسپوزل گروپ سے ہونے والا خسارہ 414.7 ملین روپے تھا جبکہ گزشتہ برس کی اسی مدت کے دوران 373.06 ملین روپے کا نفع حاصل ہوا تھا۔ منافع میں کمی کی بڑی وجہ ڈسپوزل گروپ کے اثاثوں کی از سر نو پیمائش کے سبب ہونے والا خسارہ تھا جس کا حجم 1,932.16 ملین روپے تھا۔

مستقبل کا خاکہ

میکرو اکنامک صورتحال میں مرحلہ وار بہتری اور توانائی کی قیمتوں میں اضافے کے باوجود توانائی سیکٹر میں سرکلر ڈیٹ کا مسئلہ بدستور موجود ہے جس کی بڑی وجہ پیداواری لاگت کا بڑھنا اور اس سیکٹر کے

ڈھانچے کی خرابیاں ہیں۔ اگرچہ اصلاحات کا نفاذ حکومت کی ترجیح ہے لیکن اس سمت میں کی جانے والی کارروائی کی رفتار سست ہے۔ خلاصہ یہ کہ اگرچہ اقتصادی بحالی کے ابتدائی اشارے تو موجود ہیں تاہم معیشت کو مستحکم کرنے، عدم توازن کے خاتمے، اور اشتعالی اور قابل ثبوت ترقی کے لئے سنجیدہ اقدامات انتہائی ضروری ہیں۔ مسلسل اصلاحات کے عزم اور میکرو اکنامک کا محتاط انتظام اقتصادی بحالی اور طویل مدتی ترقی کے مقاصد کے حصول کے لئے اشد ضروری ہیں۔

سٹمش توانائی کا کاروبار

متحرک مستقبل کے لئے ریون انرجی پوری طرح تیار اور اعتماد سے مالا مال ہے جو اس کے ترقی کے اہداف اور جدت طراز خدمات کی توسیع سے ظاہر ہے۔ 410 میگا واٹ بجلی کے حل کی فراہمی کے بعد کمپنی سال کے اختتام تک 480 میگا واٹ کے ہدف کے حصول کی جانب رواں دواں ہے جو اس کی مستحکم ترقی کا مظہر ہے۔ توانائی ذخیرہ کرنے والے حصے میں ریون کا مقصد اپنی صناعت ”ریفلیکس“ کی گنجائش موجودہ 13 میگا واٹ فی گھنٹہ سے بڑھا کر 30 میگا واٹ فی گھنٹہ تک پہنچانا ہے جو بجلی ذخیرہ کرنے کی صلاحیت کی پیداوار بڑھانے کے اس کے پختہ عزم کو ظاہر کرتی ہے۔ ٹیلی کام سیکٹر میں ریون 4,350 سائٹوں کے لئے SPARK لائسنس فروخت کر چکی ہے اور سال کے آخر تک مزید 4,650 لائسنس کی فروخت اس کا ہدف ہے جو مارکیٹ میں اس کی مستحکم موجودگی اور توسیع کی بہترین حکمت عملی کو ظاہر کرتا ہے۔ یہ کمپنی ٹیلی کام انفراسٹرکچر کو سٹمش توانائی پر منتقل کرنے پر اپنی توجہ مرکوز کر رہی ہے جس کے لئے اس نے 4,300 سائٹوں کو سٹمش توانائی پر منتقل کرنا اپنا مقصد بنایا ہے۔ مزید یہ کہ ریون نے اپنے پورٹ فولیو میں کنسلٹی سروس شامل کر کے اسے متنوع بنایا ہے جس کا مقصد مختلف کمپنیوں کو ”انٹرنیشنل ری نیو ایبل انرجی سٹریٹجیٹس (I-RECs)“ جیسے تحفظ ماحولیات کے عالمی اقدامات سے فائدہ اٹھانے کے مواقع فراہم کرنا ہے۔ I-RECs کی مارکیٹ میں 100 میگا واٹ کا پورٹ فولیو بنانے کے منصوبے کے ساتھ ریون قابل ثبوت توانائی کے حل اور ماحولیاتی تحفظ کی تعمیل میں اپنے رہنما کردار سنبھالنے کی تیاریاں کر رہی ہے۔

پون بجلی (ہوا سے بجلی) کا منصوبہ

انڈیپنڈنٹ پاور پروڈیوسرز کے کاروبار میں شیئر ہولڈروں کی آمدنی کو متاثر کرنے والی سب سے بڑی رکاوٹ مستقل سرکلر ڈیٹ ہے۔ یہ پرانا الیٹوشیئر ہولڈروں کو بہتر ادائیگیاں کرنے کی ہماری صلاحیت کو بری طرح متاثر کرتا چلا آ رہا ہے۔ بجلی کی قیمتوں میں حالیہ اضافے کے نتیجے میں شیئر ہولڈروں کی بہتر ادائیگیاں اور انہیں نقد ادائیگی ممکن ہو سکی ہے یہی وجہ ہے کہ کمپنی جولائی 2024 کے مہینے میں 1.4 بلین روپے کے منافع منقسمہ ادا کرنے کے قابل ہو سکی ہے۔

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

کمپنی قبل ازیں REL اور TGL کی فروخت کی کارروائی کے بارے میں بتا چکی ہے جس کی منفقہ تاریخیں بالترتیب 31 اگست 2024 اور 6 ستمبر 2024 مقرر کی گئی ہیں۔ ہم یہ سودے اپنے شیئر ہولڈروں کے بہترین مفاد میں مکمل کرنے کے عہد پر قائم ہیں۔

ان سودوں کی حتمی شکل دیئے جانے کی مدت کے دوران کمپنی اپنے سرپلس فنڈز کو کیپٹل مارکیٹ میں قلیل اور وسط مدتی سرمایہ کاریوں میں لگانے پر توجہ مرکوز کر رہی ہے۔

تشکر

ڈائریکٹرز اپنے شیئر ہولڈرز کا شکریہ ادا کرتے ہیں کہ انہوں نے کمپنی پر اعتماد اور سرمایہ کار انتظام کرنے میں تعاون کیا۔ ہم حکومت، ضابطہ کاروں، مارکیٹ کے رفقاء اور مالیاتی اداروں سمیت اپنے تمام اسٹیک ہولڈروں کا بھی شکریہ ادا کرنا چاہیں گے کہ انہوں نے اپنا تعاون جاری رکھا۔ ہم داؤد لانس پور کے لئے انجام دی جانے والی گراں قدر خدمات پر اپنے ملازمین کے بھی شکر گزار ہیں۔

روحیل محمد

ڈائریکٹر

محمد شمعون چوہدری

چیف ایگزیکٹو آفیسر

کراچی، 28 اگست، 2024

INDEPENDENT AUDITOR'S REVIEW REPORT**To the members of Dawood Lawrencepur Limited
Report on review of Interim Financial Statements****Introduction**

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Dawood Lawrencepur Limited as at June 30, 2024 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 financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of 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 unconsolidated condensed interim statement of comprehensive income for the quarters ended June 30, 2024, and June 30, 2023, and the notes forming part thereof have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2024.

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 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 report is Osama Moon.



**A. F. Ferguson & Co.,
Chartered Accountants
Karachi**

Date: August 28, 2024

UDIN: RR202410056yAV5pUfI6

*A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>*

DAWOOD LAWRENCEPUR LIMITED

**UNCONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS FOR
THE HALF YEAR ENDED JUNE 30, 2024**

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

		Unaudited June 30, 2024	Audited December 31, 2023
	Note	----- (Rupees in '000) -----	
ASSETS			
Non-current assets			
Property, plant and equipment		17,612	18,566
Intangible assets		-	-
Long-term investments	4	102,372	80,496
Long-term deposits		2,778	2,778
Total non-current assets		122,762	101,840
Current assets			
Stores and spares		892	892
Stock-in-trade		3,313	4,418
Loans to subsidiaries	5	439,808	439,422
Loans and advances		1,039	2,004
Deposits, prepayments and other receivables	6	89,990	85,056
Interest accrued	7	392,931	338,020
Short-term investments	8	1,836,023	1,303,809
Cash and bank balances	9	131,301	143,741
		2,895,297	2,317,362
Non-current assets held for sale	10	2,394,804	2,394,804
		5,290,101	4,712,166
TOTAL ASSETS		5,412,863	4,814,006
EQUITY AND LIABILITIES			
Equity			
Share capital		592,998	592,998
Capital reserves		206,666	206,666
Unappropriated profits		3,996,154	3,461,234
Total equity		4,795,818	4,260,898
Non-current liability			
Staff retirement benefits		11,046	3,506
Deferred taxation		40,388	-
		51,434	3,506
Current liabilities			
Trade and other payables	11	165,434	181,729
Unclaimed dividend		77,878	78,046
Provisions		7,360	7,360
Taxes payable		314,939	282,467
Total current liabilities		565,611	549,602
		617,045	553,108
TOTAL EQUITY AND LIABILITIES		5,412,863	4,814,006

Contingencies and commitments

12

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


Chief Executive Officer

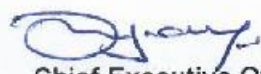

Director

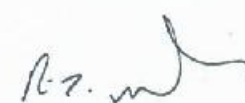

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

		Quarter ended		Half year ended	
		June 30, 2024	June 30, 2023 (Restated)	June 30, 2024	June 30, 2023 (Restated)
Note		----- (Rupees in '000) -----			
CONTINUING OPERATIONS					
Dividend income	13	440,917	1,188,862	483,462	1,188,862
Administrative expenses	14	(19,412)	(14,785)	(121,100)	(32,420)
Other expenses		(17,988)	(169,210)	(35,878)	(271,766)
		(37,400)	(183,995)	(156,978)	(304,186)
Other income	15	277,970	55,054	368,226	100,536
Finance cost		(562)	(2,245)	(600)	(3,087)
Profit before income tax and final taxes		680,925	1,057,676	694,110	982,125
Levy	16	(15,193)	(4,971)	(21,575)	(4,971)
Profit before income tax		665,732	1,052,705	672,535	977,154
Taxation	16	(129,617)	(365,220)	(129,617)	(365,220)
Profit after taxation		536,115	687,485	542,918	611,934
DISCONTINUED OPERATIONS					
Loss from discontinued operations	17	(8,770)	(14,805)	(7,998)	(23,250)
Profit for the period		527,345	672,680	534,920	588,684
		----- (Rupees) -----			
Earnings / (loss) per share - basic and diluted					
- Continuing operations	18	9.04	11.59	9.16	10.32
- Discontinued operations	18	(0.15)	(0.25)	(0.13)	(0.39)

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


Chief Executive Officer


Director


Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

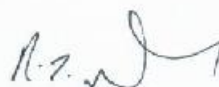
	Quarter ended		Half year ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
(Rupees in '000)				
Profit for the period	527,345	672,680	534,920	588,684
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	527,345	672,680	534,920	588,684

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

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Chief Executive Officer



Director



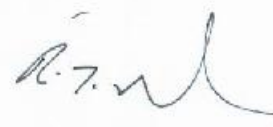
Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2024

	Share capital	Capital reserves					Revenue reserve	Total
		Merger reserve	Share premium reserve	Capital redemption reserve (note 11.1)	Others	Total	Unappropriated profits	
(Rupees in '000)								
Balance as at January 1, 2023	592,998	10,521	136,865	25,969	33,311	206,666	2,543,935	3,343,599
Profit for the period	-	-	-	-	-	-	588,684	588,684
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the half year ended June 30, 2023	-	-	-	-	-	-	588,684	588,684
Balance as at June 30, 2023 (Unaudited)	592,998	10,521	136,865	25,969	33,311	206,666	3,132,619	3,932,283
Balance as at January 1, 2024	592,998	10,521	136,865	25,969	33,311	206,666	3,461,234	4,260,898
Profit for the period	-	-	-	-	-	-	534,920	534,920
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the half year ended June 30, 2024	-	-	-	-	-	-	534,920	534,920
Balance as at June 30, 2024 (Unaudited)	592,998	10,521	136,865	25,969	33,311	206,666	3,996,154	4,795,818

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


Chief Executive Officer


Director

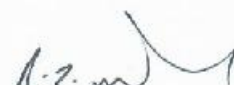

Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

	Note	June 30, 2024	June 30, 2023 (Restated)
----- (Rupees in '000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax		664,537	953,904
Add: Loss before taxation attributable to discontinued operations		7,998	23,250
Profit before income tax from continuing operations		672,535	977,154
Adjustments for non-cash items:			
Depreciation		628	728
Levy		21,575	4,971
Provision for gratuity - net		415	332
Provision for impairment of interest accrued on loan to a subsidiary		35,490	71,766
Dividend income classified as investing cash flows		(483,462)	(1,188,862)
Loss on remeasurement of assets held for sale		-	200,000
Unrealised gain on investments at fair value through profit or loss		(237,577)	(13,813)
Gain on disposal of short term investments		(9,416)	-
Gain on disposal of property, plant and equipment		(4,536)	(10)
Mark up charged to related parties		(90,566)	(82,305)
Profit on bank deposits		(8,082)	(5,083)
Finance costs		600	3,087
		(102,396)	(32,035)
Working capital changes			
Decrease / (increase) in current assets			
Loans and advances		(1,071)	58
Deposits, prepayments and other receivables		1,244	6,134
		173	6,192
(Decrease) / increase in current liabilities			
Trade and other payables		(15,715)	10,653
		(15,542)	16,845
Cash used in operations		(117,938)	(15,190)
Finance cost paid		(600)	(3,234)
Gratuity paid		(1,060)	(3,595)
Income tax and levy paid		(78,332)	(225,668)
Discontinued operations		(2,717)	(23,599)
Net cash used in operating activities		(200,647)	(271,286)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(387)	-
Purchase of short-term investments		(541,847)	(980,000)
Proceeds from disposal of property, plant and equipment		4,536	10
Payment made to subsidiary for purchase of shares		(20,000)	-
Proceeds from sale of short term investment		254,750	10,000
Restricted cash in escrow account		(100,000)	-
Loan to subsidiaries		(386)	(222)
Mark up received from related parties		165	614
Profit received on bank deposits		8,082	5,083
Dividend received		483,462	1,188,862
Discontinued operations		-	(2,165)
Net cash generated from investing activities		88,375	222,182
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of dividend		(168)	(255)
Net cash used in financing activities		(168)	(255)
Net increase in cash and cash equivalents		(112,440)	(49,359)
Cash and cash equivalents at beginning of the period		143,741	64,951
Cash and cash equivalents at end of the period	19	31,301	15,592

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


Chief Executive Officer


Director


Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

1. LEGAL STATUS AND OPERATIONS

- 1.1** Dawood Lawrencepur Limited (the Company) was incorporated in Pakistan in the year 2004, as a public listed company. It was formed as a result of a Scheme of Arrangement for Amalgamation in terms of the provisions of the Companies Ordinance, 1984 among Dawood Cotton Mills Limited (DCM), Dillon Limited (DL), Burewala Textile Mills Limited (BTM) and Lawrencepur Woollen and Textile Mills Limited (LWTM). The shares of the Company are listed on the Pakistan Stock Exchange Limited.
- 1.2** The Company's head office is situated at Dawood Centre, M.T. Khan Road,
- 1.3** Dawood Corporation (Private) Limited (DCPL) being the parent holds 54.84% of the shares in the Company.
- 1.4** These unconsolidated condensed interim financial statements represent the separate financial statements of the Company in which investment in subsidiaries and associates are stated at cost less accumulated impairment losses, if any. The consolidated condensed interim financial statements of the Company and its subsidiaries have been presented separately.
- 1.5** During the years 2007 and 2008, the Company suspended operations of LWTM, BTM, DL and DCM. In this respect, land, building, plant and machinery and related assets of DL and DCM were disposed of. Whereas, plant and machinery and related assets of LWTM and BTM were subsequently disposed of except for the land and building as stated in note 4.4 to the unconsolidated financial statements of the Company for the year ended December 31, 2023. Consequently, as of reporting date the Company does not have any industrial unit in production.
- 1.6** The Company continues to operate the 'Lawrencepur' brand name under a license.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

- 2.2** The cumulative figures for the half year ended June 30, 2024 presented in these unconsolidated condensed interim financial statements are unaudited. However, these have been subjected to limited scope review by the statutory auditors of the Company and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017. These unconsolidated condensed interim financial statements do not include all the information and disclosure required in the annual financial statements and should, therefore, be read in conjunction with the annual audited unconsolidated financial statements of the Company for the year ended December 31, 2023.

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

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

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

Effect on statement of profit or loss

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

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

Effect on condensed interim statement
of profit or loss

For the quarter ended June 30, 2024

Levy	-	15,193	15,193
Profit before taxation	680,925	(15,193)	665,732
Taxation	(144,810)	15,193	(129,617)
Profit after taxation	536,115	-	536,115

For the quarter ended June 30, 2023

Levy	-	4,971	4,971
Profit before taxation	1,057,676	(4,971)	1,052,705
Taxation	(370,191)	4,971	(365,220)
Profit after taxation	687,485	-	687,485

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

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

**For the six months period ended
June 30, 2024**

Levy	-	21,575	21,575
Profit before taxation	694,110	(21,575)	672,535
Taxation	(151,192)	21,575	(129,617)
Profit after taxation	542,918	-	542,918

**For the six months period ended
June 30, 2023**

Levy	-	4,971	(542,918)
Profit before taxation	982,125	(4,971)	977,154
Taxation	(370,191)	4,971	(365,220)
Profit after taxation	611,934	-	611,934

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

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

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

3. MATERIAL ACCOUNTING POLICIES

- 3.1** The accounting policies and the methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the unconsolidated financial statements of the Company for the year ended December 31, 2023, except for the matter stated in note 2.3.

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

	Note	Unaudited June 30, 2024	Audited December 31, 2023
		----- (Rupees in '000) -----	
4. LONG-TERM INVESTMENTS			
Investment in related parties - at cost	4.1	233,298	213,298
Less: Provision for impairment		(148,001)	(148,001)
		85,297	65,297
Other investments			
- Financial assets at fair value through profit or loss	4.2	17,060	15,184
- Financial assets at fair value through other comprehensive income	4.2	15	15
		17,075	15,199
		102,372	80,496

		Unaudited June 30, 2024	Audited December 31, 2023
	Note	----- (Rupees in '000) -----	
4.1 Investment in related parties - at cost			
Wholly owned subsidiaries - unquoted			
Reon Alpha (Private) Limited (RAPL)	4.1.1	168,001	148,001
Mozart (Private) Limited (MPL)		1	1
Greengo (Private) Limited (GPL)		1	1
Abrax (Private) Limited (APL)		1	1
		<u>168,004</u>	<u>148,004</u>
Associate - quoted			
Dawood Hercules Corporation Limited (DHCL)	4.3	<u>65,294</u>	<u>65,294</u>
		<u>233,298</u>	<u>213,298</u>

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

4.1.2 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)			(Audited)		
		As at June 30, 2024			As at December 31, 2023		
		Number of shares pledged	Face value of shares pledged	Market value of pledged shares	Number of shares pledged	Face value of shares pledged	Market value of pledged shares
		\$	----- (Rupees in '000) -----		----- (Rupees in '000) -----		
Pledged against short-term financing and other facilities availed by the Company and its subsidiaries							
Bank AL Habib Limited (note 9.1)	Dawood Hercules Corporation Limited (DHCL)	6,200,000	62,000	997,766	6,200,000	62,000	667,368
United Bank Limited		27,900,000	279,000	4,489,947	27,900,000	279,000	3,003,156
Pledged under Musharka Agreement entered into between RAPL and FBL							
Faysal Bank Limited (FBL)	Reon Alpha	5,300,000	53,000	-*	5,300,000	53,000	-*
Pledged under Sponsor Share Agreement							
Citibank N.A.	Tenaga Generasi	34,599,995	346,000	-*	34,599,995	346,000	-*

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

4.2 Other investments

June 30, 2024	December 31, 2023		Unaudited June 30, 2024	Audited December 31, 2023
----- Units / No of Shares -----		Name of Investee	----- (Rupees in '000) -----	
		Listed securities		
200,000	200,000	National Investment (Unit) Trust	17,060	15,184
		Un-listed securities		
1,500	1,500	Asian Co-operative Society Limited	15	15
			<u>17,075</u>	<u>15,199</u>

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

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

Subsequent to the period end on July 18, 2024, through its order, the IHC has sanctioned the Scheme. As per the Scheme, it shall become effective from January 1, 2025.

	Note	Unaudited June 30, 2024	Audited December 31, 2023
		----- (Rupees in '000) -----	
5. LOANS TO SUBSIDIARIES - unsecured, considered good			
Subordinated loans to subsidiary companies:			
- Tenaga Generasi Limited	5.1	437,000	437,000
- Abrax (Private) Limited	5.2	952	823
- Mozart (Private) Limited	5.2	908	780
- Greengo (Private) Limited	5.2	948	819
		<u>439,808</u>	<u>439,422</u>
- Reon Energy Limited	5.2	300,000	300,000
Less: Provision for impairment		<u>(300,000)</u>	<u>(300,000)</u>
		<u>439,808</u>	<u>439,422</u>

5.1 In April 2017, the Company entered into a subordinated loan agreement with Tenaga Generasi Limited (TGL, a subsidiary company) for arranging finance upto a limit of Rs 300 million. The original term of the facility was one year. However, in 2018, the facility was extended for a period upto three years with all other terms unchanged, with an extension of another year in 2021.

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

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

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

	Note	Unaudited June 30, 2024	Audited December 31, 2023
		------(Rupees in '000)-----	
6. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
- unsecured, considered good			
Security deposits		7,413	7,413
Prepayments		910	735
Sales tax		27,079	15,728
Others	6.1	54,588	61,180
		<u>89,990</u>	<u>85,056</u>
6.1 This includes amount due from the following related parties:			
- Sach International (Private) Limited		22,445	33,095
- Tenaga Generasi Limited	6.1.1	8,944	5,607
- Reon Energy Limited		13,368	15,018
- The Dawood Foundation		1,546	1,546
- Reon Alpha (Private) Limited		5,682	4,749
- Dawood Hercules Corporation Limited		207	1,165
		<u>52,192</u>	<u>61,180</u>
6.1.1 During the period an amount of Rs 8.185 million has been recorded as the Company's liability towards staff retirement gratuity upon transfer of certain employees from TGL. This incremental liability has been recorded as receivable from TGL.			

	Note	Unaudited June 30, 2024	Audited December 31, 2023
		------(Rupees in '000)-----	
7. INTEREST ACCRUED			
This represents mark-up receivable from related parties as follows:			
- Tenaga Generasi Limited		382,766	330,383
- Reon Energy Limited		151,759	114,640
- Reon Alpha (Private) Limited		1,789	1,201
- Mozart (Private) Limited		429	328
- Abrax (Private) Limited		452	347
- Greengo (Private) Limited		452	347
		<u>537,647</u>	<u>447,246</u>
Allowance for expected credit losses		<u>(144,716)</u>	<u>(109,226)</u>
		<u>392,931</u>	<u>338,020</u>

	Note	Unaudited June 30, 2024	Audited December 31, 2023
		----- (Rupees in '000) -----	
8. SHORT-TERM INVESTMENTS			
At fair value through profit or loss			
Investment in mutual fund			
Pakistan Cash Management Fund			
7,329,158 (December 31, 2023: 2,889,140) units		369,886	145,809
Investment in listed equity securities			
MCB Bank Limited			
2,075,000 (December 31, 2023: 2,500,000) ordinary shares		471,067	431,375
Pakistan Petroleum Limited			
800,000 (December 31, 2023: 800,000) ordinary shares		93,688	92,024
United Bank Limited			
1,550,000 (December 31, 2023: 1,550,000) ordinary shares		397,172	275,652
Systems Limited			
847,457 (December 31, 2023: 847,457) ordinary shares		354,491	358,949
Oil & Gas Development Company Limited			
1,106,000 (December 31, 2023: Nil) ordinary shares		149,719	-
		<u>1,466,137</u>	<u>1,158,000</u>
		<u>1,836,023</u>	<u>1,303,809</u>
9. CASH AND BANK BALANCES			
Cash in hand		144	160
Balances with banks in:			
- current accounts		24,787	114,437
- deposit accounts		106,370	29,144
		<u>131,157</u>	<u>143,581</u>
		<u>131,301</u>	<u>143,741</u>
10. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE			
Investments in subsidiaries			
Reon Energy Limited (REL)			
- Cost		1,026,000	1,026,000
- Accumulated impairment loss		(926,000)	(926,000)
	10.1	<u>100,000</u>	<u>100,000</u>
Tenaga Generasi Limited (TGL)	10.2	<u>2,294,804</u>	<u>2,294,804</u>
		<u>2,394,804</u>	<u>2,394,804</u>

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

The completion of sale transaction is subject to replacement of the Company's corporate guarantees issued in favour of the lenders of REL which the management expects to achieve in the current year.

- 10.2** On December 18, 2023, the Board of Directors of the Company approved the strategic decision to dispose the entire shareholding in TGL. On May 29, 2024, the sale of TGL was approved by the shareholders in the Annual General Meeting. Following this decision, a comprehensive due diligence process was undertaken, and non-binding offers were received from potential buyers.

The management of the Company based on the high probability of approval from the International Finance Corporation (IFC) and the shareholders of the Company in respect of the proposed sale transaction had classified the Company's investment in TGL as held for sale.

During the period, the Company has entered into a SPA with Artistic Milliner (Private) Limited specifying a consideration of US Dollars 30,900 for 100% stakes, subject to various potential adjustments. Further, IFC which holds 25% shareholding in TGL has also in its letter dated March 11, 2024 agreed to tag along with the said transaction under section 4.06(b) of the TGL's Shareholders' Agreement. The management expects to complete the sale transaction within the current year.

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

	Note	Unaudited June 30, 2024	Audited December 31, 2023
		----- (Rupees in '000) -----	
11. TRADE AND OTHER PAYABLE			
Creditors		2,289	2,561
Accrued liabilities		29,606	28,323
Due to Islamic Development Bank	11.1	25,969	25,969
Deposits		489	489
Withholding tax		1,683	1,376
Advance from TGL		50	50
Advance against disposal of REL	11.2	100,004	100,004
Other payables		5,344	22,957
		<u>165,434</u>	<u>181,729</u>

- 11.1** This represents amount payable against the preference shares issued before amalgamation in the year 2004 by one of the merged entities to Islamic Development Bank with a right to redeem. The merged entity had served notice to the Bank for redemption of the preference shares before the scheme of amalgamation and had created a capital redemption reserve.
- 11.2** This represents amount received from Juniper International FZ LLC against sale of Company's investment in REL classified as held for sale (note 10.1). The amount has been kept in a separate escrow account.

12. CONTINGENCIES AND COMMITMENTS

- 12.1** There have been no material changes in contingencies and commitments as disclosed in notes 21.1 and 22.2 to the unconsolidated financial statements for the year ended December 31, 2023 except for the following:
- 12.1.1** During the period, the following corporate guarantees issued by the Company in favour of the lenders of REL were discharged as per the terms of SPA:
- Rs 300 million issued in favour of MCB Bank Limited to secure unfunded facility provided to REL for the import / purchase of plant, machinery, stores, and spares; and
 - Rs 500 million issued in favour of Karandaaz Pakistan through JS Bank Limited against financing facilities for REL.
- 12.1.2** The corporate guarantee amounting to Rs 600 million issued in favour of Bank Al Habib Pakistan Limited to secure a long-term running facility for REL has expired during the period which has not been renewed.
- 12.1.3** The Company is committed to pay Rs 70.599 million related to transaction costs subject to the completion of disposal of a subsidiary.

12.1.4 Tenaga Generasi Limited

During the period, the Company has arranged an additional amount of USD 2.575 million against Stand-by Letter of Credit (SBLC) in favour of the lenders of Tenaga Generasi Limited. The aggregate facility amounting to USD 10 million (i.e. USD 7.425 million and 2.575 million) is secured by way of a first pari passu charge on immovable property and pledge over the Company's investments in DHCL (note 4.1.2).

13. DIVIDEND INCOME

Dividend income for the half year ended June 30, 2024 included first interim cash dividend of Rs 5 per ordinary share (June 30, 2023: Rs 15 per ordinary share) for the year ending December 31, 2024 received from Dawood Hercules Corporation Limited, an associated company, amounting to Rs 389.659 million (June 30, 2023: Rs 1,168.978 million).

14. ADMINISTRATIVE EXPENSES

Administrative expenses for the half year ended June 30, 2024 included amount of Rs 70.599 million as transaction cost related to the disposal of subsidiary.

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15. OTHER INCOME

Income from financial assets

	Quarter ended		Half year ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
------(Rupees in '000)-----				
Profit on bank deposits	4,497	4,250	8,082	5,083
Unrealised gain / (loss) on remeasurement of investments at fair value through profit or loss	217,187	(1,872)	237,577	(3,088)
Realized gain on sale of investments	-	-	9,416	-
Mark-up charged to related parties	45,714	46,228	90,566	82,305
	<u>267,398</u>	<u>48,606</u>	<u>345,641</u>	<u>84,300</u>

Income from non-financial assets and others

Gain on disposal of property, plant and equipment	4,431	208	4,536	214
Royalty income	10,361	8,104	22,163	17,886
Rental income	11,990	5,842	19,912	14,706
Agriculture income / (loss)	779	(1,061)	779	1,408
Gain on sale of scrap	-	-	16,314	-
Others	211	-	422	-
	<u>27,772</u>	<u>13,093</u>	<u>64,126</u>	<u>34,214</u>
	295,170	61,699	409,767	118,514
Related to discontinued operations	(17,200)	(6,645)	(41,541)	(17,978)
	<u>277,970</u>	<u>55,054</u>	<u>368,226</u>	<u>100,536</u>

Note

Unaudited

Quarter ended		Half year ended	
June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	(Restated)		(Restated)
------(Rupees in '000)-----			

16. LEVY AND TAXATION

Levy	16.1	15,193	4,971	21,575	4,971
Income tax					
Current:					
- for the period		89,229	295,810	89,229	295,810
- for prior period		-	69,410	-	69,410
		89,229	365,220	89,229	365,220
Deferred tax		40,388	-	40,388	-
		<u>144,810</u>	<u>370,191</u>	<u>151,192</u>	<u>370,191</u>

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

17. LOSS FROM DISCONTINUED OPERATIONS

	Unaudited			
	Quarter ended June 30, 2024	June 30, 2023	Half year ended June 30, 2024	June 30, 2023
	------(Rupees in '000)-----			
Revenue from contracts with customers	256	334	1,026	1,123
Cost of revenue	(251)	(353)	(1,105)	(1,286)
Gross (loss) / profit	5	(19)	(79)	(163)
Selling and distribution expenses	(2)	(4)	(10)	(11)
Administrative expenses	(25,973)	(21,428)	(49,450)	(41,054)
Other income	17,200	6,646	41,541	17,978
	<u>(8,770)</u>	<u>(14,805)</u>	<u>(7,998)</u>	<u>(23,250)</u>

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

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

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

	Unaudited			
	Quarter ended June 30, 2024	June 30, 2023	Half year ended June 30, 2024	June 30, 2023
	------(Rupees in '000)-----			
Continuing operations				
Profit after tax for the period	536,115	687,485	542,918	611,934
	------(Number of shares)-----			
Weighted average number of ordinary shares	59,299,809	59,299,809	59,299,809	59,299,809
	------(Rupees)-----			
Earnings per share	9.04	11.59	9.16	10.32
Discontinued operations				
Loss for the period	(8,770)	(14,805)	(7,998)	(23,250)
	------(Number of shares)-----			
Weighted average number of ordinary shares	59,299,809	59,299,809	59,299,809	59,299,809
	------(Rupees)-----			
Loss per share	(0.15)	(0.25)	(0.13)	(0.39)

Unaudited June 30, 2024	Unaudited June 30, 2023
----- (Rupees in '000) -----	

19. CASH AND CASH EQUIVALENTS

Cash and bank balances	131,301	15,592
Escrow account	(100,000)	-
	<u>31,301</u>	<u>15,592</u>

20. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

20.1 Fair value disclosures

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

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

The Company held the following assets measured at fair values:

	Unaudited			
	As at June 30, 2024			
	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
Non-current assets				
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)	-	17,060	-	17,060
Financial assets at fair value through other comprehensive income -				
- Long-term investments (investments in 'unquoted equity shares)	-	-	15	15
Current assets				
Financial assets at fair value through profit or loss				
- Short term investments (investments in quoted equity shares	1,466,137	-	-	1,466,137
- Short-term investments (investments in units of mutual funds)		369,886	-	369,886
Non-current asset Classified as held fo sale				
- Reon Energy Limited (REL)	-	-	100,000	100,000
	1,466,137	386,946	100,015	1,953,098

Audited
As at December 31, 2023

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

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

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

21. SEGMENT REPORTING

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

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

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21.1 Segment operating results

The table below shows the segment information for the reportable segments for the half year ended June 30, 2024 and 2023 and also the basis on which revenue is recognized:

	Textile - discontinued operations (note 17)		Other operations		Total	
	Unaudited June 30,		Unaudited June 30,		Unaudited June 30,	
	2024	2023	2024	2023	2024	2023
	(Rupees in '000)					
Revenue from external customers	1,026	1,123	-	-	1,026	1,123
Cost of revenue	(1,105)	(1,286)	-	-	(1,105)	(1,286)
Segment gross loss	(79)	(163)	-	-	(79)	(163)
Dividend income	-	-	483,462	1,188,862	483,462	1,188,862
Selling and distribution expenses	(10)	(11)	-	-	(10)	(11)
Administrative expenses	(49,450)	(41,054)	(121,100)	(271,518)	(170,550)	(312,572)
Other expenses	-	-	(35,878)	(32,420)	(35,878)	(32,420)
Other income	41,541	17,978	368,226	100,536	409,767	118,514
Finance costs	-	-	(600)	(3,087)	(600)	(3,087)
Levy	-	-	(21,575)	(4,971)	(21,575)	(4,971)
Taxation	-	-	(129,617)	(365,220)	(129,617)	(365,220)
Segment (loss) / profit	(7,998)	(23,250)	542,918	612,182	534,920	588,932

	Textile - discontinued operations		Other operations		Total	
	Unaudited June 30, 2024	Audited December 31, 2023	Unaudited June 30, 2024	Audited December 31, 2023	Unaudited June 30, 2024	Audited December 31, 2023
	(Rupees in '000)					
Total segment assets	39,722	20,152	5,373,141	4,793,854	5,412,863	4,814,006
Total segment liabilities	12,736	13,316	563,921	539,792	576,657	553,108

22. RELATED PARTY TRANSACTIONS AND BALANCES

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

Relationship	Nature of transaction	Unaudited June 30, 2024	Unaudited June 30, 2023
(Rupees in '000)			
a. Subsidiary companies			
Tenaga Generasi Limited	Expenses reimbursable to the Company	14,901	4,054
	Expenses reimbursable by the Company	14,086	813
	Equity arrangement fee (SBLC) / SBLC cost reimbursement	-	53,574
	Interest on outstanding receivable balance	128	620
	Interest on subordinated loans	52,420	47,428
	Interest on outstanding payable balance	313	-

Relationship	Nature of transaction	Unaudited June 30, 2023	Unaudited June 30, 2022
		----- (Rupees in '000) -----	
Reon Energy Limited	Expenses reimbursable to the Company	738	4,668
	Expenses reimbursable by the Company	2,388	5,722
	Interest on expenses reimbursable to the Company	1,630	2,025
	Interest on loans disbursed by the Company	35,490	31,712
	Rental income	-	216
Mozart (Private) Limited	Unsecured loan disbursed by the Company	129	80
	Interest on loan	100	71
Abrax (Private) Limited	Unsecured loan disbursed by the Company	129	72
	Interest on loan	106	74
Greengo (Private) Limited	Unsecured loan disbursed by the Company	129	70
	Interest on loan	105	74
Reon Alpha (Private) Limited	Investment in subsidiary	20,000	-
	Interest on reimbursement of expenses	588	301
	Expenses reimbursable to the Company	933	872
b. Associated companies			
Dawood Hercules Corporation Limited	Dividend income	389,659	1,168,978
	Expenses reimbursable to the Company	12,897	1,712
	Expenses reimbursable by the Company	2,506	7,410
Sach International (Private) Limited	Expenses reimbursable to the Company	311	424
	Royalty charged	22,163	17,886
	Rental income	330	330
c. Other related parties			
Oil and Gas Development Company Limited	Dividend income	4,977	-
Key management personnel	Salaries and other benefits	11,391	9,374
	Directors fee	350	200

23. CORRESPONDING FIGURES

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

24. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on August 28, 2024 by the Board of Directors of the Company.

25. GENERAL

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

25.2 The Board of Directors in its meeting held on August 28, 2024 has approved an interim cash dividend of Rs 3/- (2023: Nil) per ordinary share amounting to Rs 177.9 (M) (2023: Nil) for the year ending December 31, 2024. These unconsolidated condensed interim financial statements do not include the effect of the said interim dividend.

AK



Chief Executive Officer



Director



Chief Financial Officer

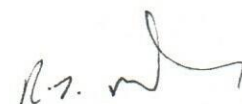
DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM
FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

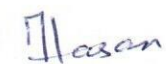
DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

	Note	Unaudited June 30 2024	Audited December 31, 2023
(Rupees in '000)			
ASSETS			
Non-current assets			
Property, plant and equipment		282,086	295,737
Right-of-use assets		-	-
Intangible assets		-	-
Long-term investments	3	10,894,810	10,656,105
Long-term deposits		2,778	2,778
Long-term loans to employees		-	-
Total non-current assets		11,179,674	10,954,620
Current assets			
Stores and spares		892	892
Stock-in-trade		3,313	4,418
Trade debts		16,503	5,664
Contract assets		5,815	4,842
Loans and advances		1,040	2,004
Deposits, prepayments and other receivables		72,853	50,924
Accrued interest		0.00	44
Taxes recoverable		-	-
Short-term investments		1,836,023	1,303,809
Cash and bank balances		140,601	145,897
Total current assets		2,077,039	1,518,494
Assets of disposal group held for sale	6.1	19,257,829	22,194,612
Assets classified as 'held for sale'		-	-
TOTAL ASSETS		32,514,543	34,667,726
EQUITY AND LIABILITIES			
Share capital		592,998	592,998
Capital reserves		(478,316)	(478,316)
Unappropriated profit		16,297,694	15,978,598
Non-controlling interest		2,007,599	2,123,656
TOTAL EQUITY		18,419,975	18,216,936
Non-current liabilities			
Staff retirement benefits		11,046	3,506
Deferred taxation		2,740,521	2,643,918
Long-term borrowings		210,524	223,350
Total non-current liabilities		2,962,091	2,870,774
Current liabilities			
Current portion of:			
Long-term borrowings		25,591	23,826
Deferred government grant		-	-
Lease liabilities		-	-
Unclaimed dividend		77,878	78,046
Unpaid dividend		-	-
Short-term borrowings	6	-	-
Trade and other payables		151,798	191,190
Provision		7,360	7,360
Taxes Payable		317,350	283,157
Contract liabilities		-	-
Accrued mark-up		320	752
Total current liabilities		580,297	584,331
Liabilities of disposal group held for sale	6.1	10,552,179	12,995,685
Contingencies and commitments	7	-	-
TOTAL EQUITY AND LIABILITIES		32,514,543	34,667,726

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


Chief Executive Officer


Director


Chief Financial Officer


DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024


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

(Amounts in thousand except for earnings / (loss) per share)					
		Quarter Ended		Half Year Ended	
		Unaudited June 30 2024	Unaudited June 30 2023	Unaudited June 30 2024	Unaudited June 30 2023
	Note	Rupees		Rupees	
CONTINUING OPERATIONS					
Revenue from contracts with customers - net	8	19,003	14,052	36,011	31,663
Cost of revenue		(11,233)	(7,803)	(18,113)	(15,295)
Gross profit		7,770	6,248	17,898	16,368
Administrative expenses		(19,938)	(16,252)	(122,727)	(33,606)
Other expenses		(45)	-	(388)	-
Other income		284,072	8,992	372,094	18,599
Operating profit		271,859	(1,011)	266,877	1,361
Finance cost		(15,717)	(65,274)	(30,446)	(74,152)
Share of profit of associate		203,901	(24,770)	630,085	286,770
Profit before income tax and final taxes		460,043	(91,055)	866,516	213,979
Levy		(15,193)	(4,971)	(21,575)	(4,971)
Profit before income tax		444,850	(96,026)	844,941	209,008
Taxation		(117,584)	(390,753)	(224,130)	(437,485)
Profit from continuing operations		327,266	(486,779)	620,811	(228,477)
DISCONTINUED OPERATIONS					
Loss from disposal group and discontinued operations		(3,327)	900,457	(414,715)	673,056
Profit for the period		323,939	413,678	206,096	444,579
Profit attributable to:					
- Owners of the Holding Company		449,280	188,538	322,153	177,541
- Non-controlling interest		(125,341)	245,140	(116,057)	267,038
		323,939	413,678	206,096	444,579
Earnings / (loss) per share - basic and diluted					
- Continuing operations and disposal group	9	9.96	4.74	10.47	5.25
- Discontinued operations	9	(6.85)	(0.25)	(6.99)	(0.39)

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


Chief Executive Officer


Director



Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

	Half Year Ended	
	Unaudited June 30 2024	Unaudited June 30 2023
	----- (Rupees in '000) -----	
Profit for the period	206,096	554,830
Other comprehensive (loss) / income:		
<i>Items that may be reclassified subsequently through profit or loss</i>		
Share of other comprehensive income of associate - net of tax	(3,057)	19,918
Total comprehensive income for the period	203,039	574,748
Total comprehensive (loss) / income attributable to:		
- Continuing operations	617,754	597,998
- Discontinued operations	(414,715)	(23,250)
	203,039	574,748
Total comprehensive income attributable to:		
- Owners of the Holding Company	319,096	307,710
- Non-controlling Interest	(118,057)	267,038
	203,039	574,748

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


Chief Executive Officer


Director


Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED JUNE 30, 2024

	Attributable to owners of the Holding Company						Non-Controlling Interest (NCI)	Total	
	Share capital	Capital reserves				Revenue reserves			
		Merger reserve	Share premium reserve	Capital redemption reserve	Others	Total			Unappropriated profit
(Rupees in '000)									
Balance as at January 1, 2023 (Audited)	592,998	10,521	136,865	25,969	33,311	208,655	16,439,871	2,220,372	19,459,707
Profit for the period	-	-	-	-	-	-	287,752	287,038	554,830
Other comprehensive income	-	-	-	-	-	-	19,918	-	19,918
Other components of equity (note 8.1)	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	307,710	267,038	574,748
Balance as at June 30, 2023 (Unaudited)	592,998	10,521	136,865	25,969	-	208,666	16,747,361	2,487,410	20,034,455
Balance as at January 1, 2024 (Audited)	592,995	10,521	136,865	25,969	(684,982)	(478,316)	15,975,555	2,123,656	18,216,936
Loss for the period	-	-	-	-	-	-	322,153	(116,057)	206,096
Other comprehensive income	-	-	-	-	-	-	(3,057)	-	(3,057)
Total comprehensive income for the period	-	-	-	-	-	-	819,056	(116,057)	203,039
Balance as at June 30, 2024 (Unaudited)	592,998	10,521	136,865	25,969	(684,982)	(478,316)	16,297,694	2,007,599	18,419,975

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


Chief Executive Officer


Director


Chief Financial Officer


DAWOOD LAWRENCEPUR LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024


(Amounts in thousand)

	Half Year Ended	
	Unaudited June 30 2024	Unaudited June 30 2023
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	577,282	887,035
Add: Loss before taxation attributable to disposal group and discontinued operations	289,234	406,346
Profit before taxation from continuing operations	866,516	1,293,381
Adjustment for non-cash charges and other items:		
Depreciation	12,844	13,397
Levy	21,575	4,971
Amortization	427	212
Provision for gratuity - net	415	332
Finance cost	29,872	29,222
Unrealised gain on investments at fair value through profit or loss	(237,577)	(13,813)
(Gain) / Loss on investments in mutual fund units	(9,416)	-
Loss on disposal of property, plant and equipment and scrap	(4,538)	(10)
Share of profit of associate	(630,085)	(288,770)
Dividend income	(93,803)	(19,884)
Profit on deposits	(8,714)	(5,451)
Operating profit before working capital changes	(918,998)	(277,793)
(Increase) / decrease in current assets		
Trade debts	(10,838)	7,317
Contract assets	(972)	1,973
Loans and advances	(1,071)	58
Deposits, prepayments and other receivables	(8,589)	5,879
Increase / (decrease) in current liabilities		
Trade and other payables	(7,096)	17,854
	(28,585)	32,881
Net cash generated from operations	(79,048)	1,048,469
Gratuity paid	(1,060)	(3,595)
Finance costs paid	(600)	(31,541)
Taxes paid	(76,612)	(225,723)
Discontinued operations	(2,717)	(23,599)
Disposal group	3,186,914	791,026
Net cash generated from operating activities	3,026,877	1,555,037
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(462)	-
Sale proceeds from disposal / transfer of property, plant and equipment	4,536	10
Purchase of short-term investments	(541,847)	(980,000)
Restricted cash in escrow account	(100,000)	-
Redemption of short-term investments	254,760	10,000
Interest received	8,714	5,451
Dividend received	483,462	19,884
Disposal group	210,065	98,362
Net cash generated from investing activities	319,228	(846,293)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(11,488)	(9,958)
Finance costs paid	(29,289)	-
Payment of dividend	(168)	(255)
Disposal group	(1,784,534)	(1,007,160)
Net cash used in financing activities	(1,805,478)	(1,017,373)
Net (decrease) in cash and cash equivalents	1,540,627	(308,628)
Cash and cash equivalents at beginning of the period	2,409,430	2,008,981
Cash and cash equivalents at end of the period	3,950,057	1,700,353

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


Chief Executive Officer


Director


Chief Financial Officer

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

1. LEGAL STATUS AND OPERATIONS

- 1.1 Dawood Lawrencepur Limited (the Holding Company) was incorporated in Pakistan in the year 2004 as a public listed company. It was formed as a result of a Scheme of Arrangement for Amalgamation in terms of the provisions of the (now repealed) Companies Ordinance, 1984 between Dawood Cotton Mills Limited (DCM), Dillon Limited (DL), Burewala Textile Mills Limited (BTM) and Lawrencepur Woolen and Textile Mills Limited (LWTM). The shares of the Holding Company are listed on the Pakistan Stock Exchange Limited (PSX).

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

The business units of the Holding Company include the following:

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

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

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

- 1.4 The "Group" consists of:

The Holding Company: Dawood Lawrencepur Limited;

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

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

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

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

Reon Energy Limited

Reon Energy Limited (REL) was incorporated in Pakistan on September 15, 2014, as a public unlisted company to carry out the business of trading and construction of renewable energy projects, mainly solar projects for commercial and industrial customers.

REL holds 100% shareholding in its subsidiary namely Grid Edge (Private) Limited (GEL). GEL is a private limited company incorporated in Pakistan on August 8, 2018 with the principal business to own and operate electric power generation project and to supply electricity as an independent power producer. It currently holds a generation license of upto 2MW for generation and sale of electricity to Proctor and Gamble Pakistan (Private) Limited (P&G) as a bulk power consumer. As at March 31, 2024, REL (together with its nominee directors) held 100% (2023: 100%) of the share capital of GEL.

Tenaga Generasi Limited

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

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

Mozart (Private) Limited

Mozart (Private) Limited (MPL) was incorporated in Pakistan on October 4, 2016 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a private limited company to manage investments in associate company.

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

Abrax (Private) Limited

Abrax (Private) Limited (APL) was incorporated in Pakistan on October 4, 2016 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a private limited company to manage the Holding Company's legacy assets located in Burewala.

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

Greengo (Private) Limited

GreenGo (Private) Limited (GPL) was incorporated in Pakistan on October 4, 2016 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) as a private limited company to manage the Holding Company's legacy assets located in Attock.

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

Reon Alpha (Private) Limited

Reon Alpha (Private) Limited (RAPL) was incorporated in Pakistan on October 23, 2017 under the Companies Act, 2017 as a private limited company. The principal business of RAPL is to own and operate electric power generation project and supply of electricity as an independent power producer. Originally, RAPL had to set up a 4 MW solar project which was upgraded to 5 MW through an addendum dated March 11, 2019, at District Thar, in the province of Sindh, to provide clean electricity to Sindh Engro Coal Mining Company (SECMC) under a 15-year Power Purchase Agreement (PPA). The commercial operations date and final acceptance date of the project was April 22, 2020.

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

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.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Material accounting policy information

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

2.2 Basis of preparation

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

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

During the preparation of these consolidated condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that apply to the consolidated audited financial statements of the Group for the year ended December 31, 2023.

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

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

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

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

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

Effect on statement of profit or loss

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

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

Effect on condensed interim statement

For the quarter ended June 30, 2024

Levy	-	15,193	15,193
Profit before taxation	460,043	(15,193)	444,850
Taxation	(132,777)	15,193	(117,584)
Profit after taxation	327,266	-	327,266

For the quarter ended June 30, 2023

Levy	-	4,971	4,971
Profit before taxation	(91,055)	(4,971)	(96,026)
Taxation	(395,724)	4,971	(390,753)
Profit after taxation	(486,779)	-	(486,779)

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

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

For the six months period ended

Levy	-	21,575	21,575
Profit before taxation	868,516	(21,575)	844,941
Taxation	(245,705)	21,575	(224,130)
Profit after taxation	620,811	-	620,811

For the six months period ended

Levy	-	4,971	4,971
Profit before taxation	213,979	(4,971)	209,008
Taxation	(442,456)	4,971	(437,485)
Profit after taxation	(228,477)	-	(228,477)

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

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
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2.4 New standards and amendments to published accounting and reporting standards that are not yet effective and not early adopted by the Company:

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

2.5 Statement of compliance

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

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

- Provisions and directives issued under the Act.

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

2.6 Functional and presentation currency

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

2.7 Basis of consolidation

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

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

2.5.3 The Group's interest in its associated entity i.e. Dawood Hercules Corporation Limited has been accounted for using the equity method.

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	Unaudited June 30, 2024	Audited December 31, 2023
	----- (Rupees in '000) -----	
3. LONG TERM INVESTMENTS		
Share of investment in an associate (note 3.1)	10,877,735	10,640,906
Other investments	17,075	15,199
	<u>10,894,810</u>	<u>10,656,105</u>
3.1 Share of investment in an associate		
Associated company - quoted		
Dawood Hercules Corporation Limited		
Opening balance	10,640,906	11,358,451
Add: Share of profit after taxation	630,085	1,347,342
Share of other comprehensive (loss) / income	(3,596)	22,869
Share of other components of equity	-	(684,982)
	626,489	685,229
Less: Dividend received	(389,659)	(1,402,774)
	<u>10,877,735</u>	<u>10,640,906</u>

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

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

Subsequent to the period end on July 18, 2024, through its order, the IHC has sanctioned the Scheme. As per the Scheme, it shall become effective from January 1, 2025.

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

4. ASSET CLASSIFIED AS HELD FOR SALE

- 4.1 On March 22, 2023, the Board of Directors of the Holding Company approved sale of 100% shareholding in REL followed by which a share purchase agreement (SPA) was signed between the Company and Juniper International FZ LLC stipulating a maximum consideration of Rs. 300,000 subject to certain adjustments. On May 30, 2023, the sale of REL was approved by the shareholders in the Annual General Meeting. Accordingly, the Company has classified its investment in REL as held for sale. During the year, the Holding Company has signed an addendum to the SPA at revised consideration of Rs.100,000.

The completion of sale transaction is subject to replacement of the Company's corporate guarantees issued in favour of the lenders of REL which the management expects to achieve in the current year.

- 4.2 On December 18, 2023, the Board of Directors of the Company approved the strategic decision to dispose the entire shareholding in TGL. Following this decision, a comprehensive due diligence process was undertaken, and non-binding offers were received from potential buyers.

The management of the Company based on the high probability of approval from the International Finance Corporation (IFC) and the shareholders of the Company in respect of the proposed sale transaction has classified the Company's investment in TGL as held for sale.

Subsequent to the year end, the Company has entered into a SPA with Artistic Milliners (Pvt) Limited specifying a consideration of US Dollars 30,900 for 100% stakes, subject to various potential adjustments. Further, IFC which holds 25% shareholding in TGL has also in its letter dated March 11, 2024 agreed to tag along with the said transaction under section 4.06(b) of the TGL's Shareholder's Agreement. The management expects to complete the sale transaction within 2024.

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
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4.3 ASSETS AND LIABILITIES OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

	Unaudited June 30, 2024	Audited December 31, 2023
	(Rupees in '000)	
Assets classified as held for sale		
Non-current assets		
Property, plant and equipment	13,170,439	13,640,609
Right-of-use assets	527	88,220
Intangible assets	64,969	51,489
Deferred taxation - net	434,974	434,974
Long-term loans	369	369
	13,671,278	14,215,662
Current assets		
Stock-in-trade	1,473,230	1,444,899
Trade debts	3,236,916	4,542,443
Contract assets	428,424	1,440,893
Loans and advances	258,960	133,568
Deposits, prepayments and other receivables	2,613,926	2,375,830
Taxation - net	61,631	165,845
Short-term investments	34,675	42,471
Accrued return	1,018	257
Sales tax receivable	-	69,330
Cash and bank balances	3,909,456	2,263,533
	12,018,235	12,478,468
Provision for impairment loss	(6,431,684)	(4,499,518)
TOTAL ASSETS OF DISPOSAL GROUP	19,257,829	22,194,612
Liabilities directly associated with assets classified as held for sale		
Non-current liabilities		
Staff retirement benefits	77,467	79,852
Long-term finances	4,427,737	5,758,936
Lease liabilities	116,698	116,502
	4,621,903	5,955,290
Current liabilities		
Current portion of:		
Long-term finances	2,551,074	2,517,316
Lease liabilities	9,762	20,134
Trade and other payables	1,954,431	2,479,505
Contract liabilities	983,890	861,981
Short-term finances	136,746	853,654
Sales tax payable	34,223	
Accrued mark-up	187,440	264,598
Taxes payable	72,912	43,207
	5,930,277	7,040,395
TOTAL LIABILITIES	10,552,179	12,995,685
NET ASSETS OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE	8,705,650	9,198,927

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2024

4.4 FINANCIAL PERFORMANCE OF DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

	Unaudited June 30, 2024	Unaudited June 30, 2023
FOR THE THREE MONTHS ENDED MARCH 31, 2024		
Revenue from contracts with customers - net	6,940,478	4,857,374
Cost of revenue	(4,762,172)	(2,860,819)
Gross profit	2,178,306	1,996,555
Selling and distribution expenses	(162,147)	(152,212)
Administrative expenses	(290,273)	(214,219)
Other expenses	(8,280)	(77,201)
Other income	239,563	115,653
Profit from operations	1,957,167	1,668,776
Finance cost	(314,235)	(624,611)
Impairment loss (note 4.5)	(1,932,166)	(280,418)
Profit before taxation	(289,234)	753,747
Taxation	(117,483)	(57,441)
Profit after taxation	(406,717)	696,306
(Loss) / profit for the year	(406,717)	696,306

4.5 Represents impairment recognised in the carrying value of related assets for the following Cash Generating Units:

	Unaudited June 30, 2024	Unaudited June 30, 2023
	----- (Rupees in '000) -----	
Tenaga Generasi Limited (TGL)	722,078	-
Reon Energy Limited (REL)	200,450	213,223
	<u>922,529</u>	<u>213,223</u>

The recoverable amount of assets of the cash generating units, TGL and REL, aggregated to Rs.8,605,850, equivalent to US Dollars 30,900, and Rs. 100,000, respectively. The recoverable amount of these assets was based on fair value less cost of disposal. The fair value measurement (Level 3) was determined based on multiple bids received from market participants.

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
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	Unaudited June 30, 2024	Audited June 30, 2023
	------(Rupees in '000)-----	
4.6 CASHFLOWS GENERATED BY DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE		
Net cash generated from operating activities	3,186,914	791,026
Net cash generated from investing activities	210,085	98,362
Net cash used in financing activities	(1,764,534)	(1,007,160)
Net increase in cash and cash equivalents generated	<u>1,632,445</u>	<u>(117,772)</u>

5 SHARE CAPITAL

Authorized capital

Unaudited June 30, 2024	Audited December 31, 2023		Unaudited June 30, 2024	Audited December 31, 2023
-----Number of shares-----			-----Rupees-----	
<u>75,000,000</u>	<u>75,000,000</u>	Ordinary shares of Rs. 10 each	<u>750,000</u>	<u>750,000</u>

Issued, subscribed and paid-up capital

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

DAWOOD LAWRENCEPUR LIMITED
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6. SHORT TERM BORROWING

Short-term running finance under mark-up arrangement	136,746	853,654
Money market loan	-	-
Short-term finances	136,746	853,654
Related to disposal group	(136,746)	(853,654)
	-	-

7. CONTINGENCIES AND COMMITMENTS

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

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

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

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

7.1.2 The Company is committed to pay Rs 70,599 million related to transaction costs subject to the completion of disposal of a subsidiary.

8. REVENUE - NET

	Half Year Ended	
	Unaudited June 30, 2024	Unaudited June 30, 2023
	----- (Rupees in '000) -----	
Renewable energy (Solar)	4,515,819	2,466,614
Alternate Energy (Wind)	2,460,669	2,422,422
	6,976,488	4,889,037
Textile		
Fabric	1,026	1,123
	6,977,514	4,890,160
Related to discontinued operations	(1,026)	(1,123)
Related to disposal group	(6,940,478)	(4,857,374)
	36,011	31,663

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

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

	Half Year Ended	
	Unaudited June 30, 2024	Unaudited June 30, 2023
	----- (Rupees in '000) -----	
Continuing operations and disposal group		
Profit for the period (attributable to the owners of the Holding Company)	620,811	(495,515)
Weighted average number of ordinary shares (in thousand)	59,300	59,300
Earning per share	10.47	(8.36)
Discontinued operations		
Loss for the period (attributable to the owners of the Holding Company)	(414,715)	(23,250)
Weighted average number of ordinary shares (in thousand)	59,300	59,300
Loss per share	(6.99)	(0.39)

10. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

10.1 Financial risk factors

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

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

10.2 Fair value hierarchy

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

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

DAWOOD LAWRENCEPUR LIMITED

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	Unaudited			
	As at June 30, 2024			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Non-current assets				
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)	-	17,060	-	17,060
Financial assets at fair value through other comprehensive income -				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
Current assets				
Financial assets at fair value through profit or loss				
- Short term investments (investments in quoted equity shares)	1,466,137	-	-	1,466,137
- Short-term investments (investments in units of mutual funds)		369,886	-	369,886
Non-current asset Classified as held for sale				
- Reon Energy Limited (REL)	-	-	100,000	100,000
	<u>1,466,137</u>	<u>369,946</u>	<u>100,015</u>	<u>1,953,098</u>

	Audited			
	As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Non-current assets				
Financial assets at fair value through profit or loss				
- Long-term investments (investments in units of mutual funds)	-	15,184	-	15,184
Financial assets at fair value through other comprehensive income				
- Long-term investments (investments in unquoted equity shares)	-	-	15	15
Current assets				
Financial assets at fair value through profit or loss				
- Short term investments (investments in quoted equity shares)	1,158,000	-	-	1,158,000
- Short-term investments (investments in units of mutual funds)	-	145,809	-	145,809
Non-current asset Classified as held for sale				
- Reon Energy Limited (REL)	-	-	100,000	100,000
	<u>1,158,000</u>	<u>145,809</u>	<u>100,015</u>	<u>1,419,008</u>

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11 SEGMENT REPORTING

The following information presents operating results regarding operating segments for the half year ended June 30, 2024:

	Renewable energy		Textile - discontinued operations		Other operations		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	Rupees							
Revenue from contract with customers - net								
Timing of revenue recognition								
- At a point in time	-	-	1,025	5,209	-	-	1,025	5,209
- Over time	36,011	72,002	-	-	-	-	36,011	72,002
	36,011	72,002	1,025	5,209	-	-	37,036	77,211
Cost of revenue	(18,112)	(25,409)	(1,105)	(5,521)	-	-	(19,217)	(30,930)
Segment gross profit / (loss)	17,899	46,593	(80)	(312)	-	-	17,819	46,281
Selling and distribution expenses	-	-	(11)	(52)	-	-	(11)	(52)
Administrative expenses	(1,804)	(8,400)	(40,447)	(83,800)	(121,407)	(87,035)	(172,858)	(157,304)
Other expenses	-	-	-	-	(388)	(14,948)	(388)	(14,948)
Dividend income	-	-	-	-	-	-	-	-
Impairment loss on trade debts and contract assets	(5,000)	-	-	-	-	-	(5,000)	-
Other income	632	1,667	41,540	52,445	368,226	44,052	410,398	98,164
Finance cost	(30,287)	(44,561)	-	-	(500)	(42,979)	(30,887)	(87,540)
Share of profit from associate	-	-	-	-	-	949,873	-	949,873
Taxation	(117,483)	(436)	-	-	(151,182)	(389,251)	(268,658)	(389,687)
Impairment loss	-	-	-	-	-	-	-	-
Segment net profit / (loss)	(136,043)	(3,206)	(7,998)	(31,719)	94,639	479,713	(49,402)	444,789

DAWOOD LAWRENCEPUR LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
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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, 2023	Unaudited June 30, 2022
Relationship	Nature of transaction	-----Rupees-----	
a. Associated companies			
Dawood Hercules Corporation Limited	Reimbursable expenses by the Group	32,874	2,878
	Dividend Income	1,168,978	-
	Reimbursable expenses to the Group	1,726	1,136
Sach International (Private) Limited	Reimbursable expenses incurred by the Group	424	39
	Royalty charged by the Group	17,886	8,164
	Penalty charged against overdue receivables	-	442
	Rental Income	330	165
The Dawood Foundation	Expenses incurred by the Group	10,649	4,653
Engro Energy Limited	Operations and maintenance expenses	-	105,834
	Project revenue	-	238
	Extra work	-	3,825
International Finance Corporation	Borrowing cost charged to Group	133,526	27,838
	Repayment of loan	272,727	195,085
	Supervision fee	1,878	1,184
	Accrued Mark-up	2,347	-
b. Key management personnel	Salaries and benefits	38,501	18,079
c. Directors	Meeting fees	600	450


14 NON-ADJUSTING EVENT AFTER STATEMENT OF FINANCIAL POSITION DATE

The Board of Directors of the Holding Company in its meeting held on August 28, 2024 has approved an interim cash dividend of Rs. 3/- (2023: Nil) per ordinary share amounting to Rs. 177.91m for the year ending December 31, 2024. These consolidated condensed interim financial statements do not include the effect of the said interim dividend.

15 DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial statements were authorized for issue on August 25, 2023 by the Board of Directors of the Holding Company.


Chief Executive


Director


Chief Financial Officer



Dawood
Lawrencepur
Limited

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