



Power & Responsibility

# Contents

Our Vision & Our Mission	02
Company Information	03
Directors' Review Report	04
Auditor Review Report	06
Unconsolidated Condensed Interim Statement Of Financial Position	07
Unconsolidated Condensed Interim Statement Of Profit Or Loss	08
Unconsolidated Condensed Interim Statement Of Profit Or Loss and Other Comprehensive Income	09
Unconsolidated Condensed Interim Statement Of Changes In Equity	10
Unconsolidated Condensed Interim Statement Of Cash Flows	11
Notes To The Unconsolidated Condensed Interim Financial Statement	12
Consolidated Condensed Interim Statement Of Financial Position	20
Consolidated Condensed Interim Statement Of Profit Or Loss	21
Consolidated Condensed Interim Statement Of Profit Or Loss and Other Comprehensive Income	22
Consolidated Condensed Interim Statement Of Changes In Equity	23
Consolidated Condensed Interim Statement Of Cash Flows	24
Notes To The Consolidated Condensed Interim Financial Statement	25
Directors' Review Report (Urdu)	35

## Our Vision

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

## Our Mission

We aim to be the leading renewable energy solutions company of Pakistan, with a turnover exceeding Rs.10 billion by 2020. We will achieve this by resolutely following our Core Values and by:

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

# Company Information

## Board of Directors

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

## Board Audit Committee

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

## Human Resource and Remuneration Committee

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

## Chief Financial Officer

- Mr. Shafiq Ahmed

## Company Secretary

- Mr. Imran Chagani

## Auditors

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

## Bankers

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

## Legal Advisor

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

## Share Registrar

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

## Registered / Head Office

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

## Lahore Office

- 3rd Floor, Asia House, 19-C/D, L Block  
Gulberg III, Main Feroz Pur Road  
Lahore  
Tel.: 042-35861050-53  
Fax.: 042-35861054

## Islamabad Office

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

## Mills

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

## Dawoodpur

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

**DAWOOD LAWRENCEPUR LIMITED**  
**DIRECTORS' REVIEW REPORT**  
 FOR THE HALF YEAR ENDED JUNE 30, 2018

The Directors are pleased to present their report together with the unaudited unconsolidated condensed interim financial statements of the Company and the unaudited consolidated condensed interim financial statements of the Group for the half year ended June 30, 2018.

**BUSINESS REVIEW**

**Renewable Energy Business**

H1 2018 has been a period of a lot of firsts for Reon Energy Limited (REL) (a wholly owned subsidiary company) and for distributed solar power in Pakistan. Significant new projects have been won with AAA customers and other key projects have been delivered for REL's existing customers. Amongst notable deliveries were Kohinoor Textile Mills (1MW), Reckitt Benckiser (200KW), Engro Vopak Terminal Ltd, 1MW Servis Project net metering and Edotco across 22 different BTS sites. Further projects with SECMC (5MW), Engro Eximp (1MW), Dada Enterprises (1.6MW), Edotco and RVFC (300KW) are currently underway. The business of REL also obtained Letters of Intent from Proctor and Gamble and Unilever for 2MW and 2.67MW projects on the back of 15 year Power Purchase Agreements. REL's Partnership with ENI to develop private PPA market in Pakistan and beyond has developed further with commitment to co-develop 14MW of project over next 12 months.

**Wind Energy Project**

The commissioning of the 220kV line of Tenaga Generasi Limited (TGL) (a subsidiary company), currently operating at 132 kV, from Ghara to Jhimpir happened on August 1, 2018. Following the energization of the new line, TGL has recorded a daily output in excess of 1 GWh. The third transformer at New-Jhimpir2 Grid Station has been commissioned and TGL will not face any constraint in evacuating through this circuit even with the three new plants being commissioned in Jhimpir. During the period from April to June 2018, the average wind speed observed was 7.8 m/sec, which is slightly lower than the P90 wind speed of 7.85 m/sec. However, the wind during the month of June 2018 was at the P75 level. The grid outage and power curtailment by the Power Purchaser continued unabated with curtailment forming 75% of the NPMV.

The Plant is operating satisfactorily and meeting the expected targets for availability and BOP loss. The BOP Loss for the period was 1.06 % against a target of 2.5 %, whilst the availability was 99.2 % against a target of 99.0 %. Health Safety and the Environment (HSE) remained the priority and 149,377 safe man-hours have been clocked since COD with a zero injury rate and TRIR.

The total energy billed during the second quarter was 40.3 GWh, which is lower than the estimated energy at P90 factor of 45.0 GWh. This is mainly due to the curtailment in effect during this period and lower wind speeds during April and May 2018. It is expected that the net energy production will improve after August 2018.

**FINANCIAL HIGHLIGHTS**

The unconsolidated financial highlights of the Company are as under:

	<b>Half year ended June 30, 2018</b>	<b>Half year ended June 30, 2017</b>
	<b>Rupees in thousands</b>	
Revenue – net	2,187	51,287
Cost of revenue	(1,658)	(55,530)
Gross profit / (loss)	529	(4,243)
Other income	172,787	336,631
Profit before taxation from continued operations	131,798	271,777
Profit / (loss) from discontinued operations	86,230	(11,855)

Taxation	(25,812)	(78,837)
<b>Profit after taxation</b>	<b>192,216</b>	<b>181,085</b>
Unappropriated profit brought forward	1,896,879	2,048,812
<b>Unappropriated profit carried forward</b>	<b>2,030,037</b>	<b>1,934,608</b>
Earnings per share - basis & diluted (Rupees)	<b>3.25</b>	<b>3.07</b>

Consolidated revenues for the half year ended June 30, 2018 were PKR 1,334.42 million as against PKR 1,403.11 million for the half year ended June 30, 2017. The is mainly due to revenue from wind energy project amounting to PKR 1,084.34 million. After considering, the share of profit from associate – Dawood Hercules Corporation Limited of PKR 2,061.66 million (2017: PKR 192.45 million), the consolidated profit after tax for the half year period stood at PKR 1,942.37 million as against PKR 42.22 million for the similar period last year. Consolidated earnings / (loss) per share attributable to the owners of the Holding Company was PKR 31.9 as against PKR (0.42) for the comparative period last year.

## **FUTURE OUTLOOK**

### **Renewable Energy Business**

The business of REL faced serious challenges towards end of Q2 due to appreciation of USD/PKR exchange rate and the elections however rest of the year looks very favorable to development of distributed market with some very exciting projects in the pipeline. The incoming government has put distributed generation at the top of its priorities in energy and that puts REL in a very strong position to consolidate this market.

China's decision to cut support policies for utility scale solar power has created a supply glut of equipment in the market thus lowering prices. This has further improved the commercial case for captive solar customers in the short and medium term. REL expects the growth in the market to continue for the foreseeable future.

### **Wind Energy Project**

The wind power sector is now facing the full impact of the circular debt and payments from the Government have been severely curtailed since December 2017. Even within the sector, the Project of TGL has a better collection record than others and the principal payment due in July was also paid without utilizing the sponsor support. An additional working capital facility is being set up to plug any seasonal cash deficit or delayed payments from CPPA.

TGL continues to actively engage with both NTDC and CPPA for all its connectivity and commercial issues.

**Mujtaba Haider Khan**  
Chief Executive Officer

**Shahid Hamid Pracha**  
Chairman

Karachi, August 29, 2018

## INDEPENDENT AUDITORS' 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, 2018 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of profit or loss and other comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows, and notes to the 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 these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed 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 profit or loss and other comprehensive income for the quarters ended June 30, 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2018.

### Scope of Review

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

### Conclusion

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

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

**Chartered Accountants  
Karachi  
Date: August 29, 2018**

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

(Amounts in thousand)

		Unaudited June 30, 2018	Audited December 31, 2017
	Note	-----Rupees-----	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		33,599	35,759
Intangible assets		30	857
Long term investments	4	3,100,887	3,030,231
Long term loan	5	195,000	-
Long term deposits		2,778	2,778
		3,332,294	3,069,625
<b>Current assets</b>			
Stores and spares	6	892	7,789
Stock		52,959	58,824
Trade debts		582	1,548
Loans and advances		1,461	106,293
Deposits, prepayments and other receivables	7	64,574	72,570
Taxes recoverable		26,671	26,618
Accrued interest		19,740	14,531
Cash and bank balances		5,594	10,239
		172,473	298,412
Asset classified as 'held for sale'	8	4,590	37,238
		3,509,357	3,405,275
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		590,578	590,578
Capital reserves		206,666	206,666
Unappropriated profits		2,030,037	1,896,879
Unrealized gain on remeasurement of available for sale investments		12,330	11,674
		2,839,611	2,705,797
<b>Current liabilities</b>			
Trade and other payables		93,773	84,435
Unpaid dividend		1,804	-
Unclaimed dividend		43,102	43,393
Short term borrowings	9	521,403	561,820
Accrued markup		9,664	9,830
		669,746	699,478
<b>Contingencies and Commitments</b>	10		
		3,509,357	3,405,275
<b>TOTAL EQUITY AND LIABILITIES</b>			

The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

**Mujtaba Haider Khan**  
Chief Executive Officer

**Shabbir Hussain Hashmi**  
Director

**Shafiq Ahmed**  
Chief Financial Officer



**DAWOOD LAWRENCEPUR LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2018**

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

	Note	Quarter ended		Half year ended	
		June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
-----Rupees-----					
<b>CONTINUING OPERATIONS</b>					
Revenue - net	11	<b>1,126</b>	44,392	<b>2,187</b>	51,287
Cost of revenue		<b>(721)</b>	(51,153)	<b>(1,658)</b>	(55,530)
Gross profit / (loss)		<b>405</b>	(6,761)	<b>529</b>	(4,243)
Dividend income		-	156,764	<b>155,864</b>	312,628
		<b>405</b>	150,003	<b>156,393</b>	308,385
Selling and distribution expenses		<b>(122)</b>	(5,121)	<b>(239)</b>	(10,356)
Administrative expenses		<b>(11,240)</b>	(20,660)	<b>(21,745)</b>	(33,853)
Other income	12	<b>9,269</b>	17,302	<b>16,923</b>	24,003
Operating (loss) / profit		<b>(1,688)</b>	141,524	<b>151,332</b>	288,179
Finance cost		<b>(9,887)</b>	(8,975)	<b>(19,534)</b>	(16,402)
(Loss) / profit before taxation		<b>(11,575)</b>	132,549	<b>131,798</b>	271,777
Taxation	13	<b>(800)</b>	(54,026)	<b>(25,812)</b>	(78,837)
(Loss) / profit after taxation		<b>(12,375)</b>	78,523	<b>105,986</b>	192,940
<b>DISCONTINUED OPERATIONS</b>					
Profit / (loss) from discontinued operations		<b>55,032</b>	(3,335)	<b>86,230</b>	(11,855)
Profit for the period		<b>42,657</b>	75,188	<b>192,216</b>	181,085
(Loss) / earnings per share - Basic and diluted					
Continuing operations	14	<b>(0.21)</b>	1.33	<b>1.79</b>	3.27
Earnings / (loss) per share - Basic and diluted					
Discontinued operations	14	<b>0.93</b>	(0.06)	<b>1.46</b>	(0.20)

The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

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

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

**Shafiq Ahmed**  
**Chief Financial Officer**

**DAWOOD LAWRENCEPUR LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF**  
**PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2018**

(Amounts in thousand)

	Quarter ended		Half year ended	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
	-----Rupees-----			
Profit for the period	42,657	75,188	192,216	181,085
<b>Other comprehensive income</b>				
<b>Items that may be reclassified to profit or loss</b>				
(Loss) / gain on remeasurement of available for sale investments	(970)	(1,172)	656	(760)
Total comprehensive income for the period	<b>41,687</b>	74,016	<b>192,872</b>	180,325

The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

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

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

**Shafiq Ahmed**  
**Chief Financial Officer**

**DAWOOD LAWRENCEPUR LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED JUNE 30, 2018**

(Amounts in thousand)

Share capital	Capital reserves					Revenue reserves		Total	
	Merger reserve	Share premium reserve	Capital reserve	Capital redemption reserve fund	Total	Unappropriated profit	Unrealized gain / (loss) on remeasurement of available for sale investments		
-----Rupees-----									
<b>Balance as at January 1, 2017 (Audited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	2,048,812	15,068	2,861,124
Profit for the period	-	-	-	-	-	-	181,085	-	181,085
Other comprehensive loss for the period	-	-	-	-	-	-	-	(760)	(760)
Total comprehensive income / (loss) for the half year ended June 30, 2017	-	-	-	-	-	-	181,085	(760)	180,325
<b>Transaction with owners</b>									
Final cash dividend for the year ended December 31, 2016 @ Re. 5 per share	-	-	-	-	-	-	(295,289)	-	(295,289)
<b>Balance as at June 30, 2017 (Unaudited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	1,934,608	14,308	2,746,160
Loss for the period	-	-	-	-	-	-	(37,472)	-	(37,472)
Other comprehensive loss for the period	-	-	-	-	-	-	(257)	(2,634)	(2,891)
Total comprehensive loss for the half year ended December 31, 2017	-	-	-	-	-	-	(37,729)	(2,634)	(40,363)
<b>Balance at December 31, 2017 (Audited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	1,896,879	11,674	2,705,797
Profit for the period	-	-	-	-	-	-	192,216	-	192,216
Other comprehensive income for the period	-	-	-	-	-	-	-	656	656
Total comprehensive income for the half year ended June 30, 2018	-	-	-	-	-	-	192,216	656	192,872
<b>Transaction with owners</b>									
Final cash dividend for the year ended December 31, 2017 @ Re. 1 per share	-	-	-	-	-	-	(59,058)	-	(59,058)
<b>Balance as at June 30, 2018 (Unaudited)</b>	<b>590,578</b>	<b>10,521</b>	<b>136,865</b>	<b>33,311</b>	<b>25,969</b>	<b>206,666</b>	<b>2,030,037</b>	<b>12,330</b>	<b>2,839,611</b>

The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

**Mujtaba Haider Khan**  
Chief Executive Officer

**Shabbir Hussain Hashmi**  
Director

**Shafiq Ahmed**  
Chief Financial Officer

**DAWOOD LAWRENCEPUR LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2018**

(Amounts in thousand)

	Half year ended June 30, 2018	Half year ended June 30, 2017
----- Rupees -----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	218,028	259,922
Add: (Profit) / loss before taxation attributable to discontinued operations	(86,230)	11,855
Profit before taxation from continued operations	131,798	271,777
<b>Adjustments for non-cash and other items:</b>		
Depreciation	1,109	1,186
Amortization	828	2,531
Provision for gratuity	389	499
Gratuity transferred from subsidiary	-	731
(Reversal) / provision for onerous contract	(1)	455
Provision of stock in trade	-	1,737
Provision for doubtful debts-net	491	2,479
Finance costs	19,534	16,402
Loss on disposal of property, plant and equipment	67	-
Dividend income	(155,864)	(312,628)
Interest income from related parties	(8,742)	-
Interest income on deposits	(76)	(2,049)
	(10,467)	(16,880)
<b>Working capital changes</b>		
<b>Decrease / (increase) in current assets</b>		
Stock	1,100	3,500
Trade debts	293	30,038
Loans and advances	112	(107,309)
Deposits, prepayments and other receivables	(14,572)	(95,227)
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	(7,537)	14,057
	(20,604)	(154,941)
Cash used in from operations	(31,071)	(171,821)
Gratuity paid	(1,401)	(676)
Finance costs paid	(19,700)	(18,007)
Taxes paid	(25,865)	(47,696)
Discontinued operations	53,557	1,601
Net cash used in from operating activities	(24,480)	(236,599)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(120)	(206)
Sale proceeds from disposal of property, plant and equipment	35	-
Investment in a wholly owned subsidiary	(70,000)	(150,000)
Loan to a subsidiary	(90,000)	-
Interest received from related parties	3,533	-
Interest received on deposit	76	2,049
Dividend received	155,864	311,728
Discontinued operations	118,409	-
Net cash generated from investing activities	117,797	163,571
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of dividend	(57,545)	(286,781)
Net increase / (decrease) in cash and cash equivalents	35,772	(359,809)
Cash and cash equivalents at beginning of the period	(551,581)	(166,157)
Cash and cash equivalents at end of the period	(515,809)	(525,966)
<b>Cash and cash equivalents:</b>		
Cash and bank balances	5,594	9,378
Short term borrowings	(521,403)	(535,344)
	(515,809)	(525,966)

The annexed notes 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.

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

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

**Shafiq Ahmed**  
**Chief Financial Officer**

**DAWOOD LAWRENCEPUR LIMITED**  
**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2018**

**(Amounts in thousand)**

**1. LEGAL STATUS AND OPERATIONS**

- 1.1 Dawood Lawrencepur Limited (the Company) was incorporated in Pakistan in the year 2004 as a public listed company. It was formed as a result of a Scheme of Arrangement for Amalgamation in terms of the provisions of the repealed Companies Ordinance, 1984 (now Companies Act, 2017) between Dawood Cotton Mills Limited (DCM), Dilon Limited (DL), Burewala Textile Mills Limited (BTM) and Lawrencepur Woolen and Textile Mills Limited (LWTM). The shares of the Company are listed on Pakistan Stock Exchange. The Company manages its investment in its subsidiary and associated companies and is engaged in the business of trading and marketing of renewable energy solutions, mainly solar, to commercial and industrial consumers, along with the legacy textile business. The registered office of the Company is situated at 3rd Floor, Dawood Centre, M.T.Khan Road, Karachi in the province of Sindh.
- 1.2 In prior years, the Company suspended operations of LWTM, BTM, DL and DCM. In 2015, the Company sold land, building and plant & machinery of DL and DCM. Further, plant & machinery and related assets of LWTM were also disposed off.
- 1.3 The 'Lawrencepur' brand name continues to operate under license.

**2. BASIS OF PREPARATION**

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

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

- 2.2 These condensed interim financial statements represent the condensed interim financial statements of the company on a standalone basis. The cumulative figures for the half year ended June 30, 2018 presented in these condensed interim financial statements have been subjected to limited scope review by the auditors, as required under section 237 of the Companies Act, 2017. These condensed interim financial statements do not include all the information required for annual financial statements and therefore should be read in conjunction with the audited annual financial statements of the Company for the year ended December 31, 2017.
- 2.3 The preparation of these unconsolidated condensed interim financial statements in conformity with the accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

### (Amounts in thousand)

During preparation of these unconsolidated condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that were applied to the financial statements for the year ended December 31, 2017.

### 3. ACCOUNTING POLICIES

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

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

### 4. LONG TERM INVESTMENTS

Investment in related parties at cost (note 4.1)	<b>3,086,102</b>	3,016,102
Other investments	<b>14,785</b>	14,129
	<b><u>3,100,887</u></b>	<u>3,030,231</u>
4.1 Balance at beginning of the period / year	<b>3,016,102</b>	2,586,099
Investment during the period / year in related party (note 4.2)	<b>70,000</b>	430,003
	<b><u>3,086,102</u></b>	<u>3,016,102</u>
4.2 Represents Rs. 70,000 (December 31, 2017: Rs. 430,000) invested in Reon Energy Limited (REL) during the period / year against subscription of 7,000,000 (December 31, 2017: 43,000,000) fully paid ordinary shares of Rs. 10 each.		

### 5. LONG TERM LOAN

This represents subordinated loan of Rs. 195,000 (December 31, 2017: Rs. 105,000) provided to Tenaga Generasi Limited, a subsidiary company. The loan carries mark-up at the rate of three months KIBOR plus 1.775% . The total facility limit provided to the subsidiary amounts to Rs. 300,000. The interest and principal is repayable in three years' time. During the period loan was classified as non-current asset due to change in term from 1 year to 3 years on renewal.

(Amounts in thousand)

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

**6. STORES AND SPARES**

Stores and spares	1,784	15,578
Less: Provision for slow moving and obsolete items	(892)	(7,789)
	<u>892</u>	<u>7,789</u>

**7. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**

Includes amount receivable from Tenaga Generasi Limited and Reon Energy Limited amounting to Rs. 48,178 and Rs. Nil (December 31, 2017: Rs 23,336 and Rs. 19,496) respectively.

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

**8. ASSETS CLASSIFIED AS HELD FOR SALE**

<u>4,590</u>	<u>37,238</u>
--------------	---------------

During the period, the Company sold following assets classified as held for sale.

Description	Party	Sales Proceed	Carrying Amount
Property, plant and equipment	Hameed & Sons	118,409	32,648

**9. SHORT TERM BORROWINGS**

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

This also includes utilized portion of short-term running finance facility aggregating to Rs. 500,000 (December 31, 2017: Rs 500,000) obtained under mark-up arrangements from Standard Chartered Bank (Pakistan) Limited. The running finance under mark-up arrangement is secured by way of Company's investment in related party. Rate of mark-up applicable to the facility is three months KIBOR plus 90 basis points (December 31, 2017: three months KIBOR plus 90 basis points) per annum. The facility will expire on March 31, 2019.

(Amounts in thousand)

## 10. CONTINGENCIES AND COMMITMENTS

There have been no material change in status of contingencies and commitments as reported in the audited financial statement for the year ended December 31, 2017.

	<b>Unaudited</b> <b>For the half year ended</b> <b>June 30,</b> <b>2018</b>	Unaudited June 30, 2017
-----Rupees-----		
<b>11. REVENUE - NET</b>		
<b>Renewable energy</b>		
Project revenue	2,033	50,621
Solar lights	22	-
Others	132	666
	<u>2,187</u>	<u>51,287</u>
<b>Textile</b>		
Fabric	4,339	4,832
	<u>6,526</u>	<u>56,119</u>
Related to discontinued operations	(4,339)	(4,832)
	<u>2,187</u>	<u>51,287</u>
<b>12. OTHER INCOME</b>		
<b>Income from financial assets</b>		
Profit on deposits / saving accounts	76	2,049
<b>Income from non financial assets</b>		
Sale of stock (note 12.1)	968	73,460
Related cost	(968)	(73,460)
	-	-
Gain on disposal of asset classified as 'held for sale'	85,761	-
Gain on disposal of stores and spares	14,890	-
Insurance claim	-	28
Royalty income	5,833	4,327
Rental income	10,135	19,851
Agriculture income	1,575	452
Interest income	8,742	17,599
Miscellaneous Income	2,272	-
Sales of miscellaneous stores items	-	37
	<u>129,208</u>	<u>42,294</u>
	<u>129,284</u>	<u>44,343</u>
Related to discontinued operations	(112,361)	(20,340)
	<u>16,923</u>	<u>24,003</u>

12.1 Represents sale of renewable energy stock to Reon Energy Limited, a wholly owned subsidiary.



(Amounts in thousand)

<b>Unaudited</b>	<b>Unaudited</b>
<b>For the half year ended</b>	
<b>June 30,</b>	<b>June 30,</b>
<b>2018</b>	<b>2017</b>
-----Rupees-----	

### 13. TAXATION

Current

For the period

For the prior year-net (note 13.1)

	<b>25,812</b>	41,495
	-	37,342
	<b>25,812</b>	<b>78,837</b>

13.1 Represents 'Super Tax for rehabilitation of temporary displaced persons' at the rate of 3% on specified income for the tax year 2017 (i.e. for the year ended December 31, 2017) levied through Finance Act 2017.

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

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

	<b>Quarter ended</b>		<b>Half year ended</b>	
	<b>Unaudited</b>		<b>Unaudited</b>	
	<b>June 30,2018</b>	June 30,2017	<b>June 30,2018</b>	June 30,2017
<b>Continuing operations</b>				
(Loss) / profit for the period	<b>(12,375)</b>	78,523	<b>105,986</b>	192,940
Weighted average number of ordinary shares (in thousand)	<b>59,058</b>	59,058	<b>59,058</b>	59,058
(Loss) / earnings per share	<b>(0.21)</b>	1.33	<b>1.79</b>	3.27
<b>Discontinued operations</b>				
Profit / (loss) for the period	<b>55,032</b>	(3,335)	<b>86,230</b>	(11,855)
Weighted average number of ordinary shares (in thousand)	<b>59,058</b>	59,058	<b>59,058</b>	59,058
Earnings / (loss) per share	<b>0.93</b>	(0.06)	<b>1.46</b>	(0.20)

### 15. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

#### 15.1 Financial risk factors

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

**(Amounts in thousand)**

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

**15.2 Fair value estimation**

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

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

	June 30, 2018 (Unaudited)			
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
<b>Non-current assets</b>				
Long term investments	14,770	-	15	14,785
	December 31, 2017 (Audited)			
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
<b>Non-current assets</b>				
Long term investments	14,114	-	15	14,129

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

**16. SEGMENT REPORTING**

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

- Renewable energy solutions
- Textile - discontinued operations

Segment analysis is as under:

**16.1 Segment results**

	-----Unaudited-----							
	Renewable energy		Textile - discontinued operations		Unallocated		Total	
	June 30,		June 30,		June 30,		June 30,	
	2018	2017	2018	2017	2018	2017	2018	2017
	-----Rupees-----							
Revenue	2,187	51,287	4,339	4,832	-	-	6,526	56,119
Cost of goods sold	(1,658)	(55,530)	(4,765)	(5,482)	-	-	(6,423)	(61,012)
Segment gross profit / (loss)	529	(4,243)	(426)	(650)	-	-	103	(4,893)
Dividend income	-	-	-	-	155,864	312,628	155,864	312,628
Selling and distribution expenses	(239)	(10,356)	(49)	(85)	-	-	(288)	(10,441)
Administrative expenses	(21,745)	(33,853)	(25,656)	(31,460)	-	-	(47,401)	(65,313)
Other income	16,923	24,003	112,361	20,340	-	-	129,284	44,343
Finance costs	-	-	-	-	(19,534)	(16,402)	(19,534)	(16,402)
Taxation	-	-	-	-	(25,812)	(78,837)	(25,812)	(78,837)
Segment (loss) / profit	(4,532)	(24,449)	86,230	(11,855)	110,518	217,389	192,216	181,085
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,
	2018	2017	2018	2017	2018	2017	2018	2017
	-----Rupees-----							
Segment assets	314,280	107,795	42,155	110,004	3,152,922	3,187,476	3,509,357	3,405,275
Segment liabilities	53,522	46,714	85,157	74,622	531,067	578,142	669,746	699,478

(Amounts in thousand)

## 17. TRANSACTIONS WITH RELATED PARTIES

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

Relationship	Nature of transaction	Unaudited	Unaudited
		June 30, 2018	June 30, 2017
		-----Rupees-----	
<b>a. Subsidiary companies</b>			
Tenaga Generasi Limited	Reimbursable expenses incurred by the Company	2,144	4,200
	Loan disbursed	90,000	105,000
	Interest on loan and reimbursement of expenses	8,047	5,778
	Stand-by letter of credit cost reimbursement	23,083	20,764
Reon Energy Limited	Subscription of ordinary shares	70,000	150,000
	Sales of renewable energy products by the Company	999	74,401
	Interest on sales of renewable energy products by the Company	-	8,776
	Purchase of renewable energy products by the Company	-	134
	Reimbursable expenses incurred by the Company	4,439	36,343
	Interest on reimbursable expenses incurred by the Company	695	3,194
	Short term loan disbursed	-	7,000
	Interest on short term loan	-	37
	Short term loan obtained	-	80,000
	Short term loan repaid	-	80,000
	Interest on short term loan from REL	-	187
	Reimbursable expenses incurred on behalf of the Company	2,755	14,900
	Mozart (Private) Limited	Reimbursable expenses incurred by the Company	7
Greengo (Private) Limited	Reimbursable expenses incurred by the Company	6	2
Abrax (Private) Limited	Reimbursable expenses incurred by the Company	5	1
Reon Alpha (Private) Limited	Reimbursable expenses incurred by the Company	12	-

(Amounts in thousand)

Relationship	Nature of transaction	Unaudited	Unaudited
		June 30, 2018	June 30, 2017
-----Rupees-----			
<b>b. Associated companies</b>			
Dawood Hercules Corporation Limited	Dividend income	155,864	311,728
	Reimbursable expenses incurred on behalf of the Company	2,344	-
	Reimbursable expenses incurred by the Company	0.49	23
Sach International (Private) Limited	Sale of fabric	-	477
	Reimbursable expenses incurred by the Company	-	91
	Royalty charged by the Company	5,833	4,327
	Reimbursable expenses incurred on behalf of the Company	-	1,956
	Penalty charged against overdue receivables	187	-
The Dawood Foundation	Rental charges paid	-	3,683
	Reimbursable expenses incurred on behalf of the Company	-	659
Engro Fertilizer Limited	Rental income	1,135	-
Fauji Fertilizer Limited	Rental income	1,749	-
Fatima Fertilizer Limited	Rental income	6,849	-
<b>c. Key management personnel</b>			
	Salaries and benefits	9,437	5,378
	Other retirement benefits	300	246
<b>d. Directors</b>			
	Directors' meeting fee	950	900

## 18. CORRESPONDING FIGURES

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

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

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

## 19. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on August 29, 2018 by the Board of Directors of the Company.

**Mujtaba Haider Khan**  
Chief Executive Officer

**Shabbir Hussain Hashmi**  
Director

**Shafiq Ahmed**  
Chief Financial Officer

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

(Amounts in thousand)

		Unaudited June 30, 2018	Audited December 31, 2017
	Note	-----Rupees-----	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		11,569,627	11,205,846
Intangible assets		23,347	24,294
Long term investments	5	10,885,617	8,969,639
Long term loans		-	308
Long term deposits		4,428	4,428
		<b>22,483,019</b>	<b>20,204,515</b>
<b>Current assets</b>			
Stores and spares		8,791	7,822
Stock in trade		104,782	96,178
Trade debts		1,388,734	739,062
Loans and advances		11,473	8,481
Deposits, prepayments and other receivables		151,279	116,006
Accrued interest		2,788	11,333
Taxes recoverable		32,235	27,636
Cash and bank balances	6	321,104	941,433
		<b>2,021,186</b>	<b>1,947,951</b>
Asset classified as 'held for sale'	7	4,590	37,238
		<b>24,508,795</b>	<b>22,189,704</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		590,578	590,578
Capital reserves		206,666	206,666
Unrealized gain on remeasurement of available for sale investments		12,330	10,763
Unappropriated profits		10,892,526	9,057,908
Non controlling interest		876,761	818,537
		<b>12,578,861</b>	<b>10,684,452</b>
<b>Non-current liabilities</b>			
Borrowings		8,238,624	8,026,609
Deferred taxation		1,620,831	1,333,533
Deferred liabilities - Staff retirement benefits		29,135	28,228
		<b>9,888,590</b>	<b>9,388,370</b>
<b>Current liabilities</b>			
Trade and other payables		443,109	278,176
Unpaid dividend		1,804	-
Unclaimed dividend		43,102	43,393
Current portion of long term borrowing		824,894	1,074,976
Short term borrowing	8	555,598	561,820
Accrued markup		172,837	158,517
		<b>2,041,344</b>	<b>2,116,882</b>
<b>Contingencies and Commitments</b>	9		
		<b>24,508,795</b>	<b>22,189,704</b>

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

**Mujtaba Haider Khan**  
Chief Executive Officer

**Shabbir Hussain Hashmi**  
Director

**Shafiq Ahmed**  
Chief Financial Officer

**DAWOOD LAWRENCEPUR LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2018**

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

	Note	Quarter Ended		Half Year Ended	
		June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
-----Rupees-----					
<b>CONTINUING OPERATIONS</b>					
Revenue - net	10	970,773	900,296	1,334,421	1,403,111
Cost of revenue		(351,154)	(398,969)	(643,665)	(720,366)
Gross profit		619,619	501,327	690,756	682,745
Dividend income		-	900	-	900
		619,619	502,227	690,756	683,645
Selling and distribution expenses		(44,095)	(33,383)	(84,704)	(75,514)
Other operating expenses		(8,579)	-	(10,851)	-
Administrative expenses		(55,722)	(63,813)	(113,929)	(129,577)
Other income	11	5,276	32,673	11,642	51,028
Operating profit		516,499	437,704	492,914	529,582
Finance costs		(199,860)	(203,767)	(381,683)	(383,531)
		316,639	233,937	111,231	146,051
Share of profit from investment in an associate		23,941	17,210	2,061,655	192,452
Profit before taxation		340,580	251,147	2,172,886	338,503
Taxation		(7,442)	(256,062)	(316,746)	(284,426)
Profit / (loss) after taxation		333,139	(4,915)	1,856,141	54,077
<b>DISCONTINUED OPERATIONS</b>					
Profit / (loss) from discontinued operations		55,031	(3,335)	86,229	(11,855)
Profit / (loss) for the period		388,170	(8,250)	1,942,370	42,222
Earnings / (loss) per share - Basic and diluted					
Continuing operations	12	5.19	(1.31)	30.44	(0.22)
Earnings / (loss) per share - Basic and diluted					
Discontinued operations	12	0.93	(0.06)	1.46	(0.20)
<b>Profit / (loss) attributable to:</b>					
Owners of the Holding Company		361,560	(80,526)	1,884,146	(24,574)
Non controlling interest		26,610	72,276	58,224	66,796
		388,170	(8,250)	1,942,370	42,222

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

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

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

**Shafiq Ahmed**  
**Chief Financial Officer**

**DAWOOD LAWRENCEPUR LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2018**

(Amounts in thousand)

	Quarter ended		Half year ended	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
	-----Rupees-----			
Profit / (loss) for the period	<b>388,170</b>	(8,250)	<b>1,942,370</b>	42,222
<b>Other comprehensive income</b>				
<b>Items that may be reclassified subsequently through profit and loss account</b>				
(Loss) / gain on remeasurement of 'available for sale' investments	<b>(970)</b>	(261)	<b>656</b>	151
Total comprehensive income / (loss) for the period	<b>387,200</b>	<b>(8,511)</b>	<b>1,943,026</b>	<b>42,373</b>
Total comprehensive income attributable to:				
- Continuing operations	<b>332,169</b>	(5,176)	<b>1,856,797</b>	54,228
- Discontinued operations	<b>55,031</b>	(3,335)	<b>86,229</b>	(11,855)
	<b>387,200</b>	<b>(8,511)</b>	<b>1,943,026</b>	<b>42,373</b>
Total comprehensive income attributable to:				
- Owners of the Holding Company	<b>360,590</b>	(80,787)	<b>1,884,802</b>	(24,423)
- Non-controlling interest	<b>26,610</b>	72,276	<b>58,224</b>	66,796
	<b>387,200</b>	<b>(8,511)</b>	<b>1,943,026</b>	<b>42,373</b>

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

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

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

**Shafiq Ahmed**  
**Chief Financial Officer**

DAWOOD LAWRENCEPUR LIMITED  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED JUNE 30, 2018

(Amounts in thousand)

Share capital	Capital reserves					Revenue Reserves		Non controlling interest	Total	
	Merger reserve	Share premium reserve	Capital reserve	Capital redemption reserve fund	Total	Unrealized gain on remeasurement of available for sale investments	Unappropriated profit / (loss)			
-----Rupees-----										
<b>Balance at January 01, 2017 (Audited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	15,068	9,083,774	708,256	10,604,342
(Loss) / profit for the period	-	-	-	-	-	-	-	(24,574)	66,796	42,222
Other comprehensive income for the period	-	-	-	-	-	-	151	-	-	151
Total comprehensive income for the half year ended June 30, 2017	-	-	-	-	-	-	151	(24,574)	66,796	42,373
<b>Transactions with owners</b>										
Final cash dividend for the year ended December 31, 2016 @ Rs. 5 per share	-	-	-	-	-	-	-	(295,289)	-	(295,289)
<b>Balance at June 30, 2017 (Unaudited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	15,219	8,763,911	775,052	10,351,426
(Loss) / profit for the period	-	-	-	-	-	-	-	316,102	43,485	359,587
Other comprehensive income for the period	-	-	-	-	-	-	(3,545)	80	-	(3,465)
Total comprehensive income for the half year ended December 31, 2017	-	-	-	-	-	-	(3,545)	316,182	43,485	356,122
Effect of ther transaction of associate	-	-	-	-	-	-	-	(22,185)	-	(22,185)
<b>Balance at December 31, 2017 (Audited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	11,674	9,057,908	818,537	10,685,363
Profit for the period	-	-	-	-	-	-	-	1,884,146	58,224	1,942,370
Other comprehensive income for the period	-	-	-	-	-	-	656	-	-	656
Total comprehensive income for the half year ended June 30, 2018	-	-	-	-	-	-	656	1,884,146	58,224	1,943,026
Effect of other transaction of associate	-	-	-	-	-	-	-	9,531	-	9,531
<b>Transactions with owners</b>										
Final cash dividend for the year ended December 31, 2017 @ Rs. 1 per share	-	-	-	-	-	-	-	(59,058)	-	(59,058)
<b>Balance at June 30, 2018 (Unaudited)</b>	590,578	10,521	136,865	33,311	25,969	206,666	12,330	10,892,526	876,761	12,578,861

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

Mujtaba Haider Khan  
Chief Executive Officer

Shabbir Hussain Hashmi  
Director

Shafiq Ahmed  
Chief Financial Officer



**DAWOOD LAWRENCEPUR LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2018**

(Amounts in thousand)

	June 2018	June 2017
	-----Rupees-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,259,115	326,648
Less: (Profit) / loss before taxation attributable to discontinued operations	(86,229)	11,855
Profit before taxation from continued operations	2,172,886	338,503
<b>Adjustments for non-cash and other items</b>		
Depreciation	283,008	271,788
Amortization	1,045	2,691
Provision for gratuity	6,548	5,335
Reversal for impairment of stock in trade	(49,441)	(11,648)
Reversal of provision for doubtful debts	(147)	(157)
Provision for stock in trade	-	1,737
Provision for warranties	2,066	3,153
Provision for onerous contract	-	455
Reversal of onerous contract	(1)	(820)
Provision for doubtful debts	2,081	3,094
Finance costs	381,683	383,531
Loss/ (gain) on disposal of property, plant and equipment	63	(337)
Share of profit from associate	(2,061,655)	(192,452)
Dividend income	-	(900)
	738,136	803,973
<b>Working capital changes</b>		
<b>Decrease / (increase) in current assets</b>		
Stores and spares	(7,866)	-
Stock in trade	36,072	26,221
Trade debts	(651,788)	(626,369)
Loans and advances	(2,711)	(1,101)
Deposits, prepayments and other receivables	(49,296)	101,040
<b>(Decrease) / increase in current liabilities</b>		
Trade and other payables	146,830	(303,756)
	(528,759)	(803,965)
Cash generated from operations	209,377	8
Gratuity paid	(6,586)	(2,898)
Long term loan	308	49
Finance costs paid	(367,363)	(370,758)
Taxes paid	(34,047)	(50,865)
Discontinued operations	31,775	1,601
Net cash used in operating activities	(166,536)	(422,863)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(150)	(29,052)
Sale proceeds from disposal of property, plant and equipment	41	527
Additions to capital work-in-progress	-	(3,510)
Purchase of intangible assets	(98)	(128)
Dividend received	155,864	311,728
Discontinued operations	140,196	-
Net cash generated from investing activities	295,853	279,565
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of dividend	(57,545)	(286,781)
Repayment of loan	(685,879)	-
Proceeds from borrowings	-	308,909
	(743,424)	22,128
Net decrease in cash and cash equivalents	(614,107)	(121,170)
Cash and cash equivalents at beginning of the period	379,613	332,367
Cash and cash equivalents at end of the period	(234,494)	211,197
<b>Cash and cash equivalents:</b>		
Cash and bank balances	321,104	746,541
Short term borrowings	(555,598)	(535,344)
	(234,494)	211,197

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

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

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

**Shafiq Ahmed**  
**Chief Financial Officer**

**DAWOOD LAWRENCEPUR LIMITED**  
**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2018**

(Amounts in thousand)

**1. LEGAL STATUS AND OPERATIONS**

- 1.1 Dawood Lawrencepur Limited (the Company) was incorporated in Pakistan in the year 2004 as a public listed company. It was formed as a result of a Scheme of Arrangement for Amalgamation in terms of the provisions of the Companies Ordinance, 1984 (now Companies Act, 2017) between Dawood Cotton Mills Limited, Dilon Limited, Burewala Textile Mills Limited and Lawrencepur Woolen and Textile Mills Limited. The shares of the Company are listed on Pakistan Stock Exchange. The Company manages its investment in its subsidiary and associated companies and is engaged in the business of trading and marketing of renewable energy solutions, mainly solar, to commercial and industrial consumers, along with the legacy textile business. The registered office of the Company is situated at 3rd Floor, Dawood Centre, M.T.Khan Road, Karachi in the province of Sindh.
- 1.2 In prior years, the Company suspended operations of LWTM, BTM, DL and DCM. In 2015, the Company sold land, building and plant & machinery of DL and DCM. Further, plant & machinery and related assets of LWTM were also disposed off.
- 1.3 The 'Lawrencepur' brand name continues to operate under license.
- 1.4 The "Group" consists of:

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

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

	Period Ended	Percentage of direct holding	
		2018	2017
-Reon Energy Limited (note 1.5.1)	June 30	100%	100%
-Tenega Generasi Limited (note 1.5.2)	June 30	75%	75%
-Mozart (Private) Limited (note 1.5.3)	June 30	100%	100%
-Abrax (Private) Limited (note 1.5.4)	June 30	100%	100%
-Greengo (Private) Limited (note 1.5.5)	June 30	100%	100%
-Reon Alpha (Private) Limited (note 1.5)	June 30	100%	100%
<b>Associated Company:</b>			
-Dawood Hercules Corporation Limited note (1.6)	June 30	16.19%	16.19%

**1.5 Subsidiary companies**

**1.5.1 Reon Energy Limited**

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

**1.5.2 Tenaga Generasi Limited**

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

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

**(Amounts in thousand)**

**1.5.3 Mozart (Private) Limited**

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

**1.5.4 Abrax (Private) Limited**

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

**1.5.5 Greengo (Private) Limited**

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

**1.5.6 Reon Alpha (Private) Limited**

Reon Alpha (Private) Limited (RAPL) was incorporated in Pakistan on October 23, 2017 under the Companies Act, 2017 as a private limited company to carry out business of trading and construction of renewable energy projects. The registered office of RAPL is situated at 3rd Floor, Dawood Centre, M.T.Khan Road, Karachi in the province of Sindh. RAPL is a wholly owned subsidiary of the Holding Company.

**1.6 Associated company**

Dawood Hercules Corporation Limited (DHCL) was incorporated in Pakistan on April 17, 1968 as a public limited company under the Companies Act 1913 (now Companies Act, 2017) (the Act) and its shares are quoted on Pakistan Stock Exchange Limited. The principal activity of DHCL is to manage investments in its subsidiary and associated companies. The registered office of DHCL is situated at Dawood Center, M.T. Khan Road, Karachi. The Holding Company holds ownership of 16.19% (2016: 16.19%) in DHCL.

**2. BASIS OF PREPARATION**

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

- International Accounting Standard 34, 'Interim Financial Reporting' (IAS 34), issued by International Accounting 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 preparation of this 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 judgement in the process of applying the Holding Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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

(Amounts in thousand)

### 3. BASIS OF CONSOLIDATION

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

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

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

### 4. ACCOUNTING POLICIES

- 4.1 The accounting policies and the methods of computation adopted in the preparation of this consolidated condensed interim financial statements are consistent with those applied in the preparation of the financial statements of the group for the year ended December 31, 2017.
- 4.2 There are certain new International Financial Reporting Standards, amendments to published standards and interpretations that are mandatory for the financial year beginning January 1, 2018. These are considered not to be relevant or have any significant effect on the Holding Company's financial reporting and operations and, therefore, not disclosed in this consolidated condensed interim financial information.
- 4.3 Taxes on income in the interim period are accrued using tax rate that would be applicable to expected total annual profit or loss.

### 5. LONG TERM INVESTMENTS

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

<b>Unaudited June 30, 2018</b>	Audited December 31, 2017
-----Rupees-----	
<b>10,870,832</b>	8,955,510
<b>14,785</b>	14,129
<b>10,885,617</b>	8,969,639

#### 5.1 Share of investment in an associate

Associated company - quoted

Dawood Hercules Corporation Limited

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

Less: Dividend received

<b>Unaudited June 30, 2018</b>	Audited December 31, 2017
-----Rupees-----	
<b>8,955,510</b>	8,691,306
<b>2,061,655</b>	560,026
<b>9,595</b>	2,725
<b>(64)</b>	13,181
<b>2,071,186</b>	575,932
<b>(155,864)</b>	(311,728)
<b>10,870,832</b>	8,955,510

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

(Amounts in thousand)

	<b>Unaudited June 30, 2018</b>	Audited December 31, 2017
	-----Rupees-----	
<b>6. CASH AND BANK BALANCES</b>		
Cash in hand	530	414
Cheques in hand	9,000	-
Cash at banks:		
Current accounts	3,523	10,439
Deposit accounts - (note 6.1)	308,051	898,568
Deposit accounts - foreign currency	-	32,012
	<b>321,104</b>	<b>941,433</b>

6.1 The rates of profits on the deposit account ranges from 4.00% to 5.05% per annum (Dec 2017: 3.74% to 5.15%).

	<b>Unaudited June 30, 2018</b>	Audited December 31, 2017
	-----Rupees-----	
<b>7 ASSET CLASSIFIED AS HELD FOR SALE</b>		
Plant and machinery	<b>4,590</b>	<b>37,238</b>

During the period, company sold assets classified as held for sale with carrying value of Rs. 32,648 relating to discontinued unit, BTM.

## 8. SHORT TERM BORROWING

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

This includes utilized portion of short-term running finance facility aggregating to Rs. 500,000 (2017: Rs 500,000) obtained under mark-up arrangements from Standard Chartered Bank (Pakistan) Limited. The running finance under mark-up arrangement is secured by way of pledge over Company's investment in related party. Rate of mark-up applicable to the facility is three months KIBOR plus 90 basis points (2017: three months KIBOR plus 90 basis points) per annum. The facility will expire on March 31, 2019.

## 9. CONTINGENCIES AND COMMITMENTS

There have been no material change in status of contingencies and commitments as reported in the audited financial statement for the year ended December 31, 2017, except for the following:

9.1. In 2017, the subsidiary company received order from Assistant Commissioner Inland Revenue (ACIR) amounting to Rs. 344,383 against alleged incorrect withholding of income tax along with penalty and default surcharge for tax year 2016. On appeal by the subsidiary company, the Commissioner Inland Revenue Appeals (CIRA) remanded the case to ACIR for fresh consideration. The ACIR after fresh consideration again raised a demand of Rs. 344,383. The subsidiary company thereafter filed an appeal with CIRA against the order. Simultaneously on application by the subsidiary company, the High Court of Sindh granted stay against any recovery proceeding by the tax authorities. The management, based on the advice of its tax consultants, is confident of favorable outcome of this matter, accordingly, no provision has been recognized in this respect in this condensed interim financial information.

**(Amounts in thousand)**

- 9.2. During the period, the Officer Inland Revenue (OCIR) through order raised a sales tax demand of Rs. 97,283 along with default surcharge on account of inadmissibility of input sales tax credit related to civil works carried out on account of building and foundation of wind turbines. The subsidiary company filed an appeal before the CIRA on the grounds that sales tax at 14% was paid on services for installation of wind project which is related to the core taxable activity for the business and is therefore admissible as per law. The appeal is pending hearing. Simultaneously on application by the subsidiary company, the High Court of Sindh granted stay against any recovery proceeding by the tax authorities. The management, based on the advice of its tax consultants, is confident of favorable outcome of this matter, accordingly, no provision has been recognized in this respect in this condensed interim financial information.
- 9.3. Commitments in respect of capital expenditure contracted for but not incurred amounts to Rs. 24,931 (December 31, 2017: Nil).

	<b>Unaudited</b>	Unaudited
	<b>For the half year ended</b>	
	<b>June 30,</b>	June 30,
	<b>2018</b>	2017
	-----Rupees-----	
<b>10. REVENUE - NET</b>		
<b>Renewable energy</b>		
Project revenue (Solar)	249,931	343,179
Solar lights	22	-
Alternate Energy (Wind)	1,084,336	1,059,266
Others	132	666
	<b>1,334,421</b>	<b>1,403,111</b>
<b>Textile</b>		
Fabric	4,339	4,832
	<b>1,338,760</b>	<b>1,407,943</b>
Related to discontinued operations	<b>(4,339)</b>	<b>(4,832)</b>
	<b>1,334,421</b>	<b>1,403,111</b>
<b>11. OTHER INCOME</b>		
<b>Income from financial assets</b>		
Profit on deposits	270	20,181
Gain on disposal of property, plant and equipment	100,592	338
Insurance claim	-	28
Royalty income	5,833	4,327
Rental income	10,135	19,851
Agriculture income	1,576	452
Interest Income	-	17,599
Sales of miscellaneous stores items	5,597	8,592
	<b>123,733</b>	<b>51,187</b>
	<b>124,003</b>	<b>71,368</b>
Related to discontinued operations	<b>(112,361)</b>	<b>(20,340)</b>
	<b>11,642</b>	<b>51,028</b>

(Amounts in thousand)

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

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

	Quarter Ended		Half year ended	
	June 30,2018	June 30,2017	June 30,2018	June 30,2017
<b>Continuing operations</b>				
Profit / (loss) for the period (attributable to the owners of the Holding Company)	<b>306,529</b>	(77,191)	<b>1,797,917</b>	(12,719)
Weighted average number of ordinary shares (in thousand)	<b>59,058</b>	59,058	<b>59,058</b>	59,058
Earnings / (loss) per share	<b>5.19</b>	(1.31)	<b>30.44</b>	(0.22)
<b>Discontinued operations</b>				
Profit / (loss) for the period (attributable to the owners of the Holding Company)	<b>55,031</b>	(3,335)	<b>86,229</b>	(11,855)
Weighted average number of ordinary shares (in thousand)	<b>59,058</b>	59,058	<b>59,058</b>	59,058
Earnings / (loss) per share	<b>0.93</b>	(0.06)	<b>1.46</b>	(0.20)

## 13. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 13.1 Financial risk factors

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

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

### 13.2 Fair value estimation

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

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

	June 30, 2018			
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
<b>Non-current assets</b>				
Long term investments	<b>14,770</b>	-	<b>15</b>	<b>14,785</b>
	December 31, 2017			
	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
<b>Non-current assets</b>				
Long term investments	<b>14,114</b>	-	<b>15</b>	<b>14,129</b>

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

(Amounts in thousand)

#### 14. SEGMENT REPORTING

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

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

Segment analysis is as under:

14.2 Segment results	Renewable energy		Textile - discontinued operations		Alternate Energy		Unallocated		Total	
	June 30,		June 30,		June 30,		June 30,		June 30,	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	-----Rupees-----									
Revenue	250,085	343,845	4,339	4,832	1,084,336	1,059,266	-	-	1,338,760	1,407,943
Cost of goods sold	(201,745)	(310,565)	(4,765)	(5,481)	(441,920)	(409,801)	-	-	(648,430)	(725,847)
Segment gross profit / (loss)	48,340	33,280	(426)	(649)	642,416	649,465	-	-	690,330	682,096
Dividend income	-	-	-	-	-	-	-	900	-	900
Selling and distribution expenses	(84,704)	(75,300)	(49)	(85)	-	(214)	-	-	(84,753)	(75,599)
Other operating expenses	-	-	-	-	(10,851)	-	-	-	(10,851)	-
Administrative expenses	(82,196)	(88,283)	(25,656)	(31,460)	(31,733)	(41,294)	-	-	(139,585)	(161,037)
Other income	8,246	33,148	112,360	20,339	3,396	17,880	-	-	124,002	71,367
Share of profit of associate	-	-	-	-	-	-	2,061,655	192,452	2,061,655	192,452
Finance costs	-	-	-	-	(361,376)	(354,830)	(20,307)	(28,701)	(381,683)	(383,531)
Taxation	-	-	-	-	(909)	(3,823)	(315,837)	(280,603)	(316,746)	(284,426)
Segment (loss) / profit	(110,314)	(97,155)	86,229	(11,855)	240,943	267,184	1,725,512	(115,952)	1,942,370	42,222
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
14.3	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	-----Rupees-----									
Segment assets	352,914	362,852	42,156	119,141	13,163,032	12,675,900	10,950,693	9,031,811	24,508,795	22,189,704
Segment liabilities	183,472	137,783	46,714	74,622	9,478,413	9,381,172	2,221,335	1,911,675	11,929,934	11,505,252

#### 15. TRANSACTIONS WITH RELATED PARTIES

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

Relationship	Nature of transaction	Unaudited	Unaudited
		June 30, 2018	June 30, 2017
-----Rupees-----			
<b>a. Associated companies</b>			
Dawood Hercules Corporation Limited	Dividend income	155,864	311,728
	Reimbursable expenses incurred on behalf of the Company	7,995	6,733
	Reimbursable expenses incurred by the Company	95	38
Sach International (Private) Limited	Sale of fabric	-	477
	Reimbursable expenses incurred by the Company	-	91
	Royalty charged by the Company	5,833	4,327
	Penalty charged against overdue receivables	187	-
	Reimbursable expenses incurred on behalf of the Company	-	1,956
The Dawood Foundation	Rental charges paid	5,101	3,683
	Reimbursable expenses incurred on behalf of the Company	-	659



**(Amounts in thousand)**

Engro Fertilizer Limited	Rental Income	<b>1,135</b>	-
Fauji Fertilizer Limited	Rental Income	<b>1,749</b>	-
Fatima Fertilizer Limited	Rental Income	<b>6,849</b>	-
Engro Energy Limited	Project management fee	<b>2,400</b>	2,400
	Reimbursable expenses incurred on behalf of the Company	<b>11,709</b>	4,179
International Finance Corporation	Borrowing cost charged to the Company	<b>38,644</b>	65,945
	Borrowing received	-	280,620
	Commitment fee	-	434
	Supervision fee	<b>1,307</b>	1,310
	Accrued interest	<b>43,138</b>	34,730
<b>c. Key management personnel</b>	Salaries and benefits	<b>47,303</b>	38,945
	Retirement benefit	<b>300</b>	-
<b>d. Directors</b>	Meeting fees	<b>1,600</b>	1,200

**16. CORRESPONDING FIGURES**

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

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

Description	Amount	Head of account in consolidated condensed interim financial statements for the half year 'ended June 30, 2018	Head of account in financial statements for the year ended December 31, 2017
<b>Statement of financial position</b>			
Unclaimed dividend	43,393	Unclaimed dividend	Trade and other payables

**17. DATE OF AUTHORIZATION FOR ISSUE**

This consolidated condensed interim financial statements were authorized for issue on August 29, 2018 by the Board of Directors of the Holding Company.

**Mujtaba Haider Khan**  
Chief Executive

**Shabbir Hussain Hashmi**  
Director

**Shafiq Ahmed**  
Chief Financial Officer

# داؤڈلارنس پور لمیٹڈ

## ڈائریکٹرز کی جائزہ رپورٹ

برائے اختتام نصف سال 30 جون، 2018

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

### کاروبار کا جائزہ

#### قابل تجدید توانائی کا کاروبار

سال 2018 کا پہلا نصف ریون انرجی لمیٹڈ (ایک کل ملکی ذیلی کمپنی) اور پاکستان میں تقسیم شدہ سٹسی توانائی کے لئے کئی اولین واقعات کا حامل رہا۔ AAA درجہ کے صارفین کے ساتھ کئی نمایاں نئے پروڈکٹس حاصل کئے گئے اور REL کے موجودہ صارفین کو بھی دیگر اہم پروڈکٹس فراہم کئے گئے۔ رواں سال میں کوہ نور ٹیکسٹائل ملز (1MW)، ریکٹ بیکنائزر (200Kw)، اینگرو و واپاک ٹریٹمنٹ لمیٹڈ (1MW)، 22 مختلف BTS سائٹس پر 1MW سروس پروڈیکٹ نیٹ میٹنگ اور Edotco قابل ذکر پروڈیکٹ تھے۔ ان کے علاوہ SECMC (5MW)، اینگرو ایگزیمپ (1MW)، داوا انٹر پرائزز (1.6MW) اور Edotco (300KW) RVFC کے ساتھ مزید پروڈیکٹس ابھی زیر تکمیل ہیں۔ REL نے پراکٹر اینڈ گیمبل اور یونی لیور سے 15 سالہ پاور پراجیز اینگرمینٹ کی بنیاد پر 2MW اور 2.6MW کے پروڈیکٹس کے لئے لیٹرز آف انٹینٹ حاصل کر لئے ہیں۔ پاکستان اور بیرون ملک میں پرائیویٹ PPA پائرنشپ کے فروغ کے لئے REL کے ENI کے ساتھ اشتراک کو اگلے 12 ماہ میں 14MW کے پروڈیکٹ کی مشترکہ تکمیل کے معاہدے سے مزید وسعت ملی ہے۔

#### پن بجلی کے منصوبے

تتا گا جزا سی لمیٹڈ (ذیلی کمپنی) کی 220KV لائن (جو موجودہ طور پر 132KV پر کام کر رہی ہے) کی گھا رو سے جھمپیر تک تنصیب یکم اگست 2018 کو مکمل ہوئی۔ نئی لائن کے فعال ہو جانے کے بعد TGL نے 1GWH سے زائد کی پیداوار حاصل کی۔ نئے جھمپیر-2 گرڈ اسٹیشن میں تیسرا ٹرانسفارمر نصب کر دیا گیا ہے اور TGL کو جھمپیر میں تین نئے پلانٹس کی تنصیب کے باوجود اس سرکٹ سے اخراج میں کسی رکاوٹ کا سامنا نہیں ہوگا۔ اپریل تا جون 2018 کے درمیان ہوا کی اوسط رفتار 7.8 میٹر فی سیکنڈ ریکارڈ کی گئی جو کہ 7.8 میٹر فی سیکنڈ کی P90 ہوا کی رفتار سے نسبتاً کم ہے۔ تاہم ماہ جون، 2018 کے درمیان ہوا کی رفتار P75 کے درجہ پر رہی۔ گرڈ آؤٹ لیج اور پاور پراجیز رز کی جانب سے بجلی کی تخفیف بھی بلا تعطل جاری رہی جو 75 فیصد (Non-Project Missed Volume) NPMV کا باعث بنی۔

پلانٹ کی کارگزاری تسلی بخش ہے۔ اس کے علاوہ پلانٹ دستیابی اور BOP نقصان کے متوقع اہداف حاصل کر رہا ہے۔ زیر جائزہ مدت میں BOP نقصان متوقع 2.5 فیصد کے برعکس 1.06 فیصد جبکہ دستیابی متوقع ہدف 99.0 فیصد کے مقابلے میں 99.2 فیصد رہی۔ صحت، تحفظ اور ماحول (HSE) بدستور ترجیح رہے اور COD سے اب تک کسی حادثے اور TRIR کے بغیر 149,377 گھنٹے محفوظ انداز سے کام کے تکمیل پائے۔

دوسری سہ ماہی میں کل فروخت شدہ توانائی 40.3Gwh رہی۔ P90 قیاس پر مطلوبہ 45.0Gwh سے کم ہے۔ اس کی اہم وجوہات میں زیر جائزہ مدت میں مؤثر تخفیف اور اپریل اور مئی 2018 کے دوران ہوا کی رفتار میں کمی شامل تھی۔ توقع کی جا رہی ہے کہ اگست 2018 کے بعد توانائی کی پیداوار میں بہتری آنا شروع ہو جائے گی۔

## مالیاتی نکات

کمپنی کے مالیاتی نکات درج ذیل ہیں۔

30 جون 2018 کو ختم ہونے والا نصف سال	30 جون 2017 کو ختم ہونے والا نصف سال	
روپے "ہزار" میں		
2,187	51,237	آمدنی - خالص
(1,658)	(55,530)	آمدنی کی لاگت
529	(4,243)	مجموعی منافع / (خسارہ)
172,787	336,631	دیگر آمدنی
131,798	271,777	منافع قبل از ٹیکس - جاری کاروبار
86,230	(11,855)	منافع / (خسارہ) موقوف کاروبار
(25,812)	(78,837)	ٹیکس
192,216	181,085	منافع بعد از ٹیکس
1,896,879	2,048,812	غیر تخصیصی منافع brought forward
2,030,037	1,934,608	غیر تخصیصی منافع carried forward
3.25	3.07	فی حصص آمدنی Basic and Diluted

انضمامی آمدنی 30 جون، 2017 کو ختم ہونے والے نصف سال کے 1,403.11 ملین روپے کے مقابلے میں 30 جون، 2018 کو ختم ہونے والے نصف سال میں 1,334.42 ملین روپے رہی۔ اس کی بنیادی وجہ 1,084.34 ملین روپے کے پن بجلی کے پروفٹیکلنس سے حاصل شدہ آمدنی تھی۔ شریک کار کمپنی، داؤد ہر کولیس کارپوریشن لمیٹڈ کی جانب سے 2,061.66 ملین روپے منافع کے حصے کو شمار کرنے کے بعد (جو 2017 میں 192.45 ملین روپے تھا)، نصف سال کا مجموعی بعد از ٹیکس منافع 1,942.37 ملین روپے رہا جو کہ گزشتہ سال کی اسی مدت کے دوران 42.22 ملین روپے تھا۔ مجموعی فی حصص آمدنی / (خسارہ)، ہولڈنگ کمپنی کے مالکان کے تناسب سے 31.9 روپے رہا جو کہ گزشتہ سال کی اسی مدت کے دوران (0.42) روپے تھا۔

## مستقبل کے آثار

### قابل تجدید توانائی کا کاروبار

دوسری سہ ماہی کے اختتام تک REL کے کاروبار کو امریکی ڈالر کی قدر میں اضافے / پاکستانی روپے کی شرح تبادلہ اور انتخابات کے باعث سنگین چیلنجز کا سامنا رہا تاہم باقی ماندہ سال میں بعض زبردست منصوبے زیر تکمیل ہونے کے باعث ڈسٹری بیوٹڈ مارکیٹ کی ترقی کے لئے کاروباری آثار سے خوش آئند نظر آتے ہیں۔ نو منتخب شدہ حکومت نے قابل تقسیم پیداوار کو توانائی کی اولین ترجیحات میں شامل کیا ہے اور اس سے REL اس مارکیٹ میں ایک مستحکم مقام حاصل کرنے کی پوزیشن میں آگئی ہے۔

چین نے گریوٹس کی سٹسی توانائی کے لئے اعانتی پالیسیاں ختم کرنے کا اعلان کیا ہے جس سے مارکیٹ میں ایکویپمنٹ کی بڑے پیمانے پر فراہمی سے قیمتوں میں کمی واقع ہوئی ہے۔ اس سے قلیل تا وسط مدت کے لئے سٹسی توانائی کے صارفین کی کمرشل صورت حال میں مزید بہتری واقع ہوئی ہے۔ REL پس آئندہ مستقبل کے لئے مارکیٹ کی ترقی کا تسلسل جاری رہنے کی توقع رکھتی ہے۔

### پن بجلی کے منصوبے

پن بجلی کے شعبہ کو اس وقت گروڈی قرضوں کے شدید اثرات کا سامنا ہے اور دسمبر، 2017 سے حکومت کی جانب سے ادائیگیاں شدید تخفیف کا شکار ہیں۔ تاہم اس شعبے میں اب بھی TGL کا وصولیوں کا ریکارڈ دوسروں سے بہتر ہے اور جولائی میں واجب الادا مرکزی ادائیگی کسی اسپانسر کے تعاون کے بغیر کردی گئی ہے۔ کسی اتفاقی Cash deficit یا CPPA کی جانب سے تاخیری ادائیگیوں کو پورا کرنے کے لئے اضافی ورکنگ کیپٹل کی سہولت کا بندوبست کیا جا رہا ہے۔

TGL اپنے ریلہ سازی اور تجارتی مسائل کے حوالے سے NTDC اور CPPA کے ساتھ فعال روابط قائم رکھنے کا سلسلہ جاری رکھے ہوئے ہے۔

شاہد حامد پراچہ

چیئر مین

مجتبیٰ حیدر خان

چیف ایگزیکٹو آفیسر

کراچی: 29 اگست، 2018

## PHYSICAL SHAREHOLDERS

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

**Dear Shareholder,**

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

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

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

## CDS SHAREHOLDERS

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

**Dear Shareholder,**

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

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

# ELECTRONIC TRANSMISSION CONSENT FORM

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

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

## Electronic Transmission Consent Form

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

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

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

**Dear Shareholder,**

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

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

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

Date: \_\_\_\_\_

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

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

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

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

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















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





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



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