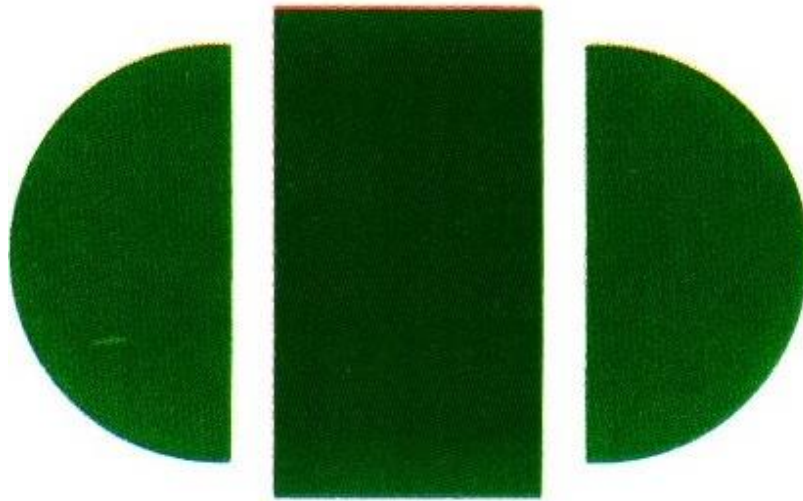


FIRST EQUITY MODARABA

Quarter and Nine Months Reports
For the period ended
March 31, 2023



Managed by

PREMIER FINANCIAL SERVICES (PVT) LTD



FIRST EQUITY MODARABA

CORPORATE INFORMATION

Modaraba Company : PREMIER FINANCIAL SERVICES (PVT) LTD

BOARD OF DIRECTORS

Mr Nadeem Maqbool
Ms Alizeh Bashir

Mr Qaiser Ahmed Magoon
Mr Adil A Ghaffar - Chief Executive Officer

AUDIT COMMITTEE

Mr Qaiser Ahmed Magoon
Ms Alizeh Bashir
Mr Nadeem Maqbool

HUNAM RESOURCE COMMITTEE

Mr Qaiser Ahmed Magoon
Mr Nadeem Maqbool
Mr Adil A Ghaffar

REGISTERED AND BUSINESS ADDRESS

B-1004 Lakson Square Building # 3
Sarwar Shaheed Road
Karachi
Tel : 021-35672815-18
Fax : 021-35686116

Room No 503-504
Karachi Stock Exchange Building
Karachi
Tel : 021-32446020-3
Fax : 021-32446024

e-mail: info@firstequitymodaraba.com.pk
website: firstequitymodaraba.com.pk

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**FIRST EQUITY MODARABA
DIRECTORS REPORT**

The Directors of Premier Financial Services (Private) Ltd, the management company of FIRST EQUITY MODARABA, are pleased to present their report and the un-audited financial statements of the Modaraba for the nine months and quarter ended March 31, 2023.

Financial Results

Loss for the nine months ended March 31, 2023 amounted to Rupees (14.08) million as compared to profit of Rupees 2.07 million for the same period last year. The loss per certificate as at March 31, 2023 was Rs (2.68) as against profit of Rs. 0.039 per certificate last year. The break up value, per modaraba certificate, stands at Rs 10.36 at the end of the period.

Prospects

Further to our views expressed in our previous reports during the current financial year on the state of economy, trade, finance and industry, we believe that capital market will respond accordingly, after the political and economic uncertainties are settled and supply chain restored

For and on behalf of Board

Karachi
April 28, 2023

Adil A Ghaffar
Chief Executive Officer

فرسٹ ایکویٹی مضاربہ

ڈائریکٹرز رپورٹ

فرسٹ ایکویٹی مضاربہ کی انتظامی کمپنی پریمیئر فنانشل سروسز (پرائیویٹ) لمیٹڈ کے ڈائریکٹرز اپنی رپورٹ اور مضاربہ کے غیر آڈٹ شدہ مالیاتی گوشوارے برائے اختتامی مدت نومبر اور سہ ماہی 31 مارچ 2023ء پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

مالیاتی نتائج:

گذشتہ سال اسی مدت کے منافع مبلغ 2.07 ملین روپے کے مقابلے میں 31 مارچ 2023ء کو اختتام پزیر ہونیوالی نومبر مدت میں مبلغ (14.08) ملین روپے کا خسارہ ہوا۔ 31 مارچ 2023ء تک فی سٹیفیکٹ آمدنی مبلغ (2.68) روپے تھی جبکہ گذشتہ سال اسی مدت میں فی سٹیفیکٹ آمدنی مبلغ 0.039 روپے تھی۔ مدت کے اختتام تک بریک اپ ویلیو مبلغ 10.36 روپے فی سٹیفیکٹ تھی۔

تسلیمات:

ہماری گذشتہ سال کی سالانہ رپورٹ میں معیشت، تجارت، مالیات اور صنعت کے بارے میں ہمارا نظریہ ظاہر کیا گیا ہے۔ ہمارا خیال ہے کہ ایک باریسیاسی اور معاشی غیر یقینی صورتحال ختم ہو جائے تو سرمایہ کاری کی مارکیٹ میں مزید تیزی کا رجحان پیدا ہوگا۔ کورونا وبا کا رجحان کم ہو رہا ہے اور اقتصادی سرگرمیاں شروع ہو گئی ہیں۔

بورڈ کی جانب سے

کراچی، 28 اپریل 2023ء

عادل اے غفار

چیف ایگزیکٹو آفیسر

**FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2023**

Page 4

	Note	March 31 2023 Rupees	Audited June 30, 2022 Rupees
EQUITY AND LIABILITIES			
Capital & Reserves			
Authorised capital 60,000,000 (June 30, 2022: 60,000,000) modaraba certificates of Rs. 10 each		600,000,000	600,000,000
<hr/>			
Certificate capital		524,400,000	524,400,000
Reserves	3	86,886,078	100,961,990
Remeasurement of define benefit liability - Actuarial gain		1,364,966	1,364,966
Unrealised loss on re-measurement of investments		(69,242,551)	(69,376,755)
Certificate holders' equity		543,408,493	557,350,201
Non-current liabilities			
Deferred liabilities		5,897,659	5,897,659
Security deposit		200,000	200,000
Total non-current liabilities		6,097,659	6,097,659
Current liabilities			
Creditors, accrued and other liabilities		8,115,291	13,872,554
Unclaimed profit distributions		31,127,871	31,139,886
Total current liabilities		39,243,162	45,012,440
<hr/>			
Total liabilities		45,340,821	51,110,099
<hr/>			
Total equity and liabilities		588,749,314	608,460,300

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2023

Page 5

		March 31	Audited
		2023	June 30,
	Note	Rupees	2022
			Rupees
ASSETS			
Non - current assets			
Fixed assets			
- tangible		3,288,381	3,948,441
- intangible		-	-
		3,288,381	3,948,441
Long term investments	4	408,866,158	402,655,229
Investment property		1,021,667	1,111,667
Advances		2,510,000	2,510,000
Deposits		1,750,000	1,750,000
Total non-current assets		417,436,206	411,975,337
Current assets			
Morabaha / musharaka receivables - secured		5,645,998	9,560,623
Short term investments		71,063,903	96,471,948
Advances- Considered goods		12,143,603	11,560,807
Trade deposits and prepayments		15,621,494	16,440,954
Other receivables		48,327,587	51,774,690
Cash and bank balances		18,510,524	10,675,941
Total current assets		171,313,108	196,484,963
Total assets		588,749,314	608,460,300

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Qazi Obaid Ullah	Adil A Ghaffar	Nadeem Maqbool	Alizeh Bashir
Chief Financial Officer	Chief Executive Officer	Director	Director
	Premier Financial	Premier Financial	Premier Financial
	Services (Private) Ltd.	Services (Private) Ltd.	Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2023

	Quarter ended		Nine months ended	
	March 31 2023 Rupees	March 31 2022 Rupees	March 31 2023 Rupees	March 31 2022 Rupees
Income	1,119,582	(1,969,407)	3,710,727	23,084,771
Expenditure				
Operating expenses	(6,281,845)	(5,661,899)	(17,023,500)	(17,295,794)
Operating profit/(Loss)	(5,162,263)	(7,631,306)	(13,312,773)	5,788,977
Taxation	(12,730)	(50,000)	(763,138)	(3,720,000)
(Loss) /Profit for the period	(5,174,993)	(7,631,306)	(14,075,911)	2,068,977
(Loss)/Earnings per certificate	(0.099)	(0.146)	(0.268)	0.039

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Qazi Obaid Ullah
Chief Financial Officer
Premier Financial
Services (Private) Ltd.

Adil A Ghaffar
Chief Executive Officer
Premier Financial
Services (Private) Ltd.

Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

Alizeh Bashir
Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND NINE MONTH ENDED MARCH 31, 2023

	<u>Quarter ended</u>		<u>Nine Months ended</u>	
	March 31 2023 Rupees	March 31 2022 Rupees	March 31 2023 Rupees	March 31 2022 Rupees
Profit/ (Loss) for the period	(7,681,306)	(7,631,306)	(14,075,911)	2,068,977
Other comprehensive income				
Unrealised gain / (loss) on re-measurement investments	(1,585,908)	(30,499,410)	6,146,349	(63,441,547)
Gain / (loss) realised on disposal of investments	-	1,476,416	(6,280,553)	2,296,777
	(1,585,908)	(29,022,994)	(134,204)	(61,144,770)
Unrealized gain on remeasurement of investment held at fair value through other comprehensive income	-	-	6,210,929	-
Other comprehensive loss	(1,585,908)	(29,022,994)	6,076,725	(61,144,770)
Total comprehensive income loss	(9,267,214)	(36,654,300)	(7,999,186)	(59,075,793)

Qazi Obaid Ullah
Chief Financial Officer
Adil A Ghaffar
Chief Executive Officer
Premier Financial
Services (Private) Ltd.

Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

Alizeh Bashir
Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA

CONDENSED INTERIM STATEMENT OF CASH FLOWS STATEMENTS

FOR THE NINE MONTHS ENDED MARCH 31, 2023

	March 31 2023 Rupees	March 31 2022 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) for the period	(13,312,773)	5,788,977
Adjustments for non cash/non operating items:		
Depreciation	1,015,959	1,206,278
Dividend income	(5,087,588)	(24,747,091)
	(4,071,629)	(23,540,813)
Operating profit/ (loss) before working capital changes	(17,384,402)	(17,751,836)
(Increase) / decrease in current assets		
Morabaha / musharaka receivables	3,914,625	(695,467)
Advances	(1,357,949)	(4,098,178)
Trade deposits and prepayments	819,460	(88,603)
Other receivables	3,447,103	(31,046,936)
	6,823,239	(35,929,184)
(Decrease) / increase in current liabilities		
Creditors, accrued and other liabilities	(5,757,263)	(873,096)
	(16,318,426)	(45,957,345)
Net cash used in operating activities	(16,318,426)	(45,957,345)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments	19,331,321	(21,277,332)
Dividends received	5,087,588	24,746,454
Purchases of tangible assets	(265,900)	(127,000)
Security Deposit Return	-	400,000
Net cash (use in)/generated from investing activities	24,153,009	3,742,122
Net increase / (decrease) in cash and cash equivalents	7,834,583	(70,868,316)
Cash and cash equivalents at the beginning of the period	10,675,941	83,451,388
Cash and cash equivalents at the end of the period	18,510,524	12,583,072

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Qazi Obaid Ullah

Chief Financial Officer

Adil A Ghaffar

Chief Executive Officer

Premier Financial
Services (Private) Ltd.

Nadeem Maqbool

Director

Premier Financial
Services (Private) Ltd.

Alizeh Bashir

Director

Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Certificate Capital	Special reserve	Certificate premium account	General reserve	Remeasur- ment of define benefit liability	Unrealised gain / (loss) on re- measurement of available for sale investments	Un appropriated profit / accumulated loss	Total
	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees
Balance as at July 1, 2021	524,400,000	164,334,210	131,100,000	27,120,000	738,541	7,200,492	(188,647,987)	666,245,256
Profit Distribution				(9,798,964)			(16,421,036)	(26,220,000)
Total comprehensive income for the period	-	-	-		-	(61,144,770)	2,068,977	(59,075,793)
Balance as at March 31, 2022	524,400,000	164,334,210	131,100,000	17,321,036	738,541	(53,944,278)	(203,000,046)	580,949,463
Balance as at July 01, 2022	524,400,000	164,334,210	131,100,000	17,321,036	1,364,966	(69,376,755)	(211,793,257)	557,350,200
Total comprehensive income for the period	-	-	-	-	-	134,204	(14,075,911)	(13,941,707)
Balance as at March 31, 2023	524,400,000	164,334,210	131,100,000	17,321,036	1,364,966	(69,242,551)	(225,869,168)	543,408,493

The annexed notes from 1 to 5 form an integral part of the condensed interim financial information.

Qazi Obaid Ullah
Chief Financial Officer

Adil A Ghaffar
Chief Executive Officer
Premier Financial
Services (Private) Ltd.

Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

Alizeh Bashir
Director
Premier Financial
Services (Private) Ltd.

**FIRST EQUITY MODARABA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023**

1 Legal Status and Nature of Business

First Equity Modaraba (the Modaraba) was formed in 1991 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed thereunder and is managed by Premier Financial Services (Private) Limited (Modaraba Management Company), a Company incorporated in Pakistan.

The Modaraba is a perpetual, multi purpose modaraba and is able to undertake a variety of fund and fee based activities. These include trading, manufacturing, equity investment and their financing and facilitation.

The Modaraba is listed on Pakistan Stock Exchanges Ltd

The Modaraba is holding two Trading Right Entitlement certificates of Pakistan Stock Exchange Ltd and is currently operating its brokerage activities in Karachi.

The modaraba is holding Equity Textiles Ltd, Capital Financial Services (Pvt) Ltd and Apex Financial Services (Pvt) Ltd inancial Services (Pvt) Ltd as a wholly owned subsidiary companies

2 General

- 2.1 These financial statements are unaudited and are being submitted to certificate holders as required by Rule 10 of the Modaraba Companies and Modaraba Rules, 1981.
- 2.2 The accounting policies adopted for the preparation of these unaudited financial statements are the same as those applied in preparation of the audited published financial statements of the Modaraba for the year ended June 30, 2022
- 2.3 The Modaraba Company's management fee, statutory reserve @ 20% to 50 %, provisions and profit Distribution will be determined at the year end.
- 2.4 These financial statements are in compliance with the disclosure requirements of International Accounting Standard (IAS)-34 "Interim Financial Reporting".

	March 2023 Rupees	June 2022 Rupees
3 Reserves		
Capital reserve	312,755,246	312,755,246
Revenue reserve	(225,869,168)	(211,793,256)
	86,886,078	100,961,990
4 Investments		
Unlisted Securities	58,866,158	52,655,229
Wholly owned subsidiary	350,000,000	350,000,000
	408,866,158	402,655,229

- 5 These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on April 28, 2023

Qazi Obaid Ullah
Chief Financial Officer

Adil A Ghaffar
Chief Executive Officer
Premier Financial
Services (Private) Ltd.

Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

Alizeh Bashir
Director
Premier Financial
Services (Private) Ltd.

EQUITY TEXTILES LIMITED

Wholly Owned Subsidiary of

First Equity Modaraba

nine months ended

March 31, 2023

EQUITY TEXTILES LIMITED
BALANCE SHEET AS AT MARCH 31, 2023

	Un-Audited March 2023 Rupees	Audited June 2022 Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment		
Operating fixed assets	1,218,483,913	1,283,305,443
Intangibles	3,488,028	3,443,661
Long Term Deposit	7,237,800	7,237,800
	1,229,209,741	1,293,986,904
CURRENT ASSETS		
Stores and spares	61,819,206	48,258,791
Stock in trade	591,792,832	577,914,926
Short term investment	12,164,113	5,623,928
Trade debts	362,537,602	426,922,574
Loans and advances	13,444,936	11,870,715
Trade deposits and short term prepayments	100,487,208	85,307,836
Other receivables	90,296,328	54,597,442
Tax refund due from government	73,147,156	45,722,860
Tax - net	13,355,098	34,031,762
Cash and bank balances	6,591,790	91,391,068
	1,325,636,269	1,381,641,902
	2,554,846,010	2,675,628,806
TOTAL ASSETS		
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital	250,000,000	250,000,000
25,000,000 shares of Rs. 10/- each		
Issued, subscribed and paid-up share capital	250,000,000	250,000,000
Unrealized Loss on Remeasurement of investment	(78,943)	(6,619,128)
Unappropriated Profit	515,520,922	618,453,841
	515,441,979	611,834,713
	765,441,979	861,834,713
Surplus on revaluation of fixed assets	475,958,361	514,549,579
NON CURRENT LIABILITIES		
Long term financing	-	468,564
Liabilities against asset subject to finance lease	26,290,846	38,951,091
Deferred capital gain	-	2,203,670
Deferred taxation	213,068,956	284,562,991
GIDC Payable	167,990,104	204,854,050
	407,349,906	531,040,366
CURRENT LIABILITIES		
Trade and other payables	779,324,113	471,757,512
Accrued Markup	8,342,226	6,768,395
Short term borrowings	97,294,225	225,098,900
Current portion of long term liabilities	4,453,727	45,706,569
Current portion of deferred capital gain	-	4,229,944
Current portion of lease liability	16,681,473	14,642,828
	906,095,764	768,204,148
	2,554,846,010	2,675,628,806
TOTAL EQUITY AND LIABILITIES		

CHIEF EXECUTIVE

DIRECTOR

EQUITY TEXTILES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	March 2023	March 2022
	Rupees	Rupees
Sales	2,802,209,124	4,527,531,501
Cost of Sales	<u>(2,865,215,605)</u>	<u>(4,040,103,982)</u>
Gross profit	(63,006,481)	487,427,519
Administrative and general expenses	(52,445,317)	(40,817,578)
Distribution and selling expenses	<u>(16,595,778)</u>	<u>(25,214,231)</u>
Operating Profit / (loss)	(132,047,576)	421,395,710
Financial charges	<u>(45,014,713)</u>	<u>(32,170,112)</u>
Other charges	<u>-</u>	<u>(26,851,052)</u>
	(45,014,713)	(59,021,164)
	(177,062,289)	362,374,546
Other income	5,178,536	4,132,217
Profit / (Loss) before taxation	<u>(171,883,753)</u>	<u>366,506,763</u>
Provision for taxation		
Current	<u>(34,526,954)</u>	<u>(43,252,494)</u>
Prior	(6,607,466)	39,778,503
Deferred	71,494,035	(87,266,197)
	30,359,615	(90,740,188)
Profit / (Loss) after taxation	<u>(141,524,137)</u>	<u>275,766,576</u>
Profit / (Loss) per share - basic and diluted	<u>(5.661)</u>	<u>11.031</u>

CHIEF EXECUTIVE

DIRECTOR