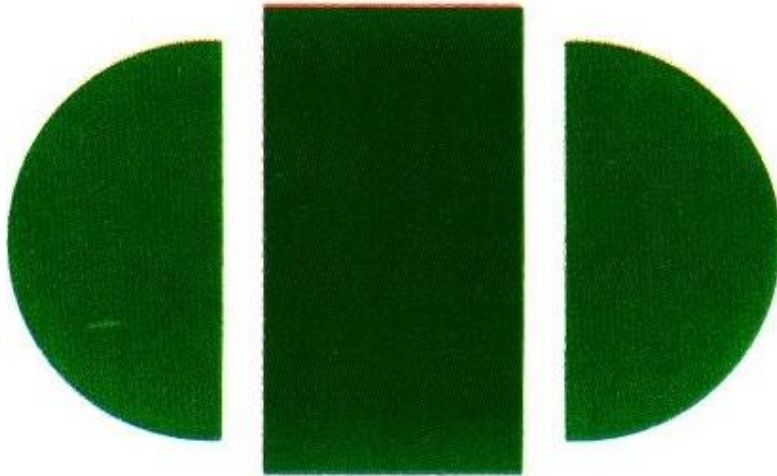


FIRST EQUITY MODARABA

Half Yearly and Six Months
For the period ended
December 31, 2020



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

Mr Qaiser Ahmed Magoon

Ms Alizeh Bashir

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

e-mail: info@firstequitymodaraba.com.pk

website: firstequitymodaraba.com.pk

Room No 503-504

Karachi Stock Exchange Building

Karachi

Tel : 021-32446020-3

Fax : 021-32446024

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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 together with the auditors review on the financial statements of the Modaraba for the half year ended December 31, 2020.

Financial Results

Profit for the half year ended December 31, 2020 amounted to Rs 6.348 million as compared to Profit Rs 0.249 million for the same period last year. The earning per certificate as at December 31, 2020 stood at Rs 0.121 from Rs 0.005 last December. The break up value per modaraba certificate stands at Rs 11.98.

Pakistan though also hit badly with Covid-19, yet its financial market and particularly stock exchange, took positively the reduction in SBP monetary policy rate from 13.25% to 7.00%. This reduction, along with factors of demand and supply, implementation of FATF requirements, changes in the foreign exchange regulation, bringing in Roshan Digital Pakistan all lead towards better corporate earnings.

It was well observed last year and our concentration on recoveries paid off. Our decision to call back Musharka Investements proved to be timely as we fully geared-up to grab the opportunities in stock market

With ground realities, we anticipate that capital market will out perform lending.

Karachi
February 24, 2021

Adil A Ghaffar
Chief Executive Officer

فرسٹ ایکویٹی مضاربہ ڈائریکٹرز رپورٹ

فرسٹ ایکویٹی مضاربہ کی انتظامی کمیٹی پر یکم ستمبر 2020ء کو (پرائیویٹ) لمیٹڈ کے ڈائریکٹرز اپنی رپورٹ اور مضاربہ کے مالیاتی بیانیے پر آڈیٹرز کا جائزہ برائے سال اختتام پذیر ششماہی 31 دسمبر 2020ء پیش کرتے ہوئے سرسٹ محسوس کرتے ہیں۔

مالیاتی نتائج:

گذشتہ منافع مبلغ 0.249 ملین روپے کے مقابلے میں 31 دسمبر 2020ء کو اختتام پذیر ہونے والی ششماہی میں مبلغ 6.348 ملین روپے کا منافع ہوا۔ 31 دسمبر 2020ء تک فی سٹریٹگیٹ آمدنی مبلغ 0.121 روپے ہوئی جبکہ گذشتہ سال دسمبر کے آخر میں فی سٹریٹگیٹ آمدنی مبلغ 0.005 روپے تھی۔ بریک اپ ویلیو مبلغ 11.98 روپے فی سٹریٹگیٹ رہی۔

اگرچہ کورونا وباء کے باعث پاکستان بری طرح متاثر ہوا، اس کے باوجود اس کی مالیاتی منڈی اور خاص طور پر اسٹاک ایکسچینج نے اسٹیٹ بینک آف پاکستان کی مانیٹری پالیسی کی شرح میں 13.25 فیصد سے کمی کر کے 7.00 فیصد تک مثبت اثر کیا۔ یہ کمی، طلب اور رسد کے عوامل کے ساتھ ساتھ، FATF کی ضروریات کو عملی جامہ پہنانے، زرمبادلہ کے ضوابط میں تہدیلی، روشن ڈیجیٹل پاکستان سب بہتر کارپوریٹ آمدنی کی طرف گامزن ہیں۔

گذشتہ سال اس کا اچھی طرح سے مشاہدہ کیا گیا اور ہماری توجہ ادائیگی کی وصولیوں پر رہی۔ مشارک سرمایہ کاری کو واپس لانے کا ہمارا فیصلہ وقتی ثابت ہوا کیوں کہ ہم اسٹاک مارکیٹ میں موجود مواقعوں پر قابو پانے کیلئے پوری طرح تیار تھے۔

ان حقائق کو مد نظر رکھتے ہوئے ہم امید کرتے ہیں کہ کئی نئے مارکیٹ قرضوں سے بہتر رہے گی۔

بورڈ کی جانب سے

کراچی، 24 فروری 2021ء

عادل اے حفار
چیف ایکویٹیٹو آفیسر

**FIRST EQUITY MODARABA
AUDITORS' REPORT TO THE CERTIFICATE HOLDERS ON REVIEW OF
UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS**

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of First Equity Modaraba ("the Modaraba"), as at December 31, 2020 and the related unconsolidated condensed interim profit and loss account and other comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the six-months period then ended (here-in-after referred to as the "interim financial statements"). The Modaraba Management Company is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

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 statement 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

Basis for Qualification

Modaraba has charged unrealised gain of Rs. 22.03 million, in respect of investment classified as financial asset held at fair value through profit and loss, in other comprehensive income instead of profit and loss account as required under IFRS 9.

Had the Modaraba charged the unrealize gain to the profit and loss account, its profit for the period would have been increased by Rs. 22.03 million.

Conclusion

Based on our review, except for the matter referred in the above paragraph, nothing has come to our attention that causes us to believe that the accompanying interim financial information as at and for the half year ended December 31, 2020 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other Matters

The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the three months period ended December 31, 2020 and December 31, 2019 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2020

The financial statements of the Modaraba for the year and period ended June 30, 2020 and December 31, 2019 were audited and reviewed respectively by another firm of Chartered Accountants, whose report dated October 05, 2020 and February 27, 2020 expressed a qualified opinion and conclusion on such statements.

The engagement Partner on the review resulting in this independent auditor's report is **Mr. Imran Sheikh**.

Crowe Hussain Chaudhury & Co.

Chartered Accountants

Engagement Partner: Imran Sheikh

Karachi

Dated: February 24, 2021

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT DECEMBER 31, 2020

	Note	Unaudited December 31, 2020 Rupees	Audited June 30, 2020 Rupees
EQUITY AND LIABILITIES			
Capital and reserves			
Certificate capital			
Authorised capital			
60,000,000 (June 30, 2020: 60,000,000) modarabacertificates of Rs. 10 each		600,000,000	600,000,000
Certificate capital	5	524,400,000	524,400,000
Reserves		123,833,123	117,485,202
Remeasurement of define benefit liability - Actuarial gain		1,135,501	1,135,501
Unrealised loss on re-measurement of investments		(21,395,932)	(50,172,068)
Certificate holders' equity		627,972,692	592,848,635
Non-current liabilities			
Deferred liabilities		4,551,260	4,551,260
Security deposit		-	200,000
Total non-current liabilities		4,551,260	4,751,260
Current liabilities			
Creditors, accrued and other liabilities		10,024,417	9,530,468
Unclaimed profit distributions		29,560,348	29,560,348
Total current liabilities		39,584,765	39,090,816
Total liabilities		44,136,025	43,842,076
Contingencies & Commitments	6		
Total equity and liabilities		672,108,717	636,690,711
ASSETS			
Non - current assets			
Fixed assets			
- tangible	7	5,900,839	6,436,337
- intangible	8	-	-
		5,900,839	6,436,337
Investment property		1,291,667	1,351,667
Investments	9	382,187,831	382,187,831
Advances		2,510,000	2,510,000
Deposits		1,750,000	1,750,000
Total non-current assets		393,640,337	394,235,835
Current assets			
Morabaha / musharaka receivables - secured		6,789,609	53,074,682
Short term investments		115,723,357	48,464,418
Advances		11,139,183	10,551,064
Trade deposits and prepayments		17,770,018	15,179,527
Other receivables		28,708,805	24,426,969
Cash and bank balances		98,337,409	90,758,217
Total current assets		278,468,380	242,454,876
Total assets		672,108,717	636,690,711

The annexed notes from 1 to 14 form an integral part of the condensed interim financial information.

Qazi Obaid Ullah	Adil A. Ghaffar	Alizeh Bashir	Qaiser Ahmed Magoon
Chief Financial Officer	Chief Executive Officer	Director	Director
	Premier Financial	Premier Financial	Premier Financial
	Services (Private) Limited	Services (Private) Limited	Services (Private) Limited

FIRST EQUITY MODARABA
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2020

	Note	Quarter ended		Half year ended	
		December 31, 2020 Rupees	December 31, 2019 Rupees	December 31, 2020 Rupees	December 31, 2019 Rupees
Income		8,227,024	5,265,306	15,234,763	9,657,845
Expenditure					
Operating expenses		(4,859,293)	(5,303,493)	(9,541,412)	(9,434,705)
Financial charges		(243)	(447)	(7,783)	(752)
Operating profit / (loss)		3,367,488	(38,634)	5,685,568	222,388
Other income		131,490	10,525	662,354	26,907
Profit/(loss) before income tax		3,498,978	(28,109)	6,347,922	249,295
Income tax expense		-	-	-	-
Profit / (loss) for the period		3,498,978	(28,109)	6,347,922	249,295
Earnings / (loss) per certificate	10	0.067	(0.001)	0.121	0.005

The annexed notes from 1 to 14 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) Limited

Alizeh Bashir
Director
Premier Financial
Services (Private) Limited

Qaiser Ahmed Magoon
Director
Premier Financial
Services (Private) Limited

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2020

	Quarter ended		Half Yearly	
	December 31, 2020 Rupees	December 31, 2019 Rupees	December 31, 2020 Rupees	December 31, 2019 Rupees
Profit/ (loss) for the period	3,498,978	(28,109)	6,347,922	249,295
Other comprehensive income				
Unrealised (loss) /gain on re-measurement of investments	7,210,868	16,231,662	22,030,016	6,981,981
Gain realised on disposal of investments	576,252	293,285	6,746,120	293,285
Other comprehensive Income / (Loss) for the Period	7,787,120	16,524,947	28,776,136	7,275,266
Total comprehensive income / (loss) for the Period	11,286,098	16,496,838	35,124,058	7,524,561

The annexed notes from 1 to 14 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) Limited	Alizeh Bashir Director Premier Financial Services (Private) Limited	Kaiser Ahmed Magoon Director Premier Financial Services (Private) Limited
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FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	December 31, 2020 Rupees	December 31, 2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Income Tax	6,347,922	249,295
Adjustments for non cash items:		
Depreciation	799,091	788,496
Provision for gratuity	-	176,750
Dividend income	(2,308,204)	(959,868)
	(1,509,113)	5,378
Operating Profit before working capital changes	4,838,809	254,673
(Increase) / decrease in current assets		
Morabaha / musharaka receivables	46,285,073	4,407,630
Advances	(588,119)	(339,343)
Trade deposits and prepayments	(2,590,491)	(148,174)
Other receivables	(4,281,836)	(118,355)
	38,824,627	3,801,758
Increase / (Decrease) in current liabilities		
Creditors, accrued and other liabilities	493,946	(1,340,854)
	44,157,382	2,715,577
Dividend paid	-	(866)
	-	(866)
Net cash generated from operating activities	44,157,382	2,714,711
CASH FLOW FROM INVESTING ACTIVITIES		
Investments disposed / (Purchased) - net	(38,482,800)	(329,008)
Dividends received	2,308,204	959,868
Addition in tangible assets	(203,594)	(120,015)
Return of Security deposit	(200,000)	
Net cash (Used in) / generated from investing activities	(36,578,190)	510,845
Net Increase in cash and cash equivalents	7,579,192	3,225,556
Cash and cash equivalents at the beginning of the half year	90,758,217	4,383,612
Cash and cash equivalents at the end of the half year	98,337,409	7,609,168

The annexed notes from 1 to 14 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) Limited

Alizeh Bashir
Director
Premier Financial
Services (Private) Limited

Qaiser Ahmed Magoon
Director
Premier Financial
Services (Private) Limited

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

Page 9

	Reserve								Total
	Certificate capital	Statutory reserve	Certificate premium account	General reserve	Un appropriated profit / accumulated loss	Total Reserve	Remeasurement of defined benefit liability	Unrealized gain / (loss) on re-measurement of investments	
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at July 01, 2019	524,400,000	161,050,000	131,100,000	27,120,000	(195,923,488)	123,346,512	446,440	(53,883,252)	594,309,700
Profit for the Half year ended December 31, 2019	-	-	-	-	249,295	249,295	-	-	249,295
Other Comprehensive Income	-	-	-	-	-	-	-	7,275,266	7,275,266
Total Comprehensive Income for the Period	-	-	-	-	249,295	249,295	-	7,275,266	7,524,561
Balance as at December 31, 2019	524,400,000	161,050,000	131,100,000	27,120,000	(195,674,192)	123,595,808	446,440	(46,607,986)	601,834,262
Profit for the Half year ended June 30, 2020	-	-	-	-	(6,110,606)	(6,110,606)	-	-	(6,110,606)
Other Comprehensive Income/ (Loss)	-	-	-	-	-	-	689,061	(3,564,082)	(2,875,021)
Total Comprehensive Income for the Period	-	-	-	-	(6,110,606)	(6,110,606)	689,061	(3,564,082)	(8,985,627)
Balance as at July 01, 2020	524,400,000	161,050,000	131,100,000	27,120,000	(201,784,798)	117,485,202	1,135,501	(50,172,068)	592,848,635
Profit for the Half year ended December 31, 2020	-	-	-	-	6,347,922	6,347,922	-	-	6,347,922
Other Comprehensive Income	-	-	-	-	-	-	-	28,776,136	28,776,136
Total Comprehensive Income for the Period	-	-	-	-	6,347,922	6,347,922	-	28,776,136	35,124,058
Balance as at December 31, 2020	524,400,000	161,050,000	131,100,000	27,120,000	(195,436,877)	123,833,123	1,135,501	(21,395,932)	627,972,692

The annexed notes from 1 to 14 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) Limited

Alizeh Bashir
Director
Premier Financial
Services (Private) Limited

Qaiser Ahmed Magoon
Director
Premier Financial
Services (Private) Limited

FIRST EQUITY MODARABA
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

1 LEGAL STATUS AND OPERATIONS

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

The Modaraba is a perpetual, multipurpose 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 a member of the Pakistan Stock Exchange Limited and is currently operating its brokerage activities in Pakistan Stock Exchange Limited.

1.2 The Modaraba is listed on Pakistan Stock Exchange Limited. The registered office of the Modaraba is situated at B-1004, 10th floor, Lakson Square Building 3, Sarwar Shaheed Road, Karachi. The Modaraba has the following wholly owned subsidiary companies.

- Equity Textiles Limited
- Capital Financial Services (Private) Limited
- Apex Financial Services (Private) Limited

2 BASIS OF PREPARATION

2.1 Statement of Compliance

The unaudited condensed interim information is being presented and submitted to the shareholders as required by Rule 10 of the Modaraba Companies and Modaraba Rules, 1981.

The Modaraba Company's management fee, statutory reserve @ 20% to 50%, provisions and profit distribution will be determined at the year end. No provision for income tax will be required if not less than 90% of the Modaraba's profit for the year is distributed as cash dividend, except the presumptive tax.

This condensed interim financial information of the Modaraba for the six months period ended December 31, 2020 has been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of and directives issued under the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas.

In case where requirements differ, the provisions of or directives issued under the Modaraba Companies and Modarabas (Floatation and Control) Ordinance, 1980, the Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations for Modarabas have been followed.

The disclosures made in this condensed interim financial information have been limited, based on the requirements of International Accounting Standard 34 - "Interim Financial Reporting". These condensed interim financial information do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Modaraba for the year ended June 30, 2020.

This condensed interim financial information is un-audited. However, limited scope review has been performed by the statutory auditors, except for the figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2020 and December 31, 2019, in accordance with the requirement of clause 27 of the Listed Companies (Code of Corporate Governance) Regulations, 2017 and are being submitted to the Certificate holders as required by Rule 10 of Modaraba Companies and Modaraba Rules, 1981.

FIRST EQUITY MODARABA
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

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2.2 Basis of measurement

This condensed interim financial information has been prepared under the "historical cost convention" except for the revaluation of certain financial assets which are stated at fair value. This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted and methods of computation followed in the preparation of this condensed interim financial information are same as those applied in the preparation of annual financial statements for the year ended June 30, 2020.

4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Modaraba's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2020.

5 CERTIFICATE CAPITAL

Fully paid modaraba certificates of Rs. 10 each.

December 31, 2020	June 30, 2020		Unaudited December 31, 2020	Audited June 30, 2020
(Number of certificates)			Rupees	Rupees
46,220,000	46,220,000	Issued for cash	462,200,000	462,200,000
6,220,000	6,220,000	Issued as bonus certificates	62,200,000	62,200,000
52,440,000	52,440,000		524,400,000	524,400,000

6 CONTINGENCIES AND COMMITMENTS

Modaraba has filed a suit against Samba Bank Ltd. for the recovery of deposit amounting to Rs. 21 million alongwith mark up. The matter is pending before the Honourable High Court of Sindh. Management of the Modaraba and its legal advisor are of the opinion that Modaraba has reasonable chance and it appears unlikely that Modaraba may suffer any loss from the same.

	Unaudited December 31, 2020	Audited June 30, 2020
	Rupees	Rupees
7 TANGIBLE FIXED ASSETS		
Opening WDV	6,436,337	7,653,790
Additions during the period	227,500	244,515
Deletions during the period	(23,907)	-
Depreciation for the period	(739,091)	(1,461,968)
Closing WDV	5,900,839	6,436,337

FIRST EQUITY MODARABA

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2020**

Page 12

	Unaudited December 31, 2020 Rupees	Audited June 30, 2020 Rupees
8 INTANGIBLE FIXED ASSETS		
Trading right entitlement certificate (TREC)	10,000,000	10,000,000
Advance against TREC	(10,000,000)	(10,000,000)
	-	-

8.1 The Modaraba has received Rs.10 million against the sale of Trading Right Entitlement Certificate (TREC) to wholly owned subsidiaries (Capital Financial Services (Private) Limited and Apex Financial Services (Private) Limited) in pursuance of the agreement dated April 18, 2017. The process of the sale of TREC is pending with PSX.

	Unaudited December 31, 2020 Rupees	Audited June 30, 2020 Rupees
9 INVESTMENTS		
Listed securities - available for sale	-	41,800
Unlisted securities - at cost	32,187,831	32,146,031
	32,187,831	32,187,831
Wholly owned subsidiaries - at cost	350,000,000	350,000,000
	382,187,831	382,187,831

9.1 Breakup Value of Wholly Owned Subsidiary is Rs. 29.04/- (December 31, 2019 : Rs 30.72/=) per share as per share unaudited accounts as at December 31, 2020.

	December 31, 2020 Rupees	December 31, 2019 Rupees
10 EARNINGS PER CERTIFICATE		
Profit for the half year	6,347,922	249,295
	Number	Number
Weighted average number of certificates outstanding during the period	52,440,000	52,440,000
	Rupees	Rupees
Earnings per certificate - basic and diluted	0.121	0.005

10.1 There is no dilution effect on the basic earnings per share of the modaraba as the modaraba has no such commitments.

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

11 SEGMENT INFORMATION

The modaraba determines the operating segments based on the services provided by it, further their segment analysis are used internally by the management to make strategic decision.

The modaraba has three primary source of revenue i.e. musharaka facility, brokerage operations and capital market based on the nature of business and related risk associated with each type of business segment which are not deemed by the management to be sufficiently significant to disclose as separate items are reported under others.

Segment assets and liabilities include all assets and liabilities related to the segment relevant proportion of the assets and liabilities allocated to the segment on reasonable basis.

Segment revenue and expenses include all revenue and expenses related to the segment and relevant proportion of the revenue and expenses allocated to the segment on reasonable basis.

	December 31, 2020					December 31, 2019
	Musharaka facility	Brokerage operation	Capital market	Others	TOTAL	TOTAL
	-----Rupees-----					---Rupees---
Segment revenues	2,064,927	1,487,186	11,682,650	662,354	15,897,117	9,684,752
Segment result	2,064,927	298,934	11,682,650	662,354	14,708,865	8,000,033
Unallocated cost						
Operating expenses					(8,360,943)	(7,750,738)
Profit/(loss) before income tax					6,347,922	249,295
Income tax expense					-	-
Profit / (loss) for the period					6,347,922	249,295
	December 31, 2020					June 30, 2020
	Musharaka facility	Brokerage operation	Capital market	Others	TOTAL	TOTAL
	-----Rupees-----					---Rupees---
Other information						
Segment assets	6,789,609	27,013,607	147,911,187	1,291,667	183,006,070	157,518,077
Unallocated assets					489,102,647	479,172,634
Total assets					672,108,717	636,690,711
Segment liabilities	-	6,871,344	-	-	6,871,344	2,733,586
Unallocated liabilities					37,264,681	41,108,490
Total liabilities					44,136,025	43,842,076

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2019

12 TRANSACTIONS WITH RELATED PARTIES

The related parties of the modaraba comprise management company, staff retirement funds, directors of the management company and key management personnel. Transactions with related parties other than remuneration and benefits to officers and employees under the terms of their employment are as follows:

12.1	Balance payable at end of half year		Unaudited December 31, 2020 Rupees	Audited June 30 2020 Rupees
	Modaraba Management Company		9,454	196,585
12.2	Transactions during the period	Relationship	December 31, 2020 Rupees	December 31, 2019 Rupees
	Services acquired	Associated company	289,160	229,979
	Brokerage commission	Associated company	204,615	33,728

13 AUTHORIZATION FOR ISSUE

The condensed interim financial information was authorized for issue in accordance with a resolution of the Board of Directors on February, 24 2021.

14 GENERAL

14.1 This condensed interim financial information is presented in Pak Rupees, which is the Modaraba's functional and presentation currency

14.2 Figures in the condensed interim financial information have been rounded off to the nearest of rupee.

Qazi Obaid Ullah Chief Financial Officer	Adil A. Ghaffar Chief Executive Officer Premier Financial Services (Private) Limited	Alizeh Bashir Director Premier Financial Services (Private) Limited	Qaiser Ahmed Magoon Director Premier Financial Services (Private) Limited
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EQUITY TEXTILES LIMITED

Wholly Owned Subsidiary of

First Equity Modaraba

half yearly ended
December 31, 2020

EQUITY TEXTILES LIMITED
BALANCE SHEET AS AT DECEMBER 31 2020

	UN-AUDITED Dec 2020 Rupees	AUDITED June 2020 Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	1,105,683,446	1,113,733,582
Intangibles	4,038,864	4,251,436
Capital work in progress	10,303,723	4,877,875
Long Term Deposits	7,186,700	4,034,700
	1,127,212,734	1,126,897,593
CURRENT ASSETS		
Stores and spares	47,023,425	52,292,527
Stock in trade	612,730,125	307,653,108
Short term investment	7,014,113	7,898,745
Trade debts	313,996,275	107,498,016
Loans and advances	7,863,627	15,947,984
Trade deposits and short term prepayments	75,104,348	63,407,734
Other receivables	11,812,589	4,613,723
Tax refund due from government	33,028,416	48,989,820
Cash and bank balances	12,548,825	10,129,439
	1,121,121,743	618,431,096
	<u>2,248,334,477</u>	<u>1,745,328,689</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
25,000,000 shares of Rs. 10/- each	250,000,000	250,000,000
Issued, subscribed and paid-up share capital	250,000,000	250,000,000
Unrealized loss on investments	(5,228,942)	(4,344,310)
Profit and loss account	135,097,273	83,962,092
	129,868,331	79,617,782
	379,868,331	329,617,782
Surplus on revaluation of fixed assets	346,080,782	364,295,560
NON CURRENT LIABILITIES		
Long term financing	113,921,249	37,648,555
Liabilities against assets subject to finance lease	56,624,425	34,206,452
Deferred taxation	53,849,159	106,286,688
	224,394,833	178,141,695
CURRENT LIABILITIES		
Trade and other payables	866,978,326	712,440,046
Accrued Markup	9,597,684	7,145,157
Taxation- net	14,139,330	15,961,402
Short term borrowings	370,073,634	129,307,874
Current portion of long term liabilities	24,436,263	3,714,037
Current portion of lease liability	12,765,294	4,705,136
	1,297,990,531	873,273,652
	<u>2,248,334,477</u>	<u>1,745,328,689</u>
TOTAL EQUITY AND LIABILITIES		
CHIEF EXECUTIVE	DIRECTOR	

EQUITY TEXTILES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR ENDED DECEMBER 31, 2020

	UN-AUDITED Dec 2020 Rupees	AUDITED Dec 2019 Rupees
Sales	1,962,263,276	1,934,995,096
Cost of Sales	(1,900,194,479)	(1,822,623,228)
Gross profit	<u>62,068,797</u>	<u>112,371,868</u>
Administrative and general expenses	(17,715,918)	(18,220,116)
Distribution and selling expenses	(12,411,538)	(15,206,959)
Operating profit/(loss)	<u>31,941,341</u>	<u>78,944,793</u>
Financial charges	(20,348,548)	(29,553,205)
Other charges	(1,558,915)	(3,846,015)
	<u>(21,907,463)</u>	<u>(33,399,220)</u>
Operating Profit/ (loss)	10,033,878	45,545,573
Other income	1,047,028	739,635
Profit / (Loss) before taxation	<u>11,080,906</u>	<u>46,285,208</u>
Provision for taxation		
Current	(30,291,683)	(30,247,039)
Prior	(306,349)	-
Deferred	52,437,529	18,690,328
	<u>21,839,497</u>	<u>(11,556,711)</u>
Profit / (Loss) after taxation	<u><u>32,920,403</u></u>	<u><u>34,728,497</u></u>
Loss per share - basic and diluted	<u>1.317</u>	<u>1.389</u>

CHIEF EXECUTIVE

DIRECTOR