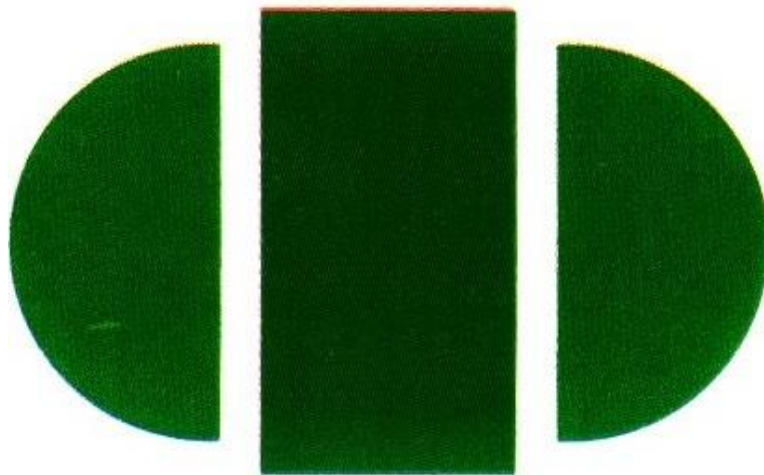


FIRST EQUITY MODARABA

Quarter and Nine Months Reports
For the period ended
March 31, 2024



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

REGISTERD 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**

TheThe 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, 2024..

Financial Results

Loss for the nine months ended March 31, 2024 amounted to Rupees (9.056) million as compared to loss of Rupees (14.08) million for the same period last year. The loss per certificate as at March 31, 2024 was Rs (0.173) as against loss of Rs. (0.268) per certificate last year. The break up value, per modaraba certificate, stands at Rs 10.79 at the end of the period

Prospects

Further to our views expressed in our previous reports for the current financial year on the state of economy, trade, finance and industry. During the review period, the stock market performed well, on one or the other pretext. However, the new government is yet to settle down with a lot of pending issues, we anticipate that once the political and economic indecisiveness is settled, the capital market will again show a bullish trend.

For and on behalf of Board

Karachi
April 26, 2024

Adil A Ghaffar
Chief Executive Officer

ایکوئیٹی مضاربہ

ڈائریکٹرز رپورٹ

پریمیئر فنانشل سروسز (پرائیویٹ) لمیٹڈ کے ڈائریکٹرز، کی انتظامی کمپنی فرسٹ ایکوئیٹی مضاربہ، اپنی رپورٹ اور غیر آڈٹ پیش کرنے پر خوش ہیں۔ مضاربہ کے نو ماہ اور 31 مارچ 2024 کو ختم ہونے والی سہ ماہی کے مالی بیانات۔

مالیاتی نتائج

31 مارچ 2024 کو ختم ہونے والے نو مہینوں کے لیے نقصان کی رقم (9.056) ملین روپے تھی۔ پچھلے سال کی اسی مدت میں (14.08) ملین روپے کے نقصان کے مقابلے۔ 31 مارچ 2024 کو فی سرٹیفکیٹ روپے (0.173) روپے کے نقصان کے مقابلے میں تھا۔ (0.268) فی سند آخری سال۔ بریک اپ ویلیو، فی مضاربہ سرٹیفکیٹ، اختتام مدت پر 10.79 روپے ہے۔

امکانات

روان مالی سال کے لیے ہماری پچھلی رپورٹس میں ہمارے خیالات کا اظہار کیا گیا ہے۔ معیشت، تجارت، مالیات اور صنعت کی حالت۔ جائزہ لینے کی مدت کے دوران، اسٹاک مارکیٹ نے ایک یا دوسرے بہانے اچھی کارکردگی کا مظاہرہ کیا۔ تاہم نئی حکومت ابھی باقی ہے۔ بہت سے زیر التوا معاملات کو حل کرنے کے لئے، ہم توقع کرتے ہیں کہ ایک بار سیاسی اور معاشی عدم فیصلہ کن صورتحال ختم ہو گئی ہے، کیپٹل مارکیٹ پھر سے تیزی کا رجحان دکھائے گی۔

بورڈ اور اس کی جانب سے

کراچی

عادل غفار

26 اپریل 2024

چیف ایگزیکٹو آفیسر اور ڈائریکٹر

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2024

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	Note	March 31 2024 Rupees	Audited June 30, 2023 Rupees
EQUITY AND LIABILITIES			
Capital & Reserves			
Authorised capital 60,000,000 (June 30, 2023: 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	69,559,697	78,616,021
Remeasurement of define benefit liability - Actuarial gain		1,688,143	1,688,143
Unrealised loss on re-measurement of investments		(30,035,810)	(74,207,492)
Certificate holders' equity		565,612,030	530,496,672
Non-current liabilities			
Deferred liabilities		6,780,327	6,780,327
Security deposit		200,000	200,000
Total non-current liabilities		6,980,327	6,980,327
Current liabilities			
Creditors, accrued and other liabilities		9,294,791	10,240,659
Unclaimed profit distributions		31,116,072	31,127,871
Total current liabilities		40,410,863	41,368,530
Total liabilities		47,391,190	48,348,857
Total equity and liabilities		613,003,220	578,845,529

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2024

Page 5

	Note	March 31 2024 Rupees	Audited June 30, 2023 Rupees
ASSETS			
Non - current assets			
Fixed assets			
- tangible		2,494,572	2,965,489
- intangible		-	-
		2,494,572	2,965,489
Long term investments	4	418,364,466	408,502,006
Investment property		901,667	991,667
Advances		2,510,000	2,510,000
Deposits		1,750,000	1,750,000
Total non-current assets		426,020,705	416,719,162
Current assets			
Short term investments		67,126,655	65,725,306
Advances- Considered goods		12,461,903	12,030,194
Trade deposits and prepayments		15,266,068	15,293,467
Other receivables		72,403,442	57,954,847
Cash and bank balances		19,724,448	11,122,553
Total current assets		186,982,515	162,126,367
Total assets		613,003,220	578,845,529

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	Qaiser Ahmed Magoon
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, 2024

	<u>Quarter ended</u>		<u>Nine months ended</u>	
	March 31 2024 Rupees	March 31 2023 Rupees	March 31 2024 Rupees	March 31 2023 Rupees
Income	603,776	1,119,582	7,234,169	3,710,727
Expenditure				
Operating expenses	(4,676,199)	(6,281,845)	(15,713,904)	(17,023,500)
Operating profit/(Loss)	(4,072,423)	(5,162,263)	(8,479,735)	(13,312,773)
Taxation	-	(12,730)	(576,592)	(763,138)
(Loss) /Profit for the period	(4,072,423)	(5,174,993)	(9,056,327)	(14,075,911)
(Loss)/Earnings per certificate	(0.078)	(0.099)	(0.173)	(0.268)

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.	Qaiser Ahmed Magoon Director Premier Financial Services (Private) Ltd.
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FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND NINE MONTH ENDED MARCH 31, 2024

	Quarter ended		Nine Months ended	
	March 31 2024 Rupees	March 31 2023 Rupees	March 31 2024 Rupees	March 31 2023 Rupees
Profit/ (Loss) for the period	(4,072,423)	(5,174,993)	(9,056,327)	(14,075,911)
Other comprehensive income				
Unrealised gain / (loss) on re-measurement investments	(5,014,189)	(1,585,908)	39,629,116	6,146,349
Gain / (loss) realised on disposal of investments	2,267,450	-	(5,319,894)	(6,280,553)
	(2,746,739)	(1,585,908)	34,309,222	(134,204)
Unrealized gain on remeasurement of investment held at fair value through other comprehensive income	-	-	9,862,460	6,210,929
Other comprehensive loss	(2,746,739)	(1,585,908)	44,171,682	6,076,725
Total comprehensive income loss	(6,819,162)	(6,760,901)	35,115,355	(7,999,186)

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.

Kaiser Ahmed Magoon
Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF CASH FLOWS STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2024

	March 31 2024 Rupees	March 31 2023 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/ (Loss) for the period	(9,056,327)	(13,312,773)
Adjustments for non cash/non operating items:		
Depreciation	645,421	1,015,959
Dividend income	(3,843,947)	(5,087,588)
	(3,198,526)	(4,071,629)
Operating profit/ (loss) before working capital changes	(12,254,853)	(17,384,402)
(Increase) / decrease in current assets		
Morabaha / musharaka receivables	-	3,914,625
Advances	(431,709)	(1,357,949)
Trade deposits and prepayments	27,399	819,460
Other receivables	(14,448,595)	3,447,103
	(14,852,905)	6,823,239
(Decrease) / increase in current liabilities		
Creditors, accrued and other liabilities	(945,868)	(5,757,263)
Dividend paid	(11,799)	-
	(28,065,425)	(16,318,426)
Net cash used in operating activities	(28,065,425)	(16,318,426)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments	32,907,873	19,331,321
Dividends received	3,843,947	5,087,588
Purchases of tangible assets	(84,500)	(265,900)
Net cash (use in)/generated from investing activities	36,667,320	24,153,009
Net increase / (decrease) in cash and cash equivalents	8,601,895	7,834,583
Cash and cash equivalents at the beginning of the period	11,122,553	10,675,941
Cash and cash equivalents at the end of the period	19,724,448	18,510,524

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	Qaiser Ahmed Magoon
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 STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2024

	Certificate Capital	Special reserve	Certificate premium account	General reserve	Remeasure ment of define benefit liability	Unrealised gain / (loss) on measurement of available for sale	Un appropriated profit / re-accumulated loss	Total
	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees
Balance as at July 1, 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
Balance as at July 01, 2023	524,400,000	164,334,210	131,100,000	17,321,036	1,688,143	(74,207,492)	(234,139,225)	530,496,672
Total comprehensive income for the period	-	-	-	-	-	44,171,685	(9,056,327)	35,115,358
Balance as at March 31, 2024	524,400,000	164,334,210	131,100,000	17,321,036	1,688,143	(30,035,807)	(243,195,552)	565,612,030

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.

Qaiser Ahmed Magoon
Director
Premier Financial
Services (Private) Ltd.

**FIRST EQUITY MODARABA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2024**

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, 2023

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 2024 Rupees	June 2023 Rupees
3 Reserves		
Capital reserve	312,755,246	312,755,246
Revenue reserve	(243,195,549)	(234,139,225)
	69,559,697	78,616,021
4 Investments		
Unlisted Securities	68,364,466	58,502,006
Wholly owned subsidiary	350,000,000	350,000,000
	418,364,466	408,502,006

5 These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on April 26, 2024

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.	Qaiser Ahmed Magoon Director Premier Financial Services (Private) Ltd.
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EQUITY TEXTILES LIMITED

Wholly Owned Subsidiary of
First Equity Modaraba
nine months ended
March 31, 2024

EQUITY TEXTILES LIMITED
BALANCE SHEET AS AT MARCH 31, 2024

	Un-Audited March 2024 Rupees	Audited June 2023 Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment		
Operating fixed assets	1,140,604,553	1,185,249,903
Intangibles	8,415,610	3,412,604
Long Term Investment	10,837,119	7,898,774
Long Term Deposit	6,660,800	7,237,800
	1,166,518,082	1,203,799,081
CURRENT ASSETS		
Stores and spares	72,233,375	60,052,330
Stock in trade	711,696,196	571,136,706
Trade debts	471,748,430	550,024,951
Loans and advances	21,448,645	11,945,268
Trade deposits and short term prepayments	109,485,782	96,710,100
Other receivables	24,352,220	149,004
Tax refund due from government	22,628,619	73,147,156
Tax - net	14,786,019	9,016,714
Cash and bank balances	1,992,267	30,173,158
	1,450,371,553	1,402,355,387
	<u>2,616,889,635</u>	<u>2,606,154,468</u>
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	(1,405,937)	(4,344,282)
Unappropriated Profit	300,819,225	441,695,721
	299,413,288	437,351,439
	549,413,288	687,351,439
Surplus on revaluation of fixed assets	428,362,524	463,094,620
NON CURRENT LIABILITIES		
Liabilities against asset subject to finance lease	10,943,512	15,405,431
Deferred taxation	66,491,953	176,102,228
GIDC Payable	-	12,023,281
	77,435,465	203,530,940
CURRENT LIABILITIES		
Trade and other payables	1,304,744,105	1,132,496,660
Accrued Markup	10,716,635	3,643,631
Short term borrowings	230,870,214	92,491,518
Current portion of lease liability	15,347,404	23,545,660
	1,561,678,358	1,252,177,469
	<u>2,616,889,635</u>	<u>2,606,154,468</u>
TOTAL EQUITY AND LIABILITIES		

CHIEF EXECUTIVE

DIRECTOR

EQUITY TEXTILES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED MARCH 31, 2024

	March 2024 Rupees	March 2023 Rupees
Sales	4,478,023,415	2,820,911,730
Cost of Sales	<u>(4,550,314,443)</u>	<u>(2,865,215,605)</u>
Gross profit	(72,291,028)	(44,303,875)
Administrative and general expenses	(55,860,851)	(52,445,317)
Distribution and selling expenses	<u>(24,250,941)</u>	<u>(16,595,778)</u>
Operating Profit / (loss)	(152,402,820)	(113,344,970)
Financial charges	<u>(81,218,614)</u>	<u>(63,717,319)</u>
	(81,218,614)	(63,717,319)
	(233,621,434)	(177,062,289)
Other income	6,602,373	5,178,536
Profit / (Loss) before taxation	<u>(227,019,061)</u>	<u>(171,883,753)</u>
Provision for taxation		
Current	<u>(55,728,892)</u>	<u>(34,526,954)</u>
Prior	(2,470,915)	(6,607,466)
Deferred	109,610,275	71,494,035
	51,410,468	30,359,615
Profit / (Loss) after taxation	<u>(175,608,592)</u>	<u>(141,524,138)</u>
Profit / (Loss) per share - basic and diluted	<u>(7.024)</u>	<u>(5.661)</u>

CHIEF EXECUTIVE

DIRECTOR