

FIRST EQUITY MODARABA

CORPORATE BRIEFING SESSION

Managed by :
PREMIER FINANCIAL SERVICES (PVT) LTD



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

السَّلَامُ عَلَيْكُمْ وَرَحْمَةُ اللَّهِ وَبَرَكَاتُهُ

MISSION AND VISION

*First Equity Modaraba
is committed to strive for excellence
in all areas of its activities.*

*We view our business objective
of providing distinctive financial products
and services that promote commerce and industry
within the context of our overall objective
of contributing of the nation's prosperity*

CORPORATE INFORMATION

MODARABA COMPANY

Premier Financial Services (Pvt) Ltd

BOARD OF DIRECTORS

Mr Qaiser Ahmed Magoon – Independent Director

Ms Alizeh Bashir – Non Executive Director

Mr Nadeem Maqbool – Non Executive Director

Mr Adil A Ghaffar – Chief Executive Officer & Director

KEY MANAGEMENT PERSONALS

Adil A Ghaffar - *Chief Executive Officer*

Qazi Obaid Ullah - *Company Secretary &
Chief Financial Officer*

Mr Sultan Nayani - *Compliance Officer*

Mr Sheraz Lakhani - *Equity Trader*

Mr Sabir Ansari - *Brokerage Back Office Incharge*

REGISTERED AND BUSINESS ADDRESS

B-1004, 10 th Floor Lakson Square Building # 3 Sarwar Shaheed Road Karachi	Room No 503-504, 5 th Floor Karachi Stock Exchange Building I. I. Chundrigar Road Karachi
Tel : 021-35672815-18	Tel : 021-32446020-3
Fax : 021-35686116	Fax : 021-32446024
e-mail : info@firstequitymodaraba.com.pk	

WEB SITE - www.firstequitymodaraba.com.pk

SHARIAH ADVISOR

Mufti Abdul Qadir

AUDITORS

Baker Tilly Mehmood Idrees Qamar
Chartered Accountants

REGISTRAR

THK Associates (Pvt.) Ltd.

GENERAL COUNSEL

Moshin M. Tayebaly & Co.

LEGAL STATUS AND NATURE OF BUSINESS

First Equity Modaraba (**FEM**) was formed in 1991 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and the Rules framed there under.

FEM is managed by Premier Financial Services (Private) Limited (PFSL) (the Modaraba Management Company) a company incorporated in Pakistan and registered with the Registrar Modaraba, SECP under the Modaraba Ordinance.

PFSL derives its board from the Crescent Group, with direct involvement in more than twenty business sectors. This cross-sectoral expertise, enhanced by other linkages, is an invaluable base for informed decision making. FEM's professional management draws on this unique resource to make optimal use of its charter.

The FEM is a perpetual, multipurpose modaraba and is able to undertake a variety of fund and fee based activities. These include trading, manufacturing, equity investment, brokerage, agent and their financing and facilitation.

The FEM is listed on Pakistan Stock Exchange Ltd

LEGAL STATUS AND NATURE OF BUSINESS

FEM is holding **Trading Right Entitlement Certificates holder (TREC) of the Pakistan Stock Exchanges Ltd** and since 2002 operating its brokerage activities in Karachi and is registered with SECP under Securities Brokers (Licensing and Operations) Regulations, 2016.

FEM also hold **membership of Pakistan Mercantile Exchange Limited** formally National Commodity Exchange Limited.

FEM **wholly owned subsidiary companies are (1) Equity Textiles Limited** (a spinning unit with more than 25,000 spindle located at Nooriabad, Karachi), **(2) Capital Financial Services (Private) Limited** (Brokerage House) and **(3) Apex Financial Services (Private) Limited** (Brokerage House)

FEM initial paid-up capital fund was Rs. 200 have increased to Rs 524 million by stock dividends of Rs 62 million and issuance of Right certificate of Rs 262 million. The Modaraba has so far distributed Rs. 62 million in stock dividends and Rs. 544 million in cash dividends.

BUSINESS INFORMATION

Finance / Participation

Working capital transactions under Morabaha, musharaka, term and lease and other Shariah base finance and facilitation

Corporate Brokerage

Capital market transactions for corporate as well as individual clients through stock exchange

Corporate Finance

Capital and transaction structuring, acquisition, privatization, divestitures, underwriting, placement, arrangement

Portfolio Management

Equity, non-equity

LIST OF ASSOCIATED AND GROUP COMPANIES

1. Ahsan Associates (Pvt)Ltd.
2. Altern Energy Limited
3. Amin Bashir C.G.P.F & Oil Mills Ltd.
4. Apex Financial Services (Pvt) Limited
5. Capital Financial Services (Pvt) Limited
6. Crescent Bahuman Limited
7. Crescent Cotton Mills Ltd.
8. Crescent Fibres Limited
9. Crescent Powertec Ltd.
10. Crescent Steel & Allied Products Limited
11. Equity Textiles Limited
12. Mohammad Amin Mohammad Bashir Inter (Pvt) Ltd.
13. Mohammad Amin Mohammad Bashir Limited
14. Premier Financial Services (Pvt) Limited
15. Premier Insurance Ltd
16. Shakarganj Food Products Limited
17. Shakarganj Limited
18. Shams Textile Mills Limited
19. Suraj Cotton Mills Limited.
20. The Crescent Textile Mills Limited

MAJOR ACHIEVEMENTS AND AWARDS

Listed 16th in the top 25 best companies of Karachi Stock Exchange for the year 2004



Declared second best Modaraba in the sector 2003 and best Modaraba in 2004



PATTERN OF CERTIFICATE HOLDING

As On June 30 2023

FIRST EQUITY MODARABA

Category of Shareholders

As On 30/06/2024

Particulars	No of Folio	Balance Share	Percentage
DIRECTORS, CEO & CHILDREN	5	852722	1.6261
ASSOCIATE COMPANIES	5	12273393	23.4046
NIT & ICP	2	1700	0.0032
BANKS, DFI & NBFIs	8	49822	0.0950
INSURANCE COMPANIES	4	1323409	2.5237
MUTUAL FUNDS	1	50	0.0001
GENERAL PUBLIC (LOCAL)	3585	31088695	59.2843
GENERAL PUBLIC (FOREIGN)	1142	1050372	2.0030
OTHERS	33	5799337	11.0590
MODARABAS	2	500	0.0010
Company Total	4787	52440000	100.0000

FREE FLOAT REPORT

Central Depository Company of Pakistan Limited
Non Free Float Security Wise Summary Report

Security Symbol : FEM FIRST EQUITY MODARABA
Non Free Float Date : 30/06/2024

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Date : 15/07/2024
Time : 12:31:51

Category No.	Category Description	No. Of Shares
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	Issued Share / Certificate Capital of the Company / Modaraba / Mutual Funds	52,440,000
Less:		
Physical Shares		(3,237,576)
CAT02	Directors, Sponsors and Senior Management Officers and their Associates	(852,722)
CAT04	Associate companies / Group Companies (cross holdings)	(12,387,435)
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Free Float Shares		35,962,267
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FINANCIAL RESULTS

June 30 2024

FEM, incurred loss for the year amounted to Rs. (19.44) million as compared to loss of Rs (22.35) million for the last year translated in a loss per certificate of Rs. (0.37) as compared to Rs. (0.413) last year. The consolidated loss for the year is Rs (414) million as compared to loss of Rs (252) million. Break-up value per certificate amounted to Rs 10.71 as against Rs. 10.12 last year.

Income		8,879,342
Expenses		
Operating Expenses		(27,484,072)
Bank Charges		(889)
		<hr/>
		(27,484,971)
Operating loss		(18,605,629)
Other Income		146,063
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Loss for the year before taxation		(18,459,566)
Taxation		(976,413)
		<hr/>
		-
		<hr/>
Loss for the year		(19,435,979)
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Loss per Certificate		(0.37)

Dividend Distribution

Since the Modaraba sustained loss during the year, consequently there would be no announcement of profit distribution

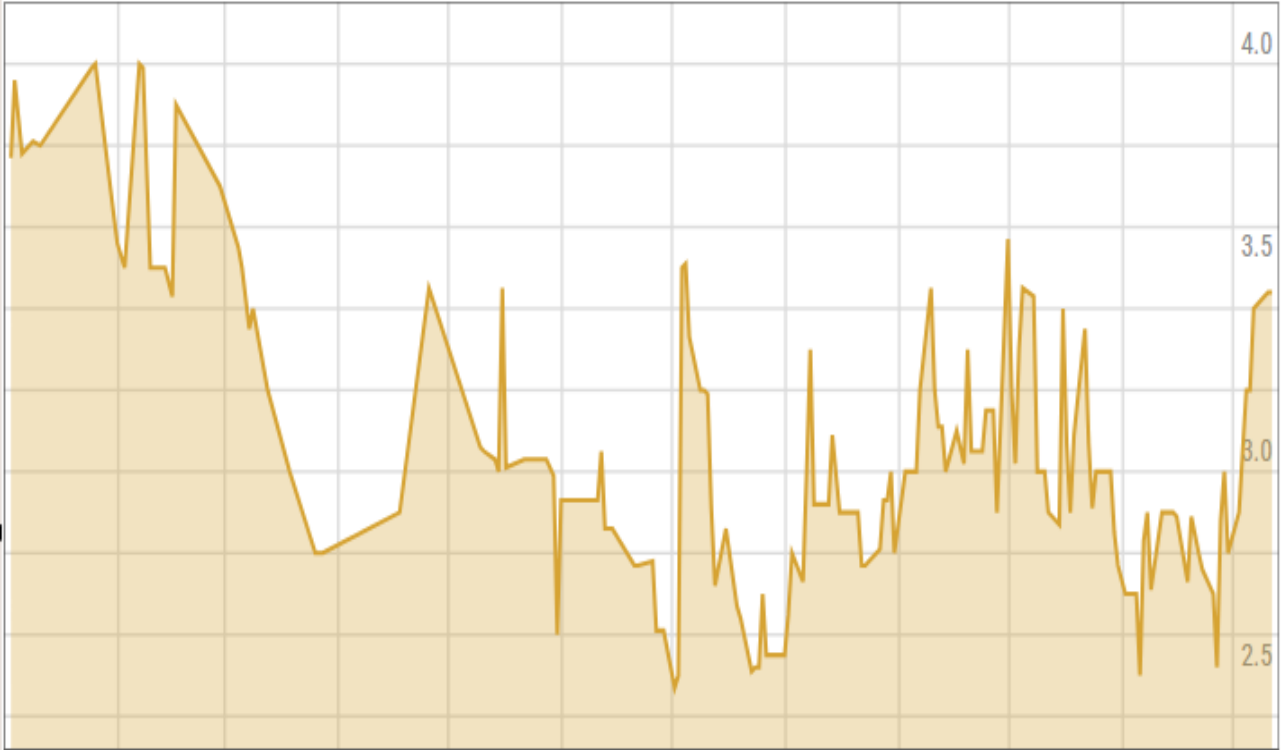
Auditors Qualification

Auditors qualified their opinion based on non-compliance 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.

Five Year Data

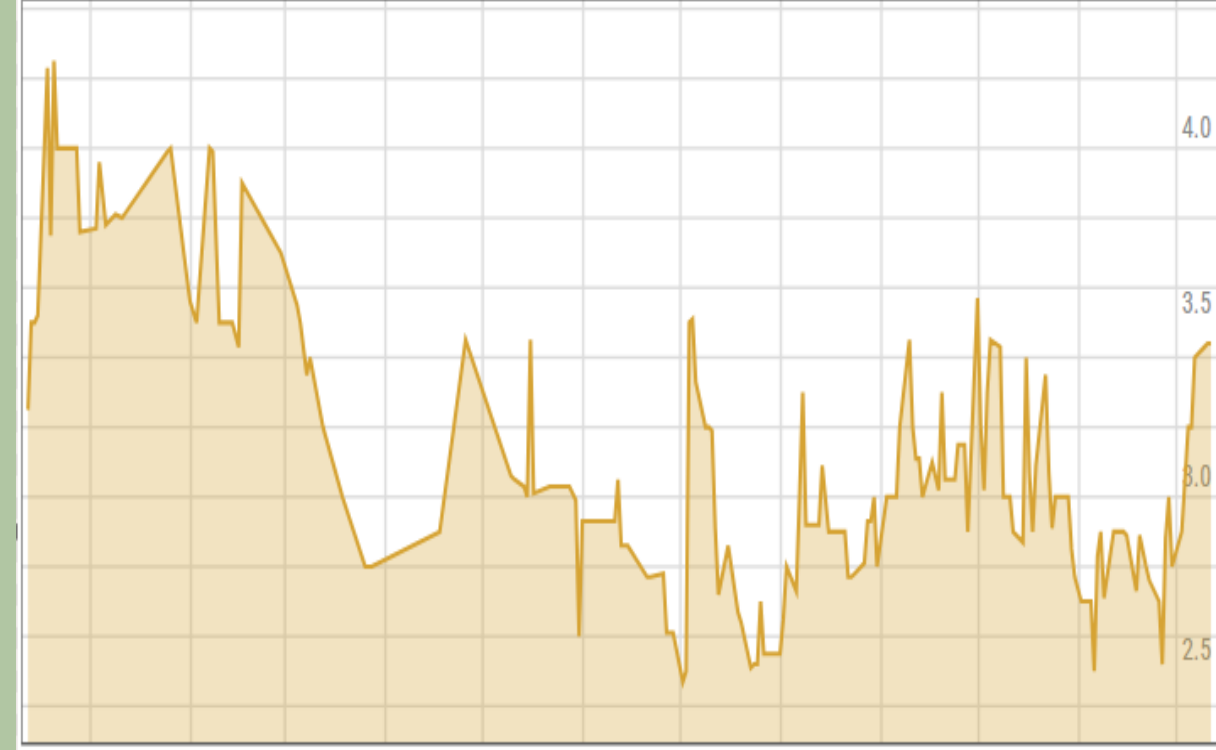
	2019	2020	2021	2022	2023	2024
Total Assets	636,455,835	655,757,298	723,965,045	608,460,300	578,845,529	619,663,515
Total Liabilities	42,146,136	43,842,076	57,719,774	51,110,099	48,348,857	57,959,750
Certificate Holders' Equity	594,309,699	611,915,222	666,245,271	557,350,201	530,496,672	561,703,765
Net Profit (loss) After Tax	(3,303,772)	(5,861,310)	16,421,036	(6,724,248)	(22,345,968)	(19,435,979)
Earning (Loss) Per Certificate	(0.06)	(0.11)	0.31	(0.13)	(0.43)	(0.37)
Total Cash Distribution	-	-	26,220,000	-		
Distribution Per Certificate	-	-	0.50 5.00%	-		
Break up value	11.33	11.30	12.70	10.63	10.12	10.71

1D 1M 6M **YTD** 1Y 3Y 5Y



APRIL JULY OCTOBER

1D 1M 6M YTD **1Y** 3Y 5Y



2024 APRIL JULY OCTOBER

FUTURE PLANNING AND STRATEGIES

After the withdrawal of the tax exemption available to the Modaraba sector, many Modarabas have started the process of quitting the Modaraba sector and many are thinking.

The stock market performed, and the rally was witnessed in limited stocks. World over, the stock market is always dependent on various factors including, but not limited to, political and economic stability, rupee parity, international oil prices, interest rate, etc.. Though Pakistan achieved a decent GDP number but our trade & current account remained in deficit, and slowly and gradually, these gaps were enlarged due to one or the other pretext. However, lately, numbers affecting the economy have changed significantly, giving hope for a better year ahead

FUTURE PLANNING AND STRATEGIES

Keeping in view of present economic and business circumstances, we have devised our future business strategy, Outlook & future strategy cautiously and more prudent manner.

Key points of our strategy would be as follows:

- Prudently entering into Mushsrakah Investment agreements with reliable and trustworthy parties having sound business expertise.
- Carefully entering into capital market transactions. Vigilance on market uncertainty.
- Enhancing the performance of brokerage house
- Effectively increase the production level of Equity Textile Limited.
- Implementing the risk management, appraisals & evaluation of credit proposals.
- Further strengthen risk assessment and internal controls parameters.
- Further strengthen compliance culture particularly regulatory and AML/CFT compliances.



Thank you

A large graphic consisting of the letters 'Q', '&', and 'A' in a bold, blue, sans-serif font. The 'Q' has a tail that extends downwards. The entire graphic is enclosed within a thin blue rectangular border. The background is split horizontally into a light green top half and a light gray bottom half.

Q&A

Any Questions?