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FIRST EQUITY MODARABA
CONDENSED STANDALONE INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2022

	Quarter ended		Half year ended	
	December 31, 2022 Rupees	December 31, 2021 Rupees	December 31, 2022 Rupees	December 31, 2021 Rupees
Income	(205,311)	4,284,794	2,537,413	24,746,091
Expenditure				
Operating expenses	(5,889,028)	(6,022,196)	(10,741,009)	(11,633,652)
Financial charges	(561)	(96)	(646)	(243)
	(5,889,589)	(6,022,292)	(10,741,655)	(11,633,895)
Operating profit / (loss)	(6,094,900)	(1,737,498)	(8,204,242)	13,112,196
Other income	21,250	270,607	53,732	308,087
Profit / (loss) before income tax	(6,073,650)	(1,466,891)	(8,150,510)	13,420,283
Income tax expense	(524,755)	(845,000)	(750,408)	(3,670,000)
Profit/ (loss) for the period	(6,598,405)	(2,311,891)	(8,900,918)	9,750,283
Earnings/ (loss) per certificate	(0.126)	(0.044)	(0.170)	0.186

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FIRST EQUITY MODARABA
CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2022

	Quarter ended		Half year ended	
	December 31, 2022 Rupees	December 31, 2021 Rupees	December 31, 2022 Rupees	December 31, 2021 Rupees
Income	(58,731,547)	185,558,563	(93,440,050)	348,733,046
Expenditures				
Operating expenses	(23,175,441)	(17,403,840)	(45,260,792)	(39,842,115)
Distribution and selling expenses	(4,827,948)	(6,295,108)	(10,157,312)	(15,624,778)
	(28,003,389)	(23,698,948)	(55,418,104)	(55,466,893)
Operating profit / (loss)	(86,734,936)	161,859,615	(148,858,154)	293,266,153
Financial charges	(15,544,095)	(8,273,925)	(31,807,579)	(18,254,629)
	(102,279,031)	153,585,690	(180,665,733)	275,011,524
Other charges	-	(12,530,953)	-	(20,422,132)
Other income	1,253,731	2,635,388	3,707,075	3,145,530
Profit / (Loss) before taxation	(101,025,300)	143,690,125	(176,958,658)	257,734,922
Taxation				
- current	(11,571,146)	(40,328,433)	(22,387,701)	(68,469,876)
- prior	8,098,286	(1,493,364)	8,098,286	(1,493,364)
- deferred	34,137,624	723,203	56,251,795	(3,102,926)
	30,664,764	(41,098,594)	41,962,380	(73,066,166)
Profit for the period	(70,360,536)	102,591,531	(134,996,278)	184,668,756
Earnings per certificate	(1.34)	1.96	(2.57)	3.52

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INDEPENDENT AUDITOR'S REVIEW REPORT

To The Certificate holders of FIRST EQUITY MODARABA

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **First Equity Modaraba** ("the Modaraba"), as at December 31, 2022 and the related condensed interim profit and loss account, condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the 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 unrealized gain of Rs. 1.451 million, in respect of investment classified as financial asset held at fair value through profit or loss, in other comprehensive income instead of profit or loss account as required under IFRS 9.

Had the Modaraba charged the unrealized gain to the profit or loss account, its gain for the period would have been increased by Rs. 1.451 million.

Qualified Conclusion

Based on our review, except for the matter referred in the basis for qualification, nothing has come to our attention that causes us to believe that the accompanying interim financial statements as at and for the half year ended December 31, 2022 is not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

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Other Matters

The figures of the condensed interim statement of profit and loss and condensed interim statement of comprehensive income for the three months period ended December 31 2022 and December 31, 2021 have not been reviewed, as we were required to review only the cumulative figures for the six months period ended December 31, 2022.

The engagement partner on the Review resulting in this independent auditor's report is Imran Sheikh.

Imran

**Crowe Hussain Chaudhury & Co.
Chartered Accountants**

Place: Karachi

Date:

UDIN:

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