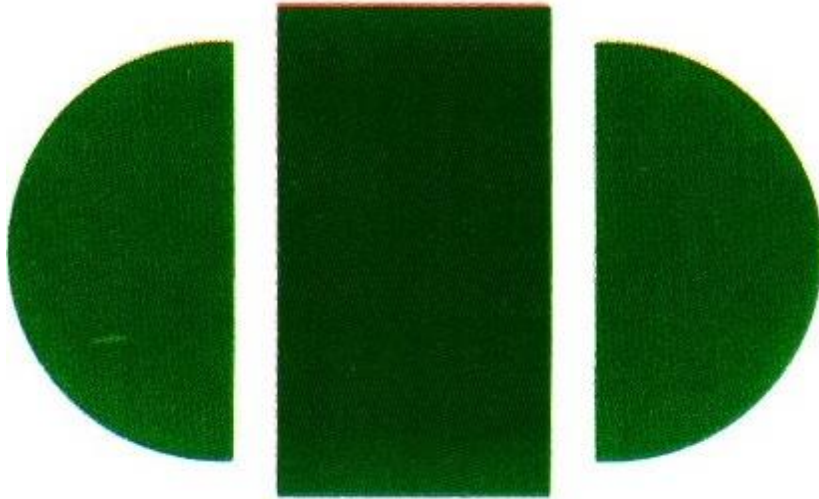


Quarterly Report
For the period ended
September 30, 2021



FIRST EQUITY MODARABA

Managed by :
PREMIER FINANCIAL SERVICES (PVT) LTD



FIRST EQUITY MODARABA

CORPORATE INFORMATION

Modaraba Company : PREMIER FINANCIAL SERVICES (PVT) LTD

BOARD OF DIRECTORS

Ms Alizeh Bashir

Mr Nadeem Maqbool

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

e-mail: info@firstequitymodaraba.com.pk

website: firstequitymodaraba.com.pk

Room No 503-504

Pakistan 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 (Pvt) Ltd, the management company of FIRST EQUITY MODARABA, present their report and the un-audited financial statements of the Modaraba for the three months ended September 30, 2021.

Financial Results

Profit for the quarter ended September 30, 2021 amounted to Rs 12.06 million as against 2.85 million, for the same period last year.

The earning per certificate as at September 30, 2021 stood at Rupees 0.23 while the earnings for the same period last year was Rupees 0.054. The Breakup value as of September 30 2021 was Rupees 12.37 per certificate.

Prospects

We trust that once the political and economic uncertainty is settled, the capital market will further show a bullish trend.

KSE-100 index has already discounted almost all major negative news such as, rupee parity, increase in oil price, inflation, CAD and interest rate numbers and is still moving around 44k. This strength in index reflects upside momentum being developed.

Covid-19 is on declining trend and economic activities have started.

For and on behalf of Board

Karachi
October 28, 2021

Adil A Ghaffar
Chief Executive Officer

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2021

	Note	September 2021 Rupees	Audited June 30, 2021 Rupees
EQUITY AND LIABILITIES			
Capital and reserves			
Certificate capital			
Authorised capital			
60,000,000 (June 30, 2021: 60,000,000) modaraba certificates of Rs. 10 each			
		600,000,000	600,000,000
Certificate capital		524,400,000	524,400,000
Reserves	3	148,438,198	136,376,024
Remeasurement of define benefit liability - Actuarial gain		738,541	738,541
Unrealized loss on re-measurement of investments		(24,921,284)	7,200,492
Certificate holders' equity		648,655,455	668,715,057
Non-current liabilities			
Deferred liabilities		5,710,591	5,710,591
Total non-current liabilities		5,710,591	5,710,591
Current liabilities			
Creditors, accrued and other liabilities		11,525,137	19,985,872
Unclaimed profit distributions		29,553,525	29,553,525
Total current liabilities		41,078,662	49,539,397
Total liabilities		46,789,253	55,249,988
Contingencies & Commitments			
Total equity and liabilities		695,444,708	723,965,045

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SETEMBER 30, 2021

	Note	September 2021 Rupees	Audited June 30, 2021 Rupees
Non - current assets			
Fixed assets			
- tangible		4,917,324	5,211,713
- intangible		-	-
Investment property		1,201,667	1,231,667
Investments	4	402,194,797	402,194,797
Advances		2,510,000	2,510,000
Deposits		1,350,000	1,750,000
Total non-current assets		412,173,788	412,898,177
Current assets			
Morabaha / musharaka receivables - secured		8,867,694	8,634,174
Short term investments		158,129,667	161,149,390
Advances- Considered		8,861,259	11,374,403
Trade deposits and prepayments		16,609,432	16,382,098
Other receivables		72,070,318	30,075,414
Cash and bank balances		18,732,550	83,451,388
Total current assets		283,270,920	311,066,868
Total assets		695,444,708	723,965,045

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
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER ENDED SETEMBER 30, 2021

	September 2021 Rupees	September 2020 Rupees
<i>Income</i>	20,461,297	7,007,739
<i>Expenditure</i>		
Operating expenses	(5,611,456)	(4,682,119)
Bank charges	(147)	(7,540)
	(5,611,603)	(4,689,659)
	14,849,694	2,318,080
Other income	37,480	530,864
<i>Profit Before Taxation</i>	14,887,174	2,848,944
Provision for Taxation	2,825,000	-
<i>Profit after Taxation</i>	12,062,174	2,848,944
Earnings per certificate	0.230	0.054

Qazi Obaid Ullah
Chief Financial Officer

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

Director
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 2021 Rupees	September 2020 Rupees
Profit for the period	12,062,174	2,848,944
Other comprehensive income / (loss)		
<hr/>		
Unrealized gain / (loss) on re-measurement of investments	(32,942,137)	14,819,148
Gain/(loss) realized on disposal of investments	820,361	6,169,868
	(32,121,776)	20,989,016
<hr/>		
Taxation relating to component of other comprehensive income	-	-
<hr/>		
Other comprehensive income / (loss)	(32,121,776)	20,989,016
<hr/>		
Total comprehensive income / (loss)	(20,059,602)	23,837,960

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
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF CASH FLOWS STATEMENTS(UN-AUDITED)
FOR THE QUARTER ENDED SETEMBER 30, 2021

	September 2020 Rupees	September 2019 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Taxation	14,887,174	2,848,944
Adjustments for non cash/non operating items:		
Depreciation	399,389	404,851
Dividend income	(20,667,500)	(131,800)
	(20,268,111)	273,051
Operating profit before working capital changes	(5,380,937)	3,121,995
(Increase) / Decrease in current assets		
Morabaha / musharaka receivables	(233,520)	37,812,830
Advances	2,513,144	(266,440)
Trade deposits and prepayments	172,666	(2,288,281)
Other receivables	(23,244,904)	(2,049,316)
	(20,792,614)	33,208,793
(Decrease) / increase in current liabilities		
Creditors, accrued and other liabilities	(8,460,735)	722,570
Provision for Taxation	(2,825,000)	-
Net cash used in operating activities	(37,459,286)	37,053,358
CASH FLOW FROM INVESTING ACTIVITIES		
Investments	(29,102,053)	(25,432,607.00)
Dividends received	1,917,500	131,800
Tangible assets	(75,000)	(211,615)
Security Deposit Return	-	(200,000)
Net cash generated (used in)/from investing activities	(27,259,553)	(25,712,422)
Net increase / (decrease) in cash and bank equivalents	(64,718,839)	11,340,936
Cash and bank equivalents at the beginning of the period	83,451,388	90,758,217
Cash and bank equivalents at the end of the period	18,732,550	102,099,153

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

Qazi Obaid Ullah	Adil A Ghaffar		
Chief Financial Officer	Chief Executive	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 (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

Page 8

	Certificate Capital	Special reserve	Certificate premium account	General reserve	Unrealized gain / (loss) on re-measurement of available for sale investments	Remeasurement of define benefit liability	Un appropriated profit / accumulated loss	Total
	Rupees	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees
Balance as at June 30, 2020	524,400,000	161,050,000	131,100,000	27,120,000	(31,105,482)	1,135,501	(201,784,798)	611,915,221
Profit for the Year							18,890,822	18,890,822
Total comprehensive income for the period	-	-	-	-	38,305,974	(396,960)		37,909,014
Balance as at June 30, 2021	524,400,000	161,050,000	131,100,000	27,120,000	7,200,492	738,541	(182,893,976)	668,715,057
Profit for the Year							12,062,174	12,062,174
Total comprehensive income for the period	-	-	-	-	(32,121,776)			(32,121,776)
Balance as at September 30, 2021	524,400,000	161,050,000	131,100,000	27,120,000	(24,921,284)	738,541	(170,831,802)	648,655,455

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
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SETEMBER 30, 2021

1 Legal Status and Nature of Business

First Equity 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, a Company incorporated in Pakistan.

The Modaraba is a perpetual, multi purpose modaraba 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.

The Modaraba is a holding two Trading Right Entitlement certificate of Pakistan Stock Exchanges Ltd and is currently operating its brokerage activities at Karachi.

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

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, 2021
- 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".

	September 2021 Rupees	June 2021 Rupees
3 Reserves		
Capital reserve	292,150,000	292,150,000
Revenue reserve	(143,711,802)	(155,773,976)
	148,438,198	136,376,024

4 Investments

Listed Securities - Suspended	41,800	41,800
Unlisted Securities	52,152,997	52,152,997
	52,194,797	52,194,797
Wholly owned subsidiary	350,000,000	350,000,000
	402,194,797	402,194,797

- 5 These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on October 28 2021

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

Wholly Owned Subsidiary of

First Equity Modaraba

**quarterly report for the period ended
September 30, 2021**

EQUITY TEXTILES LIMITED
BALANCE SHEET AS AT SETEMBER 30, 2021

	September 2021	Audited June 2021
	Rupees	Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	1,385,880,479	1,418,133,888
Intangibles	3,730,635	3,826,293
Long Term Deposits	7,763,700	7,763,700
	1,397,374,814	1,429,723,881
CURRENT ASSETS		
Stores and spares	43,690,750	43,805,958
Stock in trade	623,045,957	254,040,783
Short term investment	9,273,162	8,688,653
Trade debts	278,147,398	359,332,660
Loans and advances	6,076,578	33,787,474
Trade deposits and short term prepayments	86,474,305	77,302,836
Other receivables	58,783,726	27,913,219
Tax refund due from government	22,492,682	41,984,914
Cash and bank balances	74,865,330	38,889,593
	1,202,849,888	885,746,090
TOTAL ASSETS	2,600,224,702	2,315,469,971
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
Revenue Reserves		
Unappropriated profit	426,412,847	345,474,229
Capital Reserves		
Unrealized Loss on Revaluation of investments	(2,969,894)	(3,554,403)
Surplus on revaluation of fixed assets	557,428,710	571,721,754
	1,230,871,663	1,163,641,580
NON CURRENT LIABILITIES		
Long term financing	14,668,743	37,408,022
Liabilities against subject to finance lease	50,475,157	53,999,829
Deferred Capital grant	2,938,227	2,938,227
Deferred taxation	150,696,353	140,358,224
	218,778,480	234,704,302
CURRENT LIABILITIES		
Trade and other payables	806,696,268	777,665,241
Accrued Markup	7,579,502	4,816,294
Taxation-Net	13,466,756	19,367,909
Short term borrowings	233,797,328	29,043,486
Current portion of long term liabilities	68,520,422	65,613,948
Current portion of deffered capital grant	5,639,926	5,639,926
Current portion of lease Liability	14,874,357	14,977,285
	1,150,574,559	917,124,089
TOTAL EQUITY AND LIABILITIES	2,600,224,702	2,315,469,971

CHIEF EXECUTIVE

DIRECTOR

EQUITY TEXTILES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	September 2021 Rupees	September 2020 Rupees
Sales	1,348,555,241	902,347,712
Cost of Sales	<u>(1,205,234,332)</u>	<u>(877,766,495)</u>
Gross profit	143,320,909	24,581,217
Administrative and general expenses	(14,285,706)	(9,589,182)
Distribution and selling expenses	<u>(9,329,670)</u>	<u>(8,291,435)</u>
Operating profit	119,705,533	6,700,600
Financial charges	<u>(9,980,557)</u>	<u>(7,861,019)</u>
Other charges	<u>(7,891,179)</u>	<u>-</u>
	<u>(17,871,736)</u>	<u>(7,861,019)</u>
Other income	101,833,797	(1,160,419)
Profit before taxation	<u>466,349</u>	<u>946,284</u>
Provision for taxation	102,300,146	(214,135)
Current	<u>(25,316,443)</u>	<u>(13,885,485)</u>
Deferred	<u>(10,338,129)</u>	<u>30,302,588</u>
	<u>(35,654,572)</u>	<u>16,417,103</u>
Profit after taxation	<u><u>66,645,574</u></u>	<u><u>16,202,968</u></u>
Earning per share - basic and diluted	<u><u>2.666</u></u>	<u><u>0.648</u></u>

CHIEF EXECUTIVE

DIRECTOR

فرسٹ ایکویٹی مضاربہ
ڈائریکٹرز رپورٹ

فرسٹ ایکویٹی مضاربہ کی انتظامی کمپنی پریمیئر فنانشل سروسز (پرائیویٹ) لمیٹڈ، فرسٹ ایکویٹی مضاربہ بینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 ستمبر 2021 کو ختم ہونے والی سہ ماہی کیلئے اپنی رپورٹ بشمول غیر آڈٹ شدہ مالیاتی حسابات پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالیاتی نتائج:

30 ستمبر 2021ء کو ختم ہونے والی سہ ماہی میں مبلغ 12.06 ملین روپے کا منافع حاصل کیا جس کا موازنہ گزشتہ سال کی اسی مدت کے منافع 2.85 ملین روپے سے کیا جاسکتا ہے۔

30 ستمبر 2021ء کو فی سرٹیفکیٹ مبلغ 0.23 روپے آمدنی ہوئی جبکہ گزشتہ سال اسی مدت کو مبلغ 0.054 روپے آمدنی حاصل ہوئی تھی۔ 30 ستمبر 2021ء کو بریک اپ ویلیو مبلغ 12.37 روپے فی سرٹیفکیٹ تھی۔

اظہار تشکر:

ہم امید کرتے ہیں کہ سیاسی اور اقتصادی غیر یقینی صورتحال کے بعد کمپیٹل مارکیٹ میں دوبارہ تیزی کا رجحان دکھائی دے گا۔

KSE-100 انڈیکس نے پہلے ہی تقریباً تمام اہم منفی پہلوؤں جیسا کہ روپیہ میں اتار چڑھاؤ، تیل کی قیمتوں میں اضافہ، مہنگائی، CAD اور شرح سود کے اعداد و شمار پر ڈسکاؤنٹ دیا ہے اور اب بھی 44k کے قریب گردش کر رہا ہے، یہ مستحکم انڈیکس ترقی کی تیز رفتاری کو ظاہر کرتا ہے۔

کورونا وبا میں کمی کا رجحان ہے اور معاشی سرگرمیوں کی شروعات ہو گئی ہے۔

بورڈ کی طرف سے

کراچی

28 اکتوبر 2021ء

عادل اے غفار

چیف ایگزیکٹو آفیسر