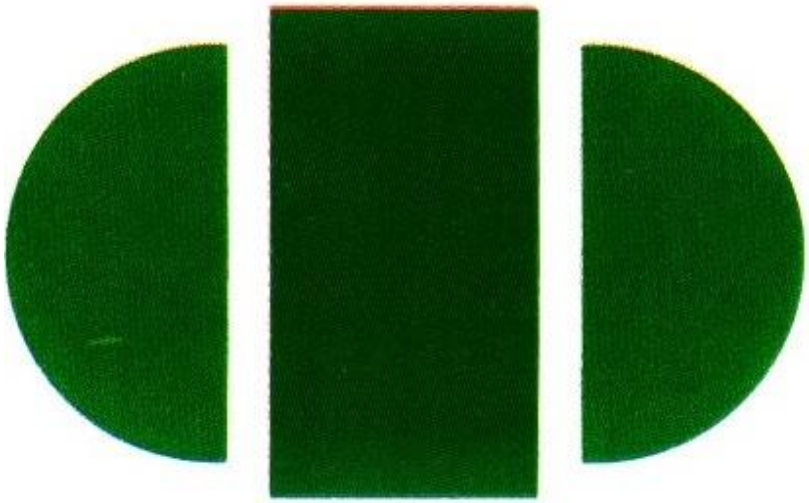
FIRST EQUITY MODARABA

Quarter and Nine Months Reports
For the period ended
March 31, 2017

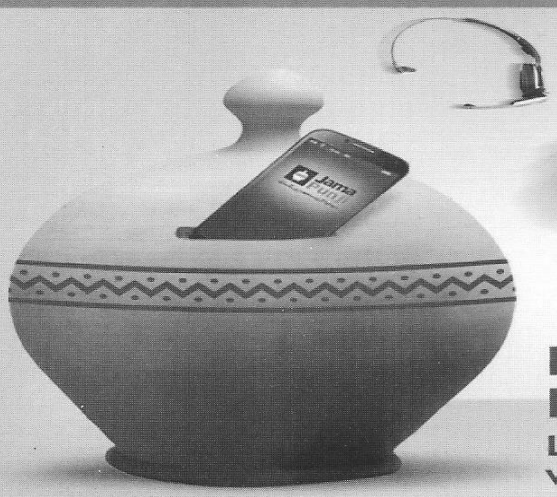


Managed by **PREMIER FINANCIAL SERVICES (PVT) LTD**

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FIRST EQUITY MODARABA

CORPORATE INFORMATION

Modaraba Company : PREMIER FINANCIAL SERVICES (PVT) LTD

BOARD OF DIRECTORS

Mr Zahid Bashir
Mr Nadeem Maqbool
Mr Qaiser Magoon
Mr Adil A Ghaffar - Chief Executive Officer

AUDIT COMMITTEE

Mr Qaiser Magoon
Mr Zahid Bashir
Mr Nadeem Maqbool

HUNAM RESOURSE COMMITTEE

Mr Zahid Bashir
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
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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Cash flow statement	9
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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 and the un-audited financial statements of the Modaraba for the nine months and quarter ended March 31, 2017.

Financial Results

Profit for the nine months ended March 31, 2017 amounted to Rupees 42.714_million as compared to Rupees 8.022 million for the same period last year. The earning per certificate as at March 31, 2017 was Rs 0.81 as against Rs. 0.15. The break up value, per modaraba certificate, stands at Rs 12.72 at the end of the period.

During the period 40% shares of Pakistan Stock Exchange Ltd (PSX), held in the block account by PSX were sold to Chinese consortium for Rs 28 per share. Proceeds were received to the extent of 90% whereas 10% was retained by PSX which will be released in 12 months time.

The formation of two wholly owned subsidiary companies are under process and we anticipate that by the end of the financial year the process will be completed.

For and on behalf of Board

Karachi
April 27, 2017

Adil A Ghaffar
Chief Executive Officer

فرسٹ ایکویٹی مضاربہ

(ڈائریکٹرز کی رپورٹ)

پریمئر فنانشل سروس (پرائیویٹ) لمیٹڈ کے ڈائریکٹرز اور انتظامیہ "فرسٹ ایکویٹی مضاربہ" کے غیر جانچ شدہ مالی بیانیہ (Un-audited Financial Statement) کی تیسری سہ ماہی کے نویں مہینے، 31 مارچ 2017 سے متعلق رپورٹ پیش کرتے ہوئے انتہائی مسرت محسوس کرتے ہیں۔

مالی نتائج: (Financial Results)

گزشتہ سہ ماہی کے نو ماہ کے مبلغ 8.022 ملین روپے منافع کے مقابلے میں رواں اختتامی سال (دورانیے) 31 مارچ 2017ء کے نو ماہ کا منافع مبلغ 42.714 ملین روپے رہا۔

31 مارچ 2017ء تک فی سرٹیفکیٹ آمدنی 0.15 روپے کے برخلاف مبلغ 0.81 روپے تھی۔ جبکہ دورانیے کے اختتام پر فی مضاربہ سرٹیفکیٹ کی Break Up Value مبلغ 12.72 روپے رہی۔

دورانیے کے دوران پاکستان اسٹاک ایکسچینج کے 40 فیصد شیئرز "Block Account" میں رہے، جنہیں PSX نے چائنیز کنسورشیم کو 28 روپے فی شیئر کے حساب سے فروخت کیا۔ محاصل/منافع/آمدنی کا حصول 90 فیصد سے بڑھ گیا جبکہ PSX نے 10 فیصد بچت کی جو کہ بارہ ماہ میں جاری کی جائے گی۔

دو "Wholly owned subsidiary" کمپنیوں کی تشکیل کا عمل جاری ہے اور ہمیں توقع ہے کہ مالی سال کے اختتام تک یہ عمل مکمل ہو جائے گا۔

For and on behalf of Board.

عادل عبدالغفار

(چیف ایگزیکٹو آفیسر)

Karachi:

April, 27,2017

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2017

	Note	March 31 2017 Rupees	Audited June 30, 2016 Rupees
EQUITY AND LIABILITIES			
Capital & Reserves			
Authorised capital			
60,000,000 (June 30, 2016: 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	**162,509,132**	126,611,137
Remeasurement of define benefit liability - Actuarial gain		**358,832**	358,832
Unrealised loss on re-measurement of investments		**(20,759,942)**	(25,645,604)
Certificate holders' equity		**666,508,022**	625,724,365
Non-current liabilities			
Deferred liabilities		**3,063,143**	2,934,768
Security deposit		**200,000**	200,000
Total non-current liabilities		**3,263,143**	3,134,768
Current liabilities			
Creditors, accrued and other liabilities		**11,931,874**	7,740,174
Unclaimed profit distributions		**30,279,664**	27,844,960
Total current liabilities		**42,211,538**	35,585,134
Total liabilities		**45,474,681**	38,719,902
Total equity and liabilities		**711,982,703**	664,444,267

FIRST EQUITY MODARABA
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2017

	Note	March 31 2017 Rupees	Audited June 30, 2016 Rupees
ASSETS			
Non - current assets			
Fixed assets			
- tangible		**18,980,253**	14,529,146
- intangible		**19,000,000**	19,000,000
		37,980,253	33,529,146
Long term investments	4	**307,308,460**	325,797,990
Investment property		**1,741,667**	1,831,667
Advances		**2,510,000**	2,510,000
Deposits		**1,250,000**	1,250,000
Total non-current assets		**350,790,380**	364,918,803
Current assets			
Morabaha / musharaka receivables - secured		**129,361,979**	140,333,175
Short term investments		**139,307,682**	101,100,114
Advances		**510,740**	2,320,247
Trade deposits and prepayments		**15,226,346**	15,263,695
Other receivables		**36,213,832**	22,238,237
Tax refunds due from government		**11,960,071**	7,480,386
Cash and bank balances		**28,611,673**	10,789,610
Total current assets		**361,192,323**	299,525,464
Total assets		**711,982,703**	664,444,267

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

Adil A Ghaffar	Zahid Bashir	Nadeem Maqbool
Chief Executive	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, 2017

	Quarter ended		Nine months ended	
	March 31 2017 Rupees	March 31 2016 Rupees	**March 31 2017 Rupees**	March 31 2016 Rupees
Income	**38,398,163**	6,773,602	**59,919,129**	22,550,344
Expenditure				
Operating expenses	**(6,417,110)**	(4,359,776)	**(17,204,830)**	(14,528,047)
Operating profit	**31,981,053**	2,413,826	**42,714,299**	8,022,297
Taxation	**-**	-	**-**	-
Profit for the period	**31,981,053**	2,413,826	**42,714,299**	8,022,297
Earnings per certificate	**0.6099**	0.0460	**0.8145**	0.1530

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

Adil A Ghaffar	Zahid Bashir	Nadeem Maqbool
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 COMPREHENSIVE INCOME
FOR THE QUARTER AND NINE MONTH ENDED MARCH 31, 2017

	Quarter ended		Nine Months ended	
	March 31 2017 Rupees	March 31 2016 Rupees	**March 31 2017 Rupees**	March 31 2016 Rupees
Profit for the period	**37,105,906**	2,413,826	**42,714,299**	8,022,219
Other comprehensive income				
Unrealised gain / (loss) on re-measurement investments	**(11,987,638)**	6,817,144	**(5,749,281)**	(8,798,200)
Gain / (loss) realised on disposal of investments	**2,728,021**	-	**10,634,943**	5,938,781
	(9,259,617)	6,817,144	**4,885,662**	(2,859,419)
Taxation relating to component of other comprehensive income	**-**	-	**-**	-
Other comprehensive income	**(9,259,617)**	6,817,144	**4,885,662**	(2,859,419)
Total comprehensive income	**27,846,289**	9,230,970	**47,599,961**	5,162,800

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

Zahid Bashir
Director
Premier Financial
Services (Private) Ltd.

Nadeem Maqbool
Director
Premier Financial
Services (Private) Ltd.

FIRST EQUITY MODARABA
CONDENSED INTERIM STATEMENT OF CASH FLOWS STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2017

	March 31 2017 Rupees	March 31 2016 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	**42,714,299**	8,022,297
Adjustments for non cash/non operating items:		
Depreciation	**1,517,355**	1,457,288
Provision for gratuity	**128,375**	197,250
Dividend income	**(1,982,133)**	(4,015,123)
	(336,403)	(2,360,585)
Operating profit before working capital changes	**42,377,896**	5,661,712
(Increase) / decrease in current assets		
Morabaha / musharaka receivables	**10,971,196**	8,545,790
Advances	**(2,670,178)**	(894,004)
Trade deposits and prepayments	**37,349**	(241,721)
Other receivables	**(13,759,759)**	(10,787,733)
	(5,421,392)	(3,377,668)
(Decrease) / increase in current liabilities		
Creditors, accrued and other liabilities	**4,191,700**	(9,910,635)
	(1,229,692)	(13,288,303)
Dividend paid	**(4,382,496)**	(6,122,980)
	(4,382,496)	(6,122,980)
Net cash used in operating activities	**(5,612,188)**	(19,411,283)
CASH FLOW FROM INVESTING ACTIVITIES		
Investments	**(14,832,376)**	4,311,277
Dividends received	**1,767,197**	3,634,828
Purchases of tangible assets	**(5,878,466)**	(930,849)
Net cash (use in)generated from investing activities	**(18,943,645)**	7,015,256
Net increase / (decrease) in cash and cash equivalents	**17,822,063**	(6,734,315)
Cash and cash equivalents at the beginning of the period	**10,789,610**	20,285,400
Cash and cash equivalents at the end of the period	**28,611,673**	13,551,085

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

Adil A Ghaffar	Zahid Bashir	Nadeem Maqbool
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
FOR THE NINE MONTHS ENDED MARCH 31, 2017

	Certificate Capital	Special reserve	Certificate premium account	General reserve	Remeasurement of define benefit liability	Unrealised gain / (loss) on re-measurement of available	Un appropriated profit / accumulated loss	Total
	Rupees	Rupees	Rupees	Rupees		Rupees	Rupees	Rupees
Balance as at July 1, 2015	524,400,000	150,635,954	131,100,000	27,120,000	91,191	(20,170,414)	(182,422,558)	630,754,173
Profit distribution							(8,914,800)	(8,914,800)
Total comprehensive income for the period	-	-	-	-	-	(2,859,419)	8,022,219	5,162,800
Balance as at March 31, 2016	524,400,000	150,635,954	131,100,000	27,120,000	91,191	(23,029,833)	(183,315,139)	627,002,173
Balance as at July 01, 2016	**524,400,000**	**152,500,000**	**131,100,000**	**27,120,000**	**358,832**	**(25,645,604)**	**(184,107,967)**	**625,725,261**
Profit distribution							(6,817,200)	(6,817,200)
Total comprehensive income for the period	-	-	-	-	-	**4,885,662**	**42,714,299**	**47,599,961**
Balance as at March 31, 2017	**524,400,000**	**152,500,000**	**131,100,000**	**27,120,000**	**358,832**	**(20,759,942)**	**(148,210,868)**	**666,508,022**

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

Adil A Ghaffar	Zahid Bashir	Nadeem Maqbool
Chief Executive	Director	Director
Premier Financial	Premier Financial	Premier Financial
Services (Private) Ltd.	Services (Private) Ltd.	Services (Private) Ltd.

FIRST EQUITY MODARABA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2017

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 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, 2016

2.3 The Modaraba Company's management fee, statutory reserve @ 20% to 50 %, provisions, profit Distribution and taxation 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

2.4 These financial statements are in compliance with the disclosure requirements of International Accounting Standard (IAS)-34 "Interim Financial Reporting".

	March 2017 Rupees	June 2016 Rupees
3 Reserves		
Capital reserve	283,600,000	283,600,000
Revenue reserve	(121,090,868)	(156,988,863)
	162,509,132	126,611,137
4 Investments		
Listed Securities - available for sale	1,098,130	1,729,389
Unlisted Securities	56,190,330	72,219,861
	57,288,460	73,949,250
Preference shares	-	1,828,740
Wholly owned subsidiary	250,020,000	250,020,000
	307,308,460	325,797,990

5 These financial statements were authorized for issue in accordance with a resolution of the Board of Directors on April 27, 2017

Adil A Ghaffar	Zahid Bashir	Nadeem Maqbool
Chief Executive	Director	Director
Premier Financial	Premier Financial	Premier Financial
Services (Private) Ltd.	Services (Private) Ltd.	Services (Private) Ltd.

EQUITY TEXTILES LIMITED

Wholly Owned Subsidiary of

First Equity Modaraba

nine months ended

March 31, 2017

EQUITY TEXTILES LIMITED
BALANCE SHEET AS AT MARCH 31, 2017

	March 2017 Rupees	June 2016 Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment		
Operating fixed assets	1,117,159,910	1,152,186,176
Capital work in progress	5,896,161	-
	1,123,056,071	1,152,186,176
CURRENT ASSETS		
Stores and spares	28,569,567	27,533,131
Stock in trade	522,889,453	275,672,705
Short term investment	25,050,428	24,597,260
Trade debts	103,126,842	66,735,124
Loans and advances	33,188,812	54,397,358
Trade deposits and short term prepayments	14,155,856	18,302,897
Other receivables	1,255,208	1,865,105
Tax refund due from government	36,189,068	17,458,030
Tax -net	5,761,105	12,044,354
Cash and bank balances	5,073,358	5,419,890
	775,259,697	504,025,854
TOTAL ASSETS	1,898,315,768	1,656,212,030
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital	250,000,000	250,000,000
25,000,000 shares of Rs. 10/- each		
	250,000,000	250,000,000
Issued, subscribed and paid-up share capital	531,145	2,082,978
Unrealized gain on investments	(23,062,387)	7,414,510
Profit and (loss) account	(22,531,242)	9,497,488
	227,468,758	259,497,488
	339,585,712	367,119,688
Surplus on revaluation of fixed assets		
NON CURRENT LIABILITIES		
Long term financing	318,994,772	379,920,178
Liabilities against asset subject to finance lease	477,896	876,372
Deferred taxation	168,589,868	182,886,709
	488,062,536	563,683,259
CURRENT LIABILITIES		
Trade and other payables	376,226,603	218,929,556
Accrued Markup	25,778,795	12,004,917
Short term borrowings	315,052,129	139,735,517
Current portion of long term liabilities	126,141,235	95,241,605
	843,198,762	465,911,595
TOTAL EQUITY AND LIABILITIES	1,898,315,768	1,656,212,030

CHIEF EXECUTIVE **DIRECTOR**

EQUITY TEXTILES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED MARCH 31, 2017

	March 2017 Rupees	March 2016 Rupees
Sales	1,767,987,018	1,512,986,981
Cost of Sales	(1,747,449,471)	(1,493,649,812)
Gross profit	20,537,547	19,337,169
Administrative and general expenses	(18,096,266)	(17,507,709)
Distribution and selling expenses	(11,622,169)	(12,177,267)
Operating loss	(9,180,888)	(10,347,807)
Financial charges	(49,365,081)	(45,630,072)
Other charges	(2,116)	-
	(49,367,197)	(45,630,072)
	(58,548,085)	(55,977,879)
Other income	847,618	1,772,260
Loss before taxation	(57,700,467)	(54,205,619)
Provision for taxation		
Current	(14,409,017)	(13,112,964)
Prior	(198,235)	(3,410,351)
Deferred	14,296,841	18,235,504
	(310,411)	1,712,189
Loss after taxation	(58,010,878)	(52,493,430)
Loss per share - basic and diluted	(2.3204)	(2.0997)

CHIEF EXECUTIVE **DIRECTOR**