

QUARTERLY REPORT

SEPTEMBER 30, 2024

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Registered Office:

Plot No. 25/1-A, Street No. 5,
Muslimabad, Jamshed Town,
Karachi - Pakistan.

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An ICTSI Group Company

Pakistan International Container Terminal Limited

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COMPANY INFORMATION

Board of Directors

Chairman

Mr. Hans-Ole Madsen
(Non-Executive Director)

Directors (in alphabetical order)

Mr. Arnie D. Tablante
(Non-Executive Director)

Mr. Asif Raza Khan
(Independent Director)

Mr. Bilal Shahid
(Non-Executive Director)

Mr. Jacob Christian Gulmann
(Non-Executive Director)

Ms. Lirene C. Mora-Suarez
(Executive Director)

Mr. Rune Rasmussen
(Independent Director)

Audit Committee

Chairman

Mr. Rune Rasmussen

Members

Mr. Arnie D. Tablante
Mr. Bilal Shahid

Chief Internal Auditor

Mr. Syed Azmat Hussain

Risk Management Committee

Chairman

Mr. Asif Raza Khan
(Independent Director)

Members

Mr. Bilal Shahid
Mr. Hans-Ole Madsen

Human Resource & Remuneration Committee

Chairman

Mr. Asif Raza Khan
(Independent Director)

Members

Mr. Hans-Ole Madsen
Ms. Lirene C. Mora-Suarez

Key Management

Chief Executive Officer

Ms. Lirene C. Mora-Suarez

Chief Financial Officer

Mr. Ahmed Bharamchari

External Auditors

EY Ford Rhodes

Chartered Accountants,
Progressive Plaza, Beaumont Road,
P.O. Box 15541, Karachi-75530

Legal Advisor

Usmani & Iqbal

Bankers

Bank Islami Pakistan Limited

Faysal Bank Limited

Habib Bank Limited

National Bank of Pakistan

Samba Bank Limited

Standard Chartered Bank (Pakistan) Limited

United Bank Limited

Registered Office

Plot No. 25/1-A, Steet No. 5,
Muslimabad, Jamshed Town,
Karachi - Pakistan.

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CDC Share Registrar Services Limited

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Main Shahra-e-Faisal,

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DIRECTORS' REPORT FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

We the undersigned for and on behalf of the Board of Directors hereby present un-audited condensed interim financial statements of the Company for the nine months ended September 30, 2024.

BUSINESS PERFORMANCE REVIEW

In this third quarter of the year 2024 alongside of our talks for exploring the available opportunities and scanning the risk appetizer in expanding our horizons, we were mainly focused on treasury operations of available liquidity.

We have closed the nine months and the quarter ended September 30, 2024 with profit after tax of Rs.673 million and Rs.397 respectively which includes Rs.189 million from disposal of some spares and scraps which were being carried in the books at zero value amid there was no value in use.

OPERATING AND FINANCIAL RESULTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024

(Rupees in Million)

Revenue	
Gross Profit	845.99
Profit before taxation	673.22
Profit after taxation	513.31
Un appropriated profit brought forward	1,186.54
Un appropriated profit carried forward	
	(Rupees)
Earnings per Ordinary Share – Basic and Diluted	6.17

Future Outlook

We are continuing with the process of navigating the opportunities of business development. We understand that for any business development involving deployments of efforts and/or capital, necessary risk appetizer should also be balanced. Our cautious view is largely attributable to prevalent war in certain parts of the world and uncertain oil prices globally, which may affect the volumes of imports/exports and thus container handling and logistic business in Pakistan.

For the progress, we will be guided by our core values of commitment, courtesy, competence, responsibility and integrity. Together, we will navigate the challenges of tomorrow to deliver the value to the shareholders.

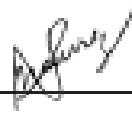
ACKNOWLEDGEMENT

The Board would like to extend sincere gratitude and appreciation to its shareholders and other stake holders for their continued trust and support.

For and on behalf of the Board of Directors



Mr. Hans-Ole Madsen
Chairman



Ms. Lirene Coloquio Mora-Suarez
Chief Executive Officer

Karachi,

Dated: October 28, 2024

PAKISTAN INTERNATIONAL CONTAINER TERMINAL LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

	Note	September 30, 2024 (Un-audited) ----- (Rs in thousands) -----	December 31, 2023 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	5	-	-
CURRENT ASSETS			
Stores, spare parts and loose tools – net	6	-	-
Trade debts - net	7	-	9,533
Advances		101	66,183
Deposits, prepayments and other receivables		150,929	844,553
Short-term investments – net	8	-	-
Taxation- net		60,774	100,615
Cash and bank balances		5,078,672	5,182,634
		5,508,576	6,203,518
TOTAL ASSETS		5,290,476	6,203,518
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital		1,091,532	1,091,532
Reserves		1,366,537	693,314
		2,458,069	1,784,846
CURRENT LIABILITIES			
Trade and other payables	9	2,700,253	2,730,671
Unclaimed dividends		132,154	133,265
Unpaid dividends	10	-	1,548,450
Current portion of deferred liability		-	6,286
		2,832,407	4,418,672
TOTAL EQUITY AND LIABILITIES		5,290,476	6,203,518
CONTINGENCIES AND COMMITMENTS		11	

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

PAKISTAN INTERNATIONAL CONTAINER TERMINAL LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS AND QUARTER ENDED SEPTEMBER 30, 2024
(UN-AUDITED)

	Note	Nine Months Ended		Quarter Ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
(Rs in thousands)					
Revenue – net		-	6,301,533	-	-
Cost of services		-	(3,738,538)	-	-
Gross profit		-	2,562,995	-	-
Administrative expenses		(47,787)	(433,914)	(12,084)	-
Other expenses		(13,450)	(130,111)	(5,900)	(3,216)
Finance costs		(215)	(1,532)	(49)	(437)
Other income	12	907,438	1,264,159	407,753	589,673
Profit before taxation		845,986	3,261,597	389,720	586,020
Taxation	13	(172,763)	(1,494,184)	7,389	(336,222)
Profit after taxation		673,223	1,767,413	397,109	249,798
(Rupees)					
Earnings per ordinary share - basic and diluted		6.17	16.19	3.64	2.29

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer


Director

PAKISTAN INTERNATIONAL CONTAINER TERMINAL LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS AND QUARTER ENDED SEPTEMBER 30, 2024
(UN-AUDITED)

	Nine Months Ended		Quarter Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	----- (Rs in thousands) -----			
Profit after taxation	673,223	1,767,413	397,109	249,798
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	673,223	1,767,413	397,109	249,798

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

PAKISTAN INTERNATIONAL CONTAINER TERMINAL LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(UN-AUDITED)

	Issued, subscribed and paid-up capital	Capital reserve	Revenue reserve	Total reserves	Total
		Capital redemption reserve fund	Unappropriated profits		
----- (Rs in thousands) -----					
Balance as at January 01, 2023	1,091,532	180,000	895,873	1,075,873	2,167,405
Profit after taxation	-	-	1,767,413	1,767,413	1,767,413
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	1,767,413	1,767,413	1,767,413
Interim cash dividend for the year ended December 31, 2023 @ Rs.20.00/- per ordinary share	-	-	(2,183,063)	(2,183,063)	(2,183,063)
Balance as at September 30, 2023	1,091,532	180,000	480,223	660,223	1,751,755
Balance as at January 01, 2024	1,091,532	180,000	513,314	693,314	1,784,846
Profit after taxation	-	-	673,223	673,223	673,223
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	673,223	673,223	673,223
Balance as at September 30, 2024	1,091,532	180,000	1,186,537	1,366,537	2,458,069

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer


Director

PAKISTAN INTERNATIONAL CONTAINER TERMINAL LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(UN-AUDITED)

	Note	Nine Months Ended	
		September 30, 2024	September 30, 2023
----- (Rs in thousands) -----			
CASH FLOWS FROM OPERATING ACTIVITIES	16	658,006	4,393,796
Taxes paid		(132,924)	(1,737,560)
Compensated leaves paid		-	(65,354)
Finance costs paid		(215)	(1,532)
Net cash generated from operating activities		524,867	2,589,350
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		-	(58,495)
Proceeds from disposal of operating fixed assets and stores, spare parts and loose tools		189,000	7,516
Markup on saving accounts received		731,732	1,083,527
Net cash generated from investing activities		920,732	1,032,548
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(1,549,561)	(2,166,357)
Net cash used in financing activities		(1,549,561)	(2,166,357)
Net increase / (decrease) in cash and cash equivalents		(103,962)	1,455,541
Cash and cash equivalents at the beginning of the period		5,182,634	6,061,976
Cash and cash equivalents at the end of the period		5,078,672	7,517,517

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer


Director

PAKISTAN INTERNATIONAL CONTAINER TERMINAL LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024
(UN-AUDITED)

1. CORPORATE INFORMATION AND OPERATIONS

- 1.1.** Pakistan International Container Terminal Limited (the Company) was incorporated in Pakistan and is listed on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at Plot no. 25/1-A, Street no. 5, Muslimabad, Jamshed Town, Karachi.
- 1.2.** The Company is a subsidiary of ICTSI Mauritius Limited whereas its ultimate parent company is International Container Terminal Services Inc., a company incorporated in Philippines.
- 1.3.** The Build, Operate and Transfer (BOT) "Concession Agreement" which the Company had with Karachi Port Trust (KPT) for the exclusive construction, development, operations and management of a common user container terminal at Karachi Port was for a period of twenty-one years commencing June 18, 2002. This Concession Agreement expired on June 17, 2023 and the terminal has been taken over by KPT on June 18, 2023. In accordance with the Concession Agreement between KPT and PICT, PICT is required to keep its legal existence for a minimum of 3 years following the expiry of the Concession Agreement. The Company has recently signed an agreement with a customer to provide technical services including but not limited to management support effective from mutually agreed dates. The Company is also scanning the market for other financially attractive business opportunities compatible with related provisions in its constitutional document.

2. BASIS OF PREPARATION

2.1. Statement of compliance

These condensed interim financial statements of the Company have been prepared in accordance with the requirements of the International Accounting Standard (IAS 34) "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act) and the provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ with the requirements of IAS 34, the provisions of and directives issued under the Act have been followed.

These condensed interim financial statements are un-audited and is being submitted to the shareholders as required under Section 237 of the Act. These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended December 31, 2023.

The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Company for the year ended December 31, 2023, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been extracted from the un-audited condensed interim financial statements of the Company for the period ended September 30, 2023.

2.2. Expiry of Concession Agreement and its impact on financial statements

The Concession Agreement with KPT in respect of built, operate and transfer on berths 6 to 9 which was for a period of twenty-one years commencing June 18, 2002 expired on June 17, 2023. Thereafter the Company transferred its concession assets at a token value of Re. 1. The terminal operated by the Company at Berths 6 to 9 pursuant to the Concession Agreement was its key operational asset. However, in accordance with the concession agreement, the Company is required to keep its legal existence for a minimum of 3 years from the expiry of the concession agreement. The Board of Directors (BOD) has assessed the going concern status of the Company and its appropriateness in the preparation of these financial statements. For this purpose, the BOD has considered the following factors:

- i) the management of the Company has signed an agreement with a customer to provide technical services including but not limited to management support effective from mutually agreed dates. The Company is also scanning the market for financially attractive business opportunities compatible with related provisions in its constitutional document;
- ii) the financial and liquidity condition of the Company are sufficient to meet its commitments in the foreseeable future and is also complimented through letter of financial support from the parent entity; and
- iii) the financial projections of the Company prepared for the period up to 31 August 2025 are based on the assumption that the business opportunity referred to in point (i) above is likely to materialize.

The above facts and circumstances indicate the existence of material uncertainties in relation to the implementation of the business plan and hence cast significant doubt on the Company's ability to continue as a going concern. However, after considering the above factors, these financial statements are prepared on a going concern basis.

2.3. Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is the functional and presentation currency of the Company and figures are rounded off to the nearest thousand rupees unless otherwise specified.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual audited financial statements for the year ended December 31, 2023.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended December 31, 2023.

5. PROPERTY, PLANT AND EQUIPMENT

During the period non-concession property, plant and equipment with zero net book value along with related stores, spares and loose tools were disposed of at a consideration of Rs. 189 million.

		September 30, 2024 (Un-audited) ----- (Rs in thousands) -----	December 31, 2023 (Audited) -----
	Note		
6. STORES, SPARE PARTS AND LOOSE TOOLS - net			
Stores, spare parts and loose tools		221,812	221,812
Disposals	5	(192,717)	-
		<u>29,095</u>	<u>221,812</u>
Provision for obsolescence		(29,095)	(221,812)
		<u>-</u>	<u>-</u>

7. TRADE DEBTS - net

Includes Rs 12.5 million (December 31, 2023: Rs 13.2 million) as allowance for expected credit losses.

		September 30, 2024 (Un-Audited) ----- (Rs in thousands) -----	December 31, 2023 (Audited) -----
	Note		
8. SHORT-TERM INVESTMENTS - net			
At amortised cost			
Certificate of investments (COIs)		43,000	43,000
Allowance for expected credit losses	9.1	(43,000)	(43,000)
		<u>-</u>	<u>-</u>

8.1. Represents investment in COIs of Saudi Pak Leasing Company (the Investee Company). The Investee Company made default in repayment against COIs in August 2009 due to serious financial and liquidity crunch reportedly being faced by it. Due to uncertainties involved, the Company as a matter of prudence has carried impairment provision in these condensed interim financial statements. However, the Company is continuously pursuing for the recovery of the investment amount.

9. TRADE AND OTHER PAYABLES

Includes Rs 351.48 million (2023: Rs 355.54 million) payable to ICTSI, Inc., Rs 68.47 million (2023: Rs 69.26 million) payable to ICTSI Limited - ROHQ, Rs 53.11 million (2023: Rs 53.72 million) payable to ICTSI Limited, Rs 1.83 million (2023: Rs 1.85 million) payable to ICTSI Middle East DMCC.

10. UNPAID DIVIDENDS

Represented interim cash dividends for the year ended December 31, 2023, which was paid during the period to the Company's foreign shareholders including associated companies after pending regulatory approvals.

11. CONTINGENCIES AND COMMITMENTS

There is no change in the status of contingencies and commitments as disclosed in the annual financial statements of the Company for the year ended December 31, 2023.

12. OTHER INCOME

Includes Rs. 717.72 million (September 30, 2023: Rs. 1,155.06 million) markup on saving accounts.

Nine Months Ended		Quarter Ended	
September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
----- (Un-audited) -----			
----- (Rs in thousands) -----			

13. TAXATION

Current	172,763	1,156,082	(7,389)	336,284
Deferred	-	-	-	-
Prior	-	338,102	-	(62)
	172,763	1,494,184	(7,389)	336,222

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities. Financial assets consist of bank balances, advances, trade deposits, other receivables and short-term investments. Financial liabilities consist of trade and other payables, unclaimed and unpaid dividends. The fair values of financial instruments are not materially different from their carrying values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:** Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As of the reporting date, the Company does not have any financial assets carried at fair value that required categorisation in Level 1, Level 2 and Level 3.

15. RELATED PARTY TRANSACTIONS

The related parties include the Holding Company, associated companies, entities having directors in common with the Company, Staff Provident Fund, directors and other key management personnel. Detail of related parties with whom the Company has entered into transactions with or has arrangement / agreement in place during the period along with relationship and transactions with related parties, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	Nine Months Ended		Quarter Ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	----- (Un-audited) ----- ----- (Rs in thousands) -----			
Holding Company				
Dividends paid	1,548,450	1,222,345	-	1,222,345
Associated companies / other related parties				
Terminal handling services and rent	-	78,594	-	-
Revenue from container handling	-	16,926	-	-
Dividends paid	-	736,325	-	736,325
Key management personnel				
Managerial Remuneration	-	188,123	-	-
Company's contribution to provident fund	-	5,725	-	-
Staff retirement contribution plan				
Provident fund contribution	-	15,133	-	-
Directors				
Fee for attending meetings	5,913	10,196	-	3,420

Nine Months Ended	
September 30, 2024	September 30, 2023
----- (Un-audited) -----	
----- (Rs in thousands) -----	

16. CASH FLOWS FROM OPERATING ACTIVITIES

Profit before taxation	845,986	3,261,597
Adjustments for non-cash items:		
Depreciation and amortization	-	725,370
Finance cost	215	1,532
Accrual for compensated leaves	-	17,318
Exchange loss – net	13,450	130,111
Mark-up on saving accounts	(717,716)	(1,190,472)
Adjustment on disposal of operating fixed assets and stores, spare parts and loose tools - net	(189,000)	(7,499)
	(893,051)	(323,640)
Operating profit before working capital changes	(47,065)	2,937,957
(Increase) / decrease in current assets		
Stores, spare parts and loose tools – net	-	276,450
Trade debts – net	9,533	616,082
Advances, deposits, prepayments and other receivables	746,444	(114,108)
	755,977	778,424
	708,912	3,716,381
(Increase) / decrease in current liabilities		
Trade and other payables	(50,906)	677,415
Cash generated from operations	658,006	4,393,796

17. DIVIDEND AND APPROPRIATION

The Board of Directors in their board meeting held on October 28, 2024 have recommended an interim cash dividend of Rs. 9.10 (December 31, 2023: Rs 20) per ordinary share for the year ending December 31, 2024.

18. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements have been authorised for issue by the Board of Directors of the Company on October 28, 2024.

19. GENERAL


Certain figures in these condensed interim financial statements have been rearranged / reclassified for better presentation, the effect of which is immaterial. Figures have been rounded off to the nearest thousand rupees.



Chief Executive Officer



Chief Financial Officer



Director