



Pakistan National Shipping Corporation

Corporate Briefing Session (CBS)

17th November 2023

- **Company Brief and Business Segments**
- **Financial Details**
- **Strategic Planning and Future Prospects**
- **Q & A Session**





Company Brief and Business Segments



Vision

To be a prominent player and key stakeholder in global shipping industry by maintaining diversified and efficient marine assets

Mission

To provide reliable & efficient shipping services to overseas and Pakistan's seaborne trade, maintaining relationship of integrity and trust with our customers, partners, employees, safeguarding interests of our stakeholders and contributing towards betterment of national economy, society and the environment.



INTRODUCTION

- Autonomous body established under the PNSC Ordinance XX of 1979
- 89.13% shares held/controlled by the Federal Government
- Board of Directors' structure under PNSC Ordinance:
 - 5 Directors (including Chairman) are appointed by Fed. Government
 - 2 Directors are elected by the Shareholders
- Group Comprises of 19 Subsidiaries
- General Administration & affairs are vested in the Board of Directors
- Federal Government issues directives on policy matters
- Credit Rating issued by Pakistan Accredited Credit Rating Agency (PACRA):
 - AA for long term A1+ for short term



FUNCTIONS AND BUSINESS SEGMENTS

Corporation is undertaking three functions:

- Fleet Maritime Operations & Logistics by Sea through Dry Bulk Cargo, Liquid Bulk Cargo, Non-Vessel Owning Common Carrier Services and Slot Charter Services
- Real Estate (3 commercial buildings)
- Workshops (2 for marine repair & maintenance works)





Shipping Business Operations

DRY BULK CARGO

- PNSC has a Fleet of five (5) Bulk Carriers
- PNSC has been operating in Dry Bulk market since its inception
- PNSC'S Dry Bulk Fleet is tramping worldwide, calling on major ports around the world

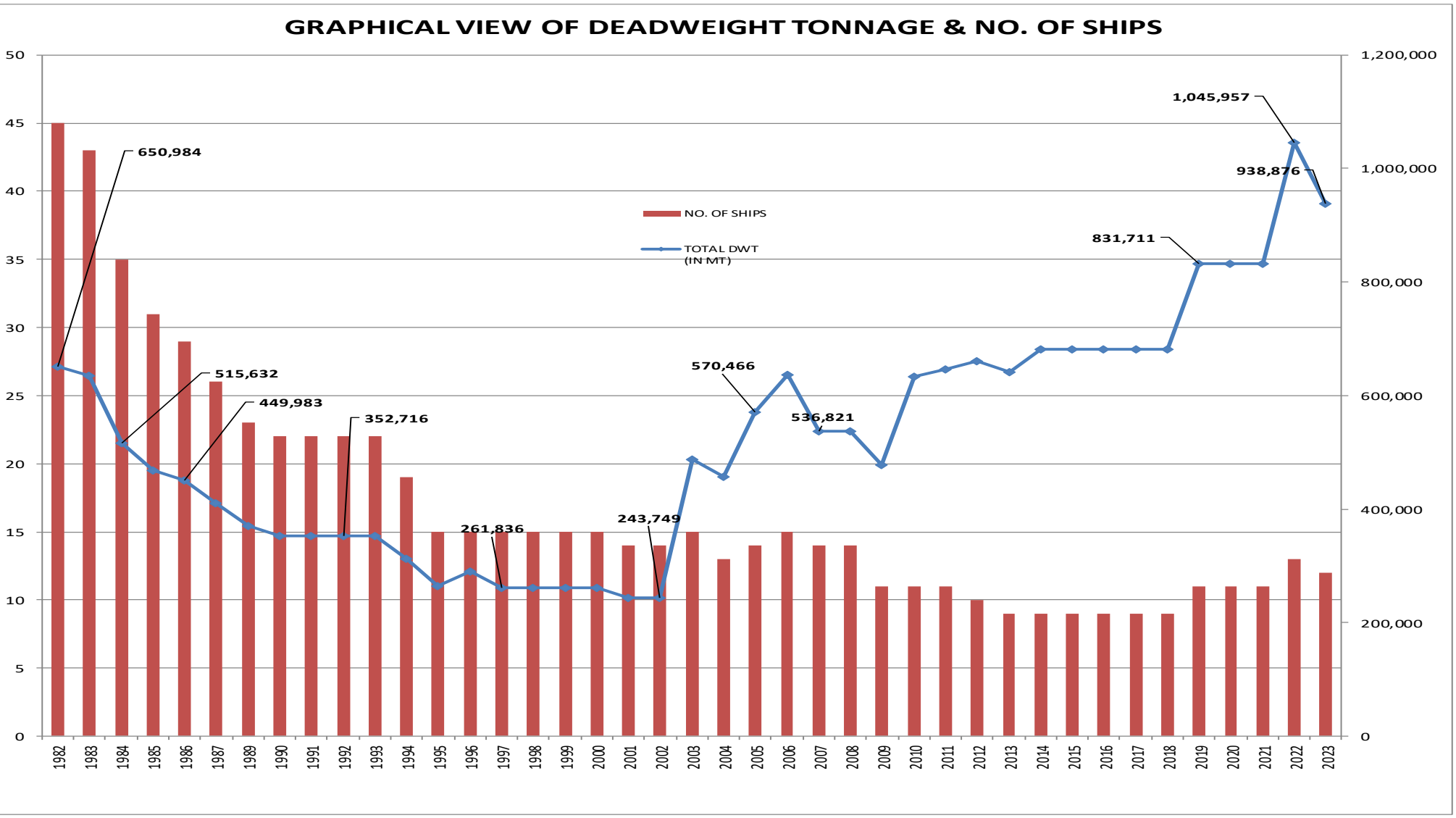
LIQUID BULK CARGO

- PNSC has a fleet of Seven (7) double hull tankers
- PNSC has been in this business since 1998
- PNSC has the capability to transport dirty products including crude oil through its Five (5) Aframax Crude Oil tankers as well as the ability to transport clean products such as MoGas through its Two (2), LR-1 Product tankers
- PNSC is carrying crude oil on its owned tankers from 2003 onward under a COA with refineries
- PNSC's LR-1 Product Tankers operate in the international market



PNSC's Fleet History

YEAR	NO. OF SHIPS	TOTAL DWT (IN MT)
1982	45	650,984
1983	43	634,976
1984	35	515,632
1985	31	468,199
1986	29	449,983
1987	26	410,234
1989	23	370,766
1990	22	352,716
1991	22	352,716
1992	22	352,716
1993	22	352,716
1994	19	313,040
1995	15	264,410
1996	15	290,353
1997	15	261,836
1998	15	261,836
1999	15	261,836
2000	15	261,836
2001	14	243,749
2002	14	243,749
2003	15	487,981
2004	13	456,585
2005	14	570,466
2006	15	636,182
2007	14	536,821
2008	14	536,821
2009	11	477,238
2010	11	633,273
2011	11	646,666
2012	10	660,411
2013	9	642,207
2014	9	681,806
2015	9	681,806
2016	9	681,806
2017	9	681,806
2018	9	681,806
2019	11	831,711
2020	11	831,711
2021	11	831,711
2022	13	1,045,957
2023	12	938,876





Fleet

<u>Tanker Vessel Name</u>	<u>Type</u>	<u>Date of Induction</u>	<u>DWT</u>
Quetta	Aframax	10-Jul-08	107,215
Lahore	Aframax	23-Feb-10	107,018
Shalamar	Aframax	1-Dec-14	105,215
Bolan	LR-1	25-Mar-19	74,919
Khairpur	LR-1	16-Apr-19	74,986
Mardan	Aframax	3-Aug-22	107,123
Sargodha	Aframax	11-Aug-22	107,123

<u>Bulker Vessel Name</u>	<u>Type</u>	<u>Date of Induction</u>	<u>DWT</u>
Chitral	Handymax	25-Oct-10	46,710
Malakand	Panamax	27-Dec-10	76,830
Hyderabad	Handymax	21-Apr-11	52,751
Sibi	Handysize	18-May-11	28,442
Multan	Handymax	26-Sep-12	50,244



Financial Details



FINANCIAL HIGHLIGHTS

	Year ended June 30, 2023	Year ended June 30, 2022	Variation %
	----- Rupees in 000-----		
<u>Revenue</u>	<u>54,771,160</u>	<u>27,783,460</u>	<u>97%</u>
<u>Gross Profit</u>	<u>27,193,493</u>	<u>8,099,213</u>	<u>236%</u>
<u>Taxation</u>	<u>(1,882,252)</u>	<u>(647,248)</u>	<u>191%</u>
<u>Net Profit after Taxation</u>	<u>29,994,295</u>	<u>5,649,890</u>	<u>431%</u>
<u>Dividend Declared (Rs./Share)*</u>	<u>20.0</u>	<u>5.0</u>	<u>300%</u>
<u>EPS</u>	<u>227.11</u>	<u>42.75</u>	<u>431%</u>

* Dividend Declared includes Interim dividend Rs.5/- plus final dividend Rs.15/- for the year June 30, 2023.



Financial Performance



EXECUTIVE HIGHLIGHTS	June 30, 2023	June 30, 2022	Variation	%
----- (Rupees in '000) -----				
Revenue	54,771,160	27,783,460	26,987,700	↑ 97%
Expenditures	(27,577,667)	(19,684,247)	(7,893,420)	↑ 40%
Gross Profit	27,193,493	8,099,213	19,094,280	↑ 236%
Administrative expenses	(1,608,706)	(1,232,701)	(376,005)	↑ 31%
Impairment loss	(1,122,941)	(929,525)	(193,416)	↓ -21%
Other expenses	(448,555)	(423,127)	(25,428)	↑ 6%
Other income	9,274,286	1,314,157	7,960,129	↑ 606%
Operating Profit	33,287,577	6,828,017	26,459,560	↑ 388%
Finance Cost	(1,411,030)	(530,879)	(880,151)	↑ 166%
Profit before tax	31,876,547	6,297,138	25,579,409	↑ 406%
Taxation	(1,882,252)	(647,248)	(1,235,004)	↑ 191%
Net Profit	29,994,295	5,649,890	24,344,405	↑ 431%
EPS (Rupees)	227.11	42.75	184	↑ 431%



Performance Analysis



EXTRACT FROM CONSOLIDATED STATEMENT OF PROFIT OR LOSS ACCOUNT				
REVENUE FROM CONTRACT WITH CUSTOMERS & OTHERS				
	June 30, 2023	June 30, 2022	Variation	%
	----- (Rupees in '000) -----			
Bulk carriers - Owned Vessels				
Revenue Dry Cargo TCP - Foreign Flag	5,591,612	5,163,672	427,940	↑ 8%
Slot charter revenue	2,771,424	802,716	1,968,708	↑ 245%
Total Dry Cargo	4,707,063	2,520,268	2,186,795	↑ 87%
	13,070,099	8,486,656	4,583,443	↑ 54%
Oil tankers				
Freight revenue	32,726,267	10,641,927	22,084,340	↑ 208%
Demurrage income	4,687,653	1,413,603	3,274,050	↑ 232%
Income from miscellaneous claims	1,305,674	716,601	589,073	↑ 82%
	38,719,594	12,772,131	25,947,463	↑ 203%
Chartered vessels - Foreign flag vessels				
Freight revenue	1,434,087	4,443,843	(3,009,756)	↓ -68%
Demurrage income	1,029,592	1,689,114	(659,522)	↓ -39%
Income from miscellaneous claims	40,226	57,022	(16,796)	↓ -29%
	2,503,905	6,189,979	(3,686,074)	↓ -60%
Total Liquid cargo	41,223,499	18,962,110	22,261,389	↑ 117%
Income From Shipping Business	54,293,598	27,448,766	26,844,832	↑ 98%
Workshop income	182,664	73,918	108,746	↑ 147%
Income from manning service	29,441	21,762	7,679	↑ 35%
Rental income	265,457	239,014	26,443	↑ 11%
Total Revenue	54,771,160	27,783,460	26,987,700	↑ 97%



Performance Analysis



Extract from Consolidated Financial Statements

Operating Expenses

	June 30, 2023	June 30, 2022	Variation	%
----- (Rupees in '000) -----				
Charter hire and related expenses	6,432,524	6,256,677	175,847	↑ 3%
Diesel, fuel and lubricants consumed	9,604,501	4,735,751	4,868,750	↑ 103%
Port, light, canal and customs dues	2,765,071	1,625,948	1,139,123	↑ 70%
Salaries, benefits and allowances	1,747,925	1,161,708	586,217	↑ 50%
Demurrage expense	674,845	1,198,402	(523,557)	↓ -44%
Fleet communication expenses	79,542	33,375	46,167	↑ 138%
Agency commission and brokerage	858,132	516,132	342,000	↑ 66%
Victualling	257,126	168,411	88,715	↑ 53%
Insurance	836,948	519,879	317,069	↑ 61%
Claim charges	3,511	9,818	(6,307)	↓ -64%
Stores and spares consumed	460,251	577,541	(117,290)	↓ -20%
Repairs, maintenance and special surveys	180,131	102,831	77,300	↑ 75%
Depreciation on property, plant and equipment	2,998,979	2,398,386	600,593	↑ 25%
Services sales tax expense	108,327	10,054	98,273	↑ 977%
Travelling and conveyance	154,924	81,064	73,860	↑ 91%
Survey fee	137,779	77,959	59,820	↑ 77%
Sundries	168,487	92,897	75,590	↑ 1%
Total Fleet expenses	27,469,003	19,566,833	7,902,170	↑ 40%



Strategic Planning and Future Prospects



Fleet Development Plan – Projects under evaluation:

Type of Vessel	Aframax Tanker	MR Tanker (Coated)	Kamsarmax Bulk Carrier	Edible Oil Tanker	1,100 TEU Container Feeder Vessel
Nos.	2	2	2	2	2
DWT(MT) per vessel	115,000	50,000	82,000	37,000	11,000
Age of ship (approx.)	New Built	Not older than 5 years	Not older than 5 years	Not older than 10 years	Not older than 5 years
Resale price (US\$M)	83	51	37.5	47	24.5
5 years old price (US\$M)	70	43.5	32	37	18
10 years old price (US\$M)	55	33	23	29	9.5



Q & A SESSION





Thank You

