

QUARTERLY REPORT
March 31, 2024



Pakistan International Bulk Terminal Limited

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Company Information

Board of Directors

Chairman	Capt. Haleem A. Siddiqui
Chief Executive Officer	Mr. Sharique Azim Siddiqui
Directors	Capt. Zafar Iqbal Awan Mr. M. Masood Ahmed Usmani Syed Nadir Shah Ms. Farah Agha Mr. Nadeem Nisar
Chief Financial Officer	Mr. Arsalan I. Khan, FCA
Company Secretary	Mr. Karim Bux, ACA

Audit Committee

Chairman	Syed Nadir Shah
Members	Capt. Zafar Iqbal Awan Ms. Farah Agha
Chief Internal Auditor & Secretary	Mr. Noman Yousof

Human Resource & Remuneration Committee

Chairman	Syed Nadir Shah
Members	Mr. Sharique Azim Siddiqui Ms. Farah Agha
Secretary	Mr. Arsalan I. Khan, FCA

Auditor

Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8, KCHSU,
Shahrah-e-Faisal, Karachi-75350, Pakistan

Legal Advisors

Khalid Anwer & Co.
153-K , Sufi Street, Block-2, PECHS, Karachi 75400

Kabraji & Talibuddin
406-407, 4th Floor, The Plaza at Il Talwar, Block-9, Clifton, Karachi.

H.B. Corporate - Legal Consulting
Suite # M-97, Mezzanine Floor, Glass Tower, Clifton Road, Karachi.

Bankers

Al-Baraka Bank (Pakistan) Limited	Bank Alfalah Limited
Allied Bank Limited	Meezan Bank Limited
Dubai Islamic Bank Limited	National Bank of Pakistan
Faysal Bank Limited	Samba Bank Limited
JS Bank Limited	Habib Bank Limited
MCB Bank Limited	United Bank Limited

Registrar / Transfer Agent

CDC Share Registrar Services Limited
CDC House, Main Shahrah-e-Faisal, Karachi

Registered Office

2nd Floor, Business Plaza, Mumtaz Hassan Road, Karachi-74000
Pakistan. Tel. 92-21-32400450-3 Fax. 92-21-32400281

Terminal Office

NWIZ/LL/02, North Western Industrial Zone, Port Qasim Authority,
Karachi, Pakistan. Tel: 92-21-34727428

Directors' Report

The Directors are pleased to present the Financial Statements of Pakistan International Bulk Terminal Limited (PIBT) (the Company) for the period ended March 31, 2024.

BUSINESS REVIEW

The Company has entered into a Build Operate Transfer (BOT) contract with Port Qasim Authority (PQA) on November 06, 2010 for construction, development, operations and management of a coal and clinker / cement terminal at Port Muhammad Bin Qasim for a period of thirty (30) years, which is extendible for a further period of thirty (30) years.

During the period, the demand for coal imports has revived, primarily due to measures for economic stabilization undertaken by the Government, such as the lifting of import restrictions, economic stability stimulated by the strengthening of PKR against USD, and increased economic activity. Correspondingly, your Company has handled 5,366,521 tons cargo against 3,893,645 tons in the same period last year which is largely in line with the industry demand for imported coal. The management of the Company is focusing on strategies to bring more efficiency in cargo handling operations, with the objective of providing unparalleled services to its customers.

Financial highlights of the Company for the period ended March 31, 2024 as compared to the same period last year are presented below:

PKR in '000

Particulars	Nine Months 2023-2024	Nine Months 2022-2023
Revenue	11,672,737	6,833,561
Gross profit	4,238,496	1,097,502
Net profit / (loss)	1,392,119	(2,583,830)
Profit / (loss) per Share (Rs.)	0.78	(1.45)

While the macroeconomic environment is improving gradually, consistent operational performance at optimized costs and cash flow generation remain the key priorities for the management.

GOING CONCERN

During the year ended June 30, 2023, the Company experienced financial difficulties due to the market and macroeconomic conditions affecting the Company's business volumes as disclosed in the annual audited financial statements of the Company for the year ended June 30, 2023. The above factors led to non-payment of installment due on foreign loans as of 15 June 2023 which were rectified through Standstill/Suspension Agreement with the Foreign Lenders namely, International Finance Corporation and OPEC Fund for International Development, executed on August 01, 2023. However, as the Agreement was not executed before the reporting period ended June 30, 2023, and it did not have an unconditional right to defer its settlement for at least twelve months after that date, the Company had to classify its loan liabilities as current, in accordance with the applicable accounting and reporting standards.

During the period, the Company has achieved increased business volumes and the deferred principal amount due on 15 June 2023 of USD 3.43 million had been paid on November 02, 2023. Accordingly, the foreign and local loan liabilities have been classified as non-current and current corresponding to the respective maturity profiles as per the original repayment schedules of these loans in these condensed interim financial statements.

The management has reassessed the financial condition and sustainability of future operations of the Company and updated five-year financial projections of the Company duly approved by the Board based on the current information available to estimate future business cash flows. These financial projections are based on various

financial and business assumptions such as expected business volumes, foreign exchange and interest rates, inflation factors etc. Such financial projections envisage that the Company would be able to generate sufficient cash flows through its operations and in order to meet its financial obligations, particularly the amounts due to foreign and local lenders in terms of its contractual obligations.

FINANCIAL MATTER

As mentioned above, during the period, the Standstill / Suspension Agreement was executed between the Company and the Foreign Lenders on August 01, 2023, and the Company had also made payment of the deferred foreign loan amounts of USD 3.43 million to the Foreign Lenders on November 02, 2023. Accordingly, the foreign and local loan liabilities will be classified as non-current and current corresponding to the respective maturity profiles as per the original repayment schedules of these loans in these condensed interim financial statements.

GOING FORWARD

Corresponding to the business performance above which is consistent with the industry demand, your Company is committed to enhance shareholders' value while improving the productivity of cargo handling operations with an overall vision to uphold the environmental and proficiency principles at the Country's port infrastructure and enhance our shareholders' value.

In the end, the Board of Directors of your Company would like to reiterate their commitment to operate efficiently Pakistan's first state-of-the-art mechanized bulk cargo terminal for the handling of Coal, Clinker & Cement, compliant with international standards of excellence which will curtail environmental pollution and modernize the port infrastructure of the country.

For and on behalf of the Board of Directors

Sharique Azim Siddiqui
Chief Executive Officer

Capt. Zafar Iqbal Awan
Director

Karachi: April 23, 2024

بیانِ نظماً

پاکستان انٹرنیشنل بلک ٹرمینل لمیٹڈ کے ہائیسین عرصہ ختمہ 31۔ مارچ، 2024ء کے لیے کمپنی کے مالیاتی گوشوارے بخوشی پیش کرتے ہیں۔

کاروباری چارہ

بندرگاہ محمد بن قاسم پرنکولڈ اور سینٹ کے ٹرمینل کی تعمیر وترقی، کاروبار اور انتظامات کے لئے کمپنی نے 06۔ نومبر 2010ء کو پورٹ قاسم اتھارٹی کے ساتھ 30 سالہ مدت کے لئے، بناؤ، چلاؤ اور منتقل کروئی بنیاد پر ایک معاہدہ کیا جو کہ مزید 30 برس کے لئے قابل توسیع ہے۔

اس عرصہ کے دوران کونسل کی درآمدات کی مانگ بحال ہوئی ہے جس کی بنیادی وجہ اقتصادی استحکام کے لئے کئے گئے حکومتی اقدامات ہیں جیسے، درآمدی پابندیوں کا خاتمہ، امریکی ڈالر کے مقابلہ میں روپے کی مضبوطی کے باعث معاشی استحکام اور اقتصادی سرگرمیوں میں اضافہ۔ آپ کی کمپنی نے گزشتہ برس کی اس مدت میں 3,893,645 ٹن کونسل کے حجم کے مقابلہ میں 5,366,521 ٹن کونسل کے لئے لگایا ہے جو کہ بڑی حد تک درآمدی کونسل کی صنعت کی طلب کے مطابق ہے۔ کمپنی کی انتظامیہ اپنے گاہکوں کو بے مثال خدمات کی فراہمی کے مقصد کے ساتھ کارگو کی بہتر انجام کاری میں مزید بہتری لانے کے لئے حکمت عملیوں پر پوری توجہ مرکوز کئے ہوئے ہے۔

حالیہ عرصہ ختمہ 31۔ مارچ 2024ء کا گزشتہ برس کی مدت سے موازنہ کیا جائے تو آپ کی کمپنی کی مالیاتی کارکردگی حسب ذیل ہے۔

روپوں میں '000

تفصیلات	تیسری سہ ماہی 2023-2024	تیسری سہ ماہی 2022-2023
آمدن	11,672,737	6,833,561
مجموعی منافع	4,238,496	1,097,502
کل منافع/ (خسارہ)	1,392,119	(2,583,830)
کمانی/ (خسارہ) فی حصص (روپیہ)	0.78	(1.45)

جب کہ نیکرو اکنامک ماحول بتدریج بہتر ہو رہا ہے، بہتر لاگت اور کیش فلوجزیشن پر مسلسل آپریشنل کارکردگی انتظامیہ کی اہم ترجیحات ہیں۔

حالیہ تشریح

30۔ جون 2023ء کو ختم ہونے والے سال کے دوران کمپنی کو مارکیٹ اور نیکرو اکنامک حالات کی وجہ سے مالی مشکلات کا سامنا کرنا پڑا جس نے کمپنی کے کاروباری حجم کو متاثر کیا جیسا کہ 30۔ جون 2023ء کو ختم ہونے والے سال کے لئے کمپنی کے سالانہ آڈٹ شدہ مالیاتی بیانات میں انکشاف کیا گیا ہے۔ مندرجہ بالا عوامل کی وجہ سے 15۔ جون 2023ء تک غیر ملکی قرضوں پر واجب الادا اقساط کی عدم ادائیگی ہوئی جسے غیر ملکی قرض دہندگان یعنی انٹرنیشنل فنانس کارپوریشن اور اوپیک فنڈ فار انٹرنیشنل ڈویلپمنٹ کے ساتھ معاشی/التوائی معاہدے کے ذریعے درست کیا گیا جو یکم اگست 2023ء کو عمل میں آیا۔ تاہم معاہدہ کے طور پر 30۔ جون 2023ء کو ختم ہونے والی رپورٹنگ کی مدت سے پہلے عمل نہیں کیا گیا تھا اور اس کے پاس اس تاریخ کے بعد کم از کم بارہ مہینوں تک اپنے تصفیہ کو مؤثر کرنے کا غیر مشروط حق نہیں تھا، کمپنی کو موجودہ قرض کی ذمہ داریوں کے طور پر قابل اطلاق اکاؤنٹنگ اور رپورٹنگ کے معیارات کے مطابق درجہ بندی کرنا پڑی۔

انتظامیہ نے کمپنی کے مستقبل کے آپریشنز کی مالی حالت اور پائیداری کا دوبارہ جائزہ لیا ہے اور مستقبل میں کاروباری نقد بہاؤ کا اندازہ لگانے کے دستیاب موجودہ معلومات کی بنیاد پر بورڈ کی طرف سے منظور شدہ کمپنی کے پانچ سالہ مالیاتی تخمینوں کو اپ ڈیٹ کیا ہے۔ یہ مالیاتی تخمینے مختلف مالی کاروباری مفروضوں پر مبنی ہیں جیسے متوقع کاروباری حجم، زرمبادلہ اور شرح سود، افراط زر کے عوامل وغیرہ۔ اس طرح کے مالیاتی تخمینوں میں یہ تصور ہے کہ کمپنی اپنے کاموں کے ذریعے اور اپنی مالی ذمہ داریوں کو پورا کرنے کے لئے، خاص طور پر غیر ملکی اور مقامی قرض دہندگان کی جانب سے اپنی معا ذمہ داریوں کے لحاظ سے کافی بلنڈ رقم پیدا کرنے کے قابل ہوگی۔

مالی امور

جیسا کہ اوپر بیان کیا گیا، اس عرصہ میں، کمپنی اور غیر ملکی قرض دہندگان کے مابین یکم اگست 2023ء کو موقوتی/معتلی معاہدہ ہوا اور کمپنی نے 2023ء غیر ملکی قرض کی واجب الادا رقم 3.43 ملین ڈالر کی ادائیگی بھی کر دی۔ اس کے مطابق غیر ملکی اور مقامی قرضوں کی ذمہ داریوں کو ان کنڈ عبوری مالیاتی بیانات میں ان قرضوں کی اصل ادائیگی کے نظام الاوقات کے مطابق متعلقہ چیکنگی پروفائلز کے مطابق غیر موجودہ اور موجودہ کے طور بندی کی جائے گی۔

آگے بڑھتے ہوئے

اوپر دی گئی کاروباری کارکردگی کے مطابق جو صنعت کی طلب سے ہم آہنگ ہے، آپ کی کمپنی ملک کی بندرگاہ کے بنیادی ڈھانچے میں ماحولیاتی اور مہما کے اصولوں کو برقرار رکھنے کے مجموعی وژن کے ساتھ کارگو ہینڈلنگ آپریشنز کی پیداواری صلاحیت کو بہتر بنانے کے ساتھ ساتھ سٹیزر ہولڈرز کی بڑھانے کے لئے پرعزم ہے۔

آخر میں آپ کی کمپنی کی مجلس نظاماً کونسلر اور سینٹ کی ہینڈلنگ کے لئے پاکستان کے پہلے جدید ترین منظم بلک کارگو ٹرمینل کو بین الاقوامی معیارات مطابق فعال طریقے سے چلانے کے اپنے عزم کا اعادہ کرنا چاہے گی، جو ماحولیاتی آلودگی کو کم کرے گی اور ملکی بندرگاہ کے بنیادی ڈھانچے کو جدید بنائے

منجانب مجلس نظاماً

کمیشن ظفر اقبال اعوان

ناظم

شارق عظیم صدیقی

چیف ایگزیکٹو آفیسر

کراچی، 23-اپریل 2024ء

CONDENSED INTERIM FINANCIAL STATEMENTS

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

	Note	March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
		----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	25,182,516	26,223,448
Intangible assets		288,872	307,177
		25,471,388	26,530,625
CURRENT ASSETS			
Stores and spares		936,081	932,742
Trade debts - unsecured		1,248,382	871,942
Advances, deposits and prepayments		95,028	199,387
Taxation – net		3,961,226	3,511,917
Cash and bank balances		1,013,350	627,877
		7,254,067	6,143,865
TOTAL ASSETS		32,725,455	32,674,490
SHARE CAPITAL AND RESERVES			
Authorised capital			
2,000,000,000 (June 30, 2023: 2,000,000,000) ordinary shares of Rs. 10/- each		20,000,000	20,000,000
Issued, subscribed and paid-up capital			
1,786,092,772 (June 30, 2023: 1,786,092,772) ordinary shares of Rs. 10/- each fully paid in cash		17,860,928	17,860,928
Accumulated losses		(2,415,832)	(3,916,349)
Surplus on revaluation of property, plant and equipment – net of tax		2,134,668	2,243,066
Other reserves		(7,334)	(7,334)
		17,572,430	16,180,311
NON-CURRENT LIABILITIES			
Long-term financing – secured	9	8,692,833	-
Deferred tax liability - net	10	1,027,175	570,955
Deferred liabilities		50,852	43,465
		9,770,860	614,420
CURRENT LIABILITIES			
Trade and other payables		1,916,678	1,897,542
Sales tax payable		95,822	88,876
Current maturity of long-term financing – secured	9	2,790,361	13,798,329
Current portion of deferred liability		15,413	3,947
Accrued interest / markup		563,891	91,065
		5,382,165	15,879,759
CONTINGENCIES AND COMMITMENTS	11		
TOTAL EQUITY AND LIABILITIES		32,725,455	32,674,490

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

Sharique Azim Siddiqui
Chief Executive Officer

Capt. Zafar Iqbal Awan
Director

Arsalan I. Khan
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2024
(UN-AUDITED)**

	Note	Nine months ended		Quarter ended	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
----- (Rupees in '000) -----					
Revenue – net		11,672,737	6,833,561	3,600,552	971,631
Cost of services		(7,434,241)	(5,736,059)	(2,469,005)	(1,294,811)
Gross profit / (loss)		4,238,496	1,097,502	1,131,547	(323,180)
Administrative and general expenses		(475,792)	(428,338)	(158,459)	(114,853)
Other income		130,616	112,891	21,984	25,293
Finance costs		(1,545,212)	(1,293,279)	(479,183)	(464,281)
Exchange gain / (loss)		189,204	(2,228,718)	81,026	(1,552,437)
Profit / (loss) before taxation		2,537,312	(2,739,942)	596,915	(2,429,458)
Taxation	12	(1,145,193)	156,112	(261,332)	77,955
Net profit / (loss) for the period		1,392,119	(2,583,830)	335,583	(2,351,503)
Other comprehensive income		-	-	-	-
Total comprehensive income / (loss) for the period		1,392,119	(2,583,830)	335,583	(2,351,503)
----- (Rupees) -----					
Earnings / (loss) per share – basic and diluted	13	0.78	(1.45)	0.19	(1.32)

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

Sharique Azim Siddiqui
Chief Executive Officer

Capt. Zafar Iqbal Awan
Director

Arsalan I. Khan
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED MARCH 31, 2024
(UN-AUDITED)**

	March 31, 2024	March 31, 2023
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation for the period	2,537,312	(2,739,942)
Adjustments for non-cash items and other items:		
Depreciation on operating fixed assets	1,182,580	1,381,876
Amortisation	18,305	17,293
Finance costs	1,545,212	1,293,279
Exchange (gain) / loss	(189,204)	2,228,718
Staff compensated absences	9,300	8,145
Amortisation of government grant	-	(8,225)
Provision for employees' defined benefit scheme	26,471	27,334
Gain on disposal of operating fixed assets	(1,929)	(1,890)
	2,590,735	4,946,530
(Increase) / decrease in current assets		
Stores and spares	(3,339)	(154,743)
Trade debts – unsecured	(376,440)	528,893
Advances, deposits, prepayments and other receivables	104,359	116,603
Bank balance under lien	-	(5,765)
	(275,420)	484,988
Increase / (decrease) in current liabilities		
Trade and other payables	19,136	265,727
Sales tax payable	6,946	(12,819)
	26,082	252,908
Cash generated from operations	4,878,709	2,944,484
Taxes paid	(1,138,284)	(670,631)
Contribution to defined benefit scheme	(15,000)	(20,000)
Finance costs paid	(1,095,387)	(760,875)
Staff compensated absences paid	(1,914)	(8,811)
Net cash generated from operating activities	2,628,124	1,484,167
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(146,522)	(244,778)
Proceeds from sale of operating fixed assets	6,800	2,834
Net cash used in investing activities	(139,722)	(241,944)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of payroll financing	-	(78,851)
Repayment of long-term financing - secured	(2,102,930)	(771,594)
Net cash used in financing activities	(2,102,930)	(850,445)
Net increase in cash and cash equivalents	385,472	391,778
Cash and cash equivalents at the beginning of the period	481,512	267,960
Cash and cash equivalents at the end of the period	866,984	659,738
Cash and cash equivalents comprise of:		
Cash and bank balances	1,013,350	816,803
Bank balance under lien	(146,366)	(157,065)
	866,984	659,738

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

Sharique Azim Siddiqui
Chief Executive Officer

Capt. Zafar Iqbal Awan
Director

Arsalan I. Khan
Chief Financial Officer

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2024
(UN-AUDITED)**

	Reserves					Total equity and reserves
	Issued, subscribed and paid-up capital	Capital reserves - surplus on revaluation of property, plant and equipment - net of tax	Revenue reserve – (accumulated losses)	Other component of equity – actuarial gain / (loss) on defined benefit obligation - net of tax	Total reserves	
	----- (Rupees in '000) -----					
Balance as at July 01, 2022 (Audited)	17,860,928	5,997,716	(2,451,610)	(12,945)	3,533,161	21,394,089
Net loss for the period	-	-	(2,583,830)	-	(2,583,830)	(2,583,830)
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(2,583,830)	-	(2,583,830)	(2,583,830)
Surplus on revaluation of property, plant and equipment realized during the period on account of incremental depreciation charged thereon - net of tax	-	(269,168)	269,168	-	-	-
Balance as at March 31, 2023 (Un – audited)	17,860,928	5,728,548	(4,766,272)	(12,945)	949,331	18,810,259
Balance as at July 01, 2023 (Audited)	17,860,928	2,243,066	(3,916,349)	(7,334)	(1,680,617)	16,180,311
Net profit for the period	-	-	1,392,119	-	1,392,119	1,392,119
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive profit for the period	-	-	1,392,119	-	1,392,119	1,392,119
Surplus on revaluation of property, plant and equipment realized during the year on account of :						
Incremental Depreciation charged thereon - net of tax	-	(107,957)	107,957	-	-	-
Disposal of revalued asset - net of tax	-	(441)	441	-	-	-
Total comprehensive (loss) / income for the period	-	(108,398)	1,500,517	-	1,392,119	1,392,119
Balance as at March 31, 2024 (Un – audited)	17,860,928	2,134,668	(2,415,832)	(7,334)	(288,498)	17,572,430

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements.

Sharique Azim Siddiqui
Chief Executive Officer

Capt. Zafar Iqbal Awan
Director

Arsalan I. Khan
Chief Financial Officer

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2024
(UN-AUDITED)**

1. THE COMPANY AND ITS OPERATIONS

- 1.1 Pakistan International Bulk Terminal Limited (the Company) was incorporated under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017) on March 22, 2010 as a private limited company. Subsequently, it was converted to an unquoted public limited company and later on, listed on the Pakistan Stock Exchange on December 23, 2013.
- 1.2 The Company had entered into a Build Operate Transfer (BOT) contract with Port Qasim Authority (PQA) on November 06, 2010 for the construction, development, operations and management of a coal and clinker / cement terminal at Port Muhammad Bin Qasim for a period of thirty years. After the expiry date, the Company will transfer all the concession assets to PQA as disclosed in note 16 to these condensed interim financial statements.
- 1.3 The Company's registered office is situated at 2nd floor, Business Plaza, Mumtaz Hassan Road, Karachi, and the Company's terminal is situated at NWIZ/LL/02, North Western Industrial Zone, Port Qasim Authority.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- 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
- 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.

The Securities and Exchange Commission of Pakistan (SECP) vide its SRO No. 24 (1) / 2012 dated January 16, 2012 has granted waiver in respect of application of IFRIC 12 — "Service Concession Arrangements" due to the practical difficulties faced by the companies. The impact on the financial results of the Company due to application of IFRIC 12 is disclosed in note 16 to these condensed interim financial statements. Accordingly, the Company has not applied IFRIC 12 in preparation of these condensed interim financial statements.

3. BASIS OF PREPARATION

These condensed interim financial statements are un-audited and are 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 for complete set of financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2023.

These condensed interim financial statements are presented in Pakistani Rupee which is the Company's functional and presentation currency.

4. GOING CONCERN ASSUMPTIONS

During the year ended June 30, 2023, the Company experienced financial difficulties due to the market and macroeconomic conditions affecting the Company's business volumes as disclosed in the annual audited financial statements of the Company for the year ended June 30, 2023. The above factors led to non-payment of installment due on foreign loans as of 15 June 2023 which were rectified through Standstill/Suspension Agreement with the Foreign Lenders namely International Finance Corporation and OPEC Fund for International Development, executed on August 01, 2023. However, as the Agreement was not executed before the reporting period ended June 30, 2023, and it did not have an unconditional right to defer its settlement for at least twelve months after that date, the Company had to classify its loan liabilities as current, in accordance with the applicable accounting and reporting standards.

During the period, the Company has achieved increased business volumes of 5,366,521 metric tons, and the deferred principal amount due on 15 June 2023 of USD 3.43 million had been paid on November 02, 2023. Accordingly, the foreign and local loan liabilities have been classified as non-current and current corresponding to the respective maturity profiles as per the original repayment schedules of these loans in these condensed interim financial statements. In addition, Company has earned profit before tax of Rs. 2,537 million and generated positive cash flow from operations.

The management has reassessed the financial condition and sustainability of future operations of the Company and updated five-year financial projections of the Company duly approved by the Board based on the current information available to estimate future business cash flows. These financial projections are based on various financial and business assumptions such as expected business volumes, foreign exchange and interest rates, inflation factors etc. Such financial projections envisage that the Company would be able to generate sufficient cash flows through its operations and in order to meet its financial obligations, particularly the amounts due to foreign and local lenders in terms of its contractual obligations.

5 NEW ACCOUNTING STANDARDS / AMENDMENTS AND IFRS INTERPRETATIONS

5.1 New / Revised Standards, Interpretations and Amendments published accounting and reporting standards that are effective in current period

There are new and amended standards and interpretations that are mandatory for accounting periods beginning July 01, 2023, but are considered not to be relevant or do not have any significant effect on the Company's financial position and are therefore not stated in these unconsolidated condensed interim financial statements.

During the period, the Company adopted Disclosure of Accounting Policies (Amendments to IAS 1) from January 01, 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves

5.2 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

	Effective from accounting period beginning on or after
- Amendment to IAS 1 - 'Presentation of Financial Statements' - Classification of liabilities as current or non-current assets	01-Jan-24
- Amendment to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transaction	01-Jan-24
- Amendment to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	01-Jan-24
- Amendments to IAS 12 'Income taxes' - International Tax Reform — Pillar Two Model Rules	01-Jan-24
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	01-Jan-24
- Amendments to IFRS 16 'Leases' -Clarification on how seller-lessee subsequently measures sale and leaseback transactions	01-Jan-24

Effective from
accounting
period
beginning on
or after

- Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	01-Jan-24
- Amendments to IFRS 10 and 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	01-Jan-23
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Deferred indefinitely

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

IFRS 1 - First-time Adoption of International Financial Reporting Standards

IFRS 17 – Insurance Contracts 01-Jan-23

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements and the material judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2023.

6 MATERIAL ACCOUNTING POLICY INFORMATION

6.1 During the period, the company adopted Disclosure of Accounting Policies (Amendments to IAS 1) from January 01, 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves.

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements for the year ended June 30, 2023.

6.2 There are certain standards, interpretations on accounting and reporting standards as applicable in Pakistan and amendments to certain existing standards, which have been published and are mandatory for the accounting period beginning on or after July 01 2023. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have a significant impact on the accounting policies of the Company and therefore not disclosed in these condensed interim financial statements.

7. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES 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 reported amounts of assets, liabilities, income and expenses, however, actual results may differ from these estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual financial statements for the year ended June 30, 2023.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2023.

		March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
Note		----- (Rupees in '000) -----	
8 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	8.1	25,038,662	26,089,583
Capital work-in-progress	8.2	143,854	133,865
		<u>25,182,516</u>	<u>26,223,448</u>

	March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
Note	----- (Rupees in '000) -----	
8.1 Operating fixed assets		
Written down value as at the beginning of the period / year	26,089,583	31,808,856
Transfers during the period / year	8.1.1 136,533	348,412
Reversal of surplus on revaluation	-	(4,194,611)
	<u>26,226,116</u>	<u>27,962,657</u>
Less:		
Disposals during the period / year at written down value	(4,874)	(28,116)
Depreciation charged during the period / year	<u>(1,182,580)</u>	<u>(1,844,958)</u>
	<u>25,038,662</u>	<u>26,089,583</u>
8.1.1 Transfers during the period / year:		
Port infrastructure	-	10,553
Leasehold improvements	-	21,591
Buildings	8,368	20,368
Cargo handling equipment	-	205,717
Port power generation	20,831	-
Terminal equipment	-	35,342
Vehicles	83,299	31,791
Office equipment	4,685	8,707
Furniture and fixture	19,350	14,343
	<u>136,533</u>	<u>348,412</u>
8.1.2 During the period, the management of the Company reassessed the fair value of core infrastructure assets using the income model approach based on discounted cash flow model (DCF) due to the changes in the macroeconomic environment, industry condition and the potential impacts that such factors may have on the key inputs and assumption used to determine the fair value as disclosed in note 4.1.2 to the annual audited financial statements of the Company for the year ended June 30, 2023. Accordingly, the management has evaluated that no adjustment is required on carrying value of these core infrastructure assets.		
	March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
	----- (Rupees in '000) -----	
8.2 Capital work-in-progress		
Opening balance	133,865	259,360
Additions during the period / year	146,522	253,232
Transfers to operating fixed assets	(136,533)	(348,412)
Transfer to intangible assets	-	(30,315)
Closing balance	<u>143,854</u>	<u>133,865</u>
9 LONG-TERM FINANCING – SECURED		
Opening balance as at period / year	13,798,329	12,060,269
Finance costs	1,545,212	2,013,644
Exchange (gain)/loss	(189,204)	2,310,140
Less: debt servicing	(3,671,143)	(2,585,724)
Closing balance as at period / year	<u>11,483,194</u>	<u>13,798,329</u>
Current maturity of long term financing	<u>(2,790,361)</u>	<u>(13,798,329)</u>
	<u>8,692,833</u>	<u>-</u>

- 9.1 As disclosed in note 4 to these condensed interim financial statements, the Standstill / Suspension Agreement with foreign lender was executed on August 01, 2023 with the foreign lenders and the deferred principal amount of USD 3.43 million has been paid on November 02, 2023. Accordingly, the foreign and local loan liabilities have been classified as non-current and current corresponding to the respective maturity profiles as per the original repayment schedules of these loans in these condensed interim financial statements.
- 9.2 The terms and conditions of the long-term financing are same as disclosed in the Company's annual audited financial statements for the year ended June 30, 2023.

	March 31, 2024 (Un-audited)	June 30, 2023 (Audited)
	----- (Rupees in '000) -----	
10 DEFERRED TAX		
Arising on taxable temporary difference		
- accelerated tax depreciation	3,550,981	3,501,604
- revaluation surplus	1,364,788	1,434,092
- amortization	42,526	34,878
	4,958,295	4,970,574

Arising on deductible temporary differences

- alternate corporate tax (in excess of corporate tax)	(180,047)	(180,047)
- unabsorbed tax depreciation	(3,740,749)	(4,218,033)
- defined benefit obligation	(10,324)	(1,539)
	(3,931,120)	(4,399,619)
	1,027,175	570,955

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

There is no change in the status of the contingencies as disclosed in note 16.1 to the annual audited financial statements of the Company for the year ended June 30, 2023 except for the following:

- 11.1.1 During the year ended June 30, 2023, the Deputy Commissioner Inland Revenue (DCIR) passed an Order demanding Super Tax of Rs. 21.589 million for the Tax Year 2022 under section 4C of the Income Tax Ordinance, 2001 (the Ordinance). The Company filed an appeal challenging the above order before Commissioner Inland Revenue (Appeals) (CIR-A). However, in order to avoid the recovery proceedings and coercive action, the Company deposited 10% of the aforesaid demand under protest to secure automatic stay under Section 140 of the Ordinance. However, during the period the order-in-original was upheld by CIR-A through an appellate order under Section 129(1) of the Ordinance dated October 20, 2023. The Company being aggrieved, has filed appeal before the Appellate Tribunal Inland Revenue (ATIR), and ATIR granted a stay order against the recovery proceedings.

11.2 Commitments

There is no change in the status of the commitment as disclosed in note 16.2 to the annual audited financial statements of the Company for the year ended June 30, 2023 except for the unexecuted capital expenditure contracts amounting to Rs. 60.7 million (June 30, 2023: Rs. 102.8 million).

	Nine months ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- (Un-audited) -----			
	----- (Rupees in '000) -----			
12 TAXATION				
Current	688,973	85,420	161,942	(1,715)
Deferred	456,220	(241,532)	99,390	(76,240)
	1,145,193	(156,112)	261,332	(77,955)

	Nine months ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- (Un-audited) -----			
	----- (Rupees in '000) -----			
13 PROFIT / (LOSS) PER SHARE				
Profit/(loss) after taxation	1,392,119	(2,583,830)	335,583	(2,351,503)
	----- (Number of shares) -----			
Weighted average number of ordinary shares outstanding	1,786,092,772	1,786,092,772	1,786,092,772	1,786,092,772
Profit/(loss) per share – basic and diluted (Rupee)	0.78	(1.45)	0.19	(1.32)

14 TRANSACTIONS WITH RELATED PARTIES

- 14.1** Related parties of the Company comprise companies with common directorship, retirement funds, directors and 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:

Name of related party and relationship	Percentage of holding	Nature of transactions	March 31,	March 31,
			2024	2023
			----- (Unaudited) -----	
			---- (Rupees in '000) ----	
Associated companies				
Premier Mercantile Services (Private) Limited	43.30	Rent against office premises	2,086	2,086
Portlink International Services (Private) Limited	-	Consultancy services	37,647	32,736
Premier Software (Private) Limited	-	IT support services	1,017	1,017
Other related parties				
Key management personnel	-	Remuneration and benefits	207,387	188,883
Staff retirement contribution plan	-	Contribution	17,144	21,426
Defined benefit obligation	-	Contribution	15,000	20,000
Sponsors	50.48	Securities pledged for facilities	393,535	393,535

- 14.2** Outstanding balance of Portlink International Services (Private) Limited and Premier Mercantile Services (Private) Limited as at March 31, 2024 was Rs. 29.3 million (June 30, 2023: Rs. Nil) and Rs. 0.23 million (June 30, 2023: Rs. 0.46 million) respectively.

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The carrying values of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values.

Fair value hierarchy

The different levels of fair valuation methods have been defined as follows::

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).

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the period. As of the reporting date, except for the Company's core infrastructure assets (which are valued under Level 3), none of the financial instruments are cared at fair value in these condensed interim financial statements, and the carrying amount of the assets approximates to its fair value.

16 EXEMPTION FROM APPLICABILITY OF IFRIC 12 "SERVICE CONCESSION ARRANGEMENTS"

As explained in note 2, the required disclosure is as follows:

Under IFRIC 12, the consideration required to be made by operator (the Company) for the right to use the asset is to be accounted for as an intangible asset under IAS 38 "Intangible Assets". Had the Company required to follow IFRIC 12 and IAS 38, the effect on these condensed interim financial statements would have been as follows:

	March 31, 2024	March 31, 2023
	----- (Unaudited) -----	
	----- (Rupees in '000) -----	
Reclassification from property, plant and equipment to intangible assets (Port Concession Rights) – written down value	<u>25,417,553</u>	<u>30,899,862</u>
Reclassification from intangible assets to intangible assets (Port Concession Rights) – written down value	<u>288,882</u>	<u>312,186</u>
Reclassification from stores and spares to intangible assets (Port Concession Rights) – written down value	<u>936,081</u>	<u>865,590</u>
Recognition of intangible assets (Port Concession Rights) on account of rent of backup and waterfront area (rent)	<u>27,478</u>	<u>67,863</u>
Recognition of present value of concession liability on account of intangible assets (rent)	<u>117,870</u>	<u>122,403</u>
Interest expense charged for the period / year on account of intangible assets (rent)	<u>7,575</u>	<u>8,446</u>
Amortisation expense charged for the period / year on account of intangible assets (rent)	<u>1,072</u>	<u>2,015</u>
Amortisation expense charged for the period / year on account of concession assets (Intangible assets)	<u>947,543</u>	<u>1,381,876</u>

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 23, 2024 by the Board of Directors of the Company.

18 GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

Sharique Azim Siddiqui
Chief Executive Officer

Capt. Zafar Iqbal Awan
Director

Arsalan I. Khan
Chief Financial Officer

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