

# HALF YEARLY REPORT

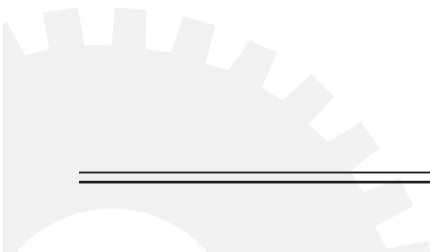
December 31, 2022



Pakistan International Bulk Terminal Limited

## CONTENTS

■ Company Information	3	■
■ Directors' Report	4	■
■ بیانِ نظام	5	■
■ Condensed Interim Financial Statements	8	■





## Company Information

### Board of Directors

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

### Audit Committee

<b>Chairman</b>	Syed Nadir Shah
<b>Members</b>	Capt. Zafar Iqbal Awan Ms. Farah Agha
<b>Chief Internal Auditor &amp; Secretary</b>	Mr. Noman Yousuf

### Human Resource & Remuneration Committee

<b>Chairman</b>	Syed Nadir Shah
<b>Members</b>	Mr. Sharique Azim Siddiqui
<b>Secretary</b>	Mr. Arsalan I. Khan, FCA

### Auditors

**EY Ford Rhodes**  
Chartered Accountants  
6th Floor, Progressive Plaza, Beaumont Road,  
P.O. Box 15541, Karachi-75530

### Legal Advisors

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

**Kabraji & Talibuddin**  
406-407, 4th Floor, The Plaza at II 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	Meezan Bank Limited
Allied Bank Limited	National Bank of Pakistan
Askari Bank Limited	Samba Bank Limited
Dubai Islamic Bank Limited	Habib Bank Limited
Faysal Bank Limited	United Bank Limited
JS Bank Limited	
MCB 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 December 31, 2022.

### **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 years.

During the period, your Company has handled 3,474,419 tons cargo against 4,567,069 tons in the same period last year which is in line with the industry demand of 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.

During the period, the Company has posted net loss after taxation primarily due to the impact of currency devaluation on USD denominated foreign loans. Financial highlights of the Company for the period ended December 31, 2022 as compared to the same period last year is presented below:

Particulars	PKR in '000	
	Half Year 2022-2023	Half Year 2021-2022
Revenue	5,861,930	5,342,050
Gross profit	1,420,682	1,495,585
Net loss	(232,327)	(2,626)
Loss per Share (Rs.)	(0.13)	(0.001)

### **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 productivity of cargo handling operations with an overall vision to mitigate the environmental and proficiency concerns as at 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 environment pollution and modernize the port infrastructure of the country.

For and on behalf of the Board of Directors

**Sharique Azim Siddiqui**  
Chief Executive Officer  
Karachi: February 27, 2023

**Capt. Zafar Iqbal Awan**  
Director

## بیانِ نظماً

پاکستان انٹرنیشنل بلک ٹرمینل لمیٹڈ کے نانسمین عرصہ تختہ 31۔ دسمبر 2022ء کے لیے کمپنی کے مالیاتی گوشوارے بخوشی پیش کرتے ہیں۔

### کاروباری جائزہ

بندرگاہ محمد بن قاسم پورٹ ٹرمینل اور سینٹ کے ٹرمینل کی تعمیر و ترقی، 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 کرو کی بنیاد پر ایک معاہدہ کیا۔

اس عرصہ میں مستقل کاروباری سرگرمیوں سے ظاہر ہوتا ہے آپ کی کمپنی نے مختلف جہازوں کے ذریعے گزشتہ برس کے 4,567,069 ٹن کوئلے کے حجم کے مساوی عرصہ کے مقابلہ میں 3,474,419 ٹن کوئلہ کنارے لگایا ہے۔ کمپنی کی انتظامیہ اپنے گا بوں 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۔

اس عرصہ میں آپ کی کمپنی نے کل خسارہ بعد از ٹیکس کا اندراج کیا ہے جو خاص طور پر امریکی ڈالر کے غیر ملکی قرضہ بردہ پر کرنسی کی قدر میں تخفیف کے باعث ہے۔ حالیہ عرصہ تختہ 31۔ دسمبر 2022ء کا گزشتہ برس کی مدت سے موازنہ کیا جائے تو آپ کی کمپنی کی مالیاتی کارکردگی حسب ذیل ہے۔

روپوں میں '000

تفصیلات	ششماہی 2022-2023	ششماہی 2021-2022
آمدن	5,861,930	5,342,050
مجموعی منافع	1,420,682	1,495,585
کل منافع	(232,327)	(2,626)
خسارہ فی حصص (روپیہ)	(0.13)	(0.001)

### آگے بڑھتے ہوئے

کمپنی نے ٹیکس ادائیگی کے بعد سہ ماہی بہ ماہی تقابلی آمدن میں مجموعی منافع اور ایبدا کے منافع میں واضح بہتری ظاہر کی ہے اور اپنے حصص یافتگان کو مستقبل میں بہتر منافع کی فراہمی کے لئے لگاتوں میں بہتری لانے پر پھر پورکوششیں جاری ہیں۔

آخر میں مجلسِ نظماً اپنے اس عزم کا اعادہ کرتی ہے کہ کوئلے، بکٹنگ اور سینٹ کے انتظام و انصرام کے لیے پاکستان کے اس پہلے اور جدید ترین بلک کارگو ٹرمینل کو فعال رکھے گی جس نے بین الاقوامی معیار پر پورا اترتے ہوئے ماحولیاتی آلودگی پر قابو پایا ہے اور ملک میں بندرگاہ کے بنیادی ڈھانچے کو ایک نئی جدت اور ترقی سے ہمکنار کیا ہے۔

مخائب مجلسِ نظماً

شارق عظیم صدیقی

چیف ایگزیکٹو آفیسر

کراچی: 27۔ فروری 2023ء

کمیشن ظفر اقبال اعوان  
ڈائریکٹر

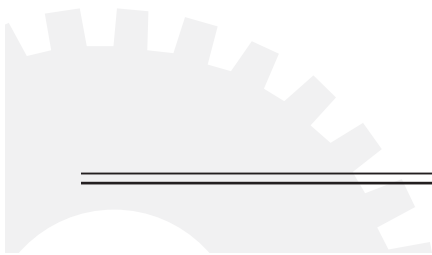


PAKISTAN INTERNATIONAL BULK TERMINAL LIMITED

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## CONDENSED INTERIM FINANCIAL STATEMENTS





EY Ford Rhodes  
Chartered Accountants  
Progressive Plaza, Beaumont Road  
P.O. Box 15541, Karachi 75530  
Pakistan

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## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Pakistan International Bulk Terminal Limited

Report on review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Pakistan International Bulk Terminal Limited** (the Company) as at **31 December 2022** and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the financial statements for the six months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and other comprehensive income for the three months ended 31 December 2022 and 2021 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended 31 December 2022.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is **Arslan Khalid**.



Chartered Accountants  
Place: Karachi  
Date: 28 February 2023  
UDIN: RR202210191k9R8KMV6u



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2022**

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	31,236,492	32,068,217
Intangible assets		<u>319,380</u>	<u>300,257</u>
		<b>31,555,872</b>	<b>32,368,474</b>
<b>CURRENT ASSETS</b>			
Stores and spares		<u>842,984</u>	710,847
Trade debts - unsecured		717,713	953,576
Advances, deposits, prepayments and other receivables		158,642	265,025
Taxation – net		3,251,685	2,781,761
Cash and bank balances		<u>731,531</u>	<u>419,260</u>
		<b>5,702,555</b>	<b>5,130,469</b>
<b>TOTAL ASSETS</b>		<b><u>37,258,427</u></b>	<b><u>37,498,943</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorised capital</b>			
2,000,000,000 (June 30, 2022: 2,000,000,000) ordinary shares of Rs. 10/- each		<u>20,000,000</u>	<u>20,000,000</u>
<b>Issued, subscribed and paid-up capital</b>			
1,786,092,772 (June 30, 2022: 1,786,092,772) ordinary shares of Rs. 10/- each fully paid in cash		17,860,928	17,860,928
Surplus on revaluation of property, plant and equipment – net of tax		5,818,182	5,997,716
Revenue reserves - accumulated losses		(2,504,403)	(2,451,610)
Other component of equity		<u>(12,945)</u>	<u>(12,945)</u>
		<b>21,161,762</b>	<b>21,394,089</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term financing – secured	7	<u>10,286,378</u>	10,582,065
Deferred tax liability - net	8	2,619,751	2,785,043
Deferred liabilities		<u>50,539</u>	<u>49,242</u>
		<b>12,956,668</b>	<b>13,416,350</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<u>1,296,170</u>	1,103,398
Current maturity of long-term financing – secured	7	1,674,068	1,478,204
Sales tax payable		89,364	43,719
Current portion of deferred liability		5,761	8,224
Accrued interest / markup		<u>74,634</u>	<u>54,959</u>
		<b>3,139,997</b>	<b>2,688,504</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	9		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>37,258,427</u></b>	<b><u>37,498,943</u></b>

The annexed notes from 1 to 15 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 HALF YEAR ENDED DECEMBER 31, 2022  
(UN-AUDITED)**

	Note	Half-year ended		Quarter ended	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
----- (Rupees in '000) -----					
Revenue – net		5,861,930	5,342,050	2,399,972	2,203,373
Cost of services		(4,441,248)	(3,846,465)	(1,963,986)	(1,667,953)
<b>Gross profit</b>		<b>1,420,682</b>	<b>1,495,585</b>	<b>435,986</b>	<b>535,420</b>
Administrative and general expenses		(313,485)	(263,145)	(159,410)	(122,729)
Other income		87,598	158,582	55,937	140,295
Finance costs	7	(828,999)	(510,774)	(492,988)	(263,963)
Exchange (loss) / gain	7	(676,281)	(732,537)	98,878	(254,323)
<b>(Loss) / profit before taxation</b>		<b>(310,485)</b>	<b>147,711</b>	<b>(61,597)</b>	<b>34,700</b>
Taxation	10	78,158	(150,337)	267,167	57,249
<b>Net (loss) / profit for the period</b>		<b>(232,327)</b>	<b>(2,626)</b>	<b>205,570</b>	<b>91,949</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>		<b>(232,327)</b>	<b>(2,626)</b>	<b>205,570</b>	<b>91,949</b>
----- (Rupees) -----					
<b>(Loss) / earnings per share</b>					
– basic and diluted	11	(0.13)	(0.001)	0.12	0.05

The annexed notes from 1 to 15 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 HALF YEAR ENDED DECEMBER 31, 2022  
(UN-AUDITED)**

	December 31, 2022	December 31, 2021
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) / profit before taxation for the period	(310,485)	147,711
<b>Adjustments for non-cash items and other items:</b>		
Depreciation on operating fixed assets	920,089	905,135
Amortisation	11,192	11,102
Finance costs	828,999	510,774
Exchange loss	676,281	732,537
Staff compensated absences	5,712	4,264
Amortisation of government grant	(2,463)	(5,226)
Provision for employees' defined benefit scheme	18,223	16,267
Gain on disposal of operating fixed assets	(1,902)	(410)
Reversal of contractor's liability	-	(102,895)
	<b>2,456,131</b>	<b>2,071,548</b>
<b>(Increase) / decrease in current assets</b>		
Stores and spares	(132,137)	(11,460)
Trade debts – unsecured	235,863	299,024
Advances, deposits, prepayments and other receivables	106,383	35,665
Bank balance under lien	(16,116)	(51,500)
	<b>193,993</b>	<b>271,729</b>
<b>Increase in current liabilities</b>		
Trade and other payables	192,979	95,476
Sales tax payable	45,645	(11,860)
	<b>238,624</b>	<b>83,616</b>
<b>Cash generated from operations</b>	<b>2,578,263</b>	<b>2,574,604</b>
Taxes paid	(557,058)	(422,899)
Contribution to defined benefit scheme	(15,000)	(30,000)
Finance costs paid	(761,688)	(497,981)
Staff compensated absences paid	(7,639)	(1,101)
<b>Net cash generated from operating activities</b>	<b>1,236,878</b>	<b>1,622,623</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	(119,394)	(190,324)
Proceeds from sale of operating fixed assets	2,594	410
<b>Net cash used in investing activities</b>	<b>(116,800)</b>	<b>(189,914)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of payroll financing	(52,329)	-
Repayment of long-term financing - secured	(771,594)	(1,048,683)
<b>Net cash used in financing activities</b>	<b>(823,923)</b>	<b>(1,048,683)</b>
<b>Net increase in cash and cash equivalents</b>	<b>296,155</b>	<b>384,026</b>
Cash and cash equivalents at the beginning of the period	267,960	382,790
<b>Cash and cash equivalents at the end of the period</b>	<b>564,115</b>	<b>766,816</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash and bank balances	731,531	935,116
Bank balance under lien	(167,416)	(168,300)
	<b>564,115</b>	<b>766,816</b>

The annexed notes from 1 to 15 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 HALF YEAR ENDED DECEMBER 31, 2022  
(UN-AUDITED)**

	Reserves				Total 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		
	----- (Rupees in '000) -----					
Balance as at July 01, 2021 (Audited)	17,860,928	6,356,876	(1,820,243)	(7,771)	4,528,862	22,389,790
Net loss for the period	-	-	(2,626)	-	(2,626)	(2,626)
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(2,626)	-	(2,626)	(2,626)
Surplus on revaluation of property, plant and equipment realised during the period on account of incremental depreciation charged thereon - net of tax	-	(192,570)	192,570	-	-	-
<b>Balance as at December 31, 2021 (Un – audited)</b>	<b>17,860,928</b>	<b>6,164,306</b>	<b>(1,630,299)</b>	<b>(7,771)</b>	<b>4,526,236</b>	<b>22,387,164</b>
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	-	-	(232,327)	-	(232,327)	(232,327)
Other comprehensive income, net of tax	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	(232,327)	-	(232,327)	(232,327)
Surplus on revaluation of property, plant and equipment realised during the period on account of incremental depreciation charged thereon - net of tax	-	(179,534)	179,534	-	-	-
<b>Balance as at December 31, 2022 (Un – audited)</b>	<b>17,860,928</b>	<b>5,818,182</b>	<b>(2,504,403)</b>	<b>(12,945)</b>	<b>3,300,834</b>	<b>21,161,762</b>

The annexed notes from 1 to 15 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 HALF YEAR ENDED DECEMBER 31, 2022  
(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.

**Geographical location and address of business units**

Registered office The Company's registered office is situated at 2nd floor, Business Plaza, Mumtaz Hassan Road, Karachi.

Terminal The Company's terminal is situated at NWIZ/LL/02, North Western Industrial Zone, Port Qasim Authority.

- 1.2 The Company has 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 12 to these condensed interim financial statements.

**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 12 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, however, have been subject to limited scope review by the auditors and are being submitted to the shareholders as required under Section 237 of the Companies Act, 2017. 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, 2022.

The figures of the condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2022 and December 31, 2021 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half years ended December 31, 2022 and December 31, 2022.

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

**4. SIGNIFICANT ACCOUNTING POLICIES**

**4.1** 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 Company's annual financial statements for the year ended June 30, 2022, except for the adoption of amendments to approved accounting standards which became effective for the current period as disclosed in note 4.2 to these condensed interim financial statements.

**4.2 Amendments to approved accounting standards adopted during the period**

The Company has adopted the certain amendments and improvements to the International Financial Reporting Standards (IFRSs) which became effective for the current period as disclosed below. The said amendments and improvements did not have any material impact on these condensed interim financial statements.

**Amendments to approved accounting standards**

IFRS 3	Reference to the Conceptual Framework (Amendments)
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)

**Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)**

IFRS 9	Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities
IAS 41	Agriculture – Taxation in fair value measurements
IFRS 16	Leases: Lease incentives

**5. 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, 2022.

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, 2022.

		December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	6.1	31,004,882	31,808,857
Capital work-in-progress	6.2	231,610	259,360
		<u>31,236,492</u>	<u>32,068,217</u>
<b>6.1 Operating fixed assets</b>			
Written down value as at the beginning of the period / year		31,808,857	33,193,930
Transfers during the period / year	6.1.1	116,829	437,981
		<u>31,925,686</u>	<u>33,631,911</u>
Less:			
Disposals during the period / year at written down value		(715)	(562)
Depreciation charged during the period / year		<u>(920,089)</u>	<u>(1,822,492)</u>
		<u>31,004,882</u>	<u>31,808,857</u>

	December 31, 2022	June 30, 2022
	(Un-audited)	(Audited)
	----- (Rupees in '000) -----	
<b>6.1.1 Transfers during the period / year:</b>		
Port infrastructure	-	108,151
Leasehold improvements	21,591	10,731
Buildings	-	57,331
Cargo handling equipment	61,016	117,429
Terminal equipment	19,656	28,766
Vehicles	4,382	85,084
Office equipment	7,199	17,608
Furniture and fixture	2,985	12,881
	<u>116,829</u>	<u>437,981</u>

**6.1.2** During the period, the management of the Company reassessed the fair value of certain operating fixed assets due to the change in the economic 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 5.1.2 to the annual audited financial statements of the Company for the year ended June 30, 2022. The above reassessment has not resulted in any material change to the carrying value of these operating assets in these condensed interim financial statements.

	December 31, 2022	June 30, 2022
	(Un-audited)	(Audited)
	----- (Rupees in '000) -----	
<b>6.2 Capital work-in-progress</b>		
Opening balance	259,360	185,399
Additions during the period / year	119,394	511,942
Transfers to operating fixed assets	6.1.1 (116,829)	(437,981)
Transfers to Intangibles	(30,315)	-
<b>Closing balance</b>	<u>231,610</u>	<u>259,360</u>

**7. LONG-TERM FINANCING – SECURED**

Opening balance as at period / year	12,115,228	11,995,287
Finance costs	828,999	1,109,099
Exchange loss	676,281	1,649,475
Less: debt servicing	(1,585,428)	(2,638,633)
Closing balance as at period / year	12,035,080	12,115,228
Less: current maturity	(1,674,068)	(1,478,204)
Less: accrued interest / markup	(74,634)	(54,959)
	<u>10,286,378</u>	<u>10,582,065</u>

**7.1** There is no change in the terms and conditions of the long-term financing as disclosed in the Company's annual financial statements for the year ended June 30, 2022

	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
	----- (Rupees in '000) -----	
<b>8. DEFERRED TAX</b>		
<b>Arising on taxable temporary difference</b>		
- accelerated tax depreciation	3,012,907	3,137,609
- revaluation surplus	2,689,278	2,777,705
- amortization	25,198	20,550
	<u>5,727,383</u>	<u>5,935,864</u>
<b>Arising on deductible temporary differences</b>		
- tax losses	(2,922,410)	(2,965,850)
- alternate corporate tax (in excess of corporate tax)	(180,047)	(180,047)
- government grant	(1,901)	(2,714)
- defined benefit obligation	(3,274)	(2,210)
	<u>(3,107,632)</u>	<u>(3,150,821)</u>
	<u>2,619,751</u>	<u>2,785,043</u>

**9. CONTINGENCIES AND COMMITMENTS**

**9.1 Contingencies**

There is no change in the status of the contingencies as disclosed in note 17.1 to the annual audited financial statements of the Company for the year ended June 30, 2022.

**9.2 Commitments**

There is no change in the status of the commitment as disclosed in note 17.2 to the annual audited financial statements of the Company for the year ended June 30, 2022 except for the unexecuted capital expenditure contracts amounting to Rs. 193.6 million (June 30, 2022: Rs. 175.6 million) and outstanding letter of credits amounting to Rs. 21.1 million (2022: Rs. 42 million).

	Half-year ended		Quarter ended	
	December 31, 2022	December 31, 2021 (Un-audited)	December 31, 2022	December 31, 2021
	----- (Rupees in '000) -----			
<b>10. TAXATION</b>				
Current	87,134	-	(25,319)	-
Deferred	(165,292)	150,337	(241,848)	(57,249)
	<u>(78,158)</u>	<u>150,337</u>	<u>(267,167)</u>	<u>(57,249)</u>

**10.1** The income tax assessments of the Company has been finalized up to and including the tax year 2022. Provision for current taxation has been made on the basis of minimum tax for the current period under Section 113 of the Income Tax Ordinance, 2001.

	Half-year ended		Quarter ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	----- (Rupees in '000) -----			
<b>11. (LOSS) / EARNINGS PER SHARE – basic and diluted</b>				
(Loss) / profit after taxation	<u>(232,327)</u>	<u>(2,626)</u>	<u>205,570</u>	<u>91,949</u>
	----- (Number of shares) -----			
Weighted average number of ordinary shares in issue during the period	<u>1,786,092,772</u>	<u>1,786,092,772</u>	<u>1,786,092,772</u>	<u>1,786,092,772</u>
(Loss) / earnings per share – basic and diluted (Rupee)	<u>(0.13)</u>	<u>(0.001)</u>	<u>0.12</u>	<u>0.05</u>



**12. TRANSACTIONS WITH RELATED PARTIES**

- 12.1 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	December 31,	December 31,
			2022	2021
			----- (Unaudited) -----	----- (Unaudited) -----
			---- (Rupees in '000) ----	---- (Rupees in '000) ----
<b>Associated companies</b>				
Premier Mercantile Services (Private) Limited	43.30	Rent against office premises	<u>1,391</u>	<u>1,391</u>
Portlink International Services (Private) Limited	-	Consultancy services	<u>21,824</u>	<u>19,840</u>
EFU General Insurance Limited	-	Payment for insurance premium	<u>102,693</u>	<u>101,324</u>
Premier Software (Private) Limited	-	IT support services	<u>678</u>	<u>678</u>
<b>Other related parties</b>				
Key management personnel	-	Remuneration and benefits	<u>153,815</u>	<u>126,126</u>
Staff retirement contribution plan	-	Contribution	<u>14,735</u>	<u>13,317</u>
Defined benefit obligation	-	Contribution	<u>15,000</u>	<u>30,000</u>
Sponsors	50.48	Securities pledged for facilities	<u>393,535</u>	<u>471,930</u>

**13. EXEMPTION FROM APPLICABILITY OF IFRIC 12 "SERVICE CONCESSION ARRANGEMENTS"**

As explained in note 2, the required mandatory 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:

	December 31,	December 31,
	2022	2021
	----- (Unaudited) -----	----- (Unaudited) -----
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
Reclassification from property, plant and equipment to intangible assets (Port Concession Rights) – written down value	<u>31,350,571</u>	<u>32,664,520</u>
Reclassification from intangible assets to intangible assets (Port Concession Rights) – written down value	<u>318,230</u>	<u>310,871</u>
Reclassification from stores and spares to intangible assets (Port Concession Rights) – written down value	<u>842,984</u>	<u>602,758</u>
Recognition of intangible assets (Port Concession Rights) on account of rent of backup and waterfront area (rent)	<u>35,486</u>	<u>62,305</u>
Recognition of present value of concession liability on account of intangible assets (rent)	<u>115,757</u>	<u>110,541</u>
Interest expense charged for the period / year on account of intangible assets (rent)	<u>5,248</u>	<u>5,119</u>
Amortisation expense charged for the period / year on account of intangible assets (rent)	<u>724</u>	<u>1,222</u>
Amortisation expense charged for the period / year on account of concession assets (Intangible assets)	<u>838,993</u>	<u>916,226</u>

**14. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on February 27, 2023 by the Board of Directors of the Company.

**15. 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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