



## CONTENTS

■ Company Information	1
■ Directors' Report	2
■ Condensed Interim Financial Statements	4



**COMPANY INFORMATION**

**BOARD OF DIRECTORS**

<b>Chairman</b>	Capt. Haleem A. Siddiqui
<b>Chief Executive Officer</b>	Mr. Sharique Azim Siddiqui
<b>Directors</b>	Mr. Aasim Azim Siddiqui Capt. Zafar Iqbal Awan Syed Nizam A. Shah Mr. Ali Raza Siddiqui Mr. M. Masood Ahmed Usmani, FCA

---

<b>Chief Financial Officer &amp; Company Secretary</b>	Mr. Arsalan I. Khan, ACA
--	--------------------------

**AUDIT COMMITTEE**

<b>Chairman</b>	Syed Nizam A. Shah
<b>Members</b>	Mr. Aasim Azim Siddiqui Mr. Ali Raza Siddiqui
<b>Chief Internal Auditor &amp; Secretary</b>	Mr. Noman Yousuf

**HUMAN RESOURCE & REMUNERATION COMMITTEE**

<b>Chairman</b>	Syed Nizam A. Shah
<b>Members</b>	Mr. Ali Raza Siddiqui Mr. Sharique Azim Siddiqui
<b>Secretary</b>	Mr. Arsalan I. Khan, ACA

---

<b>Auditors</b>	<b>Ernst &amp; Young Ford Rhodes Sidat Hyder Chartered Accountants</b> 6th Floor, Progressive Plaza, Beaumont Road, P.O. Box 15541, Karachi-75530
-----------------	---

---

<b>Legal Advisor</b>	<b>Khalid Anwer &amp; Co.</b> 153-K, Sufi Street, Block-2, PECHS, Karachi 75400  <b>Kabraji &amp; Talibuddin</b> 64-A/1, Gulshan-e-Faisal, Bath Island, Karachi.  <b>The Continental Law Associates</b> Panorama Centre, Saddar, Karachi.
----------------------	--

---

<b>Bankers</b>	Al-Baraka Bank Limited Bank Islami Pakistan Limited The Bank of Punjab Faysal Bank Limited JS Bank Limited Meezan Bank Limited National Bank of Pakistan NIB Bank Limited Samba Bank Limited
----------------	--

---

<b>Registrar / Transfer Agent</b>	<b>Technology Trade (Pvt.) Ltd.</b> 241-C, Block-2, P.E.C.H.S., Karachi. Tel: 92-21-34391316-7
-----------------------------------	---

---

<b>Registered &amp; Head Office</b>	2nd Floor, Business Plaza, Mumtaz Hassan Road, Karachi-74000 Pakistan. Tel. 92-21-32400450-3Fax. 92-21-32400281
-------------------------------------	--

## Directors' Report

The Directors are pleased to present the Un-audited Financial Statements of Pakistan International Bulk Terminal Limited (PIBT) (Company) for the quarter ended September 30, 2014.

### OPERATIONAL OVERVIEW & PROJECT BRIEF:

1. 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 which is to commence from the date of completion of construction of terminal. The Company's terminal project is in start-up and construction phase and as a result the Company has not yet commenced its operations.

2. The Company has entered into an Engineering, Procurement and Construction (EPC) Contract on May 23, 2014 with China Harbour Engineering Company Limited ("CHEC") for the purpose of engineering, procuring, supplying, constructing, installing, testing and commissioning civil works for the Company's coal, cement and clinker bulk handling facility amounting to Rs. 12.499 billion. CHEC has mobilized at the site and commenced civil works activity with target completion date of end of 2016. The current progress activities carried on by CHEC at the project site and their pace are satisfactory and it is expected that the project would be completed within its stipulated deadlines.

3. The Company has appointed M/s Hamburg Port Consultancy, Germany as consultant in procurement process of the plant and equipment. The technical specifications of the Plant and Machinery have already been finalized and the tenders have also been evaluated. The Company expects to finalize and award the equipment procurement contract latest by December 2014 so as the Import Shipment Schedule is aligned with the civil works time line agreed with CHEC.

### FINANCIAL PERFORMANCE

During the quarter, the Company has earned other income of Rs. 63.748 million (September 2013: Rs. 0.650 million) which comprises the interest income on the deposits held with the commercial banks and unrealized gain on investment in money/income funds. The company has posted a profit before taxation for the quarter amounting to Rs. 43.928 million against a loss of Rs. 4.317 million during the quarter ended September 2013.

Net profit after tax is Rs. 29.805 million in comparison with a loss of Rs. 2.900 million during the quarter ended September 2013.

### Financial Results

These are summarized below:

	<i>(Rupees in '000)</i>
Profit before taxation	43,928
Taxation	(14,123)
Loss after tax	29,805
Un-appropriated loss brought forward	(46,313)
Un-appropriated loss carried forward	(16,508)
EPS- Basic	<u>Rs. 0.040</u>

1. As at the balance sheet date, the Company has accumulated losses amounting to Rs. 16.508 million. The management has made an assessment of the Company's ability to continue as a going concern and believes that losses are due to project being in construction phase and as a result the Company has not started the commercial operations. The company expects that after the completion of construction of project, the Company will start earning significant profits and is satisfied that the Company will continue as going concern in the foreseeable future.

2. To strengthen the capital base of the Company in line with shareholders commitment to the Company's Lenders, and to create a strong financial standing which will facilitate Project Completion, the Board of Directors of the Company, in their meeting held on April 11, 2014, approved the issue of 704,037,921 ordinary shares by way of right issue at the rate of 12.9 shares for every one existing ordinary share at par value of Rs. 10 per share. The Company obtained approval of the Karachi Stock Exchange for the issuance of right shares and all the related matters and legal formalities were completed. The Right Issue was fully subscribed by the entitled shareholders and the Directors express their gratitude to the General Public, Institutional Investors and other shareholders for instigating confidence among the Board of Directors, the Lenders and all the stakeholders of the Company. The proceeds of the issue will be utilized for the construction and establishment of the Terminal.

3. As per the financing commitments with International Finance Corporation (IFC), a portion of the financing to be provided by IFC is to be made in the form of equity. In line of the above commitments, the Board of Directors had proposed an issue of shares other right for 189,653,626 shares approximating to 20% of the issued, subscribed & paid capital of the Company according special resolution of the members at the 5th Annual General Meeting (5th AGM) of the Company. Subsequent to the period end, the members of the Company have approved the above special resolution in the 5th AGM and the shares will be issued in due course.

In the end Board of Directors of the company would like to reiterate their commitment to build Pakistan's first state of the art modern and fully mechanized bulk cargo handling terminal for handling Coal, Clinker & Cement, compliant with international standards of excellence which will Insha-Allah curtail environment pollution and modernize the port infrastructure of the country.

For and on behalf of Board of Directors

Sharique Azim Siddiqui  
Chief Executive Officer  
Karachi: October 24, 2014

**CONDENSED INTERIM BALANCE SHEET  
AS AT SEPTEMBER 30, 2014**

	Note	September 30, 2014 (Un-Audited)	June 30, 2014 (Audited)
<b>ASSETS</b>		---- (Rupees in '000) ----	
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	4,316,122	3,521,594
Intangible assets		352,780	356,015
Deferred transaction costs on long term financing		159,185	150,713
Deferred tax		42,711	36,220
		<u>4,870,798</u>	<u>4,064,542</u>
<b>CURRENT ASSETS</b>			
Deposits and prepayments		250	250
Short term investments		384	376
Taxation - net		713	-
Cash and bank balances		2,723,158	2,525,719
		<u>2,724,505</u>	<u>2,526,345</u>
<b>TOTAL ASSETS</b>		<u><u>7,595,303</u></u>	<u><u>6,590,887</u></u>
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital		<u>15,000,000</u>	15,000,000
Issued, subscribed and paid-up capital	5	7,586,145	545,766
Accumulated loss		(16,508)	(46,313)
		<u>7,569,637</u>	499,453
Subscription against proposed issue of right shares		-	6,066,330
		<u>7,569,637</u>	6,565,783
<b>NON-CURRENT LIABILITIES</b>			
Staff compensated absences		9,189	8,278
<b>CURRENT LIABILITIES</b>			
Trade and other payables		16,477	16,791
Taxation - net		-	35
		<u>16,477</u>	16,826
<b>CONTINGENCIES AND COMMITMENTS</b>	6		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>7,595,303</u></u>	<u><u>6,590,887</u></u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

**SHARIQUE AZIM SIDDIQUI**  
CHIEF EXECUTIVE

**CAPT. ZAFAR IQBAL AWAN**  
DIRECTOR

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2014  
(Un-Audited)

	Quarter Ended	
	September 30, 2014	September 30, 2013
	---- (Rupees in '000) ----	
Administrative expenses	(18,545)	(4,954)
Other operating expenses - workers' welfare fund	(1,275)	(13)
Other income	63,748	650
<b>Profit / (loss) before taxation</b>	<u>43,928</u>	<u>(4,317)</u>
Taxation	(14,123)	1,417
<b>Profit / (loss) after taxation</b>	<u>29,805</u>	<u>(2,900)</u>
Earnings per ordinary share	7 <u>Rs. 0.040</u>	(Restated) <u>Rs. (0.004)</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

**SHARIQUE AZIM SIDDIQUI**  
CHIEF EXECUTIVE

**CAPT. ZAFAR IQBAL AWAN**  
DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED SEPTEMBER 30, 2014  
(Un-Audited)

	Quarter Ended	
	September 30, 2014	September 30, 2013
	---- (Rupees in '000) ----	
Profit / (loss) after taxation	29,805	(2,900)
Other comprehensive income - net of taxation	-	-
<b>Total comprehensive Income / (loss) for the period</b>	<u>29,805</u>	<u>(2,900)</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

**SHARIQUE AZIM SIDDIQUI**  
CHIEF EXECUTIVE

**CAPT. ZAFAR IQBAL AWAN**  
DIRECTOR



**CONDENSED INTERIM CASH FLOW STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2014  
(Un-Audited)**

	<b>Quarter Ended</b>	
	<b>September 30, 2014</b>	<b>September 30, 2013</b>
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before taxation	43,928	(4,317)
Adjustments for non-cash items		
Depreciation	232	2,763
Amortization	2	3,264
Gain on disposal of fixed assets	(123)	-
Unrealized gain / (loss) on investment-net	8	(1)
Staff compensated absences	910	-
	<u>1,029</u>	<u>6,026</u>
Operating profit before working capital changes	44,957	1,709
<b>Decrease / (increase) in current assets</b>		
Deposits and prepayments	-	3,721
Accrued mark - up	-	110
	-	3,831
<b>(Decrease) increase in current liabilities</b>		
Trade and other payables	(313)	1,991
<b>Cash generated from operations</b>	<u>44,644</u>	<u>7,530</u>
Taxes paid	(21,377)	(216)
<b>Net cash generated from operating activities</b>	<u>23,267</u>	<u>7,315</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to property, plant and equipment	(118)	-
Addition to capital work in progress - net	(792,600)	(91,754)
Sale proceeds from disposal of units mutual funds	-	45,348
Sale proceeds from disposal of fixed assets	1,314	-
<b>Net cash generated used in operating activities</b>	<u>(791,404)</u>	<u>(46,406)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of right shares	974,049	-
Transaction costs paid on long term financing	(8,473)	-
Advance against future issue of share capital	-	700,000
<b>Net cash generated from financing activities</b>	<u>965,576</u>	<u>700,000</u>
<b>Net increase in cash and cash equivalents</b>	<u>197,439</u>	<u>660,909</u>
Cash and cash equivalents at the beginning of the period	2,525,719	27,170
<b>Cash and cash equivalents at the end of the period</b>	<u>2,723,158</u>	<u>688,079</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

**SHARIQUE AZIM SIDDIQUI**  
CHIEF EXECUTIVE

**CAPT. ZAFAR IQBAL AWAN**  
DIRECTOR

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED SEPTEMBER 30, 2014  
(Un-Audited)**

	Issued, subscribed and paid-up capital	Accumulated loss	Total
	----- (Rupees in '000) -----		
<b>Balance as at July 1, 2013</b>	545,766	(29,445)	516,321
Loss during the period	-	(2,900)	(2,900)
Other Comprehensive Income	-	-	-
Total Comprehensive Income	-	(2,900)	(2,900)
<b>Balance as at September 30, 2013</b>	<u>545,766</u>	<u>(32,345)</u>	<u>513,421</u>
<b>Balance as at July 1, 2014</b>	545,766	(46,313)	499,453
Issue of share capital	7,040,379	-	7,040,379
Profit during the period	-	29,805	29,805
Other Comprehensive Income	-	-	-
Total Comprehensive Income	-	29,805	29,805
<b>Balance as at September 30, 2014</b>	<u>7,586,145</u>	<u>(16,508)</u>	<u>7,569,637</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.

**SHARIQUE AZIM SIDDIQUI**  
CHIEF EXECUTIVE

**CAPT. ZAFAR IQBAL AWAN**  
DIRECTOR

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE QUARTER ENDED SEPTEMBER 30, 2014  
(UN-AUDITED)**

**1. THE COMPANY AND ITS OPERATIONS**

Pakistan International Bulk Terminal Limited (the Company) was incorporated under the Companies Ordinance, 1984 (the Ordinance) on March 22, 2010 as a private limited company. Subsequently, it was converted to an unquoted public limited and later on, listed on the Karachi Stock Exchange on December 23, 2013. The registered office of the Company is situated at 2nd Floor, Business Plaza, Mumtaz Hassan Road, Karachi. The Company's terminal project is in start-up and construction phase and as a result, it has not commenced its operations.

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

As at the balance sheet date, the Company has accumulated losses amounting to Rs. 16.508 million (June 30, 2014: Rs. 46.313 million). The management of the Company has made an assessment of the Company's ability to continue as a going concern and believes that losses are due to terminal being in construction phase and is satisfied that the Company has committed resources from the sponsors and local and international lenders to continue in business for the foreseeable future. The management has reasonable grounds to believe that after the completion of construction of terminal, the Company will start earning significant profits and is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, these condensed interim financial statements have been prepared on a going concern basis.

**2. BASIS OF PREPARATION**

These condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard (IAS) - 34, "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

These condensed interim financial statements are unaudited and do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2014.

**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 Company's annual financial statements for the year ended June 30, 2014.

**4. PROPERTY, PLANT & EQUIPMENT**

	September 30, 2014 (Un-Audited)	June 30, 2014 (Audited)
	---- (Rupees in '000) ----	
Fixed assets	20,670	24,216
Capital work-in-progress	<u>4,295,452</u>	<u>3,497,378</u>
	<u>4,316,122</u>	<u>3,521,594</u>

4.1 Additions / Disposal

	Quarter ended September 30, 2014		
	Fixed assets	Capital work in progress	Total
	----- (Rupees in '000) -----		
<b>Cost</b>			
Opening balance	47,077	3,497,378	3,544,454
Additions	118	798,074	798,192
Disposals	(2,398)	-	(2,398)
	<u>44,797</u>	<u>4,295,452</u>	<u>4,340,248</u>
<b>Accumulated depreciation</b>			
Opening balance	(22,861)	-	(22,861)
Disposals	1,206	-	1,206
Charge for the period	(2,472)	-	(2,472)
	<u>(24,127)</u>	<u>-</u>	<u>(24,127)</u>
<b>Written down value as at September 2014 (Unaudited)</b>	<u>20,670</u>	<u>4,295,452</u>	<u>4,316,122</u>
<b>Written down value as at September 2013 (Unaudited)</b>	<u>27,812</u>	<u>2,703,612</u>	<u>2,731,424</u>

5. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

September 30, 2014 (Number of shares)	June 30, 2014	September 30, 2014 (Un-Audited)	June 30, 2014 (Audited)
		----- (Rupees in '000) -----	
Ordinary shares of Rs. 10/- each			
Fully paid in cash			
54,576,583	54,576,583	545,766	545,766
704,037,921	-	7,040,379	-
<u>758,614,504</u>	<u>54,576,583</u>	<u>7,586,145</u>	<u>545,766</u>
		Opening balance	
		Issued during the period	
		Closing balance	

The Board of Directors of the Company, in their meeting held on April 11, 2014, approved the issue of 704,037,921 ordinary shares by way of right issue at the rate of 12.9 shares for every one existing ordinary share at par value of Rs. 10 per share. The Company had received advances against the proposed issue of right shares over the past years from its majority shareholders namely Premier Mercantile Services (Private) Limited (holding 35.31 percent of the ordinary paid up capital of the company) and Jahangir Siddiqui & Co. Ltd. (holding 21.07 percent of the ordinary paid up capital of the company) amounting to Rs. 2,989 million (2013: 1,955 million) and Rs. 600 million (2013: Rs. 150 million) respectively. Consequently, the general public and majority shareholders deposited Rs. 2.477 billion in the Right Shares Subscription Accounts. The Company obtained approval of the Karachi Stock Exchange for the issuance of right shares and all the related matters and legal formalities were completed. During the period, the call for the remaining unsubscribed shares of the right issue was made to the Company's underwriters and the subscription was received in full. The entire process of allotment of right shares was completed on July 08, 2014 and all the advances received against the issue of shares were adjusted.

6. CONTINGENCIES AND COMMITMENTS

- 6.1 Performance bond issued by bank on behalf of the Company to PQA in pursuance of the Implementation Agreement in equivalence of USD 2.5 million amounted to Rs. 264.250 million (June 30, 2014: Rs. 264.250 million).

- 6.2 Capital expenditure contracted but remaining to be executed amounted to Rs. 11.249 billion pertaining to the new contract for civil works at the Company's site.
- 6.3 The Company has entered into a loan agreement with International Finance Corporation (IFC) on June 28, 2012 for an amount of USD 26,500,000 for a period of 12 years repayable in 18 semi annually installments commencing from September 15, 2015. This loan carries markup at the rate of 6 months' LIBOR + 5% and will be secured against the project assets of the Company. The Company has not made any draw down from this loan facility.
- 6.4 The Company has entered into a loan agreement with OPEC Fund for International Development (OFID) on July 12, 2012 for an amount of USD 20,000,000 for a period of 12 years repayable in 18 semi annually installments commencing from September 15, 2015. This loan carries markup at the rate of 6 months' LIBOR + 5% and will be secured against the project assets of the Company. The Company has not made any draw down from this loan facility.
- 6.5 The Company has entered into a Term Facility with four commercial banks namely Faysal Bank Limited, NIB Bank Limited, Bank of Punjab and JS Bank on November 12, 2012 for an aggregate amount of Rs 3,250,000,000 for a period of 12 years repayable in 18 semi-annual installments commencing from September 15, 2015. This loan carries mark-up at the rate of 6 months KIBOR + 3% and will be secured against the project assets of the Company. The Company has not made any draw down from this loan facility.
- 6.6 The Company has entered into a Musharaka agreement with three financial institutions namely Meezan Bank Limited, Al Baraka Bank and Bank Islami Pakistan Limited on November 12, 2012 for an aggregate amount of Rs 1,120,000,000 for a period of 12 years repayable in 18 semi-annual installments commencing from September 15, 2015. Faysal Bank Limited is acting as a Musharaka agent for the agreement. The loan carries mark-up at the rate of 6 months KIBOR + 3% and will be secured against the project assets of the Company. The Company has not made any draw down from this facility.

**7. EARNINGS PER ORDINARY SHARE - basic and diluted**

		Quarter Ended	
		September 30, 2014	September 30, 2013
Profit / (loss) after taxation		<u>29,865</u>	<u>(2,900)</u>
		Number of shares	
Weighted average number of ordinary shares outstanding	7.1	<u>743,183,536</u>	<u>743,183,536</u>
Basic earnings per share	7.2	<u>Rs. 0.040</u>	<u>Rs. (0.004)</u>

7.1 The impact of right shares issued during the period has been accounted for in the weighted average number of ordinary shares.

7.2 There is no dilutive effect on basic earnings per share of the Company.

**8. RELATED PARTY TRANSACTIONS & BALANCES**

Related parties comprise of entities which have the ability to control the Company to exercise significant influence over the Company in making financial and operating decisions or vice versa. The related parties comprise principal shareholders and their affiliates' directors, companies with common directors and key management personnel. Amount due from and to related parties and remuneration of directors and executives are disclosed in respective notes to the annual financial statements of the Company. Significant transactions with related parties are as follows:

Quarter Ended  
 September 30, 2014      September 30, 2013  
 ----- (Rupees in '000) -----

**Associated Companies**

**Entities having directors in common with the Company**

**Premier Mercantile Services (Private) Limited**

Issue of share capital during the period	390,954	-
Advance against future issue of shares	-	450,000
Rent against office premises	675	675

**EFU General Insurance Limited**

Insurance Premium	95,555	831
-------------------	--------	-----

**Other related party**

**Jahangir Siddiqui & Co. Limited**

Issue of share capital during the period	148,350	-
Advance against future issue of shares	-	250,000

**8.1 Period end balances  
 Associated Company**

**Entities having directors in common with the Company**

Premier Mercantile Services (Private) Limited	-	2,405,000
---	---	-----------

**Other related party**

Jahangir Siddiqui & Co. Limited	-	400,000
---------------------------------	---	---------

**9. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorized for issue on October 24, 2014 by Board of Directors of the Company.

**10. GENERAL**

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

**SHARIQUE AZIM SIDDIQUI  
 CHIEF EXECUTIVE**

**CAPT. ZAFAR IQBAL AWAN  
 DIRECTOR**