

PAKISTAN EQUITY | TRANSPORT | COMPANY REPORT

Pakistan International Bulk Terminal

Moving the energy that moves the world

July 06 2026

Nasheed Malik

Email: research@growthsecurities.com.pk

Tel: 021-32432947



PIBTL TP PKR 26.5/share; Upside of 40%

Key Ratios: PIBTL

	FY25A	FY26E	FY27F	FY28F	FY29F
EPS	-0.2	1.7	1.5	1.8	2.8
EPS YoY	NA	NA	-8.5%	22.1%	50.8%
Price Earnings	NA	9.2	12.5	10.2	6.8
Price to Book	0.9	1.5	1.6	1.5	1.5
Dividend Yield	0.0%	0.0%	2.0%	4.9%	14.8%
Gross Margins	19.5%	33.1%	31.3%	32.5%	36.1%
EBITDA Margins	23.1%	32.5%	30.9%	31.7%	34.4%
Net Margins	NA	18.5%	18.0%	20.2%	24.7%
ROE	NA	17.4%	13.9%	15.5%	22.5%
ROA	NA	9.7%	8.5%	10.8%	17.2%

Source: Company Accounts, Growth Securities

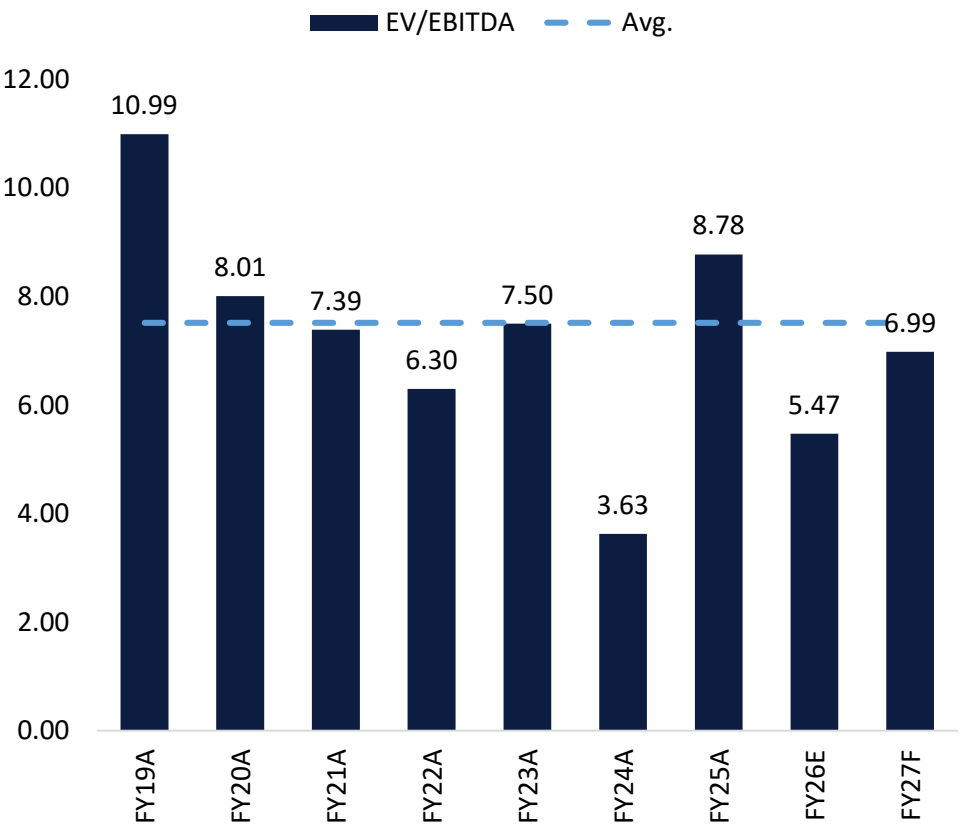
Key Assumptions

	FY25A	FY26E	FY27F	FY28F	FY29F
USD/PKR Avg.	279.5	282.3	288.0	302.3	317.5
Policy Rate Avg.	14.6%	11.0%	10.0%	10.0%	10.0%
Volumes MN MT	4.8	7.5	6.8	6.8	7.9
Utilization%	39.9%	62.1%	56.3%	57.0%	65.7%
Net Tariff USD/MT	7.4	7.6	7.7	7.9	8.1
Handling Cost USD/MT	2.7	2.7	2.8	2.8	2.9

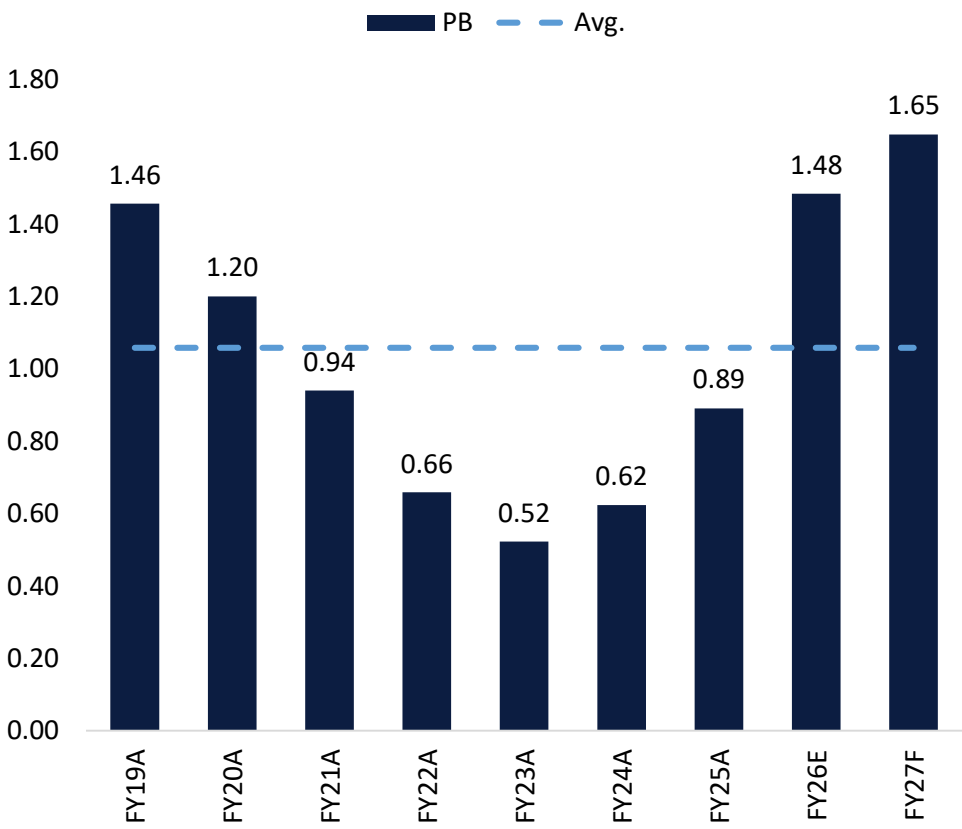
Source: SBP, Company Accounts, Growth Securities

- We initiate coverage on Pakistan International Bulk Terminal (PIBTL) with a 'Buy' rating and Jun'27 target price (TP) of PKR 26.5/share which provides an upside of 40% from last closing price of PKR 18.87/share (03 July 2026).
- We expect PIBTL to post EPS CAGR of 18% for the next five years (FY27-31) and revenue CAGR of 9% for the same period.
- PIBTL Dividend Yield (DY) is expected at 2.0% in FY27 and is expected to improve to 14.8% by FY29 due to improvements in balance sheet.
- Our investment case for the company rests on the following factors:
 - **1) Improving Utilization due to key sectors:** We expect utilization to improve to 70% by FY31 with volumes handled increasing from 4.8mn tons in FY25 to 8.4mn tons by FY31. Improvement will be lead by key sectors Cement and Power and additional volumes generated from mining exports.
 - **2) Reko Diq to enhance volumes:** PIBTL has been selected as the preferred terminal for copper and gold exports from Reko Diq. We have estimated Phase 1 to commence from FY29 with 0.8mn tons exports and Phase 2 from FY33 with 1.8mn tons exports.
 - **3) Structured Revenue and Cost Base:** Structured revenue and cost tariff has allowed PIBTL to generate average EBITDA/Ton of USD 2.7 (FY20-FY24). After declining to USD 1.7 in FY25 due to unforeseen events we expect reversion in FY26-FY31 period.
 - **4) Balance Sheet improvement to unlock dividends:** We expect PIBTL to start payouts from FY27 due to retirement of foreign debt obligations which has seen Debt to Assets ratio of the company improving from 42% in FY23 to 19% in FY26E.
 - **5) Valuation:** We have valued PIBTL using Discounted Cash Flows (FCFE) approach where we have used risk-free rate 12.6% (10-YR PIB), risk premium 6.0%, and adjusted beta of 1.26. PIBTL is trading at FY27/28F PE of 12.5/10.2x. While it is trading at FY27/28F EV/EBITDA of 6.9/6.1x compared to last 7-year average EV/EBITDA of 7.5x.

Historical and Forward Valuation

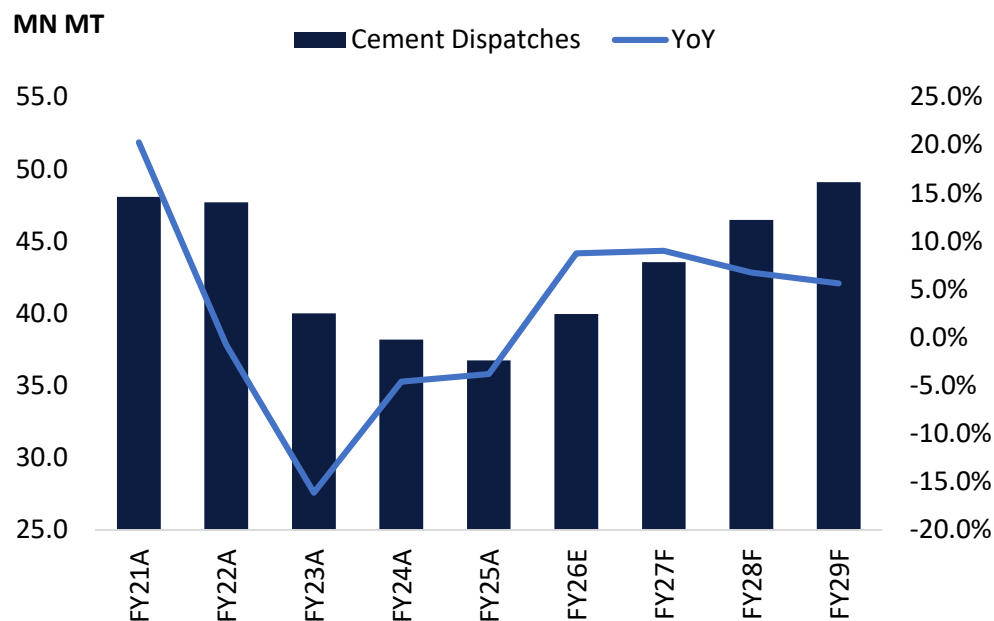


Source: PSX, Company Accounts, Growth Securities



Source: PSX, Company Accounts, Growth Securities

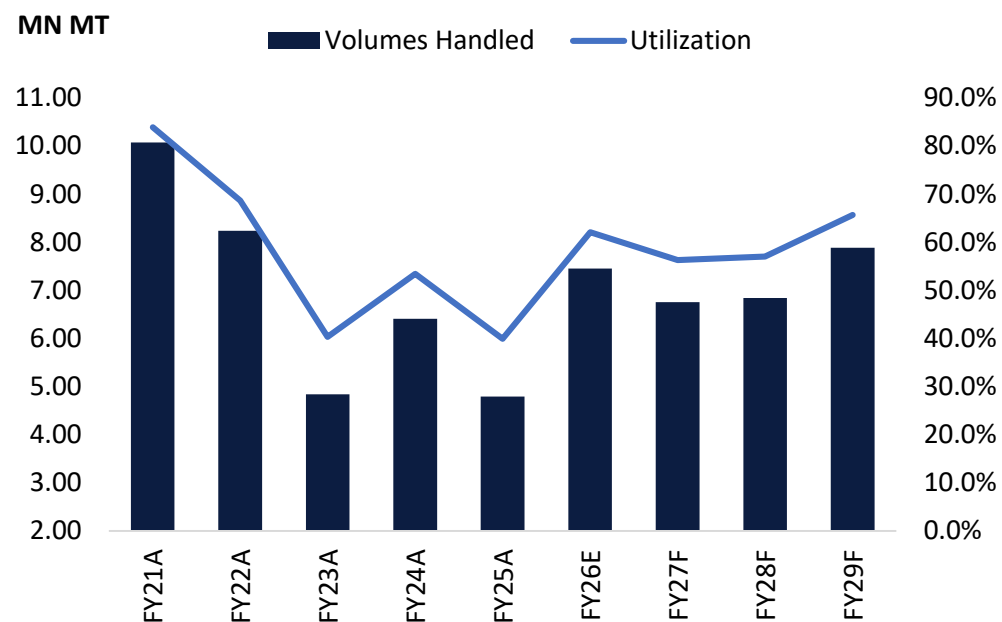
Increasing demand from Cement and Power sectors



Source: APCMA, Growth Securities

- We expect utilization and volumes handled by PIBTL to improve to 62% and 7.45mn tons in FY26 from 40% utilization and 4.79mn tons recorded in FY25.
- In 9MFY26 company handled 5.51mn tons compared to 3.53mn tons in 9MFY25. This is an improvement of 56% YoY with utilization improving to 61%.
- In FY25, company's terminal handled lower volumes due to temporary suspension of operations after a fire incident in Nov'24 at the terminal and a broader decline in seaborne coal imports. The incident caused damage to a portion of the terminal's infrastructure and disrupted cargo handling activities.
- In FY26 optimal terminal operations have been achieved and utilization has also remained higher due to demand from Cement and Power sector and North based Cement manufacturers partially utilizing imported coal due to Afghan border closure.
- Cement manufacturer typically require 120-130kg per ton of cement produced. Manufacturers in South are mostly reliant on Imported coal for production. Total cement dispatches from South are expected at 15mn tons in FY26 and we expect dispatches to improve to 16.4mn tons by FY31.
- Cement manufacturers in North have lower reliance on Imported coal. However, due to Afghan border closure since Oct'25, reliance on Imported coal has increased. We estimate imported coal demand from North to be in the region of 0.4-0.5mn tons. This demand has been enhanced by 1-1.5mn tons due to border closure.
- Power generation typically requires 300-400 tons of coal per GWh. Generation from imported coal is expected to increase by 30% in FY26. Imported coal based generation is expected to remain higher due to decline in coal prices and RLNG import disruption.
- We also expect utilization to improve to 70% by FY31 and 81% by FY33 due to increased demand from cement, power and other industries as well as additional export volumes from Reko Diq.

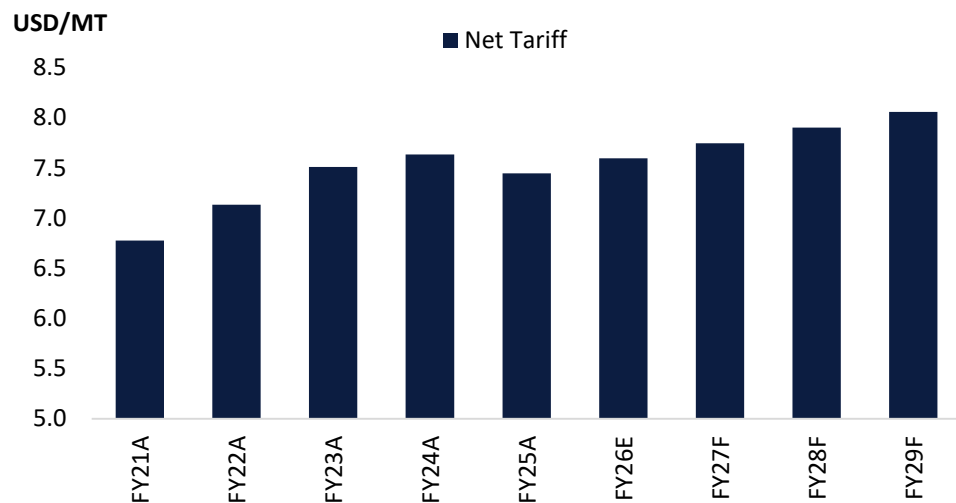
Reko Diq to enhance handled volumes



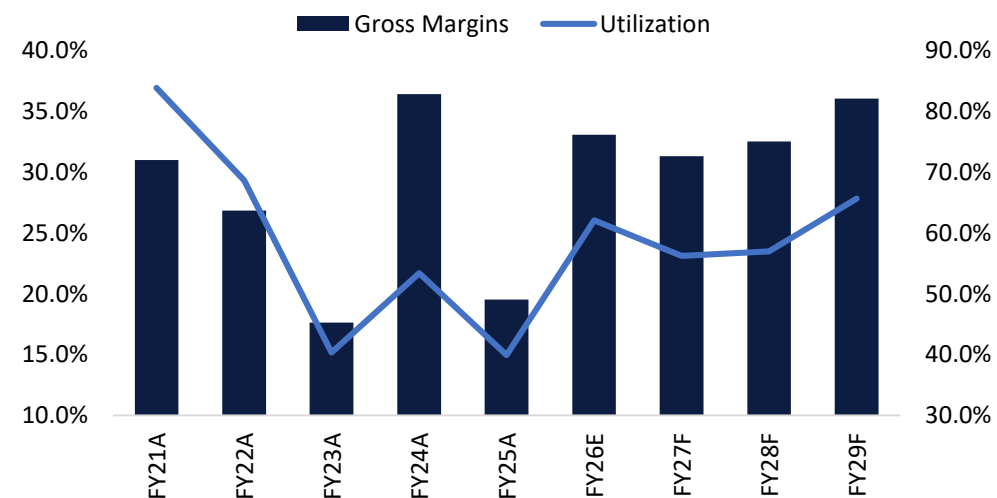
Source: Company Accounts, Growth Securities

- We estimate Phase 1 of Reko Diq to commence from FY29 and Phase 2 to commence from FY33.
- This will lead to terminal utilization of PIBTL to improve to 66% in FY29 and 81% by FY33. We expect handled volumes to be enhanced by 9% due to Phase 1 and 17% after Phase 2 commencement.
- In FY26, the company executed the supplemental implementation agreement with the Port Qasim Authority on December 15, 2025, which grants the supplemental concessions, rights and licenses to cater for handling, storage and export of copper-gold commodities, including minerals, metals, and other natural earth commodities on non-exclusive basis.
- PIBTL was selected over six other port terminals due to its existing infrastructure and storage area.
- The project is expected to export USD 2bn/annum of copper and gold concentrate, and PIBTL aims to capture all of this quantity, utilizing its export line.
- Reko Diq Mining Company is expected to invest approximately USD 150mn for its infrastructure within the terminal, including building a dedicated shed to house the cargo. PIBTL's existing export system is being made ready.
- Located in the Chagai District of Balochistan, Reko Diq is one of the world's largest undeveloped copper and gold mining projects.
- Besides Reko Diq, Pakistan has seen an upsurge in mining activity and mining related investments. Other ongoing Copper Gold projects include National Resources Limited, Siah Diq, Mari Minerals Chagai, and Saindak.
- A Barite, Lead, and Zinc (BLZ) project is also underway in Khuzdar Balochistan.
- PIBTL is well positioned to capture other mining projects as well due to its expertise and superior infrastructure.

Structured Revenue and Cost base



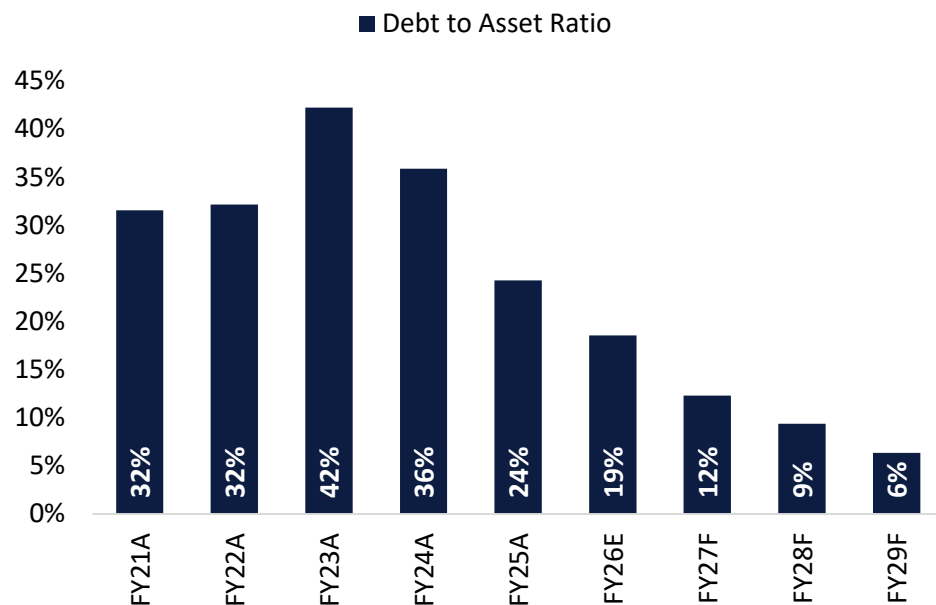
Source: Company Accounts, Growth Securities



Source: Company Accounts, Growth Securities

- Average Net Tariffs for PIBTL have historically stood at USD 7.1/ton. In FY25 Net Tariffs stood at USD 7.45/ton. Net Tariffs have increased at a CAGR of 2.0% historically. We estimate Net Tariffs to increase in the same ratio and reach USD 8.4/ton by FY31.
- We project PIBTL sales to increase at a 5-YR CAGR of 9% to reach PKR 24.6bn in FY31.
- According to PIBTL corporate briefing, tariffs from Reko Diq exports can potentially be higher compared to current handled volumes. This provides an added upside to investment case which we have not incorporated in our estimates.
- Average historical Gross Tariffs for PIBTL have stood at USD 8.2/ton. In FY26 average gross tariffs stood at USD 8.6/ton. Company tariff structure ranges from USD 7.2-8.7/ton. There are also charges for additional services ranging from USD 0.2-2.0/ton.
- Main cost base for the company is composed of Terminal Handling Services and Terminal Maintenance Cost. Terminal Handling includes Royalty Paid to Port Qasim Authority (PQA).
- Terminal Handling has historically stood at an average of USD 2.6-2.7/ton or 36-37% of Net Revenue. We estimate cost to remain in the same range going forward.
- A structured revenue and cost base allows PIBTL increased gross margins whenever utilization levels improve. Due to higher utilization levels FY26 gross margins are expected to be 33% compared to 19% in FY25, We expect average gross margins of 35% from FY27-31 due to robust utilization levels.
- We expect average Net Margins of PIBTL at 23% from FY27-31. This is compared to FY26E Net Margins of 18-19%. This is mainly due to lower Finance Costs for the company in light of lower interest rates and Debt Retirement.
- Foreign based loans are expected to be paid off by end of 2026 this will also lead to lower FX risk for the company since the company suffered from Exchange Losses of PKR 1.7/2.3bn in FY22/23 due to higher PKR devaluation in that period.

Dividends to be unlocked by Balance Sheet improvement



Source: Company Accounts, Growth Securities

- We expect PIBTL to commence dividend payouts from FY27. We expect company to pay DPS of 0.38/0.92/2.79 in FY27/28/29 respectively.
- This means that PIBTL is trading at FY27/28/29 forward Dividend Yield of 2.0/4.9/14.8% respectively.
- The commencement of payouts will be lead by an improving balance sheet which has seen Debt to Asset ratio declining from a peak of 42% in FY23 to 19% by FY26E.
- Initially loans of USD 125mn were acquired to finance the terminal which included USD 55mn foreign currency loans and USD 72mn in domestic loans.
- The foreign currency loans are expected to be paid off by Dec'26 and domestic loans by Dec'29. Therefore, financial charges on average accounted for 43% of EBITDA between FY19-FY25. Finance cost to EBITDA ratio is expected to decline to 13.4% in FY26E and eventually expected to decline to 0.6% by FY31F.
- Long term debt on the company's balance sheet has declined to PKR 2.9bn due to reduction in Net Borrowing by PKR 3.4bn in both FY24 and FY25.
- PIBTL is part of the Marine Group of companies and is mainly sponsored by Premier Mercantile Services, an associate company. The company was initially a wholly-owned subsidiary of Pakistan International Container Terminal Limited (PICT).
- Captain Haleem Ahmed Siddiqui, the Chairperson of PIBTL also served as the Chairman of PICT. Payout ratio of PICT stood at an average of 113% from CY20-24. Therefore, due to management history and improving cash flows we expect Payout Ratio to improve to 100% by FY29.
- We have taken a conservative approach due to pending liabilities mainly royalty payable to PQA which has jumped from PKR 710mn in FY22 to PKR 4.1bn by FY25. Trade Payables overall stood at PKR 5.5bn in FY25 and Payables have further increased to PKR 7.0bn at the end of 9MFY26.

Financial Summary: PIBTL

Income Statement					
PKRmn	FY25A	FY26E	FY27F	FY28F	FY29F
Net sales	9,969	15,975	15,060	16,342	20,167
Cost of sales	8,022	10,688	10,343	11,024	12,892
Gross profit	1,948	5,287	4,716	5,318	7,275
Admin Exp.	986	1,427	1,400	1,485	1,702
Operating profit	961	3,860	3,317	3,832	5,573
Finance cost	1,257	697	438	296	180
Other Income	448	195	205	215	226
Other Exp.	74	74	78	82	86
Profit before tax	79	3,285	3,006	3,670	5,533
Taxation	358	328	301	367	553
Profit After Tax	347	355	533	547	552
EPS (PKR)	-0.16	1.66	1.51	1.85	2.79
DPS (PKR)	0.00	0.00	0.38	0.92	2.79

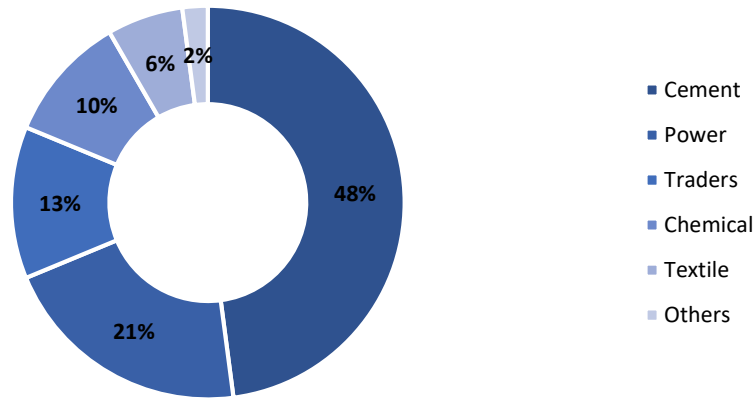
Source: Company Accounts, Growth Securities

Balance Sheet					
PKRmn	FY25A	FY26E	FY27F	FY28F	FY29F
Non-Current Assets	20,965	19,918	18,865	17,814	16,765
Current Assets	7,442	12,383	12,365	12,189	11,207
Total Assets	28,406	32,301	31,230	30,003	27,971
Equity	15,463	18,419	20,448	22,099	22,099
Non-Current Liabilities	3,527	2,900	1,867	834	59
Current Liabilities	9,416	10,984	8,917	7,072	5,815
Total Equity & Liabilities	28,406	32,301	31,230	30,003	27,971

Source: Company Accounts, Growth Securities

PIBTL: Company Intro

Industry Wise Handled Volumes



Source: Company Presentation, Growth Securities

PIBTL Site



- Pakistan International Bulk Terminal Limited was incorporated on March 22, 2010 as a private limited company.
- PIBTL officially started trading its shares on the stock exchange on December 24, 2013.
- Company has Premier Mercantile Services (part of Marine Group) as its main sponsors with 43.30% shareholding.
- PIBTL is a dry bulk cargo terminal on build, operate and transfer (BOT) basis on concession of 30 years (extendible for a further period of 30 years) at Port Qasim as the country's first terminal for handling Coal, Clinker and Cement.
- The terminal will be transferred to the Port Qasim Authority (PQA) after the expiry of concession as per the agreement.
- The current concession period is expected to conclude by 2046, with negotiations likely to start by 2040 for the agreement's renewal with the government.
- PIBTL terminal is located at North Western Zone of Port Qasim, Fifty Kilometers from Karachi on the coastal line of the Arabian Sea. Total terminal area is 72 acres.
- Capital of USD 305mn was invested in the project, which also attracted Direct Foreign Investment in the country through, inter alia, International Finance Corporation's (financial arm of the World Bank) debt financing and equity investment in PIBTL. Total initial loans were USD 125mn, consisting of a USD 55mn foreign currency loan and USD 72mn in local loans, structured over 12 years.
- PIBTL has been selected as the non-exclusive terminal for exporting Reko Diq's copper and gold concentrate. PIBTL was selected over six other port terminals due to its existing infrastructure and storage area.
- Reko Diq Mining Company is expected to invest ~USD 150mn for its infrastructure within the terminal, including building a dedicated shed to house the cargo.

Analyst Certification and Disclosures



The research analyst(s), on the cover of this report, primarily involved in the preparation of this report, certifies that (1) the views expressed in this report accurately reflect his/her personal views about all of the subject companies/securities/sectors, (2) research analyst or persons associated with research analyst or their financially dependent close relative has no financial interest in the securities of the subject company (3) no part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report, (4) Furthermore, it is stated that the research analyst or its close relative have neither served as a director/officer in the past 3 years nor received any compensation from the subject company in the past 12 months, (5) the subject company currently is, and during the 12 month period preceding the date of publication or distribution of the research report was not a client of the research analyst, and (6) research analyst or persons associated with research analyst have not received any compensation for corporate advisory services in the past 12 months from subject company and will not receive any compensation from the subject company in next three months.

Rating System and Valuation Methods

‘Buy’ – Total stock return > 15%

‘Hold’ – Total stock return > 0% and < 15%

‘Sell’ – Total stock return < 0%

Growth Securities (Pvt.) Limited uses different valuation methods such as 1) Discounted Cash Flow, 2) Relative Valuation (PE, PB, PS etc.), 3) Asset Based Valuation etc.

Disclaimer

This report has been prepared by Growth Securities and is provided for information purposes only. This should not be considered as research report under the research analyst regulations. Under no circumstances this is to be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Growth Securities and/or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and Growth Securities accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. In particular, the report takes no account of the investment objectives, financial situation and particular needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are those of Growth Research Department and do not necessarily reflect those of Growth or its directors. Growth as a firm may have business relationships, including investment-banking relationships, with the companies referred to in this report. All rights reserved by Growth Securities. This report or any portion hereof may not be reproduced, distributed or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of Growth Securities. Action could be taken for unauthorized reproduction, distribution or publication.