



Pakistan National Shipping Corporation

(ESTABLISHED UNDER ORDINANCE NO. XX OF 1979)

CS/06

17th October, 2018

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Dear Sir,

Re. **PNSC Annual Report 2018 – Corrigendum**

Enclosed please find a letter addressed to the valued Members/Shareholders of the Corporation and the revised/amended page No. 30, of the PNSC Annual Report 2018 in respect of the Directors' Report.

Thanking you,

Yours faithfully,

(Zainab Suleman)
Secretary PNSC



Pakistan National Shipping Corporation

(ESTABLISHED UNDER ORDINANCE NO. XX OF 1979)

CS/06

17th October, 2018

Valued Member(s) / Shareholder(s) of
Pakistan National Shipping Corporation

Subject : **PNSC Annual Report 2018 – Corrigendum**

Dear Sir(s) / Madam(s)

The Members/Shareholders of the Corporation may kindly note that paragraph 2 under the heading “ Statutory Auditors” in the Directors’ Report appearing at page 30 of the Annual Report 2018 for the year ended 30th June, 2018, dispatched on 3rd October, 2018, to the Members/Shareholders has been amended, as regrettably some inadvertent mistake(s) had occurred in this paragraph.

The amended/corrected/substituted paragraph 2 under the heading “ Statutory Auditors” in the Directors’ Report appearing at page 30 of the Annual Report 2018 for the year ended 30th June, 2018 reads as under please:

Quote:

A.F. Ferguson & Co., Chartered Accountants and EY Ford Rhodes, Chartered Accountants being joint auditors retire, being eligible, offered themselves for reengagement. The Board has recommended Messrs. EY Ford Rhodes, Chartered Accountants and Messrs. KPMG, Chartered Accountants, with their consent, as joint auditors of the Corporation for the year ending 30th June, 2019.


Unquote

Please note the above correction on your record.

Inconvenience caused is deeply regretted.

Thanking you,

Yours faithfully,


(Zainab Suleman)
Secretary PNSC

Growth in the active crude tanker fleet is expected to drop below 1% in 2018, partially supported by a firm uptick in recycling. However, the current oversupply in the market is likely to take time to reduce. Product tanker DWT demand growth is currently expected to slow slightly to 2.6% in 2018. Growth in products trade is anticipated to be supported by expanding US exports to Latin America. Expansion in the product tanker fleet is expected to slow notably to 1.5% this year, but despite these improved fundamentals the current extent of oversupply in the market suggests it will take time for market conditions to improve.

STATUTORY AUDITORS

A.F. Ferguson & Co., Chartered Accountants and EY Ford Rhodes, Chartered Accountants being joint auditors retire, being eligible, offered themselves for reengagement. The Board has recommended Messrs. EY Ford Rhodes, Chartered Accountants and Messrs. KPMG, Chartered Accountants, with their consent, as joint auditors of the Corporation for the year ending 30th June, 2019.

SEGMENTAL REVIEW OF MARITIME BUSINESS PERFORMANCE

PNSC having a total DWT capacity of 681,806 metric tons has lifted cargo about 12.797 million tons (FY 2017: 14.304 million tons) during the year under review which is equivalent to about 12.77% (FY 2017: 15.92%) of country's total 100.247 million tons (FY 2017: 89.852 million tons) seaborne trade by volume. Bifurcated statistics of Pakistan's seaborne trade for the current year 2017-18 and last year 2016-17 along with PNSC's share is appended below:

-----Figures in 'million tons -----

| | Dry Bulk | | Liquid Bulk | | Total | |
|-------------------------|----------|--------|-------------|--------|---------|--------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Pakistan Seaborne Trade | 65.836 | 42.653 | 34.411 | 32.863 | 100.247 | 89.852 |
| PNSC's Share | 2.158 | 1.665 | 10.639 | 12.639 | 12.797 | 14.304 |

Nature/arrangement wise bifurcation of total cargo transported by PNSC is tabulated below:

| | Unit of Measurement | 2017-2018 | 2016-2017 |
|--------------------------|---------------------------|-----------|-----------|
| Dry Cargo (Bulk Carrier) | Million tons | 2.055 | 1.352 |
| Liquid Cargo (Tanker) | Million tons | 10.639 | 12.639 |
| Slot Charter | | | |
| - Break Bulk | Higher of MT or CBM (W/M) | 0.103 | 0.313 |
| - Containerized Cargo | Thousand TEUs | 3.456 | 2.769 |

