



JS BANK

CORPORATE BRIEFING SESSION

DECEMBER 2024

JS Bank Head Office

1st Floor Shaheen Complex,
Dr Ziauddin Ahmed Road, Karachi, Pakistan



FORWARD LOOKING STATEMENTS

This document may contain forward looking statements regarding JS Bank Limited's (the "Bank") strategy, businesses and/or performance. These statements are based on plans, estimates and projections as they are currently available to the management of the Bank. Therefore, these statements are not historical facts and should not be taken as a direct representation regarding actual future performance. Actual results in the future may differ from those contained in any forward-looking statement(s).

Moreover, forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

JS GROUP

Jahangir Siddiqui & Co. Ltd. ("JSCL"), serves as the holding company for **JS Group** and stands tall as a cornerstone of Pakistan's financial landscape.

JSCL boasts a diverse portfolio spanning Conventional and Islamic Commercial Banking, Asset Management, and Brokerage. JS Group's core businesses lead in their respective areas, while their innovative approach has reshaped Pakistan's financial services sector with numerous industry firsts.

With a market capitalization of **PKR 13.5 Billion** as of September 30, 2024, JSCL epitomizes stability, growth, and strategic prowess.

ENTITY CREDIT RATING

AA

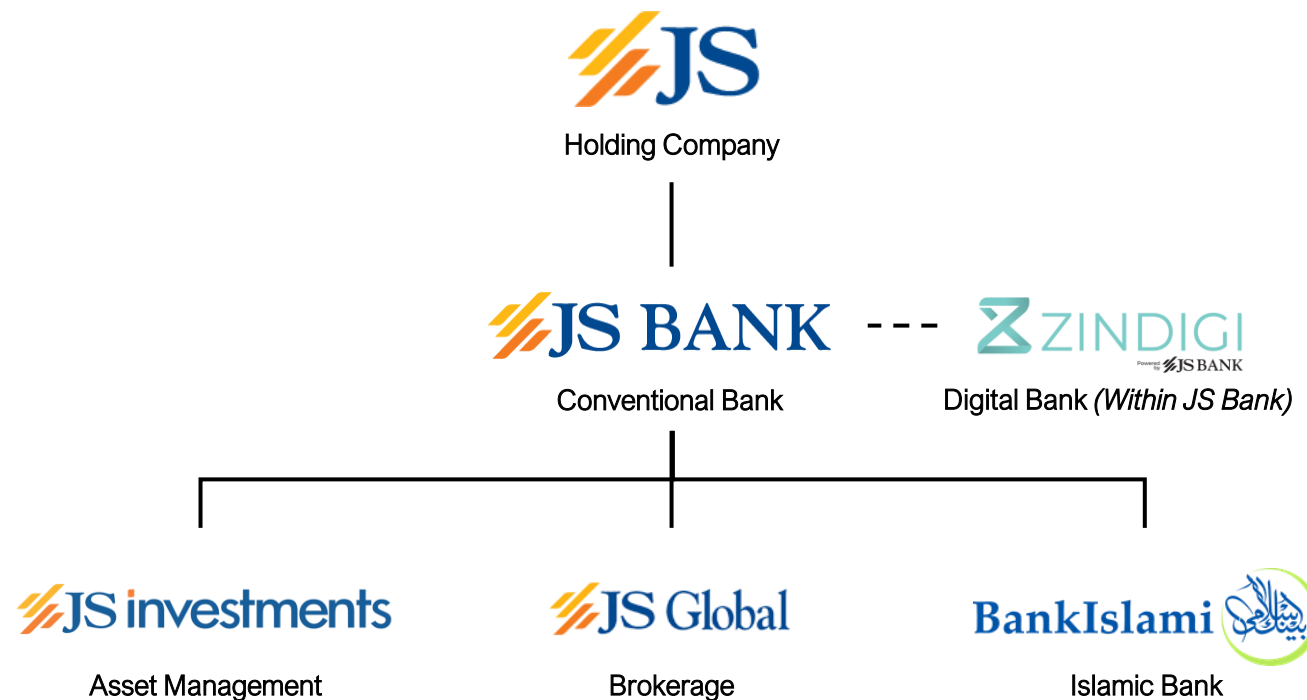
LONG TERM RATING

A1+

SHORT TERM RATING

OUTLOOK 'STABLE'

JS GROUPS OWNERSHIP STRUCTURE IN PAKISTAN



GROUP OVERVIEW



JS Bank Limited (JSBL) is a banking company incorporated in Pakistan as a public limited company on March 15, 2006. The Bank is a subsidiary company of Jahangir Siddiqui & Co. Ltd. (JSCL) and its shares are listed on Pakistan Stock Exchange Limited (PSX). JSCL holds 71.21% of the Bank. Employees: 4,940

PKR 24.7 billion Consolidated

PKR 6.2 billion Unconsolidated

Profit Before Tax

PKR 4.94 Consolidated

PKR 1.51 Unconsolidated

Earnings Per Shares

PKR 1,069 billion Consolidated

PKR 519 billion Unconsolidated

Deposits

AA

Long Term Rating

A1+

Short Term Rating

OUTLOOK 'STABLE'



Subsidiary of JSBL (75.12%)

BankIslami Limited is an Islamic bank incorporated in Karachi in 2004. It is the first Islamic commercial bank to receive the Islamic banking license under the Islamic banking policy of 2003 from the State Banking of Pakistan on March 31st 2005. Employees: 5,891

PKR 20.0 billion Consolidated

Profit Before Tax

PKR 9.21 Consolidated

Earnings Per Shares

PKR 552 billion Consolidated

Deposits

AA-

Long Term Rating

A1

Short Term Rating

OUTLOOK 'STABLE'



Subsidiary of JSBL (92.20%)

JS Global Capital Limited is one of the largest securities brokerages and investment banking firms in Pakistan with a leadership position in domestic capital markets. JS Global was incorporated in 2000 and is the successor to the securities brokerage business of Jahangir Siddiqui & Co .Ltd. and Bear Stearns Jahangir Siddiqui Limited. Employees: 171

PKR 305.7 million Consolidated

Profit Before Tax

PKR 8.27 Consolidated

Earnings Per Shares

8,000+

Domestic & International Clients

BMR 1 BFR 1

Broker Management Rating

Broker Fiduciary Rating

AA

Long Term Rating

A1+

Short Term Rating

OUTLOOK 'STABLE'



Subsidiary of JSBL (84.56%)

JS Investments Limited has the license of an "Investment Advisor" and "Asset Management Company" under the Non-Banking Finance Companies (NBFC) rules. JS Investments is also registered to act as Pension Fund Manager. Employees: 102

PKR 283.6 million Consolidated

Profit Before Tax

PKR 4.14 Consolidated

Earnings Per Shares

60,000+

Investor Accounts

PKR 100.8 billion

Assets Under Management

AM2+

Asset Manager Rating

OUTLOOK 'STABLE'

JS BANK STARTED ITS JOURNEY **THREE DECADES** AGO

1991

JAHANGIR SIDDIQUI &
CO. LTD. COMMENCED
OPERATIONS IN
PARTNERSHIP WITH
BEAR STERNS

1996

JS INVESTMENT BANK
CAME TO LIFE AFTER
ACQUIRING CITICORP
INVESTMENT BANKING

2006

JS INVESTMENT BANK WAS
CHANGED TO JS BANK
AFTER ACQUIRING THE
DOMESTIC COMMERCIAL
BANKING OPERATIONS OF
AMERICAN EXPRESS BANK

2022

JS BANK LAUNCHED
ITS DIGITAL BANKING
PLATFORM "ZINDIGI"

2023

JS BANK INCREASED
ITS STAKE TO 75.12%
IN BANKISLAMI

WIDE RANGE OF TOUCH POINTS FOR OUR CUSTOMERS

INCREASING GROUP
NETWORK OF **BRANCHES**

WE SERVE MILLIONS OF
CUSTOMERS THROUGH OUR
ROBUST NETWORK OF **ATMs**

+PLUS



297

Branches
(1 Branch in Bahrain)

336

ATMS

2,600+
 **Agents**
by JS BANK



513

Branches

525

ATMS

...ALONG WITH THE **MOBILE /**
INTERNET BANKING CHANNELS,
WHATSAPP BANKING, AND
SOCIAL MEDIA....

FOCUS ON PRODUCT INNOVATION & DIGITIZATION



Zindigi

Zindigi Launched Pakistan's first customizable digital solution providing an end-to-end digital journey from account opening to payments for millennials and Gen-Z. Also emerging as a leading service provider of payroll wallets to government institutions.



Youth Lending

Awarded the "Best Private Sector Bank" for the PM Youth Entrepreneurship financing scheme. Our proactive & impact-based lending focus helped more than 1,500 businesses, not just with enhanced profitability but also helping in creating 50,000+ jobs across Pakistan.



Sustainable Finance

Only commercial bank to be accredited by Green Climate Fund, the first project "Pakistan Distributed Solar Project" was approved by GCF in 2022.



Solar Finance

Financed over 385+ solar projects for Residential and Agriculture purposes. We have also been actively working towards reducing the country's carbon footprint and have deployed approximately 5600 KV worth of solar panel systems.



WhatsApp, Mobile, & Internet Banking

First institution to offer banking services via WhatsApp adding to the convenience that our clients can avail over & above to the state of art Mobile & Internet banking solutions.



Credit Cards

JS Credit Cards are designed to provide convenience and a suite of benefits including discounts and cashback offers. Our cards are divided into four different variants each with its own spending limits and perks.



Gold Finance & My Gold

We are Pakistan's leading bank when it comes to gold-backed loans for business and personal purposes. Additionally, Industry-first offering of buying gold on easy installments. With JS MyGold, customers can now start saving in gold.



Mortgages

As Pakistan's largest conventional mortgage bank, JS Bank continues to build a sustainable home loans portfolio including low-cost housing finance & solar solutions for homeowners.

KEY HIGHLIGHTS

Increase in Stake (75.12%) in BIPL in August 2023

JSBL Crossed Half a Trillion Mark in terms of Deposits in March 2024

With BIPL, Consolidated Deposits continue to remain at over a trillion – PKR 1.069 trillion on September 30, 2024.

JSBL margins in 2024 remained stressed as against Industry – Islamic Banks / Windows operate with better margins without MDR requirements

Long Term Credit Rating of the Bank upgraded to AA (in June 2024), with Stable Outlook

Cost to Income Ratio improved at 68.1%; With BIPL, we have initiated an interoperability exercise to focus on improved service quality as a group as well as rationalization of operating costs, through improved vendor management and overall process improvement in mind

Tech Refresh and Platform shift exercises in progress – savings targeted in recurring maintenance costs, as well as for IT equipment

Provision Coverage enhancement on the radar, with coverage at 65%, despite increase in NPLs of ~ PKR 5 Billion this year

ADR level maintained at ~ 54% at September 2024

Zindigi continues to offer the Bank a competitive edge in the Digital Banking Landscape



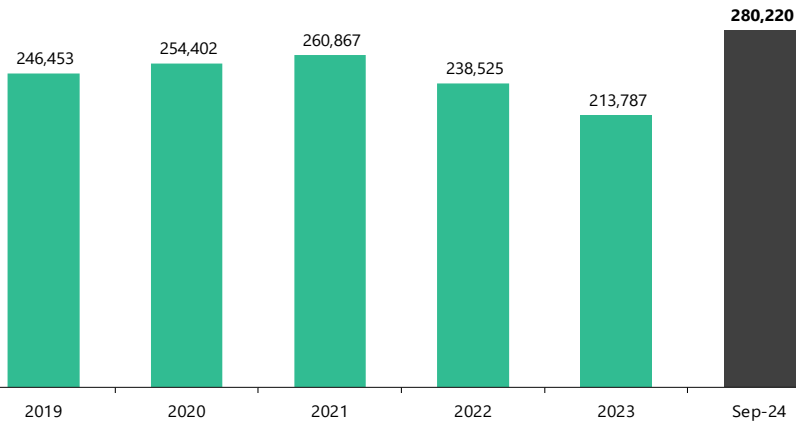
HISTORICAL TRENDS FOR JS BANK



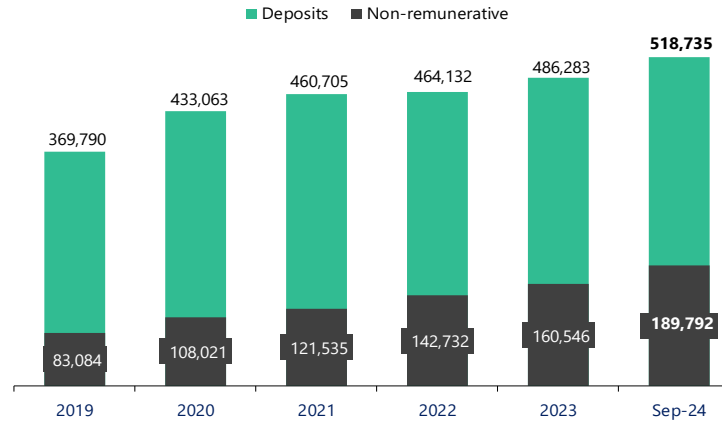
FINANCIAL HIGHLIGHTS – BALANCE SHEET (1 OF 3)

PKR in Millions

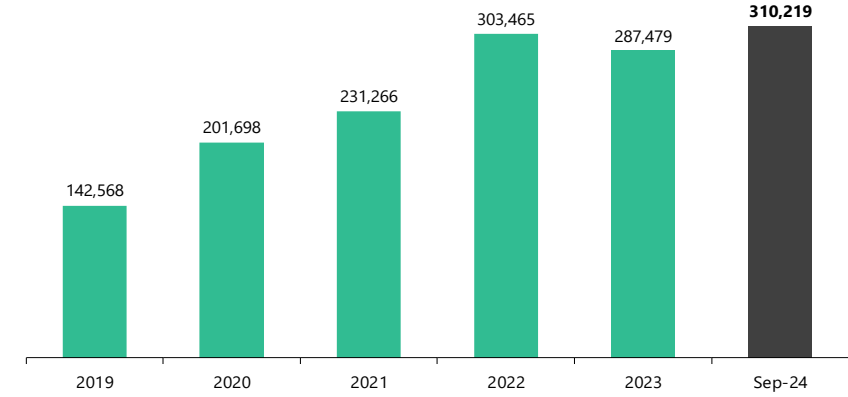
Gross Advances - CAGR 2.7%



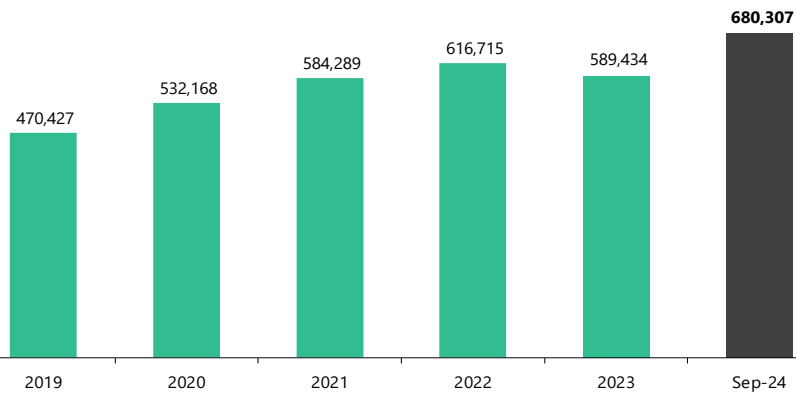
Deposits - CAGR 7.4% (Non-rem CAGR 19.0%)



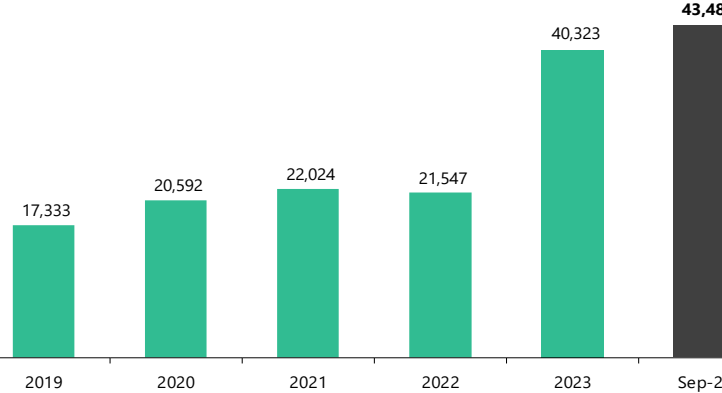
Investments - CAGR 17.8%



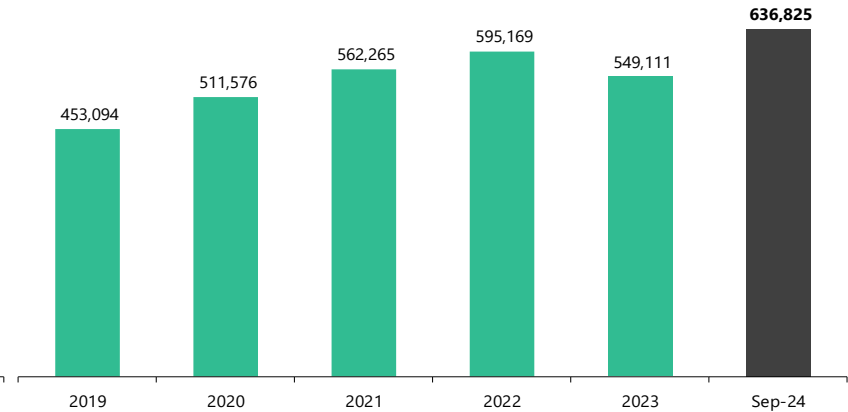
Total Assets - CAGR 8.1%



Total Equity - CAGR 21.5%



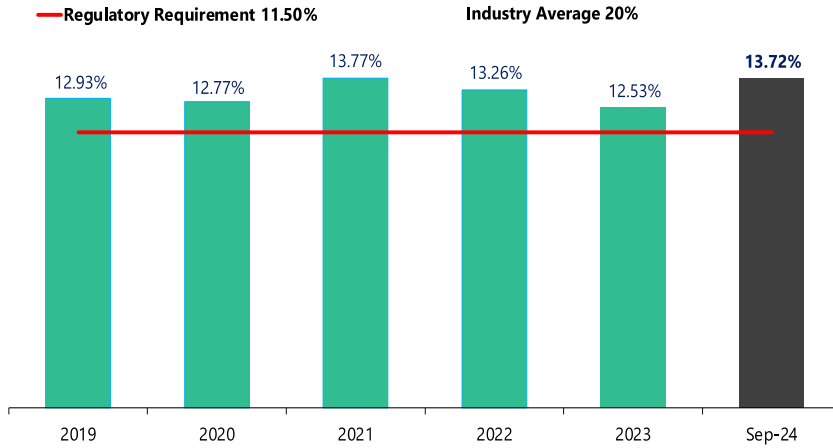
Total Liabilities - CAGR 7.4%



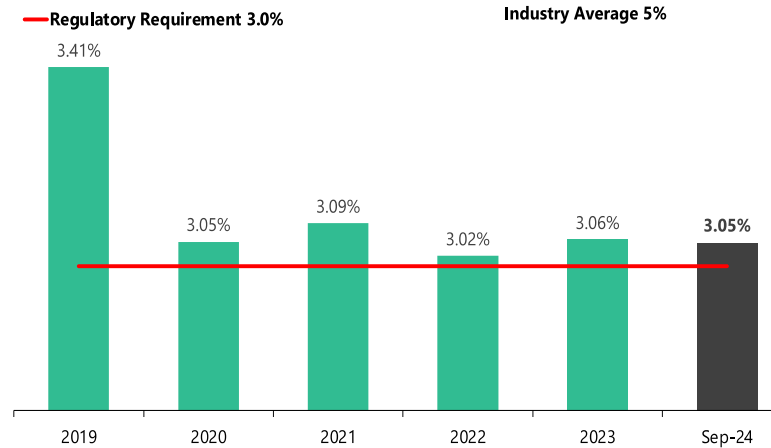
FINANCIAL HIGHLIGHTS – REGULATORY RATIOS (2 OF 3)

PKR in Millions

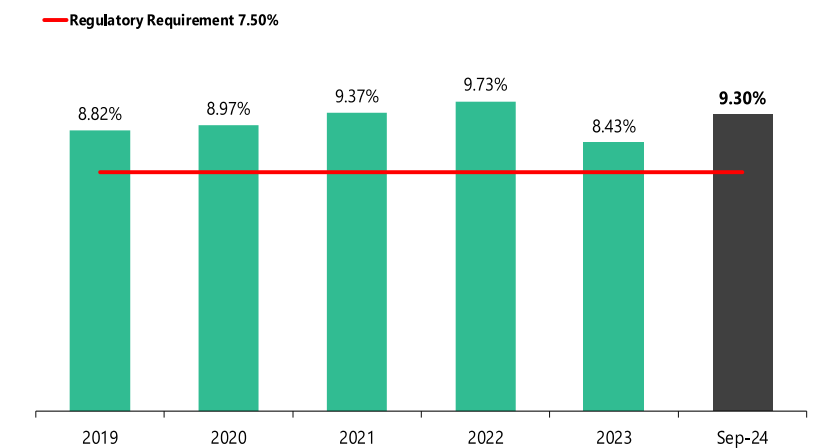
Capital Adequacy Ratio (CAR)



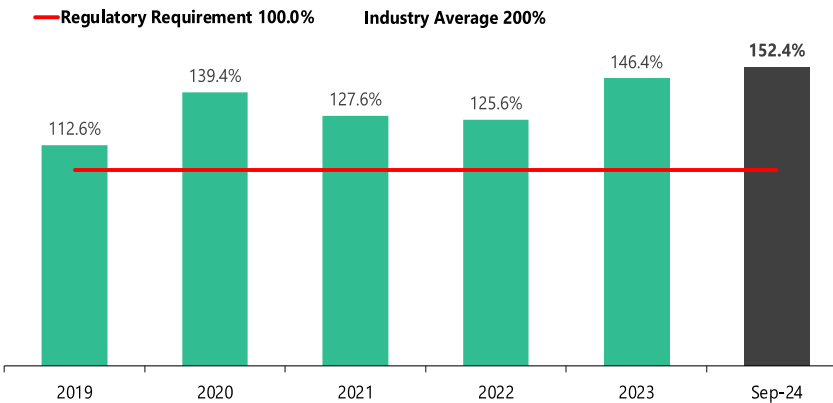
Leverage Ratio (LR)



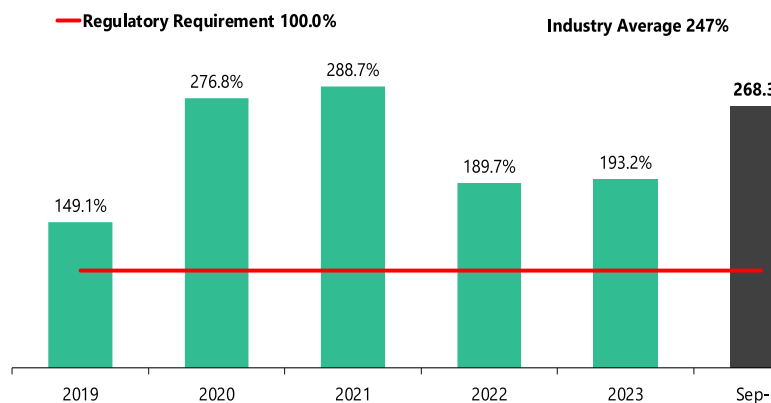
Common Equity Tier 1 Ratio



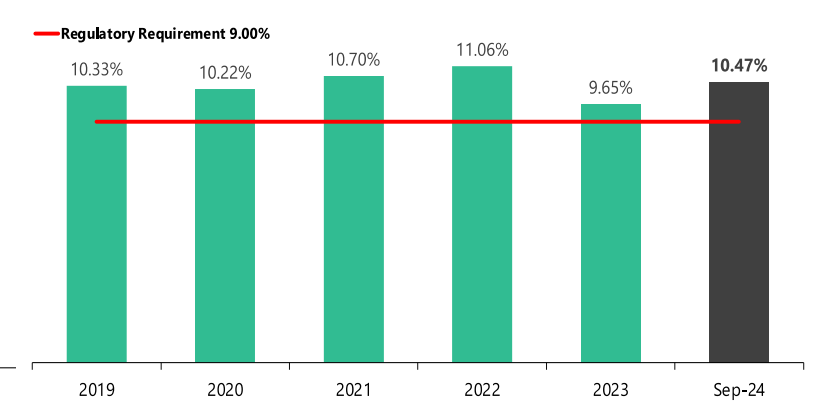
Net Stable Funding Ratio (NSFR)



Liquidity Coverage Ratio (LCR)



Total Tier 1 Capital Ratio



Industry averages are as per financial information of September 30, 2024

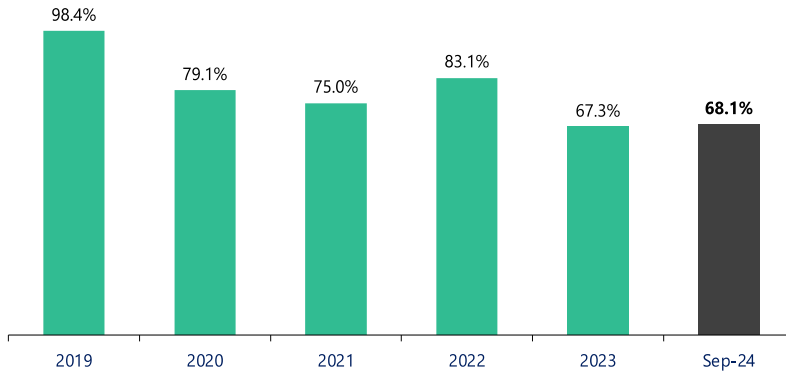


FINANCIAL HIGHLIGHTS – RATIOS (3 OF 3)

PKR in Millions

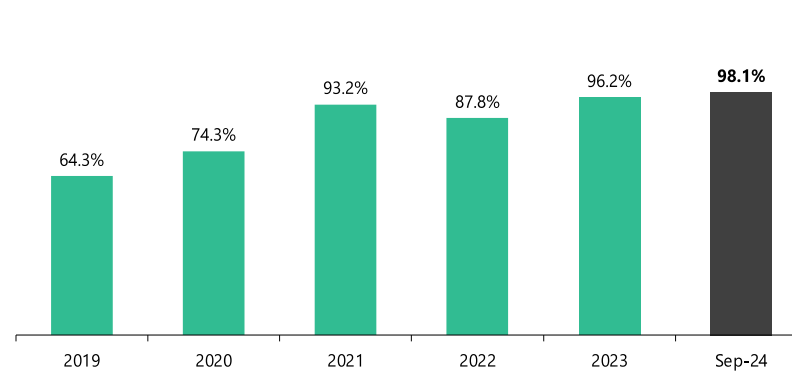
Cost to Income Ratio

Industry average 42.4%

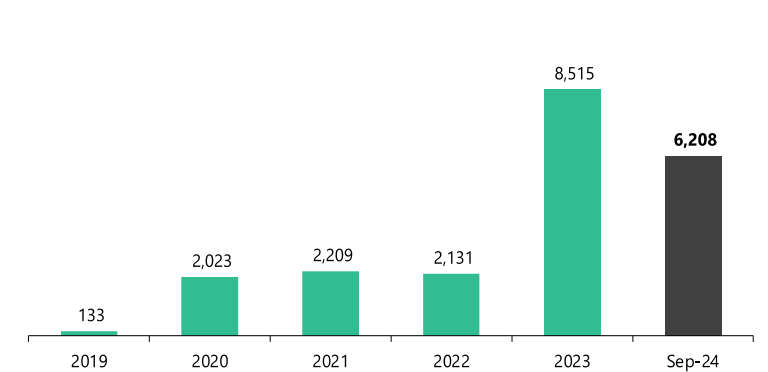


NII to Operating Cost Ratio

Industry average 189.8%



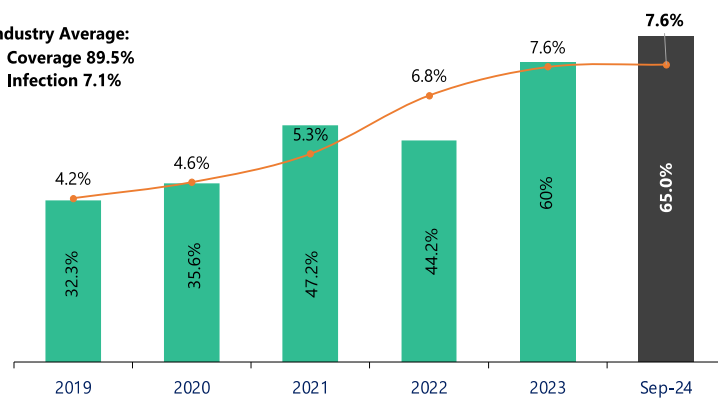
Profit Before Tax (PBT)



Infection & Coverage Ratio

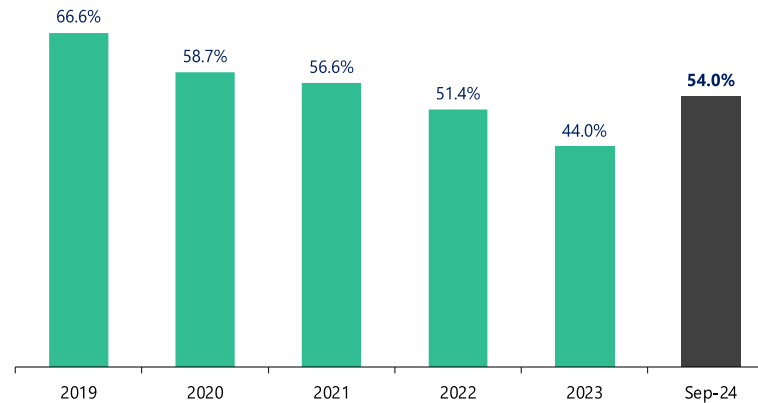
Coverage Ratio Infection Ratio

Industry Average:
Coverage 89.5%
Infection 7.1%

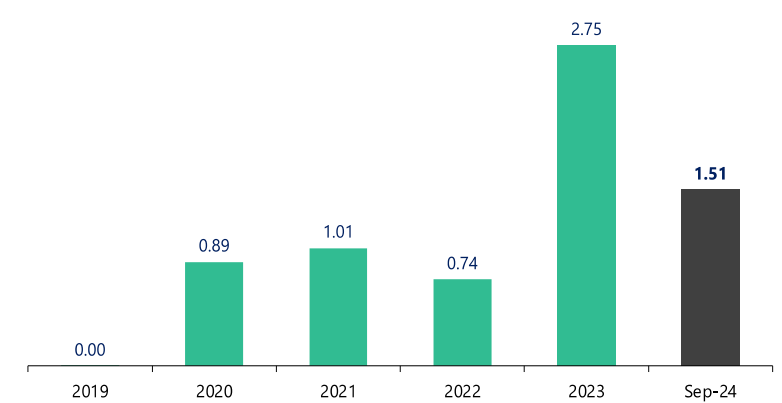


Advances to Deposit Ratio (ADR)

Industry average 39%



Earnings per Share (Basic) - PKR



Industry averages are as per financial information of September 30, 2024



FINANCIAL STATEMENT HIGHLIGHTS



FINANCIAL HIGHLIGHTS 9M2024

FINANCIAL PERFORMANCE (PKR Mns)	9M' 24	9M' 23	Change
Net Interest Income	19,667	14,752	33.3%
Non Interest Income	9,786	6,920	41.4%
Total Income	29,453	21,672	35.9%
Operating Expenses	20,049	15,763	27.2%
Profit before Provisions	9,403	5,909	59.1%
Provisions	3,195	1,238	158.0%
Profit before tax	6,208	4,671	32.9%
Taxation	3,107	2,350	32.2%
Profit After tax	3,100	2,321	33.6%

- Net interest income increased by 33% YoY, mainly at the back of growth in non-remunerative deposits coupled with volumetric growth in assets. Yields however, remained under pressure as securities were repriced in anticipation of rate cuts, while MDR on deposits remained intact for a major part of the current period.
- The Bank's Non-Markup Income increased by 41.4% core fee income, improved Dividend income as well as gains tapped on Securities.
- Amidst a persistently high inflationary environment, operating expense increased by 27%, similar to the prior year.
- Provision coverage improved to 65% at September 2024, as against 55% at September 2023.
- Bank continued its journey of improvement with profit before tax recorded at PKR 6,208 million for 9M'24 (up 32.9% YoY).

FINANCIAL HIGHLIGHTS 9M2024

PKR in Millions

Non Funded Income	9M' 24	9M' 23	Change
Fee and commission income	3,534	3,170	11%
Foreign exchange income	2,872	3,796	-24%
Dividend income	2,226	201	11.1 times
Gain on securities - net	1,107	(680)	1.63 times
Other income	47	433	-89%
	9,786	6,920	41%

Provisions and write offs	9M' 24	9M' 23	Change
Provision for diminution in value of investments	322	67	381%
Provisions against advances	2,835	1,162	144%
Other provisions	38	9	0%
	3,195	1,238	158%

Operating Expenses	9M' 24	9M' 23	Change
Compensation expense	7,086	5,605	26%
Property expense	2,794	2,150	30%
Information technology expenses	2,546	1,820	40%
Other operating expenses	7,623	6,188	23%
	20,049	15,763	27%

Key ratios	9M' 24	9M' 23	Change
Capital Adequacy Ratio (CAR)	13.7%	12.6%	1%
Coverage Ratio	65%	55%	10%
Cost to income Ratio	68%	73%	-5%
Book Value Per Share (PKR)*	21.2	26.0	-18%

*Mainly due to increased weighted average number of shares as against prior period

FINANCIAL HIGHLIGHTS 9M2024

PKR in Millions

Advances	Sep '2024	Dec '2023	Var (%)
Performing Advances	258,833	197,602	31.0%
Non-Performing Advances	21,387	16,184	32.1%
Advances - gross	280,220	213,786	31.1%
Provision held	(14,239)	(10,060)	41.5%
Fair Value Adjustment	(2,976)	-	N/A
Advances - net	263,005	203,726	29.1%

Specific Coverage	65.0%	60.0%	5.0%
Infection Ratio	7.6%	7.6%	

Deposits	Sep '2024	Dec '2023	Var (%)
Non remunerative	189,791	160,546	18.2%
Saving	175,979	136,935	28.5%
Term	152,965	188,802	(19.0%)
	518,735	486,283	6.7%

Non remunerative Mix	36.6%	33.0%	3.6%
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Investments	Sep '2024	Dec '2023	Variance (%)
GoP (Tbills & PIBs)	276,502	241,069	15%
Shares (including subsidiaries & associa	24,308	24,542	(1%)
Others (Euro Bonds, TFCs etc.)	9,409	21,868	(57%)
	310,219	287,479	7.9%

- Lending activity remained cautious for the major part of the current period amidst economic slowdown and record high interest rates, with gradual buildup in the current quarter;
- Increase in NPLs was majorly on account of industry wide exposures indicating delays in repayments.
- Coverage continues to be enhanced with room in profitability.
- Deposits mix has improved with non-remunerative mix at 37% at period end.
- The Bank's investments remain skewed towards GoP securities (89% of the overall portfolio)
- Shares include BIPL and other subsidiaries

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

PKR in mn

	September 2024	December 2023	Variance		September 2024	December 2023
	A	B	C = A - B			
ASSETS						
Cash and bank balances	95,150	87,485	7,665	CAR	19.96%	16.69%
Lendings to financial institutions	41,226	16,502	24,724	LR	3.77%	3.53%
Investments	638,688	582,645	56,043			
Advances	435,886	434,453	1,433			
Property and equipment	24,536	22,242	2,294			
Right-of-use assets	7,279	5,848	1,431			
Intangible assets	10,283	8,501	1,782			
Deferred tax assets	-	-	-			
Other assets	77,171	72,325	4,846			
Total Assets	1,330,219	1,230,001	100,218			
LIABILITIES						
Bills payable	8,622	10,794	(2,172)			
Borrowings	108,285	88,032	20,253			
Deposits	1,069,377	1,007,819	61,558			
Lease liabilities	8,324	6,687	1,637			
Subordinated debts	11,493	11,345	148			
Deferred tax liabilities	2,725	890	1,835			
Other liabilities	47,156	44,446	2,710			
Total liabilities	1,255,982	1,170,013	85,969			
NET ASSETS	74,237	59,988	14,249			
REPRESENTED BY						
Share capital	20,507	20,507	-			
Reserves	9,434	7,306	2,128			
Surplus on revaluation of assets	7,147	4,880	2,267			
Unappropriated profit	25,227	17,808	7,419			
	62,315	50,501	11,814			
Non-controlling interest	11,922	9,487	2,435			
	74,237	59,988	14,249			

KEY HIGHLIGHTS - ZINDIGI



12.3M
Downloads



5.66M
Accounts



570k
60 Day Active Users



419k
60D Day Trx Users



49M
Transactions*



4.8Bn
Customer Deposits



PKR 206B
Throughput*



YOY Growth: Transactions Users
lume

-3%

-44%

49%



310k
Debit Cards



PKR 90M
Mutual Funds Investments*



PKR 3.1Bn
Value of Stocks Traded*

* Annual stats: from October 1st, 2023 till September 30th, 2024

Digital Initiatives

Digital Transformation

- 57+ Digital Initiatives and Projects delivered till Q3-2024
- Pioneered the J-Ace System, providing home remittance delivery to customers' doorsteps
- Launched instant debit card service for new branch accounts.
- Replaced UiPath RPA with an in-house solution, saving the bank \$60K annually
- New features added to JS-WhatsApp Bot: Account Balance Certificate, CC/DC Activation/Blocking, Loan Service, and Advance Tax/W.H.T Certificates
- Implemented Employee Banking Bulk/Single Account Opening system.
- Developed Paperless Account Opening System for Private Banking and Digital Account Opening System for FOS team
- Launch Bank Guarantee Verification Portal
- Provisioned OCR technology for the JS Global and JS Investment teams

Data Science

- Improved SME loan disbursement processes with valuable datasets, leading to an increase of Rs. 64 million and 445 credit card units.
- Developed a centralized negative listing dashboard to safeguard the bank from financial losses.
- Automated reconciliation to reduce time by 70% and save PKR 10mn.
- Developed an in-house AI scoring system for personal loan applications to reduce customer risk, meet ORR regulatory requirements
- Implemented an in-house fraud prevention solution for FRMU.
- Transparency in headcounts by branch category per ITJ dashboard
- Developed a dashboard to prioritize customers by credit card spending.
- Deployed the Branch Ops GL 360 dashboard to improve data-driven decision-making and optimize cash management at all branches



Digital Products

Mobile Banking / Internet Banking

- App penetration ↑ from 52% 2023 to 69% in 2024 and 42.5% growth in transactions PKR 179.6Bn to 255.9Bn.
- Enhanced Security: Implemented biometric verification, liveness checks, OCR, and device registration to combat fraud
- Enhanced User Base of mobile app by offering money transfers, bill payment and information update features for Credit Card only customers on mobile app.
- Taken MB App rating to 4.3 on android and 4.5 on IOS
- Push Notifications for Debit Alerts which will replace SMS
- 100% compliance of SBP BPRD-circular 4
- Successful transaction rate of IBFT, UBP and FTs are 96%

JS BOT

- JS BOT users increased to 509,554 showing a growth rate of 60% as compared to last year
- Reducing call center traffic with 5,616 credit cards 90,500 e-commerce/international activations/blockings processed digitally showcasing a digital adoption rate of above 95%

ATM

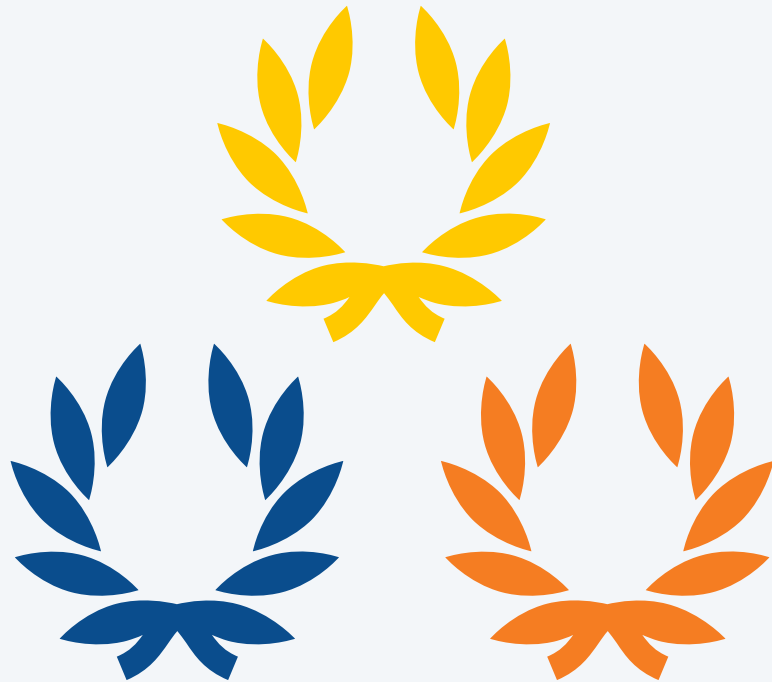
- 70 ATMs deployed this year
- ATM transaction time reduced to under 40sec
- New Rental Deals of 25 ATMs
- Maintain 95% ATM uptime

AWARDS

INITIATIVES SUCH AS THESE...

...EXECUTED BY OUR HIGH PERFORMING TEAM...

...YIELD OUTCOMES WHICH DO NOT GO UNNOTICED



11th Corporate Social Responsibility Award 2022

Global Visionary Leaders Award 2022

Best Bank for SME's Asia Money Awards 2022

Euromoney SME Bank of the Year 2022

Elite Quality Recognition Award by JP Morgan 2022

Best Private Sector Bank for Kamyab Jawan 2022

Best Bank for Diversity & Inclusion Asia Money Awards 2022

SME Bank of the Year ABF Retail Banking Awards 2022

Best Bank for CSR Asia Money Awards 2023

Most Innovative Digital Banking Service Provider International Finance Awards 2023

Merit Award for Corporate Governance ICAP Awards 2023

SBP Financial Literacy Champion Bank Award 2024

ABF Award for Domestic Digital Transformation Bank of the Year 2024

ABF Award for Domestic Health & Wellness Bank of the Year 2024

GDEIB Progressive Category Award 2024

Pakistan Digital Award 2024 for Best Content Marketing - JS Her

Pakistan Digital Award 2024 for Best Digital App - Zindigi

How you can reach us?

JS Bank Limited

Head Office



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QUESTIONS AND ANSWERS



