

1 CAPITAL ASSESSMENT AND ADEQUACY

1.1 Scope of Application

SBP Capital Adequacy Frameworks (Basel II and III) are applicable to JS Bank Limited on Standalone basis as well as on Consolidated basis by consolidating its partly owned subsidiaries - JS Global Capital Limited, JS Investments Limited and Bank Islami Pakistan Ltd. Standardised Approach is used for calculating the Capital Adequacy for Credit and Market risk, whereas, Basic Indicator Approach (BIA) is used for Operational Risk Capital Adequacy purposes.

1.2 Capital Structure- Basel III

Bank's regulatory capital is analyzed into two tiers:

Tier I capital (going concern capital) Which comprises of:

- a. Common equity Tier I which includes fully issued, subscribed and paid up capital, balance in share premium account, reserve for bonus issue, general reserves as per the financial statements and net un-appropriated profits etc. after deductions of investments in equity of subsidiary companies engaged in banking and financial activities, goodwill & other intangible assets and deficit on revaluation of available for sale investments due to insufficiency of Additional Tier I and Tier II to cover deductions.
- b. Additional Tier I which includes Instruments issued in the form of perpetual non-cumulative preference shares by the banks, share premium resulting from the issuance of the instruments after deduction of goodwill & other intangible assets, deficit on revaluation of available for sale investments and deferred tax assets.

Tier II capital (going concern or supplementary capital), which includes general provision for loan losses (up to maximum of 1.25% of risk weighted assets), reserve on the revaluation of fixed assets, equity investments and foreign exchange translation reserve and subordinated debt.

1.3 Capital Adequacy

Capital Management

The primary objective of the Bank's capital management is to ensure that the Bank complies with all regulatory capital requirements and at the same time maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholders' value.

Statutory Minimum Capital Requirement (MCR) and Capital Adequacy Ratio (CAR)

The State Bank of Pakistan (SBP) through its BSD Circular no. 7 dated April 15, 2009 require Banks to raise and maintain their paid up capital (net of losses) equivalent to Rs.10 billion. The paid-up capital (free of losses) of the Bank as at December 31, 2024 stood at Rs.20.506 billion. In addition banks are also required to maintain a minimum Capital Adequacy Ratio (CAR) of 11.5% of their risk weighted exposure. The Bank's CAR at Consolidated level as at December 31, 2024 was approximately 18.07% of its risk weighted assets.

The Basel III instructions issued by SBP has been adopted by the banks as per the phase-in arrangements prescribed by SBP, starting from December 31, 2013, with full implementation of capital ratios by the year-end 2019. Following Ratios were applicable for the mentioned periods

Phase-in Arrangement and Full implementation of the minimum capital

		YEAR										As of Dec 31
Sr	Ratio	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
1	CET1	5.5%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
2	ADT-1	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
3	Tier 1	7.0%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
4	Total Capital	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
5	CCB (Consisting of CETI only)	-	0.25%	0.65%	1.275%	1.90%	2.5%	1.5%	1.5%	1.5%	1.5%	1.5%
6	Total Capital plus CCB	10.0%	10.25%	10.65%	11.275%	11.90%	12.5%	11.5%	11.5%	11.5%	11.5%	11.5%

Note 1.4 Capital Adequacy Ratio (CAR) disclosure:

CONSOLIDATED CAPITAL ADEQUACY RETURN AS OF DECEMBER 31, 2024

		2024	2023
		Rupees in '000	
		Amount	Amount
Common Equity Tier 1 capital (CET1): Instruments and reserves			
1	Fully Paid-up Capital/ Capital deposited with SBP	20,506,625	20,506,625
2	Balance in Share Premium Account	-	-
3	Reserve for issue of Bonus Shares	-	-
4	Discount on Issue of shares	-	-
5	General/ Statutory Reserves	9,618,250	7,290,037
6	Gain/(Losses) on derivatives held as Cash Flow Hedge	-	-
7	Unappropriated/unremitted profits/ (losses)	28,190,976	17,731,217
8	Minority Interests arising from CET1 capital instruments issued to third parties by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	4,757,308	3,770,900
9	CET 1 before Regulatory Adjustments	63,073,159	49,298,779
10	Total regulatory adjustments applied to CET1 (Note 1.4.1)	9,013,078	8,184,787
11	Common Equity Tier 1	54,060,081	41,113,992
Additional Tier 1 (AT 1) Capital			
12	Qualifying Additional Tier-1 capital instruments plus any related share premium		
13	of which: Classified as equity	-	
14	of which: Classified as liabilities	5,500,000	5,350,000
15	Additional Tier-1 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group AT 1)	6,643	7,195
16	of which: instrument issued by subsidiaries subject to phase out		
17	AT1 before regulatory adjustments	5,506,643	5,357,195
18	Total regulatory adjustment applied to AT1 capital (Note 1.4.2)	-	-
19	Additional Tier 1 capital after regulatory adjustments	5,506,643	5,357,195
20	Additional Tier 1 capital recognized for capital adequacy	5,506,643	5,357,195
21	Tier 1 Capital (CET1 + admissible AT1) (11+20)	59,566,724	46,471,186
Tier 2 Capital			
22	Qualifying Tier 2 capital instruments under Basel III plus any related share premium	9,820,323	9,906,864
23	Tier 2 capital instruments subject to phaseout arrangement issued under pre-Basel 3 rules	-	
24	Tier 2 capital instruments issued to third parties by consolidated subsidiaries (amount allowed in group tier 2)	8,795	179,356
25	of which: instruments issued by subsidiaries subject to phase out	-	
26	General provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets	52,515	1,945,525
27	Revaluation Reserves (net of taxes)		
28	of which: Revaluation reserves on fixed assets	2,949,110	3,522,103
29	of which: Unrealized gains/losses on AFS	7,262,098	401,665
30	Foreign Exchange Translation Reserves		
31	Undisclosed/Other Reserves (if any)		
32	T2 before regulatory adjustments	20,092,841	15,955,513
33	Total regulatory adjustment applied to T2 capital (Note 1.4.3)	-	-
34	Tier 2 capital (T2) after regulatory adjustments	20,092,841	15,955,513
35	Tier 2 capital recognized for capital adequacy	19,779,883	14,766,497
36	Portion of Additional Tier 1 capital recognized in Tier 2 capital	-	-
37	Total Tier 2 capital admissible for capital adequacy	19,779,883	14,766,497
38	TOTAL CAPITAL (T1 + admissible T2) (21+37)	79,346,607	61,237,684
39	Total Risk Weighted Assets (RWA) {for details refer Note 1.7}	439,224,074	378,293,185
Capital Ratios and buffers (in percentage of risk weighted assets)			
40	CET1 to total RWA	12.31%	10.87%
41	Tier-1 capital to total RWA	13.56%	12.28%
42	Total capital to total RWA	18.07%	16.19%
43	Bank specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus any other buffer requirement)	7.50%	7.50%
44	of which: capital conservation buffer requirement	1.50%	1.50%
45	of which: countercyclical buffer requirement	0.00%	0.00%
46	of which: D-SIB or G-SIB buffer requirement	0.00%	0.00%
47	CET1 available to meet buffers (as a percentage of risk weighted assets)	12.31%	10.87%
National minimum capital requirements prescribed by SBP			
48	CET1 minimum ratio (Inclusive of CCB)	7.50%	7.50%
49	Tier 1 minimum ratio (Inclusive of CCB)	9.00%	9.00%
50	Total capital minimum ratio	11.50%	11.50%

		2024	2023
		Rupees in '000	
Regulatory Adjustments and Additional Information		Amount	Amount
		Amounts subject to Pre-Basel III treatment*	Amount
Note 1.4.1	Common Equity Tier 1 capital: Regulatory adjustments		
1	Goodwill (net of related deferred tax liability)	3,314,237	3,358,144
2	All other intangibles (net of any associated deferred tax liability)	5,698,841	4,826,643
3	Shortfall in provisions against classified assets	-	-
4	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	-
5	Defined-benefit pension fund net assets	-	-
6	Reciprocal cross holdings in CET1 capital instruments of banking, financial and insurance entities	-	-
7	Cash flow hedge reserve	-	-
8	Investment in own shares/ CET1 instruments	-	-
9	Securitization gain on sale	-	-
10	Capital shortfall of regulated subsidiaries	-	-
11	Deficit on account of revaluation from bank's holdings of fixed assets/ AFS	-	-
12	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
13	Significant investments in the common stocks of banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	-
14	Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	-
15	Amount exceeding 15% threshold	-	-
16	of which: significant investments in the common stocks of financial entities	-	-
17	of which: deferred tax assets arising from temporary differences	-	-
18	National specific regulatory adjustments applied to CET1 capital	-	-
19	Investments in TFCs of other banks exceeding the prescribed limit	-	-
20	Any other deduction specified by SBP (mention details)	-	-
21	Adjustment to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	-
22	Total regulatory adjustments applied to CET1 (sum of 1 to 21)	9,013,079	8,184,787
Note 1.4.2	Additional Tier-1 & Tier-1 Capital: regulatory adjustments		
23	Investment in mutual funds exceeding the prescribed limit [SBP specific adjustment]	-	-
24	Investment in own AT1 capital instruments	-	-
25	Reciprocal cross holdings in Additional Tier 1 capital instruments of banking, financial and insurance entities	-	-
26	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
27	Significant investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
28	Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from additional tier-1 capital	-	-
29	Adjustments to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	-
30	Total regulatory adjustment applied to AT1 capital (sum of 23 to 29)	-	-
Note 1.4.3	Tier 2 Capital: regulatory adjustments		
31	Portion of deduction applied 50:50 to Tier-1 and Tier-2 capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital	-	-
32	Reciprocal cross holdings in Tier 2 instruments of banking, financial and insurance entities	-	-
33	Investment in own Tier 2 capital instrument	-	-
34	Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	-
35	Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	-
36	Total regulatory adjustment applied to T2 capital (sum of 31 to 35)	-	-

Note 1.4.4	Additional Information	2024 Rupees in '000		2023 Rupees in '000
		Amount		Amount
	Risk Weighted Assets subject to pre-Basel III treatment			
37	Risk weighted assets in respect of deduction items (which during the transitional period will be risk weighted subject to Pre-Basel III Treatment)			
(i)	of which: deferred tax assets	-		-
(ii)	of which: Defined-benefit pension fund net assets	-		-
(iii)	of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is less than 10% of the issued common share capital of the entity	-		-
(iv)	of which: Recognized portion of investment in capital of banking, financial and insurance entities where holding is more than 10% of the issued common share capital of the entity	-		-
	Amounts below the thresholds for deduction (before risk weighting)			
38	Non-significant investments in the capital of other financial entities	-		-
39	Significant investments in the common stock of financial entities	-		-
40	Deferred tax assets arising from temporary differences (net of related tax liability)	-		-
	Applicable caps on the inclusion of provisions in Tier 2			
41	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap)	52,515		1,945,525
42	Cap on inclusion of provisions in Tier 2 under standardized approach	3,749,511		3,454,508
43	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	-		-
44	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-		-

1.5 Capital Structure Reconciliation 2024

Consolidated

Step : 1

	As Per Balance Sheet	Under regulatory scope of consolidation
	December 31, 2024 Rupees in '000	
Assets		
Cash and balances with treasury banks	84,152,368	84,152,368
Balanced with other banks	5,075,835	5,075,835
Lending to financial institutions	4,257,928	4,257,928
Investments	629,466,174	629,466,174
Advances	521,168,186	521,168,186
Operating fixed assets	47,513,933	47,513,933
Deferred tax assets	-	-
Other assets	67,408,704	67,408,704
Total assets	1,359,043,128	1,359,043,128
Liabilities & Equity		
Bills payable	21,899,370	21,899,370
Borrowings	114,360,666	114,360,666
Deposits and other accounts	1,081,826,269	1,081,826,269
Sub-ordinated loans	11,492,708	11,492,708
Liabilities against assets subject to finance lease	7,845,190	7,845,190
Deferred tax liabilities	2,452,165	2,452,165
Other liabilities	42,370,206	42,370,206
Total liabilities	1,282,246,574	1,282,246,574
Share capital/ Head office capital account	20,506,625	20,506,625
Reserves	9,618,250	9,618,250
Unappropriated/ Unremitted profit/ (losses)	26,121,333	26,121,333
Minority Interest	-	-
Surplus on revaluation of assets	8,134,496	8,134,496
Total Equity	64,380,704	64,380,704
Non-controlling interest	12,415,850	12,415,850
Total liabilities & equity	1,359,043,128	1,359,043,128

Step : 2

	As Per Balance Sheet	Under regulatory scope of consolidation	Reference
	December 31, 2024		
Assets			
Cash and balances with treasury banks	84,152,368	84,152,368	
Balances with other banks	5,075,835	5,075,835	
Lending to financial institutions	4,257,928	4,257,928	
Investments	629,466,174	629,466,174	
<i>of which: Non-significant capital investments in capital of other financial institutions exceeding 10% threshold</i>	-	-	a
<i>of which: significant capital investments in financial sector entities exceeding regulatory threshold</i>	-	-	b
<i>of which: Mutual Funds exceeding regulatory threshold</i>	-	-	c
<i>of which: reciprocal crossholding of capital instrument</i>	-	-	d
<i>of which: Investment in TFCs of other banks exceeding the prescribed limit</i>	-	-	e
Advances	521,168,186	521,168,186	
<i>shortfall in provisions/ excess of total EL amount over eligible provisions under IRB</i>	-	-	f
<i>general provisions reflected in Tier 2 capital</i>	-	-	g
Fixed Assets	47,513,933	47,513,933	
Deferred Tax Assets	-	-	
<i>of which: DTAs excluding those arising from temporary differences</i>	-	-	h
<i>of which: DTAs arising from temporary differences exceeding regulatory threshold</i>	-	-	i
Other assets	67,408,704	67,408,704	
<i>of which: Goodwill</i>	3,314,237	3,314,237	j
<i>of which: Intangibles</i>	5,698,841	5,698,841	k
<i>of which: Defined-benefit pension fund net assets</i>	-	-	l
Total assets	1,359,043,128	1,359,043,128	

	As Per Balance Sheet	Under regulatory scope of consolidation	Reference
	December 31, 2024		
	Rupees in '000		
Liabilities & Equity			
Bills payable	21,899,370	21,899,370	
Borrowings	114,360,666	114,360,666	
Deposits and other accounts	1,081,826,269	1,081,826,269	
Sub-ordinated loans	11,492,708	11,492,708	
<i>of which: eligible for inclusion in AT1</i>	5,500,000	5,500,000	m
<i>of which: eligible for inclusion in Tier 2</i>	5,992,708	5,992,708	n
Liabilities against assets subject to finance lease	7,845,190	7,845,190	
Deferred tax liabilities	2,452,165	2,452,165	
<i>of which: DTLs related to goodwill</i>	2,452,165	2,452,165	o
<i>of which: DTLs related to intangible assets</i>	-	-	p
<i>of which: DTLs related to defined pension fund net assets</i>	-	-	q
<i>of which: other deferred tax liabilities</i>	-	-	r
Other liabilities	42,370,206	42,370,206	
Total liabilities	1,282,246,574	1,282,246,574	
Share capital	20,506,625	20,506,625	
<i>of which: amount eligible for CET1</i>	20,506,625	20,506,625	s
<i>of which: amount eligible for AT1</i>	-	-	t
Reserves	9,618,250	9,618,250	
<i>of which: portion eligible for inclusion in CET1(provide breakup)</i>	9,618,250	9,618,250	u
<i>of which: portion eligible for inclusion in Tier 2</i>	-	-	v
Unappropriated profit/ (losses)	26,121,333	26,121,333	w
Minority Interest	12,415,850	12,415,850	
<i>of which: portion eligible for inclusion in CET1</i>	-	-	x
<i>of which: portion eligible for inclusion in AT1</i>	-	-	y
<i>of which: portion eligible for inclusion in Tier 2</i>	-	-	z
Surplus on revaluation of assets	8,134,496	8,134,496	
<i>of which: Revaluation reserves on Property</i>	-	-	aa
<i>of which: Unrealized Gains/Losses on AFS</i>	-	-	
<i>In case of Deficit on revaluation (deduction from CET1)</i>	-	-	ab
Total liabilities & Equity	1,359,043,128	1,359,043,128	

Consolidated

2024	Component of regulatory capital reported by bank (Rupees in '000)	Reference
Common Equity Tier 1 capital (CET1): Instruments and reserves		
Fully Paid-up Capital/ Capital deposited with SBP	20,506,625	(s)
Balance in Share Premium Account	-	
Reserve for issue of Bonus Shares	-	
Discount on issue of Shares (enter negative number)	-	
General/ Statutory Reserves	9,618,250	(u)
Gain/(Losses) on derivatives held as Cash Flow Hedge	-	
Unappropriated/unremitted profits/(losses)	28,190,976	(w)
Minority Interests arising from CET1 capital instruments issued to third party by consolidated bank subsidiaries (amount allowed in CET1 capital of the consolidation group)	4,757,308	(x)
CET 1 before Regulatory Adjustments	63,073,159	
Common Equity Tier 1 capital: Regulatory adjustments		
Goodwill (net of related deferred tax liability)	3,314,237	(j) - (o)
All other intangibles (net of any associated deferred tax liability)	5,698,841	(k) - (p)
Shortfall of provisions against classified assets	-	(f)
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	-	{{(h) - (r)} * x%
Defined-benefit pension fund net assets	-	{{(l) - (q)} * x%
Reciprocal cross holdings in CET1 capital instruments	-	(d)
Cash flow hedge reserve	-	
Investment in own shares/ CET1 instruments	-	
Securitization gain on sale	-	
Capital shortfall of regulated subsidiaries	-	
Deficit on account of revaluation from bank's holdings of property/ AFS	-	(ab)
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(a) - (ac) - (ae)
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation (amount above 10% threshold)	-	(b) - (ad) - (af)
Deferred Tax Assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-	(i)
Amount exceeding 15% threshold	-	
of which: significant investments in the common stocks of financial entities	-	
of which: deferred tax assets arising from temporary differences	-	
National specific regulatory adjustments applied to CET1 capital	-	
Investment in TFCs of other banks exceeding the prescribed limit	-	
Any other deduction specified by SBP (mention details)	-	
Regulatory adjustment applied to CET1 due to insufficient AT1 and Tier 2 to cover deductions	-	
Total regulatory adjustments applied to CET1 (sum of 9 to 25)	9,013,078	
Common Equity Tier 1	54,060,081	

	Component of regulatory capital reported by bank (Rupees in '000)	Reference
Additional Tier 1 (AT 1) Capital		
Qualifying Additional Tier-1 instruments plus any related share premium	5,500,000	(t)
of which: Classified as equity		
of which: Classified as liabilities	5,500,000	(m)
Additional Tier-1 capital instruments issued by consolidated subsidiaries and held by third parties (amount allowed in group AT 1)	6,643	(y)
of which: instrument issued by subsidiaries subject to phase out	-	
AT1 before regulatory adjustments	5,506,643	
Additional Tier 1 Capital: regulatory adjustments		
Investment in mutual funds exceeding the prescribed limit (SBP specific adjustment)	-	
Investment in own AT1 capital instruments	-	
Reciprocal cross holdings in Additional Tier 1 capital instruments	-	
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		(ac)
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(ad)
Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-1 capital	-	
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-	
Total of Regulatory Adjustment applied to AT1 capital	-	
Additional Tier 1 capital	5,506,643	
Additional Tier 1 capital recognized for capital adequacy	5,506,643	
Tier 1 Capital (CET1 + admissible AT1)	59,566,724	
Tier 2 Capital		
Qualifying Tier 2 capital instruments under Basel III	9,820,323	
Capital instruments subject to phase out arrangement from tier 2 (Pre-Basel III instruments)	-	(n)
Tier 2 capital instruments issued to third party by consolidated subsidiaries (amount allowed in group tier 2)	8,795	(z)
of which: instruments issued by subsidiaries subject to phase out	-	
General Provisions or general reserves for loan losses-up to maximum of 1.25% of Credit Risk Weighted Assets	52,515	(g)
Revaluation Reserves eligible for Tier 2	10,211,208	
of which: portion pertaining to Property	2,949,110	portion of (aa)
of which: portion pertaining to AFS securities	7,262,098	
Foreign Exchange Translation Reserves	-	(v)
Undisclosed/Other Reserves (if any)	-	
T2 before regulatory adjustments	20,092,841	

	Component of regulatory capital reported by bank (Rupees in '000)	Reference
Tier 2 Capital: regulatory adjustments		
Portion of deduction applied 50:50 to core capital and supplementary capital based on pre-Basel III treatment which, during transitional period, remain subject to deduction from tier-2 capital	-	
Reciprocal cross holdings in Tier 2 instruments	-	
Investment in own Tier 2 capital instrument	-	
Investments in the capital instruments of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-	(ae)
Significant investments in the capital instruments issued by banking, financial and insurance entities that are outside the scope of regulatory consolidation	-	(af)
Amount of Regulatory Adjustment applied to T2 capital	-	
Tier 2 capital (T2)	-	
Tier 2 capital recognized for capital adequacy	19,779,883	
Excess Additional Tier 1 capital recognized in Tier 2 capital	-	
Total Tier 2 capital admissible for capital adequacy	19,779,883	
TOTAL CAPITAL (T1 + admissible T2)	79,346,607	

1.6 Main Features of Regulatory Capital Instruments

	Main Features	Common Shares	Common Shares	Sub-debt	Sub-debt	Sub-debt
1	Issuer	JS Bank	JS Bank	JS Bank	JS Bank	JS Bank
2	Unique identifier (eg KSE Symbol or Bloomberg identifier etc.)	JSB	JSB	JSB	JSB	JSB
3	Governing law(s) of the instrument	SECP	SECP	SECP	SECP	SECP
	Regulatory treatment					
4	Transitional Basel III rules	Common Equity Tier-1	Common Equity Tier-1	Additional Tier-1	Tier-2	Tier-2
5	Post-transitional Basel III rules	Common Equity Tier-1	Common Equity Tier-1	Additional Tier-1	Tier-2	Tier-2
6	Eligible at solo/ group/ group&solo	Solo and Group	Solo and Group	Solo and Group	Solo and Group	Solo and Group
7	Instrument type	Ordinary Shares	Ordinary Shares	Subordinated Debt	Subordinated Debt	Subordinated Debt
8	Amount recognized in regulatory capital (Currency in PKR thousands, as of reporting date)	10,119,242	10,387,383	2,500,000	2,500,000	3,500,000
9	Par value of instrument	10	10	100,000	100,000	100,000
10	Accounting classification	Shareholders Equity	Shareholders Equity	Liability	Liability	Liability
11	Original date of issuance	2006	2023	31-Dec-18	28-Dec-21	30-Aug-23
12	Perpetual or dated	No Maturity	No Maturity	Perptual	Dated	Dated
13	Original maturity date	NA	NA	NA	28-Dec-28	30-Aug-33
14	Issuer call subject to prior supervisory approval	No	No	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	NA	NA	On any profit payment date after 5 years from issue date, partially or fully	On or after 10th redemption, on any profit date, partially or fully	On any profit payment date on or after five years from the Issue Date.
16	Subsequent call dates, if applicable	NA	NA	NA	NA	NA
	Coupons / dividends					
17	Fixed or floating dividend/ coupon	NA	NA	Floating	Floating	Floating
18	coupon rate and any related index/ benchmark	NA	NA	Floating at 6 Months KIBOR*(Base Rate) plus 225 basis points semi annually without any floor or CAP	Floating at 6 Months KIBOR*(Base Rate) plus 200 basis points per annum without any floor or CAP	Floating at 3 Months KIBOR*(Base Rate) plus 200 basis points per annum without any floor or CAP
19	Existence of a dividend stopper	NA	NA	Yes, the issuer will not make any dividend payments on equity/common shares in the event of non-payment of mark-up on TFCs	NA	NA
20	Fully discretionary, partially discretionary or mandatory	NA	NA	Fully discretionary	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	NA	NA	NA	NA	NA
22	Noncumulative or cumulative	NA	NA	Noncumulative	Cumulative	Cumulative
23	Convertible or non-convertible	NA	NA	Convertible	Convertible	Convertible
24	If convertible, conversion trigger (s)	NA	NA	At the option of supervisor it can be converted into common equity upon occurrence of certain trigger events , called point of non viability(PONV). The PONV is the earlier of; 1. A decision made by SBP that a conversion or temporary/ permanent write off is necessary without which the bank would become non viable. 2. the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become non viable, as determined by SBP.	At the option of supervisor it can be converted into common equity upon occurrence of certain trigger events , called point of non viability(PONV). The PONV is the earlier of; 1. A decision made by SBP that a conversion or temporary/ permanent write off is necessary without which the bank would become non viable. 2. the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become non viable, as determined by SBP.	At the option of supervisor it can be converted into common equity upon occurrence of certain trigger events , called point of non viability(PONV). The PONV is the earlier of; 1. A decision made by SBP that a conversion or temporary/ permanent write off is necessary without which the bank would become non viable. 2. the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become non viable, as determined by SBP.
25	If convertible, fully or partially	NA	NA	May convert fully or partially	May convert fully or partially	May convert fully or partially
26	If convertible, conversion rate	NA	NA	To be determined in the case of trigger event	To be determined in the case of trigger event	To be determined in the case of trigger event
27	If convertible, mandatory or optional conversion	NA	NA	Optional	Optional	Optional
28	If convertible, specify instrument type convertible into	NA	NA	Ordinary Shares	Ordinary Shares	Ordinary Shares
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA
30	Write-down feature	NA	NA	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	NA	NA	At the option of supervisor it can be converted into common equity upon occurrence of certain trigger events , called point of non viability(PONV). The PONV is the earlier of; 1. A decision made by SBP that a conversion or temporary/ permanent write off is necessary without which the bank would become non viable. 2. the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become non viable, as determined by SBP.	At the option of supervisor it can be converted into common equity upon occurrence of certain trigger events , called point of non viability(PONV). The PONV is the earlier of; 1. A decision made by SBP that a conversion or temporary/ permanent write off is necessary without which the bank would become non viable. 2. the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become non viable, as determined by SBP.	At the option of supervisor it can be converted into common equity upon occurrence of certain trigger events , called point of non viability(PONV). The PONV is the earlier of; 1. A decision made by SBP that a conversion or temporary/ permanent write off is necessary without which the bank would become non viable. 2. the decision to make a public sector injection of capital, or equivalent support, without which the bank would have become non viable, as determined by SBP.
32	If write-down, full or partial	NA	NA	Either partially or fully	Either partially or fully	Either partially or fully
33	If write-down, permanent or temporary	NA	NA	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument	NA	NA	Deposits	Deposits	Deposits
36	Non-compliant transitioned features	NA	NA	No	No	No
37	If yes, specify non-compliant features	NA	NA	NA	NA	NA

1.7 Capital Adequacy

Consolidated	Capital Requirements		Risk Weighted Assets	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	Rupees in '000		Restated	
Credit Risk				
On balance sheet				
Corporate	12,772,153	12,182,839	111,062,201	105,937,734
Retail	7,013,588	6,024,539	60,987,719	52,387,294
Banks and DFIs	462,090	677,221	4,018,174	5,888,874
Public sector entity	3,163	5,305	27,500	46,131
Sovereign (include GoP and SBP)	109,665	321,296	953,606	2,793,875
Residential mortgage finance	1,197,491	1,833,127	10,412,962	15,940,235
Past due loans	866,874	1,205,180	7,538,037	10,479,829
Fixed assets	3,929,789	3,364,187	34,172,075	29,253,803
Other assets	4,540,790	3,289,354	39,485,129	28,603,082
	30,895,601	28,903,048	268,657,404	251,330,856
Off balance sheet				
Non market related	2,988,022	2,307,169	25,982,800	20,062,337
Market related	74,771	118,446	650,181	1,029,965
	3,062,793	2,425,615	26,632,981	21,092,302
Equity Exposure Risk in the Banking Book				
Listed	503,083	416,595	4,374,638	3,622,563
Unlisted	34,023	36,213	295,853	314,894
	537,106	452,807	4,670,490	3,937,456
Total Credit Risk	34,495,501	31,781,471	299,960,875	276,360,614
				0
Market Risk				
Interest rate risk	330,024	195,929	2,869,775	1,703,731
Equity position risk etc.	216,764	295,248	1,884,908	2,567,375
Foreign exchange risk	157,244	217,038	1,367,338	1,887,288
Total Market Risk	704,032	708,215	6,122,020	6,158,394
Operational Risk				
<u>Capital Requirement for operational risks</u>	15,311,236	11,014,030	133,141,179	95,774,177
TOTAL	50,510,768	43,503,716	439,224,074	378,293,185
Capital Adequacy Ratio				
Total eligible common equity tier 1 capital held	(e)	54,060,081		41,113,992
Total eligible tier 1 capital held	(f)	59,566,724		46,471,186
Total eligible regulatory capital held	(e)	79,346,607		61,237,684
Total Risk Weighted Assets	(i)	439,224,074		378,293,185
		</		

1.8 Leverage Ratio

Total eligible tier 1 capital held	59,566,724	46,471,186
Total Exposure	1,607,832,690	1,358,329,687
Leverage Ratio	3.70%	3.42%

1.1.2.1 Credit exposures and comparative figures subject to the standardised approach

Consolidated	Rating category No.	Rating risk weighted	Dec-24			
			Amount outstanding	Deduction CRM	Net amount	Risk weighted asset
Exposures			----- Rupees in '000 -----			
Cash and Cash Equivalents		0%	25,559,906	-	25,559,906	-
Corporate	0	0%	-	-	-	-
	1	20%	74,408,023	14,687,826	59,720,197	11,944,039
	2	50%	80,726,725	15,491,533	65,235,192	32,617,596
	3,4	100%	12,211,054	2,830,989	9,380,065	9,380,065
	5,6	150%	-	-	-	-
	Unrated	100%	86,246,188	50,292,330	35,953,858	35,953,858
	Unrated-2	125%	35,780,436	18,847,122	16,933,314	21,166,643
			289,372,426	102,149,801	187,222,625	111,062,201
Retail		0%	-	-	-	-
		20%	-	-	-	-
		50%	-	-	-	-
		75%	95,294,523	13,977,564	81,316,959	60,987,719
			95,294,523	13,977,564	81,316,959	60,987,719
Banks						
- Over 3 Months		0%	-	-	-	-
	1	20%	9,022,406	2,035,885	6,986,521	1,397,304
	2,3	50%	751,024	2,413	748,611	374,306
	4,5	100%	254,666	2,229	252,437	252,437
	6	150%	-	-	-	-
	Unrated	50%	172,025	2,209	169,816	84,908
			10,200,121	2,042,736	8,157,385	2,108,955
- Maturity Upto and under 3 Months in FCY		0%	-	-	-	-
	1,2,3	20%	4,269,241	927	4,268,315	853,663
	4,5	50%	1,220,271	-	1,220,271	610,135
	6	150%	9,190	-	9,190	13,785
	unrated	20%	468,735	1,263	467,472	93,494
			5,967,437	2,190	5,965,247	1,571,078
- Maturity Upto and under 3 Months in PKR		0%	-	-	-	-
- Maturity Upto and under 3 Months in PKR		20%	1,709,254	18,548	1,690,706	338,141
			1,709,254	18,548	1,690,706	338,141
Residential Mortgage Finance		35%	32,979,396	(171,620)	33,151,016	11,602,856
Public Sector Entity						
		0%	-	-	-	-
	1	20%	71,497,925	54,752,681	16,745,245	3,349,049
	2,3	50%	-	-	-	-
	4,5	100%	-	-	-	-
	6	150%	-	-	-	-
	Unrated	50%	21,707,820	21,652,820	55,000	27,500
			93,205,745	76,405,500	16,800,245	3,376,549
Sovereigns (SBP / GoP)			679,217,885	278,254	678,939,631	-
Other Sovereigns		0%	634,271	-	634,271	-
Equity Investments - Listed		100%	4,374,638	-	4,374,638	4,374,638
- Unlisted		150%	197,235	-	197,235	295,853
Significant Investment and DTA		250%	-	-	-	-
			4,571,873	-	4,571,873	4,670,490
Past Due Loans (Not Secured by Residential Mortgages)	S.P less than 20%	150%	519,148	-	519,148	778,722
	S.P between 20% to 50%	100%	4,225,979	-	4,225,979	4,225,979
	S.P greater than 50%	50%	1,761,330	-	1,761,330	880,665
Past Due Loans (Secured by Residential Mortgages)	S.P less than 20%	100%	1,203,581	-	1,203,581	1,203,581
	S.P greater than 20%	50%	898,182	-	898,182	449,091
			8,608,220	-	8,608,220	7,538,037
Investment in fixed assets		100%	38,486,610	-	38,486,610	38,486,610
Other assets		100%	31,561,429	(23,828)	31,585,257	31,585,257
Total			1,317,369,096	194,679,144	1,122,689,952	273,327,894

* Credit Risk Mitigation (CRM)

273,327,894

Consolidated LCR - JSBL

Dec-24

PKR in '000		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH QUALITY LIQUID ASSETS			
1	Total high quality liquid assets (HQLA)		517,736,180
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers of which:	672,102,012	59,930,935
2.1	stable deposit	145,585,320	7,279,266
2.2	Less stable deposit	526,516,692	52,651,669
3	Unsecured wholesale funding of which:	294,807,440	128,009,660
3.1	Operational deposits (all counterparties)	-	-
3.2	Non-operational deposits (all counterparties)	294,807,440	128,009,660
3.3	Unsecured debt		
4	Secured wholesale funding		-
5	Additional requirements of which:	319,854,413	9,017,327
5.1	Outflows related to derivative exposures and other collateral requirements	9,017,327	9,017,327
5.2	Outflows related to loss of funding on debt products		
5.3	Credit and Liquidity facilities	310,837,086	-
6	Other contractual funding obligations	32,624,694	32,624,694
7	Other contingent funding obligations	177,164,641	8,858,232
8	TOTAL CASH OUTFLOWS		238,440,848
CASH INFLOWS			
9	Secured lending	63,565,371	32,441,551
10	Inflows from fully performing exposures		
11	Other Cash inflows	9,243,596	4,643,638
12	TOTAL CASH INFLOWS		37,085,189
TOTAL ADJUSTED VALUE			
21	TOTAL HQLA		517,736,180
22	TOTAL NET CASH OUTFLOWS		201,355,659
23	LIQUIDITY COVERAGE RATIO		257.13%

Consolidated NSFR - JSBL		Dec-24				LR IX
(Amount in PKR in thousands)		unweighted value by residual maturity				weighted value
		No Maturity	< 6 months	6 months to < 1 yr	≥ 1 yr	
ASF Item						
1	Capital:	-	-	-	-	
2	Regulatory capital	77,148,020.00	-	-	-	77,148,020
3	Other capital instruments	-	966.67	966.67	11,493,900.00	11,495,833
4	Retail deposits and deposit from small business customers:	-	-	-	-	
5	Stable deposits	-	71,433,732.68	2,884,965.43	79,088,237.40	153,406,935.50
6	Less stable deposits	-	399,573,998.40	43,442,086.65	146,038,221.20	547,319,758
7	Wholesale funding:	-	-	-	-	
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	218,470,688.12	42,223,042.19	85,426,602.35	215,773,467
10	Other liabilities:	-	-	-	-	
11	NSFR derivative liabilities					-
12	All other liabilities and equity not included in other categories	-	135,175,254.87	8,780,477.07	49,225,014.97	55,607,679.50
13	Total ASF					1,060,751,693
RSF item						
14	Total NSFR high-quality liquid assets (HQLA)		517,736,179.95			-
15	Deposits held at other financial institutions for operational purposes	4,980,840.86				4,980,840.9
16	Performing loans and securities:					
17	Performing loans to financial institutions secured by Level 1 HQLA	-	40,141,250.00	3,691,153.61	917,463.24	4,474,987
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	4,391,260.84	387,065.72	400,000.00	2,589,163
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	85,094,518.33	50,518,766.63	109,467,436.16	170,005,010
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	2,624,806.76	2,121,009.07	38,057,241.20	27,821,987
21	Securities that are not in default and do not qualify as HQLA including exchange-traded equities.	24,249,369.35	77,180,636.95	10,497,514.37	35,684,703.78	65,404,457
22	Other assets:					
23	Physical traded commodities, including gold	-				-
24	Assets posted as initial margin for derivative contracts		-			-
25	NSFR derivative assets		(811,847.6)			
26	NSFR derivative liabilities before deduction of variation margin posted		171,030.5			171,031
27	All other assets not included in the above categories	-	8,886,012.80	3,828,047.87	228,141,770.30	228,252,859
28	Off-balance sheet items		354,387,594.62	34,542,591.82	99,123,035.17	24,402,661
29	Total RSF					528,102,996
30	Net Stable Funding Ratio (%)					200.86%