

ANALYST BRIEFING

SEPTEMBER 30, 2020

December 30, 2020

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BANK OVERVIEW

Jahangir Siddiqui Investment Bank was established after JSCL acquired Citicorp Investment Bank



The JS Bank is the subsidiary company of Jahangir Siddiqui & Co. Ltd by holding 75.02%

1990

2006

2020



Jahangir Siddiqui Investment Bank was merged into JS Bank in 2006, after acquiring the Pakistan operations of American Express Bank



BANK OVERVIEW

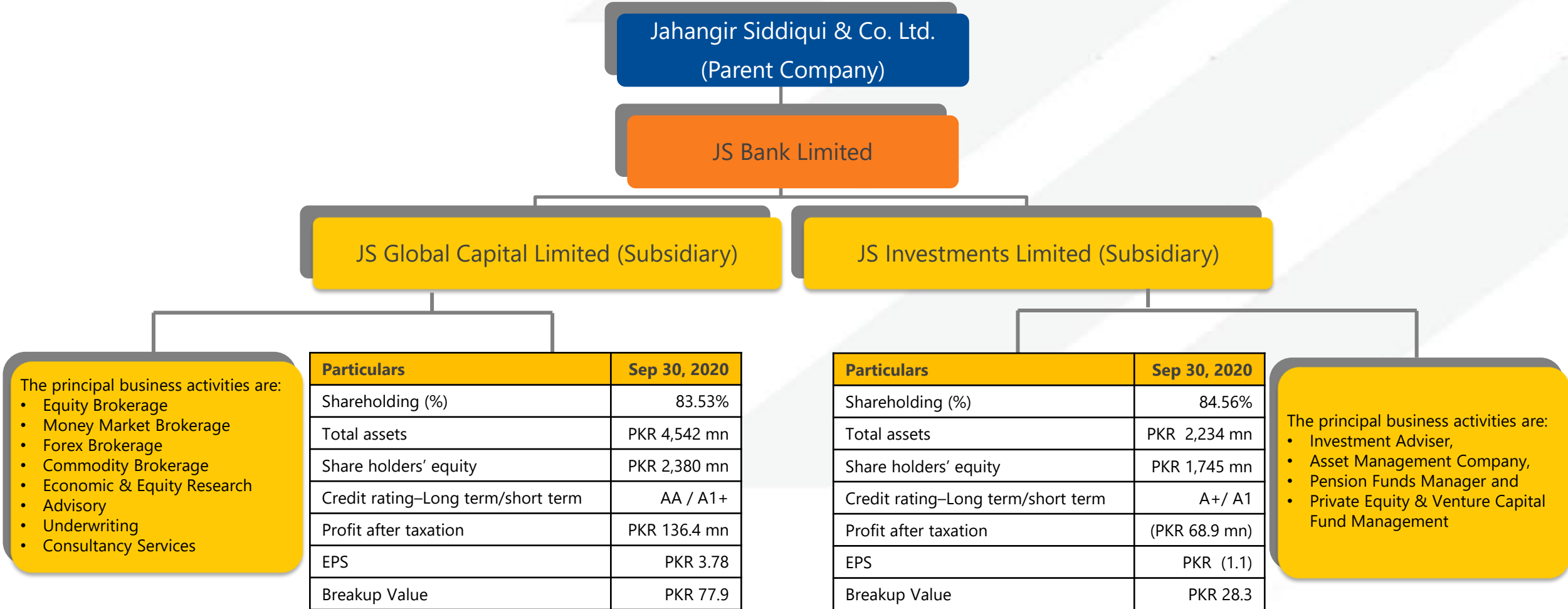
JS Bank Limited is amongst the **fastest growing banks** of Pakistan.

The Bank started its operations with 4 branches which have now grown to a **nationwide network of 308 branches** and **one offshore branch in Bahrain** within a span of 14 years.

The Bank has progressively improved its domestic long term entity rating from **A- to the current AA- (Double A Minus)** by Pakistan Credit Rating Agency Limited (PACRA).



GROUP STRUCTURE



FINANCIAL HIGHLIGHTS – SIX YEAR ANALYSIS

Particulars	YTD 3Q-2020	2019	2018	2017	2016	2015	*2006
Deposits	391,953	369,790	321,413	290,078	226,099	141,840	7,198
Advances	241,852	242,945	251,991	184,140	93,794	76,666	1,693
Investments	168,386	142,568	148,690	169,612	133,727	116,030	2,582
Total Assets	477,990	469,821	456,754	391,479	267,444	218,476	12,545
Total Liabilities	457,947	452,488	441,137	374,810	250,794	202,508	9,542
Profit/ (loss) before tax	1,965	133	905	1,621	3,390	3,174	(0.4)
Number of Branches	308	360	345	323	307	277	04
ADR (%age)	61.7%	65.7%	78.4%	63.5%	41.5%	54.1%	23.5%
Particulars	Growth % Per Annum						CAGR%
	YTD 3Q-2020	2019	2018	2017	2016	2015	2015-3Q 2020
Deposits	6.0%	1.51%	10.8%	28.3%	59.4%	30.4%	23.9%
Advances	(0.4%)	(3.6%)	36.8%	96.3%	22.3%	22.8%	27.4%
Investments	18.1%	(4.1%)	(12.3%)	26.8%	15.3%	37.7%	8.2%
Total Assets	1.7%	2.9%	16.7%	46.4%	22.4%	23.6%	17.9%
Total Liabilities	1.2%	2.6%	17.7%	49.4%	23.8%	23.8%	18.7%

FINANCIAL HIGHLIGHTS – SIX YEAR ANALYSIS

Particulars	Q3 2020	2019	2018	2017	2016	2015	2014
Key Investors Indicators							
Market Price per share (PKR)	6.85	5.40	7.37	7.52	10.81	7.75	7.14
Earning per share(PKR)	0.90	0.00	0.30	0.74	1.77	1.74	0.99
Net Assets per share (PKR)	15.45	13.36	12.04	15.54	15.52	14.89	12.20
Market capitalization (PKR in million)	8,888	7,006	9,562	8,065	11,593	8,312	7,657
Number of share (Number in million)	1,297	1,297	1,297	1,072	1,072	1,072	1,072
Price to Book Ratio(%)	44.3%	40.4%	61.2%	48.4%	69.6%	52.0%	58.5%

FINANCIAL HIGHLIGHTS – SIX YEAR ANALYSIS

Particulars	Q3 2020	2019	2018	2017	2016	2015	2014
Assets Quality and Liquidity Ratio							
Gross Advances to Deposits Ratios	62.67%	66.65%	79.38%	64.42%	42.66%	55.97%	54.04%
Net Advances to Deposits Ratio	61.70%	65.70%	78.40%	63.48%	41.48%	54.05%	57.41%
Investments to Deposits Ratio	42.96%	38.55%	46.26%	58.47%	59.15%	81.80%	77.49%
Advances Infection Ratio	4.74%	4.20%	3.26%	1.74%	3.45%	3.76%	4.79%
NPLs to Net Advances Ratio	4.81%	4.26%	3.30%	1.77%	3.55%	3.89%	4.51%
NPL Coverage Ratio	32.42%	32.26%	35.98%	81.00%	78.68%	90.2%	72.92%
Deposits to shareholders Equity	19.6 times	21.3 times	20.6 times	17.4 times	13.6 times	8.9 times	8.3 times
Assets to shareholders Equity	23.8 Times	27.1 times	29.2 times	23.5 times	16.1 times	13.7 times	13.5 times
Profitability Ratios							
Earning assets to total assets Ratio	87.66%	88.47%	88.15%	91.16%	89.31%	89.84%	89.28%
Profit before tax Ratio	16.71%	1.22%	8.26%	15.74%	32.02%	35.74%	24.97%
Gross yield on Earning Ratio	8.09%	10.00%	7.45%	5.71%	6.31%	7.81%	7.04%
Non Interest income to total income	38%	36%	20%	39%	46%	37%	40%
Cost/Income Ratio	79%	99%	90%	81%	65%	55%	62%

FINANCIAL HIGHLIGHTS – PROFIT & LOSS

Particulars	YTD Q3-2020	YTD Q3 -2019	Change
Interest Income	33,886	30,259	12.0%
Interest Expenses	(26,585)	(24,974)	6.5%
Net Interest Income	7,301	5,285	38.1%
Non Interest Income	4,459	2,321	92.1%
Total Income	11,760	7,606	54.6%
Administrative Expenses	9,337	7,903	18.1%
Profit/loss before Provisions	2,423	(297)	(915.8%)
Provisions	(458)	(501)	(8.6%)
Profit/loss before tax	1,965	(799)	(345.9%)
Taxation	800	221	262.0%
Profit/loss After tax	1,165	(578)	(301.6%)

Net Interest Income

The Bank's earnings during the nine months 2020 remain strong despite a challenging operating environment. The Bank reported a profit before tax of PKR 1,965 million (profit after tax of PKR 1,165 million) for the period ended September 30, 2020 as compared to a loss before tax of PKR 799 million (loss after tax of PKR 578 million) in the corresponding period last year. The Earnings Per Share (EPS) stands at PKR 0.90 (Sep 2019: PKR - 0.46).

On the revenue side, the Bank reported total mark-up revenue of PKR 33,886 million compared to PKR 30,259 million from the corresponding period last year, an improvement of 12%. Net interest income was 38.1% higher than the corresponding period last year and closed at PKR 7,301 million. Non-markup income stood at PKR 4,459 million, higher by 92%, with major contribution from capital gains of PKR 918 million, FX income of PKR 735 million and fee & commission income PKR 2,674 million despite of slow economic activities in the country due to the pandemic lockdowns.

Administrative Expenses

Administrative expenses were PKR 9,246 million compared to PKR 7,903 million for the corresponding period last year, up by 18%.

The cost to income ratio of the Bank improved to 79% as compared to 104% during the corresponding period last year, showing the Bank's focus on cost control.

FINANCIAL HIGHLIGHTS – BALANCE SHEET

Particulars	YTD 3Q 2020	2019	Change
Investments	168,386	142,568	18.1%
Advances	241,852	242,945	(0.4%)
Total Assets	477,990	469,821	1.7%
Deposits	391,952	369,789	6.0%
Total Liabilities	457,947	452,488	1.2%
Share Capital	10,119	10,119	0.0%
Reserves	2,012	1,749	15.0%
Deficit on Revaluation of Assets	2,047	636	221.9%
Unappropriated profit	5,864	4,827	21.5%
Total Equity	20,043	17,333	15.6%
Capital Adequacy Ratio	12.68%	12.93%	(1.9%)
Net Assets per share(PKR)	15.45	13.36	15.6%

Deposits:

The Bank's deposits have continued to show steady growth, while the advances have remained stable. The Bank reported total deposits of PKR 392 billion with current account deposits of over PKR 93 billion during the period ended September 30, 2020. The Bank remained focused on core deposit mobilization, particularly targeting growth in low-cost deposits (Current and Saving Accounts-CASA) to improve spreads.

Advances:

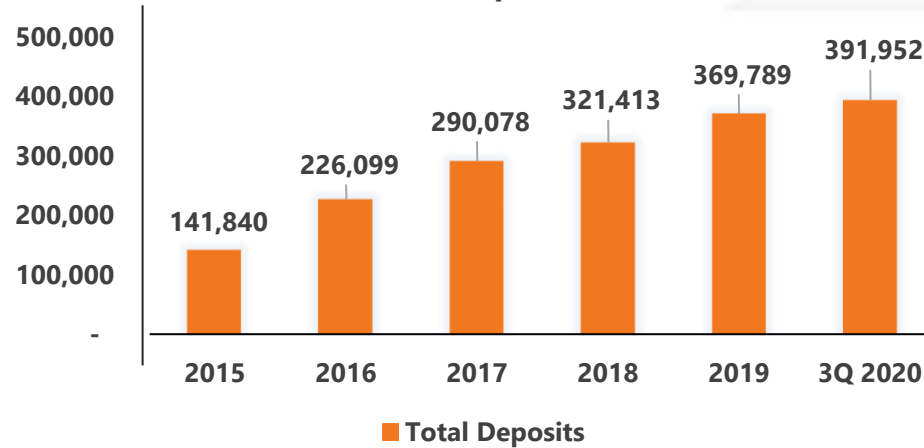
In terms of advances, gross advances were reported at PKR 246 billion and gross advances to deposits ratio stood at 63%. The Bank has continued its proactive strategy of enhancing its exposure in advances, with special emphasis on Agriculture, Small and Medium Enterprise (SME) lending and financing for renewable energy initiatives.

CAR:

At the close of the nine months period ended, the Bank remains satisfactorily capitalized with CAR at 12.68%.

GRAPHICAL ANALYSIS

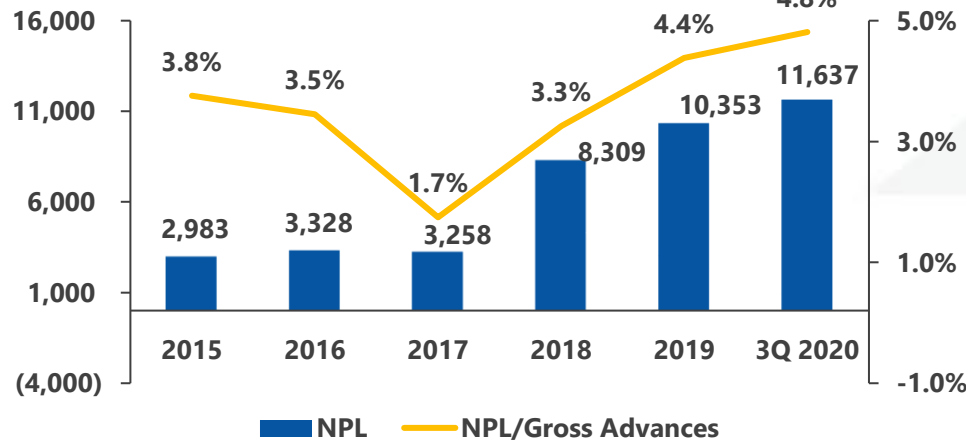
Total Deposits



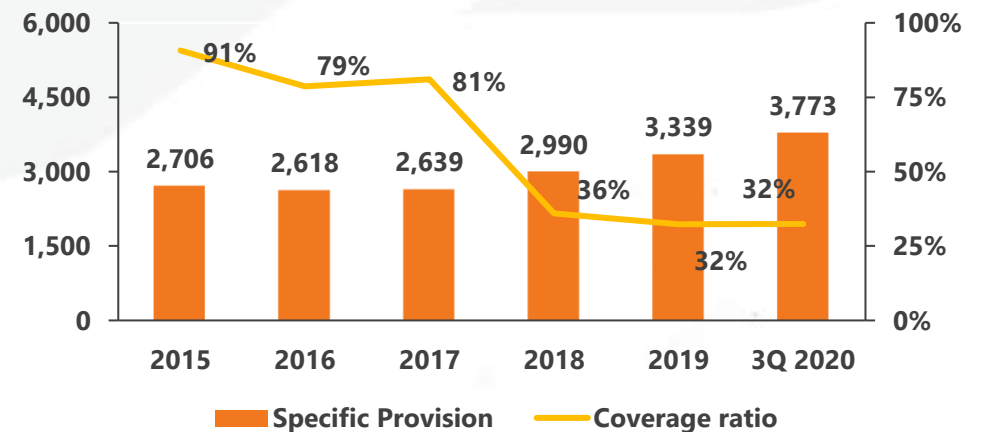
Advances



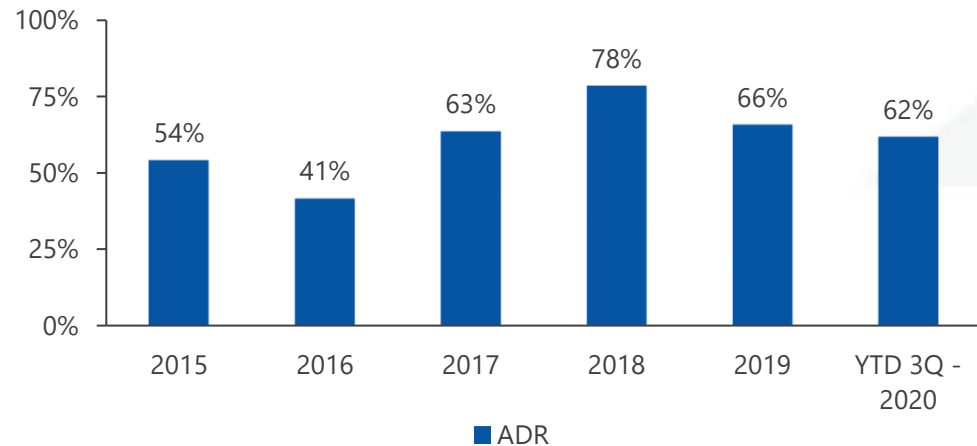
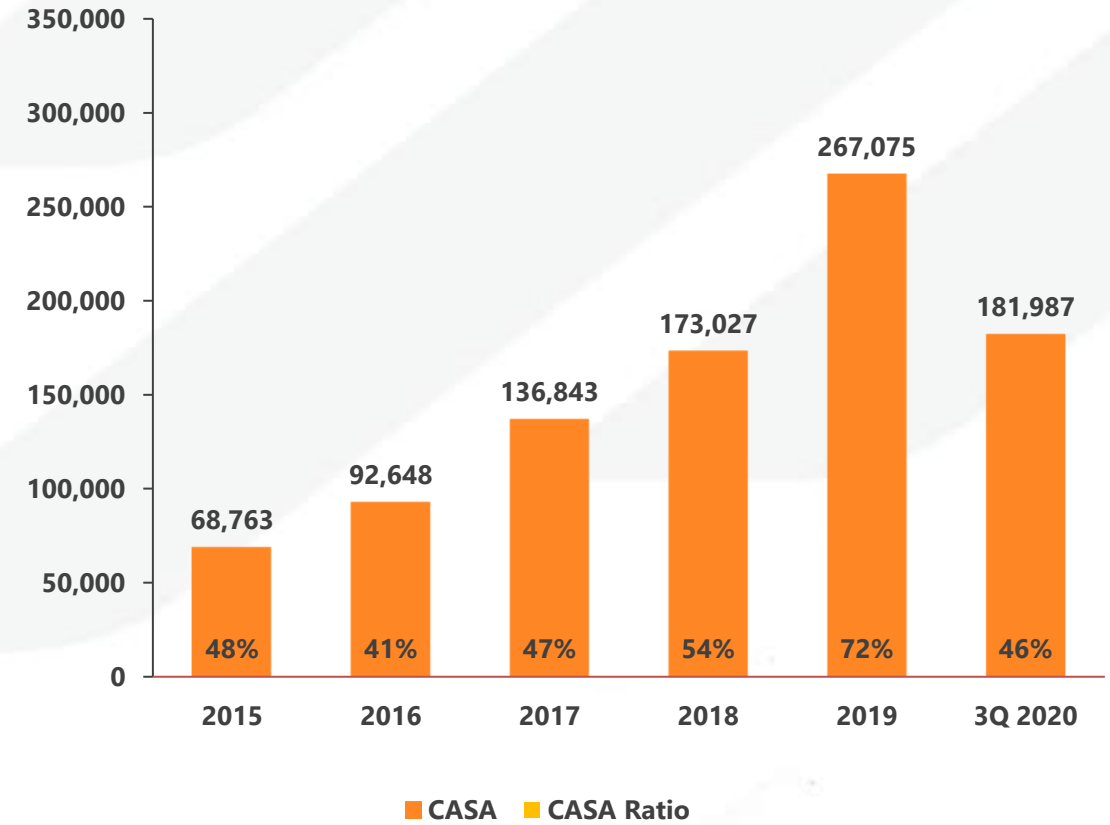
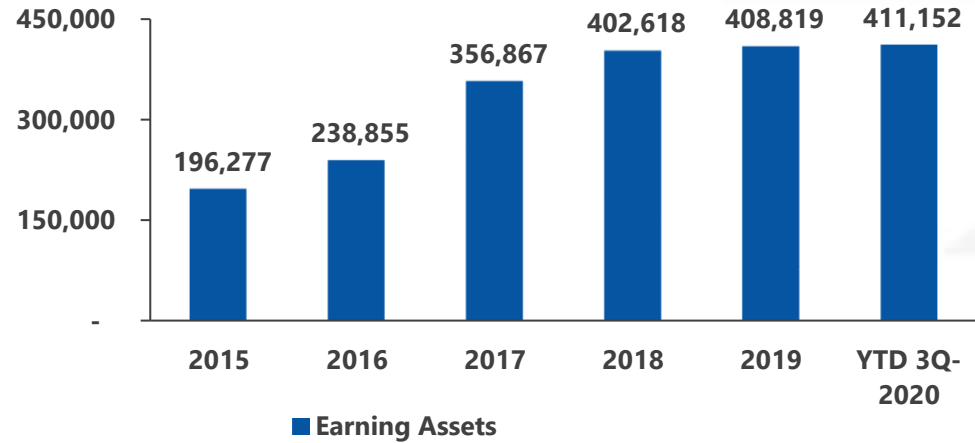
NPL Vs. Infection Ratio



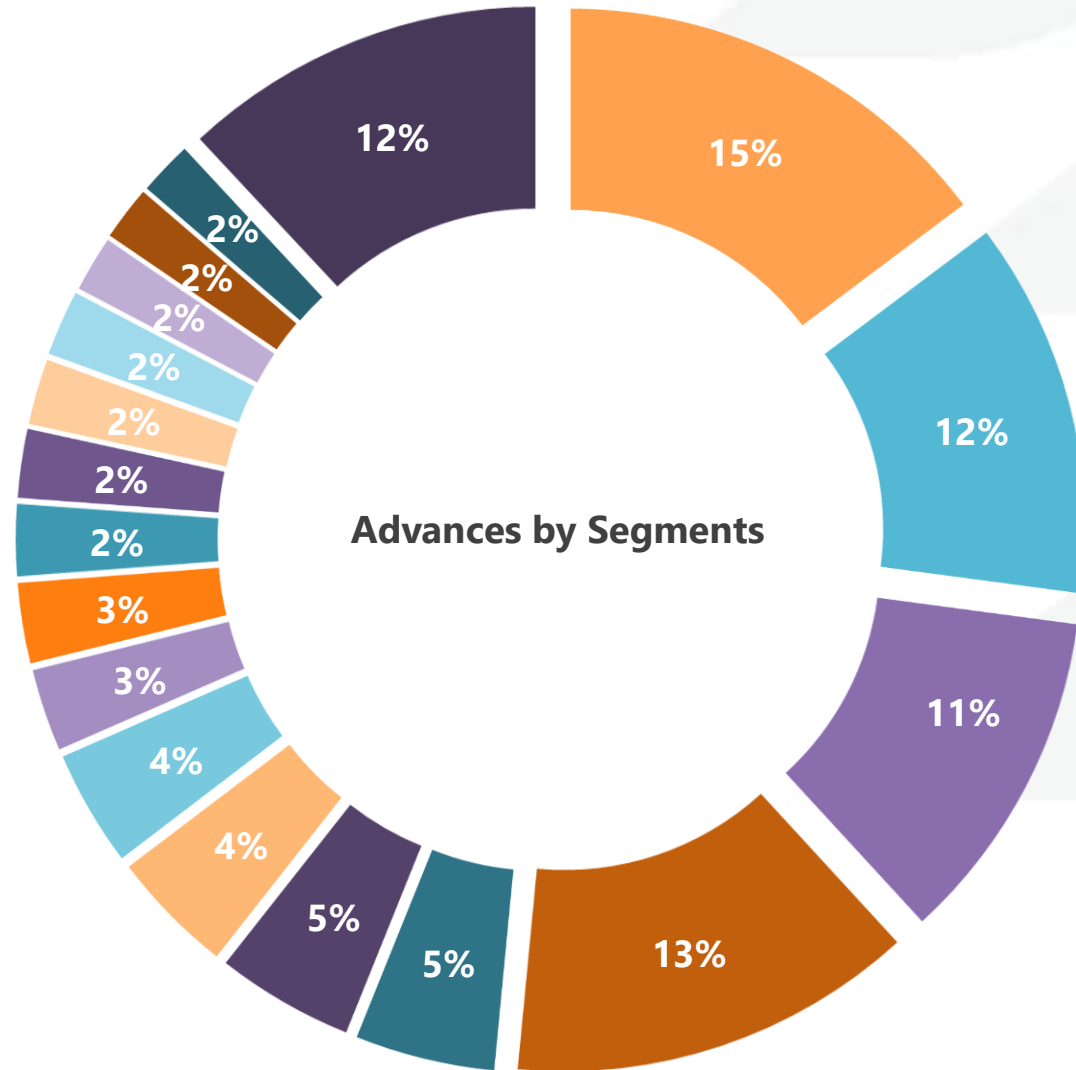
Specific Provision Vs. Coverage Ratio



GRAPHICAL ANALYSIS

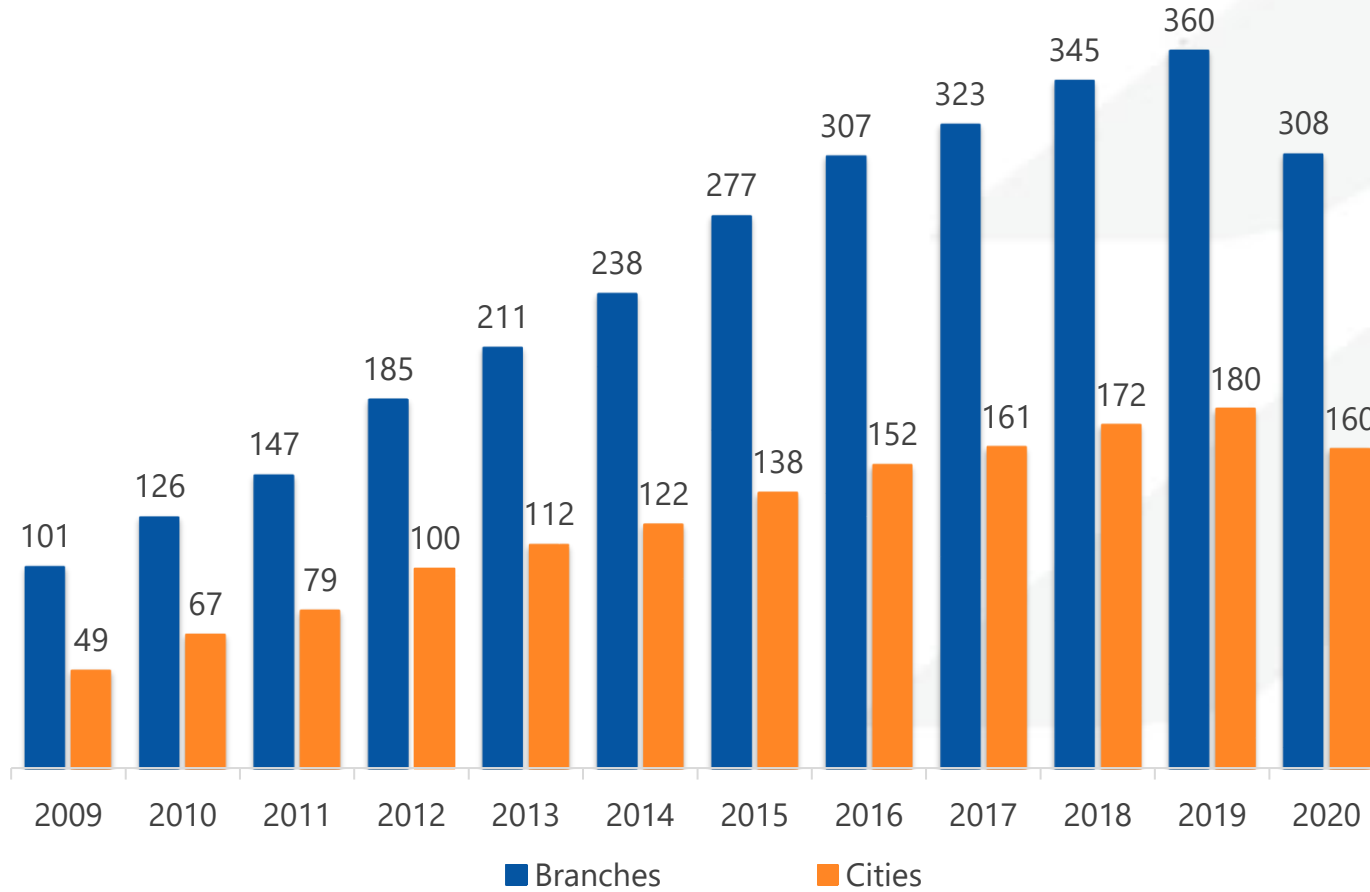


GRAPHICAL ANALYSIS

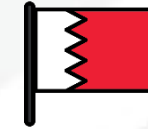


- Transportation
- Food / confectionery / beverages
- Power and water
- Individuals
- Others
- Wholesale and retail trade
- Weaving
- Metal and steel
- Composite
- Construction
- Brokerage
- Engineering, IT and other services
- Spinning
- Pharmaceuticals
- Agricultural
- Petroleum, oil and gas
- Automobile and transportation equipment
- Other Miscellaneous

BRANCH NETWORK



308 Total Branches



01 Bahrain Branch



307 Branches across the country in around 160 cities

In Sep 2020: Fifty-one branches have been consolidated with existing branches due to branch rationalization strategy.

PRODUCT & SERVICES

- Deployment of Global Correspondent Banking Network
- Launch of Commercial Banking

2007

9 Branches



- Auto Loans
- Deployment of Core Banking System (Temenos, T24)

2008

39 Branches



- Call Center (Outsourced)
- Bancassurance

2009

101 Branches



- IBFT on ATMs
- Home Remittances

2010

126 Branches



- Visa Debit
- SMS Alerts
- Internet Banking

2011

147 Branches



- Mobile Banking
- eStatements
- Deployment of Card Management System (CardPro)

2012

185 Branches



- Credit Cards
- Cash Management
- Rupee Travelers Cheque
- Gold Finance
- Value-added Accounts

2013

211 Branches



- Credit Cards
- Cash Management
- Rupee Travelers Cheque
- Gold Finance
- Value-added Accounts

2014

238 Branches



- Mortgages
- SME Banking
- JS Business Banking Accounts
- USAID – SME Financing Facility

2015

277 Branches



- Elite Payroll Banking
- SME Financing
- PMYBL
- USAID – Clean Energy Financing Facility
- Private Banking

2016

307 Branches



- JS Raabta Accounts with Telenor
- PMYBL - Careem, Engro & Nestle
- USAID – PPII Fund
- Upgraded Mobile App

2017

323 Branches



- Solar Panel Financing
- GCF Accreditation
- Home Remittance Wallets
- Mutual Funds Distribution

2018

345 Branches



- Mastercard Contactless Debit
- SME Program Lending
- Corporate Charge Cards
- GoldFinance Term Loans

2019

360 Branches



- JS Naya Aghaz
- JS Khud Mukhtar
- JS Hospital Financing

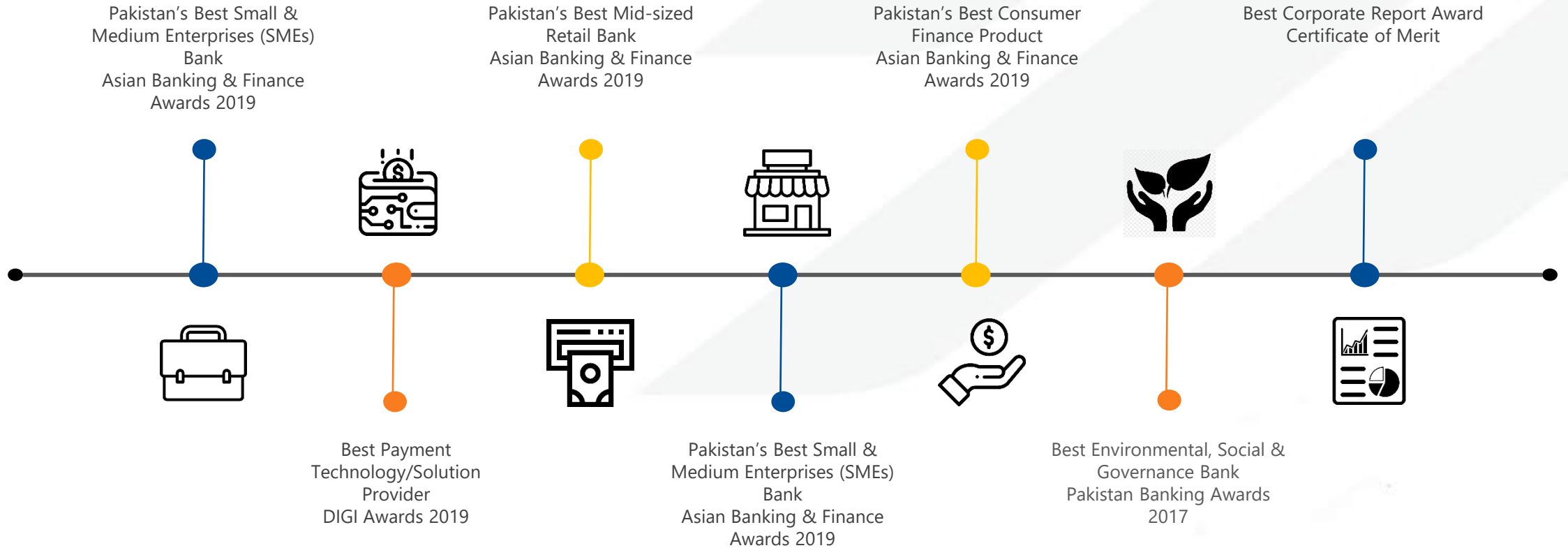
2020

308 Branches



ACHIEVEMENTS

JS Bank is one of the fastest growing Banks in Pakistan, with both domestic and international presence. The Bank is a leader in the digital banking, SME & consumer loans space. JS Bank has been recognized on multiple international and national forums including the prestigious Asia Money, Asian Banking and Finance, DIGI and Pakistan Banking Awards. The Bank is part of JS Group, one of Pakistan's most diversified and progressive Financial services groups



MAJOR INITIATIVES & SUCCESS

COVID-19 RESPONSE

JS Bank and clients deploy 110 million fund for immediate Covid-19 response



MORTGAGES

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

JS PAYROLL SBP FINANCE

JS Bank becomes the best and First Bank to disburse a case of Payroll Financing, SBP Scheme.



CONSUMER LENDING

JS Bank continues to expand its personal finance solutions for salaried and business individuals

JS SMALL & MEDIUM ENTERPRISES

JS Bank, Pakistan's 3rd largest SME lender, will continue to expand its SME program and lending solutions to cater to a variety of SME needs



SOLAR FINANCING

JS Bank is one of Pakistan's leading providers of solar financing for agricultural, home and business needs, with over 13MW of installations in process

JS GOLDFINANCE

JS Bank is one of Pakistan's leading banks for business & agricultural gold loans, & continue to offer innovative solutions to process gold loans in less than 100 minutes



JS Wallet Payroll

JSBL emerged as leading payroll provider in 2020, targeting lower income segment by opening over 50,000 30-day active payroll wallets in just one year. The monthly current account deposit/throughput associated with these wallets is in excess of PKR 1 Billion.

QUESTION & ANSWERS

THANK YOU