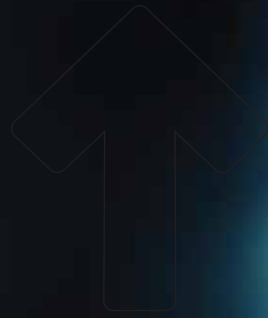


Shaping Tomorrow's Solutions, Today!



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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Suleman Lalani	Non-Executive Director / Chairman
Ms. Iffat Zehra Mankani	Chief Executive Officer
Mr. Hasan Shahid	Non-Executive Director
Mr. Mirza M. Sadeed Hassan Barlas	Non-Executive Director
Mr. Atif Salim Malik	Non-Executive Director
Ms. Aisha Fariel Salahuddin	Non-Executive Independent Director
Ms. Mediha Kamal Afsar	Non-Executive Independent Director
Mr. Farooq Ahmed Malik	Non-Executive Independent Director

Chief Executive Officer

Ms. Iffat Zehra Mankani

Chief Financial Officer

Mr. Raheel Rehman

Chief Investment Officer

Syed Hussain Haider

Chief Operating Officer & Company Secretary

Mr. Muhammad Khawar Iqbal

Statutory Auditors

KPMG Taseer Hadi & Co, Chartered Accountants

Legal Advisors

Bawaney and Partners

BOARD COMMITTEES

Audit Committee

Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid
Mr. Mirza M. Sadeed H. Barlas

Human Resource & Remuneration Committee

Ms. Aisha Fariel Salahuddin (Chairperson)
Mr. Suleman Lalani
Ms. Iffat Zehra Mankani

Executive Risk Management Committee

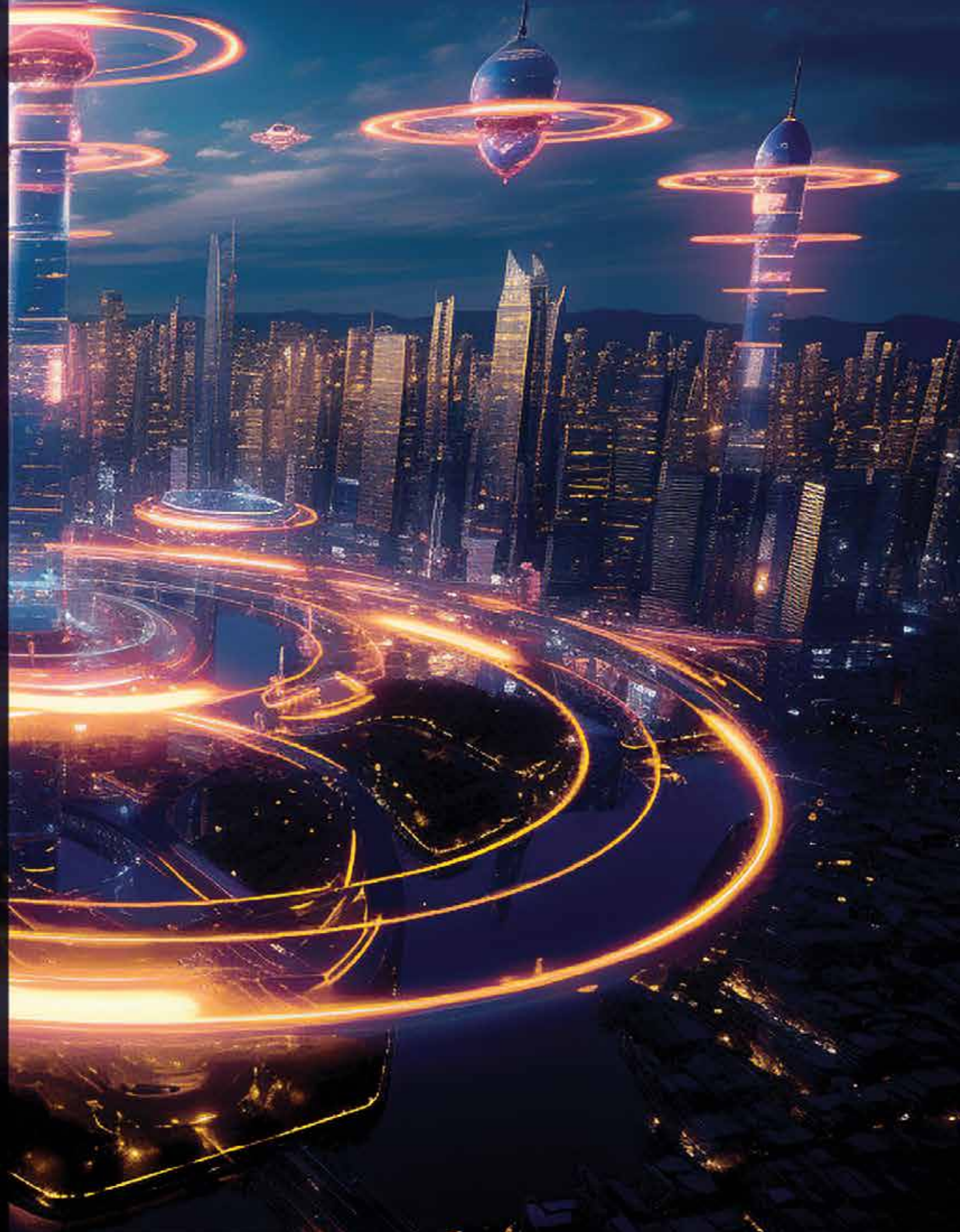
Mr. Suleman Lalani (Chairman)
Ms. Iffat Zehra Mankani
Mr. Atif Salim Malik

Share Registrar

CDC Share Registrar Services Limited (CDCRSL)
CDC House, 99-B, Block-B, S.M.C.H.S.,
Main Shahrah-e-Faisal, Karachi

Vision

To be the preferred choice of every investor, offering diverse and innovative investment solutions





Mission

To establish a leadership position in bringing more investable asset classes and innovative products, while managing them with prudence and excellence

DIRECTORS REPORT TO THE SHAREHOLDERS

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

We are pleased to present the directors' report along with the unaudited financial statements of JS Investments Limited's (JSIL 'or the Company') for the nine-month period ended September 30, 2024.

ECONOMIC REVIEW:

The economic conditions in Pakistan improved significantly during the first nine months of 2024. The country's growth started to recover, and inflation decreased notably. This improvement was reflected in key macroeconomic indicators, especially the twin deficits. Pakistan also secured a new, larger 37-month funding program with the IMF, amounting to \$7 billion. Furthermore, the monetary easing environment that began at the end of the previous year persisted, resulting in rate cuts, with the State Bank of Pakistan (SBP) reducing the policy rate by 450 basis points to 17.50%, signaling improved macroeconomic fundamentals.

The average inflation rate for the nine months ending in September 2024 decreased significantly to 15.35%, down from 31.59% during the same period last year. In September 2024, inflation dropped to 6.93%, compared to 31.44% in September 2023, mainly due to a decline in food inflation and supported by falling international commodity prices and a stable currency. However, the recent escalation in the Middle East poses a potential risk. If the situation doesn't escalate further, inflation could fall within the SBP's 5%-7% target range for FY25.

In the latest data, Pakistan's current account balance shifted from a deficit of \$321 million to a surplus of \$86 million in the first eight months of CY24. This positive change was driven by a 34% year-over-year increase in workers' remittances, totaling \$22.75 billion. The growth in remittances boosted the central bank's foreign exchange reserves to \$10.7 billion by the end of September 2024, further aided by the receipt of the first \$1 billion tranche from the newly approved IMF funding facility.

The fiscal deficit narrowed to 6.81% of GDP in FY24 from 7.70% last year. The primary balance moved into a surplus of 0.90% compared to a deficit of 0.82% in FY23. With the groundwork laid by the IMF program and the improved macroeconomic indicators, Pakistan's economy is poised for stabilization with the IMF program and improved macroeconomic indicators. Executing a comprehensive reform agenda will be vital to sustaining this momentum.

MONEY MARKET REVIEW

The nine months ending September 2024 were quite different from the same period last year. While rate hikes characterized the previous year, 2024 saw the beginning of a cycle of rate cuts, with the State Bank of Pakistan reducing the policy rate by 450 basis points over several Monetary Policy Committee (MPC) meetings. This anticipated shift was a welcome relief for the fixed-income market.

Compared to the end of 2023, secondary market yields experienced significant declines across key time periods. The 3-month, 12-month, 3-year, and 5-year yields fell by 576 basis points, 784 basis points, 424 basis points, and 371 basis points, closing at 15.52%, 13.48%, 12.30%, and 12.19%, respectively. The yield curve remains inverted, with shorter-term rates still higher than longer-term ones. However, further rate cuts expected from upcoming MPC meetings could help normalize the yield curve in the next calendar year.

As inflation trends continue to ease, the focus will shift to fiscal management and public debt policy to influence the future trajectory of interest rates. In this regard, the government's recent buyback program to reduce interest costs on public debt is a positive development.

EQUITY MARKET REVIEW

In the nine months leading up to September 2024, a positive outlook on inflation and monetary policy, influenced by the above economic conditions, led to a strong upward trend in the stock market. Following the momentum from the end of 2023, the KSE-100, KSE-30 (Total Return), and KMI-30 indices saw significant increases of 29.9%, 34.5%, and 19.1%, respectively. The average daily trading volumes surged by 126% year-on-year to 459 million shares, and the average traded value rose by 148% to Rs 17.2 billion.

The gains were primarily driven by the Commercial Banks, Fertilizers, and Exploration and production (E&P) sectors, while the Technology and Communication, Oil and gas Marketing, and Refinery sectors lagged. Foreign investors were net buyers, with inflows of \$65.9 million, and local insurance companies and mutual funds adding \$43.7 million and \$21.7 million respectively. While foreign buyers favored banking stocks, commercial banks were significant sellers.

The outlook for the equity market remains positive due to declining interest rates and attractive valuations. Investors are expected to focus on the government's macroeconomic reform agenda, which will play a crucial role in maintaining positive sentiment.

REIT SEGMENT REVIEW

Real Estate Investment Trusts (REITs) continue to be a highly attractive financial tool for real estate developers and owners, offering significant benefits such as diversification and liquidity. The total number of REIT Management Companies (RMCs) registered with the Securities and Exchange Commission of Pakistan (SECP) has grown to 39, with the aggregate REIT fund size rising to Rs 280 billion, up from PKR 168 billion. This impressive growth reflects stakeholders' confidence in REITs as a viable and lucrative investment option within the real estate sector, which has shown robust earnings potential. While introducing new taxes on property transfers, sales, and purchases in Pakistan's Budget 2024-25 presents challenges for the broader real estate market, REITs remain an appealing option for developers, owners, and investors. REITs offer access to institutional investment, which was previously challenging for developers due to unsophisticated investment structures. RMCs bring professionalism and a proven track record in raising funds for various asset classes, providing transparency and instilling stakeholder trust. Furthermore, REITs offer liquidity by allowing investors to trade units on the Pakistan Stock Exchange easily.

COMPANY'S PERFORMANCE REVIEW

JS Investments Limited posted a net profit before tax of PKR 299.42 million for the nine-month period ended September 30, 2024 compared to the profit before tax of PKR 127.56 million for the nine-month ended September 30, 2023.

JS Investments Limited posted after-tax profit of PKR 255.90 million (EPS of PKR 4.14) for the nine-month ended September 30, 2024, compared to a profit of PKR 116.86 million (EPS of 1.89 PKR) for the nine-month ended September 30, 2023, depicting a growth of 126.89% as compared to 9M-2023.

The assets under management (AUMs), including separately managed accounts (SMAs) and real estate investment trusts (REITs) but excluding funds of funds (FoF), have shown significant growth, closing at PKR 100.8 billion as of September 30, 2024, compared to PKR 69.71 billion as of September 30, 2023. We anticipate that the continued growth and the strength of our balanced portfolio, now consisting of both fixed-income and equity investments with favorable returns, will have a positive impact on our bottom line in the future.

ASSET MANAGER AND ENTITY RATING:

Pakistan Credit Rating Agency Limited (PACRA) has maintained Management Company's asset manager rating of 'AM2+' with a 'stable outlook'. This rating underscores our dedication to maintaining high-quality management standards and positively reflecting our operations' overall performance and outlook.

SUBSEQUENT EVENT:

The members of the JS Investments Limited, in the Extraordinary General Meeting (EoGM) held on October 14, 2024, approved and authorized the Company to purchase/buy back its shares up to 4,630,000 issued ordinary shares of the face value of Rs. 10 each, i.e., around 7.5% of the total outstanding shares, through Pakistan Stock Exchange at the current price prevailing during the purchase period and acceptable to the company as recommended by its Board of Directors in its meeting held on 11th September 2024.

ACKNOWLEDGMENT:

The Board of Directors expresses gratitude to the Securities and Exchange Commission of Pakistan and the Trustees of Funds for their valuable support, assistance, and guidance. The Board also appreciates the JSIL employees for their dedication and hard work and the shareholders for their confidence in the management.



Director

On behalf of the Board



Chief Executive Officer

October 22, 2024
Karachi

شراکت داروں کے لیے ڈائریکٹرز رپورٹ برائے مختتمہ مدت 30 ستمبر 2024

ہم 30 ستمبر 2024 کو ختم ہونے والی تیسری سہ ماہی کی مدت کے لیے جے ایس انویسٹمنٹس لمیٹڈ ('JSIL' یا 'کمپنی') کے غیر آڈٹ شدہ مالیاتی گوشوارے بمع ڈائریکٹرز رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معیشت کا جائزہ

سال 2024 کی تیسری سہ ماہی (پہلے نو ماہ) کے دوران پاکستان کے معاشی حالات میں نمایاں بہتری آئی ہے۔ ملک کی ترقی بحال ہونا شروع ہوئی ہے اور افراط زر میں نمایاں کمی واقع ہوئی۔ یہ بہتری اہم میکرو اکنامک اشاریوں میں ظاہر ہوتی ہے۔ پاکستان نے آئی ایم ایف کے ساتھ 37 ماہ کا ایک نیا، بڑا فنڈنگ پروگرام بھی حاصل کیا، جس کی مالیت 7 بلین امریکی ڈالر ہے۔ مزید برآں، گزشتہ سال کے آخر میں شروع ہونے والا مالیاتی نرمی کا ماحول برقرار رہا، جس کے نتیجے میں شرح سود میں کٹوتی ہوئی، اسٹیٹ بینک آف پاکستان (SBP) نے پالیسی کی شرح کو 450 پیسے پوائنٹس کم کر کے 17.50 فیصد کر دیا، جو بہتر میکرو اکنامک کے بنیادی اصولوں کی نشاندہی کرتا ہے۔

ستمبر 2024 میں اختتام پانے والی تیسری سہ ماہی (نو ماہ) کے دوران اوسط افراط زر کی شرح نمایاں طور پر کم ہو کر 15.35 فیصد رہ گئی جو گزشتہ سال کی اسی مدت کے دوران 31.59 فیصد تھی۔ بنیادی طور پر غذائی افراط زر میں کمی کی وجہ سے اور بین الاقوامی اجناس کی قیمتوں میں کمی اور مستحکم کرنسی کی مدد سے ستمبر 2024 میں افراط زر کی شرح ستمبر 2023 میں 31.44 فیصد کے مقابلے میں کم ہو کر 6.93 فیصد رہ گئی۔ تاہم، مشرق وسطیٰ میں حالیہ کشیدگی ایک ممکنہ خطرہ ہے۔ اگر صورتحال میں مزید اضافہ نہ ہو تو افراط زر مالی سال 2025 کے لیے اسٹیٹ بینک آف پاکستان کے 7 - 5 فیصد ہدف کے اندر گر سکتا ہے۔

تازہ ترین اعداد و شمار کے مطابق، کینیڈا رسال 2024 کے پہلے آٹھ ماہ میں پاکستان کا کرنٹ اکاؤنٹ بیلنس 321 ملین ڈالر کے خسارے سے 86 ملین ڈالر سرپلس ہو گیا۔ یہ مثبت تبدیلی محنت کش طبقے کی ترسیلات زر میں سال بہ سال 34 فیصد اضافے کی وجہ سے ہوئی، جو مجموعی طور پر 22.75 بلین امریکی ڈالر رہی۔ ترسیلات زر کے اضافے سے ستمبر 2024 کے اختتام تک مرکزی بینک کے زرمبادلہ کے ذخائر 10.7 بلین امریکی ڈالر تک پہنچ گئے، جس میں آئی ایم ایف کی نئی منظور شدہ فنڈنگ سہولت سے پہلی 1 بلین امریکی ڈالر کی قسط کی وصولی سے مزید مدد ملی۔

مالی سال 2024 میں مالیاتی خسارہ کم ہو کر جی ڈی پی کا 6.81 فیصد رہ گیا جو گزشتہ سال 7.70 فیصد تھا۔ پرائمری بیلنس مالی سال 2023 میں 0.82 فیصد کے خسارے کے مقابلے میں 0.90 فیصد سرپلس میں چلا گیا۔ آئی ایم ایف پروگرام کے ذریعے رکھی گئی بنیاد اور بہتر میکرو اکنامک اشاریوں کی بدولت پاکستان کی معیشت آئی ایم ایف پروگرام اور بہتر میکرو اکنامک اشاریوں کے ساتھ استحکام کی جانب گامزن ہے۔ اس رفتار کو برقرار رکھنے کے لیے ایک جامع اصلاحاتی ایجنڈے پر عمل درآمد بہت ضروری ہے۔

منی مارکیٹ کا جائزہ

ستمبر 2024 میں اختتام پانے والی تیسری سہ ماہی (نو ماہ) گزشتہ سال کی اسی مدت سے کافی مختلف تھی۔ اگرچہ شرح میں اضافہ گزشتہ سال کی خصوصیت ہے، سال 2024 میں شرح میں کٹوتی کے ایک سلسلے کا آغاز دیکھا گیا، اسٹیٹ بینک آف پاکستان نے مانیٹری پالیسی کمیٹی کے متعدد اجلاسوں کے دوران پالیسی کی شرح میں 450 پیسے پوائنٹس کمی کی۔ یہ متوقع تبدیلی فلسفہ نامک مارکیٹ کے لیے ایک خوش آئند بات تھی۔

2023 کے اختتام کے مقابلے میں، ثانوی مارکیٹ کی پیداوار میں اہم مدت کے دوران نمایاں کمی کا سامنا کرنا پڑا۔ 3 ماہ، 12 ماہ، 3 سالہ اور 5 سالہ پیداوار بالترتیب 576 پیسے پوائنٹس، 784 پیسے پوائنٹس، 424 پیسے پوائنٹس اور 371 پیسے پوائنٹس کمی سے بالترتیب 15.52 فیصد، 13.48 فیصد، 12.30 فیصد اور 12.19 فیصد پر بند ہوا۔ پیداوار کی قوس کا رخ الٹا رہتا ہے، جس میں قلیل مدتی شرحیں اب بھی طویل مدتی شرحوں کے مقابلے میں زیادہ ہیں۔ تاہم، MPC کے آئندہ اجلاسوں سے متوقع شرح میں مزید کٹوتی سے اگلے سال میں پیداوار کی قوس کو معمول پر لانے میں مدد مل سکتی ہے۔

جیسا کہ افراط زر کے رجحانات میں کمی جاری ہے، شرح سود کے مستقبل کے راستے کو متاثر کرنے کے لیے توجہ مالیاتی انتظام اور عوامی قرض کی پالیسی کی جانب منتقل ہو جائے گی۔ اس ضمن میں، حکومت کی جانب سے سرکاری قرضوں پر سود کے اخراجات کو کم کرنے کا حالیہ (By Back) کارپروگرام ایک مثبت پیش رفت ہے۔

ایکیویٹی مارکیٹ کا جائزہ

ستمبر 2024 تک کی تیسری سہ ماہی (نومہ) میں افراط زر اور مانیٹری پالیسی پر مثبت منظر نامہ، مذکورہ بالا معاشی حالات سے متاثر ہو کر، اسٹاک مارکیٹ میں مضبوط اضافے کے رجحان کا باعث بنا۔ 2023 کے اختتام سے تیزی کے بعد، KSE - 100 (Total Return) KSE - 30 اور KMI - 30 انڈیکس میں بالترتیب 29.9 فیصد، 34.5 فیصد اور 19.1 فیصد کا نمایاں اضافہ دیکھا گیا۔ اوسط یومیہ تجارتی حجم سال بہ سال 126 فیصد اضافے کے ساتھ 459 ملین حصص تک پہنچ گیا اور اوسط تجارتی قدر 148 فیصد سے 17.2 بلین روپے تک پہنچ گئی۔

یہ اضافہ بنیادی طور پر کرسٹل بینکوں، فریڈلائزرز اور ایکسیلو ریشن اینڈ پروڈکشن (E & P) کے شعبوں کی جانب سے ہوا جبکہ ٹیکنالوجی اور مواصلات، تیل اور گیس مارکیٹنگ اور ریفرنسری کے شعبوں میں کمی دیکھی گئی۔ غیر ملکی سرمایہ کار 65.9 ملین ڈالر کی سرمایہ کاری کے ساتھ نمایاں خریدار تھے، اور مقامی انشورنس کمپنیوں اور میوچل فنڈز نے بالترتیب 43.7 ملین امریکی ڈالر اور 21.7 ملین امریکی ڈالر کا اضافہ کیا۔ جبکہ غیر ملکی خریداروں نے بینکنگ اسٹاک کو ترجیح دی، تجارتی بینک اہم فروخت کنندہ تھے۔ شرح سود میں کمی اور پُرکشش ویلیویشن کی وجہ سے ایکویٹی مارکیٹ کا نقطہ نظر مثبت رہتا ہے۔ توقع ہے کہ سرمایہ کار حکومت کے میکرو اکنامک اصلاحات کے ایجنڈے پر توجہ مرکوز کریں گے، جو مثبت جذبات کو برقرار رکھنے میں اہم کردار ادا کرے گا۔

رئیل اسٹیٹ انویسٹمنٹ ٹرسٹس (REIT) سیگمنٹ کا جائزہ

رئیل اسٹیٹ انویسٹمنٹ ٹرسٹس (REIT) ریل اسٹیٹ ڈویلپر ز اور مالکان کے لیے ایک انتہائی پُرکشش مالیاتی آلہ کے طور پر رہے گا، جو تنوع اور روپے کی آمدورفت جیسے اہم فوائد پیش کرتا ہے۔ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) میں رجسٹرڈ REIT مینجمنٹ کمپنیوں (RMC) کی مجموعی تعداد 39 ہو گئی ہے، REIT فنڈ کا مجموعی حجم 168 بلین پاکستانی روپے سے بڑھ کر 280 بلین روپے تک پہنچ گیا ہے۔ یہ متاثر کن ترقی ریل اسٹیٹ سیکٹر کے اندر ایک قابل عمل اور منافع بخش سرمایہ کاری آپشن کے طور پر REIT میں اسٹیک ہولڈرز کے اعتماد کی عکاسی کرتی ہے، اور آمدنی نشاندہی کرتی ہے۔ ریل اسٹیٹ سیکٹر نے غیر معمولی آمدنی کی صلاحیت کا مظاہرہ کیا ہے۔ اگرچہ پاکستان کے بجٹ 2025 - 2024 میں جائیداد کی منتقلی، اور خریداری و فروخت پر نئے ٹیکس متعارف کروانا وسیع تر ریل اسٹیٹ مارکیٹ کے لیے چیلنجز پیش کرتا ہے، REIT ڈویلپرز، مالکان اور سرمایہ کاروں پُرکشش آپشن ہے۔ REIT ادارہ جاتی سرمایہ ماری تک رسائی فراہم کرتے ہیں، جو پہلے غیر جدید سرمایہ کاری ڈھانچے کی وجہ سے ڈویلپرز کے لیے مشکل تھا۔ RMCs پیشہ ورانہ مہارت لاتے ہیں اور مختلف اثاثہ جات کی کلاسوں کے لیے فنڈز جمع کرنے، شفافیت فراہم کرنے اور اسٹیک ہولڈرز کا اعتماد پیدا کرنے میں ایک ثابت شدہ ٹریک ریکارڈ رکھتا ہے۔ مزید برآں، REITs سرمایہ کاروں کو پاکستان اسٹاک ایکسچینج میں آسانی سے حصص کی تجارت کرنے کی اجازت دے کر بہاؤ (پیسیوں کی آمدورفت) فراہم کرتے ہیں۔

کمپنی کی کارکردگی کا جائزہ

جے ایس انویسٹمنٹس لمیٹڈ نے 30 ستمبر 2023 کو اختتام پانے والی تیسری سہ ماہی کے دوران 127.56 بلین روپے کے منافع کے مقابلے میں 30 ستمبر 2024 کو اختتام پانے والی تیسری سہ ماہی کے لیے 299.42 بلین روپے کا منافع ٹیکس کیساتھ درج کروایا۔

جے ایس انویسٹمنٹس لمیٹڈ نے 30 ستمبر 2023 کو اختتام پانے والی تیسری سہ ماہی کے دوران 116.86 بلین روپے کے منافع (1.89 پاکستانی روپے کی آمدنی فی حصص) کے مقابلے میں 30 ستمبر 2024 کو اختتام پانے والی تیسری سہ ماہی کے لیے 255.90 بلین روپے (4.14 روپے کی آمدنی فی حصص) کا منافع بعد از ٹیکس درج کروایا، جس نے سال 2023 کی تیسری سہ ماہی کے مقابلے میں 126.89 فیصد کا اضافہ ظاہر کیا۔

انتظامیہ کے زیر نگرانی اثاثہ جات (AUMs) بشمول سپیریورٹی میجٹ اکاؤنٹس (SMAs) اور ریل اسٹیٹ انویسٹمنٹ ٹرسٹس (REIT) لیکن علاوہ فنڈز آف فنڈز (FoF) نے 30 ستمبر 2023 کے 69.71 بلین روپے کے مقابلے میں 30 ستمبر 2024 کو 100.8 بلین روپے پر بند ہو کر خاطر خواہ اضافہ ظاہر کیا۔ ہم توقع کرتے ہیں کہ اس اضافے کے تسلسل اور ہمارے پورٹ فولیو کا استحکام جو اب موافق منافع کے ساتھ فکسڈ انکم اور ایکویٹی سرمایہ کاری دونوں پر مشتمل ہے، اس سے ہمارے نتائج میں بہتری آگئی۔

ایسیٹ مینجر اور ایٹینیٹی ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے ہماری مینجمنٹ کمپنی کی "AM 2+" کی ایسیٹ مینجر ریٹنگ کو مستحکم "stable" منظر نامے کے ساتھ برقرار رکھا ہے۔ یہ ریٹنگ اعلیٰ معیار کے انتظامی معیارات کو برقرار رکھنے کے لیے ہماری لگن کی نشاندہی کرتی ہے، جو ہمارے آپریشنز کی مجموعی کارکردگی اور منظر نامے پر مثبت عکاسی کرتی ہے۔

30 ستمبر کے بعد رونما ہونے والی معاملات

جے ایس انویسٹمنٹس لمیٹڈ کے ممبران، نے 14 اکتوبر 2024 کو منعقد ہونے والے غیر معمولی اجلاس عام (EoGM) میں 4,630,000 تک کے اپنے حصص، 10 روپے فی کس کی ظاہری قیمت کے جاری کردہ عمومی حصص یعنی کل حصص کا تقریباً 7.5 فیصد کی خریداری / واپس خریداری کو منظور کیا اور کمپنی کو اختیار دیا کہ وہ پاکستان اسٹاک ایکسچینج کے ذریعے خریداری کی مدت کے دوران موروجہ موجودہ قیمت پر خریداری کے اہل ہیں، یہ فیصلہ ممبران نے کمپنی کے بورڈ آف ڈائریکٹرز کی سفارشات کو مد نظر رکھتے ہوئے کیا۔

اظہارِ تشکر

بورڈ آف ڈائریکٹرز پیش قدمی، مدد اور رہنمائی پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور فنڈز کے ٹرسٹیز سے اظہارِ تشکر کرتے ہیں۔ بورڈ لگن اور سخت محنت پر JSIL کے ملازمین اور انتظامیہ پر اعتماد پر شیئر ہولڈرز کو بھی سراہتے ہیں۔

بجانب بورڈ



چیف ایگزیکٹو آفیسر



ڈائریکٹر

کراچی: 22 اکتوبر 2024



Financial Position
& Performance

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2024

		Un-audited September 30, 2024	Audited December 31, 2023
		(Rupees)	
ASSETS	Note		
Non - Current Assets			
Property and equipment	7	264,134,023	238,962,606
Intangible assets	8	2,222,732	3,655,853
Long-term loans and prepayments		5,753,238	1,899,600
Long-term investment	10	265,000	265,000
Deferred taxation - net	12	102,305,288	101,098,308
		374,680,281	345,881,367
Current Assets			
Balances due from funds under management		155,876,577	125,531,519
Loans and advances		15,773,391	5,865,567
Deposits, prepayments and other receivables		214,458,563	148,952,169
Other financial assets	9	1,613,256,658	1,361,364,331
Taxation - net		45,620,791	66,646,890
Cash and bank balances	11	20,448,031	67,978,805
		2,065,434,011	1,776,339,281
Total Assets		2,440,114,292	2,122,220,648
EQUITY AND LIABILITIES			
Share capital			
Authorised capital		2,500,000,000	2,500,000,000
Issued, subscribed and paid-up capital		617,742,560	617,742,560
Unappropriated profit		1,303,580,469	1,047,678,821
		1,921,323,029	1,665,421,381
LIABILITIES			
Non - Current Liabilities			
Lease liabilities		152,396,659	157,085,116
Current Liabilities			
Trade and other payables		313,737,928	267,608,528
Unclaimed dividend	13	4,870,010	4,872,885
Current maturity of lease liabilities		47,786,666	27,232,738
		366,394,604	299,714,151
Total Liabilities		518,791,263	456,799,267
Contingencies and commitments	14	-	-
Total Equity and Liabilities		2,440,114,292	2,122,220,648

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) >

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Note	Nine Months ended		Quarter ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Income		(Rupees)		(Rupees)	
Remuneration from funds under management - gross		387,152,449	192,891,748	138,806,763	100,034,614
Less: Sindh sales tax		(44,539,662)	(22,191,086)	(15,968,920)	(11,508,407)
		342,612,787	170,700,662	122,837,843	88,526,207
Commission from open end funds under management		2,946,378	16,703,177	1,606,099	15,703,231
Dividend income		14,573,642	5,496,355	-	2,817,857
Net unrealised gain on remeasurement of investments classified as at fair value through profit or loss		161,435,688	84,179,535	58,914,824	30,066,553
Net gain on sale of investments classified as at fair value through profit or loss		87,280,203	100,476,903	22,899,102	40,288,323
Return on bank deposits		3,434,838	2,776,291	669,356	936,952
Remuneration and share of profit from management of discretionary and non discretionary client portfolio		173,291	463,217	30,303	117,221
Return on debt security		21,124,896	19,128,014	6,882,636	7,398,453
		633,581,723	399,924,154	213,840,163	185,854,797
Administrative expenses		(296,937,132)	(236,125,261)	(109,005,740)	(80,195,122)
Selling and distribution expenses		(18,824,043)	(22,816,692)	(1,324,045)	(21,745,544)
Operating Profit		317,820,548	140,982,201	103,510,378	83,914,131
Other expenses		-	(2,564,086)	-	(1,534,899)
Financial charges		(21,746,290)	(18,060,554)	(7,733,043)	(6,118,688)
		296,074,258	120,357,561	95,777,335	76,260,544
Other income		3,340,880	7,205,929	3,212,672	1,814,797
Profit before Income and Minimum Taxes		299,415,138	127,563,490	98,990,007	78,075,341
Taxation - Minimum Taxes		(15,846,595)	(9,740,989)	(5,745,471)	(6,813,907)
Profit before Income Tax		283,568,543	117,822,501	93,244,536	71,261,434
Taxation - net	15	(27,666,895)	(958,799)	(15,824,408)	(557,024)
Profit for the period after tax		255,901,648	116,863,702	77,420,128	70,704,410
Earnings per share for the period - basic and diluted	16	4.14	1.89	1.25	1.14

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) >
 FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Nine Months ended		Quarter ended	
	September 30, 2024	September 30, 2024	September 30, 2024	September 30, 2024
	(Rupees)		(Rupees)	
Profit for the period	255,901,648	116,863,702	77,420,128	70,704,410
Other comprehensive income	-	-	-	-
	-	-	-	-
Total comprehensive income for the period	255,901,648	116,863,702	77,420,128	70,704,410

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) >

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	Issued, subscribed and paid-up capital	Unappropriated profit	Total
	(Rupees)		
Balance as at January 01, 2023	617,742,560	737,654,383	1,355,396,943
Total comprehensive income for the period ended September 30, 2023	-	116,863,702	116,863,702
	-	116,863,702	116,863,702
Balance as at September 30, 2023 (Unaudited)	617,742,560	854,518,085	1,472,260,645
Total comprehensive Profit for the period from October 01, 2023 to December 31, 2023	-	193,160,736	193,160,736
	-	193,160,736	193,160,736
Balance as at December 31, 2023 (Audited)	617,742,560	1,047,678,821	1,665,421,381
Total comprehensive income for the period ended September 30, 2024	-	255,901,648	255,901,648
	-	255,901,648	255,901,648
Balance as at September 30, 2024 (Unaudited)	617,742,560	1,303,580,469	1,921,323,029

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF CASH FLOWS (UN-AUDITED) >

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

		September 30, 2024	September 30, 2023
	Note	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period before taxation		283,568,543	117,822,501
Adjustment for:			
Remuneration from funds under management - net		(342,612,787)	(170,700,662)
Remuneration and share of profit from management of discretionary and non discretionary client portfolio		(173,291)	(463,217)
Commission from open end funds under management		(2,946,378)	(16,703,177)
Dividend income		(14,573,642)	(5,496,355)
Return on debt securities		(21,124,896)	(19,128,014)
Depreciation expense	7	43,170,110	40,885,665
Amortization expense	8	1,433,121	2,673,826
Financial charges		21,746,290	18,060,554
Return on bank deposits		(3,434,838)	(2,776,291)
Minimum tax		15,846,595	9,740,989
Net gain on sale of investments classified as 'at fair value through profit or loss'		(87,280,203)	(100,476,903)
Net unrealised (gain)/loss on remeasurement of investments classified as 'at fair value through profit or loss'	9.1	(161,435,688)	(84,179,535)
Gain on disposal of property and equipment		(1,113,690)	-
		(268,930,754)	(210,740,619)
Working capital changes			
(Increase) / decrease in current assets :			
Loans and advances - secured		(13,761,462)	(1,550,354)
Deposits, prepayments and other receivables		(58,743,530)	(25,865,195)
Increase / decrease in current liabilities:			
Accrued and other liabilities		44,559,509	43,868,053
		(27,945,483)	16,452,504
		(296,876,237)	(194,288,115)
Taxes paid - net		(23,694,371)	(10,002,204)
Remuneration and commission received from funds under management		315,409,354	163,781,171
Net cash used in operating activities		(5,161,254)	(40,509,148)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment made		(4,103,706,150)	(7,106,717,658)
Proceeds from sale of investments		4,100,529,714	7,203,426,256
Payments for purchase of property, equipment and intangible assets		(26,379,494)	(13,721,676)
Dividends received		14,573,642	5,496,355
Return on bank deposits received		3,434,838	2,898,625
Return on debt securities		14,340,076	11,537,055
Sale proceeds from disposal of property and equipment		1,400,000	-
Net cash generated from investing activities		4,192,626	102,918,958
CASH FLOWS FROM FINANCING ACTIVITIES			
Unclaimed dividend paid		(2,875)	-
Lease rentals paid		(45,968,942)	(19,871,905)
Financial charges paid		(590,329)	(10,705,379)
Net cash used in financing activities		(46,562,146)	(30,577,284)
Net increase/(decrease) in cash and cash equivalents		(47,530,774)	31,832,526
Cash and cash equivalents at beginning of the period		67,978,805	12,288,813
Cash and cash equivalents at end of the period		20,448,031	44,121,339

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements



Chief Financial Officer



Chief Executive Officer



Director

1 STATUS AND NATURE OF BUSINESS

1.1 JS Investments Limited (the Company) is a public listed company incorporated in Pakistan on February 22, 1995 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The shares of the Company are quoted on the Pakistan Stock Exchange Limited since April 24, 2007. The registered office of the Company is located at The Centre, 19th Floor, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi. The Company is a subsidiary of JS Bank Limited (which has 84.56 percent direct holding in the Company) which is a subsidiary of JSCL (Jahangir Siddiqui & Co. Ltd.), the Ultimate Parent.

The Company has obtained the license of an “Investment Advisor” and “Asset Management Company” (AMC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). In addition, the Company also acts as Pension Fund Manager under the Voluntary Pension System Rules, 2005. The Company has also acquired the Private Equity and Venture Capital Fund Management Services license and REIT Management Services license from Securities and Exchange Commission of Pakistan (SECP)

Pakistan Credit Rating Agency Limited (PACRA) has maintained Management Company's asset manager rating of 'AM2+' with a 'stable outlook' to JS Investments Limited.

Geographical location and addresses of business units of the Company are as under:

Location	Address	Purpose
Karachi	The Centre, 19th Floor, Plot No. 28, SB-5 Abdullah Haroon Road Saddar, Karachi.	Head Office
Karachi	Ground Floor, Plot # 97-C, Main Khayaban-e-Shaheen, DHA Phase VIII, Karachi.	Branch Office
Lahore	Ground Floor, No 25, Block 13, Plot No.1-4, Usman Block, New Garden Town, Lahore.	Branch Office
Islamabad	Office # 414, 4th Floor, PSX Building, Jinnah Avenue, Islamabad.	Branch Office

1.2 The Company is an asset management company, pension fund and private equity and venture capital manager for the following funds for the period ended September 30, 2024.

Open-end mutual funds

- JS Growth Fund
- Unit Trust of Pakistan
- JS Income Fund
- JS Islamic Fund
- JS Fund of Funds
- JS Islamic Income Fund
- JS Cash Fund
- JS Large Cap. Fund
- JS Money Market Fund
- JS Fixed Term Munafa Fund
- JS Islamic Money Market Fund (Formerly: JS Islamic Daily Dividend Fund)
- JS Momentum Factor Exchange Traded Fund
- JS Microfinance Sector Fund
- JS Islamic Premium Fund
- JS Government Securities Fund

Closed-end mutual funds

- JS Rental REIT Fund

Private Equity and Venture Capital Fund

- JS Motion Picture Fund

Pension funds

- JS Pension Savings Fund
- JS Islamic Pension Savings Fund
- JS KPK Pension Fund
- JS KPK Islamic Pension Fund

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in

- International Accounting Standard 34 - Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Act;
- Provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations); and
- Directives issued by the Securities and Exchange Commission of Pakistan (SECP).

Where the provisions and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the International Financial Reporting Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

The Securities and Exchange Commission of Pakistan (SECP) vide SRO 56 (1) / 2016 dated January 28, 2016, has notified that the requirements of IFRS 10 (Consolidated Financial Statements) and Section 237 of the repealed Companies Ordinance, 1984 (Section 228 of Companies Act 2017), are not applicable in case of investments made by companies in mutual funds established under Trust structure. Accordingly, the Company has not consolidated the financial position and result of operations of mutual funds managed by it in their condensed interim financial statements.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual audited financial statements of the Company as at December 31, 2023.

2.2 The comparative condensed interim statement of financial position presented in these condensed interim financial statements have been extracted from the audited annual financial statements of the Company for the year ended December 31, 2023, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement

2.3 These condensed interim financial statements are un-audited and are being submitted to the shareholders as required under section 237 of the Act.

2.4 Basis of measurement

These condensed interim financial statements have been prepared under historical cost convention except for certain investments which are stated at fair value.

2.5 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani Rupee, which is the functional and presentation currency of the Company and rounded off to nearest rupee.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the annual audited financial statements of the Company for the year ended December 31, 2023.

4 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and areas where assumptions and estimates are significant are same as those applied to the annual audited financial statements for the year ended December 31, 2023. The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended December 31, 2023.

5 STANDARDS, ACCOUNTING JUDGEMENT, ESTIMATES, ASSUMPTIONS AND FINANCIAL RISK MANAGEMENT.

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and areas where assumptions and estimates are significant are same as those applied to the annual audited financial statements for the year ended December 31, 2023. The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended December 31, 2023.

6 STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS THAT ARE NOT YET EFFECTIVE

6.1 Standard, interpretations and amendments to publish accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Company's accounting periods beginning on or after January 01, 2024. However these do not have any significant impact on the Company's operations and, therefore, have not been detailed in these condensed interim financial statements.

6.2 Standard, interpretations and amendments to publish accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the company's accounting periods beginning on or after January 01, 2024. However, these do not have any significant impact on the Company's operations and, therefore, have not been detailed in these condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) >

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

7 PROPERTY AND EQUIPMENT

Operating Fixed Assets

Opening written down value

Additions during the period/year

Disposals during the period/year

Depreciation for the period/year

Right of use of assets

Opening written down value

Additions during the period/year

Disposals during the period/year

Depreciation for the period/year

Capital work-in-progress

7.1 The following additions were made to tangible -
property and equipment during the period/year :

Leasehold improvement

Furniture and fixtures

Vehicles

Office equipment

	(Un-Audited) September 30, 2024	(Audited) December 31, 2023
	(Rupees)	
	111,890,675	113,205,609
	15,328,681	21,196,619
	(286,310)	(24,106)
	(17,589,608)	(22,487,447)
	109,343,438	111,890,675
	127,071,931	162,061,005
	41,962,034	20,380,531
	-	(29,586,570)
	(25,580,502)	(25,783,035)
	143,453,462	127,071,931
	11,337,123	-
	264,134,023	238,962,606
	1,003,000	11,074,970
	75,000	1,630,742
	6,890,890	-
	7,359,791	8,490,907
	15,328,681	21,196,619

7.2 The cost of fully depreciated assets as at September 30, 2024 is Rs. 85.08 million (December 31, 2023: Rs. 83.42 million)

8 INTANGIBLE ASSETS

Note

Opening written down value

Additions during the period / year

Amortization for the period / year

	(Un-Audited) September 30, 2024	(Audited) December 31, 2023
	(Rupees)	
	3,655,853	6,469,897
	-	420,000
	(1,433,121)	(3,234,044)
	2,222,732	3,655,853

8.1 The cost of fully amortized assets as at September 30, 2024 is Rs. 56.83 million (December 31, 2023: Rs. 53.22 million)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) >

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

9 OTHER FINANCIAL ASSETS

Investments by category

At fair value through profit or loss

		(Un audited) September 30, 2024	(Audited) December 31, 2023
Investment in units of mutual funds under management - related parties	9.1	1,486,569,158	1,234,676,831
Investment in Debt Security - Term Finance Certificate	9.2	126,687,500	126,687,500
		1,613,256,658	1,361,364,331

9.1 Units of mutual funds - Related Parties

Number of Units			(Un-Audited) September 30, 2024	(Audited) December 31, 2023	
September 30, 2024	December 31, 2023		Average Cost	Fair value	Fair value
			(Rupees)		
1,000,000	1,000,000	JS Motion Picture Fund	74,830,000	79,290,000	74,830,000
5,000	5,000	JS KPK Islamic Pension Fund - Equity Sub Fund	500,000	500,000	500,000
5,000	5,000	JS KPK Islamic Pension Fund -Equity Index Sub Fund	500,000	500,000	500,000
5,000	5,000	JS KPK Pension Fund - Equity Sub Fund	500,000	500,000	500,000
5,000	5,000	JS KPK Pension Fund -Equity Index Sub Fund	500,000	500,000	500,000
-	1,633,564	JS Islamic Income Fund	-	-	190,832,965
-	150,631	JS MicroFinance Sector Fund	-	-	15,302,642
-	710,649	JS Government Securities Fund	-	-	78,285,143
-	2,626,050	JS Money Market Fund	-	-	275,577,731
3,840,903	1,307,196	JS Cash Fund	423,795,626	424,304,535	135,177,112
305,626	305,626	JS KPK Islamic Pension Fund - MM Sub Fund	30,819,329	35,247,850	30,819,329
305,626	305,626	JS KPK Pension Fund - MM Sub Fund	30,819,329	35,920,227	30,819,329
5,000	5,000	JS KPK Islamic Pension Fund - Debt Sub Fund	500,000	500,000	500,000
5,000	5,000	JS KPK Pension Fund - Debt Sub Fund	500,000	500,000	500,000
-	22,727	JS Islamic Pension Savings Fund Debt	-	-	7,493,668
-	1,976	JS Islamic Pension Savings Fund MM	-	-	603,437
-	890	JS Pension Savings Fund Debt	-	-	386,422
-	11,674	JS Pension Savings Fund MM	-	-	4,179,867
193,715	-	Unit Trust Of Pakistan	45,000,000	46,702,755	-
7,824,503	4,550,325	JS Fund of Funds	716,869,186	862,103,790	387,369,186
			1,325,133,470	1,486,569,158	1,234,676,831
		Unrealized gain on remeasurement at fair value - net	161,435,688	-	-
			1,486,569,158	1,486,569,158	1,234,676,831

9.2 Investment in Debt Security - Term Finance Certificate

This represents investment in AA+ rated, unsecured, subordinated, perpetual and non-cumulative term finance certificate of Bank AL Habib Limited, having face value of Rs.125 million and carries profit at the rate of 6 Months KIBOR + 1.50% per annum since 2018.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) >

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	(Un audited) September 30, 2024	(Audited) December 31, 2023
(Rupees)		
10 LONG-TERM INVESTMENT		
At fair value through profit or loss		
Shares of Mutual Funds Association of Pakistan	265,000	265,000

"Mutual Funds Association of Pakistan (MUFAP) has converted into a Self-Regulatory Organization (SRO) upon the directive of SECP and thus, is required to be registered under Section 42 of the Companies Act, 2017. Since it was converted into a SRO, the capital requirements were met from all the Asset Management Companies (AMCs) who are also the members of MUFAP. All AMCs contributed equally towards the share capital of MUFAP by subscribing for 26,500 shares at a par value of Rs. 10 each, the Company also subscribed for the shares of MUFAP being its member."

	(Un-Audited) September 30, 2024	(Audited) December 31, 2023
(Rupees)		
11 CASH AND BANK BALANCES		
Cash in hand	482,711	134,361
Cash at bank in:		
Current accounts	549,733	549,733
Savings accounts	19,415,587	67,294,711
	19,965,320	67,844,444
	20,448,031	67,978,805

Note

11.1

11.1 These carry mark-up at the rates ranging from 18.00% to 20.82%(December 31, 2023: 14.50% to 20.82%). It includes Rs. 16.973 million (December 31, 2023: Rs. 65.220 million) held with JS Bank Limited.

	(Un-Audited) September 30, 2024	(Audited) December 31, 2023
(Rupees)		
12 DEFERRED TAXATION		
Deductible Temporary Differences on:		
Right-of-use asset and lease liability - net	17,018,959	16,601,318
Intangible assets	32,518	712,716
Brought forward business losses	55,398,722	51,113,803
Unabsorbed tax depreciation and amortization	64,528,165	55,225,098
	136,978,364	123,652,935
Taxable Temporary Differences on:		
Property and equipment	(5,117,297)	(5,353,903)
Investments	(29,555,779)	(17,200,724)
	(34,673,076)	(22,554,627)
	102,305,288	101,098,308

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) >

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

13 TRADE AND OTHER PAYABLES

- 13.1** This includes Rs. 92.245 million (December 31, 2023: Rs. 92.245 million) payable against Federal Excise Duty (FED) on management fees received / receivable from the Funds under management. There is no change in the status of the appeal filed by the Federal Government in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in note 17.1 to the annual audited financial statements of the Company for the year ended December 31, 2023.
- 13.2** This includes Rs. 22.349 million (December 31, 2023 : Rs. 16.36 million) payable against Sindh Workers' Welfare Fund. The status of Sindh Workers' Welfare Fund (SWWF) is same as disclosed in note 17.2 to the annual audited financial statements for the year ended December 31, 2023.

14 CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

- 14.1.1** There is no change in the status of contingencies as disclosed in note 18.1 to the annual audited financial statement of the Company for the year ended December 31, 2023.

14.2 Commitments

- 14.2.1** The Company does not have any commitments that are required to be disclosed in these condensed interim financial statements.

15 TAXATION - NET

	(Un-Audited)	
	September 30, 2024	September 30, 2023
	(Rupees)	
Current	(28,873,875)	(958,799)
Deferred	1,206,980	-
	<u>(27,666,895)</u>	<u>(958,799)</u>

16 EARNINGS PER SHARE

	(Un-Audited)			
	Nine Months ended		Quarter ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	(Rupees)			
Profit for the period	<u>255,901,648</u>	<u>116,863,702</u>	<u>77,420,128</u>	<u>70,704,410</u>

Weighted average number of ordinary shares outstanding during the period

	(Number of shares)			
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	<u>61,774,256</u>	<u>61,774,256</u>	<u>61,774,256</u>	<u>61,774,256</u>

Earnings per share

	(Rupees)			
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	<u>4.14</u>	<u>1.89</u>	<u>1.25</u>	<u>1.14</u>

- 16.1** Diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at September 30, 2024 (December 31, 2023 : Nil) which would have any effect on the earnings per share if the option to convert is exercised.

17 TRANSACTIONS AND OUTSTANDING BALANCES WITH RELATED PARTIES

Related parties comprise of JS Bank Limited (Parent Company), Jahangir Siddiqui & Co. Ltd. (Ultimate Parent Company), JS Global Capital Limited, BankIslami Pakistan Limited, the Funds under management and other companies with common directorship, staff provident fund and key management employees. Contributions to the accounts in respect of staff retirement benefits are made in accordance with terms of the contribution plans. Remuneration of the key management personnel are in accordance with the terms of their employment. Other transactions are carried out as per agreed terms. Transactions and balances with related parties can be summarized below:

	(Un-Audited)	
	September 30, 2024	September 30, 2023
	(Rupees)	
17.1 Transactions during the period		
17.1.1 Funds under management		
Remuneration - net of tax	342,612,787	170,700,662
Commission received	2,946,378	16,703,177
Expenses incurred on behalf of the funds	363,662,272	154,335,155
Expenses reimbursed from the funds	308,722,252	141,789,497
Dividends received	14,573,642	5,496,355
Investments made	(4,103,706,150)	(7,106,717,658)
Investments disposed off / matured	4,100,529,714	7,203,426,256
JS Rental REIT Fund - Rent expense	24,723,350	12,484,787
17.1.2 Jahangir Siddiqui & Co. Ltd.		
Basis of relationship - Ultimate parent company		
Reimbursement of annual subscription fee paid by JSCL to World Economic Forum on behalf of the Company	7,051,500	-
Rent paid	400,000	375,000
17.1.3 JS Bank Limited		
Basis of relationship - Parent company		
Rent Paid	6,590,691	-
Return on bank deposits	3,031,081	2,612,746
Management fee sharing on distribution of mutual fund	4,941,695	-
Bank charges	585,882	74,320
ASSOCIATED COMPANIES, FUNDS AND OTHER RELATED PARTIES		
17.1.4 EFU General Insurance		
Basis of relationship - Common directorship of ultimate parent company		
Insurance premium paid	2,427,173	1,489,645
17.1.5 EFU Life Assurance		
Basis of relationship - Common directorship of ultimate parent company		
Insurance premium paid	2,443,509	1,743,677

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) >

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	(Un-Audited)	
	September 30, 2024	September 30, 2023
	(Rupees)	
17.1.6 JS Investments Staff Provident Fund		
Employee benefit plan		
Provident Fund contributions made	10,550,015	8,356,669
17.1.7 JS Global Capital Limited		
Basis of relationship - Subsidiary of the Parent Company		
Expenses paid on behalf of the Company	774,671	465,773
Reimbursement of expenses from the Company	1,147,665	492,571
Rent Paid	13,039,446	12,418,584
17.1.8 JS Lands (Private) Limited		
Basis of relationship - Common Substantial Shareholder		
Miscellaneous expenses paid	23,665,740	21,408,247
Refund of rent to JSIL	-	14,378,133
17.1.9 Decibel BPO Private Limited		
Basis of relationship - common directorship of the Company		
Service Charges	169,500	-
17.1.10 Future Trust		
Basis of relationship - common directorship of the Company		
Donation Paid	1,000,000	-
17.1.11 Transactions with substantial shareholder of the Ultimate Parent Company		
Use of name and advisory for the period	14,000,000	11,250,000
17.1.12 Transactions made with Directors and key personnel		
Remuneration	129,113,411	103,396,919
Directors fee	659,997	659,997
Disbursement of personal loans and advances	7,214,218	1,361,033
Repayments of loans and advances	1,854,016	1,083,042

17.2 Balance outstanding with related parties

	(Un-Audited)	(Audited)
	September 30, 2024	December 31, 2023
	(Rupees)	
17.2.1 Funds under management		
Basis of relationship - Funds managed by the company		
Receivable from the funds under management	301,020,588	213,497,341
Payable to funds under management	666,985	13,915,880
17.2.2 JS Bank Limited		
Basis of relationship - Parent Company		
Bank Balance	16,973,139	65,220,361
Other Receivable	1,465,064	1,465,064
Rent receivable	2,409,149	2,409,149

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) >

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

	(Un-Audited) September 30, 2024	(Audited) December 31, 2023
	(Rupees)	
17.2.3 Jahangir Siddiqui & Sons Limited Basis of relationship - Common ownership of the substantial shareholder Rent receivable	2,486,352	2,486,352
17.2.4 Jahangir Siddiqui Securities Services Ltd Basis of relationship - Common ownership of the substantial shareholder Rent receivable	94,429	94,429
17.2.5 Associated company - Mahvash & Jahangir Siddiqui Foundation Basis of relationship - Common directorship of the group Rent receivable	379,929	379,929
17.2.6 Associated company - JS Global Capital Limited Basis of relationship - Subsidiary of the Parent Company Other Receivable Rent receivable	1,620,292 181,957	1,378,468 181,957
17.2.7 JS Lands (Private) Limited Basis of relationship - Common Substantial Shareholder Other Payable Rent payable	3,239,015 51,044	2,271,851 9,815
17.2.8 Outstanding from key management personnel Receivable against loans and advances Directors' fee payable	6,018,702 259,997	542,501 604,997
17.2.9 Key management personnel and directors hold 5,000 shares in the Company		

17.3 Other balances outstanding with related parties as at reporting date have been disclosed in the relevant balance sheet notes

17.4 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. Management considers all members of the management team, including the Chief Executive Officer and Directors to be key management personnel.

18 FAIR VALUE OF FINANCIAL AND OTHER ASSET:

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) >

FOR THE PERIOD ENDED SEPTEMBER 30, 2024

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyse financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	September 30, 2024 (Un-Audited)			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
Financial assets at fair value through profit or loss				
Units of mutual funds - Related Parties	-	1,486,569,158	-	1,486,569,158
Term finance certificate	-	126,687,500	-	126,687,500
Shares of Mutual Funds Association of Pakistan	-	-	265,000	265,000
	-	1,613,256,658	265,000	1,613,521,658

	December 31, 2023 (Audited)			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
Financial assets at fair value through profit or loss				
Units of mutual funds - Related Parties	-	1,234,676,831	-	1,234,676,831
Term finance certificate	-	126,687,500	-	126,687,500
Shares of Mutual Funds Association of Pakistan	-	-	265,000	265,000
	-	1,361,364,331	265,000	1,361,629,331

18.1 During the period, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

19 Subsequent Event

The members of the JS Investments Limited, in the Extraordinary General Meeting (EoGM) held on October 14, 2024, approved and authorized the Company to purchase/buy back its shares up to 4,630,000 issued ordinary shares of the face value of Rs. 10 each, i.e., around 7.5% of the total outstanding shares, through Pakistan Stock Exchange at the current price prevailing during the purchase period and acceptable to the company as recommended by its Board of Directors.

20 GENERAL

- 20.1** In compliance of the NBFC Rules read with SRO 1002(1)/2015 dated October 15, 2015 of SECP, the management would like to report that the Company has sufficient insurance coverage from an insurance company, rated AA++ by a rating agency registered with the Commission, against financial losses that may be caused as a result of gross negligence of its employees.
- 20.2** Corresponding figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there are no material re-arrangements / re-classifications to report.
- 20.3** These condensed interim financial information were authorised for issue on October 22, 2024 by the Board of Directors of the Company.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**
19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.
- **Wealth Centre**
Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8,
Karachi
- **Regional Office - Lahore**
Ground Floor, No. 25, Block 13, Plot No.1-4,
Usman Block, New Garden Town, Lahore
- **Regional Office - Islamabad**
Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad

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