

JS Bank Limited

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Form - 8

JSB-231-23
October 30, 2023

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

Subject: Transmission of Quarterly Report for the period ended September 30, 2023

Dear Sir,

We have to inform you that the Quarterly Report of the JS Bank Limited for the period ended September 30, 2023 have been transmitted through PUCARS and is also available on Bank's website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Thank you,

Yours truly,



Hasan Shahid
Company Secretary



Amin Muhammad Virani
Chief Financial Officer



Quarterly Report
September 30, 2023 (Un-audited)



**Bank as free
as a bird**

Content

02 Company Information

03 Directors' Report

06 Directors' Report Urdu

10 Condensed Interim Unconsolidated Statement of Financial Position

11 Condensed Interim Unconsolidated Profit and Loss Account

12 Condensed Interim Unconsolidated Statement of Comprehensive
Income

13 Condensed Interim Unconsolidated Statement of Changes in Equity

14 Condensed Interim Unconsolidated Cash Flow Statement

15 Notes to the Condensed Interim Unconsolidated Financial Statements

44 Condensed Interim Consolidated Statement of Financial Position

45 Condensed Interim Consolidated Profit and Loss Account

46 Condensed Interim Consolidated Statement of Comprehensive Income

47 Condensed Interim Consolidated Statement of Changes in Equity

48 Condensed Interim Consolidated Cash Flow Statement

49 Notes to the Condensed Interim Consolidated Financial Statements

Company Information

Board of Directors

Mr. Adil Matcheswala	Chairman
Ms. Nargis Ghaloo	Independent Director
Lt. Gen. (R) Sadiq Ali	Independent Director
Mr. Shahnawaz Haider Nawabi*	Independent Director
Syed Mumtaz Ali Shah	Independent Director
Mr. Usman Yousaf Mobin	Independent Director
Mr. Basir Shamsie	President & CEO / Director

Audit Committee

Ms. Nargis Ghaloo	Chairperson
Mr. Shahnawaz Haider Nawabi*	Member
Lt. Gen. (R) Sadiq Ali	Member

Human Resource, Remuneration & Nomination Committee

Syed Mumtaz Ali Shah	Chairman
Mr. Adil Matcheswala	Member
Mr. Usman Yousaf Mobin	Member

Risk Management Committee

Syed Mumtaz Ali Shah	Chairman
Lt. Gen. (R) Sadiq Ali	Member
Mr. Shahnawaz Haider Nawabi*	Member
Mr. Basir Shamsie	Member

Board IT Committee

Mr. Usman Yousaf Mobin	Chairman
Ms. Nargis Ghaloo	Member
Mr. Basir Shamsie	Member

Chief Financial Officer

Mr. Amin Muhammad Virani

Company Secretary

Mr. Hasan Shahid

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2
Beaumont Road
Karachi.

Legal Advisors

Bawaney & Partners
Haidermota & Co.
Liaquat Merchant Associates

Share Registrar

CDC Share Registrar Services Limited
CDC House, 99 – B, Block ‘B’
S.M.C.H.S., Main Shahra-e-Faisal
Karachi

Registered office

JS Bank Limited
Shaheen Commercial Complex
Dr. Ziauddin Ahmed Road
P.O. Box 4847, Karachi-74200, Pakistan
UAN: +92 21 111 JS Bank (572-265)
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www.jsbl.com

*Mr. Shahnawaz Haider Nawabi (Independent Director) has resigned w.e.f. October 12, 2023.

DIRECTORS' REPORT

We are pleased to present the unaudited financial statements of JS Bank Limited ("JSBL") along with the consolidated financial statements for the nine-month period ended September 30, 2023.

Economy Review

The Current Account Balance turned negative in Jul-Aug 2023 (US\$935 million), which was in surplus during 2Q-2023. The deficit was led by imports beginning to normalize, while exports and remittances both remaining sticky around US\$2.1 billion.

The impact of negative Current Account Balance and debt repayment outflows was more than offset by the inflow under IMF's fresh US\$3 billion Stand-By Agreement. As a result, SBP's foreign exchange reserves increased by US\$3 billion to US\$7.6 billion during the quarter. This, along with the administrative measures taken to correct the foreign exchange market, resulted in improvement in exchange rate. Although Exchange Rate depreciated by 7% during first two months of the 3rd quarter, it sharply regained value during September to close the quarter just 1% down on QoQ basis. In the following months, Rupee continued to gain strength and is currently trading around 278 per USD.

SBP's Monetary Policy Committee (MPC) kept the Policy Rate unchanged at 22% in both meetings held during the quarter. On the inflation front, 3QCY23 CPI averaged 29% as compared to 35% during 2QCY23. Moreover, SBP also views economy entering positive interest rate zone on forward looking basis.

Banking Sector Review

While the Policy Rate remained unchanged at 22% during 3QCY23, the banking sector's weighted average spreads took a slight sequential dip from 7.73% in June 2023 to 7.63% in August, with increase in cost of deposits outpacing loan yields. During the same period, banking sector deposits touched PKR 26.11 trillion in August (up 18% YoY). Gross ADR levels continued to slip reaching 45% in Aug-2023 as Advances witnessed only 8% YoY increase. The sector's Investments touched PKR 22.02 trillion (up 21% YoY), taking IDR up to 84%.

Performance Overview

The Bank reported an unconsolidated Profit Before Tax of PKR 4,671 million (Profit After Tax of PKR 2,321 million), as compared to a Profit Before Tax of PKR 1,808 million (Profit After Tax of PKR 820 million) during the corresponding period last year. During the period, the Bank's Net Interest Income increased by 40% YoY as share of Non-Remunerative Deposits in total Deposits increased to 31% in 3Q-2023 as compared to 27% in the same period last year.

The Bank's Non-Markup Income increased to PKR 6,920 million (up by 60% YoY) owing to higher Foreign Exchange, Fee & Commission Income. This has more than offset the Loss on Securities, which the Bank prudently booked during the first quarter preempting the Policy Rate hike.

During the period, Bank's Operating Expense increased by 27%YoY to reach PKR 15.6 billion primarily on the back of higher inflation and Rupee depreciation. However, improved topline performance has resulted in Bank's Cost-to-Income ratio improving to 72.7% from 83.6% in the corresponding period last year. NII to Operating Cost Ratio has also increased from 84.8% to 93.6% during the period under review.

Lending activities remained cautious owing to economic slowdown and record high interest rates. Advances book therefore witnessed attrition of PKR 28 billion since December 2022 (down 12%). Despite reduction in Advances, Gross Infection Ratio remained at approximately same level as December 2022 (7%). Moreover Coverage Ratio has improved from 41% in September 2022 to 55% in September 2023.

Bank's digitization spree continued as planned. Various digitization initiatives pertaining to Robotic Process Automation and Predictive Modelling have been rolled out in the areas of transformation and Data Sciences. Bank's digital channels have also witnessed substantial growth with customer penetration on JS Mobile App standing at 52% and JS Bot at 63%. Moreover, JS Blink and Roshan Digital Account products have seen steady growth with New to Bank accounts crossing 25,000 accounts. Since its inception in 2022, these Digital Onboarding channels now maintain active deposits of over PKR 1.4 billion. Digitization of the account opening process has also been rolled out across all branches of the Bank. Owing to these improvements, JS Bank was awarded the 'Most Innovative Digital Banking Service Provider' at the International Finance Awards 2023.

During the 9M2023, **Zindigi** continued its growth trajectory, witnessing over 3.9 million new downloads and acquiring 2.4 million new users. Furthermore, Zindigi successfully launched its Nano loan and instant debit card products. These expansions, combined with our robust transactional activity, processing over 41.8 million transactions worth PKR 104.7 billion, has positioned Zindigi as one of the fastest-growing fintech players in the market.

During the quarter under review, the Bank completed all the formalities related to its acquisition of 67.33% shares of BankIslami Pakistan Limited, taking its total shareholding to 75.12%. With Assets crossing PKR 590 billion, BankIslami is one of the fastest growing Islamic Banks in Pakistan. It has an active presence in more than 150 cities through 415 branches and a deposit base of PKR 463 billion. On the back of its growth, financial performance and improved risk profile, BankIslami's long-term credit rating has recently been upgraded to AA-.

Consolidated Financial Statements

On a consolidated basis, JS Bank along with its subsidiaries BankIslami Pakistan Limited, JS Global Capital Limited, and JS Investments Limited earned a profit before tax of PKR 9,999 million (profit after tax of PKR 6,948 million) for the nine months ended September 30, 2023, as compared to a profit before tax of PKR 1,994 million (profit after tax of PKR 962 million) in the corresponding period last year. The earnings per share stood at PKR 4.74 for the nine months ended September 30, 2023, and the Group remains satisfactorily capitalized with CAR at 16.51%.

Credit Ratings

The Pakistan Credit Rating Agency Limited (PACRA) has assigned to the Bank a long-term rating of "AA-" (Double A Minus), and a short-term rating of "A1+" (A One Plus) which is the highest possible rating within the category.

Acknowledgments

On behalf of JS Bank, we would like to extend our gratitude to our customers and stakeholders for their ongoing trust and patronage. We would also like to thank the Ministry of Finance, the State Bank of Pakistan, the Securities & Exchange Commission of Pakistan, and other regulatory bodies for their continued support to our Bank. We also wish to thank our colleagues for their commitment to hard work, excellence, and their drive to succeed.

On behalf of the Board

Basir Shamsie
President & CEO

Adil Matcheswala
Chairman

Karachi: October 24, 2023

ڈائریکٹر رپورٹ

ہم انتہائی مسرت کے ساتھ ہے ایس بینک لمیٹڈ ("جے ایس بی ایل") کے مالیاتی گوشواروں بشمول مجموعی مالیاتی گوشواروں کا 30 ستمبر 2023 کو ختم ہونے والی نو ماہ کی مدت کا جائزہ پیش کر رہے ہیں۔

معیشت کا جائزہ:

جولائی تا اگست 2023 میں کرنٹ اکاؤنٹ بیلنس (935 ملین امریکی ڈالر) منفی رہا جو کہ 2Q-2023 کے دوران سرپلس میں تھا۔ یہ خسارہ بنیادی طور پر درآمدات کے معمول کی سطح پر واپس آنا شروع ہونے کی وجہ سے ہوا، جب کہ برآمدات اور ترسیلات دونوں 2.1 بلین امریکی ڈالر کے لگ بھگ برابر ہیں۔

منفی کرنٹ اکاؤنٹ بیلنس اور قرض کی ادائیگی کے مقابلے میں تلافی آئی ایم ایف کے نئے اسٹینڈ بائی ایگریمنٹ سے 3 بلین امریکی ڈالر کی آمد کی وجہ سے زیادہ ہوئی۔ نتیجتاً، اس سہ ماہی کے دوران اسٹیٹ بینک آف پاکستان کے زرمبادلہ کے ذخائر 3 بلین امریکی ڈالر سے بڑھ کر 7.6 بلین امریکی ڈالر تک پہنچ گئے۔ اس کے ساتھ غیر ملکی کرنسی مارکیٹ میں بہتری لانے کیلئے نافذ کیے گئے انتظامی اقدامات بھی شرح مبادلہ میں بہتری کا باعث بنے۔ اگرچہ تیسری سہ ماہی کے پہلے دو مہینوں کے دوران شرح مبادلہ میں 7 فیصد کمی ہوئی، جو کہ ستمبر میں نمایاں طور پر بحال ہوئی اور آخری سہ ماہی میں QoQ کی بنیاد پر صرف 1 فیصد کم رہی۔ روپیہ مضبوط ہوتا رہا اور فی الحال 278 فی امریکی ڈالر کے قریب ٹریڈ کر رہا ہے۔

اسٹیٹ بینک آف پاکستان کی مانیٹری پالیسی کمیٹی (MPC) نے سہ ماہی کے دوران ہونے والی دونوں میننگوں میں پالیسی ریٹ کو 22 فیصد پر برقرار رکھا۔ افراط زر کے حوالے سے، 3QCY23 کے لیے کنزیومر پرائس انڈیکس (CPI) اوسطاً 29 فیصد رہا، اس کے برعکس CY23 میں 35 فیصد ریکارڈ کیا گیا تھا۔ مزید برآں، اسٹیٹ بینک آف پاکستان (SBP) مستقبل کی بنیاد پر معیشت کے مثبت شرح سود کی طرف بڑھنے کی توقع کرتا ہے۔

بینکنگ سیکٹر کا جائزہ:

اگرچہ 3QCY23 کے دوران پالیسی شرح 22 فیصد پر مستحکم رہی، بینکنگ سیکٹر کو اوسط اسپرڈز میں معمولی کمی کا سامنا کرنا پڑا، جو جون 2023 میں 7.73 فیصد سے کم ہو کر اگست میں 7.63 فیصد ہو گیا۔ اس کی بنیادی وجہ قرض کی شرح آمدنی سے زیادہ تیزی سے ڈپازٹس کی لاگت میں اضافہ تھا۔ دوران مدت، بینکنگ شعبہ کے ذخائر اگست میں 26.11 ٹریلین روپے تک پہنچ گئے (18 فیصد سالہ سال (YoY) اضافہ کے ساتھ)۔ ADR کی مجموعی سطح اگست 2023 میں 45 فیصد کم ہوتی رہی کیونکہ ایڈوانسز میں صرف 8 فیصد سالہ سال کا اضافہ دیکھا گیا۔ بینکنگ شعبہ کی سرمایہ کاری 22.02 ٹریلین روپے تک پہنچ گئی (21 فیصد سالہ سال اضافہ کے ساتھ) جس سے نوٹسٹڈ ٹو ڈپازٹ ریٹو (IDR) 84 فیصد تک پہنچ گیا۔

کارکردگی کا جائزہ:

دوران سہ ماہی بینک نے غیر مجموعی قبل از ٹیکس منافع 4,671 ملین روپے (بعد از ٹیکس منافع 2,321 ملین روپے) رپورٹ کیا جس کا موازنہ گذشتہ سال کی اسی مدت کے قبل از ٹیکس منافع 1,808 ملین روپے (بعد از ٹیکس منافع 820 ملین روپے) سے کیا جاسکتا ہے۔ دوران مدت بینک کی خالص سودی آمدنی میں 40 فیصد سالہ سال اضافہ ہوا کیونکہ کل ڈپازٹس میں غیر منافع بخش ڈپازٹس کا حصہ 3Q-2023 میں بڑھ کر 31 فیصد ہو گیا جو گزشتہ سال اسی مدت میں 27 فیصد تھا۔

بینک کی نان مارک اپ آمدنی 6,920 ملین روپے تک پہنچ گئی جو کہ ساہا سال بنیاد پر 60 فیصد اضافہ ظاہر کرتی ہے جس کی بنیادی وجہ غیر ملکی زرمبادلہ، فیس اور کمیشن کی زیادہ آمدنی ہے۔ یہ اضافہ سیکورٹیز پر ہونے والے نقصان کی تلافی سے کہیں زیادہ ہے، جسے بینک نے پالیسی ریٹ میں اضافے کی توقع میں پہلی سہ ماہی کے دوران ریکارڈ کیا تھا۔

دوران مدت، بینک کے آپریٹنگ اخراجات میں ساہا سال 27 فیصد اضافہ ہوا، جو 15.6 بلین روپے تک پہنچ گئے۔ اس کی بنیادی وجہ بڑھتا ہوا افراط زر اور روپے کی قدر میں کمی تھی۔ اس کے باوجود، آمدنی میں اضافہ کیلئے بہتر کارکردگی کے نتیجے میں بینک کی لاگت سے آمدنی کا تناسب گزشتہ سال کی اسی مدت کے 72.7 فیصد سے بڑھ کر 83.6 فیصد تک پہنچ گیا ہے۔ زیر جائزہ مدت کے دوران نیٹ انٹریسٹ انکم (NII) سے آپریٹنگ لاگت کا تناسب بھی 84.8 فیصد سے بڑھ کر 93.6 فیصد ہو گیا ہے۔

معاشی ست روی اور غیر معمولی بلند شرح سود کی وجہ سے قرض دینے کی سرگرمیاں محدود رہیں۔ نتیجتاً، دسمبر 2022 سے بینک ایڈوائس بک میں 28 بلین روپے کی کمی دیکھی گئی، جو کہ 12 فیصد کی کمی ہے۔ ایڈوائس میں کمی کے باوجود، مجموعی انفلکشن کا تناسب تقریباً اسی سطح پر رہا جو دسمبر 2022 میں 7 فیصد تھا۔ تاہم کوریج ریشو ستمبر 2022 میں 41 فیصد سے ستمبر 2023 میں 55 فیصد تک بڑھ گیا۔

بینک کی ڈیجیٹائزیشن کا سلسلہ منصوبہ بندی کے تحت جاری رہا۔ روبوٹک پروسیس آٹومیشن اور پریڈیکٹیو ماڈلنگ سے متعلق کئی ڈیجیٹائزیشن پروجیکٹس کو ٹرانسفارمیشن اور ڈیٹا سائنسز کے ڈومینز میں لاگو کیا گیا۔ بینک کے ڈیجیٹل چینلز میں نمایاں ترقی نظر آئی، جس میں JS موبائل ایپ پر صارفین کی رسائی 52 فیصد اور JS Bot پر 63 فیصد تک پہنچ گئی۔ مزید برآں، بے ایس بلنک اور روشن ڈیجیٹل اکاؤنٹ پروڈکٹس نے مسلسل ترقی کی ہے، جس میں نئے بینک اکاؤنٹس کی تعداد 25,000 سے تجاوز کر گئی ہے۔ 2022 میں اپنے آغاز کے بعد سے، یہ ڈیجیٹل آن بورڈنگ چینلز اب 1.4 بلین روپے سے زیادہ کے فعال ذخائر رکھتے ہیں۔ بینک کی تمام شاخوں میں اکاؤنٹ کھولنے کے عمل کی ڈیجیٹائزیشن کو نافذ کر دیا گیا ہے۔ ان بہتریوں کی بدولت، بے ایس بینک کو انٹرنیشنل فنانس ایوارڈز 2023 میں ”موسٹ انوویٹو ڈیجیٹل بینکنگ سروس پرووائیڈرز“ کے ایوارڈ سے نوازا گیا۔

2023 کے 9 مہینوں کے دوران، زندگی نے 3.9 بلین سے زیادہ نئے ڈاؤن لوڈز اور 2.4 بلین نئے صارفین کے اضافے کے ساتھ اپنی ترقی کا سفر جاری رکھا۔ مزید برآں، زندگی نے کامیابی کے ساتھ اپنا نینولون اور فوری ڈیپٹ کارڈ پروڈکٹس متعارف کروائیں۔ ہماری مضبوط ٹرانزیکشنل سرگرمی کے ساتھ 104.7 بلین روپے مالیت کی 41.8 بلین سے زیادہ ٹرانزیکشنز کو سنبھالتے ہوئے، ان توسیعات نے زندگی کو مارکیٹ میں تیزی سے ترقی کرنے والی فنٹیک کمپنیوں میں سے ایک کے طور پر قائم کیا ہے۔

زیر جائزہ سہ ماہی کے دوران، بینک نے بینک اسلامی کے 67.33 فیصد حصص کے حصول سے متعلق تمام ضروری طریقہ کار کو کامیابی سے مکمل کیا، جس سے اس کی کل ملکیت بڑھ کر 75.12 فیصد ہو گئی۔ بینک اسلامی نے 590 بلین روپے سے زائد اثاثوں کے ساتھ خود کو پاکستان میں تیزی سے ترقی کرنے والے اسلامی بینکوں میں سے ایک کے طور پر قائم کیا ہے۔ بینک 415 برانچوں کے ذریعے 150 سے زیادہ شہروں 463 بلین روپے کے ڈپازٹ کے ساتھ کام کر رہا ہے۔ اس کی ترقی، مالیاتی کارکردگی، اور رسک پروفائل کی بدولت بینک اسلامی کی طویل مدتی کریڈٹ ریٹنگ کو حال ہی میں AA- میں اپ گریڈ کیا گیا ہے۔

مجموعی مالیاتی گوشوارے:

مجموعی مالیاتی کارکردگی میں، جے ایس بینک نے اپنی ذیلی کمپنیوں کے بینک اسلامی پاکستان لمیٹڈ، جے ایس گلوبل کیپیٹل لمیٹڈ اور جے ایس انویسٹمنٹس لمیٹڈ کے ساتھ 30 ستمبر 2023 کو ختم ہونے والی نو ماہی مدت کیلئے قبل از ٹیکس منافع 9,999 ملین روپے (بعد از ٹیکس منافع 6,948 ملین روپے) حاصل کیا جو گذشتہ سال اسی مدت میں قبل از ٹیکس منافع 1,994 ملین روپے (بعد از ٹیکس منافع 962 ملین روپے) تھا۔ 30 ستمبر 2023 کو ختم ہونے والی نو ماہی مدت کیلئے فی شیئر آمدنی 4.74 روپے رہی، اور گروپ میں اطمینان بخش طور پر CAR کے ساتھ 16.51 فیصد کے ساتھ سرمایہ دار رہی۔

کریڈٹ ریٹنگو:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے بینک کو "AA-" (ڈبل اے مائنس) کی طویل المدتی ریٹنگ، اور قلیل المدتی ریٹنگ میں "A1+" (اے ون پلس) تفویض کی ہے، جو اپنی کیٹگری میں سب سے اعلیٰ درجہ کی ریٹنگ ہے۔

اظہار تشکر:

جے ایس بینک کی جانب سے ہم اپنے صارفین اور اسٹیک ہولڈرز کے مسلسل اعتماد اور سرپرستی پر شکر گزار ہیں۔ ہم وزارت خزانہ، اسٹیٹ بینک آف پاکستان، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر ریگولیٹری اداروں کا بینک کو تعاون فراہم کرنے کیلئے بھی ممنون ہیں۔ ہم اپنے ساتھیوں اور جانفشانی کے ساتھ بینک کو ترقی، خوشحالی اور کامیابی کی نئی بلندیوں کی طرف گامزن کرنے والے ملازمین کا ان کی انتھک محنت پر بھی شکر یہ ادا کرنا چاہتے ہیں۔

عادل ماچس والا

چیئرمین

باصر شمشی

پریزیڈنٹ اور سی ای او

کراچی: 24 اکتوبر 2023



Condensed Interim Unconsolidated Financial Statements
for the Nine Months Ended September 30, 2023

JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
	Note	----- Rupees in '000 -----	
ASSETS			
Cash and balances with treasury banks	6	35,729,774	24,764,967
Balances with other banks	7	2,798,225	1,800,436
Lendings to financial institutions	8	-	11,351,162
Investments	9	302,224,003	303,464,863
Advances	10	202,405,346	231,101,816
Fixed assets	11	10,716,315	10,004,318
Intangible assets	12	4,458,347	3,832,137
Deferred tax assets	18	-	-
Other assets	13	33,711,234	30,395,794
		592,043,244	616,715,493
LIABILITIES			
Bills payable	14	5,606,614	5,402,945
Borrowings	15	34,831,150	97,808,216
Deposits and other accounts	16	484,111,591	464,131,920
Liabilities against assets subject to finance lease		-	-
Subordinated debts	17	8,498,500	6,995,000
Deferred tax liabilities	18	898,872	320,000
Other liabilities	19	21,127,259	20,510,793
		555,073,986	595,168,874
NET ASSETS		36,969,258	21,546,619
REPRESENTED BY			
Share capital		20,506,625	10,119,242
Reserves		6,188,722	2,787,201
Surplus on revaluation of assets	20	525,743	795,021
Unappropriated profit		9,748,168	7,845,155
		36,969,258	21,546,619
CONTINGENCIES AND COMMITMENTS			21

The annexed notes from 1 to 40 form an integral part of these condensed interim unconsolidated financial statements.

**President and
Chief Executive Officer**

**Chief Financial
Officer**

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

		Quarter Ended		Nine Months Ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Note		----- Rupees in '000 -----			
Mark-up / return / interest earned	23	22,035,341	18,906,914	64,502,711	48,774,693
Mark-up / return / interest expensed	24	17,720,755	15,007,814	49,750,961	38,239,888
Net mark-up / interest income		4,314,586	3,899,100	14,751,750	10,534,805
Non mark-up / interest income					
Fee and commission income	25	1,295,164	739,211	3,170,346	2,340,718
Dividend income		18,948	55,198	201,381	112,945
Foreign exchange income		1,245,270	941,291	3,796,339	1,917,037
(Loss) / gain from derivatives		(103)	33,634	166	(56,835)
(Loss) / gain on securities - net	26	(1,482)	81,371	(680,525)	94
Other income	27	350,934	15,097	432,923	11,739
Total non mark-up / interest income		2,908,731	1,865,802	6,920,630	4,325,698
Total income		7,223,317	5,764,902	21,672,380	14,860,503
Non mark-up / interest expenses					
Operating expenses	28	5,459,515	4,459,555	15,614,034	12,294,807
Workers' Welfare Fund	29	46,315	16,749	110,503	36,165
Other charges	30	18,722	-	38,754	85,590
Total non-mark-up / interest expenses		5,524,552	4,476,304	15,763,291	12,416,562
Profit before provisions		1,698,765	1,288,598	5,909,089	2,443,941
Provisions and write offs - net	31	237,264	451,192	1,238,166	635,685
Profit before taxation		1,461,501	837,406	4,670,923	1,808,256
Taxation	32	648,343	442,373	2,349,955	987,669
Profit after taxation		813,158	395,033	2,320,968	820,587
----- Rupees -----					
Basic and diluted earnings per share	33	0.57	0.30	1.63	0.63

The annexed notes from 1 to 40 form an integral part of these condensed interim unconsolidated financial statements.

**President and
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JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	Quarter Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	----- Rupees in '000 -----			
Profit after taxation for the period	813,158	395,033	2,320,968	820,587
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods				
Effect of translation of net investment in foreign branch	20,984	124,867	248,110	262,262
Movement in deficit on revaluation of investments - net of tax (Pakistan operations)	249,700	716,485	(376,524)	(259,946)
Movement in surplus of debt investments at FVOCI - net of tax (Bahrain operations)	76,638	(344,327)	187,891	(578,623)
	326,338	372,158	(188,633)	(838,569)
	1,160,480	892,058	2,380,445	244,280
Items that will not be reclassified to profit and loss account in subsequent periods				
Movement in surplus on revaluation of fixed assets - net of tax	-	-	(45,739)	(32,007)
Movement in surplus on revaluation of non-banking assets - net of tax	-	-	(43)	(98)
Movement in deficit of equity investments at FVOCI - net of tax (Bahrain operations)	25,262	(13,057)	11,376	(55,173)
	25,262	(13,057)	(34,406)	(87,278)
Total comprehensive income for the period	1,185,742	879,001	2,346,039	157,002

The annexed notes from 1 to 40 form an integral part of these condensed interim unconsolidated financial statements.

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JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	Share capital	Capital Reserves		Statutory reserve	Surplus / (deficit) on revaluation of			Unappropriated profit	Total
		Share premium	Exchange translation reserve		Investments	Fixed assets	Non-banking assets		
Rupees in '000									
Balance as at January 01, 2022 (Audited)	10,119,242	-	194,012	2,137,058	1,146,128	1,201,316	119,714	7,106,613	22,024,083
Total comprehensive income for the nine months ended September 30, 2022									
Profit after taxation	-	-	-	-	-	-	-	820,587	820,587
Other comprehensive (loss) / income - net of tax	-	-	262,262	-	(893,742)	(32,007)	(98)	-	(663,585)
	-	-	262,262	-	(893,742)	(32,007)	(98)	820,587	157,002
Transfer to statutory reserve	-	-	-	164,117	-	-	-	(164,117)	-
Transfer from surplus on revaluation of assets - net of tax	-	-	-	-	-	(16,185)	(12,495)	28,680	-
Loss on disposal of equity investments at FVOCI transferred to unappropriated profit	-	-	-	-	13,146	-	-	(13,146)	-
Balance as at September 30, 2022 (Un-audited)	10,119,242	-	456,274	2,301,175	265,532	1,153,124	107,121	7,778,617	22,181,085
Total comprehensive income for the three months ended December 31, 2022									
Profit after taxation	-	-	-	-	-	-	-	144,191	144,191
Other comprehensive (loss) / income - net of tax	-	-	913	-	(725,731)	-	-	(53,839)	(778,657)
	-	-	913	-	(725,731)	-	-	90,352	(634,466)
Transfer to statutory reserve	-	-	-	28,839	-	-	-	(28,839)	-
Transfer from surplus on revaluation of assets - net of tax	-	-	-	-	-	(5,395)	(38)	5,433	-
Loss on disposal of equity investments at FVOCI transferred to unappropriated profit	-	-	-	-	408	-	-	(408)	-
Balance as at December 31, 2022 (Audited)	10,119,242	-	457,187	2,330,014	(459,791)	1,147,729	107,083	7,845,155	21,546,619
Total comprehensive income for the nine months ended September 30, 2023									
Profit after taxation	-	-	-	-	-	-	-	2,320,968	2,320,968
Other comprehensive income / (loss) - net of tax	-	-	248,110	-	(177,257)	(45,739)	(43)	-	25,071
	-	-	248,110	-	(177,257)	(45,739)	(43)	2,320,968	2,346,039
Transfer to statutory reserve	-	-	-	464,194	-	-	-	(464,194)	-
Transfer from surplus on revaluation of assets - net of tax	-	-	-	-	-	(36,951)	(12)	36,963	-
Gain on disposal of equity investments at FVOCI transferred to unappropriated profit	-	-	-	-	(9,276)	-	-	9,276	-
Transactions with owners, recorded directly in equity									
Issue of share capital (right shares)	2,205,689	-	-	-	-	-	-	-	2,205,689
Issue of share capital (further issue of shares)	5,326,293	5,544,618	-	-	-	-	-	-	10,870,911
Transfer of share discount to share premium	2,855,401	(2,855,401)	-	-	-	-	-	-	-
Balance as at September 30, 2023 (Un-audited)	<u>20,506,625</u>	<u>2,689,217</u>	<u>705,297</u>	<u>2,794,208</u>	<u>(646,324)</u>	<u>1,065,039</u>	<u>107,028</u>	<u>9,748,168</u>	<u>36,969,258</u>

The annexed notes from 1 to 40 form an integral part of these condensed interim unconsolidated financial statements.

**President and
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Officer**

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	September 30, 2023	September 30, 2022
Note	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,670,923	1,808,256
Less: Dividend income	(201,381)	(112,945)
	4,469,542	1,695,311
Adjustments:		
Depreciation on fixed assets	28 822,285	650,104
Depreciation on non-banking assets	28 24,910	15,094
Depreciation on right-of-use assets	28 844,368	817,149
Amortisation	28 200,712	122,945
Interest expense on lease liability against right-of-use assets	24 225,076	276,693
Charge for defined benefit plan	98,249	107,402
Unrealised loss on revaluation of investments classified as HFT - net	26 42	-
Provisions and write offs - net	31 1,238,166	635,685
Provision for workers' welfare fund	29 110,503	36,165
(Gain) / loss on sale of fixed assets - net	27 (47,143)	18,895
Gain on reclassification of AFS equity shares	27 (332,658)	-
Gain on termination of leases - net	27 (35,104)	(12,746)
	3,149,406	2,667,386
	7,618,948	4,362,697
Decrease in operating assets		
Lendings to financial institutions	11,351,161	31,617,338
Held-for-trading securities	(1,661)	1,100,474
Advances	27,530,578	20,029,219
Other assets (excluding advance taxation)	(2,432,943)	(7,492,766)
	36,447,135	45,254,265
(Decrease) / increase in operating liabilities		
Bills payable	203,669	(1,109,736)
Borrowings	(63,058,023)	(18,609,811)
Deposits and other accounts	19,979,671	20,511,488
Other liabilities	776,536	2,939,560
	(42,098,147)	3,731,501
	1,967,936	53,348,463
Income taxes paid	(2,508,844)	(1,165,273)
Net cash (used in) / generated from operating activities	(540,908)	52,183,190
CASH FLOW FROM INVESTING ACTIVITIES		
Net redemption / (investments) in available-for-sale securities	3,247,671	(13,051,964)
Net redemption / (investments) in held-to-maturity securities	15,239,189	(40,878,044)
Investment in subsidiary	(6,618,634)	-
Dividend received	201,381	195,943
Investments in fixed assets	(1,738,886)	(1,173,076)
Investments in intangible assets	(825,984)	(534,779)
Proceeds from disposal of fixed assets	139,683	117,429
Effect of translation of net investment in foreign branch	248,110	262,262
Net cash generated from / (used in) investing activities	9,892,530	(55,062,229)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(1,179,128)	(808,015)
Issue of share capital (Right shares)	2,205,689	-
Issuance of subordinated debt	3,500,000	-
Repayment of subordinated debt	(1,996,500)	(900)
Net cash generated from / (used in) financing activities	2,530,061	(808,915)
Increase / (decrease) in cash and cash equivalents	11,881,683	(3,687,954)
Cash and cash equivalents at beginning of the period	25,273,672	35,145,996
Cash and cash equivalents at end of the period	34 37,155,355	31,458,042

The annexed notes from 1 to 40 form an integral part of these condensed interim unconsolidated financial statements.

**President and
Chief Executive Officer**

**Chief Financial
Officer**

Director

Director

Chairman

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

1. STATUS AND NATURE OF BUSINESS

- 1.1** JS Bank Limited (the Bank / JSBL) is a banking company incorporated in Pakistan as a public limited company on March 15, 2006. The Bank is a subsidiary company of Jahangir Siddiqui & Co. Ltd. (JSCL) and its shares are listed on Pakistan Stock Exchange Limited (PSX). The Bank commenced its banking operations on December 30, 2006 and its registered office is situated at Shaheen Commercial Complex, Dr. Ziauddin Ahmed Road, Karachi.

The Bank is a scheduled bank, engaged in commercial banking and related services as described in the Banking Companies Ordinance, 1962 and is operating through 281 (December 31, 2022: 281) branches / sub-branches in Pakistan and 1 wholesale banking branch in Bahrain (December 31, 2022: 1). The Pakistan Credit Rating Agency Limited (PACRA) has assigned the long-term entity rating of the Bank to AA- (Double A Minus) whereas short-term rating is maintained at A1+ (A One Plus), which is the highest possible short-term rating. The ratings denote a very low expectation of credit risk and indicate very strong capacity for timely repayment of financial commitments.

- 1.2** Jahangir Siddiqui Investment Bank Limited, JSIBL, (formerly Citicorp Investment Bank Limited which was acquired by JSCL on February 01, 1999), and its holding company, JSCL, entered into a Framework Agreement with American Express Bank Limited, New York (AMEX) on November 10, 2005 for acquisition of its American Express Bank Limited - Pakistan Branches, (AEBL). Consequently, a new banking company, JSBL was incorporated on March 15, 2006 and a restricted Banking License was issued by the State Bank of Pakistan (SBP) on May 23, 2006.

A Transfer Agreement was executed on June 24, 2006 between JSIBL and JSBL for the transfer of entire business and undertaking of JSIBL to JSBL and a separate Transfer Agreement was also executed on June 24, 2006, between AMEX and JSBL for the transfer of AEBL's commercial banking business in Pakistan with all assets and liabilities (other than certain excluded assets and liabilities) (AEBL business). The shareholders of JSIBL and JSBL, in their respective extra-ordinary general meetings held on July 31, 2006, approved a Scheme of Amalgamation (the Scheme) under Section 48 of the Banking Companies Ordinance, 1962. The Scheme was initially approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SC/NBFC(J)-R/JSIBL/2006/517 dated September 28, 2006. Subsequently, the Scheme was sanctioned by the SBP vide its order dated December 02, 2006 and, in accordance therewith, the effective date of amalgamation was fixed at December 30, 2006.

- 1.3** Pursuant to the approvals of the shareholders of the Bank at their General Meetings held on March 29, 2023 and May 19, 2023 and after obtaining all the requisite corporate and regulatory approvals and compliance with all the applicable laws and regulations, the Bank has acquired:

- 42.45%, i.e., 470,603,772 ordinary voting shares and control of BankIslami Pakistan Limited (BIPL), from sponsors and other shareholders of BIPL (including but not limited to, Jahangir Siddiqui & Co. Ltd., the holding company of the Bank) through agreements against the issuance of 532,629,349 new shares of the Bank by way of other than rights and other than cash consideration, i.e., 1.1318 ordinary shares of the Bank issued as consideration for every 1 ordinary share of BIPL.
- 24.88%, i.e., 275,891,286 ordinary shares of BIPL by way of public offer (published in newspapers on June 28, 2023) made to all public shareholders as required under the Takeover Regulations in cash at the rate of Rs. 23.99 per share. To partly finance the public offer, the Bank, with the approval of the Board of Directors, had issued 220,568,925 ordinary shares by way of 17% Right Shares, i.e., 17 right shares for every 100 shares held, at par value of Rs. 10/- each.

The afore-mentioned transaction culminated on August 25, 2023. Post-acquisition, the shareholding of the Bank in BIPL has increased to 75.12% and accordingly, BIPL has become a subsidiary of JS Bank Limited.

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

2. BASIS OF PRESENTATION

These condensed interim unconsolidated financial statements are separate financial statements of the Bank in which the investments in subsidiaries and associates are stated at cost and are accounted for on the basis of direct equity interest rather than on the basis of reported results. The condensed interim consolidated financial statements of the Bank are being issued separately.

These condensed interim unconsolidated financial statements have been presented in Pakistan Rupees (PKR), which is the currency of the primary economic environment in which the Bank operates and functional currency of the Bank, in that environment as well.

2.1 Statement of Compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities & Exchange Commission of Pakistan (SECP) from time to time.

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017, or the directives issued by the SBP and the SECP differ with the requirements of IFRS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

The disclosures made in these condensed interim unconsolidated financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 05 dated March 22, 2019 and International Accounting Standard (IAS) 34, 'Interim Financial Reporting'. These condensed interim unconsolidated financial statements do not include all the information and disclosures required for annual unconsolidated financial statements and should be read in conjunction with the unconsolidated financial statements for the year ended December 31, 2022.

The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies vide BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks vide its notification S.R.O 411(I)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim unconsolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

IFRS 10 'Consolidated Financial Statements' was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I)/2016 dated January 28, 2016, that the requirement of consolidation under section 228 of the Companies Act, 2017 and IFRS 10 'Consolidated Financial Statements' is not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim unconsolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those applied in the preparation of the unconsolidated financial statements for the year ended December 31, 2022.

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

3.1 Standards, interpretations of and amendments to approved accounting standards that are effective in the current period

There are certain new and amended standards, interpretations of and amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2023 but are considered not to be relevant or do not have any significant effect on the Bank's operations.

3.2 Standards, interpretations of and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations as notified under the Companies Act, 2017 will be effective for accounting periods beginning on or after January 01, 2023:

Standard, Interpretation or Amendment	Effective date (annual periods)
Classification of Liabilities as Current or Non-current and application of materiality to disclosure of accounting policies - Amendments to IAS 1	January 01, 2024
Disclosure of Accounting Policies - Amendments to IAS 1	January 01, 2023
Lease liability in a sale and leaseback - Amendments to IFRS 16	January 01, 2024
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12	January 01, 2023
IFRS 9 - 'Financial Instruments'	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalized

The management is in the process of assessing the impact of these standards and amendments on the condensed interim unconsolidated financial statements of the Bank.

The application of the International Financial Reporting Standard (IFRS) 9, 'Financial Instruments' for all companies to prepare their financial statements in accordance with the requirements of IFRS 9 was implemented by SECP for reporting period / year ending on or after June 30, 2019 through its S.R.O. 229 (I)/2019 dated February 14, 2019. However, State Bank of Pakistan (SBP) has extended the effective date of applicability of IFRS 9 to January 01, 2023 through its BPRD Circular No. 03 dated July 05, 2022 in case of banks having assets size of Rs. 500 billion or above. The said circular contained application instructions for quarterly, half yearly and annual parallel run reporting of IFRS 9 for year 2022 and 2023 within given timelines.

During the period, SBP has extended the effective date of applicability of IFRS 9 to January 01, 2024 through its BPRD Circular Letter No. 07 of 2023 dated April 13, 2023.

As of reporting date, till the implementation of IFRS 9, the Bank has continued to fulfil the requirements of Prudential Regulations and other SBP directives currently providing the accounting framework for the measurement and valuation of assets and provisions / impairment against non-performing assets.

3.3 Presentation and disclosure

Further, the SBP vide BPRD Circular No. 02 of 2023 dated February 09, 2023 has specified the new reporting format for financial statements of Banking Companies. While the new format has revised certain disclosure requirements, it includes disclosure requirements with respect to IFRS 9. The requirements will be applicable from January 01, 2024 in accordance with the BPRD Circular Letter No. 07 of 2023 dated April 13, 2023.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim unconsolidated financial statements are the same as that applied in the preparation of the unconsolidated financial statements for the year ended December 31, 2022.

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the unconsolidated financial statements for the year ended December 31, 2022.

		(Un-audited)	(Audited)
		September 30,	December 31,
		2023	2022
		----- Rupees in '000 -----	
6. CASH AND BALANCES WITH TREASURY BANKS	Note		
In hand			
Local currency		7,565,366	7,824,288
Foreign currencies		1,536,396	488,360
		9,101,762	8,312,648
With State Bank of Pakistan in			
Local currency current account		19,806,414	15,207,132
Foreign currency current account - non remunerative		1,111,533	815,151
Foreign currency deposit account - remunerative		2,510,444	364,657
		23,428,391	16,386,940
With National Bank of Pakistan in local currency current accounts		3,181,341	58,322
National prize bonds		18,280	7,057
		35,729,774	24,764,967
7. BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		5,638	255,029
In deposit accounts		73	73
		5,711	255,102
Outside Pakistan			
In current accounts		2,792,593	1,545,369
		2,798,304	1,800,471
Less: General provision under IFRS 9	7.1	(79)	(35)
		2,798,225	1,800,436
7.1	This represents general provision held under IFRS 9 by Bahrain branch of the Bank.		
8. LENDINGS TO FINANCIAL INSTITUTIONS			
Repurchase agreement lendings (reverse repo)		-	11,351,162
Clean money lendings		-	-
		-	11,351,162
Less: General provision under IFRS 9		-	-
		-	11,351,162
8.1 Particulars of lendings (gross)			
In local currency		-	11,351,162
In foreign currency		-	-
		-	11,351,162

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

9. INVESTMENTS	September 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / Amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
9.1 Investments by type:	Note ----- Rupees in '000 -----							
Held-for-trading securities								
Federal Government Securities								
Market Treasury Bills	35,092	-	(42)	35,050	33,538	-	(107)	33,431
Available-for-sale securities								
Federal Government Securities:								
Market Treasury Bills	35,205,190	-	(91,216)	35,113,974	40,317,081	-	(395,161)	39,921,920
Pakistan Investment Bonds - Fixed	18,881,769	-	(1,678,110)	17,203,659	34,811,083	-	(1,399,722)	33,411,361
Pakistan Investment Bonds - Floater	71,086,700	-	(201,230)	70,885,470	69,406,348	-	(31,328)	69,375,020
Government of Pakistan Eurobonds	1,886,189	(109,948)	(517,895)	1,258,346	1,470,530	(49,083)	(743,736)	677,711
	127,059,848	(109,948)	(2,488,451)	124,461,449	146,005,042	(49,083)	(2,569,947)	143,386,012
Shares								
Listed Companies								
Ordinary shares	2,268,467	-	1,345,220	3,613,687	3,190,873	-	1,941,804	5,132,677
Preference shares	136,589	(136,589)	-	-	136,589	(136,589)	-	-
Unlisted Companies								
Ordinary shares	11,000	-	-	11,000	11,000	-	-	11,000
	2,416,056	(136,589)	1,345,220	3,624,687	3,338,462	(136,589)	1,941,804	5,143,677
Non Government Debt Securities								
Listed								
Term Finance Certificates	393,446	(143,446)	18,916	268,916	393,446	(143,446)	-	250,000
Sukuk Certificates	200,000	-	-	200,000	244,083	-	91	244,174
Unlisted								
Term Finance Certificates	133,069	(133,069)	-	-	140,133	(140,133)	-	-
Sukuk Certificates	1,125,820	-	-	1,125,820	1,212,440	-	-	1,212,440
Preference shares	27,733	(27,733)	-	-	27,733	(27,733)	-	-
	1,880,068	(304,248)	18,916	1,594,736	2,017,835	(311,312)	91	1,706,614
Foreign Securities								
Government Debt Securities	17,443,045	(193,337)	(115,022)	17,134,686	410,164	(129,576)	(146,817)	133,771
Non Government Debt Securities	-	-	-	-	679,632	(394)	(5,374)	673,864
Ordinary shares	93,639	-	(27,967)	65,672	335,143	-	(28,705)	306,438
	17,536,684	(193,337)	(142,989)	17,200,358	1,424,939	(129,970)	(180,896)	1,114,073
Open End Mutual Funds	-	-	-	-	500,000	-	2,298	502,298
Held-to-maturity securities								
Federal Government Securities								
Market Treasury Bills	62,063,529	-	-	62,063,529	105,615,196	-	-	105,615,196
Pakistan Investment Bonds - Fixed	10,379,249	-	-	10,379,249	10,136,487	-	-	10,136,487
Pakistan Investment Bonds - Floater	61,755,870	-	-	61,755,870	33,686,154	-	-	33,686,154
9.1.1	134,198,648	-	-	134,198,648	149,437,837	-	-	149,437,837
Associates								
Omar Jibran Engineering Industries Limited	180,000	-	-	180,000	180,000	-	-	180,000
Veda Transit Solutions Private Limited	41,800	-	-	41,800	41,800	-	-	41,800
Intercity Touring Company Private Limited	20,267	(20,267)	-	-	20,267	(20,267)	-	-
	242,067	(20,267)	-	221,800	242,067	(20,267)	-	221,800
Subsidiaries								
JS Global Capital Limited	1,357,929	-	-	1,357,929	1,357,929	-	-	1,357,929
JS Investments Limited	561,192	-	-	561,192	561,192	-	-	561,192
BankIslami Pakistan Limited	18,968,154	-	-	18,968,154	-	-	-	-
	20,887,275	-	-	20,887,275	1,919,121	-	-	1,919,121
Total Investments	304,255,738	(764,389)	(1,267,346)	302,224,003	304,918,841	(647,221)	(806,757)	303,464,863

9.1.1 The market value of securities classified as held-to-maturity as at September 30, 2023 amounted to Rs. 130,905.317 million (December 31, 2022: Rs. 147,022.393 million).

9.2 Investments given as collateral	(Un-audited)		(Audited)	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
	Cost	Market value	Cost	Market value
----- Rupees in '000 -----				
Federal Government Securities				
Pakistan Investment Bonds - Fixed	7,684,830	7,059,960	-	-
Pakistan Investment Bonds - Floater	-	-	62,800,000	62,198,080
	7,684,830	7,059,960	62,800,000	62,198,080

9.3 Provision for diminution in value of investments	(Un-audited)		(Audited)	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Note ----- Rupees in '000 -----				
Opening balance	-	-	647,221	616,699
Exchange rate adjustments	-	-	50,679	28,126
Charge for the period / year	-	-	-	24,570
Reversals for the period / year	(7,064)	(7,064)	(7,064)	(104,869)
			73,553	82,695
Impairment under IFRS 9 in Bahrain branch			73,553	82,695
Charge during the period / year				
Closing balance			764,389	647,221

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

9.3.1 Particulars of provision against debt securities

Category of classification	(Un-audited) September 30, 2023		(Audited) December 31, 2022	
	Non-Performing Investments	Provision	Non-Performing Investments	Provision
Domestic				
Loss	304,248	304,248	311,312	311,312
	<u>304,248</u>	<u>304,248</u>	<u>311,312</u>	<u>311,312</u>

10. ADVANCES	Note	Performing		Non-Performing		Total	
		(Un-audited) September 30, 2023	(Audited) December 31, 2022	(Un-audited) September 30, 2023	(Audited) December 31, 2022	(Un-audited) September 30, 2023	(Audited) December 31, 2022
Loans, cash credits, running finances, etc.		184,367,211	212,191,088	14,952,871	16,311,887	199,320,082	228,502,975
Bills discounted and purchased		11,632,155	10,021,695	-	-	11,632,155	10,021,695
Advances - gross	10.1	<u>195,999,366</u>	<u>222,212,783</u>	<u>14,952,871</u>	<u>16,311,887</u>	<u>210,952,237</u>	<u>238,524,670</u>
Provision against advances							
- Specific		-	-	(8,160,837)	(7,210,740)	(8,160,837)	(7,210,740)
- General		(359,400)	(200,614)	-	-	(359,400)	(200,614)
- General provision - under IFRS 9	10.3.3	<u>(26,654)</u>	<u>(11,500)</u>	<u>-</u>	<u>-</u>	<u>(26,654)</u>	<u>(11,500)</u>
	10.3	<u>(386,054)</u>	<u>(212,114)</u>	<u>(8,160,837)</u>	<u>(7,210,740)</u>	<u>(8,546,891)</u>	<u>(7,422,854)</u>
Advances - net of provision		<u>195,613,312</u>	<u>222,000,669</u>	<u>6,792,034</u>	<u>9,101,147</u>	<u>202,405,346</u>	<u>231,101,816</u>

10.1 Particulars of advances (gross)	(Un-audited) September 30, 2023	(Audited) December 31, 2022
In local currency	201,555,389	229,336,508
In foreign currencies	9,396,848	9,188,162
	<u>210,952,237</u>	<u>238,524,670</u>

10.2 Advances include Rs. 14,952.871 million (December 31, 2022: Rs. 16,311.887 million) which have been placed under non-performing status as detailed below:

Category of classification	(Un-audited) September 30, 2023		(Audited) December 31, 2022	
	Non-Performing Loans	Provision	Non-Performing Loans	Provision
Domestic				
Other Assets Especially Mentioned*	462,761	6,561	413,839	252
Substandard	1,995,181	102,587	1,300,581	171,165
Doubtful	1,599,212	292,397	1,808,030	462,049
Loss	10,895,717	7,759,292	12,789,437	6,577,274
Total	<u>14,952,871</u>	<u>8,160,837</u>	<u>16,311,887</u>	<u>7,210,740</u>

* The Other Assets Especially Mentioned category pertain to agriculture, housing and small enterprises financing.

10.3 Particulars of provision against advances

Note	(Un-audited) September 30, 2023				(Audited) December 31, 2022			
	Specific	General	General provision - under IFRS 9	Total	Specific	General	General provision - under IFRS-9	Total
Opening balance	7,210,740	200,614	11,500	7,422,854	6,569,829	87,787	25,193	6,682,809
Exchange rate adjustments	-	-	3,463	3,463	-	-	5,122	5,122
Charge for the period / year	1,488,515	158,786	11,691	1,658,992	1,731,847	112,827	-	1,844,674
Reversals for the period / year	(496,563)	-	-	(496,563)	(870,683)	-	(18,815)	(889,498)
	<u>991,952</u>	<u>158,786</u>	<u>11,691</u>	<u>1,162,429</u>	<u>861,164</u>	<u>112,827</u>	<u>(18,815)</u>	<u>955,176</u>
Amount written off	(41,855)	-	-	(41,855)	(220,253)	-	-	(220,253)
Closing balance	<u>8,160,837</u>	<u>359,400</u>	<u>26,654</u>	<u>8,546,891</u>	<u>7,210,740</u>	<u>200,614</u>	<u>11,500</u>	<u>7,422,854</u>

10.3.1 The State Bank of Pakistan through various circulars has allowed benefit of the forced sale value (FSV) of Plant and Machinery under charge, pledged stock and mortgaged residential, commercial and industrial properties (land and building only) held as collateral against non-performing loans (NPLs) for a maximum of five years from the date of classification. As at September 30, 2023, the Bank has availed cumulative FSV benefit under the directives of the SBP of Rs. 4,053.152 million (December 31, 2022: Rs. 6,820.087 million).

The additional profit arising from availing the FSV benefit - net of tax amounts to Rs. 2,067.108 million (December 31, 2022: Rs. 3,478.244 million). The additional impact on profitability arising from availing the benefit of FSV shall not be available for payment of cash or stock dividend to shareholders or bonus to employees under the requirements of Prudential Regulations of Corporate / Commercial Banking of SBP.

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

10.3.2 The SBP has allowed specific relaxation to the Bank for non-classification of overdue loans of a certain Public Sector Entity (PSE) which is fully guaranteed by the Government of Pakistan. No provision is required against these loans as per SBP letter; however, mark-up overdue by 90 days and above amounting to Rs. 929.230 million is being suspended.

10.3.3 This represents general provision held under IFRS 9 by Bahrain branch of the Bank.

	Note	(Un-audited) September 30, 2023	(Audited) December 31, 2022
		----- Rupees in '000 -----	
11. FIXED ASSETS			
Capital work-in-progress	11.1	408,734	845,168
Property and equipment	11.2 & 11.3	8,138,432	6,872,431
Right-of-use assets	11.4	2,169,149	2,286,719
		10,716,315	10,004,318

11.1 Capital work-in-progress

Civil works	205,400	159,515
Advances to suppliers	13,854	290
Equipment	189,480	685,363
	408,734	845,168

	(Un-audited) January - September 2023	January - September 2022
		----- Rupees in '000 -----
11.2 Additions to fixed assets		

The following additions have been made to fixed assets during the period:

Capital work-in-progress	671,390	806,987
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Property and equipment

Building on leasehold land	617,158	300,071
Leasehold improvements	184,056	610,748
Furniture and fixture	92,855	112,196
Electrical, office and computer equipments	1,147,731	559,194
Vehicle	133,520	43,318
	2,175,320	1,625,527

Total	11.2.1	2,846,710	2,432,514
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11.2.1 This includes transfer from capital work in progress during the period of Rs. 1,107.824 million (September 30, 2022: Rs. 1,303.792 million).

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

		(Un-audited)	
		January - September 2023	January - September 2022
		----- Rupees in '000 -----	
11.3	Disposal of fixed assets		
	The net book value of fixed assets disposed off during the period is as follows:		
	Property and equipment		
	Building on leasehold land	61,165	85,221
	Leasehold improvements	1,277	4,818
	Furniture and fixture	2,710	4,772
	Electrical, office and computer equipments	22,686	26,153
	Vehicles	4,702	15,360
	Total	92,540	136,324

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
		----- Rupees in '000 -----	

11.4	Right-of-use assets		
	Opening balance	2,286,719	2,845,079
	Additions / renewals	821,944	833,564
	Terminations	(136,131)	(303,538)
	Depreciation charge	(844,368)	(1,056,517)
	Exchange rate adjustments	6,109	6,266
	Other adjustments	34,876	(38,135)
	Closing balance	2,169,149	2,286,719

12. INTANGIBLE ASSETS

Capital work-in-progress	12.1	835,001	775,702
Computer software	12.1	2,159,722	1,592,811
Goodwill		1,463,624	1,463,624
		4,458,347	3,832,137

		(Un-audited)	
		January - September 2023	January - September 2022
		----- Rupees in '000 -----	
12.1	Additions to intangible assets		

The following additions have been made to intangible assets during the period:

Capital work-in-progress		687,192	534,779
Computer software	12.1.1	766,685	313,068
		1,453,877	847,847

12.1.1 This includes transfer from capital work in progress during the period of Rs. 627.893 million (September 30, 2022: Rs. 313.068 million).

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
		----- Rupees in '000 -----	
13. OTHER ASSETS	Note		
Mark-up / return / interest accrued in local currency		16,783,165	12,291,533
Mark-up / return / interest accrued in foreign currencies		167,980	33,276
Advances, deposits, advance rent and other prepayments		1,014,065	847,457
Acceptances		3,831,882	6,586,244
Advance taxation (payments less provision)		1,895,697	938,509
Receivable from defined benefit plans		20,675	119,523
Receivable against bancassurance / bancatakaful		7,528	17,498
Receivable in respect of home remittance		30,765	22,004
Due from State Bank of Pakistan		916,727	752,409
Rebates receivable - net		509,724	226,094
Non-banking assets acquired in satisfaction of claims		4,788,387	3,664,799
Mark to market gain on derivative instruments		155	14,874
Mark to market gain on forward foreign exchange contracts		1,568,513	1,108,517
Advance against investments in securities		1,178,306	1,178,306
Branchless banking fund settlement		-	326,775
Inter bank fund transfer settlement		-	1,164,134
Clearing and settlement accounts		173,014	-
Credit card settlement		546,721	338,269
Insurance claims receivable		27,665	27,437
Others		154,104	641,951
		33,615,073	30,299,609
Less: Provision held against other assets	13.1	(11,241)	(11,241)
Other assets - net of provisions		33,603,832	30,288,368
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	20	107,402	107,426
		33,711,234	30,395,794

13.1 Provision held against other assets

Advances, deposits, advance rent and other prepayments	10,184	10,184
Others	1,057	1,057
	11,241	11,241

13.1.1 Movement in provision held against other assets

Opening balance	11,241	11,241
Charge during the period / year	-	13,870
Reversals during the period / year	-	(13,870)
	-	-
Closing balance	11,241	11,241

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
----- Rupees in '000 -----		
14. BILLS PAYABLE		
In Pakistan	5,200,655	5,083,176
Outside Pakistan	405,959	319,769
	5,606,614	5,402,945

15. BORROWINGS

Secured

Borrowings from State Bank of Pakistan under:

Export refinancing scheme	13,102,164	20,288,522
Long-term finance facility	2,179,157	2,337,963
Temporary economic refinance facility	4,832,075	4,832,742
Financing facility for storage of agricultural produce	150,775	133,097
Financing facility for renewable energy projects	1,048,681	1,078,480
Refinance for women entrepreneurs	96,345	82,127
Refinance scheme for payment of wages & salaries	-	7,179
Refinance facility for combating COVID-19	171,804	230,090
Refinance facility for modernization of Small and Medium Enterprises (SMEs)	168,433	70,911
Small enterprise financing and credit guarantee scheme for special persons	2,243	3,039
Refinance facility for working capital of SMEs	48,750	385
Refinance facility for SME Asaan Finance (SAAF) scheme	1,562,068	1,607,471
Repurchase agreement borrowings	7,093,624	62,800,000
	30,456,119	93,472,006

Borrowing from financial institutions:

Refinancing facility for mortgage loans	3,002,308	3,044,444
	33,458,427	96,516,450

Unsecured

Overdrawn nostro accounts	1,372,723	1,291,766
	34,831,150	97,808,216

15.1 Particulars of borrowings

In local currency	33,458,427	96,516,450
In foreign currencies	1,372,723	1,291,766
	34,831,150	97,808,216

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

16. DEPOSITS AND OTHER ACCOUNTS

	(Un-audited) September 30, 2023			(Audited) December 31, 2022		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
----- Rupees in '000 -----						
Customers						
Current deposits	114,647,217	11,558,991	126,206,208	118,168,325	9,299,899	127,468,224
Savings deposits	138,105,665	15,585,618	153,691,283	117,063,409	6,410,101	123,473,510
Term deposits	140,809,738	24,818,840	165,628,578	169,651,265	10,755,327	180,406,592
Margin deposits	21,981,207	255,587	22,236,794	13,179,090	289	13,179,379
	415,543,827	52,219,036	467,762,863	418,062,089	26,465,616	444,527,705
Financial Institutions						
Current deposits	1,094,651	230,371	1,325,022	1,373,845	710,695	2,084,540
Savings deposits	9,615,461	536	9,615,997	9,346,187	1,279	9,347,466
Term deposits	5,407,709	-	5,407,709	8,172,209	-	8,172,209
	16,117,821	230,907	16,348,728	18,892,241	711,974	19,604,215
	431,661,648	52,449,943	484,111,591	436,954,330	27,177,590	464,131,920

	Note	(Un-audited)	(Audited)
		September 30, 2023	December 31, 2022
----- Rupees in '000 -----			
17. SUBORDINATED DEBTS			
Term Finance Certificates - Fifth Issue	17.1	3,500,000	-
Term Finance Certificates - Fourth Issue	17.2	2,498,500	2,499,000
Term Finance Certificates - Third Issue	17.3	2,500,000	2,500,000
Term Finance Certificates - Second Issue	17.4	-	1,996,000
		8,498,500	6,995,000

17.1 During the period, the Bank has issued Rs. 3.5 billion of rated, privately placed and listed (in process), unsecured and subordinated term finance certificates (TFCs or the Issue) as an instrument of redeemable capital under Section 66 of the Companies Act, 2017 and as outlined by State Bank of Pakistan, SBP, under the BPRD Circular No. 06 dated August 15, 2013

Purpose:	To contribute towards the Bank's Tier II Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	August 30, 2023
Tenure:	Up to ten years from the issue date.
Maturity date:	August 30, 2033
Rating:	A+ (Single A Plus)
Profit rate:	Floating rate of return at Base Rate + 2 percent per annum; Base rate is defined as the average three months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each three monthly period.
Profit payment:	Quarterly
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first nine years after the issue date and the remaining Issue amount of 99.76% in four equal quarterly installments of 24.94% each in the last year.
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated all other indebtedness of the Bank including depositors, however, senior to the claims of investors in instruments eligible for inclusion in Tier I Capital
Call option:	Exercisable in part or in full on or after five years from the issue date, subject to SBP's approval.
Lock-in-clause:	Principal and profit will be payable subject to compliance with MCR or CAR or Leverage Ratio set by SBP.
Loss absorbency clause:	Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular No. 06 of 2013 dated August 15, 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and/or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP, subject to a cap of 924,772,179 shares.

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

17.2 In 2021, the Bank has issued Rs. 2.5 billion of rated, privately placed and listed, unsecured and subordinated term finance certificates (TFCs or the Issue) as an instrument of redeemable capital under Section 66 of the Companies Act, 2017 and as outlined by State Bank of Pakistan (SBP) under the BPRD Circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the issue are:

Purpose:	To contribute towards the Bank's Tier II Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 28, 2021
Tenure:	Up to Seven years from the issue date.
Maturity date:	December 28, 2028
Rating:	A + (Single A Plus)
Profit rate:	Floating rate of return at Base Rate + 2 percent per annum; Base rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each six monthly period.
Profit payment:	Semi-annual
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first six years after the issue date and the remaining Issue amount of 99.76% in two equal semi-annual installments of 49.88% each in the last year.
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated all other indebtedness of the Bank including depositors, however, senior to the claims of investors in instruments eligible for inclusion in Tier I Capital
Call option:	Exercisable in part or in full on or after the 10th redemption, subject to SBP's approval.
Lock-in-clause:	Payment of profit will be made from current year's earning and subject to compliance with MCR and / or CAR or LR set by SBP.
Loss absorbency clause:	Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular No. 06 of 2013 dated August 15, 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and/or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP, subject to a cap of 400,647,739 shares.

17.3 In 2018, the Bank had issued Rs. 2.5 billion of rated, privately placed, unsecured, subordinated, perpetual and non-cumulative term finance certificates (TFCs or the Issue) as an instrument of redeemable capital under Section 66(1) of the Companies Act, 2017 and as outlined by the State Bank of Pakistan (SBP) under the BPRD Circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the Issue are:

Purpose:	To contribute towards the Bank's Tier I Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 31, 2018
Maturity date:	Perpetual
Rating:	A (Single A)
Profit rate:	Floating rate of return at Base Rate + 2.25 percent per annum; Base rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each six monthly period.
Profit payment:	Semi-annually on a non-cumulative basis
Redemption:	Not applicable
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated as to payment of Principal and profit to all other claims except common shares.
Call option:	Exercisable in part or in full at a par value on or after five years from the issue date, with prior approval of SBP. The Bank shall not exercise the call option unless the called instrument is replaced with capital of same or better quality.
Lock-in-clause:	Payment of profit will be made from current year's earning and subject to compliance with MCR and / or CAR or LR set by SBP.
Loss absorbency clause:	
Pre-Specified Trigger (PST)	Upon the occurrence of a Pre-Specified Trigger as defined under SBP BPRD Circular No. 06 of 2013 dated August 15, 2013 which stipulates that if an issuer's Common Equity Tier 1 (CET 1) ratio falls to or below 6.625% of Risk Weighted Assets (RWA), the Issuer will have full discretion to determine the amount of TFCs to be permanently converted into common shares or written off, subject to SBP regulations / instructions, and the cap specified below. The Bank will be able to exercise this discretion subject to: <ul style="list-style-type: none"> - If and when Bank's CET 1 reaches the loss absorption trigger point, the aggregate amount of Additional Tier-1 capital to be converted must at least be the amount sufficient to immediately return the CET 1 ratio to above 6.625% of total RWA (if - The converted amount should not exceed the amount needed to bring the CET 1 ratio to 8.5% of RWA (i.e. minimum CET 1 of 6.0% plus capital conservation buffer of 2.5%); and - In case, conversion of Additional Tier-1 capital Instrument is not possible following the trigger event, the amount of the Instrument must be written off in the accounts resulting in increase in CET 1 of the issuer.
Point of Non-Viability (PONV)	Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular No. 06 of 2013 dated August 15, 2013, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the Issuer and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Issuer's common / ordinary share on the date of the PONV trigger event as declared by SBP, subject to the cap specified below: The PONV trigger event is the earlier of: <ul style="list-style-type: none"> - A decision made by SBP that a conversion or temporary / permanent write-off is necessary without which the Issuer would become non-viable; - The decision to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by SBP. - The maximum number of shares to be issued to TFC holders at the Pre-Specified Trigger and / or Point of Non Viability (or otherwise as directed by SBP) will be subject to a specified cap of 329,595,476 ordinary shares, or such other number as may be agreed to in consultation with SBP.

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

17.4 During the period, the Bank exercised the call option of Term Finance Certificates - second issue in accordance with the trust deed and terms and conditions of the TFC issue, after completing the regulatory requirements. Accordingly, the said TFCs were redeemed in full on August 04, 2023.

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
18. DEFERRED TAX (LIABILITIES) / ASSET		
	----- Rupees in '000 -----	
Deductible Temporary Differences on:		
Provision against investments	80,009	70,212
Provision against loans and advances	125,541	277,487
Other assets	-	130,747
Intangibles other than goodwill	5,781	-
Surplus on revaluation of investments classified as available-for-sale	620,980	346,859
	832,311	825,305
Taxable Temporary Differences on:		
Accelerated tax depreciation	(662,789)	(187,808)
Goodwill	(717,176)	(629,358)
Surplus on revaluation of fixed assets	(338,032)	(327,796)
Other assets	(12,812)	-
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	(374)	(343)
	(1,731,183)	(1,145,305)
	(898,872)	(320,000)
19. OTHER LIABILITIES		
Mark-up / return / interest payable in local currency	5,960,427	4,857,150
Mark-up / return / interest payable in foreign currencies	292,376	45,769
Unearned income on guarantees	143,511	368,800
Accrued expenses	509,897	584,968
Acceptances	3,831,882	6,586,244
Unclaimed dividends	4,214	4,214
Mark to market loss on derivative instruments	-	13,588
Mark to market loss on forward foreign exchange contracts	2,290,293	529,887
Withholding taxes payable	838,412	639,608
Donation payable	35,503	26,475
Security deposits against leases, lockers and others	1,835,395	2,468,743
Workers' Welfare Fund	311,543	201,040
Payable in respect of home remittance	1,017,588	435,629
Insurance payable	220,804	209,834
Payable to vendors against SBS goods	305,871	380,040
Lease liability against right-of-use assets	2,292,359	2,545,780
Branchless banking fund settlement	278,901	-
Inter bank fund transfer settlement	569,746	-
Debit card settlement	325,568	269,365
Clearing and settlement accounts	-	49,938
Others	62,969	293,721
	21,127,259	20,510,793

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
		----- Rupees in '000 -----	
19.1 Lease liabilities	Note		
The carrying amounts of lease liabilities and the movements during the period / year is as below:			
Opening balance		2,545,780	3,129,904
Additions / renewals		821,944	852,268
Terminations		(171,235)	(476,475)
Mark-up on lease liability against right-of-use assets	24	225,076	355,571
Payments		(1,179,128)	(1,322,720)
Exchange rate adjustments		5,938	7,232
Other adjustments		43,984	-
Closing balance		<u>2,292,359</u>	<u>2,545,780</u>
20. SURPLUS ON REVALUATION OF ASSETS			
(Deficit) / Surplus on revaluation of:			
- Available for sale securities	9.1 & 20.1	(1,267,304)	(806,650)
- Fixed assets		1,403,071	1,475,525
- Non-banking assets acquired in satisfaction of claims	13	107,402	107,426
		<u>243,169</u>	<u>776,301</u>
Deferred tax on (deficit) / surplus on revaluation of:			
- Available for sale securities		620,980	346,859
- Fixed assets		(338,032)	(327,796)
- Non-banking assets acquired in satisfaction of claims		(374)	(343)
		<u>282,574</u>	<u>18,720</u>
		<u>525,743</u>	<u>795,021</u>
20.1 Available-for-sale securities			
Pakistan:			
- Equity securities		1,345,220	1,941,804
- Open end mutual funds		-	2,298
- Debt securities		(1,951,640)	(1,826,120)
		<u>(606,420)</u>	<u>117,982</u>
Bahrain:			
- Equity securities		(27,967)	(28,705)
- Debt securities		(632,917)	(895,927)
		<u>(660,884)</u>	<u>(924,632)</u>
		<u>(1,267,304)</u>	<u>(806,650)</u>
Related deferred tax liability		620,980	346,859
		<u>(646,324)</u>	<u>(459,791)</u>
21. CONTINGENCIES AND COMMITMENTS			
Guarantees	21.1	71,473,922	83,175,591
Commitments	21.2	143,510,785	93,959,209
Other contingencies	21.3	747,404	646,479
		<u>215,732,111</u>	<u>177,781,279</u>
21.1 Guarantees			
Financial guarantees		1,018,044	3,668,949
Performance guarantees		32,028,719	34,702,865
Other guarantees		38,427,159	44,803,777
		<u>71,473,922</u>	<u>83,175,591</u>

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
----- Rupees in '000 -----			
21.2	Commitments		
	Documentary credits and short-term trade-related transactions		
	- Letters of credit	49,626,527	22,381,092
	Commitments in respect of:		
	- Forward foreign exchange contracts	93,139,288	68,486,603
	- Derivative instruments	262,014	2,344,191
	- Forward lending	265,925	284,067
	Commitments for acquisition of:		
	- Fixed assets and intangible assets	217,031	463,256
		143,510,785	93,959,209

21.2.1 Commitments in respect of forward foreign exchange contracts

Purchase	56,324,491	41,239,463
Sale	36,814,797	27,247,140
	93,139,288	68,486,603

21.2.1.1 The Bank utilises foreign exchange instruments to meet the needs of its customers and as part of its asset and liability management activity to hedge its own exposure to currency risk. At period end, all foreign exchange contracts have a remaining maturity of less than one year.

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
----- Rupees in '000 -----			
21.2.2	Commitments in respect of derivative instruments		
	Purchase	262,014	2,109,891
	Sale	-	234,300
		262,014	2,344,191
	Cross currency swaps		
	Purchase	-	234,300
	Sale	-	234,300
		-	468,600
	Forward securities contract		
	Purchase	262,014	1,875,591

21.2.3 Commitments in respect of forward lending

Undrawn formal standby facilities, credit lines and other commitments to lend	265,925	284,067
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21.2.3.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the bank without the risk of incurring significant penalty or expense.

21.2.4 This represents commitments related to purchase of leasehold improvements, furniture and fixtures, hardware & network equipment, electrical equipment and computer software.

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
----- Rupees in '000 -----			
21.3	Other contingencies		
21.3.1	Claims against the Bank not acknowledged as debts	747,404	646,479

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

21.3.1.1 These mainly represent counter claims filed by borrowers for damages, claims by former employees of the Bank and other claims relating to banking transactions.

Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these condensed interim unconsolidated financial statements.

21.3.2 Tax related contingencies are disclosed in note 32.1.

22. DERIVATIVE INSTRUMENTS

Derivative instruments, such as Forward Exchange Contracts, Cross Currency Swaps and Options, are forward transactions that provide market making opportunities / hedge against the adverse movement of interest and exchange rates. Derivatives business also provides risk solutions for the existing and potential customers of the Bank.

The Bank has entered into a Cross Currency Swap transaction with its customer on back-to-back basis with an Authorized Derivative Dealer (ADD) without carrying any open position in its books. Specific approvals for the transactions have been granted by State Bank of Pakistan. Policies in line with SBP instructions have been formulated and are operative.

The Bank has also entered into Foreign Currency & Commodity Options from its Wholesale Banking Branch Bahrain for market making activities.

These transactions cover the aspects of both market making and hedging.

September 30, 2023 (Un-audited)						
	Cross currency swaps		Forward securities		Total	
	Notional principal	Mark to market gain	Notional principal	Mark to market gain	Notional principal	Mark to market gain
22.1 Product Analysis	----- Rupees in '000 -----					
With Banks						
Hedging	-	-	-	-	-	-
Market making	-	-	-	-	-	-
	-	-	-	-	-	-
With FIs other than banks						
Hedging	-	-	262,014	155	262,014	155
Market making	-	-	-	-	-	-
	-	-	262,014	155	262,014	155
Total						
Hedging	-	-	262,014	155	262,014	155
Market making	-	-	-	-	-	-
	-	-	262,014	155	262,014	155

December 31, 2022 (Audited)						
	Cross currency swaps		Forward securities		Total	
	Notional principal	Mark to market gain	Notional principal	Mark to market gain	Notional principal	Mark to market gain
	----- Rupees in '000 -----					
With Banks						
Hedging	468,600	710	-	-	468,600	710
Market making	-	-	-	-	-	-
					468,600	710
With FIs other than banks						
Hedging	-	-	1,875,591	576	1,875,591	576
Market making	-	-	-	-	-	-
					1,875,591	576
Total						
Hedging	468,600	710	1,875,591	576	2,344,191	1,286
Market making	-	-	-	-	-	-
	468,600	710	1,875,591	576	2,344,191	1,286

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

		(Un-audited)	
		September 30, 2023	September 30, 2022
		----- Rupees in '000 -----	
23. MARK-UP / RETURN / INTEREST EARNED	Note		
On:			
Loans and advances		28,494,815	21,393,129
Investments		33,227,671	26,235,908
Lendings to financial institutions		209,247	101,790
Securities purchased under resale agreements		2,358,523	1,043,866
Balances with other banks		212,455	-
		<u>64,502,711</u>	<u>48,774,693</u>
24. MARK-UP / RETURN / INTEREST EXPENSED			
On:			
Deposits		38,207,083	27,046,450
Borrowings		9,345,935	9,655,719
Subordinated debt		1,249,853	758,971
Cost of foreign currency swaps against foreign currency deposits / borrowings		723,014	502,055
Lease liability against right-of-use assets		225,076	276,693
		<u>49,750,961</u>	<u>38,239,888</u>
25. FEE AND COMMISSION INCOME			
Branch banking customer fees		79,994	74,206
Finance related fees		365,032	329,660
Card related fees (debit and credit cards)		483,077	223,671
Investment banking fees		66,356	21,355
Commission on trade		818,344	692,963
Commission on guarantees		688,204	414,509
Commission on cash management		31,124	13,554
Commission on remittances including home remittances		86,064	75,681
Commission on bancassurance		57,118	62,993
Commission on distribution of mutual funds		-	847
Commission on online services		177,869	220,225
Postage and courier income		11,888	12,424
Rebate income		305,276	198,630
		<u>3,170,346</u>	<u>2,340,718</u>
26. (LOSS) / GAIN ON SECURITIES - NET			
Realised	26.1	(680,483)	94
Unrealised (loss) / gain - held for trading	9.1	(42)	-
		<u>(680,525)</u>	<u>94</u>
26.1 Realised (loss) / gain on:			
Federal government securities			
Market treasury bills		(665,611)	(238,289)
Pakistan investment bonds		(39,257)	321,744
Ijara sukuk certificates		18,277	175
		<u>(686,591)</u>	<u>83,630</u>
Non Government Debt Securities			
Term finance certificates		-	(1,045)
Commercial paper		-	51
Shares - Listed Companies		(2,648)	-
Mutual fund units		5,996	63,397
Foreign currency bonds		2,760	(145,939)
		<u>(680,483)</u>	<u>94</u>

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	(Un-audited)	
	September 30, 2023	September 30, 2022
	----- Rupees in '000 -----	
27. OTHER INCOME / (LOSS)		
Rent income	15,379	17,748
Gain / (loss) on sale of fixed assets - net	47,143	(18,895)
Gain on termination of leases - net	35,104	12,746
Gain on reclassification of AFS equity shares	332,658	-
Others	2,639	140
	<u>432,923</u>	<u>11,739</u>
28. OPERATING EXPENSES		
Total compensation expense	5,604,553	5,109,002
Property expense		
Rent and taxes	30,458	24,785
Insurance	-	5,057
Utilities cost	532,012	415,934
Security (including guards)	246,583	244,515
Repair and maintenance (including janitorial charges)	247,225	193,092
Depreciation	224,107	179,569
Depreciation on right-of-use assets	844,368	817,149
Depreciation on non-banking assets	24,910	15,094
	<u>2,149,663</u>	<u>1,895,195</u>
Information technology expenses		
Software maintenance	831,139	647,203
Hardware maintenance	254,017	227,078
Depreciation	333,741	226,914
Amortisation	200,712	122,945
Network charges	200,434	186,080
	<u>1,820,043</u>	<u>1,410,220</u>
Other operating expenses		
Directors' fees and allowances	9,300	10,500
Legal and professional charges	231,568	157,867
Insurance	214,448	259,547
Outsourced services costs	222,010	154,571
Travelling and conveyance	175,041	139,893
NIFT clearing charges	41,917	34,426
Depreciation	264,437	243,621
Training and development	35,464	63,943
Postage and courier charges	73,588	68,255
Communication	149,426	121,083
Stationery and printing	273,771	213,169
Marketing, advertisement and publicity	1,693,826	849,799
Donations	35,503	36,165
Auditors' remuneration	9,839	10,036
Staff auto fuel and maintenance	456,335	298,813
Bank charges	68,486	45,994
Stamp duty	65,681	27,289
Online verification charges	101,221	39,685
Brokerage, fee and commission	109,402	34,459
Card related fees (debit and credit cards)	857,349	390,976
Consultancy fee	66,449	4,317
Deposit protection premium	142,046	138,534
Entertainment expenses	127,463	77,785
Repair and maintenance	48,480	55,988
Cash handling charges	187,581	131,371
Fee and subscription	121,684	93,151
Employees social security	7,398	5,611
Generator fuel and maintenance	160,314	130,192
Others	89,748	43,350
	<u>6,039,775</u>	<u>3,880,390</u>
	<u>15,614,034</u>	<u>12,294,807</u>

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

29. WORKERS' WELFARE FUND

The Bank has made provision for Workers' Welfare Fund (WWF) based on profit for the respective years.

		(Un-audited)	
		September 30, 2023	September 30, 2022
		----- Rupees in '000 -----	
30. OTHER CHARGES	Note		
Penalties imposed by State Bank of Pakistan		38,754	85,590
31. PROVISIONS AND WRITE OFFS - NET			
Reversals for diminution in value of investments	9.3	(7,064)	(37,001)
Provisions against loans & advances - specific	10.3	991,952	545,717
Provisions against loans & advances - general	10.3	158,786	101,968
Provisions under IFRS 9 - Bahrain	31.1	85,277	21,984
Other provisions and write offs		9,215	3,017
		1,238,166	635,685
31.1 Provisions / (reversals) under IFRS 9			
Balances with other banks		33	27
Lendings to financial institutions		-	43,181
Investments	9.3	73,553	(21,224)
Advances	10.3	11,691	-
		85,277	21,984
32. TAXATION			
Current		1,588,090	979,085
Prior years		(67,188)	5,397
Deferred		829,053	3,187
		2,349,955	987,669
32.1	There are no material changes in tax contingencies as disclosed in annual unconsolidated financial statements for the year ended December 31, 2022.		

		(Un-audited)			
		Quarter Ended		Nine months ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
		----- Rupees in '000 -----			
33. BASIC AND DILUTED EARNINGS PER SHARE					
Profit after taxation for the period - attributable to ordinary equity holders of the Bank		813,158	395,033	2,320,968	820,587
		----- Number of shares -----			
Weighted average number of outstanding ordinary shares during the period		1,421,755,501	1,297,464,262	1,421,755,501	1,297,464,262
		----- Rupees -----			
Basic and diluted earnings per share		0.57	0.30	1.63	0.63

		(Un-audited) September 30, 2023	(Audited) December 31, 2022	(Un-audited) September 30, 2022
		----- Rupees in '000 -----		
34. CASH AND CASH EQUIVALENTS	Note			
Cash and balances with treasury banks	6	35,729,774	24,764,967	31,838,192
Balances with other banks - Gross of provision	7	2,798,304	1,800,471	1,289,907
Overdrawn nostro accounts	15	(1,372,723)	(1,291,766)	(1,670,057)
		37,155,355	25,273,672	31,458,042

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

35. FAIR VALUE OF FINANCIAL INSTRUMENTS

International Financial Reporting Standard (IFRS) 13, 'Fair Value Measurement' 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.

The fair value of quoted securities other than those classified as held-to-maturity, is based on quoted market price. Quoted securities classified as held- to-maturity are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements. Fair value of unquoted debt securities, fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to absence of current and active market for assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are either short term in nature or in the case of customer loans and deposits are frequently repriced.

Fair value hierarchy

IFRS 13 requires the Bank to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- 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 or indirectly.
- Level 3:** Fair value measurements using unobservable inputs for the asset or liability.

35.1 Valuation techniques used in determination of fair values within level:

Item	Valuation approach and input used
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Financial instruments - Level 1

Shares of listed companies	Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange / Bloomberg.
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Financial instruments - Level 2

Mutual fund units	Fair values of investments in mutual fund units are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days.
Market Treasury Bills (MTB), Pakistan Investment Bonds (PIB) and GoP Sukuks	Fair values of Pakistan Investment Bonds, Market Treasury Bills and GoP Sukuks are derived using PKRV, PKFRV and PKISRV rates.
Debt Securities (TFCs) and Sukuks other than Government	Investments in debt securities (comprising of Term Finance Certificates, Bonds and any other security issued by a company or a corporate body for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP.
Overseas Government Sukuks, Overseas and Euro Bonds	The fair value of Overseas Government Sukuks, and Overseas & Euro Bonds are valued on the basis of price available on Bloomberg.
Forward foreign exchange contracts	The valuation has been determined by interpolating the foreign exchange revaluation rates announced by the State Bank of Pakistan.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currencies involved, interest rates, yield curves, volatilities, contracts duration, etc.

Financial instruments - Level 3

Currently, no financial instruments are classified in level 3.	
The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and, unavailability of reliable data regarding market rates for similar instruments.	

Non-Financial assets - Level 3

Fixed assets - Land and building	Fixed assets and Non-banking assets under satisfaction of claims are carried at revalued amounts determined by professional valuers based on their assessment of the market values. The valuations are conducted by the valuation experts appointed by the Bank which are also on the panel of State Bank of Pakistan. The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the current condition of the properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in these condensed interim unconsolidated financial statements.
Non-banking assets acquired in satisfaction of claims	

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

- 35.2** The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred. There were no transfers between levels 1 and 2 during the period.
- 35.3** The following table provides an analysis of financial assets that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable.

	September 30, 2023 (Un-audited)			
	Level 1	Level 2	Level 3	Total
	----- Rupees in '000 -----			
On balance sheet financial instruments				
Financial assets - measured at fair value				
Held-for-trading securities				
Investments				
Federal Government Securities	-	35,050	-	35,050
Available-for-sale securities				
Investments				
Federal Government Securities	-	124,461,449	-	124,461,449
Shares	3,613,687	-	-	3,613,687
Non Government Debt Securities	-	468,916	-	468,916
Foreign Securities	65,672	17,134,686	-	17,200,358
Open end mutual funds	-	-	-	-
	3,679,359	142,065,051	-	145,744,410
Financial assets - disclosed but not measured at fair value				
Investments				
Federal Government Securities	-	130,905,317	-	130,905,317
	3,679,359	272,970,368	-	276,649,727
Non-Financial assets - measured at fair value				
Revalued fixed assets	-	-	2,669,012	2,669,012
Non-banking assets acquired in satisfaction of claims	-	-	4,895,789	4,895,789
	-	-	7,564,801	7,564,801
Off balance sheet financial instruments				
Commitments in respect of:				
Forward foreign exchange contracts				
Purchase	-	54,091,926	-	54,091,926
Sale	-	35,304,011	-	35,304,011
Derivative instruments				
Forward securities contract				
Purchase	-	262,169	-	262,169

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	December 31, 2022 (Audited)			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments				
Financial assets - measured at fair value				
Held-for-trading securities				
Investments				
Federal Government Securities	-	33,431	-	33,431
Available-for-sale securities				
Investments				
Federal Government Securities	-	143,386,012	-	143,386,012
Shares	5,132,677	-	-	5,132,677
Non Government Debt Securities	-	494,174	-	494,174
Foreign Securities	301,472	807,635	-	1,109,107
Open end mutual funds	-	502,298	-	502,298
	5,434,149	145,190,119	-	150,624,268
Financial assets - disclosed but not measured at fair value				
Investments				
Federal Government Securities	-	147,022,393	-	147,022,393
	5,434,149	292,212,512	-	297,646,661
Non-Financial assets - measured at fair value				
Revalued fixed assets	-	-	3,748,375	3,748,375
Non-banking assets acquired in satisfaction of claims	-	-	3,772,225	3,772,225
	-	-	7,520,600	7,520,600
Off balance sheet financial instruments				
Commitments in respect of:				
Forward foreign exchange contracts				
Purchase	-	40,275,960	-	40,275,960
Sale	-	26,862,267	-	26,862,267
Derivative instruments:				
Cross currency swaps				
Purchase	-	247,888	-	247,888
Sale	-	248,598	-	248,598
Forward securities contract				
Purchase	-	187,617	-	187,617

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

36. SEGMENT INFORMATION

36.1 Segment Details with respect to Business Activities:

For the nine months ended September 30, 2023 (Un-audited)						
Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Others	Total
Rupees in '000						
Profit and loss account						
Net mark-up / return / interest income / (expense)	(12,423,205)	1,222,711	27,286,374	(214,145)	(1,094,989)	14,751,750
Inter segment revenue - net	28,502,522	3,741,325	(30,876,602)	1,655,049	(3,273,891)	-
Non mark-up / return / income	1,651,814	1,427,968	2,272,234	740,683	660,733	6,920,630
Total income / (loss)	17,731,131	6,392,004	(1,317,994)	2,181,587	(3,708,147)	21,672,380
Segment direct expenses	8,192,660	543,597	155,191	883,105	2,707,452	15,763,291
Inter segment expense allocation	2,258,179	388,913	114,255	87,300	(3,136,979)	-
Total expenses	10,450,839	932,510	269,446	970,405	2,995,784	15,763,291
Provisions and write offs - net	479,682	670,596	-	85,277	-	1,238,166
Profit / (loss) before tax	6,800,610	4,788,898	(1,587,440)	1,125,905	(3,855,065)	4,670,923
For the nine months ended September 30, 2022 (Un-audited)						
Retail banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Others	Total
Rupees in '000						
Profit and loss account						
Net mark-up / return / interest income / (expense)	(4,975,869)	(857,454)	17,574,704	(757,597)	(14,184)	10,534,805
Inter segment revenue - net	14,458,129	3,067,167	(19,972,236)	1,534,055	146,091	-
Non mark-up / return / income	985,600	880,442	1,969,923	238,455	151,313	4,325,698
Total income / (loss)	10,467,860	3,090,155	(427,609)	1,014,913	283,220	14,860,503
Segment direct expenses	6,169,118	500,176	131,639	424,752	3,994,506	12,416,562
Inter segment expense allocation	2,516,399	536,439	126,154	98,030	(3,553,293)	-
Total expenses	8,685,517	1,036,615	257,793	522,782	441,213	12,416,562
Provisions / (reversals)	242,430	393,255	-	-	-	635,685
Profit / (loss) before tax	1,539,913	1,660,285	(685,402)	492,131	(1,189,422)	1,808,256
As at September 30, 2023 (Un-audited)						
Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Others	Total
Rupees in '000						
Statement of financial position						
Cash and bank balances	5,000,559	11,040	25,760,839	1,169,092	2,494,676	38,527,999
Lendings to financial institutions	-	-	-	-	-	-
Investments	-	-	257,436,802	20,028,299	-	302,224,003
Net inter segment lending	231,783,268	50,126,836	-	8,149,894	1,127,833	291,187,831
Advances - performing	67,251,097	115,407,888	-	8,263,291	5,077,091	195,999,367
Advances - non-performing	6,035,975	8,816,494	-	74	100,328	14,952,871
Advances - provisions - net	(2,814,551)	(5,672,830)	-	(26,808)	(32,703)	(8,546,892)
	70,472,521	118,551,552	-	8,236,557	5,144,716	202,405,346
Others	-	-	-	-	48,885,896	48,885,896
Total Assets	307,256,348	168,689,428	283,197,641	37,583,842	3,622,509	883,231,075
Borrowings	7,759,778	18,479,459	8,591,913	-	-	34,831,150
Deposits and other accounts	293,930,255	148,246,613	-	37,547,916	764,298	484,111,591
Subordinated debt	-	-	-	-	8,498,500	8,498,500
Net inter segment borrowing	-	1,958,983	274,605,728	-	14,623,120	291,187,831
Others	5,566,315	4,373	-	35,926	22,026,131	27,632,745
Total Liabilities	307,256,348	168,689,428	283,197,641	37,583,842	3,622,509	846,261,817
Equity	-	-	-	-	36,969,258	36,969,258
Total Equity and Liabilities	307,256,348	168,689,428	283,197,641	37,583,842	3,622,509	883,231,075
Contingencies and Commitments	75,048,379	41,202,950	69,171,960	9,179,978	884,810	215,732,111
As at December 31, 2022 (Audited)						
Retail banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Others	Total
Rupees in '000						
Statement of financial position						
Cash and bank balances	8,312,648	29,020	17,775,749	444,034	3,952	26,565,403
Lendings to financial institutions	-	-	11,351,162	-	-	11,351,162
Investments	-	1,786,820	297,472,425	2,064,697	2,140,921	303,464,863
Net inter segment lending	206,405,581	59,911,095	-	2,878,830	-	269,195,506
Advances - performing	75,221,124	141,415,256	-	407	5,575,996	222,212,783
Advances - non-performing	6,699,317	9,528,889	-	-	83,681	16,311,887
Advances - provisions - net	(3,269,248)	(4,141,732)	-	-	(11,874)	(7,422,854)
	78,651,193	146,802,413	-	407	5,647,803	231,101,816
Others	-	-	-	-	44,232,249	44,232,249
Total Assets	293,369,422	208,529,348	326,599,336	2,508,731	52,020,973	885,910,999
Borrowings	8,350,957	24,594,549	64,862,710	-	-	97,808,216
Deposits and other accounts	277,923,067	183,325,314	-	350	2,883,189	464,131,920
Subordinated debt	-	-	-	-	6,995,000	6,995,000
Net inter segment borrowing	-	-	261,736,626	2,508,381	4,950,499	269,195,506
Others	7,095,398	609,485	-	-	18,528,855	26,233,738
Total Liabilities	293,369,422	208,529,348	326,599,336	2,508,731	30,474,354	864,364,380
Equity	-	-	-	-	21,546,619	21,546,619
Total Equity and Liabilities	293,369,422	208,529,348	326,599,336	2,508,731	52,020,973	885,910,999
Contingencies and Commitments	63,653,775	25,780,043	86,645,804	-	1,701,657	177,781,279

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

37. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, directors, key management personnel, subsidiaries, associates and other related parties.

The Bank enters into transactions with related parties in the ordinary course of business and substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of balances and transactions with related parties are as follows:

	As at September 30, 2023 (Un-audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	Rupees in '000					
Statement of financial position						
Lendings to financial institutions						
Opening balance	-	-	-	-	-	-
Addition during the period	-	-	-	-	-	127,365,800
Repaid during the period	-	-	-	-	-	(127,365,800)
Transfer in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Investments						
Opening balance	-	-	-	1,919,121	269,800	5,067,465
Investment made during the period	-	-	-	17,814,959	-	1,290,000
Investment redeemed / disposed off during the period	-	-	-	-	-	(1,790,000)
Deficit on investments	-	-	-	-	-	(553,493)
Transfer in / (out) - net	-	-	-	1,153,195	-	(1,153,195)
Closing balance	-	-	-	20,887,275	269,800	2,860,777
Provision in value of diminution in investments	-	-	-	-	48,000	-
Advances						
Opening balance	-	-	498,310	-	232,166	2,642,159
Addition during the period	-	1,510	128,438	-	-	7,411,990
Repaid during the period	-	(1,667)	(122,784)	-	(30,955)	(7,685,891)
Transfer in / (out) - net	-	490	(8,110)	-	-	13,628
Closing balance	-	333	495,854	-	201,211	2,381,886
Provision against non-performing advances	-	-	-	-	-	541,585
Other assets						
Mark-up / return / interest accrued	-	-	-	-	13,233	33,554
Receivable against bancassurance / bancatakaful	-	-	-	-	-	7,528
Prepaid insurance	-	-	-	-	-	40,512
Net defined benefit plan	-	-	-	-	-	20,675
Advance against investment in securities	-	-	-	-	-	1,178,306
Other receivable	-	-	-	-	-	13,870
Provision against other assets	-	-	-	-	-	379
Borrowings						
Opening balance	-	-	-	-	-	-
Borrowings during the period	-	-	-	-	-	-
Settled during the period	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Deposits and other accounts						
Opening balance	130,430	290	47,853	1,374,281	2,621	12,800,727
Received during the period	17,551,688	1,594	712,985	185,080,796	1,677,160	138,726,934
Withdrawn during the period	(17,579,354)	(1,788)	(730,519)	(185,171,139)	(1,683,409)	(142,801,243)
Transfer in / (out) - net	-	-	(1,781)	-	4,109	(52,503)
Closing balance	102,764	96	28,538	1,283,938	481	8,673,915
Subordinated debt						
Opening balance	-	-	-	-	-	124,714
Issued during the period	-	-	-	-	-	(124,714)
Redeemed during the period	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Other liabilities						
Mark-up / return / interest payable on deposits	-	-	-	-	-	11,196
Mark-up / return / Interest payable on subordinated debt	-	-	-	-	-	-
Donation payable	-	-	-	-	-	35,503
Contingencies and commitments						
Letter of guarantee	-	-	-	-	-	22,783
Letter of credit	-	-	-	-	-	28,731

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	As at December 31, 2022 (Audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	Rupees in '000					
Statement of financial position						
Lendings to financial institutions						
Opening balance	-	-	-	-	-	-
Addition during the year	-	-	-	-	-	96,591,372
Repaid during the year	-	-	-	-	-	(96,591,372)
Transfer in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Investments						
Opening balance	-	-	-	1,919,121	269,800	4,734,303
Investment made during the year	-	-	-	-	-	4,245,951
Investment redeemed / disposed off during the year	-	-	-	-	-	(3,550,000)
Deficit on investments	-	-	-	-	-	(362,789)
Closing balance	-	-	-	1,919,121	269,800	5,067,465
Provision for diminution in value of investments	-	-	-	-	48,000	-
Advances						
Opening balance	-	125,769	458,181	96,775	442,315	5,229,319
Addition during the year	-	-	367,341	7,411	26,550	4,769,450
Repaid during the year	-	-	(121,474)	(104,186)	(236,699)	(6,716,615)
Transfer in / (out) - net	-	(125,769)	(205,738)	-	-	(639,995)
Closing balance	-	-	498,310	-	232,166	2,642,159
Provision against non-performing advances	-	-	-	-	-	130,339
Other assets						
Mark-up / interest accrued	-	-	697	-	8,010	19,745
Receivable against bancassurance	-	-	-	-	-	17,498
Prepaid insurance	-	-	-	-	-	34,933
Net defined benefit plan	-	-	-	-	-	119,523
Advance against investment in securities	-	-	-	-	-	1,178,306
Other receivable	-	-	-	-	-	14,249
Provision against other assets	-	-	-	-	-	379
Borrowings						
Opening balance	-	-	-	-	-	-
Borrowings during the year	-	-	-	-	-	312,787,717
Settled during the year	-	-	-	-	-	(312,787,717)
Transfer in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Deposits and other accounts						
Opening balance	912,327	214,211	42,227	1,354,967	41,310	14,572,975
Received during the year	15,376,414	62,632	823,876	353,446,011	1,494,000	191,456,450
Withdrawn during the year	(16,158,311)	(62,805)	(802,683)	(353,426,148)	(1,532,689)	(192,234,920)
Transfer in / (out) - net	-	(213,748)	(15,567)	(549)	-	(993,778)
Closing balance	130,430	290	47,853	1,374,281	2,621	12,800,727
Subordinated debts						
Opening balance	-	-	-	-	-	639,776
Issued during the year	-	-	-	-	-	-
Redeemed during the year	-	-	-	-	-	(79)
Transfer in / (out) - net	-	-	-	-	-	(514,983)
Closing balance	-	-	-	-	-	124,714
Other liabilities						
Interest / return / mark-up payable on deposits	-	-	-	-	-	536,091
Interest / return / mark-up payable on subordinated debt	-	-	-	-	-	143
Donation Payable	-	-	-	-	-	26,475
Contingencies and commitments						
Letter of guarantee	-	-	-	-	-	20,398
Letter of Credit	-	-	-	-	-	65,585
Forward lending	-	-	-	-	5,924	-

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

For the nine months ended September 30, 2023 (Un-audited)						
Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	
Rupees in '000						
Profit and loss account						
Income						
Mark-up / return / interest earned	-	-	17,858	-	35,151	368,767
Fee, commission and brokerage income	-	1,788	6	10	-	59,880
Dividend income	-	-	-	-	-	148,750
Gain on sale of securities - net	-	-	-	-	-	5,997
Other income	-	-	-	-	-	800
Expense						
Mark-up / return / interest paid	28,813	-	1,936	212,315	1,799	563,977
Commission / charges paid	-	-	-	1,410	-	-
Remuneration paid	-	-	444,925	-	-	-
Non-executive directors' fee	-	9,300	-	-	-	-
Net charge for defined contribution plans	-	-	-	-	-	232,121
Net charge for defined benefit plans	-	-	-	-	-	98,249
Insurance expense	-	-	-	-	-	115,904
Donation	-	-	-	-	-	35,503
Legal charges	4,724	-	-	-	-	-
Consultancy charges	-	-	-	-	-	31,500
Other expenses	900	-	11,242	-	-	8,393
Payments made during the period						
Insurance premium paid	-	-	-	-	-	183,461
Insurance claims settled	-	-	-	-	-	6,666
Other Transactions						
Sale of Government Securities	-	-	15,317	-	-	90,937,248
Purchase of Government Securities	-	-	14,712	12,298	-	3,577,322
Sale of Foreign Currencies	-	-	-	-	-	42,952,935
Purchase of Foreign Currencies	-	-	-	-	-	34,093,418

For the nine months ended September 30, 2022 (Un-audited)						
Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties	
Rupees in '000						
Profit and loss account						
Income						
Mark-up / return / interest earned	-	399	19,813	1,082	33,632	250,165
Fee, commission and brokerage income	-	29	112	3	10	44,607
Dividend income	-	-	-	-	-	62,433
Gain on sale of securities - net	-	-	-	-	-	10,243
Other income	-	-	-	-	-	-
Reversal / (provisions) and write offs - net						
Provision for diminution in value of investments - net	-	-	-	-	-	48,280
Expense						
Mark-up / return / interest paid	73,558	754	936	129,958	746	1,070,252
Commission / charges paid	-	-	-	1,233	-	-
Remuneration paid	-	-	302,186	-	-	-
Non-executive directors' fee	-	10,500	-	-	-	-
Net charge for defined contribution plans	-	-	-	-	-	193,578
Net charge for defined benefit plans	-	-	-	-	-	107,402
Donation	-	-	-	-	-	36,201
Advisory fees	-	-	-	-	-	3,643
Other expenses	-	282	-	-	-	396
Payments made during the period						
Insurance premium paid	-	-	-	-	-	304,752
Insurance claims settled	-	-	-	-	-	4,527
Other transactions						
Sale of Government Securities	3,884,797	-	-	-	-	72,122,902
Purchase of Government Securities	-	-	-	5,153	-	15,848,837
Purchase of Non Government Securities	-	-	-	-	-	206,041
Sale of Foreign Currencies	-	-	-	-	-	52,605,134
Purchase of Foreign Currencies	-	-	-	-	-	44,432,668

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
----- Rupees in '000 -----		
38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>20,506,625</u>	<u>10,119,242</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>15,474,272</u>	18,161,246
Eligible Additional Tier 1 (ADT 1) Capital	<u>2,500,000</u>	2,500,000
Total Eligible Tier 1 Capital	<u>17,974,272</u>	20,661,246
Eligible Tier 2 Capital	<u>5,289,133</u>	4,097,720
Total Eligible Capital (Tier 1 + Tier 2)	<u>23,263,405</u>	<u>24,758,966</u>
Risk Weighted Assets (RWAs):		
Credit Risk	<u>151,689,262</u>	153,443,431
Market Risk	<u>1,345,308</u>	970,174
Operational Risk	<u>32,322,263</u>	32,322,263
Total	<u>185,356,833</u>	<u>186,735,868</u>
Common Equity Tier 1 Capital Adequacy ratio	<u>8.35%</u>	<u>9.73%</u>
Tier 1 Capital Adequacy Ratio	<u>9.70%</u>	<u>11.06%</u>
Total Capital Adequacy Ratio	<u>12.55%</u>	<u>13.26%</u>
Leverage Ratio (LR):		
Eligible Tier-1 Capital	<u>19,393,334</u>	20,661,246
Total Exposures	<u>647,126,899</u>	683,834,651
Leverage Ratio	<u>3.00%</u>	<u>3.02%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>141,226,310</u>	141,619,653
Total Net Cash Outflow	<u>77,758,126</u>	74,673,572
Liquidity Coverage Ratio	<u>181.62%</u>	<u>189.65%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	<u>438,322,600</u>	369,449,898
Total Required Stable Funding	<u>292,464,793</u>	294,199,283
Net Stable Funding Ratio	<u>149.87%</u>	<u>125.58%</u>

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

39. GENERAL

39.1 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.

39.2 The figures in these condensed interim unconsolidated financial statements have been rounded off to the nearest thousand unless otherwise stated.

40. DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorised for issue by the Board of Directors of the Bank in their meeting held on October 24, 2023.

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman



Condensed Interim Consolidated Financial Statements
for the Nine Months Ended September 30, 2023

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
	Note	----- Rupees in '000 -----	
ASSETS			
Cash and balances with treasury banks	6	76,580,763	24,765,248
Balances with other banks	7	4,017,330	1,859,792
Lendings to financial institutions	8	5,255,544	11,351,162
Investments	9	559,533,665	303,368,466
Advances	10	406,535,386	231,558,755
Fixed assets	11	26,170,735	11,234,696
Intangible assets	12	7,903,404	3,843,994
Deferred tax assets	18	3,602,069	-
Other assets	13	72,168,742	32,547,846
		1,161,767,638	620,529,959
LIABILITIES			
Bills payable	14	8,247,030	5,402,945
Borrowings	15	95,371,499	98,531,096
Deposits and other accounts	16	944,735,766	462,757,638
Liabilities against assets subject to finance lease		-	-
Subordinated debts	17	11,348,500	6,995,000
Deferred tax liabilities	18	-	212,327
Other liabilities	19	49,458,288	23,374,566
		1,109,161,083	597,273,572
NET ASSETS		52,606,555	23,256,387
REPRESENTED BY			
Share capital - net		20,506,625	10,119,242
Reserves		6,188,722	2,787,201
Surplus on revaluation of assets	20	1,065,397	1,342,708
Unappropriated profit		16,325,008	8,643,962
		44,085,752	22,893,113
Non-controlling interest		8,520,803	363,274
		52,606,555	23,256,387
CONTINGENCIES AND COMMITMENTS			
	21		

The annexed notes from 1 to 40 form an integral part of these condensed interim consolidated financial statements.

**President and
Chief Executive Officer**

**Chief Financial
Officer**

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	Note	Quarter Ended		Nine Months Ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
----- Rupees in '000 -----					
Mark-up / return / interest / profit earned	23	34,079,868	18,908,630	76,643,218	48,884,020
Mark-up / return / interest / profit expensed	24	24,964,402	14,966,670	57,022,022	38,257,302
Net mark-up / interest income		9,115,466	3,941,960	19,621,196	10,626,718
Non mark-up / interest income					
Fee, commission and brokerage income	25	1,810,960	908,971	4,058,989	2,775,932
Dividend income		81,634	82,698	307,340	177,008
Foreign exchange income		822,174	941,291	3,373,243	1,917,037
Gain / (loss) from derivatives		14,048	33,634	166	(41,945)
(Loss) / gain on securities - net	26	161,162	86,817	(343,852)	281,151
Share of loss from associates		-	(9,086)	(17,706)	(8,759)
Other income	27	4,147,160	28,931	4,260,745	95,874
Total non mark-up / interest income		7,037,138	2,073,256	11,638,925	5,196,298
Total income		16,152,604	6,015,216	31,260,121	15,823,016
Non mark-up / interest expenses					
Operating expenses	28	7,562,233	4,717,512	18,248,580	13,069,682
Workers' Welfare Fund	29	75,807	17,267	142,969	37,549
Other charges	30	18,922	-	38,954	85,590
Total non-mark-up / interest expenses		7,656,962	4,734,779	18,430,503	13,192,821
Profit before provisions		8,495,642	1,280,437	12,829,618	2,630,195
Provisions and write offs - net	31	1,829,625	451,192	2,830,527	635,685
Profit before taxation		6,666,017	829,245	9,999,091	1,994,510
Taxation	32	1,309,627	450,193	3,051,214	1,032,012
Profit after taxation		5,356,390	379,052	6,947,877	962,498
Attributable to:					
Equity holders of the Bank		5,151,688	389,194	6,735,493	949,012
Non-controlling interest		204,702	(10,142)	212,384	13,486
		5,356,390	379,052	6,947,877	962,498
----- Rupee -----					
Basic and diluted earnings per share	33	3.62	0.30	4.74	0.73

The annexed notes from 1 to 40 form an integral part of these condensed interim consolidated financial statements.

**President and
Chief Executive Officer**

**Chief Financial
Officer**

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	Quarter Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	----- Rupees in '000 -----		----- Rupees in '000 -----	
Profit after taxation for the period	5,356,390	379,052	6,947,877	962,498
Other comprehensive income / (loss)				
Items that may be reclassified to profit and loss account in subsequent periods				
Effect of translation of net investment in foreign branch	20,984	124,867	248,110	262,262
Movement in deficit on revaluation of investments - net of tax (Pakistan operations)	309,276	718,496	(314,370)	(554,255)
Movement in surplus of debt investments at FVOCI - net of tax (Bahrain operations)	76,638	(344,327)	187,891	(578,623)
	385,914	374,169	(126,479)	(1,132,878)
Items that will not be reclassified to profit and loss account in subsequent periods				
Movement in surplus on revaluation of fixed assets - net of tax	2,095	-	(43,644)	(32,007)
Movement in surplus on revaluation of non-banking assets - net of tax	232	-	189	(98)
Movement in deficit of equity investments at FVOCI - net of tax (Bahrain operations)	25,262	(13,057)	11,376	(55,173)
	27,589	(13,057)	(32,079)	(87,278)
	434,487	485,979	89,552	(957,894)
Total comprehensive income for the period	5,790,877	865,031	7,037,429	4,604
Attributable to:				
Equity holders of the Bank	5,568,976	874,795	6,807,285	35,937
Non-controlling interest	221,901	(9,764)	230,144	(31,333)
	5,790,877	865,031	7,037,429	4,604

The annexed notes from 1 to 40 form an integral part of these condensed interim consolidated financial statements.

**President and
Chief Executive Officer**

**Chief Financial
Officer**

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	Attributable to equity holders of the Bank								Non-controlling interest	Total	
	Share capital - net	Capital Reserves		Statutory reserve	Surplus / (deficit) on revaluation of			Unappropriated profit			Sub-total
		Share premium	Exchange translation reserve		Investments	Fixed assets	Non-banking assets				
	Rupees in '000										
Balance as at January 01, 2022 (Audited)	10,119,242	-	194,012	2,137,057	1,357,656	1,751,559	119,714	7,764,840	23,444,080	388,327	23,832,407
Total comprehensive loss for the nine months ended September 30, 2022											
Profit after taxation	-	-	-	-	-	-	-	949,012	949,012	13,486	962,498
Other comprehensive (loss) / income - net of tax	-	-	262,262	-	(1,143,232)	(32,007)	(98)	-	(913,075)	(44,819)	(957,894)
	-	-	262,262	-	(1,143,232)	(32,007)	(98)	949,012	35,937	(31,333)	4,604
Transfer to statutory reserve	-	-	-	164,117	-	-	-	(164,117)	-	-	-
Transfer from surplus on revaluation of assets - net of tax	-	-	-	-	-	(33,882)	(12,495)	46,377	-	-	-
Loss on disposal of equity investments at FVOCI transferred to unappropriated profit	-	-	-	-	13,146	-	-	(13,146)	-	-	-
Balance as at September 30, 2022 (Un-audited)	10,119,242	-	456,274	2,301,174	227,570	1,685,670	107,121	8,582,966	23,480,017	356,994	23,837,011
Total comprehensive income for the three months ended December 31, 2022											
Profit after taxation	-	-	-	-	-	-	-	132,754	132,754	(4,956)	127,798
Other comprehensive (loss) / income - net of tax	-	-	913	-	(666,732)	-	-	(53,839)	(719,658)	11,236	(708,422)
	-	-	913	-	(666,732)	-	-	78,915	(586,904)	6,280	(580,624)
Transfer to statutory reserve	-	-	-	28,840	-	-	-	(28,840)	-	-	-
Transfer from surplus on revaluation of assets - net of tax	-	-	-	-	-	(11,291)	(38)	11,329	-	-	-
Loss on disposal of equity investments at FVOCI transferred to unappropriated profit	-	-	-	-	408	-	-	(408)	-	-	-
Balance as at December 31, 2022 (Audited)	10,119,242	-	457,187	2,330,014	(438,754)	1,674,379	107,083	8,643,962	22,893,113	363,274	23,256,387
Non-controlling interest on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	15,854,770	15,854,770
Total comprehensive income for the nine months ended September 30, 2023											
Profit after taxation	-	-	-	-	-	-	-	6,735,493	6,735,493	212,384	6,947,877
Other comprehensive income / (loss) - net of tax	-	-	248,110	-	(132,283)	(44,165)	131	-	71,793	17,760	89,553
	-	-	248,110	-	(132,283)	(44,165)	131	6,735,493	6,807,286	230,144	7,037,430
Transfer to statutory reserve	-	-	-	464,194	-	-	-	(464,194)	-	-	-
Transfer from surplus on revaluation of assets - net of tax	-	-	-	-	-	(91,721)	3	91,718	-	-	-
Gain on disposal of equity investments at FVOCI transferred to unappropriated profit	-	-	-	-	(9,276)	-	-	9,276	-	-	-
Transactions with owners, recorded directly in equity											
Issue of share capital (right shares)	2,205,689	-	-	-	-	-	-	-	2,205,689	-	2,205,689
Issue of share capital (further issue of shares)	5,326,293	5,544,618	-	-	-	-	-	-	10,870,911	-	10,870,911
Transfer of share discount to share premium	2,855,401	(2,855,401)	-	-	-	-	-	-	-	-	-
Sale of shares by non-controlling interest	-	-	-	-	-	-	-	1,308,753	1,308,753	(7,927,385)	(6,618,632)
Balance as at September 30, 2023 (Un-audited)	20,506,625	2,689,217	705,297	2,794,208	(580,313)	1,538,493	107,217	16,325,008	44,085,752	8,520,803	52,606,555

The annexed notes from 1 to 40 form an integral part of these condensed interim consolidated financial statements.

President and
Chief Executive Officer

Chief Financial
Officer

Director

Director

Chairman

JS BANK LIMITED
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	September 30, 2023	September 30, 2022
	----- Rupees in '000 -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	9,999,091	1,994,510
Less:		
Dividend income	(307,340)	(177,008)
Share of loss from associates	17,706	8,759
	<u>9,709,457</u>	<u>1,826,261</u>
Adjustments:		
Depreciation on fixed assets	28 1,026,444	724,832
Depreciation on non-banking assets	28 25,485	15,094
Depreciation on right-of-use assets	28 858,771	847,565
Amortisation	28 220,397	126,858
Interest expense on lease liability against right-of-use assets	24 899,607	298,412
Charge for defined benefit plan	111,178	107,402
Unrealised gain on revaluation of investments classified as held-for-trading - net	26 (48,521)	(25,534)
Provisions and write offs - net	31 2,830,527	635,685
Provision for workers' welfare fund	29 142,969	37,549
Gain on sale of fixed assets - net	27 (152,422)	(49,095)
Gain on reclassification of AFS equity shares	27 (332,658)	-
Bargain purchase gain	27 (3,652,888)	-
Gain on termination of leases - net	27 (63,451)	(12,746)
	<u>1,865,438</u>	<u>2,706,022</u>
	<u>11,574,895</u>	<u>4,532,283</u>
Decrease / (increase) in operating assets		
Lendings to financial institutions	35,533,719	31,617,338
Held-for-trading securities	(327,719)	1,753,196
Advances	29,316,810	19,819,851
Other assets (excluding advance taxation)	(9,878,479)	(8,497,419)
	<u>54,644,331</u>	<u>44,692,966</u>
(Decrease) / increase in operating liabilities		
Bills payable	(1,382,860)	(1,109,736)
Borrowings	(74,240,149)	(18,189,826)
Deposits and other accounts	45,016,034	20,594,291
Other liabilities	4,695,647	2,994,902
	<u>(25,911,328)</u>	<u>4,289,631</u>
	<u>40,307,898</u>	<u>53,514,880</u>
Income taxes paid	(3,542,568)	(1,211,253)
Net cash generated from operating activities	<u>36,765,330</u>	<u>52,303,627</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	(21,092,860)	(12,981,513)
Net redemption / (investments) in held-to-maturity securities	15,239,189	(40,878,044)
Dividend received	292,943	130,609
Investments in fixed assets	(2,284,472)	(1,209,947)
Investments in intangible assets	(835,996)	(535,031)
Investment in subsidiary net of cash acquired	22,359,573	-
Proceeds from disposal of fixed assets	706,186	195,430
Effect of translation of net investment in foreign branch	248,110	262,262
Net cash generated from / (used in) investing activities	<u>14,632,673</u>	<u>(55,016,234)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(1,215,052)	(870,382)
Issue of share capital (Right shares)	2,205,689	-
Issuance of subordinated debt	3,500,000	-
Repayment of subordinated debt	(1,996,500)	(900)
Net cash used in financing activities	<u>2,494,137</u>	<u>(871,282)</u>
Increase / (decrease) in cash and cash equivalents	<u>53,892,140</u>	<u>(3,583,889)</u>
Cash and cash equivalents at beginning of the period	25,333,309	35,188,140
Cash and cash equivalents at end of the period	<u>79,225,449</u>	<u>31,604,251</u>

The annexed notes from 1 to 40 form an integral part of these condensed interim consolidated financial statements.

**President and
Chief Executive Officer**

**Chief Financial
Officer**

Director

Director

Chairman

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

1. STATUS AND NATURE OF BUSINESS

1.1 The Group consists of:

Holding Company: JS Bank Limited

JS Bank Limited (the Bank / JSBL) is a banking company incorporated in Pakistan as a public limited company on March 15, 2006. The Bank is a subsidiary company of Jahangir Siddiqui & Co. Ltd. (JSCL) and its shares are listed on Pakistan Stock Exchange Limited (PSX). The Bank commenced its banking operations on December 30, 2006 and its registered office is situated at Shaheen Commercial Complex, Dr. Ziauddin Ahmed Road, Karachi.

The Bank is a scheduled bank, engaged in commercial banking and related services as described in the Banking Companies Ordinance, 1962 and is operating through 281 (December 31, 2022: 281) branches / sub-branches in Pakistan and one wholesale banking branch in Bahrain (December 31, 2022: 1). The Pakistan Credit Rating Agency Limited (PACRA) has assigned the long-term entity rating of the Bank to AA- (Double A Minus) whereas short-term rating is maintained at A1+ (A One Plus), which is the highest possible short-term rating. The ratings denote a very low expectation of credit risk and indicate very strong capacity for timely repayment of financial commitments.

Jahangir Siddiqui Investment Bank Limited, JSIBL, (formerly Citicorp Investment Bank Limited which was acquired by JSCL on February 01, 1999), and its holding company, JSCL, entered into a Framework Agreement with American Express Bank Limited, New York (AMEX) on November 10, 2005 for acquisition of its American Express Bank Limited - Pakistan Branches, (AEBL). Consequently, a new banking company, JSBL was incorporated on March 15, 2006 and a restricted Banking License was issued by the State Bank of Pakistan (SBP) on May 23, 2006.

A Transfer Agreement was executed on June 24, 2006 between JSIBL and JSBL for the transfer of entire business and undertaking of JSIBL to JSBL and a separate Transfer Agreement was also executed on June 24, 2006, between AMEX and JSBL for the transfer of AEBL's commercial banking business in Pakistan with all assets and liabilities (other than certain excluded assets and liabilities) (AEBL business). The shareholders of JSIBL and JSBL, in their respective extraordinary general meetings held on July 31, 2006, approved a Scheme of Amalgamation (the Scheme) under Section 48 of the Banking Companies Ordinance, 1962. The Scheme was initially approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SC/NBFC(J)-R/JSIBL/2006/517 dated September 28, 2006. Subsequently, the Scheme was sanctioned by the SBP vide its order dated December 02, 2006 and, in accordance therewith, the effective date of amalgamation was fixed at December 30, 2006.

The ultimate parent of the Group is Jahangir Siddiqui & Co. Ltd. which holds 75.02% shares of the Bank.

1.2 Composition of the Group

	Ownership interest and voting power held by the Bank			
	September 30, 2023		December 31, 2022	
	The Group	NCI	The Group	NCI
Subsidiaries				
JS Global Capital Limited	92.90%	7.10%	92.90%	7.10%
JS Investments Limited	84.56%	15.44%	84.56%	15.44%
BankIslami Pakistan Limited	75.12%	24.88%	0.00%	0.00%

1.3 Composition of the associated companies

	Ownership interest and voting power held by the Bank	
	September 30, 2023	December 31, 2022
	Associates	
Omar Jibran Engineering Industries Limited	9.60%	9.60%
Veda Transit Solutions (Private) Limited	3.92%	3.92%
Intercity Touring Company (Private) Limited	9.12%	9.12%

1.4 Pursuant to the approvals of the shareholders of the Bank at their General Meetings held on March 29, 2023 and May 19, 2023 and after obtaining all the requisite corporate and regulatory approvals and compliance with all the applicable laws and regulations, the Bank has acquired:

- 42.45%, i.e., 470,603,772 ordinary voting shares and control of BankIslami Pakistan Limited (BIPL), from sponsors and other shareholders of BIPL (including but not limited to, Jahangir Siddiqui & Co. Ltd., the holding company of the Bank) through agreements against the issuance of 532,629,349 new shares of the Bank by way of other than rights and other than cash consideration, i.e., 1.1318 ordinary shares of the Bank issued as consideration for every 1 ordinary share of BIPL.
- 24.88%, i.e., 275,891,286 ordinary shares of BIPL by way of public offer (published in newspapers on June 28, 2023) made to all public shareholders as required under the Takeover Regulations in cash at the rate of Rs. 23.99 per share. To partly finance the public offer, the Bank, with the approval of the Board of Directors, had issued 220,568,925 ordinary shares by way of 17% Right Shares, i.e., 17 right shares for every 100 shares held, at par value of Rs. 10/- each.

The afore-mentioned transaction culminated on August 25, 2023. Post-acquisition, the shareholding of the Bank in BIPL has increased to 75.12% and accordingly, BIPL has become a subsidiary of JS Bank Limited.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements include financial statements of JS Bank Limited and its subsidiary companies, and share of the profit / reserves of associates and have been prepared in conformity with the format of financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular Letter No. 05 dated March 22, 2019.

These condensed interim consolidated financial statements have been presented in Pakistan Rupees (PKR), which is the currency of the primary economic environment in which the Group operates and the functional currency of the Bank, in that environment as well.

2.1 Statement of Compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities & Exchange Commission of Pakistan (SECP) from time to time.

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017, or the directives issued by the SBP and the SECP differ with the requirements of IFRS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

The disclosures made in these condensed interim consolidated financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 05 dated March 22, 2019 and International Accounting Standards (IAS) 34, 'Interim Financial Reporting'. These condensed interim consolidated financial statements do not include all the information and disclosures required for annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2022.

The SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies vide BSD Circular Letter No. 10 dated August 26, 2002 till further instructions. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7, 'Financial Instruments: Disclosures' on banks vide its notification S.R.O 411(I)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim consolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

International Financial Reporting Standard (IFRS) 10, 'Consolidated Financial Statements', was made applicable from period beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by SECP. However, SECP has directed through S.R.O 56(I)/2016 dated January 28, 2016, that the requirement of consolidation under section 228 of the Companies Act, 2017 and IFRS 10, 'Consolidated Financial Statements' is not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim consolidated financial statements.

2.2 Basis of Consolidation

The Group

- The condensed interim consolidated financial statements include the financial statements of the Bank and its subsidiary companies together - the Group.

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

- Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its investment with investee and has the ability to effect those return through its power over the investee, except investment in mutual funds established under trust structure where International Financial Reporting Standard (IFRS) 10, 'Consolidated Financial Statements' is not applicable.
- These condensed interim consolidated financial statements incorporate the financial statements of subsidiaries from the date that control commences until the date that control ceases.
- The assets, liabilities, income and expenses of subsidiary companies have been consolidated on a line by line basis.
- Non-controlling interests are that part of the net results of operations and of net assets of subsidiaries attributable to interest which are not owned by the Bank.
- Material intra-group balances and transactions are eliminated.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these condensed interim consolidated financial statements are consistent with those applied in the preparation of the consolidated financial statements for the year ended December 31, 2022.

3.1 Standards, interpretations of and amendments to approved accounting standards that are effective in the current period

There are certain other amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 01, 2023. These are either considered to not be relevant or do not have any significant impact and accordingly have not been detailed in these condensed interim consolidated financial statements.

3.2 Standards, interpretations of and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations as notified under the Companies Act, 2017 will be effective for accounting periods beginning on or after January 01, 2023:

Standard, Interpretation or Amendment	Effective date (annual periods beginning on or after)
Classification of Liabilities as Current or Non-current and application of materiality to disclosure of accounting policies - Amendments to IAS 1	January 01, 2024
Disclosure of Accounting Policies - Amendments to IAS 1	January 01, 2023
Lease liability in a sale and leaseback - Amendments to IFRS 16	January 01, 2024
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12	January 01, 2023
IFRS 9 - 'Financial Instruments'	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Not yet finalized

The management is in the process of assessing the impact of these standards and amendments on the condensed interim consolidated financial statements of the Bank.

The application of the International Financial Reporting Standard (IFRS) 9, 'Financial Instruments', for all companies to prepare their financial statements in accordance with the requirements of IFRS 9 was implemented by SECP for reporting period / year ending on or after June 30, 2019 through its S.R.O. 229 (I)/2019 dated February 14, 2019. However, State Bank of Pakistan (SBP) has extended the effective date of applicability of IFRS 9 from January 01, 2023 through its BPRD Circular No. 03 dated July 05, 2022 in case of banks having assets size of PKR 500 billion or above. The said circular contained application instructions for quarterly, half yearly and annual parallel run reporting of IFRS 9 for year 2022 and 2023 within given timelines.

During the period, SBP has further extended the effective date of applicability of IFRS 9 to January 01, 2024 through its BPRD Circular Letter No. 07 of 2023 dated April 13, 2023.

As of reporting date, till the implementation of IFRS 9, the Bank has continued to fulfil the requirements of Prudential Regulations and other SBP directives currently providing the accounting framework for the measurement and valuation of assets and provisions / impairment against non-performing assets.

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

3.3 Presentation and disclosure

Further, the SBP vide BPRD Circular No. 02 of 2023 dated February 09, 2023 has specified the new reporting format for financial statements of Banking Companies. While the new format has revised certain disclosure requirements, it includes disclosure requirements with respect to IFRS 9. The requirements will be applicable from January 01, 2024 in accordance with the BPRD Circular Letter No. 07 of 2023 dated April 13, 2023.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim consolidated financial statements are the same as that applied in the preparation of the consolidated financial statements for the year ended December 31, 2022.

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Group are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2022.

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
	Note	----- Rupees in '000 -----	
6. CASH AND BALANCES WITH TREASURY BANKS			
In hand			
Local currency		17,006,674	7,824,569
Foreign currencies		2,576,173	488,360
		19,582,847	8,312,929
With State Bank of Pakistan in			
Local currency current account		45,500,526	15,207,132
Foreign currency current account - non remunerative		1,111,533	815,151
Foreign currency deposit account - remunerative		4,786,623	364,657
		51,398,682	16,386,940
With National Bank of Pakistan in local currency current accounts		5,579,396	58,322
National prize bonds		19,838	7,057
		76,580,763	24,765,248
7. BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		32,294	260,350
In deposit accounts		45,169	54,108
		77,463	314,458
Outside Pakistan			
In current accounts		3,624,264	1,545,369
In deposit accounts		315,682	-
		3,939,946	1,545,369
		4,017,409	1,859,827
Less: General provision under IFRS 9	7.1	(79)	(35)
		4,017,330	1,859,792
7.1	This represents general provision held under IFRS 9 by Bahrain branch of the Bank.		
8. LENDINGS TO FINANCIAL INSTITUTIONS			
Secured			
Repurchase agreement lendings (reverse repo)		-	11,351,162
Unsecured			
Bai Muajjal Receivable		5,255,544	-
Other placements		18,630	-
		5,274,174	11,351,162
Less: provision held against lendings		(18,630)	-
		5,255,544	11,351,162
8.1 Particulars of lendings (gross)			
In local currency		5,274,174	11,351,162
In foreign currencies		-	-
		5,274,174	11,351,162

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

9. INVESTMENTS	September 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / Amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
9.1 Investments by type:	Note ----- Rupees in '000 -----							
Held-for-trading securities								
Federal Government Securities								
Market Treasury Bills	35,092	-	(42)	35,050	33,538	-	(107)	33,431
Shares								
Listed Companies								
Ordinary shares	728,077	-	2,702	730,779	559,170	-	11,528	570,698
Open End Mutual Funds	668,275	-	45,861	714,136	546,355	-	1,762	548,117
Available-for-sale securities								
Federal Government Securities								
Market Treasury Bills	35,205,190	-	(91,216)	35,113,974	40,317,081	-	(395,161)	39,921,920
Pakistan Investment Bonds - Fixed	18,881,769	-	(1,678,110)	17,203,659	34,811,083	-	(1,399,722)	33,411,361
Pakistan Investment Bonds - Floater	71,086,700	-	(201,230)	70,885,470	69,406,348	-	(31,328)	69,375,020
Government of Pakistan Eurobonds	1,886,189	(109,948)	(517,895)	1,258,346	1,470,530	(49,083)	(743,736)	677,711
Government of Pakistan Ijarah Sukuks	239,105,274	-	(70,207)	239,035,067	-	-	-	-
	366,165,122	(109,948)	(2,558,658)	363,496,516	146,005,042	(49,083)	(2,569,947)	143,386,012
Shares								
Listed Companies								
Ordinary shares	2,719,276	(79,243)	1,485,684	4,125,717	3,213,934	-	1,936,543	5,150,477
Preference shares	136,589	(136,589)	-	-	136,589	(136,589)	-	-
Unlisted Companies								
Ordinary shares	602,680	(591,680)	-	11,000	11,000	-	-	11,000
	3,458,545	(807,512)	1,485,684	4,136,717	3,361,523	(136,589)	1,936,543	5,161,477
Non Government Debt Securities								
Listed								
Term Finance Certificates	518,446	(143,446)	18,916	393,916	523,541	(143,446)	28	380,123
Sukuk Certificates	30,740,524	-	314,218	31,054,742	263,884	-	92	263,976
Unlisted								
Term Finance Certificates	683,992	(683,992)	-	-	466,589	(466,589)	-	-
Sukuk Certificates	6,338,724	(35,880)	(31,615)	6,271,229	1,212,440	-	-	1,212,440
Preference shares	27,733	(27,733)	-	-	27,733	(27,733)	-	-
	38,309,419	(891,051)	301,519	37,719,887	2,494,187	(637,768)	120	1,856,539
Foreign Securities								
Government Debt Securities	17,443,045	(193,337)	(115,022)	17,134,686	410,164	(129,576)	(146,817)	133,771
Non Government Debt Securities	-	-	-	-	679,632	(394)	(5,374)	673,864
Ordinary shares	1,255,809	(1,155,350)	(27,967)	72,492	335,143	-	(28,705)	306,438
	18,698,854	(1,348,687)	(142,989)	17,207,178	1,424,939	(129,970)	(180,896)	1,114,073
Open End Mutual Funds	397,383	-	10,484	407,867	951,370	-	32,261	983,631
Held-to-maturity securities								
Federal Government Securities								
Market Treasury Bills	62,063,529	-	-	62,063,529	105,615,196	-	-	105,615,196
Pakistan Investment Bonds - Fixed	10,379,249	-	-	10,379,249	10,136,487	-	-	10,136,487
Pakistan Investment Bonds - Floater	61,755,870	-	-	61,755,870	33,686,154	-	-	33,686,154
	134,198,648	-	-	134,198,648	149,437,837	-	-	149,437,837
Non Government Debt Securities								
Listed								
Term Finance Certificates	74,607	(74,607)	-	-	-	-	-	-
Unlisted								
Term Finance Certificates	17,538	(17,538)	-	-	-	-	-	-
	92,145	(92,145)	-	-	-	-	-	-
Associates								
Omar Jibran Engineering Industries Ltd.	228,386	-	-	228,386	236,194	-	-	236,194
Veda Transit Solutions (Pvt.) Ltd.	30,559	-	-	30,559	40,457	-	-	40,457
Shakarganj Food Products Limited	627,942	-	-	627,942	-	-	-	-
KASB Capital Limited	41,867	(41,867)	-	-	-	-	-	-
KASB Funds Limited	432,302	(432,302)	-	-	-	-	-	-
	1,361,056	(474,169)	-	886,887	276,651	-	-	276,651
Subsidiary								
My Solutions Corporation Limited	104,771	(104,771)	-	-	-	-	-	-
Total Investments	564,217,387	(3,828,283)	(855,439)	559,533,665	305,090,612	(953,410)	(768,736)	303,368,466

9.1.1 The market value of securities classified as held-to-maturity as at September 30, 2023 amounted to Rs. 130,905.317 million (December 31, 2022: Rs. 147,022.393 million).

9.2 Investments given as collateral	(Un-audited) September 30, 2023		(Audited) December 31, 2022	
	Cost	Market value	Cost	Market value
----- Rupees in '000 -----				
Federal Government Securities				
Pakistan Investment Bonds - Fixed	7,684,830	7,059,960	-	-
Government of Pakistan Ijarah Sukuks	34,814,000	34,814,000	-	-
Pakistan Investment Bonds - Floater	-	-	62,800,000	62,198,080
	42,498,830	41,873,960	62,800,000	62,198,080

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
9.3 Provision for diminution in value of investments	Note		
Opening balance		953,410	922,888
Additional impact upon acquisition of subsidiary		2,178,358	
Exchange rate adjustments		50,679	28,126
Charge for the period / year		579,347	24,570
Reversals for the period / year		(7,064)	(104,869)
	31	572,283	(80,299)
Impairment under IFRS 9 in Bahrain branch			
Charge during the period / year		73,553	82,695
Closing balance		3,828,283	953,410

9.3.2 Particulars of provisions against debt securities

Category of classification	(Un-audited) September 30, 2023		(Audited) December 31, 2022	
	Non-Performing Investments	Provision	Non-Performing Investments	Provision
Domestic				
Loss	1,259,447	983,196	637,768	637,768

	Note	Performing		Non-Performing		Total	
		(Un-audited) September 30, 2023	(Audited) December 31, 2022	(Un-audited) September 30, 2023	(Audited) December 31, 2022	(Un-audited) September 30, 2023	(Audited) December 31, 2022
		Rupees in '000					
Loans, cash credits, running finances, etc.		184,805,938	212,648,027	19,515,418	16,311,887	204,321,356	228,959,914
Bills discounted and purchased		11,632,155	10,021,695	684,295	-	12,316,450	10,021,695
Islamic financing and related assets		204,085,749	-	16,160,388	-	220,246,137	-
Net investment in finance lease		-	-	566,408	-	566,408	-
Advances - gross	10.1	400,523,842	222,669,722	36,926,509	16,311,887	437,450,351	238,981,609
Provision against advances							
- Specific		-	-	(26,516,377)	(7,210,740)	(26,516,377)	(7,210,740)
- General		(4,371,934)	(200,614)	-	-	(4,371,934)	(200,614)
- General provision - under IFRS 9	10.3.3	(26,654)	(11,500)	-	-	(26,654)	(11,500)
	10.3	(4,398,588)	(212,114)	(26,516,377)	(7,210,740)	(30,914,965)	(7,422,854)
Advances - net of provision		396,125,254	222,457,608	10,410,132	9,101,147	406,535,386	231,558,755

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
10.1 Particulars of advances (gross)			
In local currency		427,074,699	229,793,447
In foreign currencies		10,375,652	9,188,162
		437,450,351	238,981,609

10.2 Advances include Rs. 36,926.509 million (December 31, 2022: Rs. 16,311.887 million) which have been placed under non-performing status as detailed below:

Category of classification	(Un-audited) September 30, 2023		(Audited) December 31, 2022	
	Non-Performing Loans	Provision	Non-Performing Loans	Provision
Domestic				
Other Assets Especially Mentioned*	1,233,925	6,561	413,839	252
Substandard	2,605,054	214,564	1,300,581	171,165
Doubtful	3,834,538	1,163,640	1,808,030	462,049
Loss	29,252,992	25,131,612	12,789,437	6,577,274
Total	36,926,509	26,516,377	16,311,887	7,210,740

* The Other Assets Especially Mentioned category pertains to agriculture, housing and small enterprises financing.

10.3 Particulars of provisions against advances

Note	(Un-audited) September 30, 2023				(Audited) December 31, 2022				
	Specific	General	General provision under IFRS 9	Total	Specific	General	General provision under IFRS 9	Total	
	Rupees in '000								
Opening balance	7,210,740	200,614	11,500	7,422,854	6,569,829	87,787	25,193	6,682,809	
Additional impact upon acquisition of subsidiary	16,119,131	2,987,168	-	19,106,299	-	-	-	-	
Exchange rate adjustments	-	-	3,463	3,463	-	-	5,122	5,122	
Charge for the period / year	4,236,172	1,258,785	11,691	5,506,648	1,731,847	112,827	-	1,844,674	
Reversals for the period / year	(1,007,811)	(74,633)	-	(1,082,444)	(870,683)	-	(18,815)	(889,498)	
	31	3,228,361	1,184,152	11,691	4,424,204	861,164	112,827	(18,815)	955,176
Amount written off	(41,855)	-	-	(41,855)	(220,253)	-	-	(220,253)	
Closing balance	10.3.1	26,516,377	4,371,934	26,654	30,914,965	7,210,740	200,614	11,500	7,422,854

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

10.3.1 The State Bank of Pakistan (SBP) through various circulars has allowed benefit of the forced sale value (FSV) of Plant and Machinery under charge, pledged stock and mortgaged residential, commercial and industrial properties (land and building only) held as collateral against non-performing loans (NPLs) for a maximum of five years from the date of classification. As at September 30, 2023, the Bank has availed cumulative FSV benefit under the directives of the SBP of Rs. 4,053.152 million (December 31, 2022: Rs. 6,820.087 million).

The additional profit arising from availing the FSV benefit - net of tax amounts to Rs. 2,067.108 million (December 31, 2022: Rs. 3,478.244 million). The additional impact on profitability arising from availing the benefit of FSV shall not be available for payment of cash or stock dividend to shareholders or bonus to employees under the requirements of Prudential Regulations of Corporate / Commercial Banking of SBP.

10.3.2 The SBP has allowed specific relaxation to the Bank for non-classification of overdue loans of a certain Public Sector Entity (PSE) which is fully guaranteed by the Government of Pakistan. No provision is required against these loans as per SBP letter; however, mark-up overdue by 90 days and above amounting to Rs. 929.230 million is being suspended.

10.3.3 This represents general provision held under IFRS 9 by Bahrain branch of the Bank.

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
	Note	----- Rupees in '000 -----	
11. FIXED ASSETS			
Capital work-in-progress	11.1	2,402,312	883,380
Property and equipment	11.2 & 11.3	19,073,717	7,894,072
Right-of-use assets	11.4	4,694,706	2,457,244
		<u>26,170,735</u>	<u>11,234,696</u>
11.1 Capital work-in-progress			
Civil works		1,443,756	197,727
Advances to suppliers		13,854	685,363
Equipment		944,702	290
		<u>2,402,312</u>	<u>883,380</u>
11.2 Additions to fixed assets			
The following additions have been made to fixed assets during the period:			
Capital work-in-progress		1,410,592	806,987
Property and equipment			
Building on leasehold land		617,158	300,071
Leasehold improvements		184,056	610,748
Furniture and fixture		651,998	112,196
Electrical, office and computer equipments		1,905,434	572,364
Vehicles		203,745	43,318
		<u>3,562,391</u>	<u>1,638,697</u>
Total	11.2.1	<u>4,972,983</u>	<u>2,445,684</u>

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

11.2.1 This includes transfer from capital work in progress during the period of Rs. 1,130.617 million (September 30, 2022: Rs. 1,303.792 million).

		(Un-audited)	
		January - September 2023	January - September 2022
		----- Rupees in '000 -----	
11.3	Disposal of fixed assets		
	The net book value of fixed assets disposed off during the period is as follows:		
	Property and equipment		
	Building on freehold land	405,000	-
	Building on leasehold land	103,688	85,221
	Leasehold improvements	1,277	4,818
	Furniture and fixture	16,267	4,772
	Electrical, office and computer equipments	22,700	26,153
	Vehicles	4,832	25,371
	Total	<u>553,764</u>	<u>146,335</u>

		(Un-audited)	(Audited)
		September 30, 2023	December 31, 2022
		----- Rupees in '000 -----	
11.4	Right-of-use assets		
			Note
	Opening balance	2,457,244	3,052,072
	Additional impact upon acquisition of subsidiary	2,897,382	-
	Additions / renewals	935,801	837,677
	Terminations	(136,131)	(303,538)
	Depreciation charge	(1,500,575)	(1,097,098)
	Exchange rate adjustments	6,109	6,266
	Other adjustments	34,876	(38,135)
	Closing balance	<u>4,694,706</u>	<u>2,457,244</u>

12. INTANGIBLE ASSETS

Capital work-in-progress	12.1	835,388	776,089
Computer software	12.1	2,598,246	1,599,281
Goodwill		4,407,921	1,463,624
Others		61,849	5,000
		<u>7,903,404</u>	<u>3,843,994</u>

		(Un-audited)	
		January - September 2023	January - September 2022
		----- Rupees in '000 -----	
12.1	Additions to intangible assets		
	The following additions have been made to intangible assets during the period:		
	Capital work-in-progress	687,192	534,779
	Computer software	1,039,305	313,572
		<u>1,726,497</u>	<u>848,351</u>

12.1.1 This includes transfer from capital work in progress during the period of Rs. 627.893 million (September 30, 2022: Rs. 313.572 million).

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
----- Rupees in '000 -----			
13. OTHER ASSETS	Note		
Mark-up / return / interest accrued in local currency		45,418,142	12,324,859
Mark-up / return / interest accrued in foreign currencies		187,291	33,276
Advances, deposits, advance rent and other prepayments		4,121,695	1,995,577
Acceptances		5,553,647	6,586,244
Dividend receivable		14,397	-
Advance taxation (payments less provision)		-	1,113,186
Receivable from defined benefit plans		-	119,523
Receivable against bancassurance / bancatakaful		399,942	17,498
Receivable in respect of home remittance		30,765	22,004
Due from State Bank of Pakistan		916,727	752,409
Rebates receivable - net		509,724	226,094
Non-banking assets acquired in satisfaction of claims		6,241,752	3,664,799
Mark to market gain on derivative instruments		155	14,874
Mark to market gain on forward foreign exchange contracts		1,568,513	1,108,517
Advance against investments in securities		1,178,306	1,178,306
Branchless banking fund settlement		-	326,775
Inter bank fund transfer settlement		-	1,164,134
Clearing and settlement accounts		1,678,539	-
Credit card settlement		546,721	338,269
Insurance claims receivable		27,665	27,437
Trade receivable from brokerage and advisory business - net		3,638,076	1,085,671
Balances due from funds under management		149,299	124,679
Others		1,079,557	646,858
		73,260,913	32,870,989
Less: Provision held against other assets	13.1	(1,268,389)	(430,569)
Other assets - net of provision		71,992,524	32,440,420
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	20	176,218	107,426
Other assets - total		72,168,742	32,547,846

13.1 Provision held against other assets

Advances, deposits, advance rent and other prepayments	36,876	10,184
Trade receivable from brokerage and advisory business - net	430,225	419,328
Non-banking assets acquired in satisfaction of claims	305,762	-
Others	495,526	1,057
	1,268,389	430,569

13.1.1 Movement of provision held against other assets

Opening balance	430,569	430,569
Additional impact upon acquisition of subsidiary	764,955	-
Charge during the period / year	76,494	13,870
Reversals during the period / year	(3,629)	(13,870)
	72,865	-
Closing balance	1,268,389	430,569

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
----- Rupees in '000 -----		
14. BILLS PAYABLE		
In Pakistan	7,841,071	5,083,176
Outside Pakistan	405,959	319,769
	<u>8,247,030</u>	<u>5,402,945</u>

15. BORROWINGS

Secured

Borrowings from State Bank of Pakistan under:

Export refinancing scheme	21,162,423	20,288,522
Long-term finance facility	3,142,204	2,337,963
Temporary economic refinance facility	12,864,877	4,832,742
Financing facility for storage of agricultural produce	189,618	133,097
Financing facility for renewable energy projects	1,705,276	1,078,480
Refinance for women entrepreneurs	104,192	82,127
Refinance scheme for payment of wages & salaries	-	7,179
Refinance facility for combating COVID-19	259,485	230,090
Refinance facility for modernization of Small and Medium Enterprises (SMEs)	233,800	70,911
Small enterprise financing and credit guarantee scheme for special persons	2,243	3,039
Refinance facility for working capital of SMEs	48,750	385
Refinance facility for SME Asaan Finance (SAAF) scheme	5,880,445	1,607,471
Mudarabah	19,130,415	-
Repurchase agreement borrowings	7,093,624	62,800,000
	<u>71,817,352</u>	<u>93,472,006</u>

Borrowing from financial institutions:

Musharakah	6,961,000	-
Refinancing facility for mortgage loans	6,920,424	3,675,329
Running finance	-	91,995
	<u>13,881,424</u>	<u>3,767,324</u>
	<u>85,698,776</u>	<u>97,239,330</u>

Unsecured

Overdrawn nostro accounts	1,372,723	1,291,766
Wakalah	3,500,000	-
Musharakah	4,800,000	-
	<u>9,672,723</u>	<u>1,291,766</u>
	<u>95,371,499</u>	<u>98,531,096</u>

15.1 Particulars of borrowings

In local currency	93,998,776	97,239,330
In foreign currencies	1,372,723	1,291,766
	<u>95,371,499</u>	<u>98,531,096</u>

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

16. DEPOSITS AND OTHER ACCOUNTS

	(Un-audited) September 30, 2023			(Audited) December 31, 2022		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
----- Rupees in '000 -----						
Customers						
Current deposits	260,030,773	21,306,228	281,337,001	118,168,325	9,299,899	127,468,224
Savings deposits	246,255,081	19,313,445	265,568,526	115,689,127	6,410,101	122,099,228
Term deposits	311,930,566	32,180,479	344,111,045	169,651,265	10,755,327	180,406,592
Margin deposits	33,148,500	370,969	33,519,469	13,179,090	289	13,179,379
	851,364,920	73,171,121	924,536,041	416,687,807	26,465,616	443,153,423
Financial Institutions						
Current deposits	2,120,049	239,056	2,359,105	1,373,845	710,695	2,084,540
Savings deposits	11,980,929	536	11,981,465	9,346,187	1,279	9,347,466
Term deposits	5,859,009	-	5,859,009	8,172,209	-	8,172,209
Margin deposits	146	-	146	-	-	-
	19,960,133	239,592	20,199,725	18,892,241	711,974	19,604,215
	871,325,053	73,410,713	944,735,766	435,580,048	27,177,590	462,757,638

17. SUBORDINATED DEBTS

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
----- Rupees in '000 -----		
Term Finance Certificates - Fifth Issue	17.1	3,500,000
Term Finance Certificates - Fourth Issue	17.2	2,498,500
Term Finance Certificates - Third Issue	17.3	2,500,000
ADT-1 Sukuk Issue I	17.4	2,000,000
Advance subscription against ADT-1 Sukuk Issue II	17.5	850,000
Term Finance Certificates - Second Issue	17.6	-
		1,996,000
	11,348,500	6,995,000

- 17.1** During the period, the Bank has issued Rs. 3.5 billion of rated, privately placed and listed (in process), unsecured and subordinated term finance certificates (TFCs or the Issue) as an instrument of redeemable capital under Section 66 of the Companies Act, 2017 and as outlined by State Bank of Pakistan (SBP) under the BPRD Circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the Issue are:

Purpose:	To contribute towards the Bank's Tier II Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	August 30, 2023
Tenure:	Up to ten years from the issue date.
Maturity date:	August 30, 2033
Rating:	A + (Single A Plus)
Profit rate:	Floating rate of return at Base Rate + 2 percent per annum; Base rate is defined as the average three months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each three monthly period.
Profit payment:	Quarterly
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first nine years after the issue date and the remaining Issue amount of 99.76% in four equal quarterly installments of 24.94% each in the last year.
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated all other indebtedness of the Bank including depositors, however, senior to the claims of investors in instruments eligible for inclusion in Tier I Capital.
Call option:	Exercisable in part or in full on or after five years from the issue date, subject to SBP's approval.
Lock-in-clause:	Principal and profit will be payable subject to compliance with MCR or CAR or Leverage Ratio set by SBP.
Loss absorbency clause:	Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular No. 06 of 2013 dated August 15, 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and/or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP, subject to a cap of 924,772,179 shares.

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

17.2 In 2021, the Bank had issued Rs. 2.5 billion of rated, privately placed and listed, unsecured and subordinated term finance certificates (TFCs or the Issue) as an instrument of redeemable capital under Section 66 of the Companies Act, 2017 and as outlined by State Bank of Pakistan (SBP) under the BPRD Circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the Issue are:

Purpose:	To contribute towards the Bank's Tier II Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 28, 2021
Tenure:	Up to Seven years from the issue date.
Maturity date:	December 28, 2028
Rating:	A + (Single A Plus)
Profit rate:	Floating rate of return at Base Rate + 2 percent per annum; Base Rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each six monthly period.
Profit payment:	Semi-annual
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first six years after the issue date and the remaining Issue amount of 99.76% in two equal semi-annual installments of 49.88% each in the last year.
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated all other indebtedness of the Bank including depositors, however, senior to the claims of investors in instruments eligible for inclusion in Tier I Capital
Call option:	Exercisable in part or in full on or after the 10th redemption, subject to SBP's approval.
Lock-in-clause:	Payment of profit will be made from current year's earning and subject to compliance with MCR and / or CAR or LR set by SBP.
Loss absorbency clause:	Upon the occurrence of a Point of Non-Viability (PONV) event as defined under SBP BPRD Circular No. 06 dated August 15, 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Issuer and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Issuer's common share on the date of trigger of PONV as declared by SBP, subject to a cap of 400,647,739 shares.

17.3 In 2018, the Bank had issued Rs. 2.5 billion of rated, privately placed, unsecured, subordinated, perpetual and non-cumulative term finance certificates (TFCs or the Issue) as an instrument of redeemable capital under Section 66(1) of the Companies Act, 2017 and as outlined by State Bank of Pakistan (SBP) under the BPRD Circular No. 06 dated August 15, 2013 and Basel III guidelines. Summary of terms and conditions of the Issue are:

Purpose:	To contribute towards the Bank's Tier I Capital for complying with the capital adequacy requirement and to utilize the funds in the Bank's business operations as permitted by its Memorandum & Articles of Association.
Issue date:	December 31, 2018
Maturity date:	Perpetual
Rating:	A (Single A)
Profit rate:	Floating rate of return at Base Rate + 2.25 percent per annum; Base Rate is defined as the average six months KIBOR prevailing on the Base Rate setting date. The Base Rate will be set for the first time on the last working day prior to the issue date and subsequently on the immediately preceding business day before the start of each six monthly period.
Profit payment:	Semi-annually on a non-cumulative basis
Redemption:	Not applicable
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated as to payment of Principal and profit to all other claims except common shares.
Call option:	Exercisable in part or in full at a par value on or after five years from the issue date, with prior approval of SBP. The Bank shall not exercise the call option unless the called instrument is replaced with capital of same or better quality.
Lock-in-clause:	Payment of profit will be made from current year's earning and subject to compliance with MCR and / or CAR or LR set by SBP.
Loss absorbency clause:	
Pre-Specified Trigger (PST)	Upon the occurrence of a PST as defined under SBP BPRD Circular No. 06 dated August 15, 2013 which stipulates that if an Issuer's Common Equity Tier 1 (CET 1) ratio falls to or below 6.625% of Risk Weighted Assets (RWAs), the Issuer will have full discretion to determine the amount of TFCs to be permanently converted into common shares or written off, subject to SBP regulations / instructions, and the cap specified below. The Bank will be able to exercise this discretion subject to: - If and when Bank's CET 1 reaches the loss absorption trigger point, the aggregate amount of Additional Tier-1 capital to be converted must at least be the amount sufficient to immediately return the CET 1 ratio to above 6.625% of total RWAs (if possible); - The converted amount should not exceed the amount needed to bring the CET 1 ratio to 8.5% of RWAs (i.e. minimum CET 1 of 6.0% plus capital conservation buffer of 2.5%); and - In case, conversion of Additional Tier-1 capital Instrument is not possible following the trigger event, the amount of the Instrument must be written off in the accounts resulting in increase in CET 1 of the Issuer.
Point of Non-Viability (PONV)	Upon the occurrence of a PONV event as defined under SBP BPRD Circular No. 06 dated August 15, 2013, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the Issuer and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Issuer's common / ordinary share on the date of the PONV trigger event as declared by SBP, subject to the cap specified below: The PONV trigger event is the earlier of: - A decision made by SBP that a conversion or temporary / permanent write-off is necessary without which the Issuer would become non-viable; - The decision to make a public sector injection of capital, or equivalent support, without which the Issuer would have become non-viable, as determined by SBP. - The maximum number of shares to be issued to TFC holders at the PST and / or PONV (or otherwise as directed by SBP) will be subject to a specified cap of 329,595,476 ordinary shares, or such other number as may be agreed to in consultation with

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

17.4 The Group has issued fully paid up, rated, listed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments (the Issue) in the nature of sukuk under Section 66 of the Companies Act, 2017 which qualify as Additional Tier I (ADT-1) Capital as outlined by State Bank of Pakistan (SBP) under the BPRD Circular No. 6 dated August 15, 2013.

Amount:	Rs. 2,000 million.
Issue date:	April 21, 2020
Tenure:	Perpetual (i.e. no fixed or final redemption date)
Maturity date:	August 30, 2033
Rating:	PACRA has rated this Sukuk at 'A'
Profit rate:	The Sukuk carries a profit at the rate of 3 Months KIBOR + 2.75%. The Mudaraba Profit is computed under General Pool on the basis of profit sharing ratio and monthly weightages announced by the Bank inline with SBP's guidelines of pool management.
Profit payment:	Profit shall be payable monthly in arrears, on a non-cumulative basis.
Redemption:	The instrument is structured to redeem 0.24% of the Issue amount during the first nine years after the issue date and the remaining Issue amount of 99.76% in four equal quarterly installments of 24.94% each in the last year.
Security:	The Issue is unsecured
Subordination:	The Issue is subordinated all other indebtedness of the Bank including depositors, however, senior to the claims of investors in instruments eligible for inclusion in Tier I Capital
Call option:	The Group may, at its sole discretion, call the Sukuks, at any time after five years from the Issue Date subject to the prior approval of the SBP.
Lock-in-clause:	In the event where payment of profit results in breach of regulatory MCR / CAR requirements or SBP determines a bar on profit distribution, the monthly profit weightage of the Sukuk holders will be reduced to a minimum level e.g. 0.005, till the month in which such condition is withdrawn by SBP.
Loss absorbency clause:	The Sukuks shall, at the discretion of the SBP, be permanently converted into ordinary shares pursuant to the loss absorbency clause as stipulated in the "Instructions for Basel-III Implementation in Pakistan" issued vide BPRD Circular No. 6 dated August 15, 2013.

17.5 The Group is in the process of issuing fully paid up, rated, listed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Sukuks under Section 66 of the Companies Act, 2017 which qualify as Additional Tier I (ADT-1) Capital as outlined by State Bank of Pakistan (SBP) under the BPRD Circular No. 06 dated August 15, 2013. The total size of ADT-1 Sukuk Issue II is Rs. 1,000 million.

The Pre-IPO (Initial Public Offer) phase of ADT-I Sukuk issue II has been achieved through which subscription amounting to Rs. 850 million was received. Further, the Bank is in process of conducting the IPO of ADT-1 Sukuk issue II, subject to regulatory approvals, amounting to Rs. 150 million.

The SBP also allowed the Group to consider the advance subscription money of Rs. 850 million received against the issuance of ADT-1 Sukuk issue II (Pre-IPO) for Capital Adequacy Ratio subject to following conditions.

- The pre-IPO subscription money shall not be withdrawn without prior approval of SBP.
- The pre-IPO subscription money shall only be used for the issuance of ADT-I eligible Sukuks of BIPL and will not be refunded.
- The terms of SBP's In-principle approval and final approval will remain applicable on the pre-IPO subscription money received against the proposed Sukuks.

17.6 During the period, the Bank exercised the call option of Term Finance Certificates - second issue in accordance with the trust deed and terms and conditions of the TFC issue, after completing the regulatory requirements. Accordingly, the said TFCs were redeemed in full on August 04, 2023.

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
18. DEFERRED TAX (LIABILITIES) / ASSETS		
	Note	----- Rupees in '000 -----
Deductible Temporary Differences on:		
Provision against investments	273,580	70,212
Provision against loans and advances	6,457,057	396,175
Intangibles other than goodwill	5,781	-
Government grant	183	-
Surplus on revaluation of investments classified as held-for-trading	130,116	(130,722)
Surplus on revaluation of investments classified as available-for-sale	446,539	347,462
	7,313,256	683,127
Taxable Temporary Differences on:		
Accelerated tax depreciation	(704,888)	(182,284)
Goodwill	(717,176)	(629,358)
Other assets	(278,348)	244,327
Fair value adjustment upon amalgamation	(361,833)	-
Surplus on revaluation of fixed assets	(1,614,848)	(327,796)
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	(34,094)	(343)
	(3,711,187)	(895,454)
	3,602,069	(212,327)
19. OTHER LIABILITIES		
Mark-up / return / interest payable in local currency	13,441,130	5,044,455
Mark-up / return / interest payable in foreign currencies	444,506	45,769
Unearned income on guarantees	143,511	368,800
Current taxation (payments less provision)	2,641,862	-
Accrued expenses	2,429,106	730,263
Acceptances	5,553,647	6,586,244
Payable to defined benefit plans	423,899	-
Payable to defined contribution plan	36,708	-
Unclaimed dividends	7,576	7,576
Mark to market loss on derivative instruments	-	22,710
Mark to market loss on forward foreign exchange contracts	2,669,757	529,887
Withholding taxes payable	1,038,580	760,601
Donation payable to Future Trust	52,286	27,720
Security deposits against leases, lockers and others	2,258,452	2,468,743
Workers' Welfare Fund	1,033,036	260,796
Payable in respect of home remittance	1,017,588	435,629
Insurance payable	220,804	209,834
Payable to vendors against SBS goods	305,871	380,040
Lease liability against right-of-use assets	6,015,174	2,795,197
Branchless banking fund settlement	278,901	-
Inter bank fund transfer settlement	569,746	-
Debit card settlement	325,568	269,365
Clearing and settlement accounts	-	49,938
Trade payable from brokerage and advisory business - net	4,376,977	2,001,608
Dividend payable	104,398	4,922
Deferred Murabahah income financing and IERS	899,930	-
Sundry Creditors	2,301,682	-
Others	867,593	374,469
	49,458,288	23,374,566
19.1 Lease liabilities		
The carrying amounts of lease liabilities and the movements during the period / year is as below:		
Opening balance	2,795,197	3,415,585
Additional impact upon acquisition of subsidiary	3,559,675	-
Additions / renewals	935,801	856,381
Terminations	(199,582)	(480,195)
Mark-up on lease liability against right-of-use assets	1,201,190	384,801
Payments	(2,324,066)	(1,388,606)
Exchange rate adjustments	5,938	7,231
Other adjustments	41,021	-
Closing balance	6,015,174	2,795,197

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

20. SURPLUS ON REVALUATION OF ASSETS

	(Un-audited) September 30, 2023			(Audited) December 31, 2022		
	Attributable to			Attributable to		
	Equity Holders	Non - Controlling Interest	Total	Equity Holders	Non - Controlling Interest	Total
----- Rupees in '000 -----						
(Deficit) / surplus on revaluation of:						
- Available-for-sale securities	(1,143,584)	40,772	(1,102,812)	(786,173)	4,254	(781,919)
- Fixed assets	1,842,415	(23,060)	1,819,355	2,002,175	-	2,002,175
- Non-banking assets acquired in satisfaction of claims	107,769	121	107,890	107,426	-	107,426
	806,600	17,833	824,433	1,323,428	4,254	1,327,682
Deferred tax on (deficit) / surplus on revaluation of:						
- Available-for-sale securities	563,271	(19,295)	543,976	347,419	43	347,462
- Fixed assets	(303,922)	11,299	(292,623)	(327,796)	-	(327,796)
- Non-banking assets acquired in satisfaction of claims	(552)	(60)	(612)	(343)	-	(343)
	258,797	(8,056)	250,741	19,280	43	19,323
	1,065,397	9,777	1,075,174	1,342,708	4,297	1,347,005

20.1 Available-for-sale securities

Pakistan:

- Equity securities
- Open end mutual funds
- Debt securities

1,286,832	1,936,543
10,484	32,261
(1,739,244)	(1,826,091)
(441,928)	142,713

Bahrain:

- Equity securities
- Debt securities

(27,967)	(28,705)
(632,917)	(895,927)
(660,884)	(924,632)

Related deferred tax liability

(1,102,812)	(781,919)
543,976	347,462
(558,836)	(434,457)

21. CONTINGENCIES AND COMMITMENTS

- Guarantees
- Commitments
- Other contingencies

21.1	75,346,216	83,175,591
21.2	251,036,613	94,526,372
21.3	974,660	646,479
	327,357,489	178,348,442

21.1 Guarantees

- Financial guarantees
- Performance guarantees
- Other guarantees

1,018,044	3,668,949
34,982,027	34,702,865
39,346,145	44,803,777
75,346,216	83,175,591

21.2 Commitments

Documentary credits and short-term trade-related transactions

- Letters of credit

72,051,262	22,381,092
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Commitments in respect of:

- Forward foreign exchange contracts
- Derivative instruments
- Forward lending

21.2.1	177,042,420	68,486,603
21.2.2	997,610	2,911,354
21.2.3	265,925	284,067

Commitments for acquisition of:

- Fixed assets

21.2.4	679,396	463,256
	251,036,613	94,526,372

21.2.1 Commitments in respect of forward foreign exchange contracts

- Purchase
- Sale

102,975,378	41,239,463
74,067,042	27,247,140
177,042,420	68,486,603

21.2.1.1 The Bank utilises foreign exchange instruments to meet the needs of its customers and as part of its asset and liability management activity to hedge its own exposure to currency risk. At period end, all foreign exchange contracts have a remaining maturity of less than one year.

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
21.2.2 Commitments in respect of derivative instruments	Note		----- Rupees in '000 -----
Cross currency swaps			
Purchase		-	234,300
Sale		-	234,300
		<u>-</u>	<u>468,600</u>
Forward securities contract			
Purchase		262,014	1,875,591
Sale		735,596	567,163
		<u>997,610</u>	<u>2,442,754</u>

21.2.3 Commitments in respect of forward lending

Undrawn formal standby facilities, credit lines and other commitments to lend	21.2.3.1	<u>265,925</u>	<u>284,067</u>
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21.2.3.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the bank without the risk of incurring significant penalty or expense.

21.2.4 This represents commitments related to purchase of leasehold improvements, furniture and fixtures, hardware & network equipment, electrical equipment and computer software.

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
21.3 Other contingencies	Note		----- Rupees in '000 -----
Claims against the Bank not acknowledged as debts	21.3.1	749,208	646,479
Tax contingencies	21.3.2	225,452	-
		<u>974,660</u>	<u>646,479</u>

21.3.1 These mainly represent counter claims filed by borrowers for damages, claims by former employees of the Bank and other claims relating to banking transactions.

Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these condensed interim consolidated financial statements.

21.3.2 Tax related contingencies are disclosed in note 32.1.

22. DERIVATIVE INSTRUMENTS

Derivative instruments, such as Forward Exchange Contracts, Cross Currency Swaps and Options, are forward transactions that provide market making opportunities / hedge against the adverse movement of interest and exchange rates. Derivatives business also provides risk solutions for the existing and potential customers of the

The Group has entered into a Cross Currency Swap transaction with its customer on back-to-back basis with an Authorized Derivative Dealer (ADD) without carrying any open position in its books. Specific approvals for the transactions have been granted by State Bank of Pakistan. Policies in line with SBP instructions have been formulated and are operative.

The Bank has also entered into Foreign Currency & Commodity Options from its Wholesale Banking Branch Bahrain for market making activities.

These transactions cover the aspects of both market making and hedging.

		September 30, 2023 (Un-audited)					
		Cross currency swaps		Forward securities		Total	
		Notional principal	Mark to market	Notional principal	Mark to market	Notional principal	Mark to market
22.1 Product Analysis		----- Rupees in '000 -----					
With Banks							
Hedging		-	-	-	-	-	-
Market making		-	-	735,596	-	735,596	-
		-	-	735,596	-	735,596	-
With FIs other than banks							
Hedging		-	-	262,014	155	262,014	155
Market making		-	-	-	-	-	-
		-	-	262,014	155	262,014	155
Total							
Hedging		-	-	262,014	155	262,014	155
Market making		-	-	735,596	-	735,596	-
		-	-	997,610	155	997,610	155
		----- Rupees in '000 -----					
		Cross currency swaps		Forward securities		Total	
		Notional principal	Mark to market	Notional principal	Mark to market	Notional principal	Mark to market
With Banks		----- Rupees in '000 -----					
Hedging		468,600	710	-	-	468,600	710
Market making		-	-	567,163	(9,122)	567,163	(9,122)
		468,600	710	567,163	(9,122)	1,035,763	(8,412)
With FIs other than banks							
Hedging		-	-	1,875,591	576	1,875,591	576
Market making		-	-	-	-	-	-
		-	-	1,875,591	576	1,875,591	576
Total							
Hedging		468,600	710	1,875,591	576	2,344,191	1,286
Market making		-	-	567,163	(9,122)	567,163	(9,122)
		468,600	710	2,442,754	(8,546)	2,911,354	(7,836)

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

		(Un-audited)	
		September 30, 2023	September 30, 2022
		Rupees in '000	
23. MARK-UP / RETURN / INTEREST / PROFIT EARNED	Note		
On:			
Loans and advances		33,821,937	21,484,415
Investments		39,643,174	26,253,850
Lendings to financial institutions		572,028	101,790
Securities purchased under resale agreements		2,358,523	1,043,866
Balances with other banks		247,556	99
		76,643,218	48,884,020
24. MARK-UP / RETURN / INTEREST / PROFIT EXPENSED			
On:			
Deposits		43,445,348	26,929,560
Borrowings		10,494,969	9,768,304
Subordinated debt		1,375,597	758,971
Cost of foreign currency swaps against foreign currency deposits / borrowings		806,501	502,055
Lease liability against right-of-use assets	19.1	899,607	298,412
		57,022,022	38,257,302
25. FEE, COMMISSION AND BROKERAGE INCOME			
Branch banking customer fees		105,985	74,206
Finance related fees		379,350	329,660
Card related fees (debit and credit cards)		570,849	223,671
Investment banking fees		83,145	29,600
Commission on trade		896,792	692,963
Commission on guarantees		693,400	414,509
Commission on cash management		34,401	13,554
Commission on remittances including home remittances		91,233	75,681
Commission on bancassurance / bancatakaful		62,197	62,993
Commission on distribution of mutual funds		(293)	844
Commission on online services		177,869	220,225
Postage and courier income		11,888	12,424
Rebate income		305,276	198,630
Brokerage income		458,395	303,131
Management fee		188,502	123,841
		4,058,989	2,775,932
26. (LOSS) / GAIN ON SECURITIES - NET			
Realised	26.1	(392,373)	255,617
Unrealised gain / (loss) - held for trading		48,521	25,534
		(343,852)	281,151
26.1 Realised (loss) / gain on:			
Federal government securities			
Market treasury bills		(665,258)	(238,252)
Pakistan investment bonds		(32,085)	324,164
Ijara sukuk certificates		104,538	175
		(592,805)	86,087
Shares			
Listed companies		8,877	36,339
Non Government Debt Securities			
Term finance certificates		24,199	20,464
Commercial papers		-	51
Mutual fund units		164,596	258,615
Foreign currency bonds		2,760	(145,939)
		(392,373)	255,617

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

		(Un-audited)	
		September 30, 2023	September 30, 2022
		----- Rupees in '000 -----	
27. OTHER INCOME	Note		
Rent income		25,540	17,748
Gain on sale of fixed assets - net		152,422	49,095
Gain on termination of leases - net		63,451	12,746
Gain on reclassification of AFS equity shares	1.4	332,658	-
Bargain purchase gain	1.4	3,652,888	-
Others		33,786	16,285
		<u>4,260,745</u>	<u>95,874</u>
28. OPERATING EXPENSES			
Total compensation expense		6,879,233	5,509,286
Property expense			
Rent and taxes		160,892	25,953
Insurance		1,325	6,246
Utilities cost		708,458	439,282
Security (including guards)		329,851	245,590
Repair and maintenance (including janitorial charges)		317,679	213,506
Depreciation		333,913	233,165
Depreciation on right-of-use assets		858,771	847,565
Depreciation on non-banking assets		25,485	15,094
		2,736,374	2,026,401
Information technology expenses			
Software maintenance		881,549	658,467
Hardware maintenance		283,886	243,955
Depreciation		377,883	234,124
Amortisation		220,397	126,858
Network charges		226,477	197,704
		1,990,192	1,461,108
Other operating expenses			
Directors' fees and allowances		12,843	12,898
Legal and professional charges		273,977	171,113
Insurance		248,095	263,518
Outsourced services costs		232,092	158,764
Travelling and conveyance		257,128	207,129
NIFT clearing charges		46,211	34,426
Depreciation		314,648	257,543
Training and development		39,628	64,395
Postage and courier charges		77,208	68,620
Communication		180,419	128,127
Stationery and printing		348,921	217,401
Marketing, advertisement and publicity		1,747,073	869,211
Donations		39,760	34,560
Auditors' remuneration		15,300	13,309
Staff auto fuel and maintenance		456,714	300,551
Bank charges		69,075	46,489
Stamp duty		72,356	27,374
Online verification charges		101,221	39,685
Brokerage, fee and commission		117,367	35,765
Card related fees (debit and credit cards)		857,349	390,976
CDC and other charges		24,302	28,697
Consultancy fee		70,724	8,592
Deposit protection premium		142,046	138,534
Entertainment expenses		145,373	80,780
Repair and maintenance		136,665	55,988
Cash handling charges		187,581	131,371
Fee and subscription		241,755	128,172
Employees social security		8,419	6,163
Generator fuel and maintenance		160,341	130,223
Fee and allowances to Shariah Board		3,160	-
Royalty		26,250	26,250
Others		99,706	37,353
		6,753,707	4,113,977
		18,359,506	13,110,772
Less: Reimbursement of selling and distribution expenses		(110,926)	(41,090)
		<u>18,248,580</u>	<u>13,069,682</u>

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

29. WORKERS' WELFARE FUND

The Bank has made provision for Workers' Welfare Fund (WWF) based on profit for the respective years.

		(Un-audited)	
		September 30, 2023	September 30, 2022
		----- Rupees in '000 -----	
30. OTHER CHARGES	Note		
Penalties imposed by State Bank of Pakistan		38,954	85,590
31. PROVISIONS AND WRITE OFFS - NET			
Reversals for diminution in value of investments	9.3	4,237	(37,001)
Provisions against loans & advances - specific	10.3	1,746,014	545,717
Provisions against loans & advances - general	10.3	928,417	101,968
Provisions under IFRS 9	31.1	85,277	21,984
Reversal of provision against lendings		(810)	-
Other provisions and write offs		67,392	3,017
		2,830,527	635,685
31.1 Provisions / (reversals) under IFRS 9			
Balances with other banks		33	27
Lendings to financial institutions		-	-
Investments	9.3	73,553	43,181
Advances	10.3	11,691	(21,224)
		85,277	21,984
32. TAXATION			
Current		2,325,472	1,003,363
Prior years		(67,188)	27,269
Deferred		792,930	1,380
		3,051,214	1,032,012
32.1	There are no material changes in tax contingencies as disclosed in annual consolidated financial statements for the year ended December 31, 2022.		

		(Un-audited)			
		Quarter Ended		Nine Months Ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
		----- Rupees in '000 -----			
33. BASIC AND DILUTED EARNINGS PER SHARE					
Profit / (loss) after taxation attributable to equity holders of the Bank		5,151,688	389,194	6,735,493	949,012
		----- Number of shares -----			
Weighted average number of ordinary shares		1,421,755,501	1,297,464,262	1,421,755,501	1,297,464,262
		----- Rupee -----			
Basic and diluted earnings per share		3.62	0.30	4.74	0.73

		(Un-audited)		(Audited)	(Un-audited)
		September 30, 2023	September 30, 2022	December 31, 2022	September 30, 2022
		----- Rupees in '000 -----			
34. CASH AND CASH EQUIVALENTS	Note				
Cash and balances with treasury banks	6	76,580,763		24,765,248	31,838,459
Balances with other banks - Gross of provision	7	4,017,409		1,859,827	1,435,849
Overdrawn nostro accounts	15	(1,372,723)		(1,291,766)	(1,670,057)
		79,225,449		25,333,309	31,604,251

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

35. FAIR VALUE OF FINANCIAL INSTRUMENTS

International Financial Reporting Standard (IFRS) 13, 'Fair Value Measurement' 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.

The fair value of quoted securities other than those classified as held-to-maturity, is based on quoted market price. Quoted securities classified as held-to-maturity are carried at cost. The fair value of unquoted equity securities, other than investments in associates and subsidiaries, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements. Fair value of unquoted debt securities, fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to absence of current and active market for assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are either short term in nature or in the case of customer loans and deposits are frequently repriced.

Fair value hierarchy

IFRS 13 requires the Bank to classify fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has following levels:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- 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 or indirectly.
- Level 3:** Fair value measurements using unobservable inputs for the asset or liability.

35.1 Valuation techniques used in determination of fair values within level:

Item	Valuation approach and input used
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Financial instruments - Level 1

Shares of listed companies	Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange / Bloomberg.
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Financial instruments - Level 2

Mutual fund units	Fair values of investments in mutual fund units are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days.
Market Treasury Bills (MTB), Pakistan Investment Bonds (PIB) and GoP Sukuks	Fair values of Pakistan Investment Bonds, Market Treasury Bills and GoP Sukuks are derived using PKRV, PKFRV and PKISRV rates.
Debt Securities (TFCs) and Sukuks other than Government	Investments in debt securities (comprising of Term Finance Certificates, Bonds and any other security issued by a company or a corporate body for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP.
Overseas Government Sukuks, Overseas and Euro Bonds	The fair value of Overseas Government Sukuks, and Overseas & Euro Bonds are valued on the basis of price available on Bloomberg.
Forward foreign exchange contracts	The valuation has been determined by interpolating the foreign exchange revaluation rates announced by the State Bank of Pakistan.
Derivatives	The fair values of derivatives which are not quoted in active markets are determined by using valuation techniques. The valuation techniques take into account the relevant underlying parameters including foreign currencies involved, interest rates, yield curves, volatilities, contracts duration, etc.

Financial instruments - Level 3

Currently, no financial instruments are classified in level 3.	
The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and, unavailability of reliable data regarding market rates for similar instruments.	

Non-Financial assets - Level 3

Fixed assets - Land and building	Fixed assets and Non-banking assets under satisfaction of claims are carried at revalued amounts determined by professional valuers based on their assessment of the market values.. The valuations are conducted by the valuation experts appointed by the Bank which are also on the panel of State Bank of Pakistan. The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties. These values are adjusted to reflect the current condition of the properties. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in these condensed interim consolidated financial statements.
Non-banking assets acquired in satisfaction of claims	

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

- 35.2** The Group's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred. There were no transfers between levels 1 and 2 during the period.
- 35.3** The following table provides an analysis of financial assets that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable.

	September 30, 2023 (Un-audited)			
	Level 1	Level 2	Level 3	Total
----- Rupees in '000 -----				
On balance sheet financial instruments				
Financial assets - measured at fair value				
Held-for-trading securities				
Investments				
Federal Government Securities	-	35,050	-	35,050
Shares	730,779	-	-	730,779
Open end mutual funds	-	714,136	-	714,136
	730,779	749,186	-	1,479,965
Available-for-sale securities				
Investments				
Federal Government Securities	-	363,496,516	-	363,496,516
Shares	4,125,717	-	-	4,125,717
Non Government Debt Securities	-	37,719,887	-	37,719,887
Foreign Securities	72,492	17,134,686	-	17,207,178
Open end mutual funds	-	407,867	-	407,867
	4,198,209	418,758,956	-	422,957,165
Financial assets - disclosed but not measured at fair value				
Investments				
Federal Government Securities	-	130,905,317	-	130,905,317
	4,928,988	550,413,459	-	555,342,447
Non-Financial assets - measured at fair value				
Revalued fixed assets	-	-	4,354,605	4,354,605
Non-banking assets acquired in satisfaction of claims	-	-	6,417,970	6,417,970
	-	-	10,772,575	10,772,575
Off balance sheet financial instruments				
Commitments in respect of:				
Forward foreign exchange contracts				
Purchase	-	104,543,891	-	104,543,891
Sale	-	71,397,285	-	71,397,285
Derivative instruments				
Forward securities contract				
Purchase	-	262,169	-	262,169
Sale	-	735,596	-	735,596

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	December 31, 2022 (Audited)			
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments				
Held-for-trading securities				
Investments				
Federal Government Securities	-	33,431	-	33,431
Shares	570,698	-	-	570,698
Open end mutual funds	-	548,117	-	548,117
	570,698	581,548	-	1,152,246
Available-for-sale securities				
Investments				
Federal Government Securities	-	143,386,012	-	143,386,012
Shares	5,150,477	-	-	5,150,477
Non Government Debt Securities	-	1,856,539	-	1,856,539
Foreign Securities	301,484	807,635	-	1,109,119
Open end mutual funds	-	983,631	-	983,631
	5,451,961	147,033,817	-	152,485,778
Financial assets - disclosed but not measured at fair value				
Investments				
Federal Government Securities	-	147,022,393	-	147,022,393
	6,022,659	294,637,758	-	300,660,417
Non-Financial assets - measured at fair value				
Revalued fixed assets	-	-	4,470,715	4,470,715
Non-banking assets acquired in satisfaction of claims	-	-	3,772,225	3,772,225
	-	-	8,242,940	8,242,940
Off balance sheet financial instruments				
Commitments in respect of:				
Forward foreign exchange contracts				
Purchase	-	42,202,966	-	42,202,966
Sale	-	26,862,267	-	26,862,267
Derivative instruments				
Cross currency swaps				
Purchase	-	247,888	-	247,888
Sale	-	248,598	-	248,598
Forward securities contract				
Purchase	-	1,876,168	-	1,876,168
Sale	-	530,864	-	530,864

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

36. SEGMENT INFORMATION

36.1 Segment Details with respect to Business Activities:

For the nine months ended September 30, 2023 (Un-audited)										
	Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Islamic Banking	Brokerage	Asset management	Others	Total
Rupees in '000										
Profit and loss account										
Net mark-up / return / interest income / (expense)	(12,380,240)	1,222,711	27,286,374	(214,145)	(24,996)	4,767,261	57,614	1,606	(1,094,989)	19,621,196
Inter segment revenue - net	28,502,522	3,741,325	(30,876,602)	1,655,049	251,597	-	-	-	(3,273,891)	-
Non mark-up / return / income	1,651,814	1,427,601	2,272,234	740,683	167,198	28,350	651,333	403,797	4,295,915	11,638,925
Total income / (loss)	17,774,096	6,391,637	(1,317,994)	2,181,587	393,799	4,795,611	708,947	405,403	(72,965)	31,260,121
Segment direct expenses	8,192,660	542,147	155,191	883,105	2,707,452	1,798,355	608,133	262,174	3,281,286	18,430,503
Inter segment expense allocation	2,258,179	388,913	114,255	87,300	288,332	-	-	-	(3,136,979)	-
Total expenses	10,450,839	931,060	269,446	970,405	2,995,784	1,798,355	608,133	262,174	144,307	18,430,503
Provisions / (reversals)	479,682	670,596	-	85,277	-	1,581,060	11,301	-	2,611	2,830,527
Profit / (loss) before tax	6,843,575	4,789,981	(1,587,440)	1,125,905	(2,601,985)	1,416,196	89,513	143,229	(219,883)	9,999,091
For the nine months ended September 30, 2022 (Un-audited)										
	Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Islamic Banking	Brokerage	Asset management	Others	Total
Rupees in '000										
Profit and loss account										
Net mark-up / return / interest income / (expense)	(4,975,869)	(857,454)	17,574,704	(757,597)	(14,184)	-	(17,088)	(6,807)	(318,987)	10,626,718
Inter segment revenue - net	14,458,129	3,067,167	(19,972,236)	1,534,055	146,091	-	-	-	766,794	-
Non mark-up / return / income	985,600	880,442	1,969,923	238,455	151,313	-	472,462	406,900	91,203	5,196,298
Total income / (loss)	10,467,860	3,090,155	(427,609)	1,014,913	283,220	-	455,374	400,093	539,010	15,823,016
Segment direct expenses	6,169,118	500,176	131,639	424,752	1,196,371	-	517,880	260,604	3,994,506	13,195,046
Inter segment expense allocation	2,516,399	536,439	126,154	98,030	276,271	-	-	-	(3,555,518)	(2,225)
Total expenses	8,685,517	1,036,615	257,793	522,782	1,472,642	-	517,880	260,604	438,988	13,192,821
Provisions / (reversals)	242,430	393,255	-	-	-	-	-	-	-	635,685
Profit / (loss) before tax	1,539,913	1,660,285	(685,402)	492,131	(1,189,422)	-	(62,506)	139,489	100,022	1,994,510
As at September 30, 2023 (Un-audited)										
	Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Islamic Banking	Brokerage	Asset management	Others	Total
Rupees in '000										
Statement of financial position										
Cash and bank balances	5,000,559	11,040	25,760,839	1,169,092	2,494,676	41,998,240	69,200	2,654	4,091,793	80,598,093
Lendings to financial institutions	-	-	-	-	-	5,255,544	-	-	-	5,255,544
Investments	-	-	257,436,802	20,028,299	-	276,160,518	752,271	1,247,003	3,908,772	559,533,665
Net inter segment lending	231,783,268	50,126,836	-	8,149,894	1,127,833	-	-	-	36,392,959	327,580,790
Advances - performing	67,251,097	115,407,888	-	8,263,291	-	204,094,236	426,625	3,615	5,077,091	400,523,843
Advances - non-performing	6,035,975	8,816,494	-	74	-	21,973,638	-	-	100,328	36,926,509
Advances - provisions - net	(2,814,551)	(5,672,830)	-	(26,808)	-	(22,368,074)	-	-	(32,703)	(30,914,966)
	70,472,521	118,551,552	-	8,236,557	-	203,699,800	426,625	3,615	5,144,716	406,535,386
Others	-	-	-	-	-	58,270,535	4,981,879	522,035	46,070,501	109,844,950
Total Assets	307,256,348	168,689,428	283,197,641	37,583,842	3,622,509	585,384,637	6,229,975	1,775,307	95,608,741	1,489,348,428
Borrowings	7,759,778	18,479,459	8,591,913	-	-	60,146,046	394,303	-	-	95,371,499
Deposits and other accounts	292,646,326	148,246,613	-	37,547,916	3,622,509	461,908,104	-	-	764,298	944,735,766
Subordinated debt	-	-	-	-	-	2,850,000	-	-	8,498,500	11,348,500
Net inter segment borrowing	1,283,929	1,958,983	274,605,728	-	-	32,694,168	1,027,343	1,387,519	14,623,120	327,580,790
Others	5,566,315	4,373	-	35,926	-	27,786,319	4,808,329	387,788	19,116,268	57,705,318
Total Liabilities	307,256,348	168,689,428	283,197,641	37,583,842	3,622,509	585,384,637	6,229,975	1,775,307	43,002,186	1,436,741,873
Equity	-	-	-	-	-	-	-	-	44,085,752	44,085,752
Non-controlling interest	-	-	-	-	-	-	-	-	8,520,803	8,520,803
Total Equity and Liabilities	307,256,348	168,689,428	283,197,641	37,583,842	3,622,509	585,384,637	6,229,975	1,775,307	95,608,741	1,489,348,428
Contingencies and Commitments	75,048,379	41,202,950	69,171,960	9,179,978	884,810	110,889,782	735,596	-	20,244,034	327,357,489
As at December 31, 2022 (Audited)										
	Retail Banking	Corporate / Commercial Banking	Treasury	Investment, International & Institutional Banking	Zindigi	Islamic Banking	Brokerage	Asset management	Others	Total
Rupees in '000										
Statement of financial position										
Cash and bank balances	8,312,648	29,020	17,775,749	444,034	3,952	-	57,364	2,273	-	26,625,040
Lendings to financial institutions	-	-	11,351,162	-	-	-	-	-	-	11,351,162
Investments	-	1,786,820	295,608,155	2,064,697	-	-	613,423	1,154,450	2,140,921	303,368,466
Net inter segment lending	206,405,581	58,536,813	1,864,270	-	2,878,830	-	1,362,934	14,902	1,706,220	272,769,550
Advances - performing	75,221,124	141,415,256	-	-	407	-	453,896	3,043	5,575,996	222,669,722
Advances - non-performing	6,699,317	9,528,889	-	-	-	-	-	-	83,681	16,311,887
Advances - provisions - net	(3,269,248)	(4,141,732)	-	-	-	-	-	-	(11,874)	(7,422,854)
	78,651,193	146,802,413	-	-	407	-	453,896	3,043	5,647,803	231,558,755
Others	-	-	-	-	-	-	2,797,049	597,245	44,232,242	47,626,536
Total Assets	293,369,422	207,155,066	326,599,336	2,508,731	2,883,189	-	5,284,666	1,771,913	53,727,186	893,299,509
Borrowings	8,350,957	24,594,549	64,862,710	-	-	-	722,880	-	-	98,531,096
Deposits and other accounts	277,923,067	181,951,032	-	350	2,883,189	-	-	-	-	462,757,638
Subordinated debt	-	-	-	-	-	-	-	-	6,995,000	6,995,000
Net inter segment borrowing	-	-	261,736,626	2,508,381	-	-	2,255,938	1,318,106	4,950,499	272,769,550
Others	7,095,398	609,485	-	-	-	-	2,305,848	453,807	18,525,300	28,989,838
Total Liabilities	293,369,422	207,155,066	326,599,336	2,508,731	2,883,189	-	5,284,666	1,771,913	30,470,799	870,043,122
Equity	-	-	-	-	-	-	-	-	22,893,113	22,893,113
Non-controlling interest	-	-	-	-	-	-	-	-	363,274	363,274
Total Equity and Liabilities	293,369,422	207,155,066	326,599,336	2,508,731	2,883,189	-	5,284,666	1,771,913	53,727,186	893,299,509
Contingencies and Commitments	63,653,775	25,780,043	86,645,804	-	-	-	567,163	-	1,701,657	178,348,442

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

37. RELATED PARTY TRANSACTIONS

The Group has related party transactions with its parent, directors, key management personnel, associates and other related parties.

The Group enters into transactions with related parties in the ordinary course of business and substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions and balances with related parties are as follows:

As at September 30, 2023 (Un-audited)					
	Parent	Directors	Key management personnel	Associates	Other related parties
----- Rupees in '000 -----					
Statement of financial position					
Lendings to financial institutions					
Opening balance	-	-	-	-	-
Addition during the period	-	-	-	-	130,599,525
Repaid during the period	-	-	-	-	(130,599,525)
Transfer in / (out) - net	-	-	-	-	-
Closing balance	-	-	-	-	-
Investments					
Opening balance	7,595	-	-	269,800	11,300,638
Additional impact upon acquisition of subsidiary	-	-	-	-	1,102,111
Investment made during the period	-	-	-	-	8,447,174
Investment redeemed / disposed off during the period	-	-	-	-	(10,689,204)
Deficit on investments	-	-	-	-	(553,493)
Closing balance	7,595	-	-	269,800	9,607,226
Provision for diminution in value of investments	-	-	-	48,000	862,776
Advances					
Opening balance	-	-	524,061	232,166	2,650,315
Additional impact upon acquisition of subsidiary	-	-	-	-	1,553,098
Addition during the period	-	1,510	140,178	-	12,681,815
Repaid during the period	-	(1,667)	(132,622)	(30,955)	(12,402,823)
Transfer in / (out) - net	-	490	(8,110)	-	(947,331)
Closing balance	-	333	523,507	201,211	3,535,075
Provision held against advances	-	-	-	-	541,585
Other assets					
Mark-up / return / interest accrued	354	-	-	13,233	69,707
Receivable against bancassurance / bancatakaful	-	-	-	-	7,528
Prepaid insurance	-	-	-	-	40,512
Net defined benefit plan	-	-	-	-	20,675
Trade receivable	8,187	-	1,968	-	215,175
Rent receivable	-	-	-	-	3,892
Other receivable	-	-	-	-	15,496
Provision against other assets	-	-	-	-	379
Borrowings					
Opening balance	-	-	-	-	330,885
Borrowings during the period	-	-	-	-	206,803
Settled during the period	-	-	-	-	(330,885)
Closing balance	-	-	-	-	206,803
Deposits and other accounts					
Opening balance	130,430	174,485	47,853	2,621	12,626,532
Additional impact upon acquisition of subsidiary	-	-	-	-	1,824,071
Received during the period	17,551,688	1,594	712,985	185,080,796	21,650,409
Withdrawn during the period	(17,579,354)	(1,788)	(730,519)	(185,171,139)	(21,009,226)
Transfer in / (out) - net	-	-	(1,781)	-	35,480
Closing balance	102,764	174,291	28,538	(87,722)	15,127,266
Subordinated debt					
Opening balance	-	-	-	-	124,714
Additional impact upon acquisition of subsidiary	-	-	-	-	1,015
Issued during the period	-	-	-	-	-
Redeemed during the period	-	-	-	-	(124,714)
Transfer in / (out) - net	-	-	-	-	(530)
Closing balance	-	-	-	-	485
Other liabilities					
Mark-up / return / interest payable on deposits	-	-	-	-	242,772
Mark-up / return / interest payable on borrowings	-	-	-	-	4,192
Mark-up / return / interest payable on subordinated debts	-	-	-	-	126
Trade payable	-	-	-	-	36,896
Donation payable	-	-	-	-	64,959
Dividend payable	-	-	-	-	88,876
Others payable	-	-	-	-	3,419

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

As at September 30, 2023 (Un-audited)					
Parent	Directors	Key management personnel	Associates	Other related parties	
----- Rupees in '000 -----					
Contingencies and commitments					
Letter of guarantee	-	-	-	-	66,878
Letter of credit	-	-	-	-	28,731
Forward lending	-	-	-	-	-
As at December 31, 2022 (Audited)					
Parent	Directors	Key management personnel	Associates	Other related parties	
----- Rupees in '000 -----					
Statement of financial position					
Lendings to financial institutions					
Opening balance	-	-	-	-	-
Addition during the year	-	-	-	-	96,591,372
Repaid during the year	-	-	-	-	(96,591,372)
Transfer in / (out) - net	-	-	-	-	-
Closing balance	-	-	-	-	-
Investments					
Opening balance	9,866	-	-	269,800	4,438,648
Investment made during the period	2,595	-	-	-	10,774,779
Investment redeemed / disposed off during the period	(4,866)	-	-	-	(3,550,000)
Deficit on investments	-	-	-	-	(362,789)
Closing balance	7,595	-	-	269,800	11,300,638
Provision for diminution in value of investments	-	-	-	48,000	354,189
Advances					
Opening balance	-	125,769	483,696	442,315	5,229,319
Addition during the year	-	-	368,857	26,550	4,788,045
Repaid during the year	-	-	(122,754)	(236,699)	(6,727,054)
Transfer in / (out) - net	-	(125,769)	(205,738)	-	(639,995)
Closing balance	-	-	524,061	232,166	2,650,315
Provision against other assets	-	-	-	-	130,339
Other assets					
Mark-up / return / interest accrued	514	-	697	8,010	19,745
Receivable against bancassurance / bancatakaful	-	-	-	-	17,498
Prepaid insurance	-	-	-	-	34,933
Net defined benefit plan	-	-	-	-	119,523
Trade receivable	-	-	68	-	168,341
Rent receivable	-	-	-	-	16,521
Other receivable	285	-	-	-	19,746
Provision against other assets	-	-	-	-	379
Borrowings					
Opening balance	-	-	-	-	474,283
Borrowings during the year	-	-	-	-	312,787,717
Settled during the year	-	-	-	-	(312,931,115)
Transfer in / (out) - net	-	-	-	-	-
Closing balance	-	-	-	-	330,885
Deposits and other accounts					
Opening balance	912,327	388,406	42,227	41,310	14,398,780
Received during the year	15,376,414	62,632	823,876	1,494,000	191,456,450
Withdrawn during the year	(16,158,311)	(62,805)	(802,683)	(1,532,689)	(192,234,920)
Transfer in / (out) - net	-	(213,748)	(15,567)	-	(993,778)
Closing balance	130,430	174,485	47,853	2,621	12,626,532
Subordinated debts					
Opening balance	-	-	-	-	639,776
Issued during the year	-	-	-	-	-
Redeemed during the year	-	-	-	-	(79)
Transfer in / (out) - net	-	-	-	-	(514,983)
Closing balance	-	-	-	-	124,714
Other liabilities					
Mark-up / return / interest payable on deposits	-	-	-	-	536,091
Mark-up / return / interest payable on borrowings	-	-	-	-	6,120
Mark-up / return / interest payable on subordinated debts	-	-	-	-	143
Trade payable	138,090	-	12,386	-	173,267
Donation payable	-	-	-	-	26,053
Others payable	-	-	-	-	2,487
Contingencies and commitments					
Letters of guarantee	-	-	-	-	20,398
Letters of credit	-	-	-	-	65,585
Forward lending	-	-	-	5,924	-

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

For the nine months ended September 30, 2023 (Un-audited)					
Parent	Directors	Key management personnel	Associates	Other related parties	
Rupees in '000					
Profit and loss account					
Income					
Mark-up / return / interest earned	712	-	17,858	35,151	547,028
Fee, commission and brokerage income	2,636	-	1,788	10	263,114
Dividend income	-	-	-	-	154,246
Gain on sale of securities - net	-	-	-	-	18,142
Rental income	-	-	-	-	24,861
Other income	-	-	-	-	1,346
Provision and write offs - net					
Provision for diminution in value of investments - net	-	-	-	-	-
Expense					
Mark-up / return / interest expensed	28,813	-	1,936	1,799	946,484
Remuneration paid	-	-	444,925	-	687,598
Non-executive directors' fee	-	9,300	-	-	20,690
Net charge for defined contribution plans	-	-	-	-	405,139
Net charge for defined benefit plans	-	-	-	-	240,476
Insurance expense	-	-	-	-	127,799
Donation	-	-	-	-	39,760
Rental expense	2,771	-	-	-	12,485
Advisory fee	11,250	-	-	-	-
Consultancy charges	-	-	-	-	31,500
Royalty	-	-	-	-	21,250
Other expenses	900	-	11,242	-	84,365
Payments made during the period					
Insurance premium paid	-	-	-	-	195,356
Insurance claims settled	-	-	-	-	6,666
Other Transactions					
Sale of Government Securities	-	-	15,317	-	90,937,248
Purchase of Government Securities	-	-	14,712	-	3,577,322
Sale of Non Government Securities	-	-	-	-	1,695,778
Purchase of non-Government Securities	-	-	-	-	50,456
Sale of Foreign Currencies	-	-	-	-	42,952,935
Purchase of Foreign Currencies	-	-	-	-	34,093,418

For the nine months ended September 30, 2022 (Un-audited)					
Parent	Directors	Key management personnel	Associates	Other related parties	
Rupees in '000					
Profit and loss account					
Income					
Mark-up / return / interest earned	916	399	19,813	33,632	251,719
Fee, commission and brokerage income	4,570	29	1,359	10	113,430
Dividend income	-	-	-	-	70,376
Gain / (loss) on sale of securities - net	-	-	-	-	27,791
Rental income	-	-	-	-	129,405
Provision and write offs - net					
Provision for diminution in value of investments - net	-	-	-	-	48,280
Expense					
Mark-up / return / interest paid	73,558	754	936	746	1,077,294
Remuneration paid	-	-	498,907	-	-
Directors' fee	-	8,973	-	-	-
Net charge for defined contribution plans	-	-	-	-	213,846
Net charge for defined benefit plans	-	-	-	-	107,402
Insurance expense	-	-	-	-	100,152
Donation expense	-	-	-	-	37,806
Rental expense	150	-	-	-	21,959
Advisory fee	11,250	-	3,750	-	3,643
Royalty	-	-	-	-	21,250
Other expenses	333	282	-	-	396
Payments made during the period					
Insurance premium paid	-	-	-	-	319,219
Insurance claims settled	-	-	-	-	427
Other transactions					
Sale of Government Securities	3,884,797	-	-	-	72,122,902
Purchase of Government Securities	-	-	-	-	15,848,837
Sale of non Government Securities	-	-	-	-	-
Purchase of non Government Securities	-	-	-	-	206,041
Sale of Foreign Currencies	-	-	-	-	52,605,134
Purchase of Foreign Currencies	-	-	-	-	44,432,668

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
----- Rupees in '000 -----		
38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS		
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>20,506,625</u>	<u>10,119,242</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	<u>40,350,985</u>	19,151,560
Eligible Additional Tier 1 (ADT 1) Capital	<u>5,356,173</u>	2,500,000
Total Eligible Tier 1 Capital	<u>45,707,158</u>	21,651,560
Eligible Tier 2 Capital	<u>14,532,640</u>	4,652,597
Total Eligible Capital (Tier 1 + Tier 2)	<u>60,239,798</u>	<u>26,304,157</u>
Risk Weighted Assets (RWAs):		
Credit Risk	<u>295,260,036</u>	154,878,265
Market Risk	<u>3,821,541</u>	2,147,110
Operational Risk	<u>65,761,743</u>	34,339,921
Total	<u>364,843,320</u>	<u>191,365,296</u>
Common Equity Tier 1 Capital Adequacy ratio	<u>11.06%</u>	<u>10.01%</u>
Tier 1 Capital Adequacy Ratio	<u>12.53%</u>	<u>11.31%</u>
Total Capital Adequacy Ratio	<u>16.51%</u>	<u>13.75%</u>
Leverage Ratio (LR):		
Eligible Tier-1 Capital	<u>45,707,158</u>	21,657,240
Total Exposures	<u>1,289,119,403</u>	675,826,471
Leverage Ratio	<u>3.55%</u>	<u>3.20%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	<u>455,992,149</u>	107,591,422
Total Net Cash Outflow	<u>174,674,149</u>	58,746,523
Liquidity Coverage Ratio	<u>261.05%</u>	<u>183.15%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	<u>878,901,975</u>	369,818,259
Total Required Stable Funding	<u>434,949,947</u>	298,016,768
Net Stable Funding Ratio	<u>202.07%</u>	<u>124.09%</u>

JS BANK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

39. GENERAL

39.1 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.

39.2 The figures in these condensed interim consolidated financial statements have been rounded off to the nearest thousand unless otherwise stated.

40. DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements were authorised for issue by the Board of Directors of the Bank in their meeting held on October 24, 2023.

**President and
Chief Executive Officer**

Chief Financial Officer

Director

Director

Chairman



Registered office

JS Bank Limited, Shaheen Commercial Complex,
Dr. Zia Uddin Ahmed Road, P.O. Box 4847,
Karachi-74200 Sindh, Pakistan.

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