



## The Pakistan Credit Rating Agency Limited

### Rating Report

#### JS Investments Limited | RMR

##### Report Contents

1. Rating Analysis
2. Financial Information
3. Rating Scale
4. Regulatory and Supplementary Disclosure

##### Rating History

Dissemination Date	Long Term Rating	Short Term Rating	Outlook	Action	Rating Watch
08-Jan-2026	RM 3+	-	Stable	Upgrade	-
08-Jan-2025	RM 3	-	Positive	Maintain	-
27-Jun-2024	RM 3	-	Stable	Maintain	-
27-Jun-2023	RM 3	-	Stable	Maintain	-
30-Jun-2022	RM 3	-	Stable	Initial	-

##### Rating Rationale and Key Rating Drivers

The rating upgrade of JS Investments Limited (“JSIL-RMC” or the “Company”) reflects sustained growth in its operations and the continued expansion of its REIT platform, led by the expansion of the JS Rental REIT. Previously, the RMC was managing the JS Rental REIT, which comprises the building, “The Center,” located on Abdullah Haroon Road near Zainab Market, a prime commercial area of Karachi. During the year, five additional floors (9th–13th) were added to the Rental REIT, increasing the fund size from PKR 658 million to PKR 2.2 billion and expanding the total floors under the REIT from two (19th and 20th) to seven (9th–13th, 19th, and 20th). Tenancy agreements for most newly added floors are under negotiation; however, the 13th floor has been leased to REGUS, a globally recognized provider of flexible workspace solutions with a diversified corporate clientele, supporting stable rental cash flows; the lease agreement includes an annual rental increment of 10%. The 20th floor has been leased to Jahangir Siddiqui & Co. Ltd. (JSCL) and Energy Infrastructure Pakistan Holding Limited (EIPHL), a wholly owned subsidiary of JSCL, which is engaged in strategic investments across the energy and allied sectors. The lease carries an annual rental increment of 5%.

The continued expansion of the Company’s REIT platform is further supported by the launch of the JS Hotel REIT, which is expected to enhance portfolio diversification and increase REIT management fees. The initial fund size of the JS Hotel REIT is expected to be PKR 3 billion, comprising a non-cash investment of up to PKR 1 billion and cash capital commitments of up to PKR 2 billion from a strategic investor, Gohar Builders, which has successfully delivered 17 projects to date. The REIT is structured as a Hybrid REIT, with the underlying project being the development of a Hilton Hotel in Hyderabad. Consequently, the total REIT assets under management have increased to PKR 5.2 billion. The Company’s focus on strengthening its technology platform and ensuring revenue stability through a diversified product mix—comprising fee income from CIS, REITs, and SMAs—continues to support the assigned rating. During 9MCY25, the Company reported a 131% increase in management fee, reaching PKR 795mln (9MCY24: PKR 343mln). Supported by higher core revenues, realized/unrealized investment gains, and dividend income, profitability rose to PKR 370mln (9MCY24: PKR 256mln). The Company’s equity stood at PKR 2.5bln as of 9MCY25 (Dec’24: PKR 2.1bln). The assigned rating also draws comfort from the Company’s experienced management team, strong governance framework, and effective risk and compliance oversight. Furthermore, the rating finds comfort in the potential synergies from JSIL-RMC’s association with JS Bank Limited and the established presence of JS Group in the financial sector.

The rating is dependent upon the Company’s ability to sustain its market share and uphold strong investment processes and control environment. Meanwhile, retention of key management, sound governance practices, and consistent performance of funds is critical. Any sustained downturn in fund performance and/or significant loss in market share will impact the rating.

##### Disclosure

<b>Name of Rated Entity</b>	JS Investments Limited   RMR
<b>Type of Relationship</b>	Solicited
<b>Purpose of the Rating</b>	REIT Manager Rating Rating
<b>Applicable Criteria</b>	Methodology   Rating Modifiers(Apr-25),Assessment Framework   REIT Manager Rating(Oct-25)
<b>Related Research</b>	Sector Study   Real Estate(May-25)
<b>Rating Analysts</b>	Madiha Sohail   madiha.sohail@pacra.com   +92-42-35869504



## Profile

**Background** JS Investments Limited ("JSIL-RMC" or the "Company") is a Public Listed Company, licensed by SECP to carry out REIT Management Services and Asset Management Services in accordance with NBFC Rules, 2003 and REIT Regulations, 2015. The Company was incorporated in Pakistan on February 22, 1995 under the Companies Ordinance 1984. The Company is a subsidiary of JS Bank Limited which is a subsidiary of Jahangir Siddiqui & Co. Limited (JSCL), Ultimate Parent. The Company launched a Rental REIT fund with initial fund size of ~PKR 658mln, which currently stands at 2,297mln as of Sep'25.

**Market Share** Pakistan's real estate and construction sector improved in FY25, supported by easing inflation, lower interest rates, stronger PSDP spending, and a more stable macroeconomic environment. Although activity remained subdued early in the year due to high costs and weak demand, recovery is gaining momentum as financing conditions improve and expected tax relief supports investor sentiment. Going forward, the sector is evolving toward sustainability, technology adoption, and government-led reforms, with mixed-use developments increasingly attracting investment. As of Sep'25, ~34 RMCs are registered with the SECP with total assets amounting to PKR~15.06bln (~0.2% NBFCs' total assets) (Jun'25: ~32 RMCs with PKR~15.04bln in assets or ~0.3% of NBFCs' total assets).

**Fund Mix** The Company launched the closed-end Rental REIT Fund "JS Rental REIT Fund" at the end of June 2022. The investors of the JS Rental REIT Fund include JS Lands (Private) Limited, which holds a majority stake of 94.38% of the Fund's units, while the remaining 5.62% units are held by JS Investments Limited. The addition of the JS Hotel REIT during the year has enhanced portfolio diversification. The initial fund size of the JS Hotel REIT is expected to be PKR 3 billion, comprising a non-cash investment of up to PKR 1 billion and cash capital commitments of up to PKR 2 billion from a strategic investor, Gohar Builders, which has successfully delivered 17 projects to date. The REIT is structured as a Hybrid REIT, with the underlying project being the development of a Hilton Hotel in Hyderabad.

## Ownership

**Ownership Structure** JSIL is a subsidiary of JS Bank Limited (JSBL), which holds an 84.56% stake, while the remaining 15.44% is owned by financial institutions and the general public.

**Stability** JS Group is engaged in a diverse set of activities with its focus on the financial sector, including asset management, securities and commodities brokerage, commercial banking, and insurance.

**Business Acumen** JSBL is a subsidiary (75.02%) of Jahangir Siddiqui & Co. Limited (JSCL). The business acumen of the Bank is considered strong. JSCL is the holding Company of JS Group.

**Financial Strength** JSBL has an unconsolidated asset base of PKR 676bln at end-Sep'25 accompanied by equity of PKR 46bln. The long-term credit rating of JSBL is 'AA' and the short-term rating is 'A1+'.

## Governance

**Board Structure** JSIL-RMC's control vests in an eight-member Board of Directors including the CEO. The Board comprises two independent directors, with all others, except the CEO, being non-executive.

**Members' Profile** The Chairperson, Mr. Suleman Lalani, also serves as group president of JSCL. He has 25 years of financial services experience, including seven years as Executive Director of Finance & Operations, Company Secretary, and CFO at JSIL. The Board averages 30 years of diverse expertise in banking, finance, investments, microfinance, acquisitions, restructuring, and international marketing, with members showcasing strong industry-relevant profiles.

**Board Effectiveness** To maintain an effective control environment and ensure compliance with reporting standards, JSIL has established an Audit Committee, HR Committee, and Executive Risk Management Committee at the Board level. These committees operate under Board-approved Terms of Reference (TORs).

**Transparency** JSIL has outsourced its internal audit function to M/S BDO Ebrahim & Co. for effective control monitoring. The external auditors, M/S KPMG Taseer Hadi & Co., hold a satisfactory QCR rating and are classified in the 'A' category on the SBP Panel of Auditors.

## Management

**Organizational Structure** JSIL has a well-defined organizational structure based on eight departments, i) HR and Administration, ii) Compliance and Risk Management, iii) Business Development, iv) Investments and Research, v) Information Technology, vi) Finance, vii) Internal Audit and viii) Operations.

**Management Team** JSIL's management team, led by CEO Ms. Iffat Zehra Mankani since April 2021, brings over 20 years of experience across public and private markets. She previously served at PwC Canada's Deals Advisory team, specializing in financial instruments and private debt valuations. Mr. Musab Iqbal, Senior Vice President REIT, leads the REIT Department with extensive experience in multinational real estate advisory, project feasibility, valuation, acquisitions, divestments, and development recommendations for projects of all scales.

**Management Effectiveness** JSIL-RMC offers advanced IT infrastructure with a Tier III data center, top-tier firewall security, high-speed L2/L3 connectivity, a trusted ERP system, intuitive customer portals, and BI-powered MIS reports for seamless operations.

**Oversight Of Third-Party Service Providers** The valuation of the property is conducted by Savills. While Digital Custodian Company Limited is the trustee of the scheme. Grant Thornton is the external auditor of the Fund while the legal advisor are Bawaney & Partners.

**Control Environment** The compliance and risk management department, led by Mr. Malik Zafer Javaid, ensures adherence to statutory regulations and internal investment guidelines, with clear segregation of functions to strengthen the control environment.

## Investment Risk And Portfolio Management

**Investment Risk Management** A strong risk management framework, monitoring culture and platform are the hallmark of a seasoned and mature RMC. The investment decision making process is well-structured with the CEO providing critical support. The members of investment committee also include the CIO, COO, Company Secretary, and Fund Managers.

**Investment Decision Making** The investment committee reviews the investment strategy. Induction of an independent research head has further enhanced effectiveness.

**Investment Research & Analysis** The research department, which falls under the purview of the CIO, is headed by Mr. Aijaz Ali. He possesses years of experience in equity research. Currently, his team comprises two qualified research analysts and a database manager.

## Customer Relationship

**Investor Services** JSIL-RMC has established investor services platform for investor education and facilitation.

**Investor Reporting** The information provided to investors is communicated through regular reporting in light of its comprehensiveness, consistency, accuracy and timing.

**Distribution & Sales Network** The JSIL-RMC marketing strategies, well-structured sales team and association with other players in the real estate industry would be examined.

## Investment Performance

**REIT Funds Under Management** The Fund size at the end of Sep'25 stood at PKR 2,297mln. The site has a land area of 3,988 sq.yds, whereas each floor has an area of 11,610 sq.ft. The structure is relatively new and consists of 22 floors including parking, MEP and a lobby. During the year, the Company added five additional floors (9th-13th) to the rental REIT, increasing the fund size from PKR 658mln to PKR 2.2bln and bringing the total number of floors under the REIT to seven (9th-13th, 19th, and 20th). The total REIT assets under management have increased to PKR 5.2 billion.

**Performance** Achieving competitive investment results to sustain and improve REIT funds is the principal objective of JSIL-RMC and would remain imperative for the rating. In long run, the REIT funds of an JSIL-RMC with noted strengths will usually be superior or at par with peers.

**Financial Sustainability** During 9MCY25, the Company reported PAT of PKR 370mln(SPLY: PKR 256mln). The equity base of the Company was PKR 2.5bln as of Sep'25 (Dec'24: PKR 2.1bln). The JSIL AMC had AUMs of PKR 113bln at the end of Sep'25. (Sep'24: ~PKR 75bln) and JSIL-RMC had PKR ~5.2bln as of Sep'25 (Sep'24: 2.2bln).



The Pakistan Credit Rating Agency Limited

JS Investments Limited  
Public Listed Company

PKR mln

Sep-25

Dec-24

Dec-23

Dec-22

9M

12M

12M

12M

Management

Audited

Audited

Audited

## A BALANCE SHEET

1 Earning Assets	2,933	2,747	1,437	1,176
2 Non-Earning Assets	919	835	686	596
3 Total Assets	3,852	3,581	2,122	1,772
4 Total Borrowing	939	1,092	184	238
5 Other Liabilities	431	378	272	178
6 Total Liabilities	1,370	1,470	457	416
7 Shareholders' Equity	2,482	2,112	1,665	1,355

## B INCOME STATEMENT

1 Investment Income	1,202	1,009	642	197
2 Operating Expenses	(589)	(496)	(384)	(356)
3 Net Investment Income	612	513	258	(159)
4 Other Income	8	7	23	45
5 Total Income	621	520	281	(114)
6 Other Expenses	-	-	-	-
7 Total Finance Cost	(91)	(32)	(27)	(28)
8 Profit Or (Loss) Before Taxation	530	489	254	(142)
9 Taxation	(160)	(40)	56	(8)
10 Profit After Tax	370	449	310	(149)

## C RATIO ANALYSIS

### 1 Investment Performance

i. Investment Income / Average AUMs	N/A	N/A	N/A	N/A
ii. ROE	21.5%	23.8%	20.5%	-10.4%
iii. ROA	13.3%	15.7%	15.9%	-7.9%

### 2 Financial Sustainability

i. Coverages				
a. Total Borrowing / EBITDA	N/A	N/A	N/A	N/A
b. EBITDA / Finance Cost	N/A	N/A	N/A	N/A
ii. Capitalization				
a. Total Borrowing / (Total Borrowing + Shareholders' Equity)	27.5%	34.1%	10.0%	14.9%

### REIT Manager Rating Scale

An independent opinion on a REIT Manager's Quality of investment and operations management.

Scale	Long-Term Rating
<b>RM1</b>	Very high quality of investment and operations management.
<b>RM2++</b> <b>RM2+</b> <b>RM2</b>	High quality of investment and operations management.
<b>RM3++</b> <b>RM3+</b> <b>RM3</b>	Good quality of investment and operations management.
<b>RM4++</b> <b>RM4+</b> <b>RM4</b>	Adequate quality of investment and operations management.
<b>RM5</b>	Weak quality of investment and operations management.

### Rating Modifiers | Rating Actions

<b>Outlook (Stable, Positive, Negative, Developing)</b> Indicates the potential and direction of a rating over the intermediate term in response to trends in economic and/or fundamental business / financial conditions. It is not necessarily a precursor to a rating change. 'Stable' outlook means a rating is not likely to change. 'Positive' means it may be raised. 'Negative' means it may be lowered. Where the trends have conflicting elements, the outlook may be described as 'Developing'.	<b>Rating Watch</b> Alerts to the possibility of a rating change subsequent to, or, in anticipation of some material identifiable event with indeterminable rating implications. But it does not mean that a rating change is inevitable. A watch should be resolved within foreseeable future, but may continue if underlying circumstances are not settled. Rating watch may accompany rating outlook of the respective opinion.	<b>Suspension</b> It is not possible to update an opinion due to lack of requisite information. Opinion should be resumed in foreseeable future. However, if this does not happen within six (6) months, the rating should be considered withdrawn.	<b>Withdrawn</b> A rating is withdrawn on a) termination of rating mandate, b) the debt instrument is redeemed, c) the rating remains suspended for six months, d) the entity/issuer defaults., or/and e) PACRA finds it impractical to surveil the opinion due to lack of requisite information.	<b>Harmonization</b> A change in rating due to revision in applicable methodology or underlying scale.
---	---	--	--	---

**Surveillance.** Surveillance on a publicly disseminated rating opinion is carried out on an ongoing basis till it is formally suspended or withdrawn. A comprehensive surveillance of rating opinion is carried out at least once every six months. However, a rating opinion may be reviewed in the intervening period if it is necessitated by any material happening. Rating actions may include "maintain", "upgrade", or "downgrade".

**Disclaimer:** PACRA has used due care in preparation of this document. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA shall owe no liability whatsoever to any loss or damage caused by or resulting from any error in such information. Contents of PACRA documents may be used, with due care and in the right context, with credit to PACRA. Our reports and ratings constitute opinions, not recommendations to buy or to sell.

### **Rating Team Statements**

(1) Rating is just an opinion about the creditworthiness of the entity and does not constitute recommendation to buy, hold or sell any security of the entity rated or to buy, hold or sell the security rated, as the case may be | Chapter III; 14-3-(x)

### **2) Conflict of Interest**

- i. The Rating Team or any of their family members have no interest in this rating | Chapter III; 12-2-(j)
- ii. PACRA, the analysts involved in the rating process and members of its rating committee, and their family members, do not have any conflict of interest relating to the rating done by them | Chapter III; 12-2-(e) & (k)
- iii. The analyst is not a substantial shareholder of the customer being rated by PACRA [Annexure F; d-(ii)] Explanation: for the purpose of above clause, the term “family members” shall include only those family members who are dependent on the analyst and members of the rating committee

### **Restrictions**

- (3) No director, officer or employee of PACRA communicates the information, acquired by him for use for rating purposes, to any other person except where required under law to do so. | Chapter III; 10-(5)
- (4) PACRA does not disclose or discuss with outside parties or make improper use of the non-public information which has come to its knowledge during business relationship with the customer | Chapter III; 10-7-(d)
- (5) PACRA does not make proposals or recommendations regarding the activities of rated entities that could impact a credit rating of entity subject to rating | Chapter III; 10-7-(k)

### **Conduct of Business**

- (6) PACRA fulfills its obligations in a fair, efficient, transparent and ethical manner and renders high standards of services in performing its functions and obligations; | Chapter III; 11-A-(a)
- (7) PACRA uses due care in preparation of this Rating Report. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA does not, in every instance, independently verifies or validates information received in the rating process or in preparing this Rating Report | Clause 11-(A)(p).
- (8) PACRA prohibits its employees and analysts from soliciting money, gifts or favors from anyone with whom PACRA conducts business | Chapter III; 11-A-(q)
- (9) PACRA ensures before commencement of the rating process that an analyst or employee has not had a recent employment or other significant business or personal relationship with the rated entity that may cause or may be perceived as causing a conflict of interest; | Chapter III; 11-A-(r)
- (10) PACRA maintains principal of integrity in seeking rating business | Chapter III; 11-A-(u)
- (11) PACRA promptly investigates, in the event of a misconduct or a breach of the policies, procedures and controls, and takes appropriate steps to rectify any weaknesses to prevent any recurrence along with suitable punitive action against the responsible employee(s) | Chapter III; 11-B-(m)

### **Independence & Conflict of interest**

- (12) PACRA receives compensation from the entity being rated or any third party for the rating services it offers. The receipt of this compensation has no influence on PACRA’s opinions or other analytical processes. In all instances, PACRA is committed to preserving the objectivity, integrity and independence of its ratings. Our relationship is governed by two distinct mandates i) rating mandate - signed with the entity being rated or issuer of the debt instrument, and fee mandate - signed with the payer, which can be different from the entity
- (13) PACRA does not provide consultancy/advisory services or other services to any of its customers or to any of its customers’ associated companies and associated undertakings that is being rated or has been rated by it during the preceding three years unless it has adequate mechanism in place ensuring that provision of such services does not lead to a conflict of interest situation with its rating activities; | Chapter III; 12-2-(d)
- (14) PACRA discloses that no shareholder directly or indirectly holding 10% or more of the share capital of PACRA also holds directly or indirectly 10% or more of the share capital of the entity which is subject to rating or the entity which issued the instrument subject to rating by PACRA; | Reference Chapter III; 12-2-(f)
- (15) PACRA ensures that the rating assigned to an entity or instrument is not be affected by the existence of a business relationship between PACRA and the entity or any other party, or the non-existence of such a relationship | Chapter III; 12-2-(i)
- (16) PACRA ensures that the analysts or any of their family members shall not buy or sell or engage in any transaction in any security which falls in the analyst’s area of primary analytical responsibility. This clause shall, however, not be applicable on investment in securities through collective investment schemes. | Chapter III; 12-2-(l)
- (17) PACRA has established policies and procedure governing investments and trading in securities by its employees and for monitoring the same to prevent insider trading, market manipulation or any other market abuse | Chapter III; 11-B-(g)

### **Monitoring and review**

- (18) PACRA monitors all the outstanding ratings continuously and any potential change therein due to any event associated with the issuer, the security arrangement, the industry etc., is disseminated to the market, immediately and in effective manner, after appropriate consultation with the entity/issuer; | Chapter III | 17-(a)
- (19) PACRA reviews all the outstanding ratings periodically, on annual basis; Provided that public dissemination of annual review and, in an instance of change in rating will be made; | Chapter III | 17-(b)
- (20) PACRA initiates immediate review of the outstanding rating upon becoming aware of any information that may reasonably be expected to result in downgrading of the rating; | Chapter III | 17-(c)
- (21) PACRA engages with the issuer and the debt securities trustee, to remain updated on all information pertaining to the rating of the entity/instrument; | Chapter III | 17-(d)

### **Probability of Default**

- (22) PACRA’s Rating Scale reflects the expectation of credit risk. The highest rating has the lowest relative likelihood of default (i.e., probability). PACRA’s transition studies capture the historical performance behavior of a specific rating notch. Transition behavior of the assigned rating can be obtained from PACRA’s Transition Study available at our website. (www.pacra.com). However, actual transition of rating may not follow the pattern observed in the past; | Chapter III | 14-3(f)(vii)

### **Proprietary Information**

- (23) All information contained herein is considered proprietary by PACRA. Hence, none of the information in this document can be copied or, otherwise reproduced, stored or disseminated in whole or in part in any form or by any means whatsoever by any person without PACRA’s prior written consent