



The Pakistan Credit Rating Agency Limited

Rating Report

|                                 |   |
|---------------------------------|---|
| JS Global Capital Limited   BFR | Report Contents   |
|                                 | 1. Rating Analysis<br>2. Financial Information<br>3. Rating Scale<br>4. Regulatory and Supplementary Disclosure |

| Rating History     |        |         |          |              |
|--------------------|--------|---------|----------|--------------|
| Dissemination Date | Rating | Outlook | Action   | Rating Watch |
| 12-Dec-2025        | BFR 1  | Stable  | Maintain | -            |
| 13-Dec-2024        | BFR 1  | Stable  | Maintain | -            |
| 14-Dec-2023        | BFR 1  | Stable  | Maintain | -            |
| 14-Dec-2022        | BFR 1  | Stable  | Maintain | -            |
| 27-Apr-2022        | BFR 1  | Stable  | Initial  | -            |

|                    |   |  |
|--------------------|---|--|
| Rating Rationale   | Factor                                      | Comment  |
|                    | Ownership                                   | The ownership structure is viewed as strong, underpinned by the sponsoring group's established business acumen. JS Bank Limited holds approximately 93% of the Company's shareholding, providing strategic depth and long-term stability.  |
|                    | Governance                                  | JSGCL is overseen by a eight-member Board of Directors comprising three independent directors, four non-executive directors, and the executive director CEO. Governance quality is reinforced through four board committees, each chaired by an independent director, ensuring effective oversight and alignment with regulatory expectations. |
|                    | Management and Client Services              | The Company maintains a well-structured organizational framework supported by an experienced management team. Dedicated department oversee by client-facing functions, including complaint management and the delivery of award wining research services.  |
|                    | Internal Controls and Regulatory Compliance | JSGCL maintains a strong control environment, supported by a group-level internal audit function that reports directly to the Audit Committee. Comprehensive policies and a dedicated Head of Compliance further ensure effective adherence to regulatory requirements.  |
|                    | Business Sustainability                     | During 1HCY25, the Company's client grew by 37%, supported by increased investors activity and higher trading volumes, which in return contributed to a 55% rise in net profit, from PKR 163 million in 1HCY24 to PKR 253 million.   |
| Key Rating Drivers | Financial Sustainability                    | JS Global Capital Limited maintains a strong capital base of 3.2 billion, up from PKR 2.95 billion at end-2024, with a liquid capital balance of PKR 1.3 billion. The Company's proprietary trading exposure accounts for 32% of the total equity, supporting both operational needs and strategic initiatives.                                |

Fiduciary practices across client servicing, compliance and core risk oversight remain integral to the control architecture, with incremental enhancements expected to further strengthen the overall governance and risk-management environment. Going forward, deepening, management capacity refining internal control mechanisms, incrementally, strengthening client protection, improving grievances mechanisms and conflict management framework will remain important for sustaining and improving the fiduciary profile.

| Disclosure            |   |
|-----------------------|---|
| Name of Rated Entity  | JS Global Capital Limited   BFR   |
| Type of Relationship  | Solicited   |
| Purpose of the Rating | Broker Fiduciary Rating (BFR)   |
| Applicable Criteria   | Assessment Framework   Broker Fiduciary Rating(Jan-25),Methodology   Rating Modifiers(Apr-25) |
| Related Research      | Sector Study   Brokerage Firms(Feb-25)  |
| Rating Analysts       | Usama Ali   usama.ali@pacra.com   +92-42-35869504   |

## Profile

**Background** JS Global Capital Limited was incorporated as a private limited company in the year 2000 and commenced its commercial operations in 2003. In line with its strategic growth trajectory and expanding market presence, the Company was subsequently converted into a public unquoted company. Thereafter, JSGCL achieved a key milestone by securing its listing on the Pakistan Stock Exchange in 2005, marking its transition into a publicly listed entity and reinforcing its commitment to transparency, governance, and long-term institutional development.

**Operations** JS Global Capital Limited operates as a full service brokerage and financial services organization, offering a comprehensive range of services including Equity and Commodity Brokerage, Money Market operations, Corporate Finance advisory, and Research. The Company caters to a diversified client base structured across three principal segments comprising Foreign clients, Institutions and Corporates, and Retail and High Net Worth Individuals. This diversified operating portfolio and client mix enable JSGCL to maintain balanced revenue streams and a broad market presence across Pakistan's capital markets.

## Ownership

**Ownership Structure** JS Bank Limited is the principal shareholder of JS Global Capital Limited, holding an ownership stake of approximately 93 percent. The remaining shareholding is widely held by the general public and other market participants. JS Bank Limited operates as a subsidiary of Jahangir Siddiqui and Company Limited, a leading business conglomerate with a strong institutional presence in Pakistan's financial sector. This ownership structure provides JSGCL with strategic alignment, financial backing, and long term stability.

**Stability** Jahangir Siddiqui and Company Limited holds 71.21 percent of the shareholding in JS Bank Limited. The remaining shareholding is held by a diversified mix of banks and financial institutions, foreign investors, and local individual shareholders. The Bank's ownership profile is expected to remain stable over the foreseeable future, supporting continuity in strategic direction and institutional strength.

**Business Acumen** Jahangir Siddiqui and Company Limited has established a significant presence across major sectors of Pakistan's economy. Through its diversified portfolio of subsidiaries and associated companies, the Group is actively engaged in securities trading, strategic investments, investment advisory, brokerage, asset management, agency telecommunication, commercial banking, power generation, and other allied businesses. This broad operational footprint reflects strong business acumen, effective capital deployment, and a deep understanding of Pakistan's financial and industrial landscape.

**Financial Strength** During 1HCY25, the Group reported a profit after tax of approximately PKR 325 million, reflecting sound earnings capacity and operating performance. The asset base expanded to PKR 34.8 billion, underscoring continued balance sheet growth and capitalization. In recognition of its financial profile and credit fundamentals, PACRA has assigned a long term credit rating of AA and a short term rating of A1+ to Jahangir Siddiqui and Company Limited, reflecting strong credit quality and a stable financial outlook.

## Governance

**Board Structure** The Board of Directors of JS Global Capital Limited comprises eight members, including three independent directors, four non executive directors, and one executive director in the capacity of Chief Executive Officer. The Board is currently chaired by Shahab Anwar Khawaja, an independent director, ensuring balanced leadership, effective oversight, and adherence to strong corporate governance standards.

**Members' Profile** All directors of JS Global Capital Limited are seasoned professionals with extensive and diverse experience across their respective fields. The Board collectively brings strong strategic, financial, and industry expertise required for effective oversight and sound decision making. The presence of independent directors further reinforces the governance framework by enhancing objectivity, transparency, and accountability in Board proceedings.

**Board Effectiveness** To ensure a strong control environment and compliance with applicable reporting and governance standards, JS Global Capital Limited has constituted four specialized Board Committees, comprising the Audit Committee, Risk Management Committee, Human Resource and Remuneration Committee, and the Digital Committee. Each committee is chaired by an independent director, which strengthens objectivity in oversight, reinforces accountability, and enhances the overall effectiveness of the Board's governance and supervisory functions.

**Financial** JS Global Capital Limited has appointed KPMG Taseer Hadi & Co. Chartered Accountants as its external auditors. The auditors have issued an unqualified opinion on the Company's financial statements for CY24, reflecting the reliability and integrity of its financial reporting. The audit firm is also placed in Category A on the panel of the State Bank of Pakistan, further underscoring the strength of the Company's transparency, disclosure standards, and compliance framework.

## Management And Client Services

**Organizational Structure** JS Global Capital Limited operates through a multi-tier organizational structure designed to ensure operational efficiency and strategic alignment. The core departments include Finance, Risk Management and Compliance, Information Technology, Equity Operations, Research, International Sales, Online Trading, Commodity Trading, Corporate Finance, and Internal Audit. To further streamline decision-making and enhance coordination, three senior management committees—the Management Committee, Investment Committee, and IT Digitization Committee—provide oversight, strategic guidance, and operational direction across the organization.

**Management Team** The management team of JS Global Capital Limited comprises seasoned professionals with strong educational credentials and extensive expertise in their respective domains. Mr. Muhammad Khalil Ullah Usmani has been appointed as the Chief Executive Officer following the resignation of Mr. Imtiaz Gadar. Prior to his appointment, Mr. Usmani served as the Country Head of Sales at JSGCL and brings over 20 years of experience in capital markets, having previously worked with Optimus Securities Pakistan, a well-recognized firm in the sector. His leadership underscores the Company's commitment to strategic growth, operational excellence, and market expansion.

**Client Servicing** The Company provides multiple channels for account opening, along with various platforms, including a mobile application, enabling clients to execute and monitor their transactions seamlessly. A comprehensive client reporting system ensures that account statements and market reports are communicated to clients on a regular basis.

**Complaint Management** A sound complaint management system The Company has an effective complaint management system in place, allowing clients to register complaints through multiple channels, including email, SMS, phone calls, and the website.

**Extent Of Automation / Integration** The front and back-end software is procured from an approved vendor with complete integration. The system is capable to generate real-time MIS pertaining to order placements, execution and risk management, and compliance.

**Continuity Of Operations** JSGCL has a comprehensive disaster recovery plan to ensure business continuity in the event of an emergency, with regular backups maintained to safeguard critical data.

## Internal Controls And Regulatory Compliance

**Risk Management Framework** JSGCL maintains a strong control environment, supported by a group-level internal audit function reporting directly to the Audit Committee. Dedicated heads for Risk Management and Compliance further reinforce the Company's risk governance framework.

**Regulatory Compliance** The Risk Management & Compliance Department continuously monitors controls and systems to ensure that all functions operate in accordance with established policies and procedures.

## Business Sustainability

**Operating Environment** In the first half of CY25, Pakistan's brokerage industry experienced strong market activity, with the KSE-100 Index repeatedly hitting record highs, boosting trading turnover and supporting commission income. Improved liquidity and stability in the banking sector strengthened confidence among both institutional and retail investors. However, brokerage margins remained under pressure due to intense competition and rising operating costs. Market participation was uneven, with financials and select sectors driving most trading activity, while other sectors lagged, limiting broad-based interest.

**Performance** During the first half of 2025, the Company reported strong financial performance, with net operating revenue rising to Rs. 749.96 million, reflecting a 44% year-on-year increase from Rs. 519.69 million in the same period last year. Operating profit grew by 65%, reaching Rs. 318.37 million, while profit after tax advanced by 55% to Rs. 253.01 million. The growth was primarily driven by higher trading volumes and capital gains on investments, alongside a lower finance cost-to-revenue ratio and effective cost management despite inflationary pressures. Overall, both the top and bottom lines demonstrated sustainable improvement, supported by diversified income streams across brokerage, margin financing, and investment activities. However, the sustainability of this momentum remains sensitive to fluctuations in capital market conditions.

**Strategy** Going forward, JSGCL intends to further strengthen its presence in the retail segment as part of its long-term growth strategy. The launched Zindagi app has served as a key enabler in expanding the Company's retail outreach and enhancing client engagement, supporting sustainable business development.

## Financial Sustainability

**Credit Risk** The Company has developed and implemented risk management policies and guidelines whereby clients are provided trading limits according to their worth and proper margins are collected and maintained from the clients. The management continuously monitors the credit exposure of the clients.

**Market Risk** The investment portfolio of JS Global Capital Limited is primarily concentrated in bank placements, Reverse Buy-Back Financing Securities (RBFS), and other low-risk instruments, while the Company maintains exposure in proprietary trading which is 32% of the total equity base.

**Liquidity Risk** As of June 30, 2025, JS Global maintained an adequate liquidity position, with cash and bank balances of PKR 1.8 billion and short-term investments of PKR 1.0 billion. The decline in cash from December 2024 mainly reflects higher working capital use. Short-term borrowings rose slightly to PKR 0.76 billion, while current liabilities stood at PKR 6.6 billion, dominated by trade creditors. Despite increased obligations, liquidity coverage remains comfortable, supported by strong banking lines and a liquid asset base.

**Capitalization** JS Global Capital Limited maintains a strong capitalization profile, underpinned by a total equity base of PKR 3.2 billion, up from PKR 2.95 billion at end-2024, primarily driven by profit retention. The Company's liquid capital balance (LCB) stood at PKR 1.3 billion, reflecting a healthy capital buffer to support ongoing operations and strategic initiatives.



## THE PAKISTAN CREDIT RATING AGENCY

JS Global Capital Ltd.  
PUBLIC LISTED LIMITED  
FINANCIAL SUMMARY

| Jun-25<br>CY25<br>6M<br>Management | Dec-24<br>CY24<br>12M<br>Audited | Dec-23<br>CY23<br>12M<br>Audited | Dec-22<br>CY22<br>12M<br>Audited |
|------------------------------------|----------------------------------|----------------------------------|----------------------------------|
|------------------------------------|----------------------------------|----------------------------------|----------------------------------|

### BALANCE SHEET

|  |              |              |              |              |
|--|--------------|--------------|--------------|--------------|
| 1 FINANCES                                 | 1,108        | 1,515        | 670          | 426          |
| 2 INVESTMENTS                              | 1,192        | 289          | 711          | 734          |
| 3 OTHER EARNING ASSETS                     | -            | -            | 46           | 300          |
| 4 NON-EARNING ASSETS                       | 7,660        | 7,480        | 4,870        | 4,210        |
| 5 NON-PERFORMING FINANCES-net              | -            | -            | 421          | -            |
| <b>TOTAL ASSETS</b>                        | <b>9,960</b> | <b>9,283</b> | <b>6,298</b> | <b>5,670</b> |
| 6 FUNDING                                  | 980          | 774          | 341          | 639          |
| 7 OTHER LIABILITIES (NON-INTEREST BEARING) | 5,782        | 5,564        | 3,464        | 2,367        |
| <b>TOTAL LIABILITIES</b>                   | <b>6,762</b> | <b>6,338</b> | <b>3,804</b> | <b>3,006</b> |
| <b>TOTAL EQUITY</b>                        | <b>3,199</b> | <b>2,945</b> | <b>2,452</b> | <b>2,261</b> |

### INCOME STATEMENT

#### INCOME

|                                      |            |            |            |            |
|--------------------------------------|------------|------------|------------|------------|
| 1 FEE BASED INCOME                   | 889        | 1,447      | 772        | 481        |
| 2 OPERATING EXPENSES                 | (724)      | (1,227)    | (918)      | (709)      |
| 3 NON-FEE BASED INCOME               | 147        | 195        | 440        | 450        |
| <b>TOTAL OPERATING INCOME (LOSS)</b> | <b>312</b> | <b>415</b> | <b>294</b> | <b>222</b> |
| 4 NON-OPERATING INCOME               | 98         | 247        | 77         | 47         |
| 5 FINANCIAL CHARGES                  | (58)       | (102)      | (112)      | (149)      |
| <b>PRE-TAX PROFIT</b>                | <b>352</b> | <b>560</b> | <b>259</b> | <b>120</b> |
| 6 TAXES                              | (99)       | (106)      | (72)       | (44)       |
| <b>PROFIT AFTER TAX</b>              | <b>253</b> | <b>454</b> | <b>187</b> | <b>76</b>  |

### RATIOS

#### BUSINESS SUSTAINABILITY

|                         |     |     |     |     |
|-------------------------|-----|-----|-----|-----|
| 1 PRE-TAX MARGIN        | 47% | 45% | 34% | 25% |
| 2 EBITDA MARGIN         | 55% | 53% | 57% | 56% |
| 3 EBIT RETURN ON ASSETS | 10% | 8%  | 6%  | 4%  |

#### FINANCIAL SUSTAINABILITY

|   |     |     |     |     |
|---|-----|-----|-----|-----|
| 1 TOTAL INVESTMENTS / EQUITY                                      | 37% | 10% | 29% | 32% |
| 2 LIQUID CAPITAL BALANCE (LCB) / EQUITY                           | 41% | 44% | 38% | 41% |
| 3 (CASH, CASH EQUIVALENTS & GOVERNMENT SECURITIES) / TOTAL ASSETS | 12% | 11% | 10% | 16% |
| 4 TOTAL DEBT / TOTAL ASSETS                                       | 10% | 8%  | 5%  | 11% |

### Broker Fiduciary Rating Scale & Definitions

An independent opinion on a broker's quality of management and client services and sustainability of operations

| Scale   | Definition   |
|---|--|
| <b>BFR 1</b>                                    | <b>Very Strong.</b> Very Strong quality of management and client services and a very high likelihood of sustaining operations. |
| <b>BFR 2++</b><br><b>BFR 2+</b><br><b>BFR 2</b> | <b>Strong.</b> Strong quality of management and client services and a high likelihood of sustaining operations.                |
| <b>BFR 3++</b><br><b>BFR 3+</b><br><b>BFR 3</b> | <b>Good.</b> Good quality of management and client services and an above average likelihood of sustaining operations.          |
| <b>BFR 4++</b><br><b>BFR 4+</b><br><b>BFR 4</b> | <b>Adequate.</b> Adequate quality of management and client services and an average likelihood of sustaining operations.        |
| <b>BFR 5</b>                                    | <b>Weak.</b> Weak quality of management and client services and a weak likelihood of sustaining operations.                    |

|  |   |  |   |   |
|--|---|--|---|---|
| <p><b>Outlook (Stable, Positive, Negative, Developing)</b></p> <p>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'.</p> | <p><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.</p> | <p><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.</p> | <p><b>Withdrawn</b> A rating is withdrawn on a) termination of rating mandate, b) cessation of underlying entity, c) the rating remains suspended for six months, or/and d) PACRA finds it impractical to surveil the opinion due to lack of requisite information.</p> | <p><b>Harmonization</b> A change in rating due to revision in applicable methodology or underlying scale.</p> |
|--|---|--|---|---|

**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.

**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