



Jahangir Siddiqui & Co. Ltd.

Corporate Briefing Session - 2020

Tuesday, December 29, 2020

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Introduction



Commencement of Operations

1991

Brief Introduction

Jahangir Siddiqui & Co. Ltd. (“JSCL”) is primarily an investment company in financial services and also makes long term investments in growing companies. The Company also has investments in Energy and Infrastructural projects.

Sponsors

Mr. Jahangir Siddiqui (36.53%)

Jahangir Siddiqui Securities Services Ltd.
(15.61%)

Jahangir Siddiqui & Sons Ltd. (22.74%)

Credit Rating (Long Term/Short Term)

AA / A1+ by PACRA

Total Assets – September 30, 2020

PKR 30.51 billion

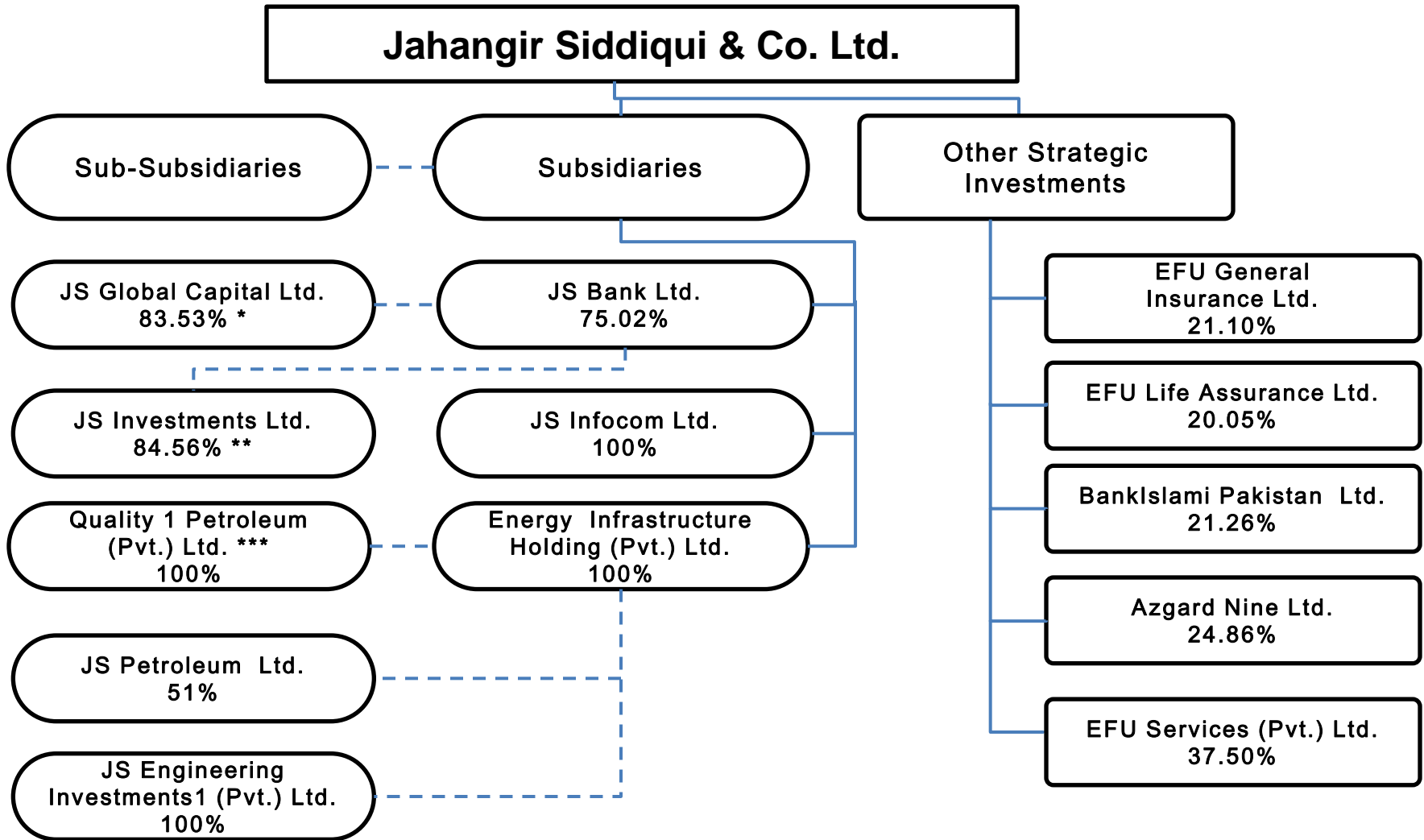
Liabilities – September 30, 2020

PKR 3.404 billion

Shareholders’ Equity – September 30,
2020

PKR 27.10 billion

Group Structure



* Effective holding of the group is 62.66%

** Effective holding of the group is 63.43%

*** Effective October 01, 2020, JS Fuel (Pvt.) Ltd was merged with and into Quality 1 Petroleum (Pvt.) Ltd.

Listed Subsidiaries

September 30, 2020

	Effective Holding (%)	Profit / (Loss) after Tax (Rs.'mn)	Assets (Rs.'mn)	Shareholders' Equity (Rs.'mn)	Credit Rating Long-term/ Short-term
JS Bank Limited	75.02%	1,165	477,990	20,043	AA- / A1+
JS Global Capital Ltd.	62.66%	136	4,542	2,380	AA / A1+
JS Investments Ltd.	63.43%	(69)	2,235	1,746	-

Major Investments in Listed Companies



Investee Companies	No. of Shares	Market Value (Rs. '000)	Market Value (Rs. '000)
		September 30, 2020	November 30, 2020
EFU General Insurance Limited	42,191,152	5,018,638	5,062,938
EFU Life Assurance Limited	20,047,708	4,107,575	3,900,081
BankIslami Pakistan Limited	235,684,306	2,429,905	2,420,478
Azgard Nine Limited	120,657,363	2,031,870	2,408,321

Five Years' Financial Summary

Balance Sheet



Rupees in Million						
	September 30, 2020	2019	2018	2017	2016	2015
Assets						
Property and Equipment	245	260	88	6	5	8
Investments	29,136	28,818	28,129	29,721	31,501	24,609
Other Assets	1,127	369	498	1,687	1,057	2,405
Liabilities						
Financings	3,013	3,943	4,344	3,509	1,945	1,387
Current Liabilities	391	475	577	363	401	332
Shareholders' Equity						
Paid-up Share Capital	9,159	9,159	9,159	9,159	9,159	9,159
Reserves	17,945	15,869	14,635	18,361	20,895	16,142
Total Equity	27,104	25,028	23,794	27,520	30,054	25,301
Outstanding Ordinary Shares (Numbers in '000)	915,942	915,942	915,942	915,942	915,942	763,285
Break-up Value/Share (in Rs.)	29.59	27.32	25.98	30.05	32.81	27.62

PSX 100 Index Performance Graph



Five Years' Financial Summary

Profit & Loss Account



	Rupees in Million					
	September 30, 2020	2019	2018	2017	2016	2015
Total Revenue	746	1,220	1,246	1,533	946	4,065
Operating and Administrative Expenses	159	211	226	232	265	242
Finance Cost	387	577	395	222	145	165
Provision for WWF	15	10	9	14	18	64
(Reversal of) / Provision for Impairment – net	(559)	(59)	176	398	(351)	439
Profit Before Tax	743	482	441	667	870	3,154
Profit After Tax	637	360	207	366	622	2,831
EPS (in Rs.)	0.70	0.39	0.23	0.40	0.68	3.36

2020 Stock Market Performance



- The PSX-100 index declined by 0.4% from 40,735 index level on December 31, 2019 to 40,571 index level on September 30, 2020. The index level on November 30, 2020 was 41,068 - an increase of 0.82%.
- Market capitalization declined by 2%, from Rs.7,812 billion (\$50.4 billion) on December 31, 2019 to Rs.7,643 billion (\$46.1 billion) on September 30, 2020.
- To stimulate growth, particularly in the backdrop of the pandemic, the nine month period ended September 2020 saw sharp interest rate cuts by the SBP (cumulatively a cut of 625 basis points). Inflation remained on the higher side in the period (but mostly within SBP's target range), whereas the currency which devalued in the early parts of the period, began to gain strength towards the end of the period, hence improving external account situation.

2020 Financial Performance



Unconsolidated Statement of Financial Position

	Rupees in Million			
	Sep 2020	Dec 2019	Variance	%
Assets				
Property and Equipment	245	260	-15	-6%
Investments	29,136	28,818	317	1%
Other Assets	1,127	369	758	205%
Liabilities				
Financings	3,013	3,943	-930	-24%
Current Liabilities	391	475	-84	-18%
Shareholders' Equity				
Paid-up Share Capital	9,159	9,159	-	-
Reserves	17,945	15,869	2,076	13%
Total Equity	27,104	25,028	2,076	8%
Outstanding Ordinary Shares (in '000)	915,942	915,942	-	-
Break-up Value/Share (Rupees)	29.59	27.32	2.26	8%

2020 Financial Performance



Unconsolidated Statement of Profit or Loss

Rupees in Million				
	Nine months		Variance	%
	2020	2019		
Return on Investments	708	828	-120	-14%
Gain on sale of Investments	-10	62	-72	-116%
Other Income	48	110	-62	-56%
Operating Expenses	159	156	3	2%
Finance Cost	387	419	-32	-8%
Provision for WWF	15	5	10	206%
(Reversal) of / Provision for Impairment	(559)	181	(740)	-409%
Profit Before Tax	743	240	503	210%
Taxation	106	118	-12	-10%
Profit After Tax	637	122	515	423%
EPS (Rupees)	0.70	0.13	0.57	438%

2020 Financial Performance



Consolidated Statement of Financial Position

	Rupees in Million			
	Sep 2020	2019	Variance	%
Assets				
Property and Equipment	10,325	10,132	193	1.9%
Investments	189,438	164,560	24,878	15.1%
Receivables	248,400	248,963	-563	-0.2%
Other Assets	54,027	70,227	-16,200	-23.1%
Liabilities				
Non-Current Liabilities	31,007	28,399	2,608	9.2%
Current Liabilities	430,041	429,320	721	.2%
Shareholders' Equity				
Paid-up Share Capital	9,159	9,159	-	-
Reserves	25,884	21,598	4,286	19.8%
Non-controlling Interests	6,099	5,405	694	12.8%
Total Equity	41,142	36,162	4,980	13.8%

2020 Financial Performance

Consolidated Statement of Profit or Loss

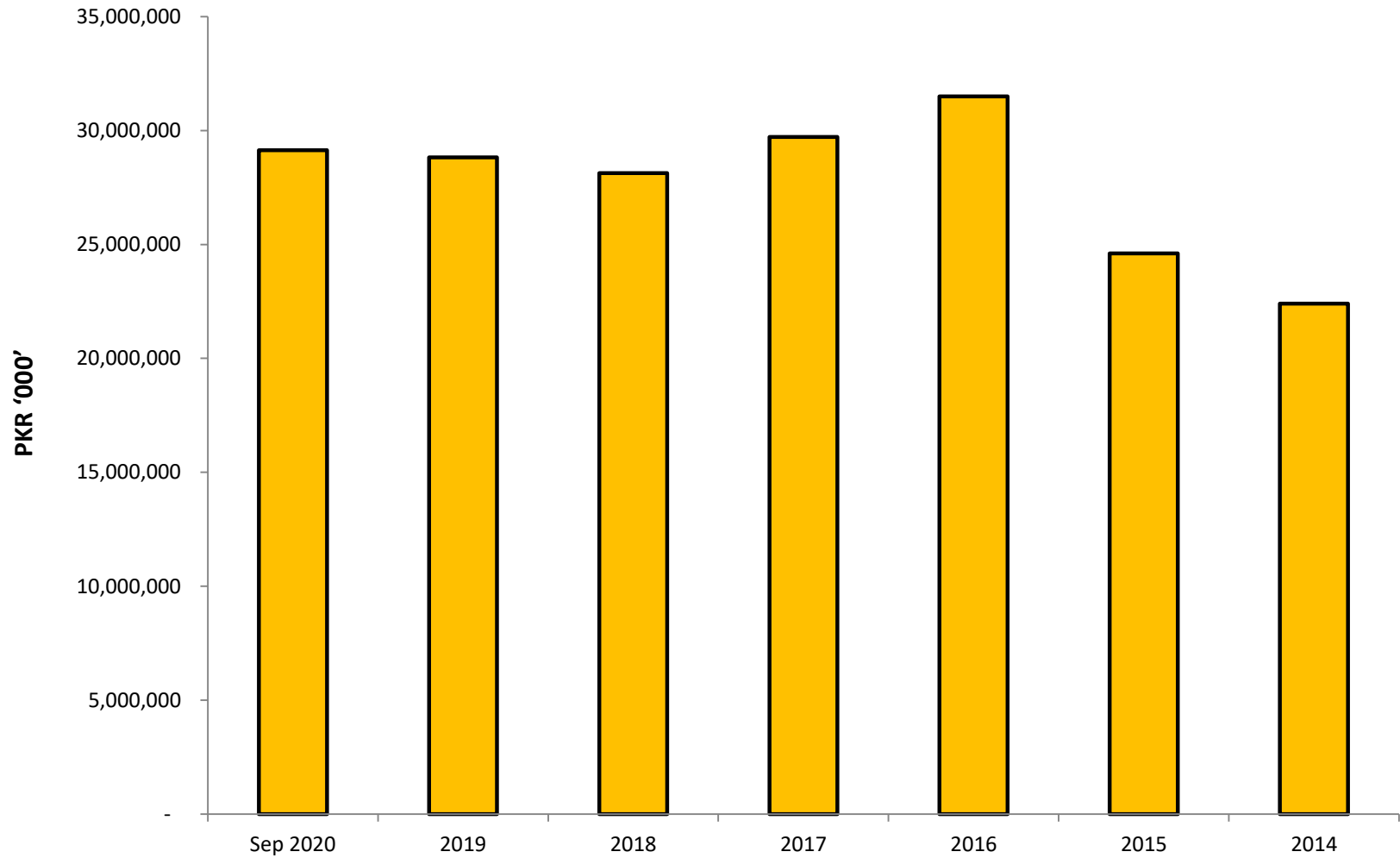


Rupees in Million				
	Nine Months		Variance	%
	2020	2019		
Return on Investments	13,664	7,964	5,700	72%
Gain / (Loss) on Sale of Investments	959	-473	1,432	303%
Other Income	26,044	26,633	-589	-2%
Operating Expenses	11,397	9,323	2,074	22%
Finance Cost	27,044	25,280	1,764	7%
Provision for WWF	35	5	30	600%
Provision for Impairment	47	124	-77	62%
Profit / (Loss) Before Tax	2,143	-608	2,751	452%
Taxation	1,054	8	1,046	13075%
Profit / (Loss) After Tax	1,089	-617	1,706	276%
EPS/ LPS (Rupees)	0.85	-0.34	1.19	350%

Key Financial Indicators



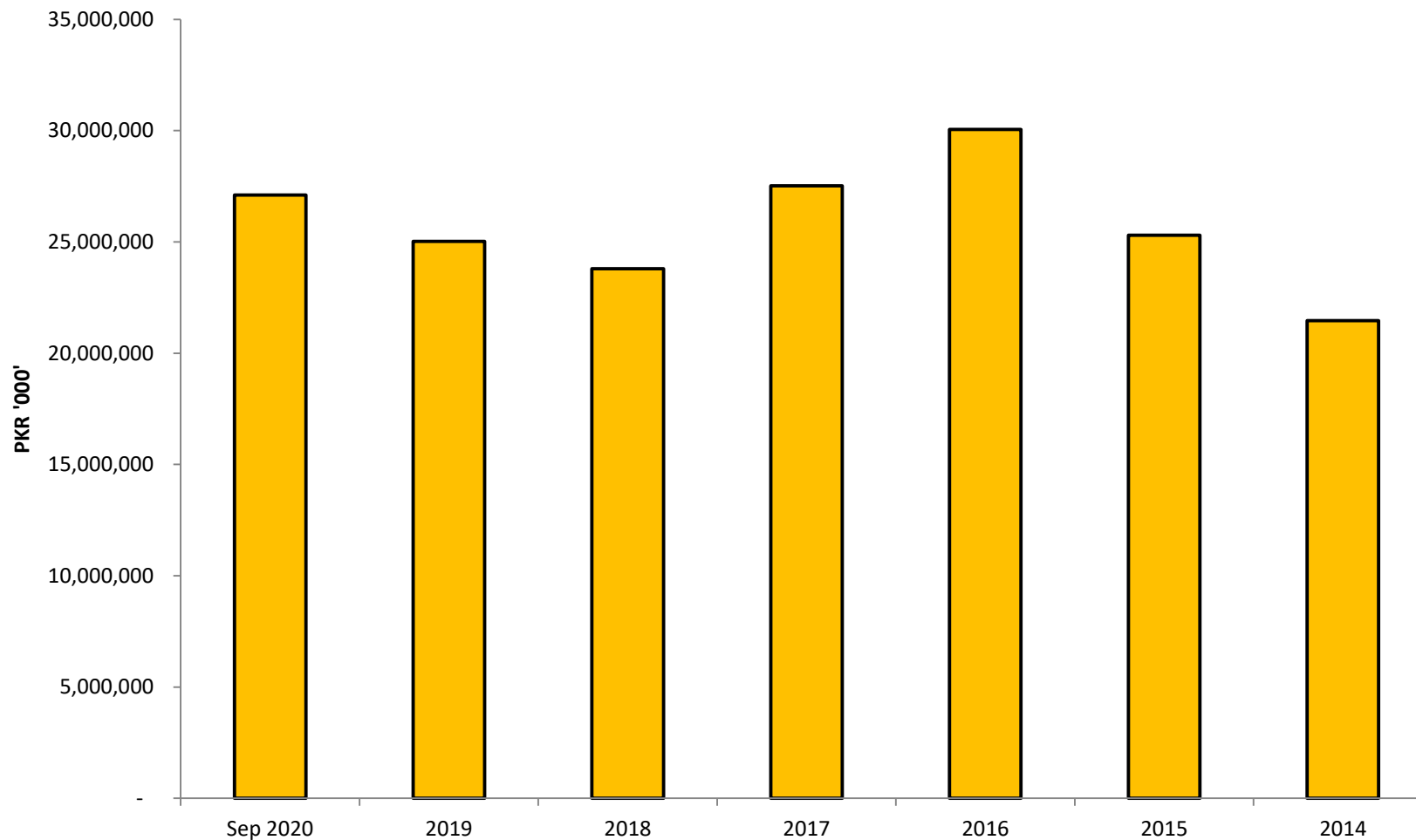
Investments



Key Financial Indicators (continued)



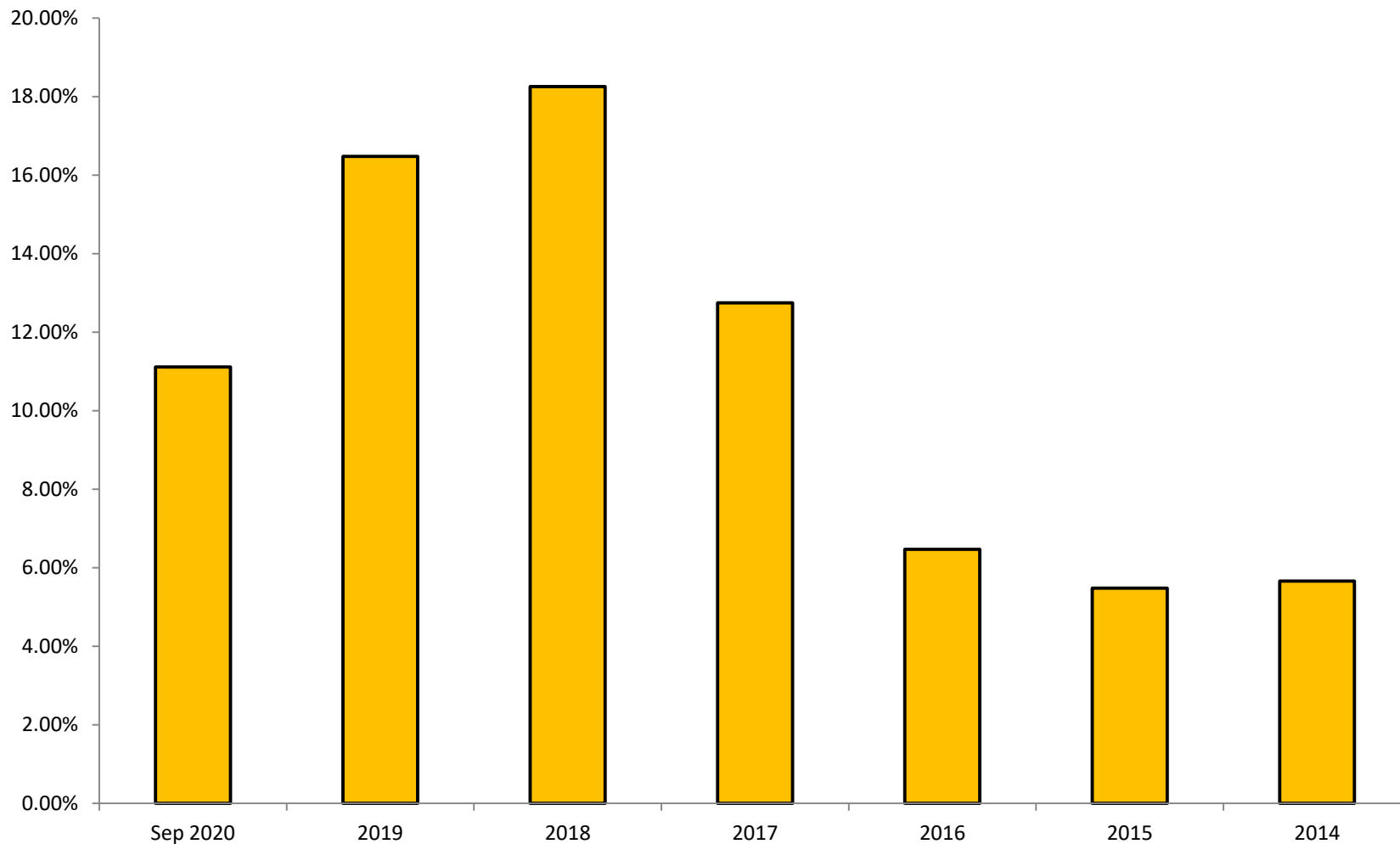
Shareholder's Equity



Key Financial Indicators (continued)



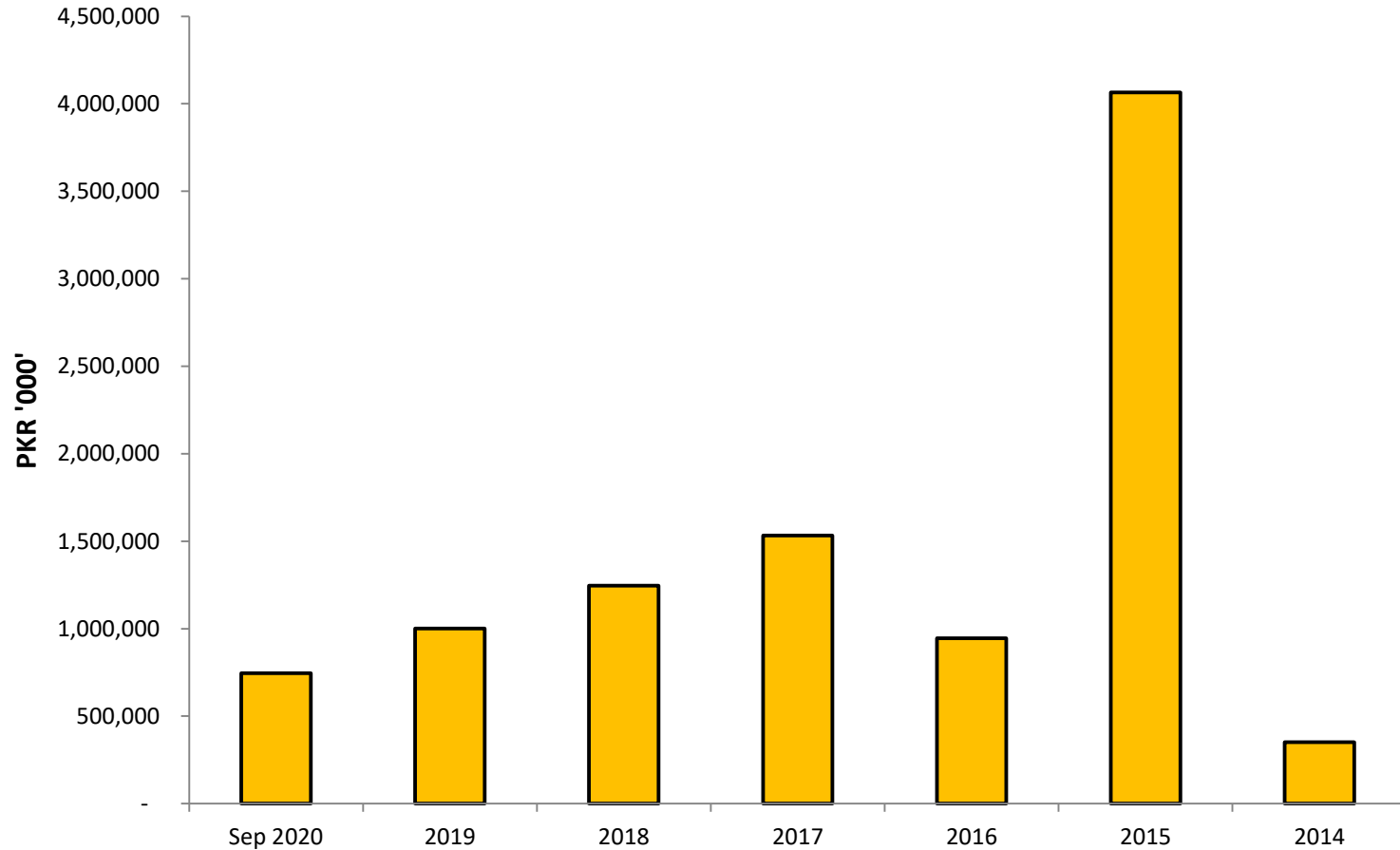
Debt Equity Ratio



Key Financial Indicators (continued)



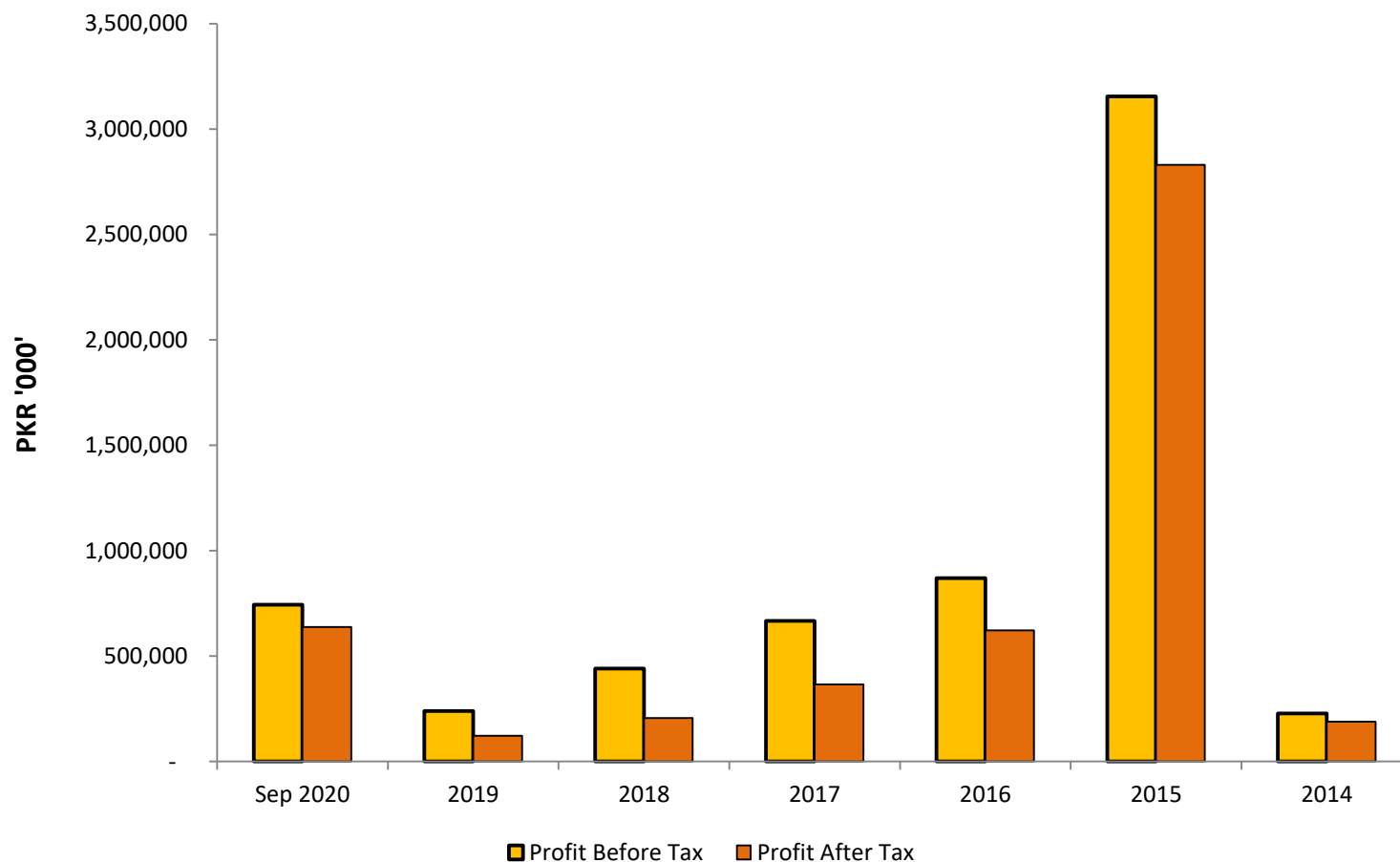
Total Revenue



Key Financial Indicators (continued)



Profit Before Tax / Profit After Tax



JSCL – An Investment Holding Company



- JSCL is primarily an investment holding company, having mainly long-term investments.
- The Company finances its investments through equity as well as long-term debt, particularly through issuance of TFCs.
- JSCL has historically maintained a very low leverage ratio, currently stands at ~11%.
- JSCL enjoys entity rating of AA from PACRA.
- All three TFCs have instrument rating of 'AA+' from PACRA. The rating denotes a very low expectation of credit risk, the strong capacity for timely payment of financial commitments and strong risk absorption capacity.

Impeccable Credit History



	Issue Date	Maturity Date	Amount (Rs. mn)	Outstanding (Rs. mn)	Instrument Rating
TFC 1	18/04/2003	18/04/2008	500	-	N/A
TFC 2	20/05/2004	20/05/2014	500	-	AA+
TFC 3	21/12/2004	20/12/2009	500	-	AA
TFC 4	30/09/2005	30/09/2010	500	-	AA+
TFC 5	21/11/2006	21/05/2012	1,100	-	AA
TFC 6	04/07/2007	04/07/2013	1,250	-	AA
TFC 7	30/10/2012	30/04/2016	1,000	-	AA+
TFC 8	08/04/2014	08/04/2019	750	-	AA+
TFC 9	24/06/2016	24/06/2021	1,000	125	AA+
TFC 10	18/07/2017	18/07/2023	1,500	750	AA+
TFC 11	06/03/2018	06/09/2023	1,500	1,250	AA+

Corporate Social Responsibility (CSR)



- Jahangir Siddiqui & Co. Ltd. (JSCL) undertakes CSR initiatives that support economic growth, social progress and environmental protection in Pakistan.
- Major philanthropic activities are carried in partnership with the Mahvash & Jahangir Siddiqui Foundation (MJSF) and Future Trust (FT).
- MJSF carries out philanthropic activities in Education, Healthcare, Social Enterprise & Sustainable Development (SESD) and Humanitarian Relief.
- Future Trust focuses on Education, Healthcare, and Vocational Training along with funding for Improvement of socio-economic conditions.
- FT and MJSF in collaboration with Indus Hospital, provide free diagnostic and health services to underprivileged population through Jahangir Siddiqui Hospital, Sehwan.
- FT in collaboration with MJSF has completed the installation of deep well hand-pumps in Tharparkar providing a big relief to the villagers.
- Moreover, FT set-up medical relief camps for victims of heat wave in Sindh.
- During the year 2018-2019, FT distributed winter kits in drought hit areas of Sindh.

Corporate Social Responsibility (CSR)



- FT supports less privileged youth of society to become economically independent, by acquisition of specialized vocational skills through Karigar Training Institute.
- FT and MJSF in collaboration with Noor-e-Ali Trust, provides free education to deaf and hearing impaired children through JS Academy for the Deaf.
- FT has completed distribution of ration bags in different phases for the victims of heavy rainfall in 2020, in deprived areas of District Tharparkar, Dadu, Thatta and Badin.
- FT has played its role during COVID-19 pandemic by distribution of ration bags, Personal Protection Equipment(s) (PPEs) and face masks in underprivileged areas of the country.
- FT has established a diagnostic laboratory by the name of Future Labs, which provides free of cost and subsidized testing facility for COVID-19 as well as other ailments.
- We encourage you to visit FT website www.futuretrust.org.pk for further details.



FT has established 'Future Labs', which provides free of cost and subsidized testing facility for COVID-19 as well as other ailments.



Installation of Hand Pumps in villages of Tharparkar



Medical Relief Camps for the Victims of Heatwave in Sindh



Distribution of Winterization Kits in Drought hit areas of Sindh



Provides free Diagnostic and Health Services to underprivileged population through Jahangir Siddiqui Hospital, Sehwan



FT supports less privileged Youth through Vocational Skills



Provides free education to Deaf and Hearing impaired Children through JS Academy for the Deaf, Karachi.



Ration Bags Distribution for the victims of Heavy Rain fall in District Dadu, Tharparkar, Thatta and Badin

Future Outlook



- Moody's expects Pakistan's economic growth to be positive in fiscal year 2021 (ending June 2021) but still low at around 1-2%. While Pakistan's economy is relatively closed with low reliance on exports, movement restrictions due to coronavirus will keep economic activity below the pre-outbreak of COVID-19 levels for some time.
- The lifting of COVID-19 lockdown restrictions in the Country by the Government has raised hopes for normalized business activity in the last quarter of 2020. However, second wave of COVID-19 has started to unfold its impact in Pakistan like other countries across the globe. Nevertheless, if normalization of business activities continues smoothly, then there is a chance for growth in economy in the times to come.
- As per market intelligence, the major upward revision in discount rate is not expected in the year 2021 and therefore the finance cost of the Company is expected to be substantially low.
- The Company views that its investments will continue to contribute significantly and positively towards enhancing shareholders' value.



THANK YOU

Question & Answer Session