

Ref # ComSec/PSX/059/2024

September 23, 2024

Mr. Ajeet Kumar
Chief Regulatory Officer
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi-74000

Subject: Holding of Corporate Briefing Session (CBS)

Dear Sir,

This is with reference to the PSX notice bearing No. PSX/Gen-1120 dated November 02, 2023, on the subject.

In this regard, kindly note that Samba Bank Limited ("SBL") will hold a Corporate Briefing Session on Thursday, September 26, 2024, at 11:00 a.m. at PSX Premises, Islamabad, physically and through Zoom, video conferencing to brief the Analyst Community / Shareholders / Investors, on Bank's affairs. The video conferencing link will be shared in due course. The presentation of the said session is attached herewith.

In this regard, please find below the Zoom meeting details for joining the session;

Meeting ID: 897 6805 7630

Members of the exchange interested in joining the meeting are requested to share their particulars at bilal.saleem@samba.com.pk to obtain meeting passwords.

We would appreciate your assistance in communicating this information to members of the exchange accordingly.

Yours sincerely,

Syed Zia-ul-Husnain Shamsi
Company Secretary

Samba Bank Limited

Head Office : Arif Habib Centre Plot No. 23, Ground floor M. T Khan Road Karachi. Tel : +92-21-38136300, Fax : +92-21-35685442

Samba Bank Limited

Corporate Briefing Session

September 26, 2024

The information contained in this document and any other information presented or discussed in connection therewith (together, the “Information”) is being provided on basis concerning Samba Bank Limited (Company). Please refer to slide no. 11 for important disclaimers and related information.



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Overview

- Samba Bank Limited (“Samba” or the “Bank”) is a subsidiary of Saudi National Bank, Kingdom of Saudi Arabia (ex Samba Financial Group).
- A well diversified franchise which operates through following segments and led by an experienced and cohesive management team:
 - (i) Wholesale Banking, (ii) Retail Banking and (iii) Global Markets (Treasury)
- Samba is offering its clients base a product bouquet that meets our client’s banking needs.
- A strong corporate governance structure is in place in line with global standards, which oversees the operations of the bank. Strong capital base and entity credit ratings.

AA

Medium / Long Term

A-1

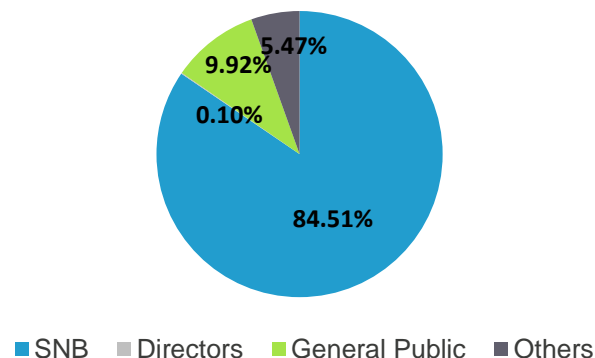
Short Term



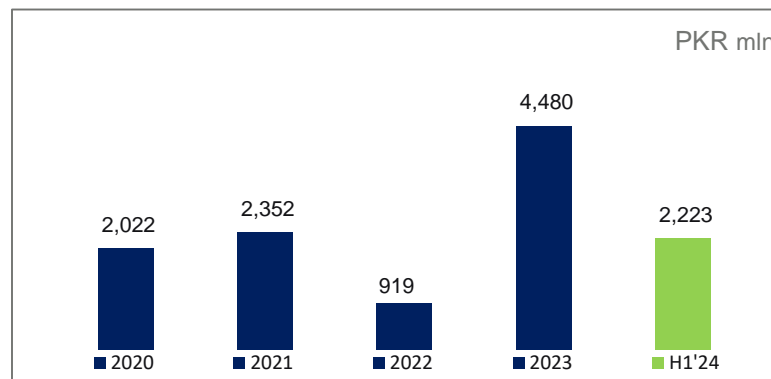
June 30, 2024



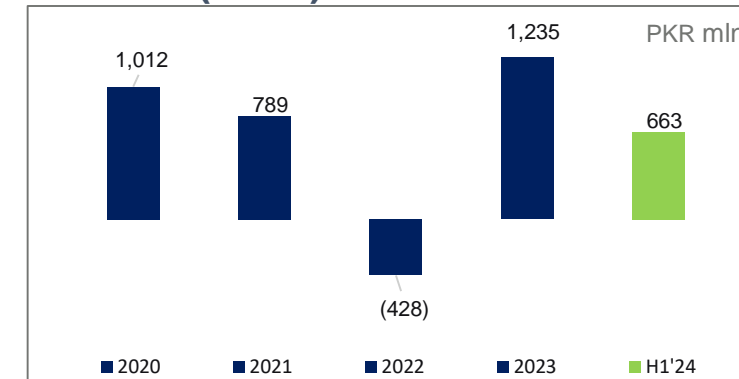
Shareholding - 2023



Profit before Provisions



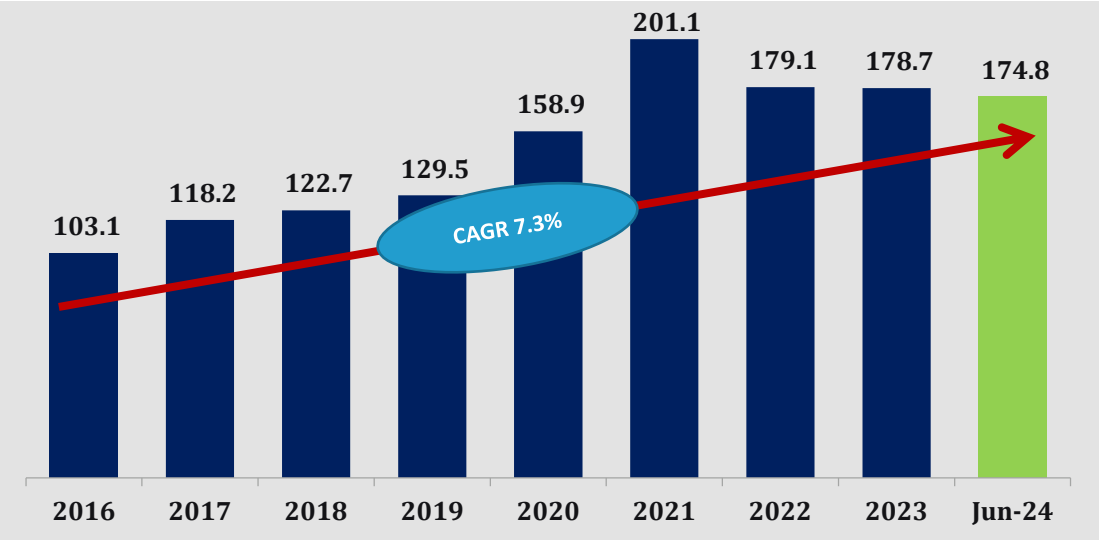
Profit / (Loss) After Tax



SBL Transformation- *Balance Sheet*

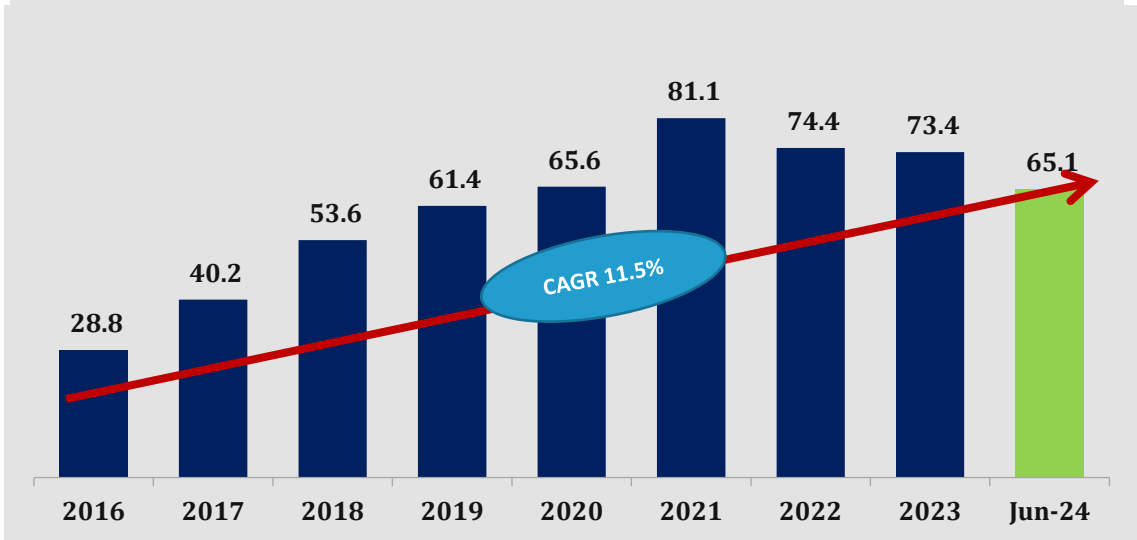
Total Assets

Amount in PKR bln



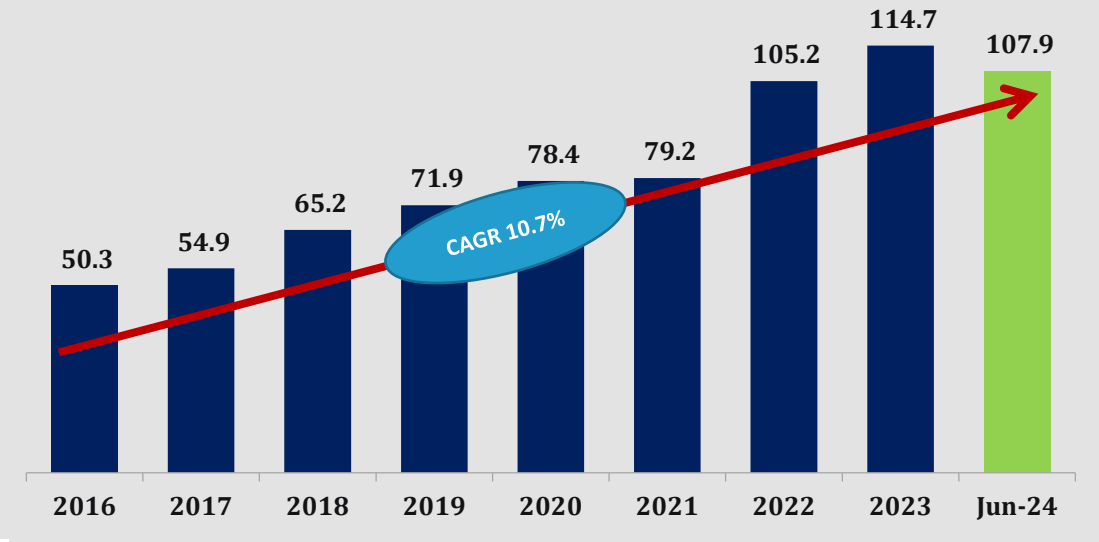
Total Loans & Advances- net

Amount in PKR bln



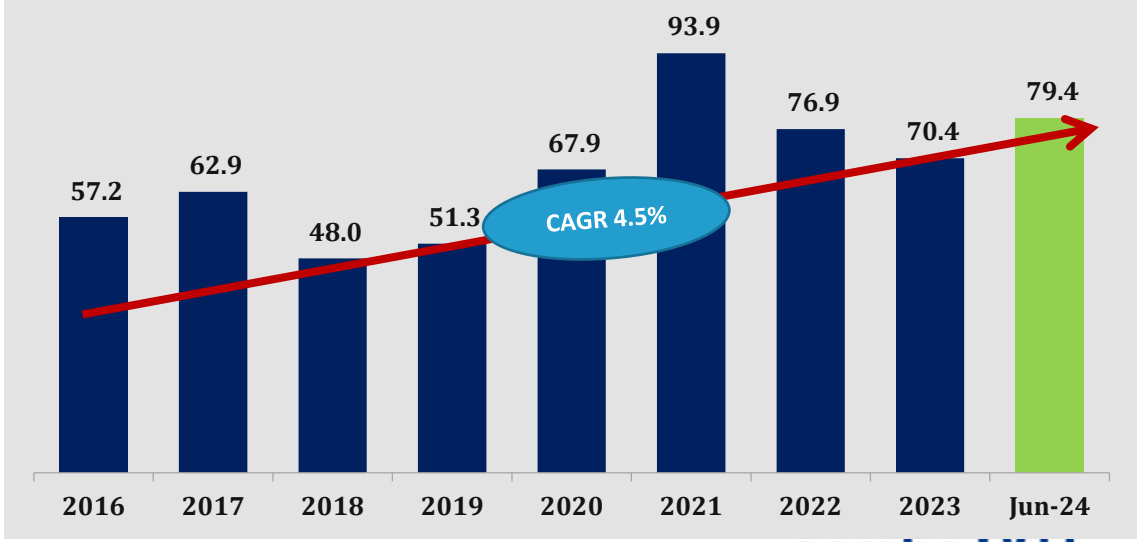
Total Deposits

Amount in PKR bln

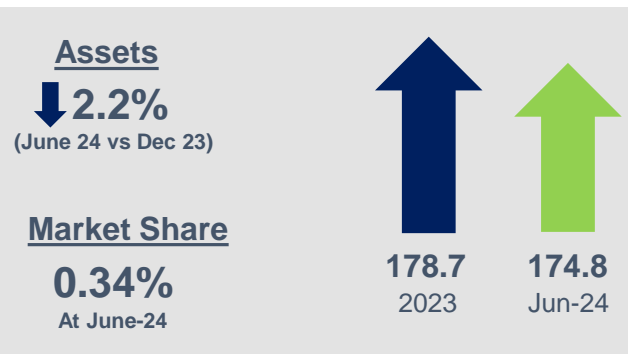


Total Investments- net

Amount in PKR bln



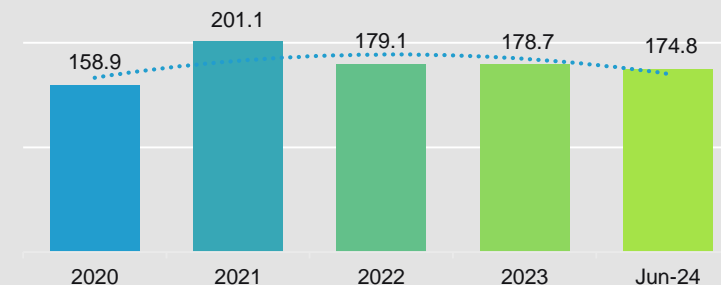
Balance Sheet - Analysis



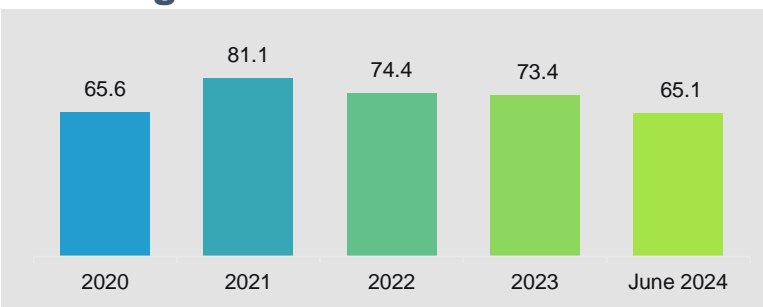
Management Analysis

- Strong capital base and Capital Adequacy Ratios evidencing mix of earning assets maintaining appropriate risk profile.
- Advances book witnessed attrition of PKR 8.3 billion since December 2023 (down 11.3%), due to stressed economic & business conditions loan volumes remained subdued. Excess liquidity was used in investment in short term treasury bills.
- Diversified assets and loan base from corporate to Commercial, SME & consumer segments.

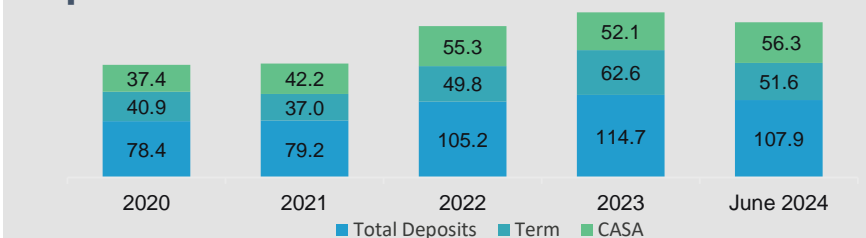
Balance sheet growth



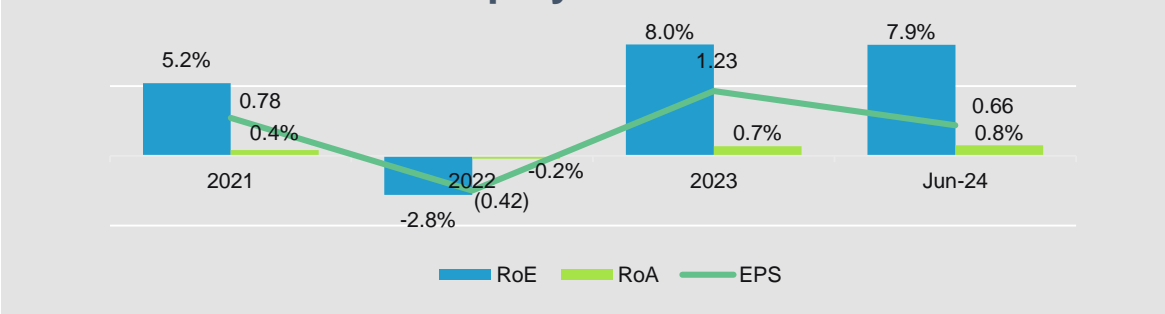
Loans growth - net



Deposits Mix

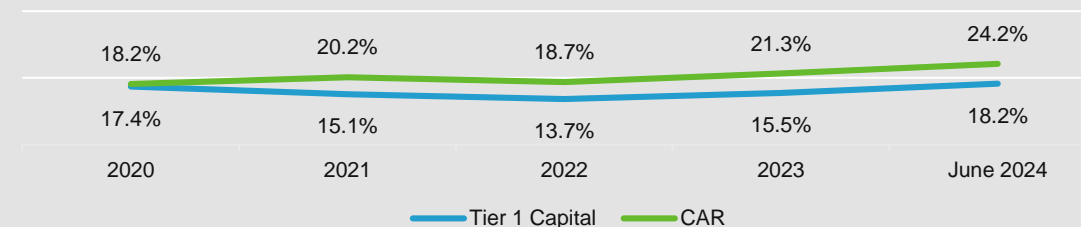


Returns on Assets & Equity



Capital Adequacy Ratios

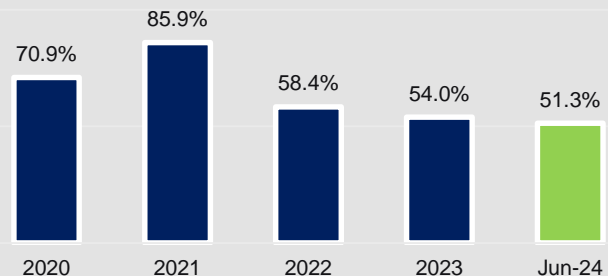
CAR Industry: 20%



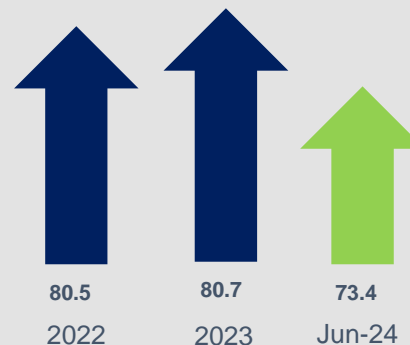
Amounts in PKR billion

Balance Sheet – Assets & Liabilities Profile

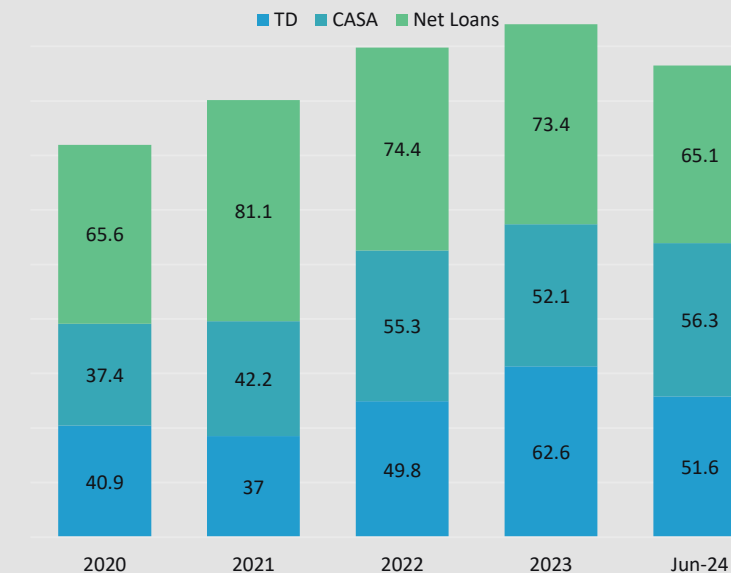
Loan to Deposit Ratio*



Gross Loans
↓ -5.3%
(2023 vs June 24)



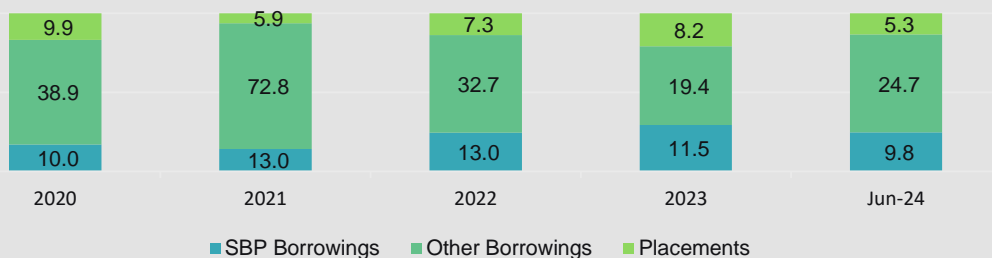
Net Loans vs Deposits



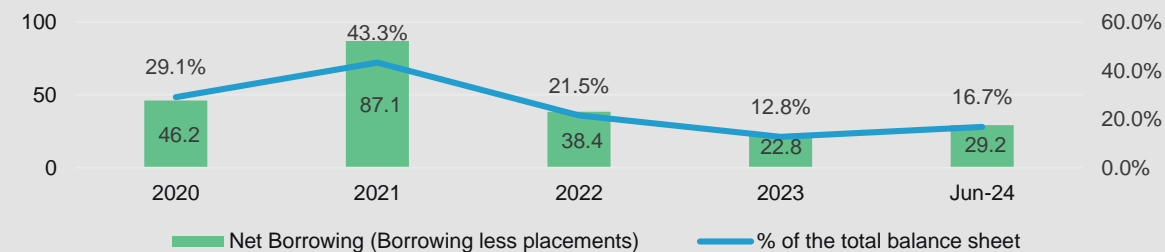
Management Analysis

- Net Loan to Deposit ratio stood at 51.3%, as against the industry which is at 37.1%, leaving the Bank well positioned to pursue its growth strategy.
- Lending activities remained cautious owing to economic slowdown and record high interest rates.
- Samba's diversified balance sheet is a key source of its competitive strength.

Placements and Borrowings



Net Borrowings and % of Total Balance Sheet



* LDR = (Net Loans-SBP Borrowings)/ Deposits

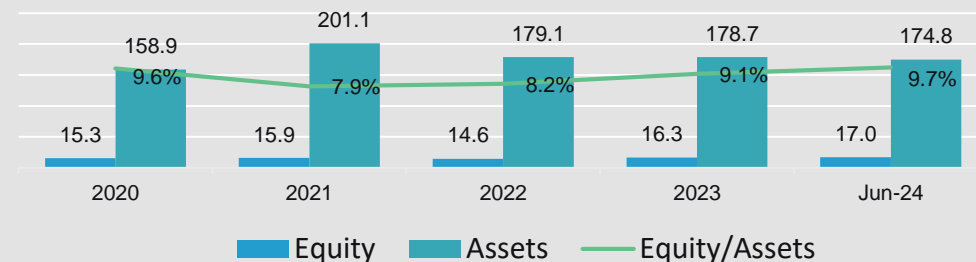
Amounts in PKR Billion

Balance Sheet – Risk Management

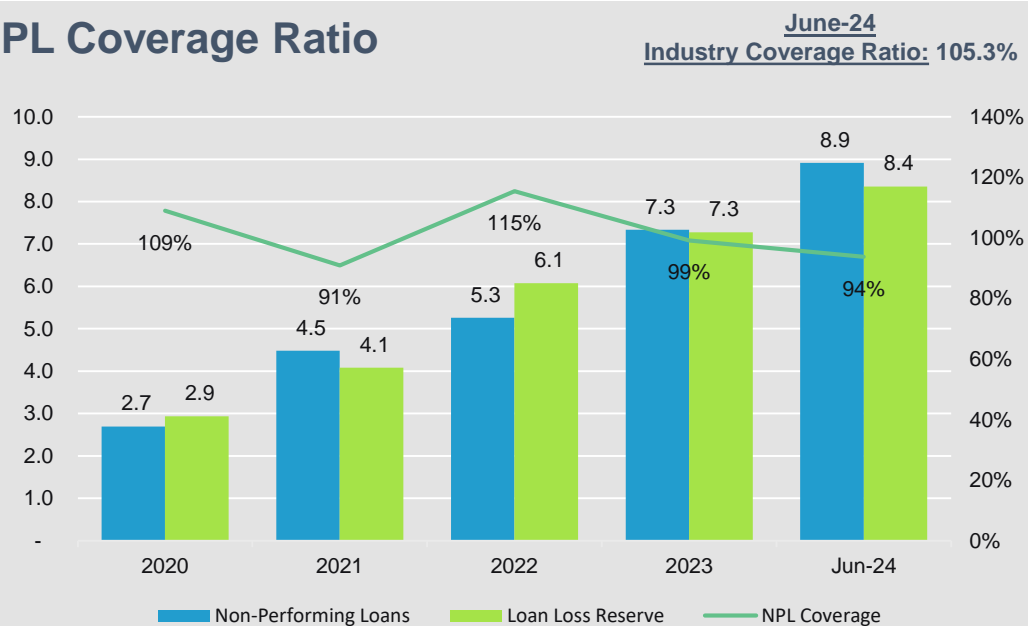
Management Analysis

- Proactive risk classification & management.
- Maintaining adequate loan loss coverage.
- Samba has robust credit evaluation system which is corroborated by historical performances.
- Cumulative impairment charges over the years have remained low compared to peer group.

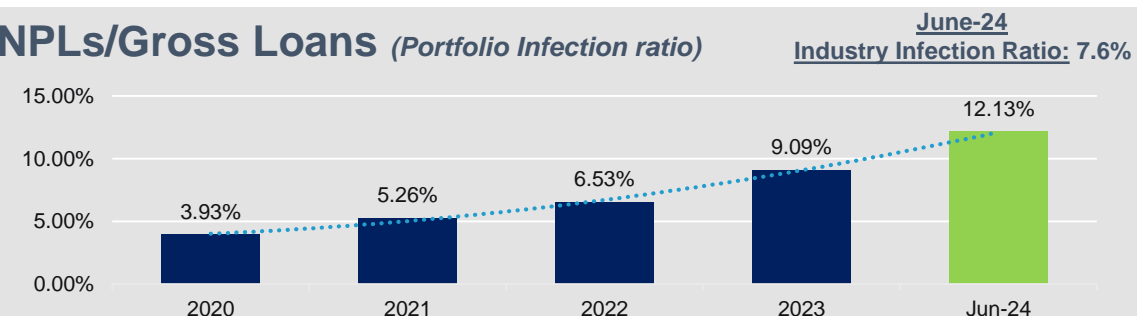
Equity/Assets



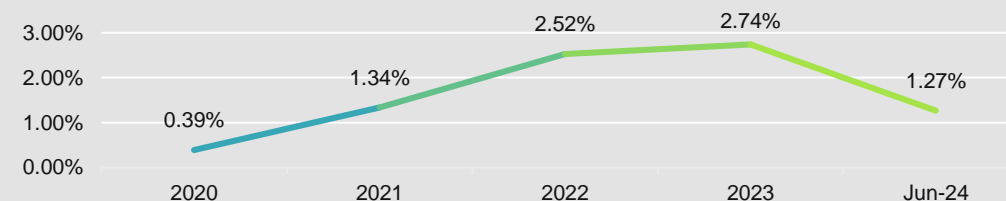
NPL Coverage Ratio



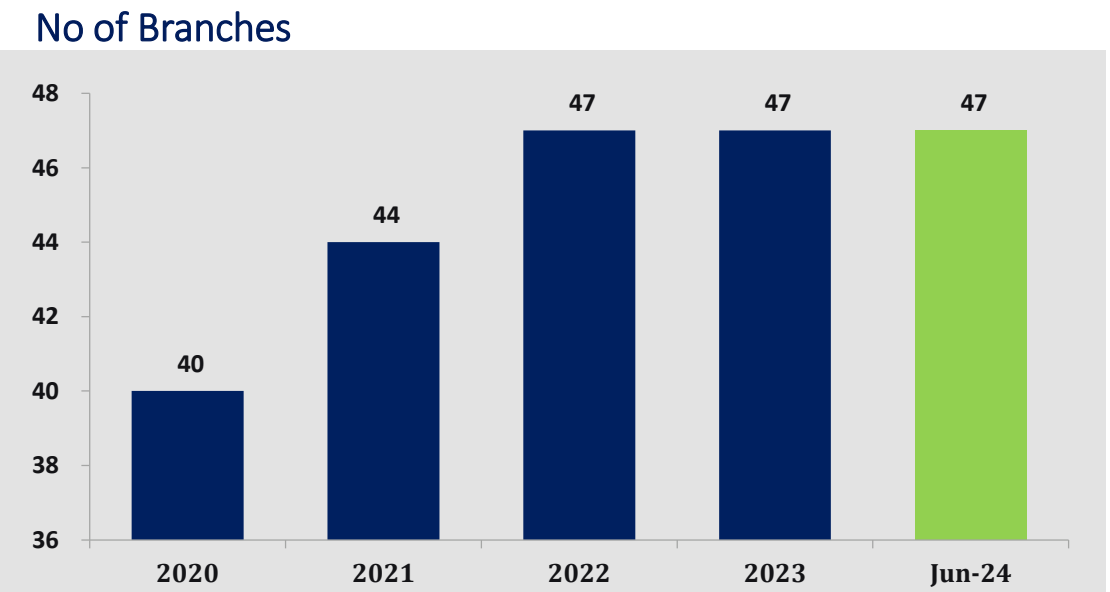
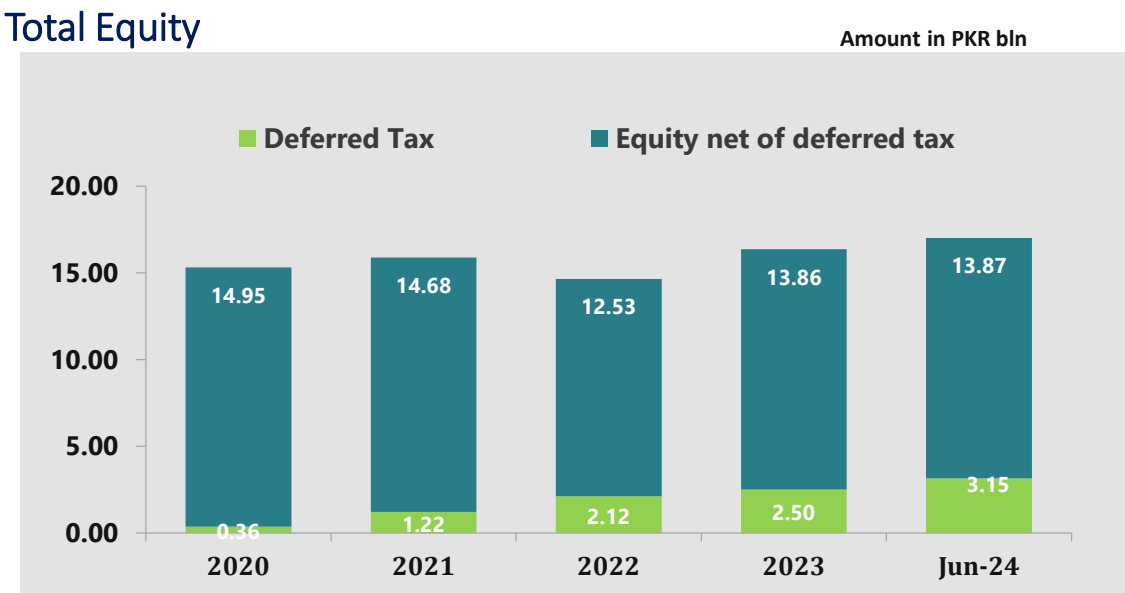
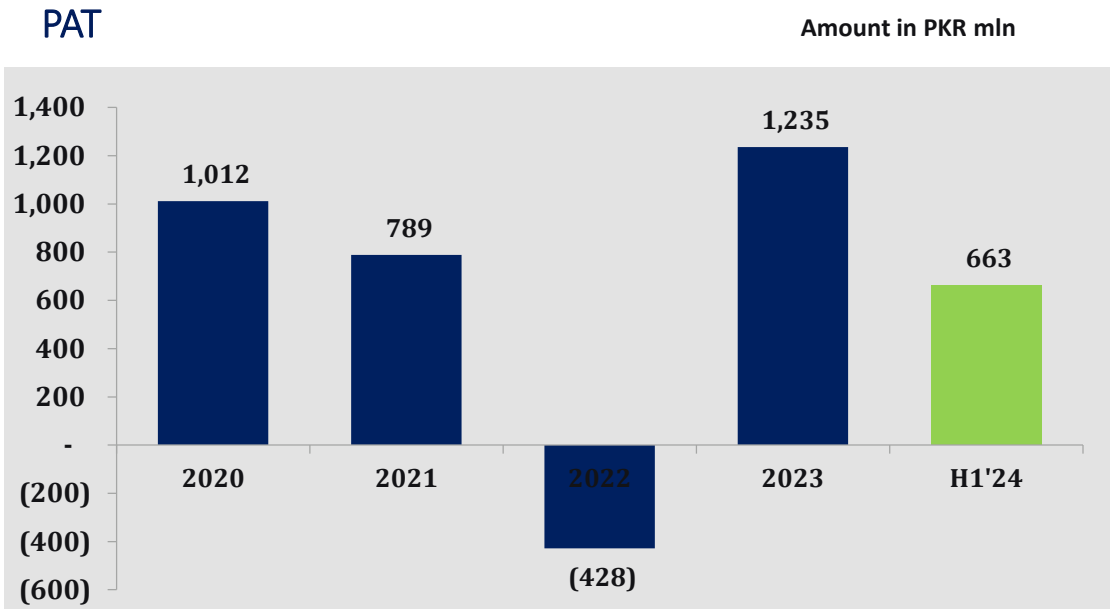
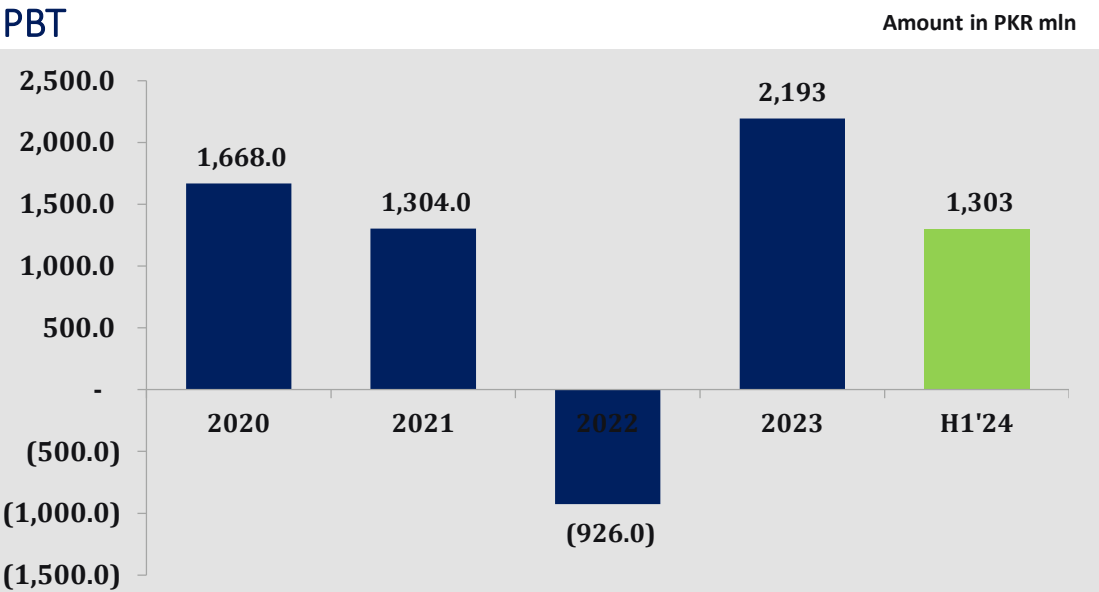
NPLs/Gross Loans (Portfolio Infection ratio)



Credit Impairment/ Gross Loans



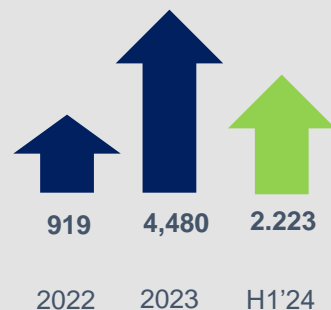
SBL Transformation- *Bottom Line Profitability*



Income Statement



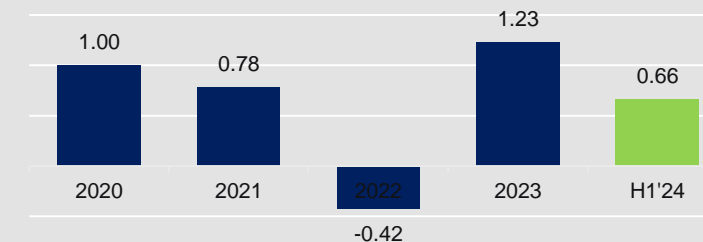
Profit before Provisions



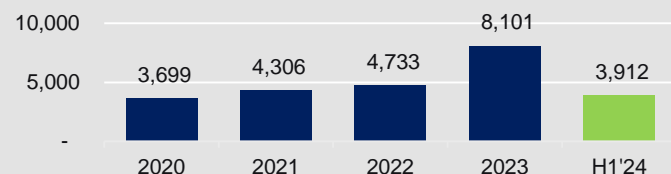
Management Analysis

- Strong performance in challenging business environment
- The composition of income reflects Samba's business diversification and strength of its core business
- Delivering consistent financial performance is a hallmark of Samba
- Significantly higher pre-provisioning profitability – booked some general provision, which is based on management's best estimate for potential losses present in the portfolio.
- Despite the challenging economic environment, profitability growth is demonstrating an increasing trajectory.

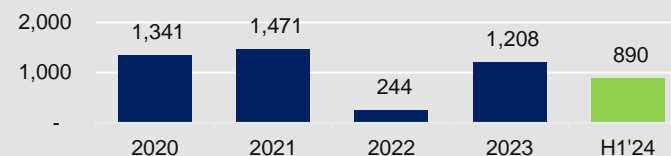
EPS (Rupees)



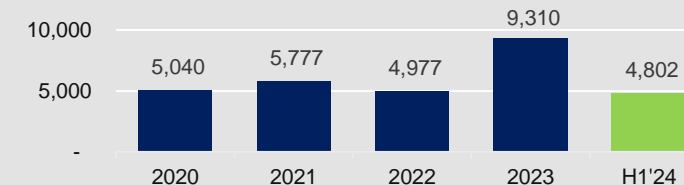
Net Revenue from Funds



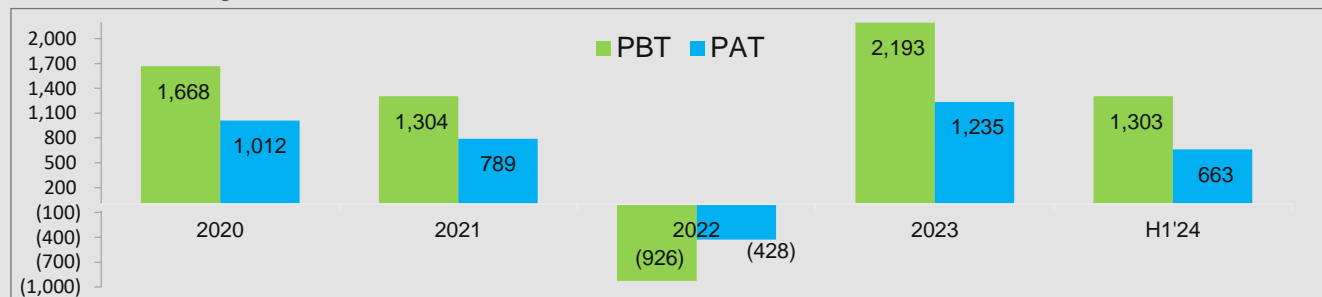
Non-Markup Income



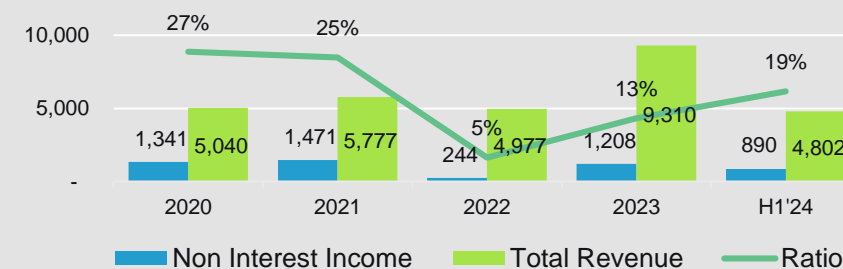
Total Income



Profitability - Growth



Non-Fund Income / Total Revenue

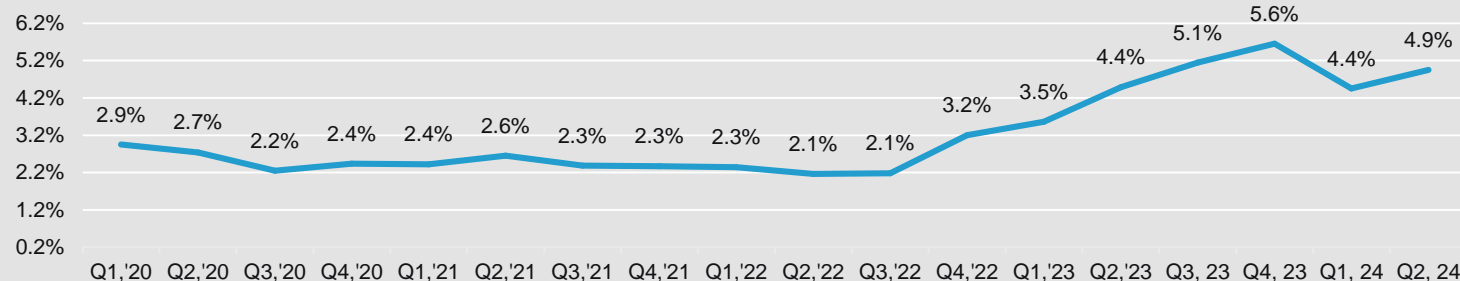


Income Statement Analysis

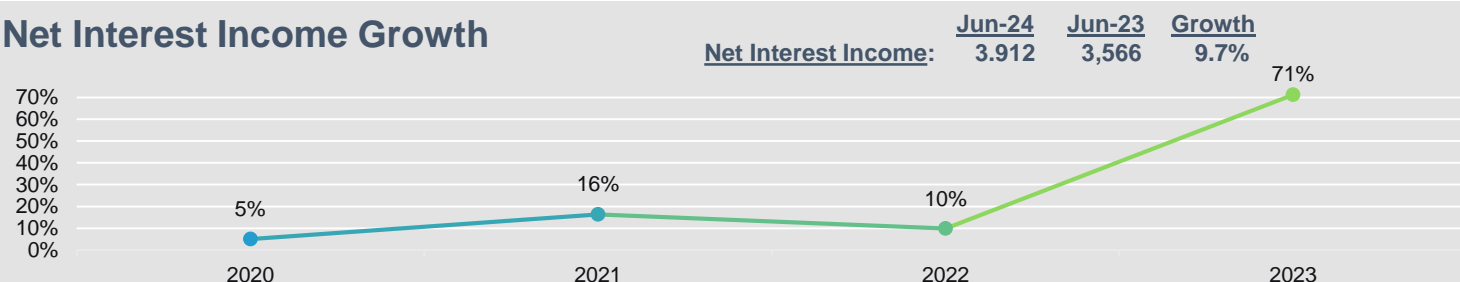
Management Analysis

- Efficiency ratios are in line with banking sector averages.
- Structurally, lower cost base is due to our focus on product distribution via alternative delivery channels rather than through a conventional large and expensive branch network.
- SBP lowered the policy rate by 450bps on account of ease in inflation during the FY 2024.

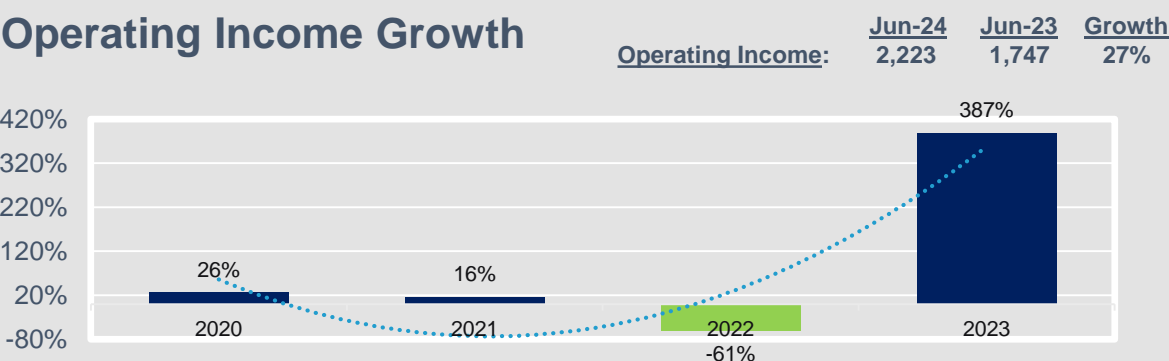
Net Interest Margin



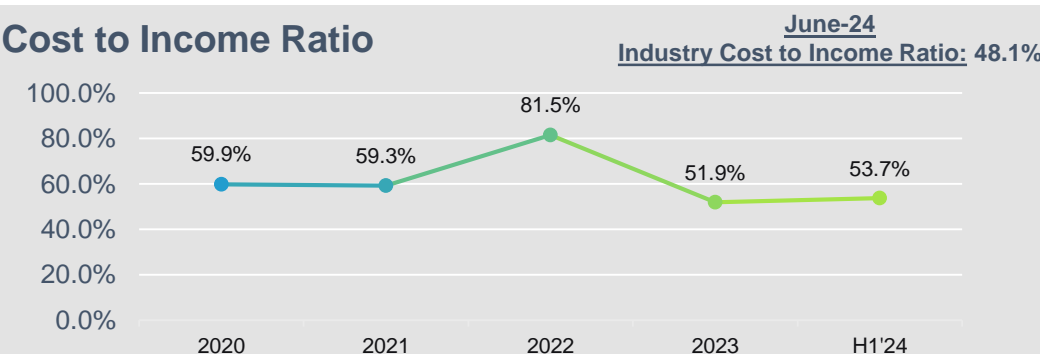
Net Interest Income Growth



Operating Income Growth



Cost to Income Ratio



Disclaimer

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Q&A

Appendix : Balance Sheet & Income Statement

Statement of Financial Position

PKR Million

	HY 24	FY 23	Variance	FY 22	Variance
	Actual				
Cash & Bank Balances	9,587	10,504	-9%	7,193	46%
Loans – Net	65,121	73,436	-11%	74,455	-1%
Loans - Own Funded (Net)	55,285	61,902	-11%	61,418	1%
Loans - SBP Refinance (Net)	9,836	11,534	-15%	13,037	-12%
Investments	79,445	70,412	13%	76,904	-8%
Placements	5,336	8,192	-35%	7,354	11%
Fixed Assets	3,711	3,555	4%	3,748	-5%
Other Asset & Deferred Tax	11,602	12,634	-8%	9,421	34%
Total Assets	174,803	178,734	-2%	179,074	0%
Deposits	107,852	114,732	-6%	105,244	9%
FI borrowings – LCY	24,744	19,447	27%	32,789	-41%
Subordinated Loans	4,994	4,995	0%	4,997	0%
Other Liabilities	20,195	23,197	-13%	21,391	8%
Total Liabilities	157,785	162,371	-3%	164,421	-1%
Net Assets	17,018	16,363	4%	14,653	12%
Capital	10,082	10,082	0%	10,082	0%
Reserves	7,391	6,555	13%	5,320	23%
Surplus & deficit	-455	-274	66%	-749	-63%
Total Equity	17,018	16,363	4%	14,653	12%

Income Statement

PKR Million

	HY 24	HY 23	Variance	FY 23	FY 22	Variance
	Actual					
Net Interest Income	3,912	3,566	10%	8,101	4,734	71%
Total Non-Interest Income	890	441	102%	1,209	244	395%
Total Revenue	4,802	4,007	20%	9,310	4,978	87%
Salaries Cost	1,303	1,189	10%	2,379	2107	13%
Premises Cost	344	348	-1%	734	499	47%
Other Operating Expenses	931	723	29%	1,717	1453	18%
Total Operating Expenses	2,579	2,259	14%	4,830	4,059	19%
Net Operating Income	2,223	1,747	27%	4,480	919	387%
Provisions net of Recovery	919	592	55%	2,286	1,845	24%
Profit before Taxation	1,303	1,155	13%	2,193	-926	137%
Tax	640	449	43%	958	-498	92%
Profit after Taxation	663	706	-6%	1,235	-428	189%

Thank You