



Samba Bank Limited

Corporate Briefing Session

April 12, 2021

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samba سامبا

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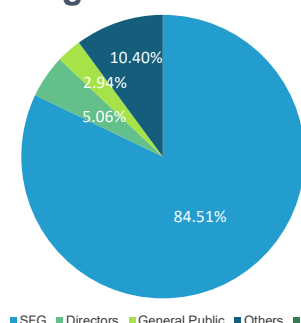
Overview

- 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 four segments and led by an experienced and cohesive management team:
 - (i) Retail Banking, (ii) Corporate Banking, (iii) Commercial & SME Banking and (iv) Global Markets (Treasury)
- Samba is offering its clients base a product bouquet that meets our client's banking needs
- For 2020; the bank announced a dividend of 7.5% (i.e ~ 75% payout to PAT ratio) which is testament to its commitment towards its shareholders
- Has major market share in Hajj and Umrah Remittance business
- A strong corporate governance structure is in place in line with global standards, which oversees the operations of the bank. Strong capital base; further strengthened by issuance of PKR 5bn 10Yr TFC in March 2021.

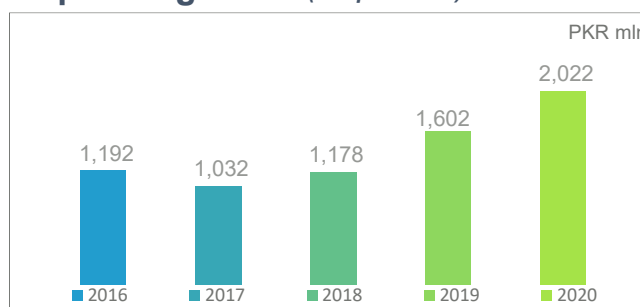
AA **vis** | **A-1** **vis**
 Medium / Long Term | Short Term



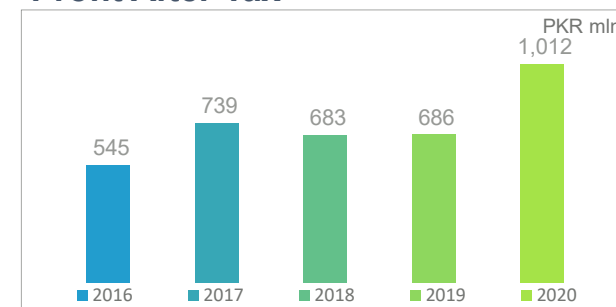
Shareholding-2020



Operating Profit (Pre provision)

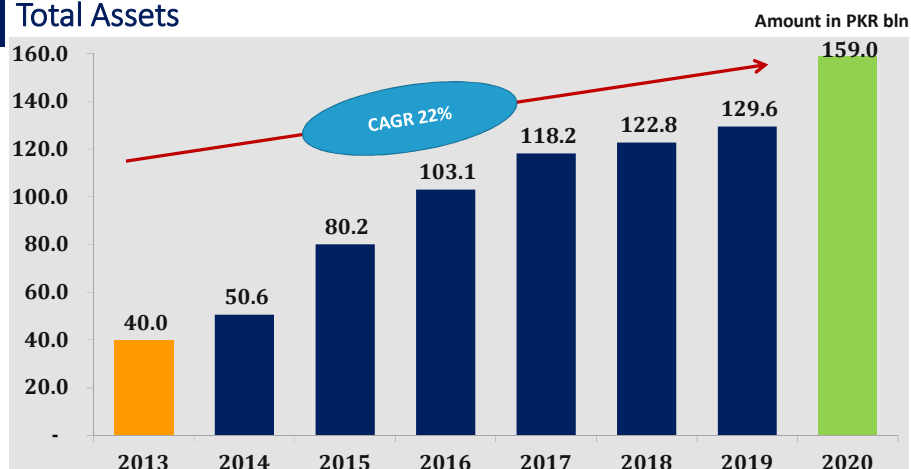


Profit After Tax

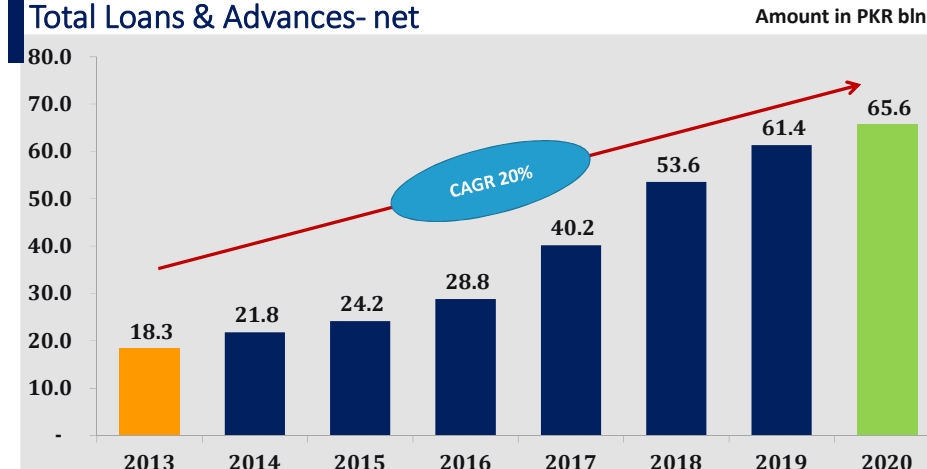


SBL Transformation- *Balance Sheet*

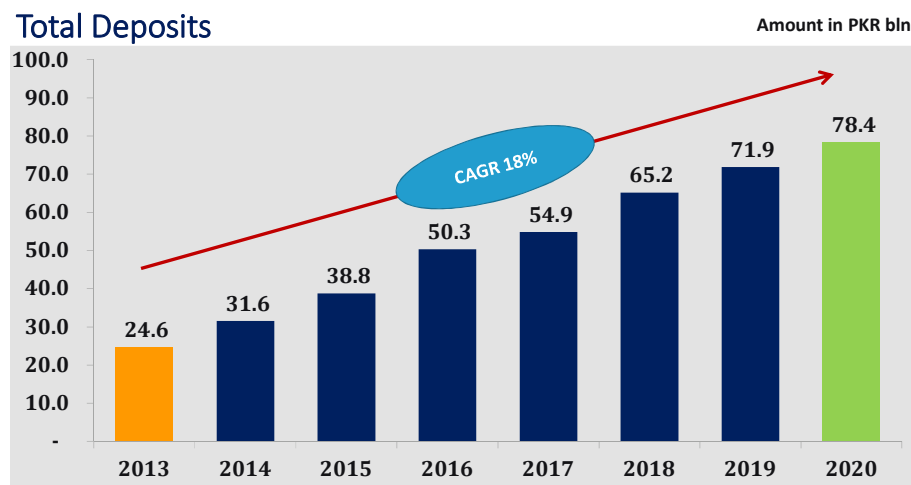
Total Assets



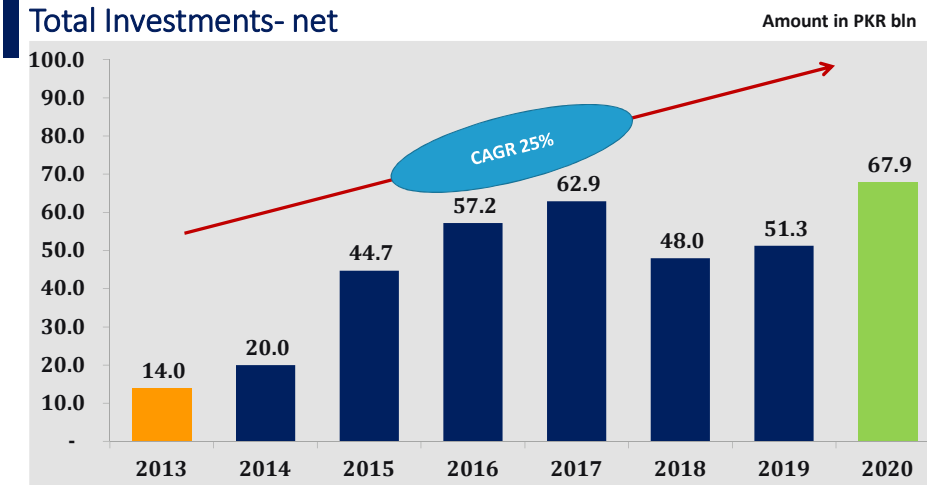
Total Loans & Advances- net



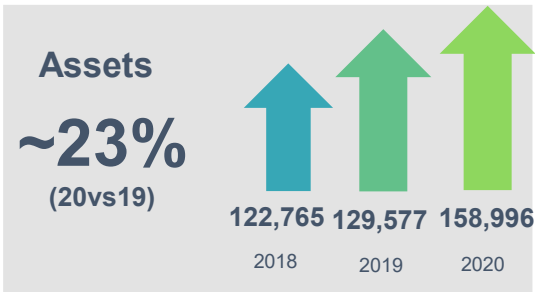
Total Deposits



Total Investments- net



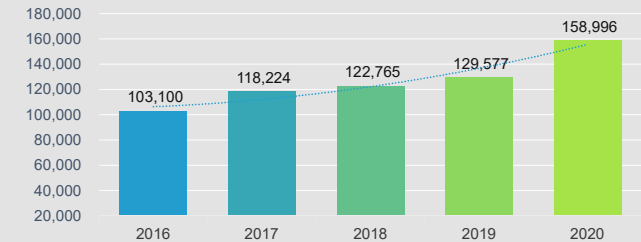
Balance Sheet - Analyses



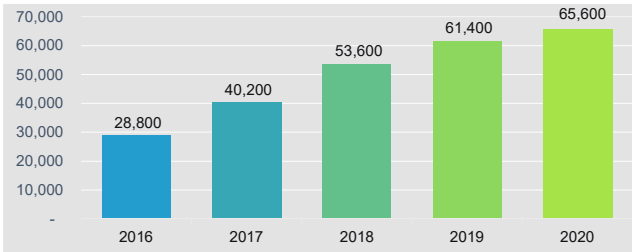
Management Analysis

- Balance sheet grew more than 22.7% at the back of trading book growth
- Increase in equity – robust ratios indicating strength and strong profile
- Strong capital base and Capital Adequacy Ratios evidencing mix of earning assets maintaining appropriate risk profile
- Diversified assets and loan base from corporate to Commercial, SME & consumer segments

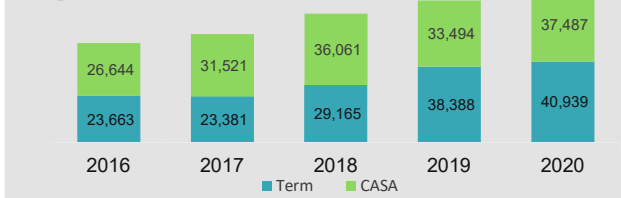
Balance sheet growth



Loans growth - net

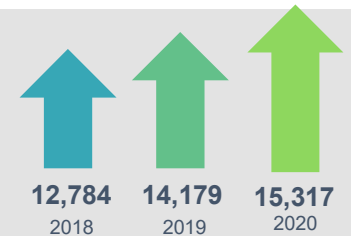


Deposits Mix

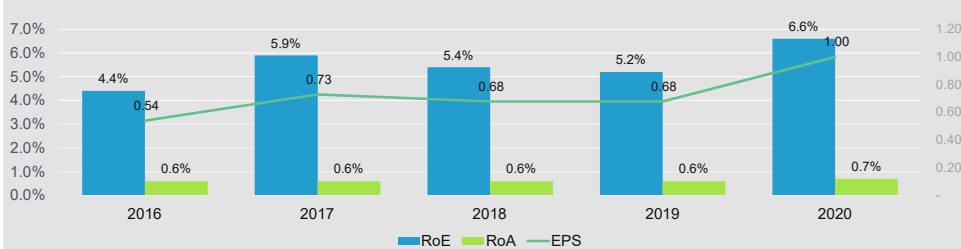


Equity

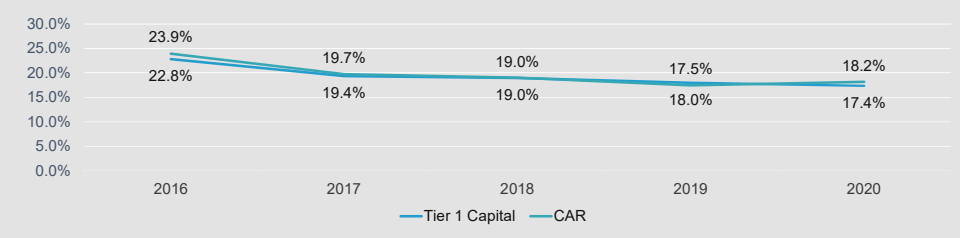
8% ('20vs19)



Returns on Assets & Equity



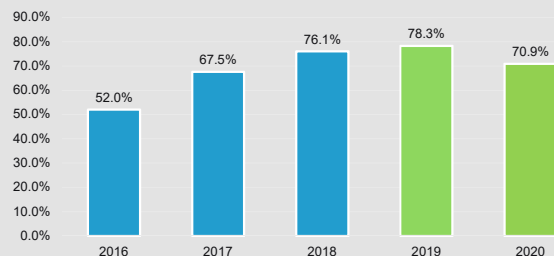
Capital Adequacy Ratios



Amounts in PKR million

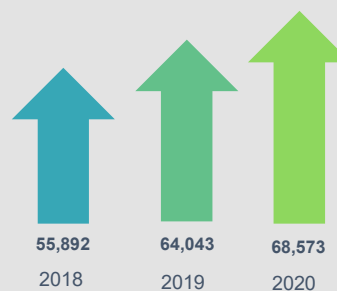
Balance Sheet – Assets & Liabilities Profile

Loan to Deposit Ratio*



Gross Loans

7%



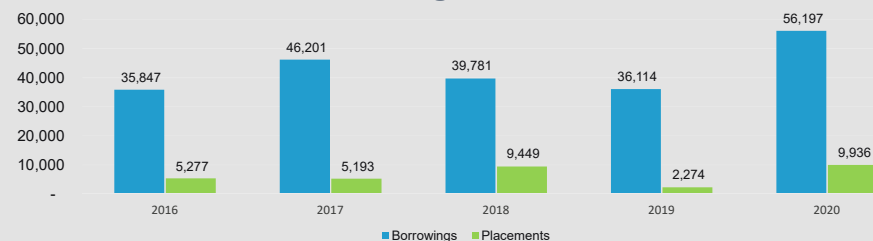
Net Loans vs Deposits



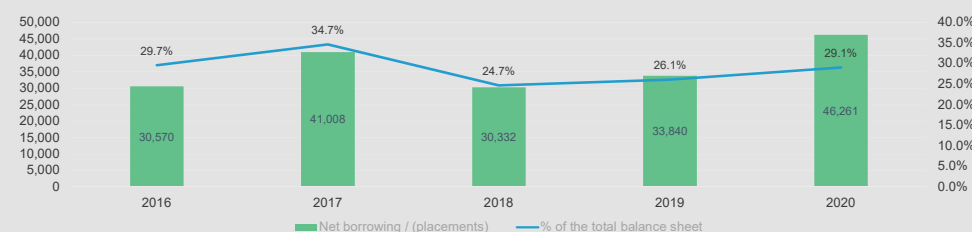
Management Analysis

- Loan to Deposit ratio stood at 70.9%, leaving the Bank well positioned to pursue its growth strategy
- 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

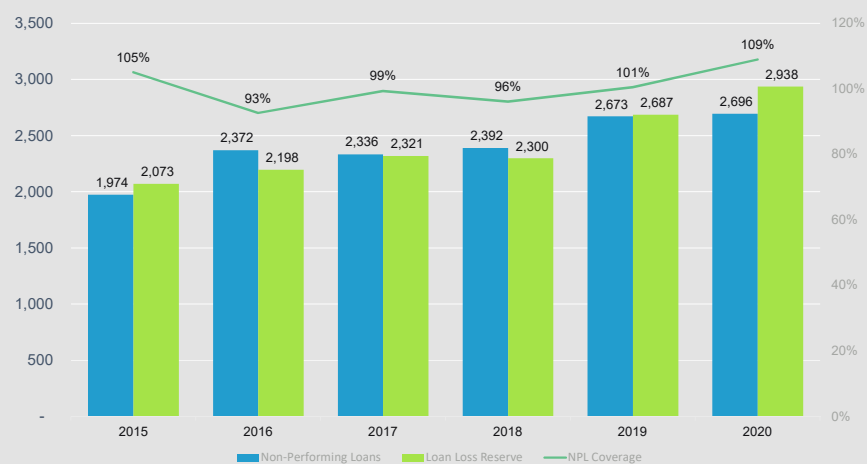
Amounts in Million PKR

Balance Sheet – Risk Management

Management Analysis

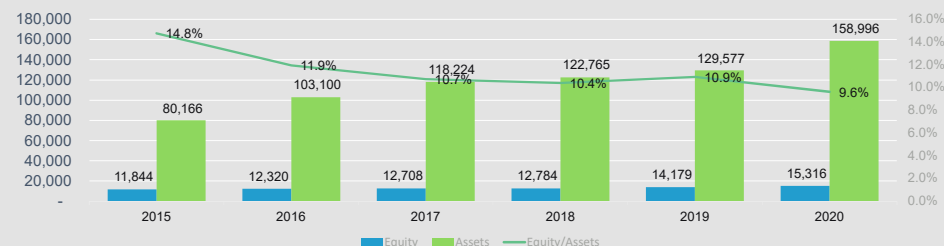
- Asset quality remains strong, underpinned by a low infection ratio and high coverage ratio
- Proactive risk classification & management
- Maintaining adequate loan loss coverage
- Samba has robust credit evaluation system which is corroborated by historical performances
- Cumulative impairment charges over the years have remained low compared to peer group

NPL Coverage Ratio

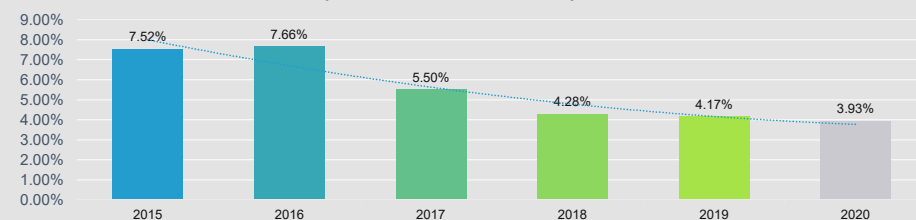


Amounts in Million PKR

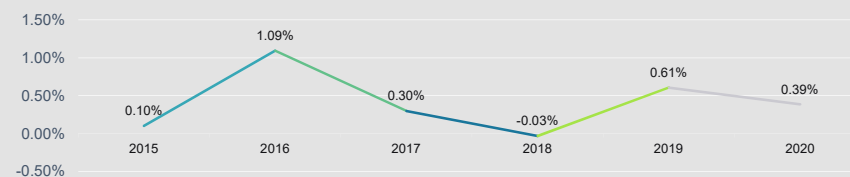
Equity/Assets



NPLs/Gross Loans (Portfolio Infection ratio)



Credit Impairment/ Gross Loans



SBL Transformation- *Bottom Line Profitability*

PBT

Amount in PKR mln



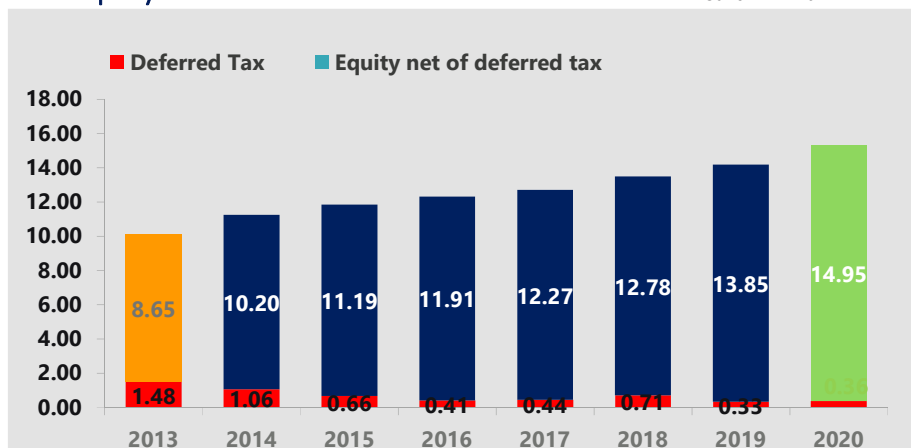
PAT

Amount in PKR mln

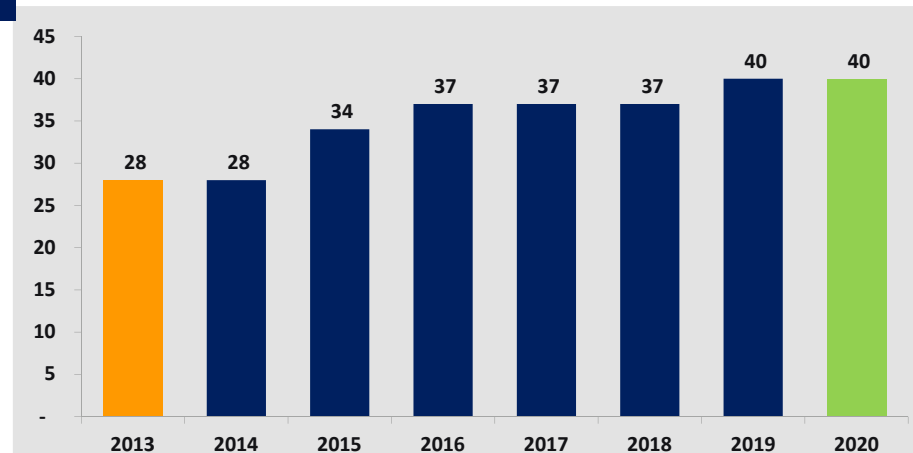


Total Equity

Amount in PKR bln



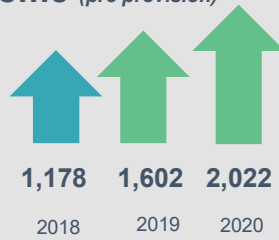
No of Branches



Income Statement

Operating Income (pre provision)

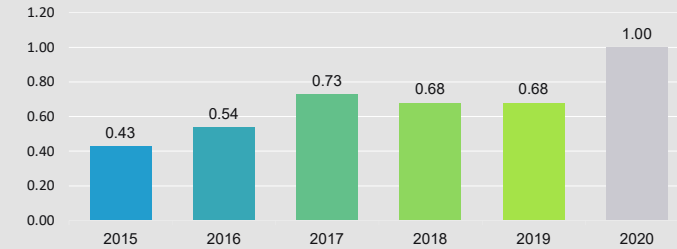
26%
20vs19



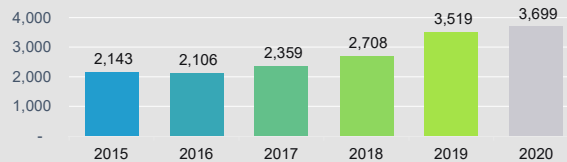
Management Analysis

- 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 to absorb any post Covid business shocks
- Declared its first dividend of 7.5% for its shareholders

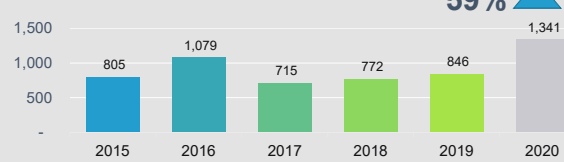
EPS (Rupees)



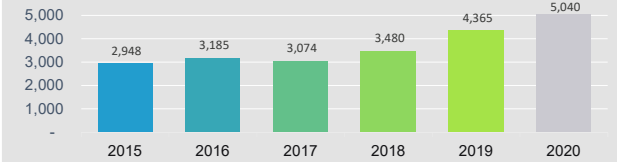
Net Revenue from Funds



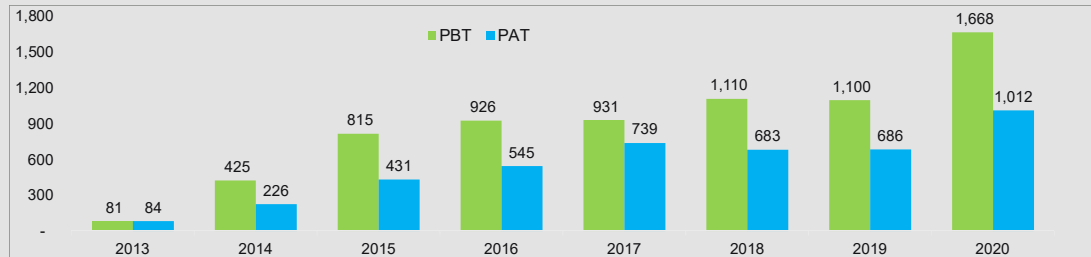
Non-Markup Income



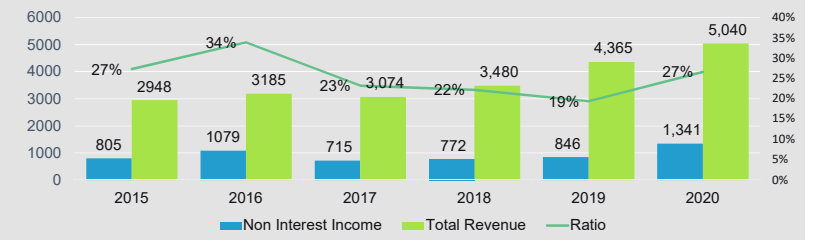
Revenues



Profitability - Growth



Non-Fund Income / Total Revenue



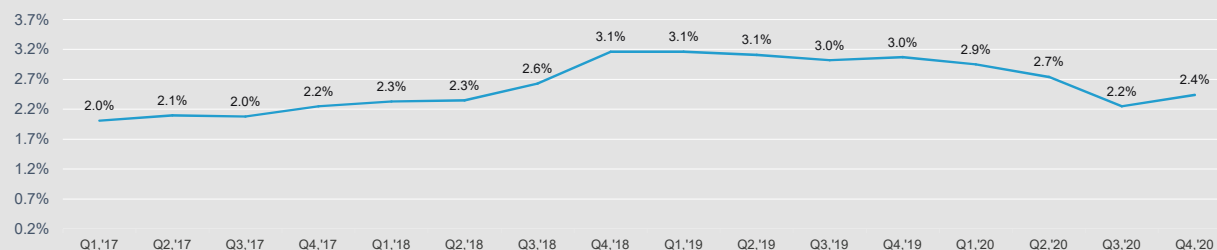
Amounts in PKR million

Income Statement Analysis

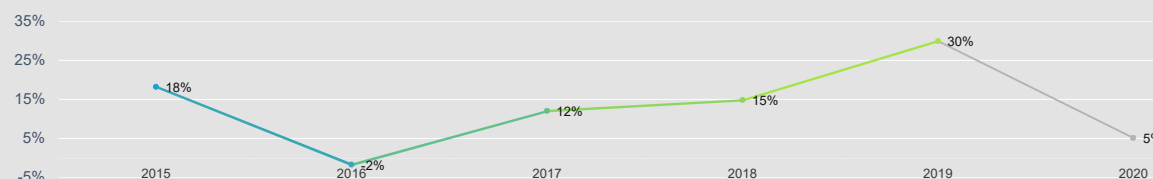
Management Analysis

- 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
- Low cost to income ratio. Samba has one of the lowest ratio in the sector

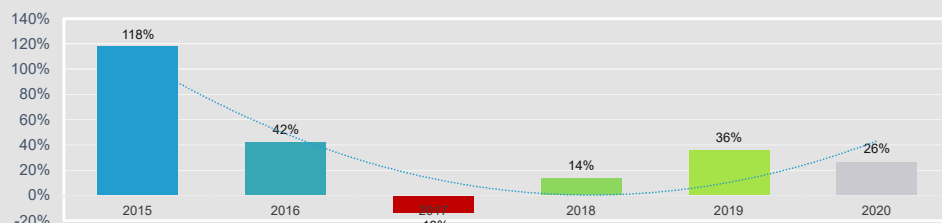
Net Interest Margin



Net Interest Income Growth



Operating Income Growth

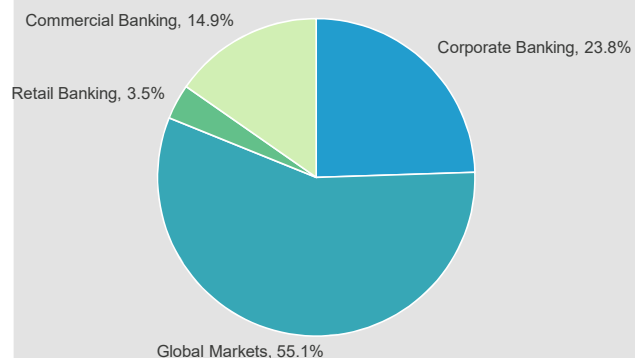


Cost to Income Ratio

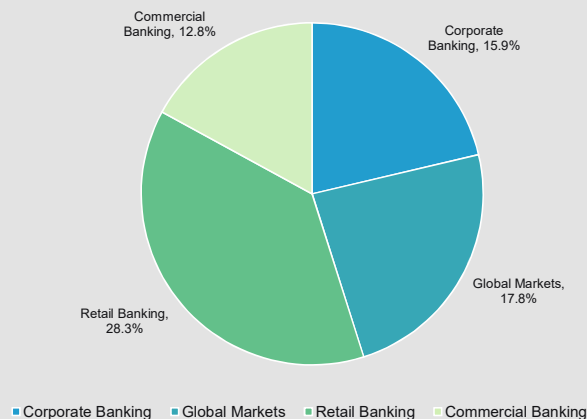


Business Segments Overview

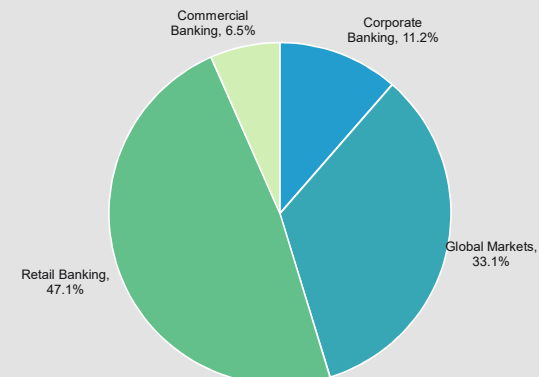
Total Assets by Segments (2020)



Revenue by Segments (2020)



Liabilities by Segments (2020)



Corporate Banking

Leading corporate banking business targeting a wide spectrum of clients.

Products and Services

- Current/time deposit accounts
- Liquidity management
- Payments & collection processing
- Cash delivery
- Electronic payment solutions
- Automated payroll processing
- Import/export related products
- Loan products
- Investment Banking

Consumer Banking

Provides retail banking products and services to individual clients

Products and Services

- 24/7 telephone, mobile & online banking
- Digital Banking
- Auto Loan
- Mortgage Finance
- Personal finance
- Branch & Digital account services
- Remittance business
- Wealth management services
- Priority banking
- Payroll & Collection Accounts

Treasury

Manages funding, liquidity and investment portfolio

Products and Services

- Money market
- Primary dealer
- Foreign exchange
- Rates trading
- Interest rate protection products
- Margin Trading
- Customized solutions
- Arbitrage

Commercial & SME Banking

Samba offers Commercial and SME Banking services

Products and Services

- Current/time deposit accounts
- Liquidity management
- Builders & Construction Finance
- Payments & collection processing
- Cash delivery
- Electronic payment solutions
- Automated payroll processing
- Import/export related products
- Loan products
- Investment Banking

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Q&A