

Ref # ComSec/PSX/066/2023

September 6, 2023

The General Manager

Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Subject: Corporate Briefing Session (CBS) of Samba Bank Limited

Dear Sir,

This is with reference to our previous communication regarding the Corporate Briefing Session (CBS) of Samba Bank Limited ("SBL") which will be held on Monday, 11th September 2023 at 11:00 a.m. at PSX Premises, Islamabad, physically and through Zoom, video conferencing.

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

Meeting ID: 885 5270 9046

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.

Sincerely yours,

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

Corporate Briefing Session

September 11 , 2023

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samba bank سامبا بینک

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Overview

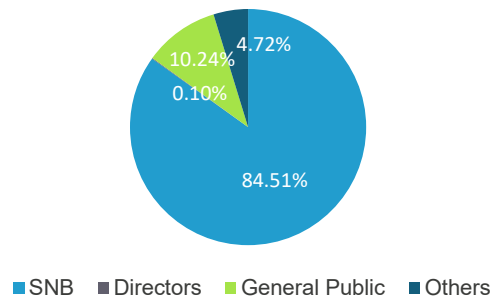
- Samba Bank Limited ("Samba" or the "Bank") is a subsidiary of Saudi National Bank, Kingdom of Saudi Arabia (ex Samba Financial Group).
- A well diversified franchise which operates through following segments and led by an experienced and cohesive management team:
(i) Wholesale Banking, (ii) Retail 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; further strengthened by issuance of PKR 5bn 10Yr TFC in March 2021.

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

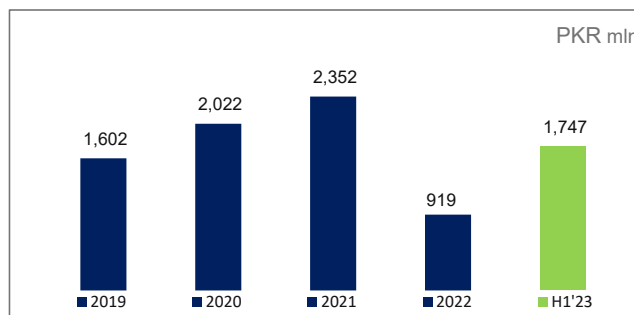
June 30, 2023



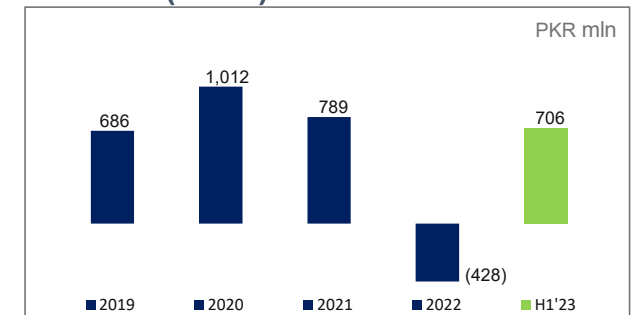
Shareholding - 2022



Profit before Provisions

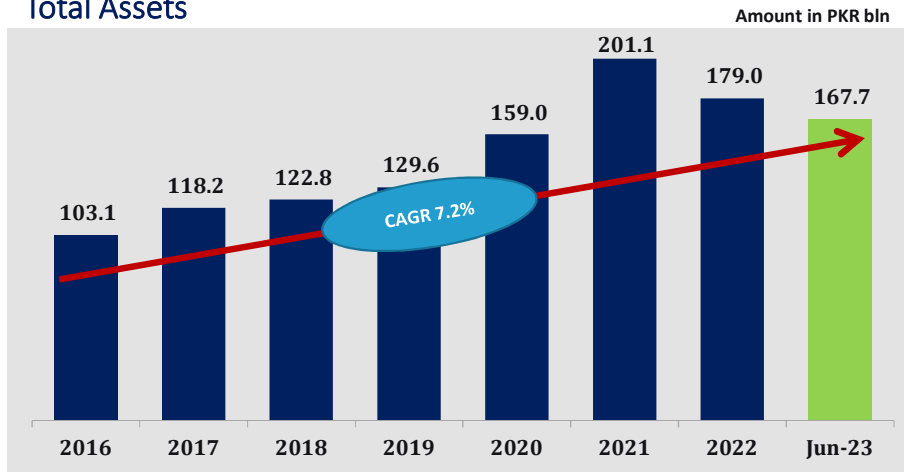


Profit / (Loss) After Tax

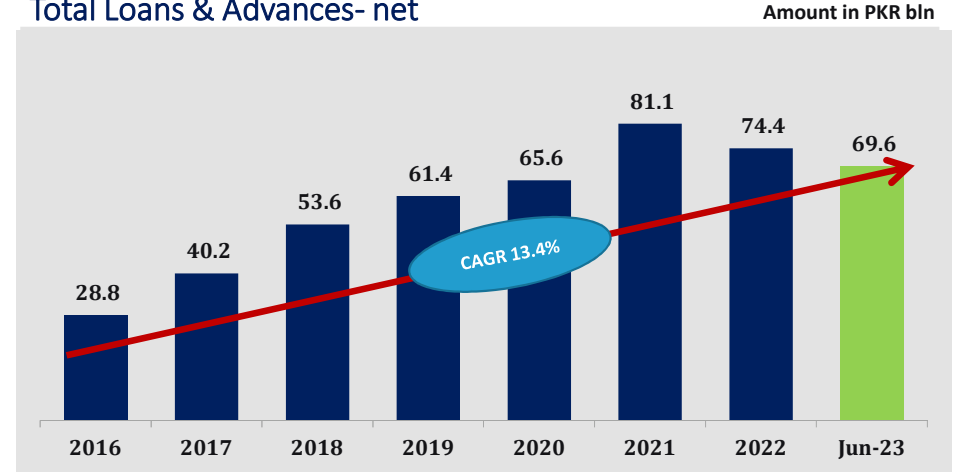


SBL Transformation- *Balance Sheet*

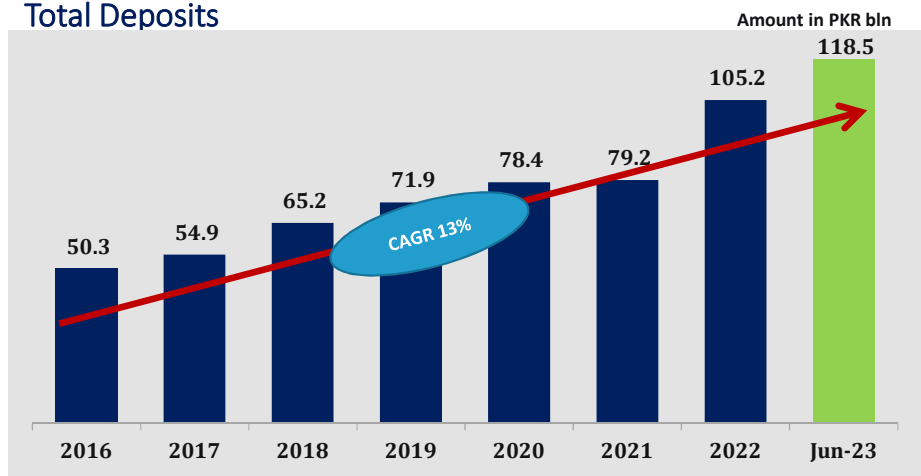
Total Assets



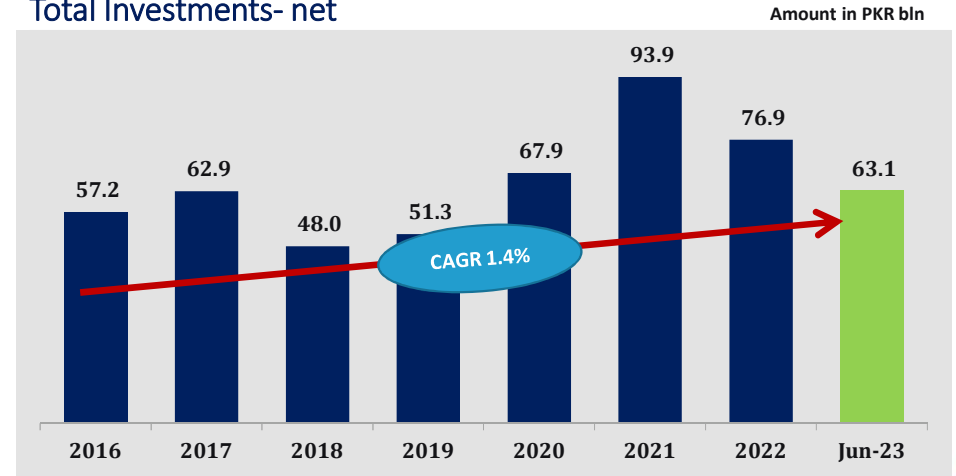
Total Loans & Advances- net



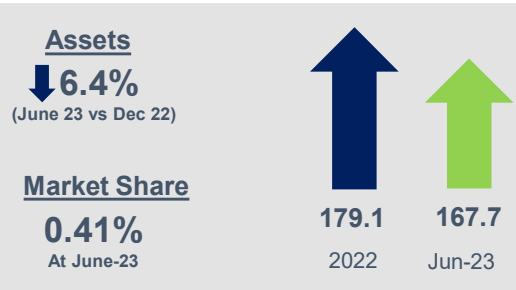
Total Deposits



Total Investments- net



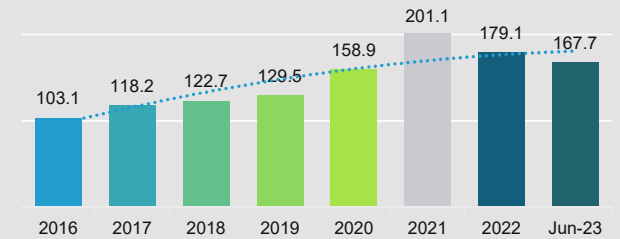
Balance Sheet - Analysis



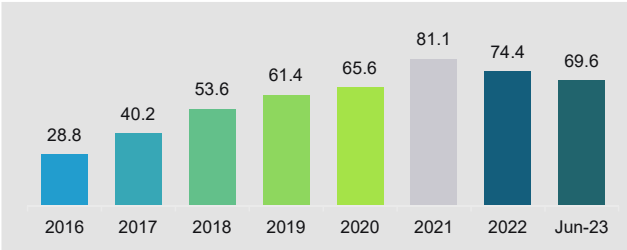
Management Analysis

- Balance sheet has been strategically reduced by 6% due to disposal of certain fixed rate bonds and equity investments.
- 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.

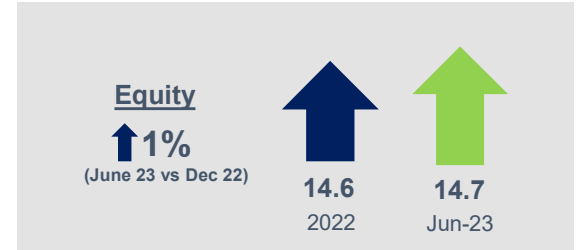
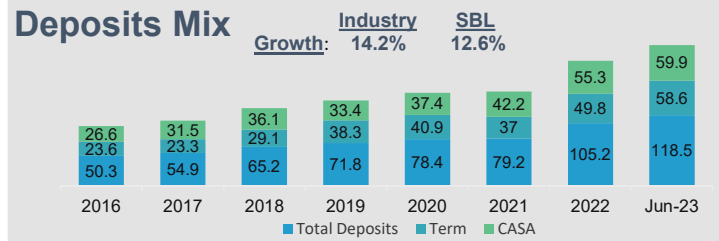
Balance sheet growth



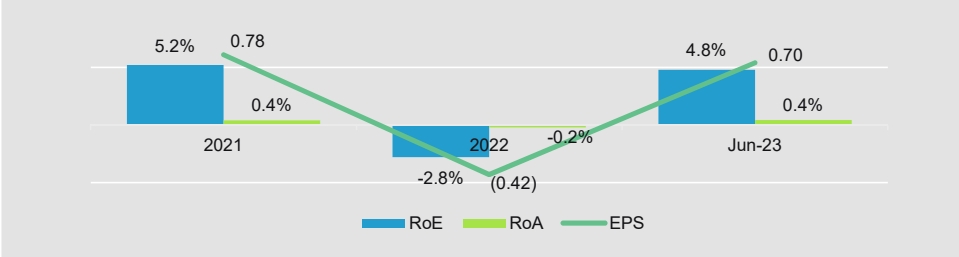
Loans growth - net



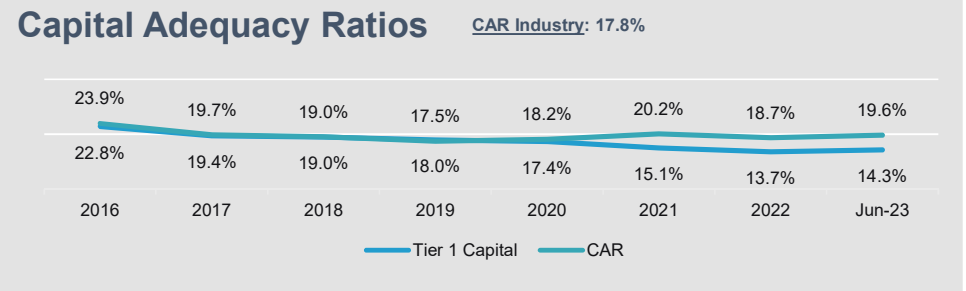
Deposits Mix



Returns on Assets & Equity



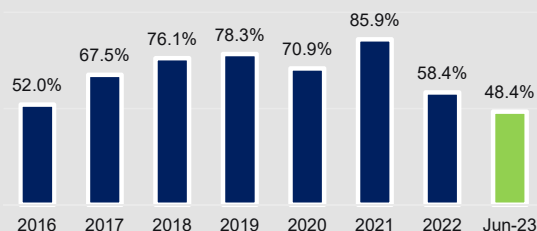
Capital Adequacy Ratios



Amounts in PKR billion

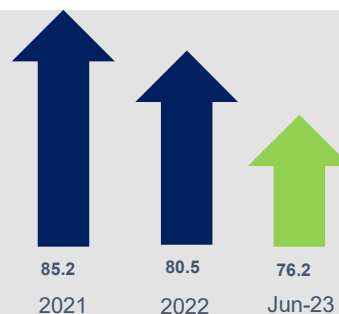
Balance Sheet – Assets & Liabilities Profile

Loan to Deposit Ratio*

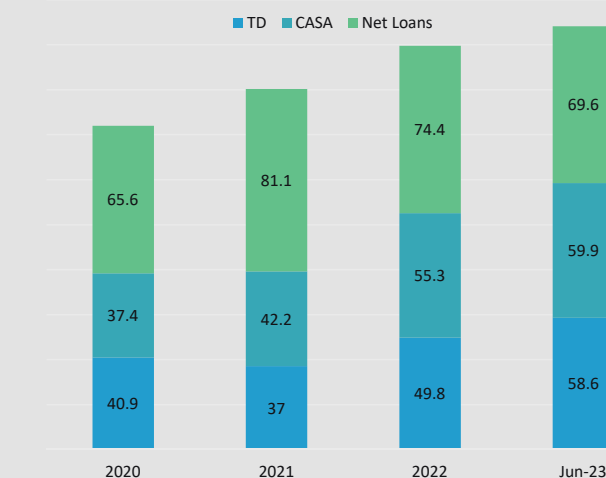


Gross Loans

↓ -5.3%
(June 23 vs Dec 22)



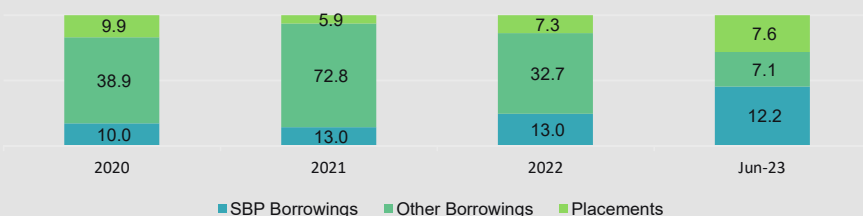
Net Loans vs Deposits



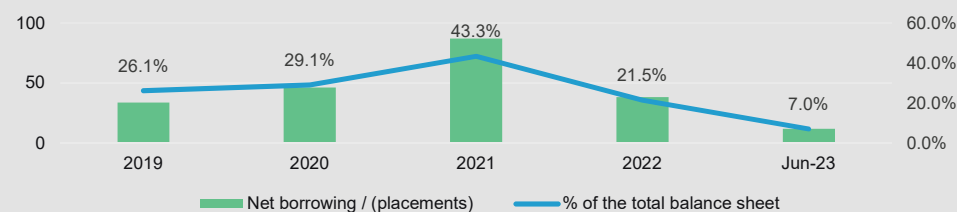
Management Analysis

- Net Loan to Deposit ratio stood at 48.4%, as against the industry which is at 45.0%, 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

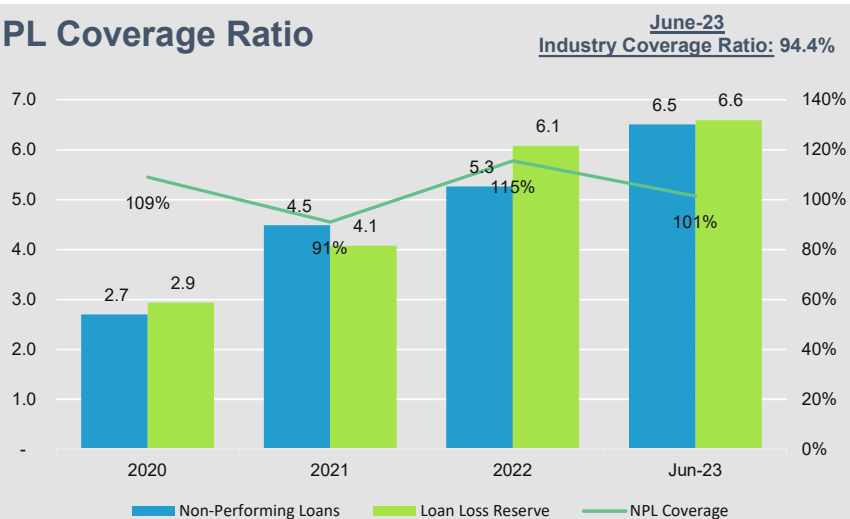
Amounts in PKR Billion

Balance Sheet – Risk Management

Management Analysis

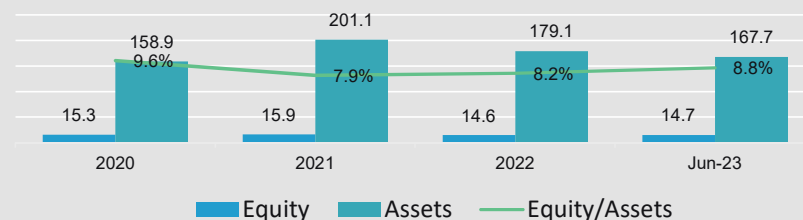
- Proactive risk classification & management.
- Maintaining adequate loan loss coverage.
- Samba has robust credit evaluation system which is corroborated by historical performances.
- Cumulative impairment charges over the years have remained low compared to peer group.

NPL Coverage Ratio

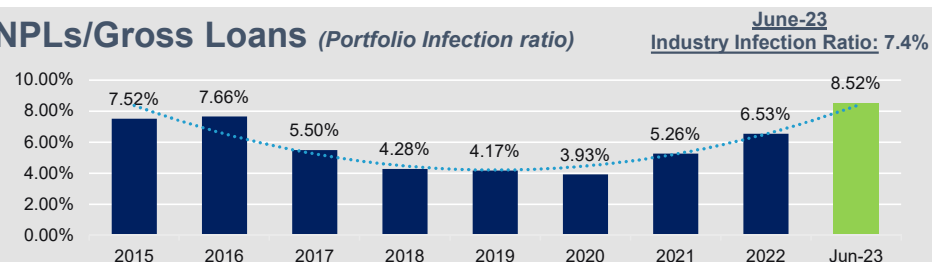


Amounts in PKR Billion

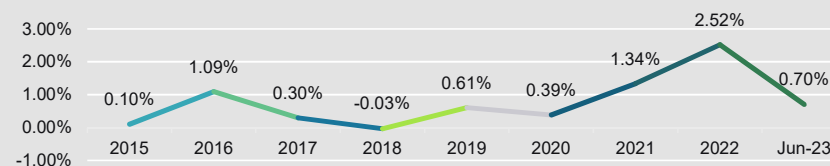
Equity/Assets



NPLs/Gross Loans (Portfolio Infection ratio)



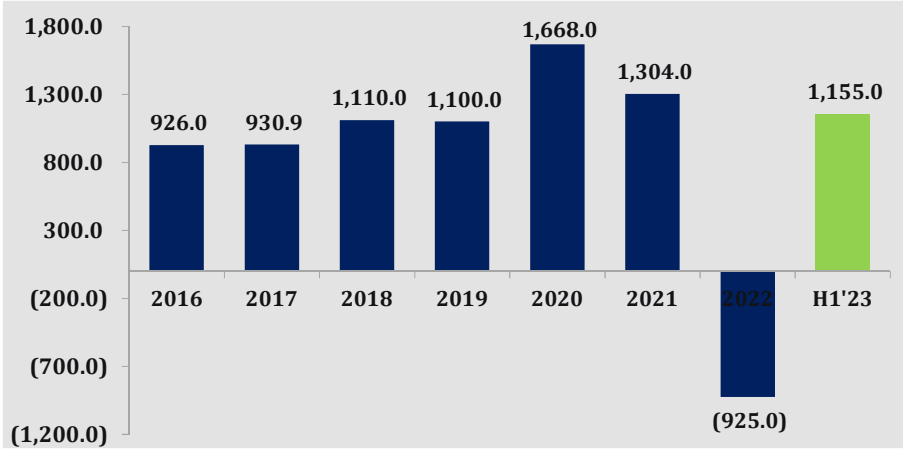
Credit Impairment/ Gross Loans



SBL Transformation- *Bottom Line Profitability*

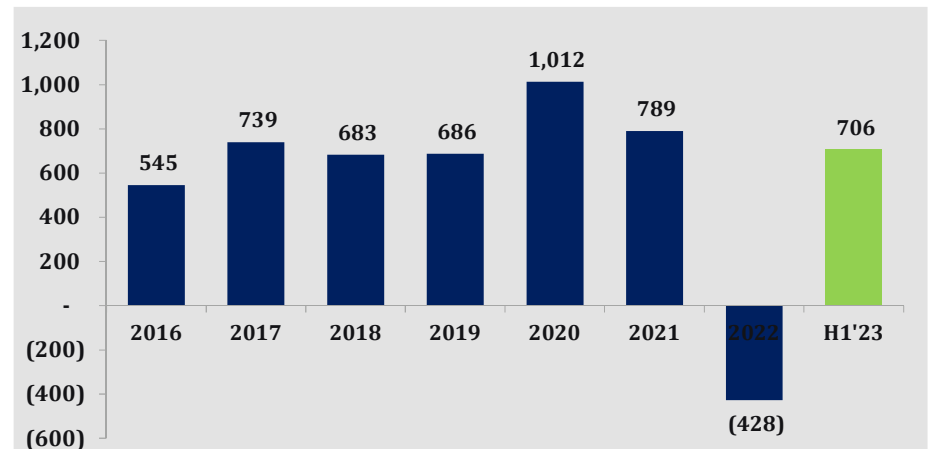
PBT

Amount in PKR mln



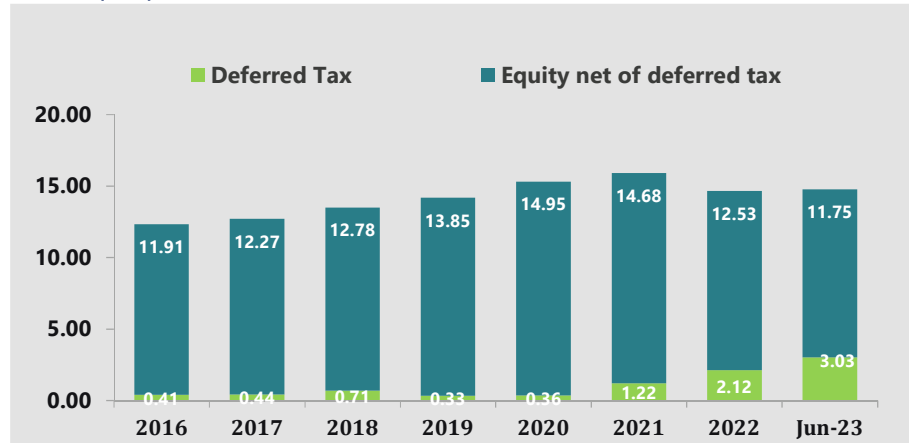
PAT

Amount in PKR mln

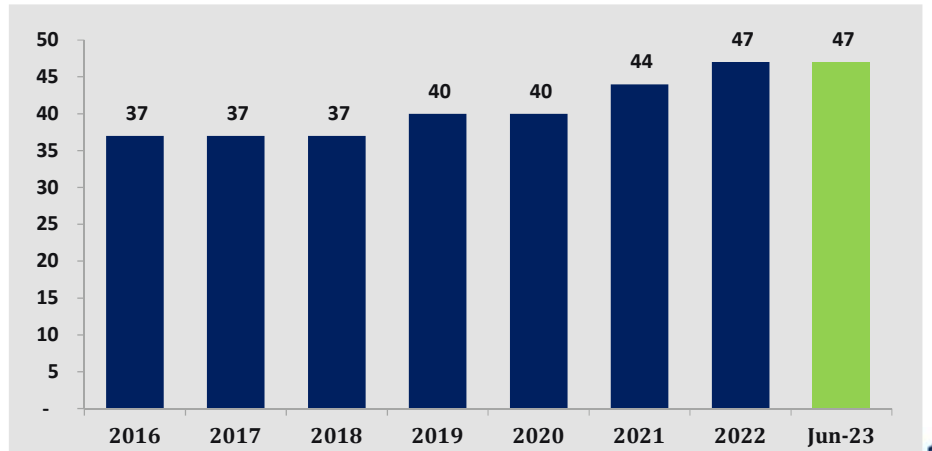


Total Equity

Amount in PKR bln

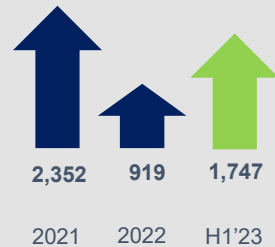


No of Branches



Income Statement

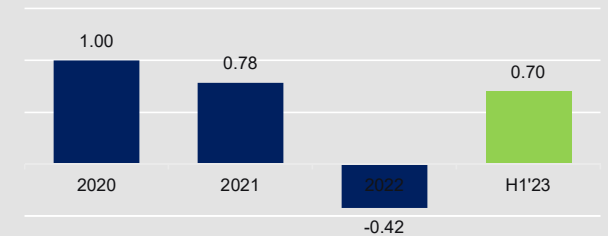
Profit before Provisions



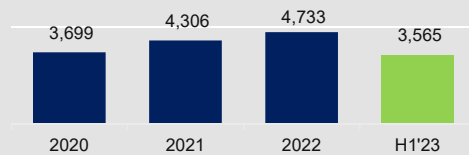
Management Analysis

- 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.

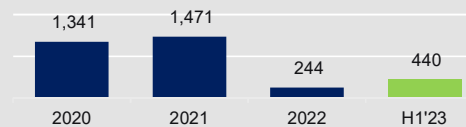
EPS (Rupees)



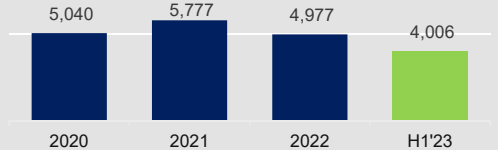
Net Revenue from Funds



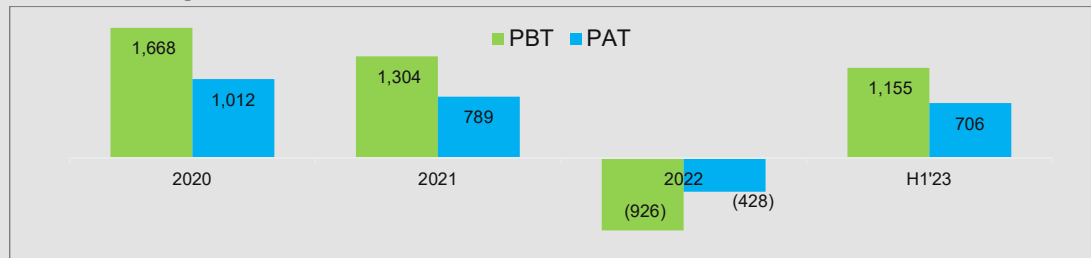
Non-Markup Income



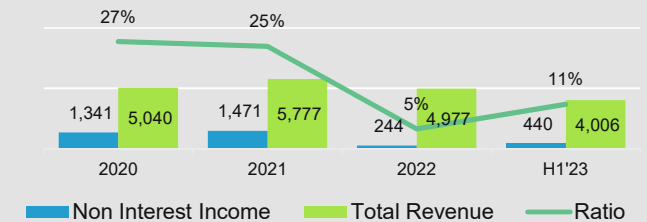
Total Income



Profitability - Growth



Non-Fund Income / Total Revenue



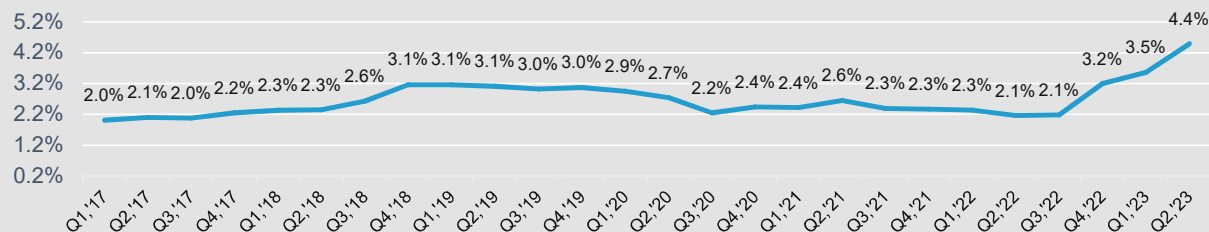
Amounts in PKR million

Income Statement Analysis

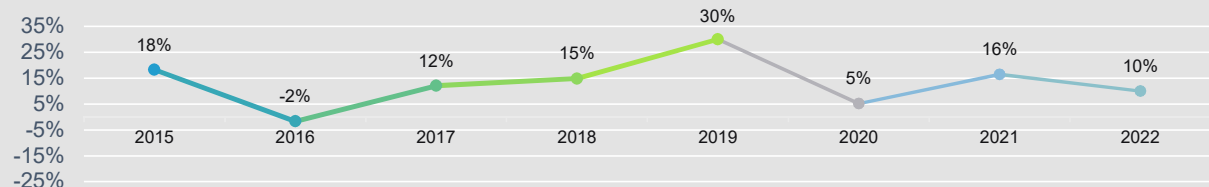
Management Analysis

- 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.

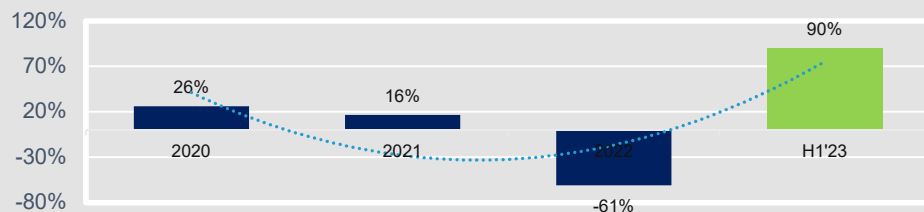
Net Interest Margin



Net Interest Income Growth*

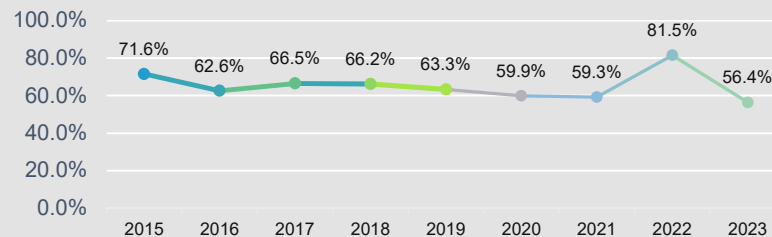


Operating Income Growth*



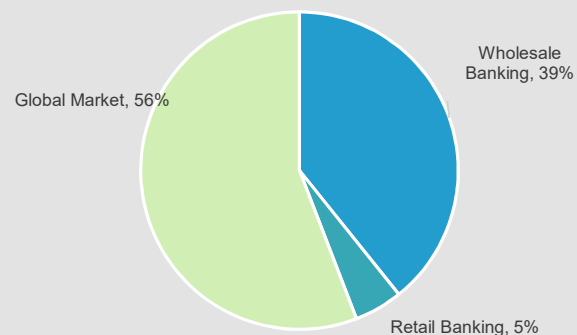
Cost to Income Ratio

June-23
Industry Cost to Income Ratio: 42.7%

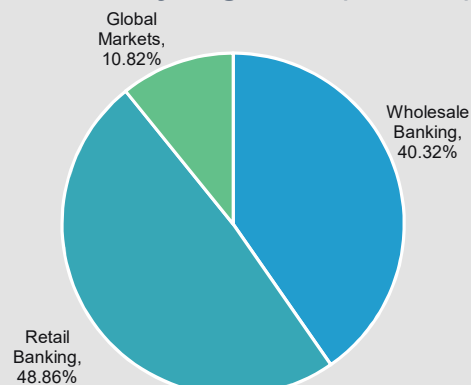


Business Segments Overview

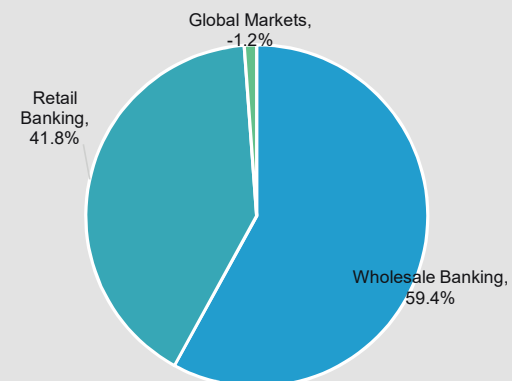
Total Assets by Segments (June-23)



Liabilities by Segments (June-23)



Revenues by Segments (H1, 2023)



Wholesale Banking

During the period, the Bank has restructured its business segments wherein Corporate Banking and Commercial Banking were merged into and became Wholesale Banking Group.

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

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

Global Markets (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

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

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Q&A