



Soneri Bank

SBL/Secy/PSX/24/288
06 December 2024

Through PUCAR& hand delivery

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Subject: **Corporate Briefing Session (CBS) Presentation - 2024**

Dear Sir,

This refers to our earlier letter bearing No. SBL/Secy/PSX/24/277 dated 03 December 2024 through which CBS intimation was conveyed.

In this respect, please find attached CBS Presentation – 2024 as per the format/contents advised by the PSX. This briefing session will be held on Monday, 09 December 2024 at 11:00 am via Zoom.

It is further notified that the Zoom connectivity link/details have already been sent to the registered participants via email.

Yours truly,



Muhammad Altaf Butt
Company Secretary

Encls: As above

Soneri Bank Limited

Corporate Briefing Session 2024

Note about forward-looking statements

This document contains or incorporates by reference “forward-looking statements” regarding the belief or current expectations of Soneri Bank Limited (the “Bank”), the Board of Directors, and members of senior management about the strategy, businesses and performance of the Bank.

Such statements are not historical facts; they include statements about our beliefs and expectations and the assumptions underlying them. These statements are based on plans, estimates and projections as they are currently available to the management of the Bank.

Forward-looking statements therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events. By their very nature, such statements involve risks and uncertainties, and therefore should not be taken as a direct representation regarding actual future performance. Actual results in the future may differ from those contained in any forward-looking statement.



Company Brief



Soneri Bank

Roshan Har Qadam

The Bank – At A glance



Commencement of Operations	April 1992
Registered Office	Lahore
Major Sponsors	Feerasta Family
Credit Rating (Long Term / Short Term)	AA- / A1+
Branches	540 (including 68 Islamic Branches and 15 IBWs)
Footprint (Cities Covered)	224 cities/towns in Pakistan
Market Share	1.87% of deposits
Assets*	PKR 719bn
Deposits*	PKR 580bn
Net Advances*	PKR 197bn
Total Equity*	PKR 31bn
Capital Adequacy Ratio*	18.60%
Sub-Debt (including Perpetual ADT 1 of Rs. 4 Bn)	PKR 8.0bn
Market Price (as of December 05, 2024)	PKR 17.84 per share

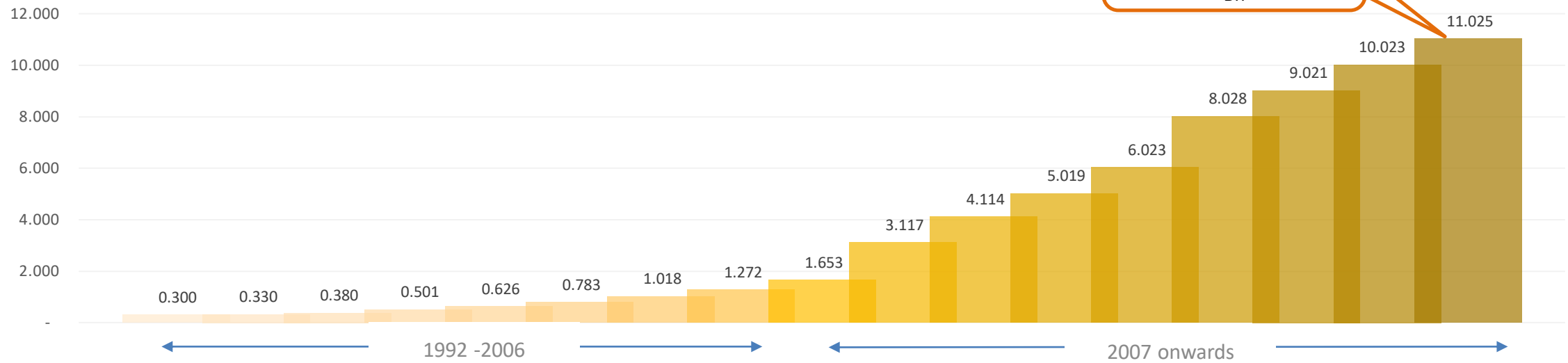
**Data as of September 30, 2024*

Governance Structure and Profile:

The Bank's primary sponsors are the Feerasta Family who collectively own majority share in the Bank. The Feerasta Family has diverse commercial interests ranging from manufacturing, exporting, banking and trade financing. The eight-member BoD, with diversified experience, comprises of three independent directors, four non-executive directors (including three members representing Sponsors; one NIT nominee), and the CEO, being the deemed executive director. Mr. Amin A. Feerasta having been associated with the Bank since 2000 was elected as the new Chairman of the Board earlier this year; after the sad demise of his father, Honourable Mr. Allauddin J. Feerasta.

Equity Progression

Our share capital over the years.....



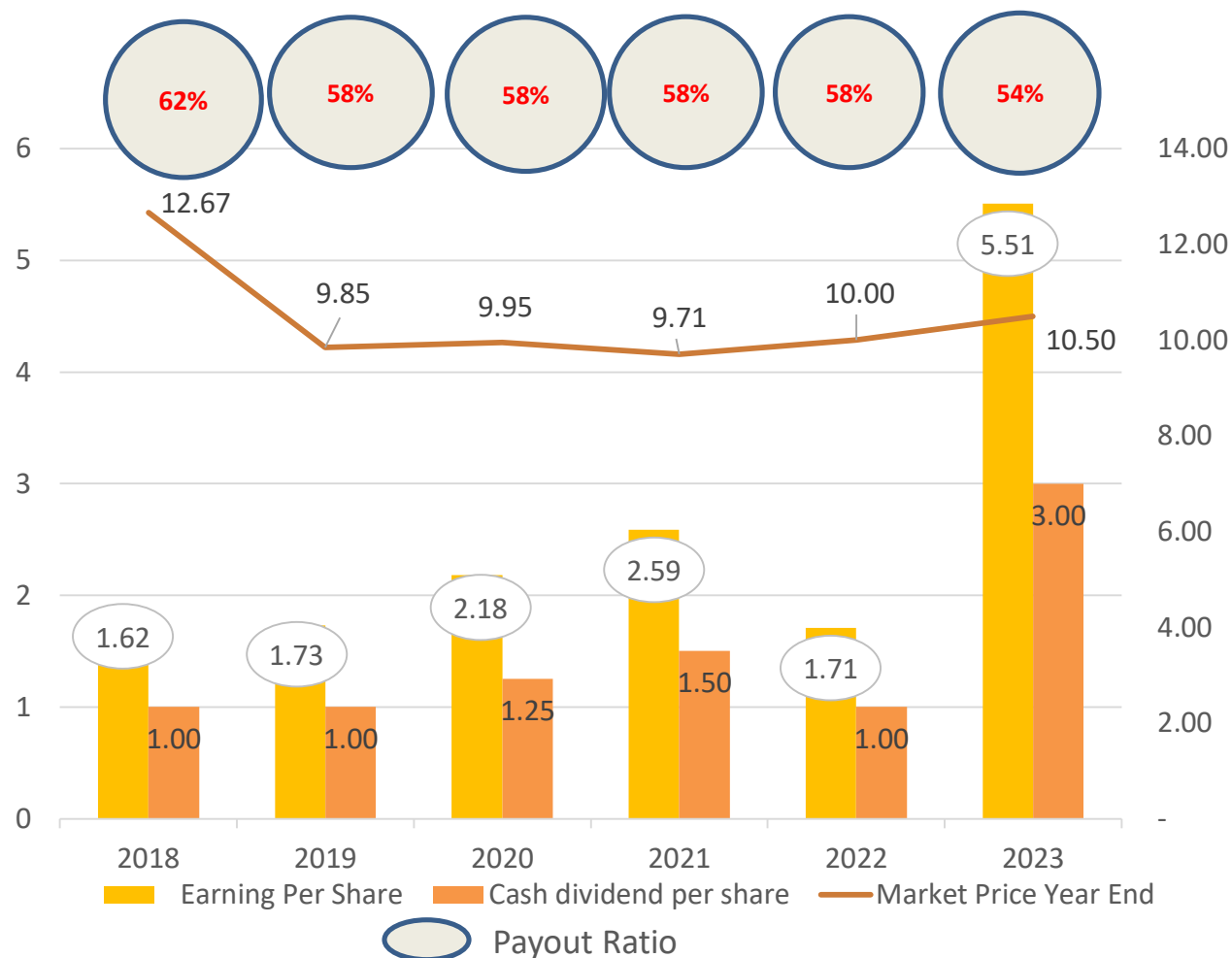
- Consistent cash dividend payout.
- The Bank has a free float at 330.79 Mn or 30% (September 2024).
- Our share has historically traded at a low BV multiple; but with the increase in payout in Rupee terms due to enhanced profitability, this multiple is improving.

Key Indicators	2019	2020	2021	2022	2023	9M2024
Cash dividend per share	10%	12.50%	15%	10%	30%	12.50%
Earning Per Share (Rs)	1.73	2.18	2.59	1.71	5.51	4.28
Market Value per share- period end (Rs)*	9.85	9.95	9.71	10.00	10.50	17.84
Market Value - High during the year (Rs)*	13.24	13.80	11.00	11.00	11.70	17.95
Market Value - Low during the year (Rs)*	9.01	7.76	8.40	8.50	8.14	9.40
Book Value per share (Rs)	18.33	21.00	19.62	19.18	25.95	27.70
Price to book value (net assets based)	0.54	0.47	0.49	0.52	0.40	0.64
Price to Earning Ratio	5.70	4.57	3.75	5.86	1.91	4.17
Total Equity (Rs in Bns)	20.21	23.16	21.64	21.15	28.61	30.55
Sub Debt (Rs in Bns)	7.0	7.0	7.0	8.0	8.0	8.0
Capital Adequacy Ratio	15.79	16.97	13.82	15.19	18.44	18.60

*Data up to December 05, 2024

Earnings, Payouts and Shareholding Pattern

Presented below is the Bank's Dividend payout, as compared to the earnings for the relevant year and the market price of the Bank's share.



Pattern of Shareholding – September 2024

Particulars	Shares (Millions)	Percentage
DIRECTORS, CEO & THEIR SPOUSES AND MINOR CHILDREN	15.72	1.43
ASSOCIATED COMPANIES	634.44	57.55
NIT	98.06	8.90
BANKS, DFI & NBFI	27.85	2.54
INSURANCE COMPANIES	0.02	0.00
MUTUAL FUNDS	0.66	0.05
GENERAL PUBLIC (LOCAL)	269.40	24.44
GENERAL PUBLIC (FOREIGN)	23.11	2.09
OTHERS	20.66	1.87
JOINT STOCK COMPANIES	8.52	0.77
FOREIGN COMPANIES	4.02	0.36
MODARABAS	0.00	0.00
Total	1,102.46	100.00

Key Developments

Key Developments

Enhanced Outreach through Network Expansion and Regular Sales Drives

Target Branches at year end 2024 are 544 branches with 68 Islamic Branches and 15 Islamic Banking windows

Penetration through focus on Digital Banking Solutions

Registration % of customers out of Eligible Digital Accounts has inched up to 57%

Persons with Disabilities (PWDs)

Candidates continue to be on-boarded; Model branches also in place

Till date, **97 new branches** have been added to our network in **2024** taking the total tally to **540**.

During the year, our retail teams successfully initiated drives to tap market potential and further increase the customer base, with a focus on client conversions, walk-in activations and dormancy reactivation.

Our target for 2025 is to add another **126 branches** to our network across Pakistan.

A number of new initiatives have been taken to enhance the user experience on the digital front, these include :

- Introduction of **Master Card Platinum Debit Card** enriching our offerings with premium benefits for our customers.
- **Enhanced Mobile Banking App** and **24/7 Call Center** introduction for improving accessibility and bolstering security measures.
- **POS acquiring through Third Party Model** and **New Debit Card Alliances** for customer benefits.

The Bank is compliant with the on boarding requirements for Persons with Disabilities (PWDs).

Specific sessions are conducted in house for awareness and training of our staff with respect to PWDs.

Key Developments

Improved / Enhanced / New Product Offerings

The Bank continues to improve its existing Product Suite to offer tailored solutions to customers based on their needs

Some of the Key Products Introduced /Enhanced this year:

- **Soneri Freelancer Account**– for facilitation of Freelancers engaged in IT and related services;
- **Soneri Roshan Savings Account** – Quarterly Profit payment;
- **Soneri Salaana Aamdani Account**–Annual profit payment;
- **Soneri Monthly Munafa Account** - Monthly Profit payment;

Additionally, Soneri Bank continues to provide Hajj Application facilitation – 3rd year running;

Priority Banking

Introduction of Priority Banking for our high net worth customers

We have recently launched Priority Banking services for our New to Bank High Net Worth customers maintaining quarterly average balance thresholds. Under this facility they would have the liberty to enjoy a host of **free** benefits and services from our Schedule of Charges.

Diversity, Equity and Inclusion

The Bank remains committed to Gender Equality, Equal opportunities for all and fosters a culture of inclusion.

The Learning and Development team arranged various workshops on gender sensitivity and workplace harassment. Such workshops aim to assist our staff in learning how to ensure the inclusion of all genders at work by building an empowering, encouraging and enabling work environment.

Financial Performance Review – 9M2024

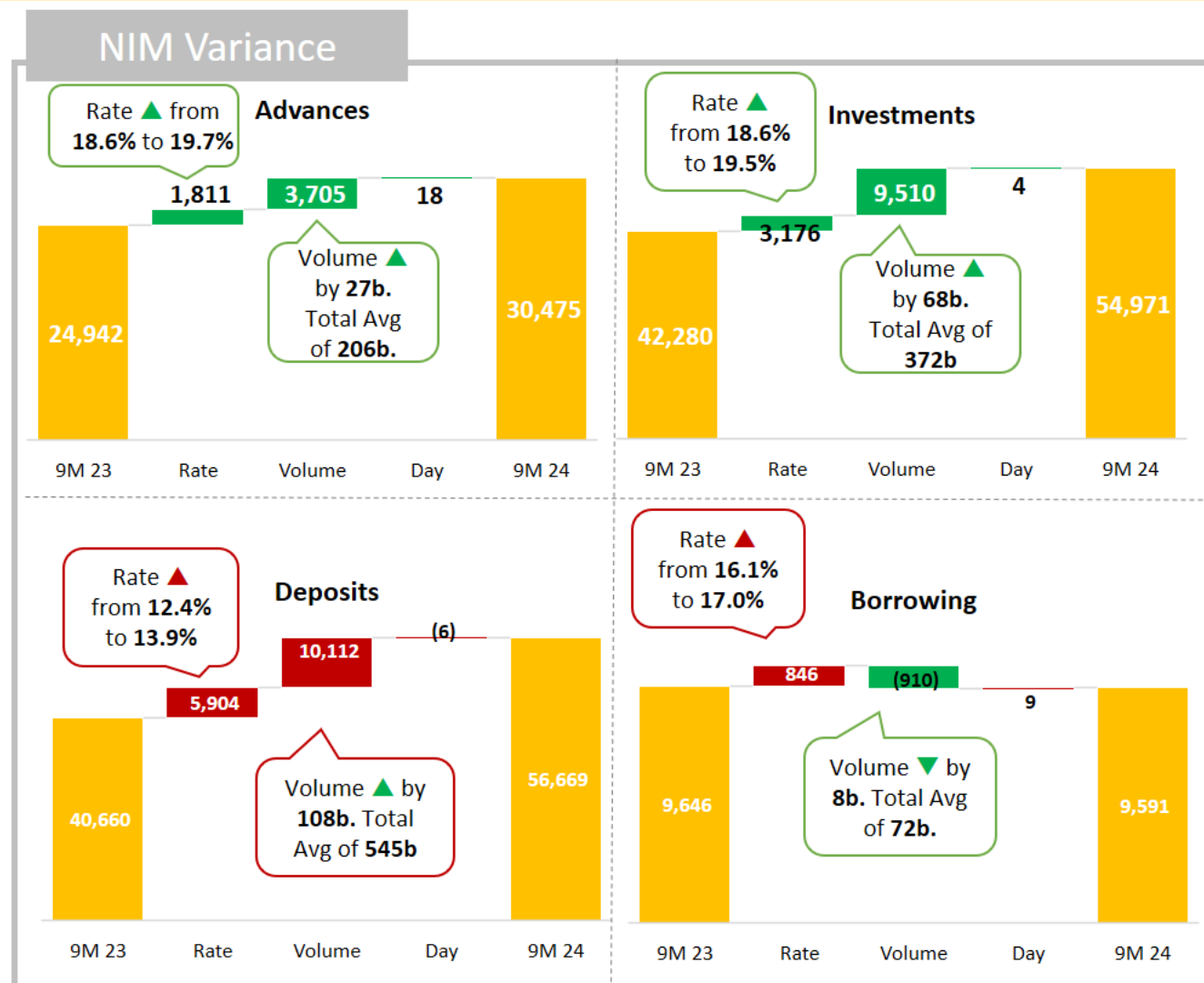


Soneri Bank

Roshan Har Qadam

Profit & Loss – September 2024

Rs'mn	9M 2024	9M 2023	Growth vs CPLY	
Markup Income	87,904	69,545	18,359	26%
Markup Expense	(69,656)	(53,444)	(16,211)	30%
NIM	18,248	16,101	2,147	13%
Fee Income	3,152	2,192	960	44%
FX	1,629	2,318	(689)	-30%
Core Revenue	23,029	20,610	2,419	12%
Capital (Loss) / Gain	251	(88)	339	386%
Dividend	113	169	(56)	-33%
Other Income	79	68	11	16%
Non Core Revenue	444	150	294	196%
Revenue	23,473	20,760	2,713	13%
Operating Expenses	(13,806)	(10,775)	(3,031)	28%
WWF & Other Charges	(230)	(231)	1	0%
Operating Profit	9,437	9,755	(317)	-3%
CL allowance a/g. Advances	144	(1,312)	1,456	111%
CL allowance a/g. Investments	85	0	84	100%
CL allowance a/g. Other	(34)	-	(34)	-100%
Write off & Others	(2)	(5)	3	52%
PBT	9,629	8,437	1,192	14%
Taxation	(4,912)	(4,293)	(620)	-14%
PAT	4,717	4,145	572	14%
EPS	4.28	3.76	0.52	
CIR	59.8%	53.0%	6.8%	



Balance Sheet – September 2024

	Sep 2024	Dec 2023	Growth vs YE 2023	
	Rs. Mn		Amount	%
Cash & balances with treasury banks	49,616	44,207	5,409	12%
Balances with Other Banks	1,714	1,459	255	17%
Lending to FI	5,939	-	5,939	-
Investment - Net	400,542	310,341	90,201	29%
Advances -Net	197,293	205,754	(8,461)	-4%
Fixed Assets	20,951	17,401	3,550	20%
Other Assets*	42,732	79,401	(36,669)	-46%
Total Assets	718,787	658,562	60,225	9%
Bills Payables	6,354	8,738	(2,384)	-27%
Borrowings	57,172	68,742	(11,569)	-17%
Deposits	580,041	517,869	62,172	12%
Lease liabilities	6,150	5,114	1,037	20%
Sub-Ordinated Loans	7,998	7,998	(1)	0%
Deferred Tax Liab. - Net	3,071	889	2,182	245%
Other Liabilities	27,448	20,599	6,849	33%
Total Liabilities	688,234	629,949	58,286	9%
Net Assets	30,553	28,613	1,940	7%
Share Capital	11,025	11,025	-	-
Reserves	6,076	5,133	943	18%
Surplus/ (Deficit) on Reval. of asset	4,865	1,661	3,203	193%
Unappropriated Profit	8,587	10,794	(2,207)	-20%
Represented By	30,553	28,613	1,940	7%

Investment Portfolio (PKR Mn)	Sep'24	Dec'23	Growth Vs Dec	
PIBs - Fixed	29,919	45,535	(15,616)	-34%
PIBs - Floating	196,125	159,604	36,522	23%
T Bills	140,287	76,395	63,892	84%
Shares & Mutual Funds	582	1,308	(726)	-55%
TFC's & Sukuks	2,529	2,944	(415)	-14%
Ijarah sukuks	26,958	26,970	(12)	0%
Gross Investments	396,400	312,755	83,645	27%
Prov. for diminution	(279)	(189)	(90)	48%
Surplus / (Deficit)	4,420	(2,226)	6,646	-299%
Net Investment	400,542	310,341	90,201	29%

Deposit Balances (PKR Mn)	Sep'24	Dec'23	Growth vs Dec	
CA	192,742	157,541	35,201	22%
SA	286,878	252,697	34,181	14%
CASA	479,620	410,238	69,382	17%
TD	100,421	107,631	(7,210)	-7%
Total	580,041	517,869	62,172	12%

Deposit Mix - EOP	Sep'24	Dec'23	Growth
CA	33.2%	30.4%	2.8%
SA	49.5%	48.8%	0.7%
CASA	82.7%	79.2%	3.5%
TD	17.3%	20.8%	-3.5%



Key Ratios

Profitability

Ratios	Sep 2024	Sep 2023
ROAE%	21.26%	23.97%
ROAA%	0.91%	0.96%
EPS	4.28	3.76
Effective Tax Rate	51.02%	50.88%
Yield - Earning Assets	19.77%	15.65%
CoF	14.44%	11.02%
NIM Spread	5.33%	4.64%
CIR	59.80%	53.01%

Asset Quality

Ratios	Sep 2024	Sep 2023
Infection %	3.62%	4.90%
Coverage %	95.9%	80.0%

Coverage including IFRS 9 is 119% for Sep'24.

Branch Performance (PKR m's)

Ratios	Sep 2024	Sep 2023
Deposit per branch	1,113	1,239
Revenue per branch	60	67
Cost per branch	36	30
PBT per branch	25	27
Branches	521	412

P&L Ratios are on annualized basis.

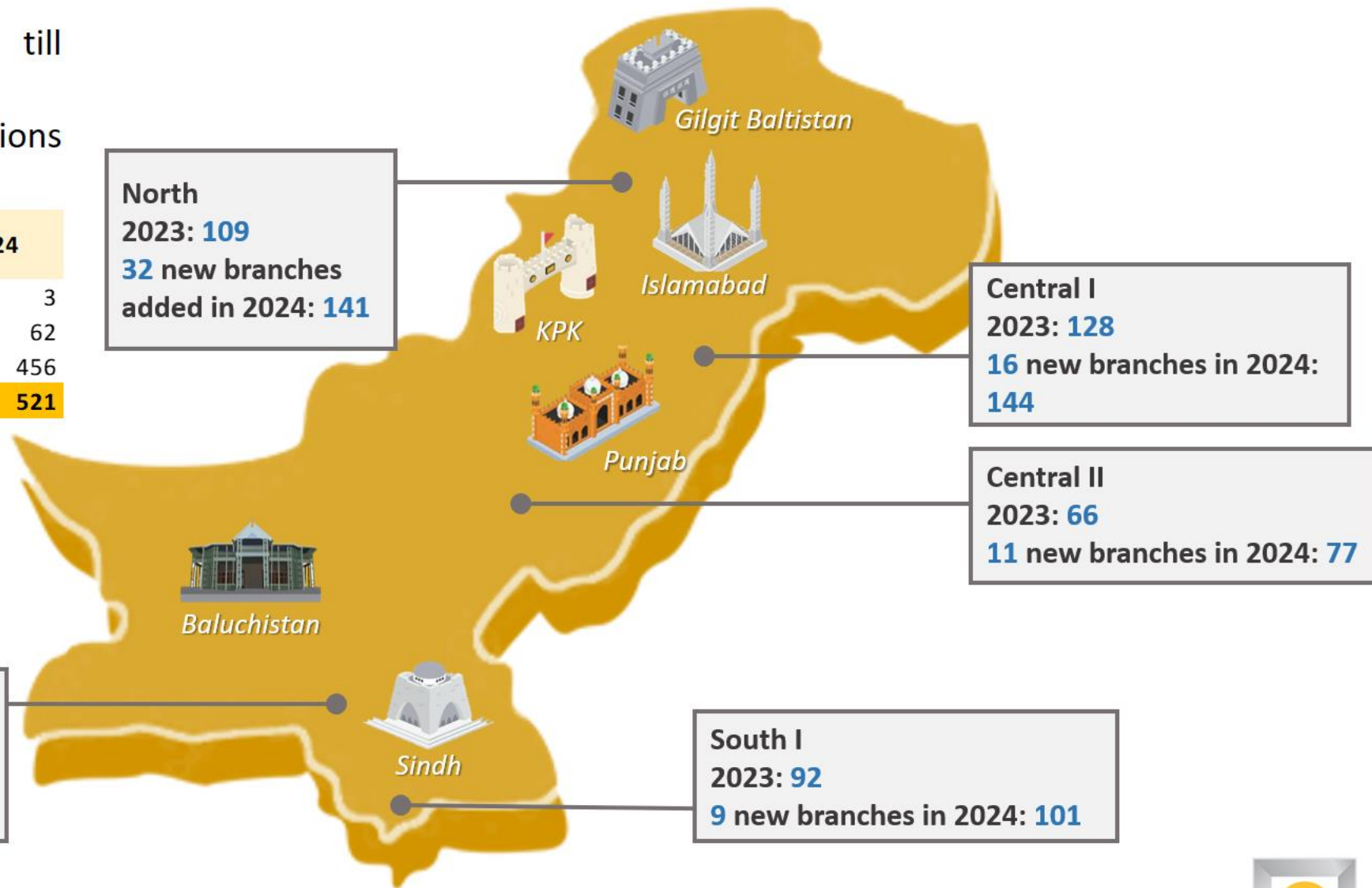
Branch Network Continues to Expand to **521** Branches (Sep'24)



78 new branches added till September 2024.

Overall 101 new additions targeted in 2024.

Segment	2023	New Additions	2024
Corporate	3	0	3
Islamic	45	17	62
Retail	395	61	456
Total Branches	443	78	521



Going Forward

Going forward

Our focus remains on:

- Balance Sheet Growth
- Creating Efficiency and Productivity
- Developing Human Capital
- Improving Shareholder Returns

- BOD approved operational plan is in place for tracking progress against initiatives. This continues to be monitored on a regular basis. Targeted goals continue to be added / realigned in line with the current business needs.
- We remain focused on deepening of existing relations along with on-boarding of new customers, using our digital platform and we plan to introduce Interoperable Digital Eco payment System for seamless transactions.
- In view of changes to tax laws, regulatory changes and the interest rate environment, the Bank has a process to revisit its KPIs and overall targets to protect the bottom line.
- Additionally, we are geared up for the upcoming transformation to Islamic Mode as envisioned by SBP by the year 2027. We have submitted an initial time bound action plan to SBP in this regards and are eyeing up conversion of **31%** of the branch network to Islamic by the end of 2025.

We expect to deliver improved returns, through reinforced sustainability measures, and by optimizing capital allocation so as to improve profitability, and enhance distributions to shareholders

Questions & Answers

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M.T. Khan Road, Karachi – 74000, Pakistan

Tel: (021) 111-567-890



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Roshan Har Qadam