

Ref # ComSec/PSX/071/2020
June 26, 2020

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

Subject: Material Information

Dear Sir,

Samba Financial Group ("SFG") of Kingdom of Saudi Arabia ("Kingdom") holding 84.51% shares in Samba Bank Limited ("SBL" or "the Bank") has informed us that they have entered into a Framework Agreement on 25 June 2020 with National Commercial Bank of Kingdom (the "**Framework Agreement**") in order to begin a reciprocal due diligence process and to negotiate definitive and binding terms of a potential merger of Samba (KSA) and National Commercial Bank (KSA) (the "**Proposed Transaction**").

Pursuant to the Framework Agreement, the parties have agreed on a non-binding basis that the Proposed Transaction, should it proceed, will be completed by way of a merger (pursuant to the Companies Law and the Merger and Acquisitions Regulations issued by the Board of the Capital Market Authority and other relevant laws and regulations of Kingdom) with National Commercial Bank being the merging bank and Samba being the merged bank.

The parties intend to conclude the reciprocal due diligence process and sign the definitive agreements in relation to the Proposed Transaction, if they agree to their final terms, within a period of four months from the date of this announcement.

It must be noted that neither Samba Financial Group nor National Commercial Bank is under an obligation to proceed with the Potential Transaction. Therefore, there can be no assurance that the Framework Agreement and the reciprocal due diligence process will result in the Proposed Transaction being agreed on a final and binding basis, or that if agreed, the Proposed Transaction will be completed. Completion of the Proposed Transaction will be subject to various conditions including, but not limited to, approval of the Saudi Arabian Monetary Authority, the Capital Market Authority, the General Authority for Competition and the shareholders of each of Samba and National Commercial Bank in accordance with applicable legal requirements.

We will keep the TRE holders informed about any further developments as and when brought to our notice by our majority shareholders.

With best regards



Syed Zia ul Hasnain Shamsi
Company Secretary

Samba Bank Limited

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