

NCB and Samba shareholders approve merger to create Saudi National Bank

- Saudi National Bank on track to launch on 1 April 2021
- Shareholders of NCB and Samba voted in favor of the merger of Samba into NCB and to change the name of NCB to Saudi National Bank
- Saudi National Bank will be by far the largest bank in Saudi Arabia with over SAR 896 billion (\$239 billion) in total assets, SAR 127 billion (\$34 billion) in shareholders' equity and a combined net profit of SAR 15.6 billion¹ (\$4.2 billion)
- Saudi National Bank will be headquartered in Riyadh

Riyadh/Jeddah – KSA, 2 March 2021 – National Commercial Bank (NCB) and Samba Financial Group (Samba) announced today that their shareholders have approved the historic merger to create a new Saudi banking champion and a regional powerhouse. The merged entity will be called Saudi National Bank and operations under the new name and structure are planned to start on 1 April 2021.

At separate Extraordinary General Assembly meetings held on 1 March 2021, shareholders of NCB and Samba voted overwhelmingly in favor of the merger. This follows earlier receipt of all regulatory approvals, including from the Saudi Central Bank (SAMA), General Authority for Competition (GAC), Capital Markets Authority (CMA), and Tadawul.

The merger will create a pre-eminent financial institution with significant value creation potential for shareholders, customers and employees, structured to finance economic development, support Vision 2030 and facilitate trade and capital flows with the region and the rest of the world. Saudi National Bank will be the number one Saudi bank with ~30% market share across all metrics² and benefit from increased scale, sharing of best practices and unprecedented depth of employee talent.

Saeed Al-Ghamdi, Chairman of NCB, said: "I want to express my sincere gratitude to the NCB shareholders for their tremendous support. The result of the vote at the EGA speaks volumes of how attractive the value proposition for this merger is. Saudi National Bank will deliver value not just for our esteemed shareholders, customers, and employees, but for the nation as a whole. We will be uniquely positioned to transform the Saudi banking sector and propel the Kingdom closer to its Vision 2030 goals and I am very grateful for the opportunity to serve the people of Saudi Arabia alongside my colleagues and create a bank that delivers value for all stakeholders."

Ammar Alkhudairy, Chairman of Samba, commented: "This vote of confidence for the merger confirms the compelling commercial and strategic rationale of the deal and I want to thank the Samba shareholders for their support. This is a historic milestone for the Saudi banking sector, which will now have a powerhouse that is truly 'a bank for all'. Saudi National Bank will unlock significant opportunities as a larger and exceptionally well-capitalized bank. I truly look forward to the journey ahead as we prepare to launch Saudi National Bank."

Saudi National Bank will benefit from a strengthened competitive position as a superior retail banking franchise and the largest wholesale lender in the Kingdom. With a robust capital base and

¹ Based on aggregated financials for the two banks as at 31 December 2020

² based on aggregated financials for the two banks as at H1' 20 and publicly available competitor information for Total Assets, Performing Loans, Customers' Deposits, H1'20 Operating Income and H1'20 Net Income

balance sheet, a balanced universal banking model, and improved liquidity, Saudi National Bank will be optimally positioned to compete regionally and locally.

Saudi National Bank will benefit from an experienced leadership team that will drive the realization of the bank's strategic objectives. Saudi National Bank's new management structure includes the following key appointments:

- Chairman: Mr. Ammar Alkhudairy
- Managing Director and Group CEO: Mr. Saeed Al-Ghamdi

In preparation for the proposed merger, NCB received approval from the CMA to increase its capital from SAR 30.00 billion to 44.78 billion in order to issue new shares in NCB to Samba shareholders with a share swap ratio of 0.739 NCB ordinary shares for each Samba ordinary share, upon closing of the transaction.

Samba shares will be de-listed from the Saudi Stock Exchange (Tadawul) on the effective date of the merger, and the company dissolved with all its assets, liabilities and operations transferring into Saudi National Bank.

For more information regarding the merger, visit www.NCBSambaStronger.com.

- Ends -

About NCB

The National Commercial Bank (NCB) is Saudi Arabia's largest financial institution. Since its foundation in 1953, people have considered NCB a trusted partner in their professional and personal lives, and a symbol of innovation and leadership.

NCB's growth and development over 66 years has mirrored the Kingdom's progress towards modernity and continuous improvement. Today, NCB has a unique bond of trust with its more than 7.4 million customers, meeting their needs through outstanding products, services, and innovative solutions as well as harnessing technology to enhance their experience.

NCB has defined its vision to be the "Premier Financial Services Group in the Region", and to achieve this, NCB defined its strategic aspirations as: to be Number One in Revenues and Profit; Best Digital Bank; Best in Customer Service, Employer of Choice". The Bank's success in pursuing these aspirations was reflected in its eight consecutive years of outstanding financial results.

About Samba

Samba Financial Group (Samba) is a Saudi institution forging the way ahead in banking and financial services by pioneering new products and cutting-edge solutions. For more than 40 years, Samba has provided its clients with a comprehensive suite of products and services ranging from retail, corporate, institutional, private and investment banking.

Samba's vision is to use technology to drive efficiency, customer service quality, accuracy, and shareholder value. As a leader in the Saudi banking and financial sector, Samba plays a key role in supporting the needs of institutions and leading corporate entities in Saudi Arabia, while also servicing clients through a growing international footprint. At the heart of this enviable status is Samba's



steadfast commitment to constantly look ahead at opportunities to continuously provide superior banking and investment services, greater value and a faster service to customers while also making Samba a great place to work and learn.

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