

SEYLAN BANK PLC

MARKET DICIPLINE -
MINIMUM DISCLOSURE REQUIREMENTS
UNDER PILLAR III
as per Direction 01. of 2016

As at 30.06.2025

Template 1
Key Regulatory Ratios - Capital and Liquidity

Item	Minimum Requirement	Reporting Period 30.06.2025	Previous Reporting Period 31.12.2024
<i>Regulatory Capital (LKR'000)</i>			
Common Equity Tier 1 Capital		64,494,865	66,565,265
Tier 1 Capital		64,494,865	66,565,265
Total Capital		82,707,589	86,836,617
<i>Regulatory Capital Ratios (%)</i>			
Common Equity Tier 1 Capital Ratio	7.00%	13.14%	14.25%
Tier 1 Capital Ratio	8.50%	13.14%	14.25%
Total Capital Ratio	12.50%	16.85%	18.59%
Leverage Ratio	3.00%	7.48%	8.16%
Net Stable Funding Ratio	100.00%	136.35%	144.76%
<i>Regulatory Liquidity</i>			
<i>Liquidity Coverage Ratio</i>			
Liquidity Coverage Ratio - Rupee	100.00%	306.44%	415.75%
Liquidity Coverage Ratio - All Currency	100.00%	295.22%	491.37%

Template 2
Basel III Computation of Capital Ratios

Item	Amount (LKR'000)	
	Reporting Period 30.06.2025	Previous Reporting Period 31.12.2024
Common Equity Tier I (CETI) Capital after Adjustments	64,494,865	66,565,265
Common Equity Tier I (CET1) Capital	65,293,246	67,540,308
Equity capital (Stated Capital)/Assigned Capital	21,693,370	21,693,370
Reserve fund	3,383,537	3,383,537
Published Retained Earnings/(Accumulated Retained Losses)	38,802,204	41,026,970
Published Accumulated Other Comprehensive Income (OCI)	713,560	735,856
General and Other Disclosed Reserves	700,575	700,575
Unpublished Current Year's Profit/Loss and Gains reflected in OCI	-	-
Ordinary Shares issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-
Total Adjustments to CET1 Capital	798,381	975,043
Goodwill (net)		
Intangible Assets (net)	687,759	669,783
Others	110,622	305,260
Additional Tier 1 (AT1) Capital after Adjustments		
Total Additional Tier 1 (AT1) Capital		
Qualifying Additional Tier 1 Capital Instruments		
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties		
Total Adjustments to AT1 Capital		
Investment in Own Shares		
Others (Specify)		
Tier 2 Capital after Adjustments	18,212,724	20,271,352
Total Tier 2 Capital	18,212,724	20,271,352
Qualifying Tier 2 Capital Instruments	12,596,067	14,862,159
Revaluation gains	1,056,224	698,403
Loan Loss Provisions (General Provision)	4,560,433	4,710,790
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties		
Total Adjustments to Tier 2	-	-
Investment in own shares		
Others (Specify)	-	-
Total Tier 1 Capital	64,494,865	66,565,265
Total Capital	82,707,589	86,836,617
Total Risk Weighted Assets (RWA)	490,765,914	467,186,255
RWAs for Credit Risk	436,687,128	413,638,750
RWAs for Market Risk	7,269,203	7,384,753
RWAs for Operational Risk	46,809,583	46,162,752
CET1 Capital Ratio (including Capital Conservation Buffer, Counter cyclical Capital Buffer & Surcharge on D-SIBs) (%)	13.14%	14.25%
of which: Capital Conservation Buffer (%)	2.500%	2.500%
of which: Counter cyclical Buffer (%)		
of which: Capital Surcharge on D-SIBs (%)		
Total Tier 1 Capital Ratio (%)	13.14%	14.25%
Total Capital Ratio (including Capital Conservation Buffer, Counter cyclical Capital Buffer & Surcharge on D-SIBs) (%)	16.85%	18.59%
of which: Capital Conservation Buffer (%)	2.50%	2.50%
of which: Counter cyclical Buffer (%)		
of which: Capital Surcharge on D-SIBs (%)		

Template 3
Computation of Leverage Ratio

Item	Amount (LKR'000)	
	Reporting Period 30.06.2025	Previous Reporting Period 31.12.2024
Tier 1 Capital	64,494,865	66,565,265
Total Exposures	861,885,119	816,211,801
On-Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	809,670,481	775,112,320
Derivative Exposures	413,508	128,413
Securities Financing Transaction Exposures	1,812,155	3,684,374
Other Off-Balance Sheet Exposures	49,988,975	37,286,694
Basel III Leverage Ratio (%) (Tier 1/Total Exposure)	7.48%	8.16%

Template 4
Basel III Computation of Liquidity Coverage Ratio

Item	Amount (LKR'000)					
	Reporting Period - 30.06.2025			Previous Reporting Period - 31.12.2024		
	Total Un-weighted Value	Factor (%)	Total Weighted Value	Total Un-weighted Value	Factor (%)	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)			242,858,209			223,826,704
Total Adjusted Level 1A Assets	238,317,049	100%	238,317,049	206,615,131	100%	206,615,131
Total Adjusted Level 2A Assets	5,454,431	85%	4,636,267	19,995,546	85%	16,996,215
Total Adjusted Level 2B Assets	187,258	50%	93,629	229,167	50%	114,583
Total Cash Outflows			159,092,979			144,582,490
Deposits	494,162,062	10%	49,416,206	486,955,845	10%	48,695,584
Unsecured Wholesale Funding	174,891,096	25% -100%	87,442,558	160,362,864	25% -100%	79,995,794
Secured Funding Transactions			-			-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	246,919,235	0% -100%	17,209,278	176,061,660	0% -100%	11,601,387
Additional Requirements	5,024,937	100%	5,024,937	4,289,724	100%	4,289,724
Total Cash Inflows			76,828,400			99,030,851
Maturing Secured Lending Transactions Backed by Collateral			-			-
Committed Facilities	253,015		-	-		-
Other Inflows by Counterparty which are Maturing within 30 Days	124,652,279	50%-100%	75,847,256	146,891,114	50%-100%	97,772,630
Operational Deposits	8,166,662	0%	-	2,574,786	0%	-
Other Cash Inflows	1,946,945	50% -100%	981,144	2,504,208	50% -100%	1,258,222
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days)*100			295.22			491.37

Template 5
Main Features of Regulatory Capital Instruments

Description of the Capital Instrument	Ordinary Voting Shares	Ordinary Non- Voting Shares	Debenture Issue - 2018 (7 years & 10 years)	Debenture Issue - 2021 (5 years)	Debenture Issue - 2023 (5 years)	Debenture Issue - 2024(5 years)
Issuer	Seylan Bank PLC	Seylan Bank PLC	Seylan Bank PLC	Seylan Bank PLC	Seylan Bank PLC	Seylan Bank PLC
Unique Identifier (e., ISIN or Bloombers Identifier for Private Placement)	LK0182N00002	LK0182X00001	LK0182D23963	LK0182D24722	LK0182D25133	LK0182D25380
			LK0182D23971	LK0182D24730	LK0182D25125	LK0182D25398 LK0182D25406 LK0182D25414
Governing Law (s) of the Instrument	Provisions of the Banking Act, Rules of the Colombo Stock Exchange and the Securities and Exchange Commission of Sri Lanka, Provisions of the Companies Act No. 7 of 2007 and the Articles of Association of the Bank	Provisions of the Banking Act, Rules of the Colombo Stock Exchange and the Securities and Exchange Commission of Sri Lanka, Provisions of the Companies Act No. 7 of 2007 and the Articles of Association of the Bank	Rules of the Colombo Stock Exchange and the Securities and Exchange Commission of Sri Lanka, Provisions of the Companies Act No. 7 of 2007, the Articles of Association of the Bank, Prospectus of the Debenture Issue and the Trust Deed	Rules of the Colombo Stock Exchange and the Securities and Exchange Commission of Sri Lanka, Provisions of the Companies Act No. 7 of 2007, the Articles of Association of the Bank, Prospectus of the Debenture Issue and the Trust Deed	Rules of the Colombo Stock Exchange and the Securities and Exchange Commission of Sri Lanka, Provisions of the Companies Act No. 7 of 2007, the Articles of Association of the Bank, Prospectus of the Debenture Issue and the Trust Deed	Rules of the Colombo Stock Exchange and the Securities and Exchange Commission of Sri Lanka, Provisions of the Companies Act No. 7 of 2007, the Articles of Association of the Bank, Prospectus of the Debenture Issue and the Trust Deed
Original Date of Issuance	April 1988	September 2003	29th March 2018	12th April 2021	02nd May 2023	17th July 2024
Par Value of Instrument	N/A	N/A	LKR 100/- each	LKR 100/- each	LKR 100/- each	LKR 100/- each
Prepetual or Dated	N/A	N/A	dated	dated	dated	dated
Original Maturity Date, If Applicable	N/A	N/A	29th March 2025 and 29th March 2028	12th April 2026	01st May 2028	16th July 2029 and 16th July 2031
Amount Recognized in Regulatory Capital (in '000 as at the Reporting Date)	12,794,664	8,114,009	884,950	900,000	2,750,000	8,061,117
Accounting Classification (Equity /Liability)	Equity	Equity	Liability	Liability	Liability	Liability
Issuer call subject to prior Supervisory Approval						
Optional Call Date, Contingent Call Dates and Redemption Amount (LKR '000)	N/A	N/A	N/A	N/A	N/A	N/A
Subsequent Call Dates, If Applicable	N/A	N/A	N/A	N/A	N/A	N/A
Coupons/Dividends						
Fixed or Floating Dividend /Coupon	Dividend as decided by the Board annually	Dividend as decided by the Board annually	Fixed interest rate	Fixed interest rate	Fixed interest rate	Fixed interest rate
Coupon Rate and any Related Index	As decided by the Board	As decided by the Board	Semi-Annual Interest - 13.20% (for 7 years), Semi-Annual Interest - 13.50% p.a. (for 10 years)	Annual Interest - 9.75% p.a., Quarterly Interest - 9.25% p.a.	Annual Interest - 28.00% p.a., Quarterly Interest - 25.00% p.a.	Annual Interest - 13.25% p.a., Quarterly Interest - 12.60% p.a., Annual Interest – 13.50% p.a., Bi Annual Interest – 13.05% p.a.
Non-Cumulative or Cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Convertible or Non-Convertible	Non-Convertible	Non-Convertible	Convertible	Convertible	Convertible	Convertible
If Convertible, Conversion Trigger (s)			Convertible in the event of a 'Trigger Event" in terms of the Banking Act Direction No.1 of 2016	Convertible in the event of a 'Trigger Event" in terms of the Banking Act Direction No.1 of 2016	Convertible in the event of a 'Trigger Event" in terms of the Banking Act Direction No.1 of 2016	Convertible in the event of a 'Trigger Event" in terms of the Banking Act Direction No.1 of 2016
If Convertible, Fully or Partially			when determined a 'Trigger Event' at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka	when determined a 'Trigger Event' at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka	when determined a 'Trigger Event' at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka	when determined a 'Trigger Event' at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka
If Convertible, Mandatory or Optional			Mandatory in the event of a 'Trigger Event'	Mandatory in the event of a 'Trigger Event'	Mandatory in the event of a 'Trigger Event'	Mandatory in the event of a 'Trigger Event'
If Convertible, Conversion Rate			Simple average of the daily Volume Weighted Average Price of an Ordinary Voting Share of the Bank (as published by the Colombo Stock Exchange) during the three (03) months period immediately preceding the Trigger Event, as determined by the Monetary Board.	Simple average of the daily Volume Weighted Average Price of an Ordinary Voting Share of the Bank (as published by the Colombo Stock Exchange) during the three (03) months period immediately preceding the Trigger Event, as determined by the Monetary Board.	Simple average of the daily Volume Weighted Average Price of an Ordinary Voting Share of the Bank (as published by the Colombo Stock Exchange) during the three (03) months period immediately preceding the Trigger Event, as determined by the Monetary Board.	Simple average of the daily Volume Weighted Average Price of an Ordinary Voting Share of the Bank (as published by the Colombo Stock Exchange) during the three (03) months period immediately preceding the Trigger Event, as determined by the Monetary Board.

Template 7
Credit Risk under Standardized Approach -
Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects

Description	Amount (LKR'000) as at 30th June2025						
	Exposures before Credit Conversion Factor (CCF) and CRM		Exposures post CCF and CRM			RWA and RWA Density (%)	
	On-Balance Sheet Amount	Off-Balance Sheet Amount	On-Balance Sheet Amount	Off-Balance Sheet Amount	Total	RWA	RWA Density (ii)
Claims on Central Government and CBSL	213,694,465	-	213,694,465	-	213,694,465	1,341,915	0.63%
Claims on Foreign Sovereigns and their Central Banks	22,577,163	-	22,577,163	-	22,577,163	-	0.00%
Claims on Public Sector Entities	3,831,190	-	3,831,190	-	3,831,190	1,915,595	50.00%
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	-	
Claims on Banks Exposures	36,640,806	-	36,640,806	-	36,640,806	10,450,855	28.52%
Claims on Financial Institutions	43,863,986	25,000	43,863,986	227,250	44,091,236	26,506,567	60.12%
Claims on Corporates	238,108,075	257,347,882	227,732,285	47,985,765	275,718,051	262,343,448	95.15%
Retail Claims	181,953,034	6,955,791	148,169,036	2,818,964	150,988,000	82,580,530	54.69%
Claims Secured by Residential Property	18,355,583	-	18,355,583	-	18,355,583	7,957,033	43.35%
Claims Secured by Commercial Real Estate	-	-	-	-	-	-	0.00%
Non-Performing Assets (NPAs) (i)	12,483,294	-	12,483,294	-	12,483,294	12,749,236	102.13%
Higher-Risk Categories	-	-	-	-	-	-	
Cash Items and Other Assets	44,560,985	-	44,560,985	-	44,560,985	30,841,949	69.21%
Total	816,068,581	264,328,673	771,908,793	51,031,979	822,940,773	436,687,128	53.06%

Template 8
Credit Risk under Standardized Approach: Exposures by Asset Classes and Risk Weights

Description		Amount (LKR'000) as at 30th June 2025 (Post CCF& CRM)									Total Credit Exposures Amount
Asset Classes	Risk Weight	0%	20%	35%	50%	60%	75%	100%	150%	>150%	
Claims on Central Government and CBSL		206,984,891	6,709,574								213,694,465
Claims on Foreign Sovereigns and their Central Banks		22,577,163									22,577,163
Claims on Public Sector Entities					3,831,190						3,831,190
Claims on Official Entities and Multilateral Development Banks											-
Claims on Banks Exposures			30,335,217		3,863,381			2,422,383	19,826		36,640,807
Claims on Financial Institutions			251,340		34,767,194			9,072,702	-		44,091,236
Claims on Corporates			12,135,706		7,377,628			256,159,163	45,554		275,718,051
Retail Claims						11,131,817	97,481,119	2,413,371			111,026,307
Claims Secured by Gold		38,075,550	1,830,167					-			39,905,717
Claims guaranteed by National Credit Guarantee Institution Limited			55,976								55,976
Claims Secured by Residential Property				15,997,768				2,357,814			18,355,582
Claims Secured by Commercial Real Estate								-			-
Non-Performing Assets (NPAs) (i)					315,158			11,321,094	847,042		12,483,294
Higher-Risk Categories											-
Cash Items and Other Assets		13,719,036	-					30,841,949			44,560,985
Total		281,356,640	51,317,980	15,997,768	50,154,551	11,131,817	97,481,119	314,588,476	912,422	-	822,940,773

Template 9
Market Risk under Standardized Measurement Method

Item	RWA Amount (LKR'000) as at 30th June 2025
Capital Charge for Market Risk	908,650
(a) Capital Charge Interest Rate Risk	354,540
General Interest Rate Risk	354,540
(i) Net Long or Short Position	354,540
(ii) Horizontal Disallowance	
(iii) Vertical Disallowance	
(iv) Options	
Specific Interest Rate Risk	
(b) Capital Charge for Equity	494,121
(i) General Equity Risk	249,826
(ii) Specific Equity Risk	244,295
(c) Capital Charge for Foreign Exchange & Gold	59,990
Total Risk Weighted Assets on Market Risk	
[(a)+(b)+(c)]*CAR	7,269,203

Template 10

Operational Risk Under The Alternative Standardized Approach

Business Lines	Capital Charge Factor	Fixed Factor	Lending Portfolio (LKR'000)	Gross Income (LKR'000) as at 30th June 2025		
				1st Year	2nd Year	3rd Year
The Alternative Standardized Approach						
Trading and Sales	18%			2,566,037	6,851,885	7,121,774
Payment and Settlement	18%			7,251,678	9,892,913	10,811,718
Retail Banking	12%	0.035	256,877,864			
Commercial Banking	15%	0.035	400,485,820			
Capital Charges for Operational Risk (LKR'000)						
The Alternative Standardized Approach	5,851,198					
Risk-Weighted Amount for operational Risk (LKR'000)						
The Alternative Standardized Approach	46,809,583					

Template 11
Differences between Accounting and Regulatory Scopes and Mapping of Financial Statement Categories with Regulatory Risk Categories - Bank Only

Item	Amount (LKR'000) as at 30th June 2025				
	a	b	c	d	e
	Carrying Values as Reported in Published Financial Statements	Carrying Values under Scope of Regulatory Reporting	Subject to Credit Risk Framework	Subject to Market Risk Framework	Not subject to Capital Requirements or Subject to Deduction from Capital
Assets	812,195,908	812,195,908	816,068,582	14,093,238	687,759
Cash and Cash Equivalents	21,909,287	21,909,287	21,909,287		
Balances with Central Bank	7,985,775	7,985,775	7,985,775		
Placements with Banks	28,447,676	28,447,676	28,447,676		
Derivative Financial Instruments	25,512	25,512	25,512		
Other Financial Assets Held-For-Trading	14,073,582	14,073,582	14,073,582	14,073,582	
Securities Purchased under Resale Agreements	1,812,155	1,812,156	1,812,156		
Loans and Receivables to Banks	-	-	-		
Loans and Receivables to Other Customers *	494,034,933	494,034,921	498,595,354		-
Financial Investments - Available-For-Sale	89,195,810	89,195,810	89,195,810	19,656	
Financial Investments - Held-To-Maturity	126,941,589	126,941,588	126,941,588		
Investments in Subsidiaries	1,153,602	1,153,602	1,153,602		
Investments in Associates and Joint Ventures	-	-	-		
Property, Plant and Equipment	5,009,536	5,009,536	5,009,536		
Investment Properties	-	-	-		
Goodwill and Intangible Assets	687,759	687,759			687,759
Deferred Tax Assets	-	-	-		-
Other Assets	20,918,692	20,918,704	20,918,704		
Liabilities	736,726,750	736,726,750	-	-	-
Due to Banks	8,756,823	8,756,823			
Derivative Financial Instruments	11,244	11,244			
Other Financial Assets Held-For-Trading		-			
Financial Liabilities Designated at Fair Value Through Profit or Loss		-			
Due to Other Customers	670,125,332	670,125,332			
Other Borrowings	20,397	20,397			
Debt Securities Issued	1,520,096	1,520,096			
Current Tax Liabilities	3,365,167	3,365,167			
Deferred Tax Liabilities	241,789	241,789			
Other Provisions	-	-			
Other Liabilities	28,495,819	28,495,819			
Due to Subsidiaries	98,466	98,466			
Subordinated Term Debts	24,091,617	24,091,617			
Off-Balance Sheet Liabilities	273,128,024	273,128,024	-	-	-
Guarantees	57,322,506	57,322,506			
Performance Bonds					
Letters of Credit	20,505,216	20,505,216			
Foreign Exchange Contracts	18,771,516	18,771,516			
Other Contingent Items	18,775,692	18,775,692			
Undrawn Loan Commitments	157,086,158	157,086,158			
Other Commitments	666,936	666,936			
Shareholders' Equity					
Equity Capital (Stated Capital)/Assigned Capital					
of which Amount Eligible for CET1	21,693,370	21,693,370			
of which Amount Eligible for AT1		-			
Retained Earnings	44,785,221	44,785,221			
Accumulated Other Comprehensive Income	2,224,054	2,224,054			
Other Reserves	6,766,513	6,766,513			
Total Shareholders' Equity	75,469,158	75,469,158	-	-	-

* Loans and Receivables to Other Customers in subject to Credit Risk Framework (C) is reported as the gross of Stage 1 and 2 ECL Provision (LKR 4.6 Bn).

Template 12 - Explanations

Column a. presents the assets , liabilities and equity on standalone SLFRS basis. Pillar III disclosures as at 30th June presented in accordance with regulatory capital concepts and rules.

a. Explanations of Differences between accounting and regulatory exposure amounts.

Total assets shown in column a and b in Template 11	
Total assets as per carrying values reported in published Financial Statements (column a)	812,195,908
Total assets as per carrying values reported under scope of regulatory reporting (column b)	812,195,908
Difference	-

Financial Assets-Instrument Type	Valuation Technique	Inputs used for valuation
Treasury Bills	Price Formula	Based on market yield published by CBSL
Treasury Bonds	Price Formula	Based on market yield published by CBSL
Srilanka Development Bonds	Price Formula	Similar instrument's rate (LIBOR)
Quoted Equities	Closing share price	Closing share price (CSE)
Unquoted Equities	Net assets per share	Net assets per share as per latest Audited Financial Statements
Debentures	Price Formula	Similar instrument's yield (Treasury bond yield)