

SEYLAN BANK PLC

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

As at 30.09.2025

Template 1
Key Regulatory Ratios - Capital and Liquidity

Item	Minimum Requirement	Reporting Period 30.09.2025	Previous Reporting Period 31.12.2024
<i>Regulatory Capital (LKR'000)</i>			
Common Equity Tier 1 Capital		64,480,321	66,565,265
Tier 1 Capital		64,480,321	66,565,265
Total Capital		96,615,097	86,836,617
<i>Regulatory Capital Ratios (%)</i>			
Common Equity Tier 1 Capital Ratio	7.00%	12.24%	14.25%
Tier 1 Capital Ratio	8.50%	12.24%	14.25%
Total Capital Ratio	12.50%	18.34%	18.59%
Leverage Ratio	3.00%	7.11%	8.16%
Net Stable Funding Ratio	100.00%	132.90%	144.76%
<i>Regulatory Liquidity</i>			
<i>Liquidity Coverage Ratio</i>			
Liquidity Coverage Ratio - Rupee	100.00%	276.57%	415.75%
Liquidity Coverage Ratio - All Currency	100.00%	317.20%	491.37%

Template 2
Basel III Computation of Capital Ratios

Item	Amount (LKR'000)	
	Reporting Period 30.09.2025	Previous Reporting Period 31.12.2024
Common Equity Tier I (CET1) Capital after Adjustments	64,480,321	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Unpublished Current Year's Profit/Loss and Gains reflected in OCI	-	-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	812,925	975,043
Goodwill (net)		
Intangible Assets (net)	697,968	669,783
Others	114,957	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	32,134,776	20,271,352
Total Tier 2 Capital	32,134,776	20,271,352
Qualifying Tier 2 Capital Instruments	26,480,896	14,862,159
Revaluation gains	1,056,224	698,403
Loan Loss Provisions (General Provision)	4,597,656	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	64,480,321	66,565,265
Total Capital	96,615,097	86,836,617
Total Risk Weighted Assets (RWA)	526,748,868	467,186,255
RWAs for Credit Risk	468,221,902	413,638,750
RWAs for Market Risk	8,951,680	7,384,753
RWAs for Operational Risk	49,575,286	46,162,752
CET1 Capital Ratio (including Capital Conservation Buffer, Counter cyclical Capital Buffer & Surcharge on D-SIBs) (%)	12.24%	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 (%)	12.24%	14.25%
Total Capital Ratio (including Capital Conservation Buffer, Counter cyclical Capital Buffer & Surcharge on D-SIBs) (%)	18.34%	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 30.09.2025	Previous Reporting Period 31.12.2024
Tier 1 Capital	64,480,321	66,565,265
Total Exposures	906,959,209	816,211,801
On-Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	849,630,127	775,112,320
Derivative Exposures	417,318	128,413
Securities Financing Transaction Exposures	2,801,538	3,684,374
Other Off-Balance Sheet Exposures	54,110,226	37,286,694
Basel III Leverage Ratio (%) (Tier 1/Total Exposure)	7.11%	8.16%

Template 4
Basel III Computation of Liquidity Coverage Ratio

Item	Amount (LKR'000)					
	Reporting Period - 30.09.2025			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)			244,825,157			223,826,704
Total Adjusted Level 1A Assets	237,748,909	100%	237,748,909	206,615,131	100%	206,615,131
Total Adjusted Level 2A Assets	7,779,739	85%	6,612,778	19,995,546	85%	16,996,215
Total Adjusted Level 2B Assets	150,128	50%	75,064	229,167	50%	114,583
Total Cash Outflows			167,315,058			144,582,490
Deposits	498,586,736	10%	49,858,674	486,955,845	10%	48,695,584
Unsecured Wholesale Funding	177,936,227	25% -100%	87,918,647	160,362,864	25% -100%	79,995,794
Secured Funding Transactions			-			-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	267,213,431	0% -100%	19,569,332	176,061,660	0% -100%	11,601,387
Additional Requirements	9,968,405	100%	9,968,405	4,289,724	100%	4,289,724
Total Cash Inflows			90,130,845			99,030,851
Maturing Secured Lending Transactions Backed by Collateral			-			-
Committed Facilities	263,901		-	-		-
Other Inflows by Counterparty which are Maturing within 30 Days	140,066,408	50%-100%	89,114,756	146,891,114	50%-100%	97,772,630
Operational Deposits	6,145,860	0%	-	2,574,786	0%	-
Other Cash Inflows	2,032,102	50% -100%	1,016,089	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			317.20			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)	Debenture Issue - 2025(5 years & 10 years)
Issuer	Seylan Bank PLC	Seylan Bank PLC	Seylan Bank PLC	Seylan Bank PLC	Seylan Bank PLC	Seylan Bank PLC	Seylan Bank PLC
Unique Identifier (e., ISIN or Bloomers Identifier for Private Placement)	LK0182N00002	LK0182X00001	LK0182D23963 LK0182D23971	LK0182D24722 LK0182D24730	LK0182D25133 LK0182D25125	LK0182D25380 LK0182D25398 LK0182D25406 LK0182D25414	LK0182D25802 LK0182D25810 LK0182D25828 LK0182D25836
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	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	18th July 2025
Par Value of Instrument	N/A	N/A	LKR 100/- each	LKR 100/- each	LKR 100/- each	LKR 100/- each	LKR 100/- each
Prepetual or Dated	N/A	N/A	dated	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	18th July 2030 and 18th July 2035
Amount Recognized in Regulatory Capital (in '000 as at the Reporting Date)	13,172,977	8,520,393	804,500	600,000	2,500,000	7,576,396	15,000,000
Accounting Classification (Equity /Liability)	Equity	Equity	Liability	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	N/A
Subsequent Call Dates, If Applicable	N/A	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	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.	Annual Interest - 11.25% p.a., Quarterly Interest - 10.80% p.a., Annual Interest – 11.75% p.a., Bi Annual Interest – 11.40% p.a.
Non-Cumulative or Cumulative	Non-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	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	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	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'	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.	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 September 2025						
	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	240,292,538	-	240,292,538	-	240,292,538	-	0.00%
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-	0.00%
Claims on Public Sector Entities	3,322,853	-	3,322,853	-	3,322,853	1,661,426	50.00%
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	-	
Claims on Banks Exposures	36,503,348	-	36,503,348	-	36,503,348	11,684,987	32.01%
Claims on Financial Institutions	54,223,884	-	54,223,884	-	54,223,884	32,424,914	59.80%
Claims on Corporates	254,088,915	278,679,113	236,864,024	52,304,522	289,168,546	278,438,999	96.29%
Retail Claims	196,890,675	6,450,060	161,488,253	2,843,392	164,331,645	95,465,761	58.09%
Claims Secured by Residential Property	18,434,785	-	18,434,785	-	18,434,785	7,966,637	43.22%
Claims Secured by Commercial Real Estate	-	-	-	-	-	-	0.00%
Non-Performing Assets (NPAs) (i)	11,391,992	-	11,391,992	-	11,391,992	11,510,929	101.04%
Higher-Risk Categories	-	-	-	-	-	-	
Cash Items and Other Assets	41,890,815	-	41,890,815	-	41,890,815	29,068,249	69.39%
Total	857,039,805	285,129,173	804,412,492	55,147,914	859,560,406	468,221,902	54.47%

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

Description		Amount (LKR'000) as at 30th September 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		240,292,538	-								240,292,538
Claims on Foreign Sovereigns and their Central Banks		-									-
Claims on Public Sector Entities					3,322,853						3,322,853
Claims on Official Entities and Multilateral Development Banks											-
Claims on Banks Exposures			31,159,613		90,223			4,944,632	308,880		36,503,348
Claims on Financial Institutions			501,978		42,794,775			10,927,131	-		54,223,884
Claims on Corporates			9,892,957		5,630,362			273,645,227	-		289,168,546
Retail Claims						18,678,844	73,466,384	29,141,486			121,286,714
Claims Secured by Gold		42,959,026	32,126					-			42,991,152
Claims guaranteed by National Credit Guarantee Institution Limited			53,779								53,779
Claims Secured by Residential Property				16,104,843				2,329,942			18,434,785
Claims Secured by Commercial Real Estate								-			-
Non-Performing Assets (NPAs) (i)					402,320			10,349,479	640,193		11,391,992
Higher-Risk Categories											-
Cash Items and Other Assets		12,822,566	-					29,068,249			41,890,815
Total		296,074,130	41,640,453	16,104,843	52,240,533	18,678,844	73,466,384	360,406,146	949,073	-	859,560,406

Template 9
Market Risk under Standardized Measurement Method

Item	RWA Amount (LKR'000) as at 30th September 2025
Capital Charge for Market Risk	1,118,960
(a) Capital Charge Interest Rate Risk	401,904
General Interest Rate Risk	401,904
(i) Net Long or Short Position	401,904
(ii) Horizontal Disallowance	
(iii) Vertical Disallowance	
(iv) Options	
Specific Interest Rate Risk	
(b) Capital Charge for Equity	639,150
(i) General Equity Risk	324,190
(ii) Specific Equity Risk	314,960
(c) Capital Charge for Foreign Exchange & Gold	77,906
Total Risk Weighted Assets on Market Risk	
[(a)+(b)+(c)]*CAR	8,951,680

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 September 2025		
				1st Year	2nd Year	3rd Year
The Alternative Standardized Approach						
Trading and Sales	18%			5,847,171	7,566,720	5,839,136
Payment and Settlement	18%			8,367,435	9,911,467	10,978,060
Retail Banking	12%	0.035	264,481,510			
Commercial Banking	15%	0.035	414,378,880			
Capital Charges for Operational Risk (LKR'000)						
The Alternative Standardized Approach	6,196,911					
Risk-Weighted Amount for operational Risk (LKR'000)						
The Alternative Standardized Approach	49,575,286					

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 September 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	853,140,117	853,140,117	857,039,805	13,198,000	697,968
Cash and Cash Equivalents	18,964,213	18,964,213	18,964,213		
Balances with Central Bank	5,263,491	5,263,491	5,263,491		
Placements with Banks	30,608,931	30,608,931	30,608,931		
Derivative Financial Instruments	10,484	10,484	10,484		
Other Financial Assets Held-For-Trading	13,198,000	13,198,000	13,198,000	13,198,000	
Securities Purchased under Resale Agreements	2,801,538	2,801,538	2,801,538		
Loans and Receivables to Banks	-	-	-		
Loans and Receivables to Other Customers *	533,755,460	533,755,448	538,353,104		-
Financial Investments - Available-For-Sale	92,892,528	92,892,528	92,892,528	-	
Financial Investments - Held-To-Maturity	129,831,614	129,831,614	129,831,614		
Investments in Subsidiaries	1,153,602	1,153,602	1,153,602		
Investments in Associates and Joint Ventures	-	-	-		
Property, Plant and Equipment	5,011,747	5,011,747	5,011,747		
Investment Properties	-	-			
Goodwill and Intangible Assets	697,968	697,968			697,968
Deferred Tax Assets	-	-			-
Other Assets	18,950,541	18,950,553	18,950,553		
Liabilities	774,959,297	774,959,297	-	-	-
Due to Banks	22,537,256	22,537,256			
Derivative Financial Instruments	41,817	41,817			
Other Financial Assets Held-For-Trading		-			
Financial Liabilities Designated at Fair Value Through Profit or Loss		-			
Due to Other Customers	674,854,107	674,854,107			
Other Borrowings	18,385	18,385			
Debt Securities Issued	5,039,607	5,039,607			
Current Tax Liabilities	3,530,986	3,530,986			
Deferred Tax Liabilities	114,547	114,547			
Other Provisions	-	-			
Other Liabilities	29,692,244	29,692,244			
Due to Subsidiaries	140,690	140,690			
Subordinated Term Debts	38,989,658	38,989,658			
Off-Balance Sheet Liabilities	273,128,024	296,627,187	-	-	-
Guarantees	57,322,506	61,811,576			
Performance Bonds					
Letters of Credit	20,505,216	21,448,543			
Foreign Exchange Contracts	18,771,516	21,681,222			
Other Contingent Items	18,775,692	18,503,291			
Undrawn Loan Commitments	157,086,158	172,515,619			
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	47,636,808	47,636,807			
Accumulated Other Comprehensive Income	2,065,530	2,065,531			
Other Reserves	6,785,112	6,785,112			
Total Shareholders' Equity	78,180,820	78,180,820	-	-	-

* 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 September 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)	853,140,117
Total assets as per carrying values reported under scope of regulatory reporting (column b)	853,140,117
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)