

SEYLAN BANK PLC

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

As at 30.09.2024

Template 1
Key Regulatory Ratios - Capital and Liquidity

Item	Minimum Requirement	Reporting Period 30.09.2024	Previous Reporting Period 31.12.2023
Regulatory Capital (LKR'000)			
Common Equity Tier 1 Capital		55,691,906	55,447,660
Tier 1 Capital		55,691,906	55,447,660
Total Capital		77,501,982	70,147,267
Regulatory Capital Ratios (%)			
Common Equity Tier 1 Capital Ratio	7.00%	12.25%	12.52%
Tier 1 Capital Ratio	8.50%	12.25%	12.52%
Total Capital Ratio	12.50%	17.05%	15.84%
Leverage Ratio	3.00%	7.14%	7.30%
Net Stable Funding Ratio	100.00%	139.50%	129.67%
Regulatory Liquidity			
Statutory Liquid Assets*			
Statutory Liquid Assets Overall (LKR 000)			235,624,142
Domestic Banking Unit (LKR 000)			233,637,929
Off-Shore Banking Unit (USD 000)			23,584
Statutory Liquid Assets Ratio*			
Statutory Liquid Assets Overall	20.00%		38.04%
Domestic Banking Unit	20.00%		38.51%
Off-Shore Banking Unit	20.00%		23.28%
Liquidity Coverage Ratio			
Liquidity Coverage Ratio - Rupee	100.00%	509.82%	355.16%
Liquidity Coverage Ratio - All Currency	100.00%	442.64%	338.42%

* Discontinued as per Banking Act Determination No 01 of 2024

Template 2
Basel III Computation of Capital Ratios

Item	Amount (LKR'000)	
	Reporting Period 30.09.2024	Previous Reporting Period 31.12.2023
Common Equity Tier I (CET1) Capital after Adjustments	55,691,906	55,447,660
Common Equity Tier I (CET1) Capital	58,357,881	59,239,357
Equity capital (Stated Capital)/Assigned Capital	21,693,370	20,908,673
Reserve fund	2,880,973	2,880,973
Published Retained Earnings/(Accumulated Retained Losses)	32,823,298	34,361,921
Published Accumulated Other Comprehensive Income (OCI)	259,665	387,215
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Unpublished Current Year's Profit/Loss and Gains reflected in OCI	-	-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	2,665,975	3,791,697
Goodwill (net)		
Intangible Assets (net)	560,067	536,989
Others	2,105,908	3,254,708
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	21,810,076	14,699,607
Total Tier 2 Capital	21,810,076	14,699,607
Qualifying Tier 2 Capital Instruments	16,051,278	8,996,400
Revaluation gains	698,403	698,403
Loan Loss Provisions (General Provision)	5,060,395	5,004,804
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	55,691,906	55,447,660
Total Capital	77,501,982	70,147,267
Total Risk Weighted Assets (RWA)	454,679,250	442,785,741
RWAs for Credit Risk	404,831,634	400,384,298
RWAs for Market Risk	6,380,117	4,033,608
RWAs for Operational Risk	43,467,499	38,367,835
CET1 Capital Ratio (including Capital Conservation Buffer, Counter cyclical Capital Buffer & Surcharge on D-SIBs) (%)	12.25%	12.52%
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 (%)	12.25%	12.52%
Total Capital Ratio (including Capital Conservation Buffer, Counter cyclical Capital Buffer & Surcharge on D-SIBs) (%)	17.05%	15.84%
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 30.09.2024	Previous Reporting Period 31.12.2023
Tier 1 Capital	55,684,682	55,447,660
Total Exposures	779,665,053	759,275,565
On-Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	738,907,339	721,389,372
Derivative Exposures	103,311	437,246
Securities Financing Transaction Exposures	3,131,680	817,150
Other Off-Balance Sheet Exposures	37,522,722	36,631,796
Basel III Leverage Ratio (%) (Tier 1/Total Exposure)	7.14%	7.30%

Template 4
Basel III Computation of Liquidity Coverage Ratio

Item	Amount (LKR'000)					
	Reporting Period - 30.09.2024			Previous Reporting Period - 31.12.2023		
	Total Un-weighted Value	Factor (%)	Total Weighted Value	Total Un-weighted Value	Factor (%)	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)			190,286,339			174,012,142
Total Adjusted Level 1A Assets	178,734,336	100%	178,734,336	161,568,029	100%	161,568,029
Total Adjusted Level 2A Assets	12,846,097	85%	10,919,183	14,329,118	85%	12,179,750
Total Adjusted Level 2B Assets	191,979	50%	95,989	168,362	50%	84,181
Total Cash Outflows			121,836,426			124,505,114
Deposits	453,120,049	10%	45,312,005	438,412,337	10%	43,841,234
Unsecured Wholesale Funding	129,147,204	25% -100%	61,575,923	132,933,478	25% -100%	62,661,680
Secured Funding Transactions			-			-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	171,270,206	0% -100%	9,961,902	160,329,986	0% -100%	9,885,507
Additional Requirements	4,986,596	100%	4,986,596	8,116,694	100%	8,116,694
Total Cash Inflows			78,847,739			73,086,374
Maturing Secured Lending Transactions Backed by Collateral			-			-
Committed Facilities	-		-	-		-
Other Inflows by Counterparty which are Maturing within 30 Days	128,049,812	50%-100%	77,918,229	112,842,328	50%-100%	72,109,665
Operational Deposits	24,338,933	0%	-	36,032,439	0%	-
Other Cash Inflows	1,847,140	50% -100%	929,510	1,879,815	50% -100%	976,709
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days)*100			442.64			338.42

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)	LK0182N0002	LK0182X0001	LK0182D23963 LK0182D23971	LK0182D24722 LK0182D24730	LK0182D25133 LK0182D25125	LK0182D25380 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
Perpetual 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	1,197,800	1,800,000	3,500,000	9,553,478
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 September 2024						
	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	186,758,160	-	186,758,160	-	186,758,160	1,081,861	0.58%
Claims on Foreign Sovereigns and their Central Banks	8,824,926	-	8,824,926	-	8,824,926	-	0.00%
Claims on Public Sector Entities	4,979,603	-	4,979,603	-	4,979,603	4,979,603	100.00%
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	-	-
Claims on Banks Exposures	55,934,010	-	55,934,010	-	55,934,010	18,285,827	32.69%
Claims on Financial Institutions	20,402,692	3,775,000	20,402,692	755,000	21,157,692	12,204,825	57.69%
Claims on Corporates	224,442,050	159,712,474	215,287,595	34,885,721	250,173,316	236,501,908	94.54%
Retail Claims	161,150,151	4,103,077	128,263,970	1,882,001	130,145,971	72,578,528	55.77%
Claims Secured by Residential Property	17,698,215	-	17,698,215	-	17,698,215	7,617,544	43.04%
Claims Secured by Commercial Real Estate	-	-	-	-	-	-	0.00%
Non-Performing Assets (NPAs) (i)	18,291,466	-	18,291,466	-	18,291,466	21,500,953	117.55%
Higher-Risk Categories	-	-	-	-	-	-	-
Cash Items and Other Assets	40,426,066	-	40,426,066	-	40,426,066	30,080,584	74.41%
Total	738,907,339	167,590,551	696,866,703	37,522,722	734,389,425	404,831,634	55.12%

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

Description	Amount (LKR'000) as at 30th September 2024 (Post CCF& CRM)										
	Risk Weight	0%	20%	35%	50%	60%	75%	100%	150%	>150%	Total Credit Exposures Amount
Asset Classes											
Claims on Central Government and CBSL		181,348,854	5,409,306								186,758,160
Claims on Foreign Sovereigns and their Central Banks		8,824,926									8,824,926
Claims on Public Sector Entities								4,979,603	-		4,979,603
Claims on Official Entities and Multilateral Development Banks											-
Claims on Banks Exposures			36,268,460		17,273,576			2,385,228	6,746		55,934,010
Claims on Financial Institutions			-		17,905,735			3,251,957	-		21,157,692
Claims on Corporates			9,657,895		11,939,232			228,527,142	49,048.00		250,173,317
Retail Claims						9,395,832	85,965,379	2,193,456			97,554,667
Claims Secured by Gold		31,223,608	1,367,696					-			32,591,304
Claims Secured by Residential Property				15,508,723				2,189,491			17,698,214
Claims Secured by Commercial Real Estate								-			-
Non-Performing Assets (NPAs) (i)					461,655			10,949,181	6,880,630		18,291,466
Higher-Risk Categories											-
Cash Items and Other Assets		10,345,482	-					30,080,584			40,426,066
Total		231,742,870	52,703,357	15,508,723	47,580,198	9,395,832	85,965,379	284,556,641	6,936,424.00	-	734,389,425

Template 9
Market Risk under Standardized Measurement Method

Item	RWA Amount (LKR'000) as at 30th September 2024
(a) Capital Charger Interest Rate Risk	384,634
General Interest Rate Risk	384,634
(i) Net Long or Short Position	384,634
(ii) Horizontal Disallowance	
(iii) Vertical Disallowance	
(iv) Options	
Specific Interest Rate Risk	
(b) Capital Charge for Equity	357,802
(i) General Equity Risk	181,163
(ii) Specific Equity Risk	176,639
(c) Capital Charge for Foreign Exchange & Gold	55,078
Total Risk Weighted Assets on Market Risk	
[(a)+(b)+(c)]*CAR	6,380,117

Template 10

Operational Risk Under Basic Indicator Approach/The Standardized Approach/The Alternative Standardized Approach

Business Lines	Capital Charge Factor	Fixed Factor	Lending Portfolio (LKR'000)	Gross Income (LKR'000) as at 30th September 2024		
				1st Year	2nd Year	3rd Year
The Alternative Standardized Approach						
Trading and Sales	18%			885,719	5,877,401	7,566,720
Payment and Settlement	18%			8,487,211	7,774,788	9,911,467
Retail Banking	12%	0.035	250,101,143			
Commercial Banking	15%	0.035	371,964,602			
Capital Charges for Operational Risk (LKR'000)						
The Alternative Standardized Approach	5,433,437					
Risk-Weighted Amount for operational Risk (LKR'000)						
The Alternative Standardized Approach	43,467,499					

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 2024				
	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	733,712,950	733,712,950	738,876,340	25,413,351	5,269,140
Cash and Cash Equivalents	34,564,222	34,564,222	34,564,222		
Balances with Central Bank	9,578,456	9,578,456	9,578,456		
Placements with Banks	30,136,787	30,136,787	30,136,787		
Derivative Financial Instruments	28,296	28,296	28,296		
Other Financial Assets Held-For-Trading	24,154,071	24,154,071	24,154,071	24,154,071	
Securities Purchased under Resale Agreements	3,131,680	3,131,680	3,131,680		
Loans and Receivables to Banks	-	1,573,183	1,573,183		
Loans and Receivables to Other Customers *	441,508,345	439,935,162	447,681,625		2,686,067
Financial Investments - Available-For-Sale	45,921,790	45,921,790	45,921,790	1,259,280	
Financial Investments - Held-To-Maturity	115,565,919	115,565,919	115,565,919		
Investments in Subsidiaries	1,153,602	1,153,602	1,153,602		
Investments in Associates and Joint Ventures	-	-	-		
Property, Plant and Equipment	3,912,893	3,912,893	3,912,893		
Investment Properties	-	-	-		
Goodwill and Intangible Assets	560,067	560,067			560,067
Deferred Tax Assets	2,023,006	2,023,006			2,023,006
Other Assets	21,473,816	21,473,816	21,473,816		
Liabilities	667,463,426	667,463,426	-	-	-
Due to Banks	12,449,906	12,449,906			
Derivative Financial Instruments	757	757			
Other Financial Assets Held-For-Trading	-	-			
Financial Liabilities Designated at Fair Value Through Profit or Loss	-	-			
Due to Other Customers	597,777,268	597,777,268			
Other Borrowings	19,028	19,028			
Debt Securities Issued	3,685,625	3,685,625			
Current Tax Liabilities	2,083,850	2,083,850			
Deferred Tax Liabilities	-	-			
Other Provisions	-	-			
Other Liabilities	26,835,614	26,835,614			
Due to Subsidiaries	99,209	99,209			
Subordinated Term Debts	24,512,169	24,512,169			
Off-Balance Sheet Liabilities	183,129,148	183,129,148	-	-	-
Guarantees	59,458,328	59,458,328			
Performance Bonds					
Letters of Credit	8,484,517	8,484,517			
Foreign Exchange Contracts	4,004,171	4,004,171			
Other Contingent Items	14,836,769	14,836,769			
Undrawn Loan Commitments	95,678,427	95,678,427			
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	39,903,502	39,903,503			
Accumulated Other Comprehensive Income	(303,115)	(303,115)			
Other Reserves	4,955,767	4,955,766			
Total Shareholders' Equity	66,249,524	66,249,524	-	-	-

* 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 7.7 Bn) and of which LKR 2.7 Bn excluded from Tier II Capital.

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)	733,712,950
Total assets as per carrying values reported under scope of regulatory reporting (column b)	733,712,950
Difference	0

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)