BASEL III - PILLAR III DISCLOSURES

31 DECEMBER 2025

Template 1
Key Regulatory Ratios - Capital and Liquidity

	BANK		GROUP	
	As at 31 Dec 2025	**As at 31 Dec 2024**	**As at 31 Dec 2025**	**As at 31 Dec 2024**
Regulatory Capital (LKR ’000)				
Common Equity Tier 1 Capital	67,686,969	62,094,115	72,431,658	66,298,084
Tier 1 Capital	67,686,969	62,094,115	72,431,658	66,298,084
Total Capital	87,126,666	86,665,636	91,748,726	90,776,819
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (Minimum Requirement - 7%)	12.35	13.68	12.92	14.24
Tier 1 Capital Ratio (Minimum Requirement - 8.5%)	12.35	13.68	12.92	14.24
Total Capital Ratio (Minimum Requirement - 12.5%)	15.89	19.09	16.36	19.50
Leverage Ratio (Minimum Requirement - 3%)	6.93	7.46	7.35	7.89
Regulatory Liquidity				
Total stock of high quality liquid assets (LKR ' 000) - Rupee	160,269,695	248,244,913	NA	NA
Total stock of high quality liquid assets (LKR ' 000) - All currency	185,954,692	267,384,555	NA	NA
Liquidity Coverage Ratio (%) – Rupee (Minimum Requirement -100%)	257.29	358.12	NA	NA
Liquidity Coverage Ratio (%) – All Currency (Minimum Requirement - 100%)	208.54	308.26	NA	NA
Net Stable Funding Ratio (%) – (Minimum Requirement - 100%)	129.67	152.43	NA	NA

Template 2

Basel III Computation of Capital Ratios

	Amount (LKR '000)			
	BANK		GROUP	
	As at 31 Dec 2025	As at 31 Dec 2024	As at 31 Dec 2025	As at 31 Dec 2024
Common Equity Tier 1 (CET1) Capital after Adjustments	**67,686,969**	**62,094,115**	**72,431,658**	**66,298,084**
Common Equity Tier 1 (CET1) Capital	**77,374,588**	**70,187,273**	**82,800,190**	**74,771,446**
Equity Capital (Stated Capital)/Assigned Capital	23,042,558	21,756,865	23,042,558	21,756,865
Reserve Fund	4,073,979	3,521,479	4,073,979	3,521,479
Published Retained Earnings/(Accumulated Retained Losses)	49,506,519	42,822,179	54,870,043	47,349,783
Published Accumulated Other Comprehensive Income (OCI)	751,532	2,086,750	813,610	2,143,319
General and other Disclosed Reserves	-	-	-	-
Total Adjustments to CET1 Capital	**9,687,619**	**8,093,158**	**10,368,532**	**8,473,362**
Intangible Assets (net)	1,628,982	1,766,615	1,682,400	1,814,985
Deferred tax assets (net)	5,421,860	4,158,040	5,489,018	4,216,721
Defined benefit pension fund assets	203,403	346,273	203,403	346,273
Shortfall of the cumulative impairment to specific provisions	-	-	-	-
Reciprocal cross holdings in the capital of banking and other financial institutions	7,023	-	7,023	-
Investments in the capital of banking and financial institutions where the bank does not own more than 10 per cent of the issued ordinary share capital of the entity	2,091,501	1,439,262	2,776,607	1,892,559
Significant investments in the capital of financial institutions where the bank owns more than 10 per cent of the issued ordinary share capital of the entity	124,769	180,144	-	-
Shortfall of capital in financial subsidiaries	210,081	202,824	210,081	202,824
Additional Tier 1 (AT1) Capital after Adjustments	-	-	-	-
Additional Tier 1 (AT1) Capital	-	-	-	-
Total Adjustments to AT1 Capital	-	-	-	-
Tier 2 Capital after Adjustments	**19,439,697**	**24,571,521**	**19,317,068**	**24,478,735**
Tier 2 Capital	**19,439,697**	**24,571,521**	**19,439,697**	**24,571,521**
Qualifying Tier 2 Capital Instruments	12,396,400	18,689,486	12,396,400	18,689,486
Revaluation Gains	876,672	876,672	876,672	876,672
Loan Loss Provisions	6,166,625	5,005,363	6,166,625	5,005,363
Total Adjustments to Tier 2	-	-	**122,629**	**92,786**
Investments in the capital of financial institutions and where the bank does not own more than 10 per cent of the issued capital carrying voting rights of the issuing entity	-	-	122,629	92,786
CET1 Capital	67,686,969	62,094,115	72,431,658	66,298,084
Total Tier 1 Capital	67,686,969	62,094,115	72,431,658	66,298,084
Total Capital	87,126,666	86,665,636	91,748,726	90,776,819
Total Risk Weighted Assets (RWA)	**548,200,218**	**453,905,427**	**560,696,777**	**465,491,168**
RWAs for Credit Risk	493,330,034	400,429,044	497,293,402	403,721,624
RWAs for Market Risk	1,782,806	1,334,362	6,987,311	6,896,161
RWAs for Operational Risk	53,087,378	52,142,021	56,416,064	54,873,384
CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	**12.35**	13.68	**12.92**	14.24
of which: Capital Conservation Buffer (%)	2.50	2.50	2.50	2.50
of which: Countercyclical Buffer (%)	-	-	-	-
of which: Capital Surcharge on D-SIBs (%)	-	-	-	-
Total Tier 1 Capital Ratio (%)	**12.35**	13.68	**12.92**	14.24
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	**15.89**	19.09	**16.36**	19.50
of which: Capital Conservation Buffer (%)	2.50	2.50	2.50	2.50
of which: Countercyclical Buffer (%)	-	-	-	-
of which: Capital Surcharge on D-SIBs (%)	-	-	-	-

Template 3
Computation of Leverage Ratios

	Amount (LKR '000)			
	BANK		GROUP	
	As at 31 Dec 2025	As at 31 Dec 2024	As at 31 Dec 2025	As at 31 Dec 2024
Tier 1 Capital	**67,686,969**	**62,094,115**	**72,431,658**	**66,298,084**
Total Exposures	**976,464,317**	**832,315,033**	**984,938,792**	**839,988,532**
On-Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	924,604,804	786,397,264	932,756,056	794,110,929
Derivative Exposures	3,933,939	2,994,187	3,933,939	2,994,187
Securities Financing Transactions Exposures	6,642,947	1,094,659	6,642,947	1,094,659
Other Off-Balance Sheet Exposures	41,282,626	41,828,924	41,605,850	41,788,757
Basel III Leverage Ratio (%) (Minimum Requirement - 3%)	**6.93%**	**7.46%**	**7.35%**	**7.89%**

Computation of Net Stable Funding Ratios (NSFR)

	Amount (LKR '000)	
	BANK	
	As at 31 Dec 2025	As at 31 Dec 2024
Total Available Stable Funding	599,761,796	574,129,684
Required Stable Funding - On Balance Sheet Assets	460,441,990	375,140,501
Required Stable Funding - Off Balance Sheet Items	2,076,350	1,503,663
Total Required Stable Funding	462,518,340	376,644,164
Net Stable Funding Ratio (%) (Minimum Requirement - 100%)	**129.67%**	**152.43%**

Template 4

Basel III Computation of Liquidity Coverage Ratio -All Currency

	BANK			
	Amount (LKR'000)			
	As at 31 Dec 2025		As at 31 Dec 2024	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	190,411,908	185,954,692	270,706,705	267,384,555
Total Adjusted Level 1A Assets	164,814,889	164,814,889	248,941,430	248,941,430
Level 1 Assets	160,697,134	160,697,134	248,559,039	248,559,039
Total Adjusted Level 2A Assets	29,714,774	25,257,558	22,147,666	18,825,516
Level 2A Assets	29,714,774	25,257,558	22,147,666	18,825,516
Total Adjusted Level 2B Assets	-	-	-	-
Level 2B Assets	-	-	-	-
Total Cash Outflows	920,433,015	173,439,353	806,962,747	158,279,946
Deposits	462,807,100	37,647,311	441,814,920	36,457,551
Unsecured Wholesale Funding	223,254,855	131,618,064	195,579,581	115,162,784
Secured Funding Transactions	43,359,705	-	3,284,635	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	190,194,197	3,356,820	165,291,314	5,667,313
Additional Requirements	817,158	817,158	992,298	992,298
Total Cash Inflows	145,515,639	84,271,002	119,882,139	71,539,078
Maturing Secured Lending Transactions Backed by Collateral	44,636,496	28,236,192	53,748,086	37,802,390
Other Inflows by Counterparty which are Maturing within 30 Days	90,762,191	55,733,768	57,549,311	33,719,557
Operational Deposits	9,815,910	-	8,567,611	-
Other Cash Inflows	301,042	301,042	17,131	17,131
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) * 100		208.54%		308.26%

Template 5
Main Features of Regulatory Capital Instruments

	CET 1 Capital				
Description of the Capital Instrument	**Stated Capital**	**Debenture Issue - November 2021**	**Debenture Issue - December 2023**	**Debenture Issue - September 2024 - Tranch 1**	**Debenture Issue - December 2024 - Tranch 2**
Issuer	National Development Bank PLC	National Development Bank PLC	National Development Bank PLC	National Development Bank PLC	National Development Bank PLC
Unique Identifier (e.g., ISIN or Bloomberg Identifier for Private Placement)	NDB. N0000 ISIN -LK0207N00007	Type A - LK0207D24941 Type B - LK0207D24958	Type A - LK0207D25146 Type B - LKJ0207D25153	Type A - LK0207D25484 Type B - LK0207D25468 Type C - LK0207D25476	Type A - LK0207D25534 Type B - LK0207D25542
Governing Law(s) of the Instrument	Companies Act No. 07 of 2007, Listing rules of the Colombo Stock Exchange , Securities and Exchange Commission of Sri Lanka Act	Companies Act No. 07 of 2007 , Listing rules of the Colombo Stock Exchange , Securities and Exchange Commission of Sri Lanka Act	Companies Act No. 07 of 2007 , Listing rules of the Colombo Stock Exchange , Securities and Exchange Commission of Sri Lanka Act	Companies Act No. 07 of 2007 , Listing rules of the Colombo Stock Exchange , Securities and Exchange Commission of Sri Lanka Act	Companies Act No. 07 of 2007 , Listing rules of the Colombo Stock Exchange , Securities and Exchange Commission of Sri Lanka Act
Original Date of Issuance	Date listed 26-Apr-1993	24-Nov-2021	12-Dec-2023	12-Sep-2024	2-Dec-2024
Par Value of Instrument	NA	LKR 100/-	LKR 100/-	LKR 100/-	LKR 100/-
Perpetual or Dated	Perpetual	Dated	Dated	Dated	Dated
Original Maturity Date, if Applicable	NA	Type A - 23 Nov 2026 Type B - 23 Nov 2028	Type A - 11 Dec 2028 Type B - 11 Dec 2028	Type A - 11 Sep 2029 Type B - 11 Sep 2029 Type C - 11 Sep 2029	Type A - 1 Dec 2029 Type B - 1 Dec 2029
Amount Recognised in Regulatory Capital (in LKR '000 as at 31 Dec 2025)	23,042,558	1,646,400	3,000,000	3,750,000	4,000,000
Accounting Classification (Equity/Liability)	Equity	Liability	Liability	Liability	Liability
Issuer Call subject to Prior Supervisory Approval					
Optional Call Date, Contingent Call Dates and Redemption Amount (LKR '000)	NA	NA	NA	NA	NA
Subsequent Call Dates, if Applicable	NA	NA	NA	NA	NA
Coupons/Dividends					
Fixed or Floating Dividend/Coupon	Dividend declared as decided by the Board	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon
Coupon Rate and any Related Index	NA	Type A - 11.90% p.a Type B - 12.00% p.a	Type A - 15.00% p.a Type B - 14.22% p.a	Type A - 13.25% p.a Type B - 12.84% p.a Type C - 12.64% p.a	Type A - 13.00% p.a Type B - 12.41% p.a
Non-Cumulative or Cumulative	NA	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
Convertible or Non-Convertible					
If Convertible, Conversion Trigger (s)	NA	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016	Determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka, and is defined in the Banking Act Direction No. 1 of 2016
If Convertible, Fully or Partially	NA	Fully	Fully	Fully	Fully
If Convertible, Mandatory or Optional	NA	Mandatory	Mandatory	Mandatory	Mandatory
If Convertible, Conversion Rate	NA	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an Ordinary Voting Share during the three months (03) period, immediately preceding the date of the Trigger Event.	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an Ordinary Voting Share during the three months (03) period, immediately preceding the date of the Trigger Event.	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an Ordinary Voting Share during the three months (03) period, immediately preceding the date of the Trigger Event.	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an Ordinary Voting Share during the three months (03) period, immediately preceding the date of the Trigger Event.

Note :
The Board of Directors, at its meeting held on 14 November 2025, approved the issuance of up to 160 Mn Basel III Compliant – Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable GSS+ Bonds with a Non-Viability Conversion feature, at a par value of Rs. 100 each, to raise a maximum amount of LKR 16 billion by way of an Initial Public Offering. The proposed issue was approved by the shareholders of the Bank at the Extraordinary General Meeting held on January 5, 2026. The proposed issue is subject to obtaining all necessary regulatory approvals and will be listed on the Colombo Stock Exchange upon completion.

Template 7

Credit Risk under Standardised Approach
Credit Risk Exposures and Credit Risk Mitigation (CRM) Effects

Asset Class	BANK					
	Amount (LKR'000) as at 31 December 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	RWA	RWA Density(ii)
Claims on Central Government and Central Bank of Sri Lanka	254,738,034	12,386,000	254,738,034	2,322,531	5,863,356	2.28%
Claims on Public Sector Entities	15,984,538	1,845,826	1,594,027	-	797,013	50.00%
Claims on Banks Exposures	38,076,566	68,119,406	38,076,566	1,737,427	14,954,220	37.56%
Claims on Financial Institutions	50,532,066	4,677,281	49,943,860	730,269	34,678,912	68.44%
Claims on Corporates	254,246,515	266,993,370	214,739,696	26,198,710	227,902,169	94.59%
Retail Claims	241,367,251	35,213,001	211,519,944	12,497,540	157,716,054	70.40%
Claims Secured by Residential Property	16,485,346	1,079,819	16,485,346	120,591	8,269,047	49.80%
Non-Performing Assets (NPAs)(i)	27,519,086	-	27,519,086	-	27,437,955	99.71%
Higher-risk Categories	678,118	-	678,118	-	1,695,294	250.00%
Cash Items and Other Assets	30,406,195	-	30,406,195	-	14,016,014	46.10%
Total	**930,033,715**	**390,314,703**	**845,700,872**	**43,607,068**	**493,330,034**	

Asset Class	GROUP					
	Amount (LKR'000) as at 31 December 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	RWA	RWA Density(ii)
Claims on Central Government and Central Bank of Sri Lanka	254,989,819	12,386,000	254,989,819	2,322,531	5,863,356	2.28%
Claims on Public Sector Entities	15,984,538	1,845,826	1,594,027	-	797,013	50.00%
Claims on Banks Exposures	38,793,956	68,119,406	38,793,956	1,737,427	15,081,296	37.21%
Claims on Financial Institutions	50,587,523	4,677,281	49,999,317	730,269	34,719,341	68.44%
Claims on Corporates	254,159,960	266,966,083	214,653,142	26,174,055	227,790,958	94.59%
Retail Claims	241,367,251	35,213,001	211,519,944	12,497,540	157,716,054	70.40%
Claims Secured by Residential Property	16,485,346	1,079,819	16,485,346	120,591	8,269,047	49.80%
Non-Performing Assets (NPAs)(i)	27,519,086	-	27,519,086	-	27,437,955	99.71%
Higher-risk Categories	-	695,758	-	347,879	521,818	150.00%
Cash Items and Other Assets	35,486,998	-	35,486,998	-	19,096,564	53.81%
Total	**935,374,477**	**390,983,174**	**851,041,635**	**43,930,292**	**497,293,402**	

Note:

(i) NPAs – As per Banking Act Directions on Classification of loans and advances, income recognition and provisioning.

(ii) RWA Density – Total RWA/Exposures post CCF and CRM.

Template 8

BANK

Credit Risk under Standardised Approach: Exposures by Asset Classes and Risk Weights

Description	Amount (LKR'000) as at 31 Dec 2025 (Post CCF & CRM)									
Risk Weight / Asset Classes	0%	20%	35%	50%	60%	75%	100%	150%	>150%	Total Credit Exposures Amount
Claims on Central Government and Central Bank of Sri Lanka	227,743,786	29,316,780	-	-	-	-	-	-	-	257,060,566
Claims on Public Sector Entities	-	-	-	1,594,027	-	-	-	-	-	1,594,027
Claims on Banks Exposures	-	22,642,147	-	13,492,111	-	-	3,679,735	-	-	39,813,993
Claims on Financial Institutions	-	1	-	31,990,431	-	-	18,683,696	-	-	50,674,128
Claims on Corporates	-	11,059,610	-	8,377,101	-	-	221,501,694	-	-	240,938,405
Retail Claims	30,198,825	1,585,924	-	-	7,076,424	128,013,186	57,143,125	-	-	224,017,484
Claims Secured by Residential Property	-	-	12,825,984	-	-	-	3,779,953	-	-	16,605,937
Non-Performing Assets (NPAs)	-	-	-	1,249,837	-	-	25,181,676	1,087,573	-	27,519,086
Higher-risk Categories	-	-	-	-	-	-	-	-	678,118	678,118
Cash Items and Other Assets	7,274,842	11,394,173	-	-	-	-	11,737,180	-	-	30,406,195
Total	265,217,453	75,998,635	12,825,984	56,703,507	7,076,424	128,013,186	341,707,059	1,087,573	678,118	889,307,939

GROUP

Credit Risk under Standardised Approach: Exposures by Asset Classes and Risk Weights

Description	Amount (LKR'000) as at 31 Dec 2025 (Post CCF & CRM)									
Risk Weight / Asset Classes	0%	20%	35%	50%	60%	75%	100%	150%	>150%	Total Credit Exposures
Claims on Central Government and Central Bank of Sri Lanka	227,995,570	29,316,780	-	-	-	-	-	-	-	257,312,350
Claims on Public Sector Entities	-	-	-	1,594,027	-	-	-	-	-	1,594,027
Claims on Banks Exposures	-	23,456,864	-	13,369,191	-	-	3,705,328	-	-	40,531,383
Claims on Financial Institutions	-	1	-	32,020,488	-	-	18,709,096	-	-	50,729,585
Claims on Corporates	-	11,059,610	-	8,377,101	-	-	221,390,484	-	-	240,827,195
Retail Claims	30,198,825	1,585,924	-	-	7,076,424	128,013,186	57,143,125	-	-	224,017,484
Claims Secured by Residential Property	-	-	12,825,984	-	-	-	3,779,953	-	-	16,605,937
Non-Performing Assets (NPAs)	-	-	-	1,249,837	-	-	25,181,676	1,087,573	-	27,519,086
Higher-risk Categories	-	-	-	-	-	-	-	347,879	-	347,879
Cash Items and Other Assets	7,275,037	11,394,247	-	-	-	-	16,817,715	-	-	35,486,999
Total	265,469,432	76,813,426	12,825,984	56,610,644	7,076,424	128,013,186	346,727,377	1,435,452	-	894,971,925

Template 9

Market Risk under Standardized Measurement Method

Item	BANK 2025	BANK 2024	GROUP 2025	GROUP 2024
	LKR ’000	LKR ’000	LKR ’000	LKR ’000
(a) Capital Charge for Interest Rate Risk	144,946	107,722	155,371	116,443
General Interest Rate Risk	144,946	107,722	147,439	109,872
(i) Net Long or Short Position	144,946	107,722	147,439	109,872
(ii) Horizontal Disallowance	-	-	-	-
(iii) Vertical Disallowance	-	-	-	-
(iv) Options	-	-	-	-
Specific Interest Rate Risk	-	-	7,932	6,571
(b) Capital Charge for Equity	-	-	640,139	686,504
(i) General Equity Risk	-	-	324,954	347,586
(ii) Specific Equity Risk	-	-	315,185	338,918
(c) Capital charge for Foreign Exchange & Gold	77,904	59,073	77,904	59,073
Total Risk Weighted Amount for Market Risk [(a) + (b) + (c)] * CAR	1,782,806	1,334,362	6,987,311	6,896,161

Template 10

Operational Risk under Basic Indicator Approach

As at 31 Dec 2025	**BANK**				
Business Lines	**Gross Income (LKR'000)**				
	Capital Charge Factor	**Fixed Factor**	**1st Year**	**2nd Year**	**3rd Year**
The Basic Indicator Approach	15%		44,889,995	42,455,162	45,373,287
The Standardised Approach					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%				
Commercial Banking	15%				
The Alternative Standardised Approach					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%	0.035			
Commercial Banking	15%	0.035			
Capital Charges for Operational Risk (LKR'000)					
The Basic Indicator Approach	6,635,922				
The Standardised Approach	-				
The Alternative Standardised Approach	-				
Risk Weighted Amount for Operational Risk (LKR'000)					
The Basic Indicator Approach	53,087,378				
The Standardised Approach	-				
The Alternative Standardised Approach	-				

As at 31 Dec 2025	**GROUP**				
Business Lines	**Gross Income (LKR'000)**				
	Capital Charge Factor	**Fixed Factor**	**1st Year**	**2nd Year**	**3rd Year**
The Basic Indicator Approach	15%		47,120,270	45,335,144	48,584,745
The Standardised Approach					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%				
Commercial Banking	15%				
The Alternative Standardised Approach					
Corporate Finance	18%				
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%	0.035			
Commercial Banking	15%	0.035			
Capital Charges for Operational Risk (LKR'000)					
The Basic Indicator Approach	7,052,008				
The Standardised Approach					
The Alternative Standardised Approach					
Risk Weighted Amount for Operational Risk (LKR'000)					
The Basic Indicator Approach	56,416,064				
The Standardised Approach					
The Alternative Standardised Approach					

Template 11

Differences between Accounting and Regulatory Scopes and

Mapping of Financial Statement Categories with Regulatory Risk Categories – Bank Only

As at 31 December 2025	Amount (LKR '000)				
	A	B	C	D	E
	Carrying Values as reported in Published Financial Statements	Carrying Valuesunder 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	**935,808,780**	**935,808,780**	**845,700,874**	**4,519,829**	**85,588,077**
Cash and cash equivalents	17,566,305	17,566,305	17,566,305	-	-
Balances with Central Banks of Sri Lanka	8,225,602	8,225,602	8,225,602	-	-
Placements with banks	24,692,505	24,692,505	24,692,505	-	-
Derivative financial instruments	1,475,777	1,475,777	1,475,777	-	-
Financial assets recognized through profit or loss measured at fair value	253,152	253,152	-	253,152	-
Financial assets at amortised cost -loans and receivables to other customers	593,603,756	593,603,756	517,493,216	-	76,110,540
Financial assets at amortised cost - debt and other instruments	181,340,088	181,340,088	181,340,088	-	-
Financial assets measured at fair value through other comprehensive income	78,648,323	78,648,323	72,283,122	4,266,677	2,098,524
Investments in subsidiary companies	1,031,037	1,031,037	906,268	-	124,769
Intangible assets	1,628,982	1,628,982	-	-	1,628,982
Property, plant and equipment	4,213,378	4,213,378	4,213,378	-	-
Right to Use Assets	1,448,611	1,448,611	1,448,611	-	-
Deferred tax Assets	5,421,860	5,421,860	-	-	5,421,860
Other assets	16,259,404	16,259,404	16,056,002	-	203,402
Liabilities	**849,787,923**	**849,787,923**			
Due to banks	12,447,544	12,447,544	-	-	-
Derivative financial instruments	251,448	251,448	-	-	-
Financial liabilities at amortised cost -due to depositors	707,167,366	707,167,366	-	-	-
Financial Liabilities at amortised cost - due to debt securities holders	69,834,390	69,834,390	-	-	-
Financial Liabilities at amortised cost - due to other borrowers	19,792,565	19,792,565	-	-	-
Debt securities issued	23,330,603	23,330,603	-	-	-
Current tax liabilities	4,038,962	4,038,962	-	-	-
Employee benefit obligations	1,585,637	1,585,637	-	-	-
Other liabilities	11,339,408	11,339,408	-	-	-
Off-Balance Sheet Liabilities	**402,998,561**	**402,998,561**	**389,352,806**	-	961,898
Guarantees	40,685,126	40,685,126	36,232,986	-	672,112
Performance Bonds	9,265,583	9,265,583	9,059,381	-	206,202
Letters of Credit	16,989,263	16,989,263	16,905,679	-	83,584
Other Contingent Items	14,546,821	14,546,821	14,546,821	-	-
Undrawn Commitments	215,328,164	215,328,164	215,328,164	-	-
Other Commitments	106,183,604	106,183,604	97,279,775	-	-
Shareholders' Equity					
Equity capital (Stated capital)/Assigned capital	23,042,558	23,042,558	-	-	-
of which Amount eligible for CET1	23,042,558	23,042,558	-	-	-
Retained earnings	50,334,623	50,334,623	-	-	-
Accumulated Other comprehensive income	4,329,745	4,329,745	-	-	-
Other reserves	8,313,931	8,313,931	-	-	-
Total Shareholders' Equity	**86,020,857**	**86,020,857**			

*Carrying Values under the Scope of Regulatory Reporting is same as the Carrying Values as Reported in Published Financial Statements according to the Banking Act Direction No. 13 of 2021 & No. 14 of 2021 issued on 14th September 2021.

DSIB ASSESSMENT AS PER THE BANKING ACT DIRECTION NO. 2 OF 2025 ON DOMESTIC SYSTEMATICALLY IMPORTANT BANKS

As at 31 December	GROUP 2025 LKR Mn	GROUP 2024 LKR Mn
SIZE		
Indicator 1 - Total Exposure	984,939	839,989
INTERCONNECTEDNESS		
Indicator 2 - Intra-financial System Assets	88,859	72,679
a. Funds deposited with or lent to other financial institutions (including unused portion of committed lines extended)	70,837	62,991
i) Funds deposited	34,927	30,646
ii) Lending	35,910	32,345
b. Holdings of securities issued by other financial institutions	12,352	8,603
c. Net positive current exposure of securities financing transactions (SFTs) with other financial institutions	4,112	540
d. Over-the-counter (OTC) derivatives with other financial institutions that have a net positive mark to mark value	1,558	545
Indicator 3 - Intra-financial System Liabilities	76,440	36,378
a. Funds deposited by or borrowed from other financial institutions (including unused portion of committed lines obtained)	76,363	36,222
i) Funds deposited	15,523	15,245
ii) Borrowings	60,840	20,977
b. Net negative current exposure of securities financing transactions with other financial institutions	-	-
c. Over-the-counter derivatives with other finacial institutions that have a net negative mark to mark value	77	156
Indicator 4 - Securities Outstanding	23,000	33,090
SUBSTITUTABILITY/FINANCIAL INSTITUTION INFRASTRUCTURE		
Indicator 5 - Payments made in the reporting year (excluding intragroup payments)	8,680,001	7,002,974
Indicator 6 - Gross Loans and Receivables to Non-bank Customers (excluding Government)	617,425	478,976
Indicator 7 - Deposits of Non-bank Customers (excluding Government)	685,477	621,913
COMPLEXITY		
Indicator 8 - Notional Amount of Over-the-Counter (OTC) Derivatives	106,184	66,840
Indicator 9 - Cross-Jurisdictional Claims (excluding derivatives and intragroup claims)	101,994	68,563
Indicator 10 - Cross-jurisdictional Liabilities (excluding derivatives and intragroup liabilities)	47,022	30,220
Indicator 11 - Trading and Available for Sale (AFS) Securities	84,002	105,711