Disclosures as per Pillar III of Banking Act No. 1 of 2016, Capital Requirements under Basel III

# As at 31st March 2023



# Key regulatory ratios - capital and liquidity

Item	As at	As at
	31 March 2023	31 December 2022
Regulatory capital (LKR'000)		
Common Equity Tier 1 (CET I) capital	13,659,214	13,491,315
Tier 1 capital	13,659,214	13,491,315
Total capital	14,803,063	16,174,114
Regulatory capital ratio (%)		
Common Equity Tier 1 capital ratio	13.08	13.16
(Minimum requirement - 2023: 7.50 2021: 6.50%)		
Tier 1 Capital Ratio	13.08	13.16
(Minimum requirement - 2023: 8.50 2021: 8.00%)		
Total capital ratio	15.52	15.78
(Minimum requirement - 2023: 12.50%, 2021: 12.00%)		
Leverage ratio (%) ( <i>Minimum requirement - 3%</i> )	7.69	8.48
Regulatory liquidity		
Statutory liquid assets (LKR' 000)	29,193,950	24,666,592
Statutory liquid assets ratio ( <i>Minimum requirement - 20%</i> )		
Domestic banking unit (%)	28.53	26.90
Off-shore banking unit (%)	-	-
Total stock of high-quality liquid assets (LKR' 000)	23,629,910	15,267,800
Liquidity coverage ratio (%)		
(Minimum requirement - 2022: 100%, 2021 - 90%)		
Rupee (%)	308.66	178.47
All currency (%)	308.66	178.47
Net stable funding ratio (%) ( <i>Minimum requirement - 100%</i> )	234.62	213.48

Base III computation of equilat ratio     A at a pass of part of p	Template 2		
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Common Equity Time 1 (CETT) expital     11328724     114284671       Divery capital diverse expital/section (CET)     317231     314731       Reserve fund     317231     314731       Published retained servings/(secunulated retained losses)     1767.576     2.200,183       Published retained servings/(secunulated retained losses)     286.642     27.605       Fraia digutameted screar vest     27.601     27.601       General and ther disclosed reserves     27.602     27.603       Traia digutameted to CETT capital     11179/414     638,881       Gondwill (ret)     57.677.86     38.8933       Deferred tax assets (net)     57.677.86     38.8933       Deferred tax assets (net)     600,628     299.448       Intraventex is barred by consolidated banking and financial subsidiaries of the Bank and held by third parties     -       Additional Time 1 (CTT) capital after adjustments     -     -       Additional Time 1 (CTT) capital after adjustments     -     -       Instruments issued by consolidated banking and financial subsidiaries of the Bank and held by third parties     -     -       Timaty additional Time 1 (CTT) capital     -     -     -	Common Equity Tier 1 (CET1) capital after adjustments	12.479.801	13.491.315
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Investment in own shares   -   -     Investments in the capital of banking and financial institutions   -   -     CET 1 capital   12,479,801   13,491,315     Total Tier 1 capital   14,803,063   16,174,114     Total risk weighted assets (RWA)   95,407,364   102,517,659     RWAs for credit risk (Template 7 and 8)   86,503,419   94,318,069     RWAs for operational risk (Template 9)   884,161   25,975     RWAs for operational risk (Template 10)   9,019,784   8,173,615     CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   13.08   13.16     of which: capital actoservation buffer (%)   -   -   -     of which: capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   13.08   13.16     Total Tier 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52   15.78     Total Tier 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52   15.78     of which: capital conservation buffer (%)   -   -   -     of which: capital ratio (including ca			-
Investments in the capital of banking and financial institutions     -     -       CET 1 capital     12,479,801     13,491,315       Total Tier 1 capital     12,479,801     13,491,315       Total capital     14,803,063     16,174,114       Total risk weighted assets (RWA)     95,407,364     102,517,659       RWAs for credit risk (Template 7 and 8)     85,503,419     94,318,069       RWAs for operational risk (Template 9)     884,161     25,975       RWAs for operational risk (Template 10)     9,019,784     8,173,615       CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     13.08     13.16       of which: capital surcharge on D-SIBs (%)     -     -     -       Total ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     13.08     13.16       of which: capital surcharge on D-SIBs (%)     -     -     -       Total rist (apital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     13.08     13.16       of which: capital ratio (%)     -     -     -       Of which: capital ratio (including capital conservati		-	-
CET 1 capital     12,479,801     13,491,315       Total Tier 1 capital     12,479,801     13,491,315       Total capital     14,803,063     16,174,114       Total capital     14,803,063     16,174,114       Total risk weighted assets (RWA)     95,407,364     102,517,659       RWAs for credit risk (Template 7 and 8)     85,503,419     94,318,069       RWAs for operational risk (Template 9)     884,161     25,975       RWAs for operational risk (Template 10)     9,019,784     8,173,615       CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     13.08     13.16       CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     13.08     13.16       CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     13.08     13.16       of which: capital surcharge on D-SIBs (%)     -     -       Of which: capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     15.52     15.78       of which: capital ratio (including capital conservation		-	-
Total Tier 1 capital     12,479,801     13,491,315       Total capital     14,803,063     16,174,114       Total risk weighted assets (RWA)     95,407,364     102,517,659       RWAs for credit risk (Template 7 and 8)     85,503,419     94,318,069       RWAs for market risk (Template 9)     884,161     25,975       RWAs for operational risk (Template 10)     9,019,784     8,173,615       CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     13.08     13.16       of which: capital surcharge on D-SIBs (%)     -     -     -       Total Tier 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     13.08     13.16       of which: capital surcharge on D-SIBs (%)     -     -     -       Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     13.08     13.16       of which: capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     15.52     15.78       of which: capital ratio (including capital conservation buffer (%)     -     -     -       of which: capital ratio (including capital conse		-	-
Total capital     14,803,063     16,174,114       Total risk weighted assets (RWA)     95,407,364     102,517,659       RWAs for credit risk (Template 7 and 8)     85,503,419     94,318,069       RWAs for operational risk (Template 9)     884,161     25,975       RWAs for operational risk (Template 10)     9,019,784     8,173,615       CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     13.08     13.16       of which: capital conservation buffer (%)     -     -     -       of which: capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     13.08     13.16       Total Tier 1 capital ratio (%)     -     -     -       of which: capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     13.08     13.16       Total Capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)     15.52     15.78       of which: capital conservation buffer (%)     -     -     -     -       of which: capital conservation buffer (%)     -     -     -     -       of which: capital conservation buffer (%)		, ,	, ,
Total risk weighted assets (RWA)   95,407,364   102,517,659     RWAs for credit risk (Template 7 and 8)   85,503,419   94,318,069     RWAs for market risk (Template 9)   884,161   25,975     RWAs for operational risk (Template 10)   9,019,784   8,173,615     CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   13.08   13.16     of which: capital conservation buffer (%)   -   -   -     of which: capital surcharge on D-SIBs) (%)   13.08   13.16     Total capital ratio (%)   -   -   -     of which: capital a tratio (%)   -   -   -     Total capital ratio (%)   13.08   13.16   -     Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52   15.78     of which: capital conservation buffer (%)   -   -   -   -     of which: capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52   15.78     of which: capital conservation buffer (%)   -   -   -     of which: capital conservation buffer (%)   -   -   - </td <td>•</td> <td></td> <td></td>	•		
RWAs for credit risk (Template 7 and 8)85,503,41994,318,069RWAs for market risk (Template 9)884,16125,975RWAs for operational risk (Template 10)9,019,7848,173,615CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)13.0813.16of which: capital conservation buffer (%)of which: capital ratio (%)Total ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)13.0813.16Total ratio (%)of which: capital ratio (%)13.0813.16Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)15.5215.78of which: capital ratio (%)Total capital ratio (%)of which: capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)15.5215.78of which: capital conservation buffer (%)of which: countercyclical buffer (%)of which: capital conservation buffer (%)-	Total capital	14,803,063	16,174,114
RWAs for credit risk (Template 7 and 8)85,503,41994,318,069RWAs for market risk (Template 9)884,16125,975RWAs for operational risk (Template 10)9,019,7848,173,615CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)13.0813.16of which: capital conservation buffer (%)of which: capital ratio (%)Total ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)13.0813.16Total ratio (%)of which: capital ratio (%)13.0813.16Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)15.5215.78of which: capital ratio (%)Total capital ratio (%)of which: capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)15.5215.78of which: capital conservation buffer (%)of which: countercyclical buffer (%)of which: capital conservation buffer (%)-	Total visit weighted aggets (DWA)	05 407 264	102 517 650
RWAs for market risk (Template 9)   884,161   25,975     RWAs for operational risk (Template 10)   9,019,784   8,173,615     CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   13.08   13.16     of which: capital conservation buffer (%)   -   -   -     of which: capital surcharge on D-SIBs (%)   -   -   -     Total ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   13.08   13.16     Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   13.08   13.16     of which: capital conservation buffer (%)   -   -   -     of which: capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52   15.78     of which: capital conservation buffer (%)   -   -   -     of which: capital conservation buffer (%)   -   -   -     of which: countercyclical buffer (%)   -   -   -     of which: countercyclical buffer (%)   -   -   -			
RWAs for operational risk (Template 10)   9,019,784   8,173,615     CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   13.08   13.16     of which: capital conservation buffer (%)   -   -   -     of which: capital surcharge on D-SIBs) (%)   -   -   -     of which: capital surcharge on D-SIBs (%)   -   -   -     Total Tier 1 capital ratio (%)   -   -   -     Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   13.08   13.16     Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52   15.78     of which: capital conservation buffer (%)   -   -   -     of which: capital conservation buffer (%)   -   -   -     of which: capital conservation buffer (%)   -   -   -			
CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   13.08   13.16     of which: capital conservation buffer (%)   -   -     of which: countercyclical buffer (%)   -   -     of which: capital surcharge on D-SIBs (%)   -   -     Total Tier 1 capital ratio (%)   -   -     Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   13.08   13.16     Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52   15.78     of which: capital conservation buffer (%)   -   -   -     of which: capital conservation buffer (%)   -   -     of which: capital conservation buffer (%)   -   -		,	,
of which: capital conservation buffer (%)   -   -     of which: countercyclical buffer (%)   -   -     of which: capital surcharge on D-SIBs (%)   -   -     Total Tier 1 capital ratio (%)   13.08   13.16     Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52   15.78     of which: capital conservation buffer (%)   -   -   -     of which: countercyclical buffer (%)   -   -   -		9,019,764	6,173,015
of which: countercyclical buffer (%)   -   -     of which: capital surcharge on D-SIBs (%)   -   -     Total Tier 1 capital ratio (%)   13.08   13.16     Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52   15.78     of which: capital conservation buffer (%)   -   -   -     of which: countercyclical buffer (%)   -   -	CET 1 capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)	13.08	13.16
of which: capital surcharge on D-SIBs (%)   -     Total Tier 1 capital ratio (%)   13.08     Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52     of which: capital conservation buffer (%)   -     of which: countercyclical buffer (%)   -	of which: capital conservation buffer (%)	-	-
Total Tier 1 capital ratio (%)   13.08   13.16     Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52   15.78     of which: capital conservation buffer (%)   -   -   -     of which: countercyclical buffer (%)   -   -   -	of which: countercyclical buffer (%)	- 1	-
Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52   15.78     of which: capital conservation buffer (%)   -   -   -     of which: countercyclical buffer (%)   -   -   -	of which: capital surcharge on D-SIBs (%)	- 1	-
Total capital ratio (including capital conservation buffer, countercyclical capital buffer and surcharge on D-SIBs) (%)   15.52   15.78     of which: capital conservation buffer (%)   -   -   -     of which: countercyclical buffer (%)   -   -   -	Total Tier 1 capital ratio (%)	13.08	13.16
of which: countercyclical buffer (%)		15.52	15.78
of which: countercyclical buffer (%)	of which: capital conservation buffer (%)	- 1	-
of which: capital surcharge on D-SIBs (%)	of which: countercyclical buffer (%)	-	-
	of which: capital surcharge on D-SIBs (%)	-	-

### Template 3 Computation of leverage ratio

	Amount (LKR' 000)	Amount (LKR' 000)
Item	As at	As at
	31 March 2023	31 December 2022
Tier 1 capital	12,479,801	13,491,315
Total exposures	162,361,096	159,046,564
On-balance sheet items (excluding derivatives and securities financing transactions, but including collateral)	161,577,748	158,405,078
Derivative exposures	-	-
Securities financing transaction exposures	-	-
Other off-balance sheet exposures	783,348	641,486
Basel III leverage ratio (%) (Tier 1/total exposure)	7.69	8.48

Basel III computation of liquidity coverage ratio

Item	Amount (LKR' 000)						
	As at 31 Ma	rch 2023	As at 31 Dece	ember 2022			
	Total un-weighted	Total weighted	Total un-	Total weighted			
	value	value	weighted value	value			
Total stock of high-quality liquid assets (HQLA)	23,629,910	23,629,910	15,211,305	15,267,801			
Total adjusted level 1 assets	23,629,910	23,629,910	15,211,305	15,211,305			
Level 1 assets	23,629,910	23,629,910	15,267,801	15,267,801			
Total adjusted level 2A assets	-	-	-	-			
Level 2A assets	-	-	-	-			
Total adjusted level 2B assets	-	-	-	-			
Level 2B assets	-	-	-	-			
Total cash outflows	103,851,056	15,585,382	93,396,019	17,097,771			
Deposits	75,543,607	7,554,361	61,567,045	6,156,704			
Unsecured wholesale funding	26,582,377	7,052,464	30,001,358	9,728,511			
Secured funding transactions	29,714	29,714	30,230	30,230			
Undrawn portion of committed (irrevocable) facilities and	1,695,358	948,844	1,797,387	1,182,325			
other contingent funding obligations							
Additional requirements	-	-	-	-			
Total cash inflows	20,433,271	7,929,847	12,550,982	8,543,080			
Maturing secured lending transactions backed by							
collateral	-	-	780,850	-			
Committed facilities	7,350,000	-	250,000	-			
Other inflows by counterparty which are maturing within							
30 days	9,179,669	5,978,046	10,010,132	7,788,080			
Operational deposits	-	-	-	-			
Other cash inflows	3,903,602	1,951,801	1,510,000	755,000			
Liquidity coverage ratio (%) (stock of high quality liquid							
assets/total net cash outflows over the next 30 calendar		308.66		178.47			
days) * 100							

Stated capital			
Conces Development Bonk DIC	Subordinated term debt (2016)	Subordinated term debt (2019) Stichting Fondsbeheer DGGF Lokaal	Subordinated term debt (2019)
Sanasa Development Bank PLC	SBI FMO Emerging Asia Financial	5	Belgian Investment Company for
	Sector Fund PTE. LTD	MKB duly represented by Triple Jump	Developing Countries NV/SA -
		B.V	(BIO)
			N/A
			Companies Act No. 07 of 2007,
5	5	5 5 . 5	Colombo Stock Exchange
Regulations	Regulations, Banking Act Directions	Act Directions	Regulations, Banking Act Directions
May 2012	December 2016	March 2019	September 2019
-			-
100	N/A	N/A	N/A
Perpetual	Dated	Dated	Dated
N/A	December 2021	March 2024	September 2024
11.287.765	-	409.967	483.450
Fauity	Liability	Liability	Liability
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
Floating dividend	Floating coupon	Floating coupon	Floating coupon
			6 months LIBOR + 550bps
	*	*	Cumulative
			Convertible
			Conversion trigger(s) applicable as
			per Banking Act Direction No. 1 of
		Daliking Act Direction No. 1 of 2010	2016
N/A	Fully or partially subject to a	Fully or partially subject to a maximum	Fully or partially subject to a
IVA	, , , ,		maximum of 15% of the issued
		of 15% of the issued share capital	share capital
N/A	*	Mandatory upon the occurrence of a	Mandatory upon the occurrence o
IN/A	optional		a trigger event
N/A	-	1 5 5	Simple average of the daily volum
			weighted average price (VWAP) o
			an ordinary voting share of the
	any new investor		borrower as published by the
		exchange during the three (3) months	colombo stock exchange during
		period, immediately preceding the date	the three (3) months period,
		of the trigger event	immediately preceding the date of
			the trigger event
	100 Perpetual N/A	Companies Act, No. 07 of 2007,   Companies Act, No. 07 of 2007,     Colombo Stock Exchange   Regulations, Banking Act Directions     May 2012   December 2016     100   N/A     Perpetual   Dated     N/A   December 2021     11,287,765   -     Equity   Liability     Ploating dividend   Floating coupon     N/A   N/A     N/A   M/A     N/A   Floating coupon     N/A   Gonvertible     N/A   Floating coupon     N/A   Floating coupon     N/A   N/A     N/A   N/A     N/A   Fully or partially subject to a maximum of 15% of the issued share capital     N/A   Optional     N/A   LKR 140 or 1.1 x of book value per share which ever is lower in the event if Bank issues new shares to	LK0412N00003     N/A     N/A       Companies Act, No. 07 of 2007, Colombo Stock Exchange     Companies Act, No. 07 of 2007, Colombo Stock Exchange Regulations, Banking Act Directions     Companies Act, No. 07 of 2007, Colombo Stock Exchange Regulations, Banking Act Directions       May 2012     December 2016     March 2019       100     N/A     N/A       Perpetual     Dated     Dated       N/A     December 2021     March 2024       11,287,765     -     409,967       Equity     Liability     Liability       N/A     N/A     N/A       N/A     N/A     N/A       N/A     N/A     March 2024       11,287,765     -     409,967       Equity     Liability     Liability       N/A     N/A     N/A       N/A     N/A     Somoths T-bill Rate + 700bps       Non-convertible

N/A - not applicable

#### Summary discussion on adequacy/meeting current and future capital requirements

### Overview

A proper "capital management process" is vital in ensuring the long-term stability of the business, the capital adequacy ratio is a measure used to determine whether the Bank has sufficient capital to withstand unexpected losses arising from various risks during the course of the business. Therefore, it acts as a layer of cushion in absorbing potential losses arising from the course of the business and safeguarding the depositors' funds. At present, capital adequacy position of the banks are computed based on banking Act Direction No. 01 of 2016 and subsequent amendments thereto issued by Central Bank of Sri Lanka. SANASA Development Bank has continued to maintain

### **Capital management process**

In order to comply with the new Basel III guidelines, SANASA Development Bank's capital management process is under supervision of Board Strategic Planning Committee. The three year (2020-2022) capital management plan rolled out has been integrated with the Internal Capital Adequacy Assessment Process (ICAAP) as well as the Bank's Strategic Plan. Efforts have taken to comply with the Basel III regulations saw the Bank increases its capital levels by issuing Basel III compliant Tier - II debt instruments. Steps were also taken to optimize the capital ratios by rebalancing the risk weighted assets (RWA).

### **Moving forward**

Moving forward with the capital management plan, the Bank will execute specific medium term and long term strategies to raise both Tier I and Tier II capital in line with Basel III minimum regulatory requirements. In addition, timely actions have been identified and will be executed during the coming years to optimize the risk weighted assets for the purpose of improving the capital allocation of the Bank.

Credit risk under standardized approach - credit risk exposures and credit risk mitigation (CRM) effects

Asset class		Amount (LKR' 000) as at 31 March 2023							
	-	e credit conversion ctor (CCF) and CRM	Exposures post CCF and CRM RWA and RW		WA density (%)				
	On- balance sheet	Off-balance sheet	On- balance	Off-balance	RWA	RWA density			
	amount	amount	sheet amount	sheet amount		(%)			
Claims on Central Government and CBSL	22,730,742	-	22,730,742	-	-	0%			
Claims on foreign sovereigns and their Central									
Banks	-	-	-	-	-	-			
Claims on public sector entities	-	-	-	-	-	-			
Claims on official entities and multilateral									
development banks	-	-	-	-	-	-			
Claims on banks exposures	19,024,033	-	19,024,033	-	3,804,807	20%			
Claims on financial institutions	-	-	-	-	-	-			
Claims on corporates	4,207,211	-	4,207,211	-	978,369	23%			
Retail claims	104,816,147		91,858,139	-	68,159,977	74%			
Claims secured by residential property	3,193,881	-	3,193,881	-	1,260,839	39%			
Claims secured by commercial real estate	-	-	-	-	-	-			
Non-performing assets (NPAs)	6,091,194	-	6,091,194	-	6,298,335	103%			
Higher-risk categories	-	-	-	-	-	-			
Cash items and other assets	5,369,930	783,348	5,369,930	319,986	5,001,092	88%			
Total	165,433,138	783,348	152,475,130	319,986	85,503,419	56%			

#### 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.

#### Classification: Internal

Template 8 Credit risk under standardized approach - exposures by asset classes and risk weights

Description	Amount (LKR' 000) as at 31 March 2023 (Post CCF & CRM)									
Asset classes Risk weight	0%	20%	35%	50%	60%	75%	100%	150%	>150%	Total credit exposures amount
Claims on Central Government and CBSL	22,730,742	-	-		-	-	-		-	22,730,742
Claims on foreign sovereigns and their Central Banks	-	-	-	-	-	-	-	-	-	-
Claims on public sector entities	-	-	-	-	-	-	-	-	-	-
Claims on official entities and multilateral development banks	-	-	-	-	-	-	-	-	-	-
Claims on banks exposures	-	19,024,032	-	-	-	-	-	-	-	19,024,032
Claims on financial institutions	-	-	-	-	-	-	-	-	-	-
Claims on corporates	-	4,036,052	-	-	-	-	171,159		-	4,207,211
Retail claims	339,294	6,419,116	-	-	-	72,894,302	12,205,427			91,858,139
Claims secured by residential property	-	-	2,973,910	-	-	-	219,971		-	3,193,881
Claims secured by commercial real estate	-	-	-	-	-	-	-	-	-	-
Non-performing assets (NPAs)		-	-	252,062	-	-	5,172,788	666,344	-	6,091,194
Higher-risk categories	-	-	-	-	-	-	-	-	-	-
Cash items and other assets	679,562	11,578	-		-		4,998,776			5,689,916
Total	23,749,597	29,490,778	2,973,910	252,062	-	72,894,302	22,768,121	666,344	-	152,795,115

(0)

Market risk under standardised measurement method

Item	RWA amount (LKR' 000)
	As at 31 March 2023
(a) RWA for interest rate risk	-
General interest rate risk	-
(i) Net long or short position	-
(ii) Horizontal disallowance	-
(iii) Vertical disallowance	-
(iv) Options	-
Specific interest rate risk	-
(b) RWA for equity	
(i) General equity risk	-
(ii) Specific equity risk	-
(c) RWA for foreign exchange and gold	110,520
Capital charge for market risk {(a) +(b) + (c) } * CAR	884,160

Template 10
Operational risk under basic indicator approach

Business lines	Capital charge	Gross income			Amount
	factor	(LKR' 000) as at 31			(LKR' 000)
		1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	
The basic indicator approach	15%	7,670,196	7,821,639	7,057,624	
Capital charges for operational risk (LKR' 000)					
The basic indicator approach					1,127,473
Risk-weighted amount for operational risk (LKR' 000)					
The basic indicator approach					9,019,784

Template 11								
Differences between accounting and regulatory sc	opes and mapping of fina	ancial statement cate	gories with regulat	ory risk categories				
		_						
Item	Amount (LKR '000 as at 31 March 2023)							
-	a	b	С	d	е			
	Carrying values as	Carrying values	Subject to credit	Subject to market	Not subject to capital			
Assets								
Cash and cash equivalents	3,342,263	3,342,263	3,342,263	-	-			
Placements with banks	16,372,318	16,372,318	16,372,318		-			
Financial assets fair value through profit or loss	4,036,052	4,036,052	4,036,052	-				
Financial assets at amortised cost								
- Loans and receivables to other customers	110,246,468	110,246,468	111,676,313	-	1,429,845			
- Debt and other instruments	22,838,755	22,838,755	22,838,755	-	-			
Financial assets measured at fair value through	56,939	56,939	56,939	-	-			
Investment in subsidiaries	6,163	6,163	6,163	-	-			
Property, plant and equipment	1,060,580	1,060,580	1,060,580	-	-			
Right of use assets	645,394	645,394	645,394	-	-			
Investment properties	-	-	-	-	-			
Intangible assets	578,786	578,786	-		578,786			
Differed tax assets	600,628	600,628	-	-	600,628			
Other assets	2,972,818	2,972,818	2,972,818	-				
Total assets	162,757,162	162,757,162	163,007,593	-	2,609,259			
Liabilities								
Due to banks								
Due to other customers	111,162,793	111,162,793	-	-	-			
Other borrowings	30,689,282	30,689,282	-	-	-			
Subordinated term debts	4,579,247	4,579,247	-	-	-			
Retirement benefit obligations	735,080	735,080	-	-	-			
Current tax liabilities	209,430	209,430	-	-	-			
Other liabilities	1,678,711	1,678,710.52	-	-	-			
Total liabilities	149,054,542	149,054,542	-	-	-			

			-	-	-
Off-balance sheet liabilities					
Guarantees	728,285	728,285	728,285		
Undrawn loan commitments	-	544,387	544,387	-	-
	-			-	-
Shareholders' equity					
Equity capital (stated capital)/ assigned capital	11,287,765	11,287,765			
of which amount eligible for CET 1	11,287,765	11,287,765	-	-	-
of which amount eligible for AT 1	-	-	-	-	-
Retained earnings	1,810,981	1,810,981	-	-	-
Accumulated other comprehensive income	(19,052)	-	-	-	-
Other reserves	622,925	603,874	-	-	-
Total shareholders' equity	13,702,620	13,702,620	-	-	-
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