

**Basel III - Pillar 3 Disclosures  
as at 31 December 2023**



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**Key Regulatory Ratios - Capital and Liquidity**

Item	As at 31 Dec 2023	As at 30 Sep 2023
<b>Regulatory Capital (LKR '000)</b>		
Common Equity Tier 1	19,324,373	13,216,850
Tier 1 Capital	19,324,373	13,216,850
Total Capital	22,600,754	16,172,969
<b>Regulatory Capital Ratios (%)</b>		
Common Equity Tier 1 Capital Ratio (Min. Requirement - 7%)	16.5%	12.4%
Tier 1 Capital Ratio (Min. Requirement - 8.5%)	16.5%	12.4%
Total Capital Ratio (Min. Requirement - 12.5%)	19.3%	15.2%
Leverage Ratio (Min. Requirement - 3%)	11.57%	8.43%
<b>Regulatory Liquidity</b>		
Statutory Liquid Assets (LKR'000) - Domestic Banking Unit	51,295,843	43,794,191
Statutory Liquid Assets (USD'000) - Off-Shore Banking Unit	1,760	2,398
Statutory Liquid Assets Ratio (Min. Requirement - 20%)		
Domestic Banking Unit (%)	38.58%	34.10%
Off-Shore Banking Unit (%)	29.89%	29.73%
Liquidity Coverage Ratio (%) – Rupee (Min Requirement - 90%)	300.00%	250.00%
Liquidity Coverage Ratio (%) – All Currency (Min Requirement -90%)	234.88%	212.59%

**Basel III Computation of Capital Ratios**

Item	Amount (LKR '000) As at 31 Dec 2023	Amount (LKR '000) As at 30 Sep 2023
<b>Common Equity Tier 1 (CET1) Capital after Adjustments</b>	<b>19,324,373</b>	<b>12,400,061</b>
<b>Common Equity Tier 1 (CET1) Capital</b>	<b>20,609,660</b>	<b>13,267,685</b>
Equity Capital (Stated Capital)/Assigned Capital	17,633,461	11,348,821
Reserve Fund	266,441	197,102
Published Retained Earnings/(Accumulated Retained Losses)	2,666,625	1,721,762
Published Accumulated Other Comprehensive Income (OCI)	43,133	-
General and other Disclosed Reserves	-	-
Unpublished Current Year's Profit/Loss and Gains reflected in OCI	-	-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	-	-
<b>Total Adjustments to CET1 Capital</b>	<b>1,285,287</b>	<b>867,625</b>
Goodwill (net)		
Intangible Assets (net)	379,309	288,452
Others (Net Deferred Tax Asset & 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 )	905,978	579,173
<b>Additional Tier 1 (AT1) Capital after Adjustments</b>		-
<b>Additional Tier 1 (AT1) Capital</b>		-
Qualifying Additional Tier 1 Capital Instruments		-
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties		-
<b>Total Adjustments to AT1 Capital</b>		-
Investment in Own Shares		-
Others (specify)		-
<b>Tier 2 Capital after Adjustments</b>	<b>3,276,381</b>	<b>2,624,444</b>
<b>Tier 2 Capital</b>	<b>3,276,381</b>	<b>2,624,444</b>
Qualifying Tier 2 Capital Instruments		-
Revaluation Gains	707,723	707,723
Loan Loss Provisions	2,568,658	1,916,721
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties		-
<b>Total Adjustments to Tier 2</b>		-
Investment in Own Shares		-
Others (specify)		-
<b>CET1 Capital</b>	<b>19,324,373</b>	<b>12,336,541</b>
<b>Total Tier 1 Capital</b>	<b>19,324,373</b>	<b>12,336,541</b>
<b>Total Capital</b>	<b>22,600,754</b>	<b>14,960,985</b>
<b>Total Risk Weighted Assets (RWA)</b>	<b>116,904,980</b>	<b>94,718,796</b>
RWAs for Credit Risk	107,889,044	88,027,334
RWAs for Market Risk	872,632	533,294
RWAs for Operational Risk	8,143,304	6,158,168
CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	16.53%	13.02%
of which: Capital Conservation Buffer (%)	2.500%	2.500%
of which: Countercyclical Buffer (%)		
of which: Capital Surcharge on D-SIBs (%)		
<b>Total Tier 1 Capital Ratio (%)</b>	<b>16.53%</b>	<b>13.02%</b>
<b>Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer &amp; Surcharge on D-SIBs) (%)</b>	<b>19.33%</b>	<b>15.80%</b>
of which: Capital Conservation Buffer (%)	2.500%	2.500%
of which: Countercyclical Buffer (%)	-	
of which: Capital Surcharge on D-SIBs (%)	-	

\* This represents CET1 Capital after applicable adjustments

- CET1 Capital before adjustments (LKR '000) 20,609,660      13,267,685

**Computation of Leverage Ratio**

Item	Amount (LKR '000)	
	As at 31 Dec 2023	As at 30 Sep 2023
<b>Tier 1 Capital</b>	<b>19,324,373</b>	<b>12,400,061</b>
<b>Total Exposures</b>	<b>166,966,144</b>	<b>148,600,953</b>
On-Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	157,972,222	141,978,278
Derivative Exposures	-	-
Securities Financing Transaction Exposures		
Other Off-Balance Sheet Exposures	8,993,922	7,490,300
<b>Basel III Leverage Ratio (%) (Tier 1/Total Exposure)</b>	<b>11.57%</b>	<b>8.34%</b>

**Basel III Computation of Liquidity Coverage Ratio**

Item	Amount (LKR'000)			
	As at 31 Dec 2023		As at 30 Sep 2023	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
<b>Total Stock of High-Quality Liquid Assets (HQLA)</b>	<b>13,935,626</b>	<b>13,935,626</b>	<b>12,558,546</b>	<b>12,547,108</b>
<b>Total Adjusted Level 1A Assets</b>	<b>13,926,631</b>	<b>13,926,631</b>	<b>12,535,671</b>	<b>12,535,671</b>
Level 1 Assets	13,926,631	13,926,631	12,535,671	12,535,671
<b>Total Adjusted Level 2A Assets</b>	-	-	-	-
Level 2A Assets	-	-	-	-
<b>Total Adjusted Level 2B Assets</b>	-	-	<b>22,876</b>	<b>11,438</b>
Level 2B Assets	8,994	4,497	22,876	11,438
<b>Total Cash Outflows</b>	<b>152,348,504</b>	<b>23,724,427</b>	<b>148,494,369</b>	<b>23,608,019</b>
Deposits	109,639,426	10,963,943	104,990,398	10,499,040
Unsecured Wholesale Funding	22,253,265	11,153,739	22,380,415	11,547,720
Secured Funding Transactions	-	-	-	-
Undrawn Portion of Committed (Irrevocable)	20,455,814	1,606,746	21,101,225	1,538,929
Facilities and Other Contingent Funding Obligations	-	-	7,200,440	360,022
Additional Requirements	-	-	22,330	22,330
<b>Total Cash Inflows</b>	<b>73,688,589</b>	<b>44,531,086</b>	<b>46,318,951</b>	<b>37,482,794</b>
Maturing Secured Lending Transactions Backed by Collateral	10,366,897	10,366,897	7,528,787	7,528,787
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30 Days	38,220,664	32,673,305	33,191,873	27,154,862
Operational Deposits	22,119,260	-	-	-
Other Cash Inflows	2,981,768	1,490,884	5,598,291	2,799,146
<b>Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) * 100</b>		<b>234.88</b>		<b>212.59</b>

**Main Features of Regulatory Capital Instruments**

Description of the Capital Instrument	Ordinary Shares
Issuer	Amana Bank PLC
CSE Security Code	ABL.N0000
Original Date of Issuance	29-Jan-14
Par Value of Instrument	N/A
Perpetual or Dated	Perpetual
Original Maturity Date, if Applicable	N/A
Amount Recognised in Regulatory Capital (in LKR '000 as at 31 Dec 2023)	20,609,660
Accounting Classification (Equity/Liability)	Shareholders' Equity
<b>Issuer Call subject to Prior Supervisory Approval</b>	
Optional Call Date, Contingent Call Dates and Redemption Amount (LKR '000)	N/A
Subsequent Call Dates, if Applicable	N/A
<b>Coupons/Dividends</b>	
Fixed or Floating Dividend/Coupon	N/A
Coupon Rate and any Related Index	N/A
Non-Cumulative or Cumulative	N/A
<b>Convertible or Non-Convertible</b>	
If Convertible, Conversion Trigger (s)	N/A
If Convertible, Fully or Partially	N/A
If Convertible, Mandatory or Optional	N/A
If Convertible, Conversion Rate	N/A

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

Asset Class	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 CBSL	9,596,072	-	9,596,072	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	-	-	-	-	-	-
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	0%
Claims on Banks Exposures	47,432,022	11,667,570	47,432,022	275,597	18,981,938	40%
Claims on Financial Institutions	-	-	-	-	-	0%
Claims on Corporates	41,601,088	15,265,409	41,601,088	4,220,343	45,821,431	100%
Retail Claims	40,006,192	10,006,989	39,728,105	3,938,370	29,395,439	67%
Claims Secured by Residential Property	4,925,561	-	4,925,561	-	3,708,062	75%
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non-Performing Assets (NPAs) (i)	1,616,462	64,598	1,616,462	13,105	1,443,975	89%
Higher-risk Categories	194,459	-	194,459	-	486,148	250%
Cash Items and Other Assets	12,785,639	779,852	12,785,639	779,852	8,052,052	59%
<b>Total</b>	<b>158,157,495</b>	<b>37,784,419</b>	<b>157,879,408</b>	<b>9,227,267</b>	<b>107,889,044</b>	<b>65%</b>

**Notes:**

- (i) 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.

**Market Risk under Standardised Measurement Method**

Item	RWA Amount (LKR'000) As at 31 Dec 2023
<b>(a) RWA for Interest Rate Risk</b>	-
General Interest Rate Risk	-
(i) Net Long or Short Position	-
(ii) Horizontal Disallowance	-
(iii) Vertical Disallowance	-
(iv) Options	-
Specific Interest Rate Risk	-
<b>(b) RWA for Equity</b>	<b>2,250</b>
(i) General Equity Risk	1,125
(ii) Specific Equity Risk	1,125
<b>(c) RWA for Foreign Exchange &amp; Gold</b>	<b>106,829</b>
<b>Capital Charge for Market Risk [(a) + (b) + (c)] * CAR</b>	<b>872,632</b>

### Operational Risk under Basic Indicator Approach

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 31 Dec 2023		
			1st Year	2nd Year	3rd Year
<b>The Basic Indicator Approach</b>	15%		4,797,552	6,365,381	9,195,326
<b>The Standardised Approach</b>					
Corporate Finance	18%		N/A		
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%				
Commercial Banking	15%				
<b>The Alternative Standardised Approach</b>					
Corporate Finance	18%		N/A		
Trading and Sales	18%				
Payment and Settlement	18%				
Agency Services	15%				
Asset Management	12%				
Retail Brokerage	12%				
Retail Banking	12%				
Commercial Banking	15%				
<b>Capital Charges for Operational Risk (LKR'000)</b>					
The Basic Indicator Approach			1,017,913		
The Standardised Approach			N/A		
The Alternative Standardised Approach			N/A		
<b>Risk Weighted Amount for Operational Risk (LKR'000)</b>					
The Basic Indicator Approach			8,143,304		
The Standardised Approach			N/A		
The Alternative Standardised Approach			N/A		

**Differences between Accounting and Regulatory Scopes and Mapping of Financial Statement Categories with Regulatory Risk Categories – Bank Only**

Item	Amount (LKR '000) as at 31 December 2023				
	a	b	c	d	e
	Carrying Values as Reported in Published Financial Statements*	Carrying Values as under Scope of Regulatory Reporting**	Subject to Credit Risk	Subject to Market Risk Framework	Not Subject to Capital Requirements or Subject to Deduction From Capital
<b>Assets</b>	<b>159,451,776</b>	<b>159,451,776</b>	<b>157,879,408</b>	<b>8,994</b>	<b>3,853,945</b>
Cash and Cash Equivalents	11,100,863	5,513,439	5,513,439	-	-
Balances with Central Banks	9,446,863	9,446,863	9,446,863	-	-
Placements with Banks	42,474,651	47,431,558	47,431,558	-	-
Derivative Financial Instruments	194,267	194,267	194,267	-	-
Other Financial Assets Held-For-Trading	-	-	-	-	-
Financial Assets Designated at Fair Value through Profit or Loss	8,994	8,994	-	8,994	-
Financing and Receivables to Banks	-	-	-	-	-
Financing and Receivables to Other Customers	89,658,060	89,658,060	87,089,402	-	2,568,658
Financial Assets Measured at Fair Value through Other Comprehensive Income	319,000	319,000	197,453	-	121,548
Investments in Subsidiaries	-	-	-	-	-
Investments in Associates and Joint Ventures	-	-	-	-	-
Property, Plant and Equipment	2,775,396	2,775,396	2,775,396	-	-
Investment Properties	-	-	-	-	-
Goodwill and Intangible Assets	379,309	379,309	-	-	379,309
Deferred Tax Assets	784,430	784,430	-	-	784,430
Other Assets	2,309,942	2,940,459	5,231,031	-	-
<b>Liabilities</b>	<b>137,755,191</b>	<b>137,755,191</b>	<b>-</b>	<b>-</b>	<b>-</b>
Due to Banks	321,167	219,294	-	-	-
Derivative Financial Instruments	948	948	-	-	-
Other Financial Liabilities Held-For-Trading	-	-	-	-	-
Financial Liabilities Designated at Fair Value Through Profit or Loss	-	-	-	-	-
Due to Other Customers	132,937,607	131,057,819	-	-	-
Other Borrowings	-	-	-	-	-
Debt Securities Issued	-	-	-	-	-
Current Tax Liabilities	722,144	722,144	-	-	-
Deferred Tax Liabilities	-	-	-	-	-
Other Provisions	-	-	-	-	-
Other Liabilities	3,773,326	5,754,987	-	-	-
Due to Subsidiaries	-	-	-	-	-
Subordinated Term Debts	-	-	-	-	-
<b>Off-Balance Sheet Liabilities</b>	<b>28,100,510</b>	<b>28,100,510</b>	<b>26,500,178</b>	<b>-</b>	<b>1,600,332</b>
Guarantees	3,645,583	3,645,583	3,645,583	-	-
Performance Bonds	767,129	767,129	767,129	-	-
Letters of Credit	1,680,163	1,680,163	1,680,163	-	-
Other Contingent Items	5,108,044	5,108,044	5,108,044	-	-
Undrawn Loan Commitments	13,819,779	13,819,779	13,819,779	-	-
Other Commitments	3,079,813	3,079,813	1,479,481	-	1,600,332
<b>Shareholders' Equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Equity Capital (Stated Capital)/Assigned Capital	17,633,461	17,633,461	-	-	-
of which Amount Eligible for CET1	17,633,461	17,633,461	-	-	-
of which Amount Eligible for AT1	-	-	-	-	-
Retained Earnings	2,666,625	2,738,380	-	-	-
Accumulated Other Comprehensive Income	71,889	71,889	-	-	-
Other Reserves	1,324,609	1,252,855	-	-	707,723
<b>Total Shareholders' Equity</b>	<b>21,696,584</b>	<b>21,696,584</b>	<b>-</b>	<b>-</b>	<b>707,723</b>