



**Quantitative Disclosures as per Schedule III of Banking Act Direction
No. 01 of 2016, Capital Requirements under Basel III**

(Un Audited)

30th September 2025

Basel III - Disclosures Under Pillar 3 as per the Banking Act Direction No.01 of 2016

Disclosure 1

Key Regulatory Ratios - Capital and Liquidity

	30.09.2025		31.12.2024	
	Bank	Group	Bank	Group
Regulatory Capital (LKR '000)				
Common Equity Tier 1	61,484,308	61,721,369	52,485,838	57,804,406
Tier 1 Capital	61,484,308	61,721,369	52,485,838	57,804,406
Total Capital	74,348,723	74,596,282	66,693,851	72,021,286
Regulatory Capital Ratios (%)				
Common Equity Tier 1 Capital Ratio (Minimum Requirement- 7.00%)	11.81	11.82	12.40	13.61
Tier 1 Capital Ratio (Minimum Requirement- 8.50%)	11.81	11.82	12.40	13.61
Total Capital Ratio (Minimum Requirement - 12.50%)	14.28	14.28	15.76	16.96
Leverage ratio (Minimum requirement – 3%)	7.03	7.06	7.33	8.03
Regulatory Liquidity				
Liquidity coverage ratio – Rupee (Minimum requirement : 100%)	221.06	N/A	310.01	N/A
Liquidity coverage ratio – All currency (Minimum requirement : 100%)	188.69	N/A	280.26	N/A
Net stable funding ratio (Minimum requirement : 100%)	121.93	N/A	124.60	N/A

Disclosure 2

Basel III Computation of Capital Ratios

Item	Amount (LKR '000)			
	30.09.2025		31.12.2024	
	Bank	Group	Bank	Group
Common Equity Tier 1 (CET1) Capital after Adjustments	61,484,308	61,721,369	52,485,838	57,804,406
Common Equity Tier 1 (CET1) Capital	79,847,591	81,713,049	71,009,611	77,842,985
Equity Capital (Stated Capital)/Assigned Capital	15,445,973	15,445,973	14,710,454	14,710,454
Reserve Fund	3,657,968	3,657,968	3,657,968	3,657,968
Published Retained Earnings/(Accumulated Retained Losses)	33,238,782	40,072,156	35,834,730	42,668,104
Published Accumulated Other Comprehensive Income (OCI)	3,026,620	3,026,620	3,026,620	3,026,620
General and other Disclosed Reserves	13,779,839	13,779,839	13,779,839	13,779,839
Unpublished Current Year's Profit/Loss and Gains reflected in OCI	10,698,409	5,730,493	-	-
Ordinary Shares issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
Total Adjustments to CET1 Capital	18,363,283	19,991,680	18,523,773	20,038,579
Goodwill (net)	-	156,226	-	156,226
Intangible Assets (net)	2,324,993	2,348,120	2,001,636	2,013,975
Investment in capital of banks and financial institutions	9,961,223	11,390,748	11,180,665	12,507,386
Others	6,077,067	6,096,586	5,341,472	5,360,992
Additional Tier 1 (AT1) Capital after Adjustments	-	-	-	-
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	12,864,415	12,874,913	14,208,013	14,216,880
Tier 2 Capital	12,911,585	12,920,851	14,208,013	14,216,880
Qualifying Tier 2 Capital Instruments	7,397,554	7,397,554	9,803,906	9,803,906
Revaluation Gains	-	-	-	-
Loan Loss Provisions	5,514,031	5,523,297	4,404,107	4,412,974
Instruments issued by Consolidated Banking and Financial Subsidiaries of the Bank and held by Third Parties	-	-	-	-
Total Adjustments to Tier 2	47,170	45,938	-	-
Investment in Own Shares	-	-	-	-
Others (specify)	47,170	45,938	-	-
CET1 Capital	61,484,308	61,721,369	52,485,838	57,804,406
Total Tier 1 Capital	61,484,308	61,721,369	52,485,838	57,804,406
Total Capital	74,348,723	74,596,282	66,693,851	72,021,286

	Amount (LKR '000)			
	30.09.2025		31.12.2024	
	Bank	Group	Bank	Group
Total Risk Weighted Assets (RWA)				
RWAs for Credit Risk	441,122,522	441,863,806	352,328,550	353,037,904
RWAs for Market Risk	32,108,680	32,108,680	27,403,720	27,403,720
RWAs for Operational Risk	47,552,508	48,338,806	43,468,784	44,241,426
CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	11.81	11.82	12.40	13.61
of which: Capital Conservation Buffer (%)	2.50	2.50	2.50	2.50
of which: Countercyclical Buffer (%)	N/A	N/A	N/A	N/A
of which: Capital Surcharge on D-SIBs (%)	N/A	N/A	N/A	N/A
Total Tier 1 Capital Ratio (%)	11.81	11.82	12.40	13.61
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	14.28	14.28	15.76	16.96
of which: Capital Conservation Buffer (%)	2.50	2.50	2.50	2.50
of which: Countercyclical Buffer (%)	N/A	N/A	N/A	N/A
of which: Capital Surcharge on D-SIBs (%)	N/A	N/A	N/A	N/A

Disclosure 3

Computation of Leverage Ratio

Item	Amount (LKR '000)		Amount (LKR '000)	
	30.09.2025 BANK	30.09.2025 GROUP	31.12.2024 BANK	31.12.2024 GROUP
Tier 1 Capital	61,484,308	61,721,369	52,485,838	57,804,406
Total Exposures	874,591,941	873,880,996	715,921,306	720,097,361
On-Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	821,833,314	821,122,369	672,489,151	676,665,206
Derivative Exposures	15,232,804	15,232,804	16,753,173	16,753,173
Securities Financing Transaction Exposures	3,130,949	3,130,949	2,851,459	2,851,459
Other Off-Balance Sheet Exposures	34,394,874	34,394,874	23,827,523	23,827,523
Basel III leverage ratio (Minimum requirement 3%) (%)	7.03	7.06	7.33	8.03

Basel III Computation of Liquidity Coverage Ratio - LKR Only

Item	Amount (LKR'000)			
	30.09.2025		31.12.2024	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	142,631,928	138,466,718	190,127,663	189,104,922
Total Adjusted Level 1A Assets	139,600,807	139,600,807	188,082,181	188,082,181
Level 1 Assets	139,600,807	139,600,807	188,082,181	188,082,181
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	2,045,482	1,022,741
Level 2B Assets	3,031,121	1,515,561	2,045,482	1,022,741
Total cash outflows	583,202,206	125,776,289	485,610,838	94,439,394
Deposits	301,286,025	27,597,535	285,736,836	24,827,049
Unsecured wholesale funding	126,191,602	67,056,603	70,754,099	37,379,639
Secured funding transactions	30,133,165	-	25,427,973	-
Undrawn portion of committed (irrevocable) facilities and other contingent funding obligations	104,103,474	9,634,211	77,536,349	6,077,125
Additional requirements	21,487,940	21,487,940	26,155,581	26,155,581
Total cash inflows	75,668,926	63,137,962	49,098,640	33,438,991
Maturing secured lending transactions backed by collateral	42,198,903	33,766,506	23,232,211	16,056,481
Committed facilities	-	-	-	-
Other inflows by counterparty which are maturing within 30 Days	23,485,108	20,711,043	17,660,717	10,399,925
Operational deposits	-	-	-	-
Other cash inflows	9,984,915	8,660,413	8,205,712	6,982,585
Liquidity coverage Ratio (%) (Stock of high quality liquid assets/ total net cash outflows over the next 30 calendar days) *100 (Minimum requirement - 100%)		221.06		310.01

Disclosure 4

Basel III Computation of Liquidity Coverage Ratio - All Currencies

Item	Amount (LKR'000)			
	30.09.2025		31.12.2024	
	Total Un-weighted Value	Total Weighted Value	Total Un-weighted Value	Total Weighted Value
Total Stock of High-Quality Liquid Assets (HQLA)	141,300,782	140,166,693	190,863,719	189,840,978
Total Adjusted Level 1A Assets	141,300,782	141,300,782	188,818,237	188,818,237
Level 1 Assets	141,300,782	141,300,782	188,818,237	188,818,237
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	2,045,482	1,022,741
Level 2B Assets	3,031,121	1,515,561	2,045,482	1,022,741
Total Cash Outflows	801,183,173	161,191,389	605,544,252	107,121,287
Deposits	347,330,292	32,201,962	327,258,102	28,901,213
Unsecured Wholesale Funding	217,090,137	107,899,350	134,877,080	64,457,610
Secured Funding Transactions	30,133,165	-	25,427,972	-
Undrawn portion of committed (irrevocable) facilities and other contingent funding obligations	199,359,262	13,819,760	112,674,385	8,455,751
Additional Requirements	7,270,317	7,270,317	5,306,713	5,306,713
Total Cash Inflows	102,706,468	86,906,491	59,200,684	39,384,729
Maturing secured lending transactions backed by collateral	47,328,650	38,896,253	25,763,891	18,588,160
Committed facilities	-	-	-	-
Other inflows by counterparty which are maturing within 30 Days	49,522,783	46,632,805	28,461,057	19,479,105
Operational deposits	3,153,100	-	2,435,145	-
Other cash inflows	2,701,935	1,377,433	2,540,591	1,317,464
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/Total Net Cash Outflows over the Next 30 Calendar Days) *100 (Minimum requirement - 100%)		188.69		280.26

Disclosure 5**Net Stable Funding Ratio (NSFR)**

	BANK	
	30.09.2025	31.12.2024
	(LKR'000)	(LKR'000)
Total available stable funding (ASF)	552,049,692	488,990,770
Total required stable funding (RSF)	452,748,320	392,446,771
Required stable funding – On-balance sheet assets	444,076,936	386,813,051
Required stable funding – Off-balance sheet items	8,671,384	5,633,720
NSFR (Minimum requirement – 100%)	121.93	124.60

Disclosure 6

Main Features of Regulatory Capital Instruments

Description of the Capital Instrument (Bank Only)	Stated Capital	Subordinated Term-debt (2020 - Type A)	Subordinated Term-debt (2020 - Type B)	Subordinated Term-debt (2024 - Type A)	Subordinated Term-debt (2024 - Type B)
Issuer	DFCC Bank PLC	DFCC Bank PLC	DFCC Bank PLC	DFCC Bank PLC	DFCC Bank PLC
Unique Identifier (e.g., ISIN or Bloomberg Identifier for Private Placement)	LK0055N00000	C-2458	C-2457	C-2523	C-2524
Governing Law(s) of the Instrument	Companies Act, No. 07 of 2007, Colombo Stock Exchange Regulations				
Original Date of Issuance	N/A	23 October 2020	23 October 2020	16 January 2024	16 January 2024
Par Value of Instrument (LKR)		100	100	100	100
Perpetual or Dated	Perpetual	Dated	Dated	Dated	Dated
Original Maturity Date, if Applicable	N/A	23 October 2025	23 October 2027	16 January 2029	16 January 2031
Amount Recognised in Regulatory Capital (in LKR '000 as at 30th September 2025)	15,445,973	863,600	123,000	6,356,184	54,770
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)	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
Coupons/Dividends					
Fixed or Floating Dividend/Coupon	Floating dividend	Fixed coupon	Fixed coupon	Fixed coupon	Fixed coupon
Coupon Rate and any Related Index (%)	N/A	9.00% p.a	9.25% p.a	15.25% p.a	14.75% p.a
Non-Cumulative or Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
Convertible or Non-Convertible	Non-convertible	Convertible	Convertible	Convertible	Convertible
If Convertible, Conversion Trigger (s)	N/A	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	N/A	Fully	Fully	Fully	Fully
If Convertible, Mandatory or Optional	N/A	Mandatory	Mandatory	Mandatory	Mandatory
If Convertible, Conversion Rate	N/A	Based on the simple average of the daily Volume Weighted Average Price (VWAP) of an ordinary voting shares during the three months (0-3) 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 shares during the three months (0-3) 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 shares during the three months (0-3) 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 shares during the three months (0-3) period, immediately preceding the date of the Trigger Event.

Disclosure 7

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

Asset Class	Amount (LKR'000) as at 30th September 2025 (Bank)					
	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 (%)
Claims on central Government and CBSL	235,598,660	62,007,513	235,598,660	3,088,763	1,060,742	0%
Claims on foreign sovereigns and their Central Banks	1,530,593	-	1,530,593	-	306,119	20%
Claims on public sector entities	8,190,259	-	-	-	-	0%
Claims on official entities and multilateral development banks	-	-	-	-	-	0%
Claims on banks exposures	49,478,931	61,149,897	49,478,931	1,774,005	17,728,368	35%
Claims on financial institutions	15,059,871	-	15,059,871	-	9,308,367	62%
Claims on corporates	225,419,416	67,602,638	175,550,726	24,666,787	190,651,286	95%
Retail claims	162,483,266	18,723,346	162,483,266	9,273,118	120,164,450	70%
Claims secured by residential property	17,897,068	-	17,897,068	-	6,263,974	35%
Claims secured by commercial real estate	46,163,234	-	46,163,234	-	46,163,234	100%
Non-performing assets (NPAs)	34,148,285	-	34,148,285	-	38,186,534	112%
Higher-risk categories	708,548	-	708,548	-	1,771,370	250%
Cash items and other assets	23,637,072	113,581,398	23,637,072	-	9,518,078	40%
Total	820,315,203	323,064,792	762,256,254	38,802,673	441,122,522	

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.

Disclosure 7

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

Asset Class	Amount (LKR'000) as at 30th September 2025 (Group)					
	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 (%)
Claims on central Government and CBSL	235,606,120	62,007,513	235,606,120	3,088,763	1,060,742	0%
Claims on foreign sovereigns and their Central Banks	1,530,593	-	1,530,593	-	306,119	20%
Claims on public sector entities	8,190,259	-	-	-	-	0%
Claims on official entities and multilateral development banks	-	-	-	-	-	0%
Claims on banks exposures	49,478,931	61,149,897	49,478,931	1,774,005	17,728,368	35%
Claims on financial institutions	15,076,537	-	15,076,537	-	9,316,700	62%
Claims on corporates	225,182,381	67,602,638	175,313,691	24,666,787	190,414,251	95%
Retail claims	162,483,266	18,723,346	162,483,266	9,273,118	120,164,450	70%
Claims secured by residential property	17,897,068	-	17,897,068	-	6,263,974	35%
Claims secured by commercial real estate	46,163,234	-	46,163,234	-	46,163,234	100%
Non-performing assets (NPAs)	34,148,285	-	34,148,285	-	38,186,534	112%
Higher-risk categories	725,368	-	725,368	-	1,813,420	250%
Cash items and other assets	24,578,308	113,581,398	24,578,308	-	10,446,014	43%
Total	821,060,350	323,064,792	763,001,401	38,802,673	441,863,806	

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.

Disclosure 9

Market Risk under Standardised Measurement Method

Item	RWA Amount Bank (LKR'000) 30th September 2025	RWA Amount Group (LKR'000) 30th September 2025
(a) Capital charge for Interest Rate Risk	3,053,800	3,053,800
General Interest Rate Risk	3,053,800	3,053,800
(i) Net long or short position	3,053,800	3,053,800
(ii) Horizontal disallowance	-	-
(iii) Vertical disallowance	-	-
(iv) Options	-	-
Specific Interest Rate Risk	-	-
(b) Capital charge for Equity	621,603	621,603
(i) General equity risk	336,839	336,839
(ii) Specific equity risk	284,764	284,764
(c) Capital charge for Foreign Exchange & Gold	338,182	338,182
(d) Capital charge for market risk [(a) + (b) + (C)]	4,013,585	4,013,585
Total risk - weighted amount for Market Risk [(d) * 100 / CAR]	32,108,680	32,108,680

Disclosure 10

Operational Risk under Basic Indicator Approach - BANK

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 30th September		
			2025	2024	2023
The Basic Indicator Approach	15%		46,662,574	34,489,384	37,729,313
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			5,944,064		
The Standardised Approach					
The Alternative Standardised Approach					
Risk Weighted Amount for Operational Risk (LKR'000)					
The Basic Indicator Approach			47,552,508		
The Standardised Approach					
The Alternative Standardised Approach					

Operational Risk under Basic Indicator Approach - GROUP

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR'000) as at 30th September		
			2025	2024	2023
The Basic Indicator Approach	15%		47,277,863	35,197,179	38,371,972
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		6,042,351			
The Standardised Approach					
The Alternative Standardised Approach					
Risk Weighted Amount for Operational Risk (LKR'000)					
The Basic Indicator Approach		48,338,806			
The Standardised Approach					
The Alternative Standardised Approach					