

Basel III - Disclosures Under Pillar 3 as per the Banking Act Direction No.01 of 2016**Disclosure 1****Key Regulatory Ratios - Capital and Liquidity**

	As at 30.09.2025	As at 30.06.2025
Regulatory Capital (LKR '000)		
Common Equity Tier 1 Capital	7,162,471	7,094,600
Tier 1 Capital	7,412,471	7,344,600
Total Capital	7,635,408	7,591,757
Regulatory Capital Ratios (%)		
Common Equity Tier 1 Capital Ratio (<i>Minimum Requirement -7.00%</i>)	31.322	28.657
Tier 1 Capital Ratio (<i>Minimum Requirement - 8.50%</i>)	32.415	29.666
Total Capital Ratio (<i>Minimum Requirement -12.50%</i>)	33.390	30.665
Leverage Ratio (<i>Minimum Requirement - 3%</i>)	11.15	10.17
Regulatory Liquidity		
Statutory Liquid Assets (LKR '000)	-	-
Statutory Liquid Assets Ratio (<i>Minimum Requirement -- 20%</i>)		
Domestic Banking Unit (%)	-	-
Off-Shore Banking Unit (%)	-	-
Liquidity Coverage Ratio (%) - Rupee (<i>Minimum Requirement -100%,</i>)	202	192
Liquidity Coverage Ratio (%) - All Currency (<i>Minimum Requirement -100%</i>)	-	-

Disclosure 2

Basel III Computation of Capital Ratios

	Amount (LKR ' 000)	
	As at 30.09.2025	As at 30.06.2025
Common Equity Tire 1 (CET1) Capital Afer Adjustment	7,162,471	7,094,600
Common Equity Tire 1 (CET1) Capital	7,712,980	7,712,980
Equity Capital (Stated Capital)/Assigned Capital	962,093	962,093
Reserve Fund	353,799	353,799
Published Retained Earnings/(Accumulated Retained Losses)	5,865,869	5,865,869
Published Accumulated Other Comprehensive Income (OCI)	(102,781)	(102,781)
General and other Disclosed Reserves	634,000	634,000
Unpublished Current Year's Profit/Loss and Gains reflected in OCI	-	-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	550,509	618,380
Goodwill (net)	-	-
Intangible Assets (net)	33,644	94,607
Others (Specify)	516,865	523,773
Additional Tier 1 (AT1) Capital after Adjustments	250,000	250,000
Additional Tier 1 (AT1) Capital	250,000	250,000
Qualifying Additional Tiera 1 Capital Instruments	250,000	250,000
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		
Tier 2 Capital	222,937	247,157
Qualifying Tier 2 Capital Instruments	-	-
Revaluation Gains	-	-
Loan Loss Provisions	222,937	247,157
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)	-	-
CET1 Capital		
Total Tier 1 Capital	7,412,471	7,344,600
Total Capital	7,635,408	7,591,757

	Amount (LKR ' 000)	
	As at 30.09.2025	As at 30.06.2025
Total Risk Weighted Amount	22,867,229	24,757,342
R W As for Credit Risk	17,834,957	19,772,582
R W As for Market Risk	-	-
R W As for Operational Risk	5,032,272	4,984,760
CET1 Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	31.322	28.657
of Which : Capital Conservation Buffer (%)	-	-
of Which : Countercyclical Buffer (%)	-	-
of Which : Capital Surcharge on D-SIBs (%)	-	-
Total Tier 1 Capital Ratio (%)	32.415	29.666
Total Capital Ratio (including Capital Conservation Buffer, Countercyclical Capital Buffer & Surcharge on D-SIBs) (%)	33.390	30.665
of Which : Capital Conservation Buffer (%)	-	-
of Which : Countercyclical Buffer (%)	-	-
of Which : Capital Surcharge on D-SIBs (%)	-	-

Disclosure 3

Computation of Leverage Ratio

	Amount (LKR '000)	
	As at 30.09.2025	As at 30.06.2025
Tier 1 Capital	7,412,470	7,344,600
Total Exposures	66,460,792	72,250,837
On Balance Sheet Items (excluding Derivatives and Securities Financing Transactions, but including Collateral)	66,460,792	72,250,837
Derivative Exposures	-	-
Securities Financing Transaction Exposures	-	-
Other Off- Balance Sheet Exposures		
Basel III Leverage Ratio (%) (Tier 1/ Total Exposure)	11.15	10.17

Disclosure 4

Basel III Computation of Liquidity Coverage Ratio

	Amount (LKR '000)			
	As at 30.09.2025		As at 30.06.2025	
	Total Un - weighted Value	Total Weighted Value	Total Un - weighted Value	Total Weighted Value
Total Stock of High - Quality Liquid Assets (HQLA)	15,546,926	15,546,926	14,800,612	14,800,612
Total Adjusted Level 1A Assets	15,127,834	15,127,834	14,184,557	14,184,557
Level 1 Assets	15,546,926	15,546,926	14,800,612	14,800,612
Total Adjusted Level 2A Assets	-	-	-	-
Level 2A Assets	-	-	-	-
Total Adjusted Level 2B Assets	-	-	-	-
Level 2B Assets	-	-	-	-
Total Cash Outflows	51,198,993	8,478,002	50,732,484	8,317,685
Deposits	34,983,652	3,498,365	34,948,278	3,494,828
Unsecured Wholesale Funding	16,002,636	4,789,332	15,636,156	4,704,799
Secured Funding Transactions	-	-	-	-
Undrawn Portion of Committed (Irrevocable) Facilities and Other Contingent Funding Obligations	212,705	190,305	148,050	118,058
Additional Requirements	-	-	-	-
Total Cash Inflows	1,340,923	764,473	817,353	590,187
Maturing Secured Lending Transactions Backed by Collateral	432,267	432,267	464,054	464,054
Committed Facilities	-	-	-	-
Other Inflows by Counterparty which are Maturing within 30 Days	117,290	65,870	177,964	123,955
Operational Deposits	258,694	-	170,978	-
Other Cash Inflows	532,672	266,336	4,357	2,179
Liquidity Coverage Ratio (%) (Stock of High Quality Liquid Assets/ Total Net Cash Outflows over the Nexty 30 Callender Days) * 100		202		192

Disclosure 5

Main Features of Regulatory Capital Instruments

Description of the Capital Instrument	Stated Capital	Basel III Compliant -Tier 1 Perpetual Bond with a Non - viability Conversion
Issuer	HDFC Bank	General Treasury
CSE Security Code	HDFC N0000	Unlisted
Governing Law (s) of the Instrument	Sri Lanka	Sri Lanka
Original Date of Issuance	Multiple	Multiple
Par Value of Instrument	N/A	100
Perpetual or Dated	Perpetual	Perpetual
Original Maturity Date, if Applicable	N/A	N/A
Amount Recognized in Regulatory Capital (in LKR '000 as at the Reporting Date)	962,093	250,000
Accounting Classification (Equity/Liability)	Equity	Liability
Issuer Call Subject to Prior Supervisory Approval		
Optional Call Date, Contingent Call Dates and Redemption Amount (LKR '000)	N/A	N/A
Subsequent Call Dates, if Applicable	N/A	N/A
Coupons/ Dividends		
Fixed or Floating Dividend/Coupon	N/A	Fixed
Coupon Rate and any Related Index		12.5
Non - Cumulative or Cumulative	Non - Cumulative	Non - Cumulative
Convertible or Non-Convertible		
If Convertible, Conversion Trigger (s)	N/A	<p>A "Trigger Event" is determined by and at the sole discretion of the Monetary Board of the Central Bank of Sri Lanka (i.e. conversion of the said Perpetual Bond upon occurrence of the Trigger Event will be effected by the Bank solely upon being instructed by the Monetary Board of the Central Bank of Sri Lanka), Upon the occurrence of a Trigger Event / point which would make the bank non-viable as determined by the Monetary Board as contemplated by section 11(iii) of item 20.2.2.1.1.1 of the Web Based Return Code of the Banking Direction there would be an allocation of losses to the instrument and the par value of the instrument would be reduced which would result in;"</p> <p>a. The claims of the AT1 Bond holder being reduced on a liquidation or upon a call option being exercised in terms of (1) above ; and</p> <p>b. A reduction in the amount of interest arising from the reduction of the principal sum on which the interest rate is applied.</p>
If Convertible, Fully or Partially	N/A	Fully
If Convertible, Mandatory or Optional	N/A	Optional. At the discretion of the monetary board of the Central Bank of Sri Lanka up on occurrence of trigger points as detailed above.
If Convertible, Conversion Rate	N/A	As per the Bond Certificate

Disclosure 7

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

Asset Class	Amount (LKR ' 000) as at 30.09.2025					
	Exposure 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	18,920,526	-	18,920,526	-	-	-
Claims on Foreign Sovereigns and their Central Banks	-	-	-	-	-	-
Claims on Public Sector Entities	416,739	-	416,739	-	208,370	-
Claims on Official Entities and Multilateral Development Banks	-	-	-	-	-	-
Claims on Banks Exposures	1,145,253	-	1,145,253	-	483,588	42.23
Claims on Financial Institutions	2,904,402	-	2,904,402	-	1,389,125	47.83
Claims on Corporates	1,572,496	-	1,572,496	-	786,264	50.00
Retail Claims	2,977,725	-	2,977,725	-	2,210,798	74.24
Claims Secured by Gold	1,600,129	-	1,600,129	-	8	0.00
Claims Secured by Residential Property	4,447,930	-	4,447,930	-	1,692,759	38.06
Claims Secured by Commercial Real Estate	-	-	-	-	-	-
Non - Performing Assets (NPAs) (i)	5,547,769	-	5,547,769	-	6,437,062	116.03
Higher - risk Categories	-	-	-	-	-	-
Cash Items and Other Assets	4,792,751	-	4,792,751	-	4,626,986	96.54
Total	44,325,720	-	44,325,720	-	17,834,960	40.24

Disclosure 9

Market Risk under Standardised Measurement Method

Item	RWA Amount (LKR ' 000) As at 30.09.2025
(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 & Risk	-
Capital Charges For Market Risk [(a) + (b) + (c)] * CAR	-

Disclosure 10

Operational Risk under Basic Indicator Approach/ The standardised Approach/The Alternative Standardised Approach

Business Lines	Capital Charge Factor	Fixed Factor	Gross Income (LKR '000) As at 30.09.2025		
			1st year	2nd Year	3rd year
The Basic Indicator Approach	15%		5,215,375	3,067,287	4,298,019
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	629,034				
The Standardised Approach	-				
The Alternative Standardised Approach	-				
Risk weighted Amount For Operational Risk (LKR' 000)					
The Basic Indicator Approach	5,032,272				
The Standardised Approach	-				
The Alternative Standardised Approach	-				

Disclosure 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 30.09.2025				
	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	65,888,405	65,888,405	44,325,720		21,562,685
Cash and Cash Equivalents	424,459	424,459	424,459	-	-
Balances with Central Banks	-	-	-	-	-
Placements with Banks	4,385,432	4,385,432	4,385,432	-	-
Securities purchased under re - sale agreements	-	-	-	-	-
Derivative Financial Assets	-	-	-	-	-
Financial assets recognized through profit or loss- measured at fair value	-	-	-	-	-
Financial Assets at amortised cost - Loans and advance to Banks	-	-	-	-	-
Financial Assets at amortised cost-Loans and advances to other customers	38,404,311	38,404,311	17,392,134	-	21,012,176
Financial assets at amortised cost-Debt and other financial instruments	20,307,214	20,307,214	20,307,214	-	-
Financial assets measured at fair value through other comprehensive income	-	-	-	-	-
Investments in Subsidiaries	-	-	-	-	-
Investments in Associates and Joint Ventures	-	-	-	-	-
Property, Plant and Equipment	178,491	178,491	178,491	-	-
Lease ROUA	209,597	209,597	209,597	-	-
Investment Property	1,284,000	1,284,000	1,284,000	-	-
Intangible assets	33,644	33,644	-	-	33,644
Deferred Tax Assets	516,865	516,865	-	-	516,865
Other Assets	144,392	144,392	144,392	-	-
Liabilities	58,076,589	58,076,589	-	-	-
Due to Banks	2,096,817	2,096,817	-	-	-
Derivative Financial Instruments	-	-	-	-	-
Securities sold under repurchase agreements	-	-	-	-	-
Financial Liabilities at amortised cost - due to depositors	50,935,991	50,935,991	-	-	-
Financial Liabilities at amortised cost -other borrowings	1,526,776	1,526,776	-	-	-
Debt Securities Issued	1,554,592	1,554,592	-	-	-
Retirement Benefits obligations	984,117	984,117	-	-	-
Current Tax Liabilities	-4,628	-4,628	-	-	-
Deferred Tax Liabilities	-	-	-	-	-
Other Provisions	250,437	250,437	-	-	-
Other Liabilities	732,486	732,486	-	-	-
Off-Balance Sheet Liabilities	23,088	23,088	-	-	-
Guarantees	9,320	9,320	9,320	-	-
Performance Bonds	-	-	-	-	-
Letters of Credit	-	-	-	-	-
Other contingent Items	-	-	-	-	-
Undrawn Loan Commitments	13,768	13,768	-	-	13,768
Other commitments	-	-	-	-	-
Shareholders' Equity	7,811,816	7,811,816	-	-	-
Equity Capital (stated Capital)/Assigned Capital	962,093	962,093	-	-	-
of which Amount Eligible for CETI	962,093	962,093	-	-	-
of which Amount Eligible for ATI	-	-	-	-	-
Retained Earnings	5,956,304	5,956,304	-	-	-
Accumulated Other Comprehensive Income	-94,380	-94,380	-	-	-
Other Reserves	987,799	987,799	-	-	-