

Centenary Bank U Ltd

Basel II – Pillar III – Market Disclosure

Period ended 31st March 2025

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DIS01 – Key Metrics

	31/Mar/2025	31/Dec/2024	30/Sep/2024	30/Jun/2024	30/Mar/2024
	A	A	B	C	D
	T	T -1	T-2	T-3	T-4
Available capital (amounts)	(Shs '000s)	(Shs '000s)			
1 Core Capital (Tier 1)	1,311,425,732	1,296,290,220	1,236,450,808	1,210,453,876	1,161,454,171
2 Supplementary Capital (Tier 2)	41,380,949	40,921,470	38,408,495	37,331,395	36,678,727
3 Total Capital	1,352,806,681	1,337,211,690	1,274,859,303	1,247,785,395	1,198,132,898
Total Risk-weighted Assets (RWA)					
4 Total Risk-weighted Assets	4,810,792,894	4,769,840,648	4,430,522,523	4,645,218,342	4,466,170,205
Risk based capital ratios as a percentage of RWA					
5 Core capital ratio (%)	27.3%	27.2%	27.9%	28.0%	27.9%
6 Total capital ratio (%)	28.1%	28.0%	28.8%	28.9%	28.9%
Capital buffer requirements as a percentage of RWA					
7 Capital conservation buffer requirements (2.5%)	2.50%	2.50%	2.50%	2.50%	2.50%
8 Countercyclical buffer requirements (2.5%)	0.00%	0.00%	0.00%	0.00%	0.00%
9 Systemic buffer (for DSIBs) (%)	0.50%	0.50%	0.50%	0.50%	0.50%
10 Total of capital buffer requirements (%) (row 7+row 8+row 9)	3.00%	3.00%	3.00%	3.00%	3.00%
11 Core capital available after meeting the bank's minimum capital requirements (%)	14.26%	14.18%	14.91%	14.94%	15.93%

12	Basel III leverage ratio					
13	Total Basel III leverage ratio exposure measure	7,512,292,000	7,181,418,047	6,726,787,643	6,531,827,000	6,573,337,457
14	Basel III leverage ratio (%) (row 1/ row 13)	17.5%	18.1%	18.4%	16.9%	16.6%

	Liquidity coverage ratio					
15	Total high-quality liquid assets (HQLA)	1,394,430,540	1,632,486,792	1,073,857,692	1,321,679,171	1,398,576,023
16	Total net cash outflow	756,199,592	706,235,808	546,486,533	891,289,908	759,329,021
17	LCR (%)	184.4%	231.2%	196.5%	148.3%	184.2%

	Net stable funding ratio					
18	Total available stable funding	6,134,347,631	6,090,881,544	5,626,454,842	5,646,807,952	
19	Total required stable funding	3,870,827,354	3,708,690,292	4,380,108,786	4,241,708,775	
20	NSFR	158%	164%	128%	133%	

- Centenary Bank (U) Ltd remains adequately capitalized with **Capital adequacy** well above the buffered Tier 1 & Total Capital adequacy requirements. The increase in Tier 1 capital available after meeting the bank's minimum capital requirement was due to growth in Tier 1 Capital as at 31st March 2025.
- **Capital buffer requirements** remained flat between the reporting periods; the bank continues to hold sufficient capital above the requirement.
- Reduction in **Liquidity Coverage Ratio (LCR)** is driven by a drop in total high liquid Assets (HQLA) placements and government securities between the two periods.

DIS03 – Overview of Risk Weighted Assets (RWA)

	a	b	c	
	RWA - Shs'000		Minimum capital requirements	
	T	T-1	T	
	31-Mar-25	31-Dec-24	31-Mar-25	
1	Credit risk (excluding counterparty credit risk)	4,146,675,163	4,080,815,528	515,283,460
2	Counterparty credit risk	147,559	-	17,707,080
3	Market risk	225,176,106	264,408,699	22,630,890
4	Operational risk	438,794,065	424,616,420	52,683,411
5	Total (1+2+3+4)	4,810,792,894	4,769,840,648	608,304,844

- Total Risk weighted assets increased between the two reporting periods:
 - **Credit Risk** up due to an increase in loans and advances between the two quarters.
 - Increase in **Operational Risk** due to a pick in business activity in quarter one of 2025.
 - Drop in **Market Risk** on the back of reduction in exposure to long-dated government securities (Treasury bonds)
- Centenary Bank continues to maintain a very healthy capital position, well above the minimum capital requirement.

Declaration

The Board acknowledges its responsibility of ensuring the integrity of this report, which in the Board's opinion gives a true and fair view of Centenary Rural Development Bank Limited and addresses all the issues that are material to the Banks ability to remain a going concern. The Pillar III report has been prepared in accordance with the board-agreed internal control processes.

Signed on the behalf of Centenary Rural Development Bank Limited:



Board Chairperson



Managing Director