

NOTE TO THE SUMMARY FINANCIAL STATEMENTS

(a) Basis of preparation
The accompanying summary financial statements, without reference to the detailed notes, are derived from the audited financial statements of Bank One Limited (the "Bank") for the year ended 31 December 2023. These audited financial statements, which have been prepared in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and the Banking Act 2004 are available on the Bank's website:www.bankone.mu

The summary financial statements comprise the statement of financial position as at 31 December 2023 and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, as presented in the audited financial statements for the year.

- (b) Financial Highlights
- Assets grew by 11% in 2023. Net loan book closed at MUR 28 billion against MUR 26.1 billion the previous year, representing a growth of 7%.
 - Gross impairment levels was higher from MUR 580 million as at December 2022 to MUR 1,205 million as at December 2023 (after the classification of a large offshore exposure 92% covered by insurance), increasing the NPL ratio to of 4.20% (2.23% as at December 2022)
 - Total deposits book grew by 17% with the contribution of both local and foreign currencies, closing at MUR44.8 billion compared to MUR 38.2 billion at December 2022.
 - The liquidity position of the Bank remained strong with a Liquidity Coverage Ratio of 327% and as at December 2023.
 - The Bank's capital adequacy ratio remained strong at 16.85% and a tier 1 ratio of 12.74%.

Performance

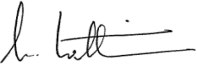
- The Bank reported profit after tax of MUR 756 million compared to MUR 493 million in 2022 (growth of 53% largely contributed by impairment write backs).
 - In line with the growth in its assets base, the bank reported an increase in its net interest income by 28% during the year.
 - Non-interest income were higher in 2023 largely contributed by the net gains on dealing in foreign currencies and derivatives.
 - Non-interest expenses witnessed an increase of 10% reaching MUR1,108 million for the year 2023 against MUR1,004 million for the year 2022 which were related to the growth of the bank's business activities.
- The bank continues to pursue its growth strategy both in the local and offshore markets.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Dec 2023	Dec 2022	Dec 2021
	MUR 000	MUR 000	MUR 000
ASSETS			
Cash and cash equivalents	8,462,698	6,898,615	10,449,280
Derivative assets held for risk management	4,580	3,116	42,826
Non-current asset held-for-sale	-	45,000	-
Loans and advances to banks	8,873,984	5,147,185	3,336,245
Loans and advances to customers	19,129,086	20,180,265	17,474,549
Investment in financial instruments measured at fair value through Other Comprehensive Income (FVTOCI)	2,427,459	1,402,874	2,083,101
Investment in financial instruments measured at amortised cost	10,617,591	10,922,555	10,320,960
Right-of-use assets	69,774	76,965	89,359
Property and equipment	420,993	403,005	435,830
Intangible assets	124,338	133,583	130,666
Deferred tax assets	31,539	44,515	45,936
Other assets	2,008,376	1,571,519	1,387,575
Total Assets	52,170,418	46,829,197	45,796,327
LIABILITIES			
Deposits from customers	44,847,282	38,242,254	37,915,989
Derivative liabilities held for risk management	39,434	26,439	3,112
Other borrowed funds	1,299,929	2,932,664	2,055,978
Subordinated liabilities	1,112,897	1,289,279	1,396,543
Pension obligations	121,264	84,453	60,810
Current tax liabilities	36,942	22,657	27,553
Other liabilities	482,325	512,143	528,230
Lease liabilities	79,065	84,617	96,615
Total Liabilities	48,019,138	43,194,506	42,084,830
EQUITY			
Stated capital	1,456,456	1,456,456	1,456,456
Retained earnings	2,021,147	1,646,082	1,725,369
Other reserves	673,677	532,153	529,672
Total Equity	4,151,280	3,634,691	3,711,497
Total Equity and Liabilities	52,170,418	46,829,197	45,796,327

These financial statements were approved and authorised for issue by the Board of Directors on 22 March 2024.


Roselyne Renel
Chairperson


Mark Watkinson
Chief Executive Officer


Tchang Fa Wong Sun Thiong
Member of the Board Audit Committee

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	Dec 2023	Dec 2022	Dec 2021
	MUR 000	MUR 000	MUR 000
Cash flows from operating activities			
Profit before income tax	810,730	535,570	522,466
Net change on provision for credit impairment (note 7)	(132,150)	(33,476)	(71,799)
Depreciation (notes 17 and 18)	60,024	59,146	40,543
Amortisation (note 19)	50,613	37,755	35,318
Loss/(gain) on disposal of property and equipment/small equipment (note 6)	55	82	(245)
Change in pensions obligations	765	7,995	9,915
Net gain from derecognition of financial assets measured at fair value through other comprehensive income ("FVTOCI")	(733)	(3,111)	(122,032)
Net interest income	(1,268,906)	(993,814)	(815,007)
	(479,602)	(389,853)	(400,841)
Changes in operating assets and liabilities			
Movement in derivatives	11,531	63,037	(19,864)
(Increase)/decrease in loans and advances			
-to banks	(3,685,429)	(1,891,009)	(2,061,525)
-to customers	1,128,569	(2,582,403)	1,944,693
Increase in other assets	(327,426)	(75,229)	(27,831)
Increase/(decrease) in deposits from customers	6,480,500	373,084	(10,124,845)
(Decrease)/increase in other liabilities	(14,604)	(20,162)	154,907
Interest received	2,358,306	1,384,163	1,210,884
Interest paid	(952,875)	(439,325)	(345,794)
Income tax paid	(29,946)	(38,462)	(31,258)
Net cash generated from/(used in) operating activities	4,489,024	(3,616,159)	(9,701,474)
Cash flows used in investing activities			
Purchase of investment securities	(18,403,797)	(11,690,734)	(31,189,349)
Proceeds from sale of investment securities	17,638,987	11,563,302	41,056,959
Purchase of property and equipment (note 18)	(18,057)	(21,570)	(113,156)
Proceeds from sale of property and equipment	21	-	296
Purchase of intangible assets (note 19)	(41,483)	(42,254)	(64,999)
Net cash (used in)/generated from investing activities	(824,329)	(191,256)	9,689,751
Cash flows from financing activities			
Repayment of subordinated liabilities	(177,088)	(104,806)	-
Proceeds from subordinated liabilities	-	-	7,840
Repayment of other borrowed funds	(2,008,514)	(539,431)	(1,711,917)
Proceeds from other borrowed funds	371,339	1,408,885	-
Dividend paid	(266,500)	(488,000)	-
Repayment of the lease liabilities	(19,849)	(19,898)	(11,699)
Net cash (used in)/generated from financing activities	(2,100,612)	256,750	(1,715,776)
Cash and cash equivalents at the beginning of the year (note 12)			
	6,898,615	10,449,280	12,176,779
Net cash generated from/(used in) operating activities	4,489,024	(3,616,159)	(9,701,474)
Net cash (used in)/generated from investing activities	(824,329)	(191,256)	9,689,751
Net cash (used in)/generated from financing activities	(2,100,612)	256,750	(1,715,776)
Net increase/(decrease) in cash and cash equivalents	1,564,083	(3,550,665)	(1,727,499)
Cash and cash equivalents at end of year (note 12)	8,462,698	6,898,615	10,449,280

Independent auditor's report to the Shareholders of Bank One Limited

Opinion
The summary financial statements, which comprise the statement of financial position as at December 31, 2023, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, are derived from the audited financial statements of Bank One Limited (the "Bank") for the year ended December 31, 2023.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Dec 2023	Dec 2022	Dec 2021
	MUR 000	MUR 000	MUR 000
Interest income	2,352,766	1,393,221	1,155,343
Interest expense	(1,083,860)	(399,407)	(340,336)
Net interest income	1,268,906	993,814	815,007
Fee and commission income	400,946	457,051	607,911
Fee and commission expense	(138,951)	(127,650)	(329,633)
Net fee and commission income	261,995	329,401	278,278
Net gain on dealing in foreign currencies and derivatives	255,594	178,747	164,391
Net gain from derecognition of financial assets measured at fair value through other comprehensive income (FVTOCI)	733	3,111	93,224
Other operating (loss)/income	(55)	1,746	29,053
	256,272	183,604	286,668
	1,787,173	1,506,819	1,379,953
Operating income			
Personnel expenses	(674,637)	(617,351)	(557,059)
Depreciation and amortisation	(110,637)	(96,901)	(75,861)
Other expenses	(323,319)	(290,473)	(296,366)
	(1,108,593)	(1,004,725)	(929,286)
	678,580	502,094	450,667
Profit before impairment			
Net impairment reversal on financial assets	132,150	33,476	71,799
Total impairment reversal	132,150	33,476	71,799
Profit before income tax	810,730	535,570	522,466
Income tax expense	(54,920)	(41,745)	(109,042)
Profit for the year	755,810	493,825	413,424
Earnings per share (Rs)			
	51.89	33.91	28.39
Profit for the year			
	755,810	493,825	413,424
Other Comprehensive income :			
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Remeasurement of defined pension obligation,net of tax	(33,759)	(14,643)	27,361
Revaluation on building, net of tax	-	36,505	-
Movement in investment revaluation reserve for equity instruments at FVTOCI	(4,076)	6,080	(1,882)
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Movement in fair value reserve for debt instruments at FVTOCI investment securities, net of tax			
Reclassification of gains on disposal of FVTOCI instruments during the year	(733)	(3,111)	(93,224)
(Credit)/loss allowance relating to debt instruments held at FVTOCI	(1,152)	(146)	1,264
Gains/(losses) on FVTOCI instruments during the year	66,999	(107,316)	(54,103)
Other comprehensive income for the year	27,279	(82,631)	(120,584)
Total comprehensive income for the year	783,089	411,194	292,840

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Stated capital	Revaluation surplus	Statutory reserve	General Banking reserve	Fair value reserve	Retirement Benefit Plan Reserve	Retained earnings	Total equity
	MUR 000	MUR 000	MUR 000	MUR 000	MUR 000	MUR 000	MUR 000	MUR 000
Balance as at 1 January 2021	1,456,456	97,313	401,538	55,589	128,689	(97,165)	1,376,237	3,418,657
Profit for the year	-	-	-	-	-	-	413,424	413,424
Other comprehensive loss for the year	-	-	-	-	(147,945)	27,361	-	(120,584)
Transfer to general banking reserve	-	-	-	2,279	-	-	(2,279)	-
Transfer to statutory reserve	-	-	62,013	-	-	-	(62,013)	-
Total comprehensive income	-	-	62,013	2,279	(147,945)	27,361	349,132	292,840
Balance as at 31 December 2021	1,456,456	97,313	463,551	57,868	(19,256)	(69,804)	1,725,369	3,711,497
Balance as at 1 January 2022	1,456,456	97,313	463,551	57,868	(19,256)	(69,804)	1,725,369	3,711,497
Profit for the year	-	-	-	-	-	-	493,825	493,825
Other comprehensive loss for the year	-	36,505	-	-	(104,493)	(14,643)	-	(82,631)
Transfer to general banking reserve	-	-	-	11,038	-	-	(11,038)	-
Transfer to statutory reserve	-	-	74,074	-	-	-	(74,074)	-
Total comprehensive income	-	36,505	74,074	11,038	(104,493)	(14,643)	408,713	411,194
Transactions with owners								
Dividend	-	-	-	-	-	-	(488,000)	(488,000)
Total transactions with owners	-	-	-	-	-	-	(488,000)	(488,000)
Balance as at 31 December 2022	1,456,456	133,818	537,625	68,906	(123,749)	(84,447)	1,646,082	3,634,691
Balance as at 1 January 2023	1,456,456	133,818	537,625	68,906	(123,749)	(84,447)	1,646,082	3,634,691
Profit for the year	-	-	-	-	-	-	755,810	755,810
Other comprehensive loss for the year	-	-	-	-	61,038	(33,759)	-	27,279
Transfer to general banking reserve	-	-	-	874	-	-	(874)	-
Transfer to statutory reserve	-	-	113,371	-	-	-	(113,371)	-
Total comprehensive income	-	-	113,371	874	61,038	(33,759)	641,565	783,089
Transactions with owners								
Dividend	-	-	-	-	-	-	(266,500)	(266,500)
Total transactions with owners	-	-	-	-	-	-	(266,500)	(266,500)
Balance as at 31 December 2023	1,456,456	133,818	650,996	69,780	(62,711)	(118,206)	2,021,147	4,151,280

Revaluation surplus
Revaluation surplus, comprises changes in the carrying amount arising on revaluation of property and equipment.

Statutory reserve
Statutory reserve comprises accumulated annual transfer of 15% of the net profit for the year in line with Section 21(1) of the Banking Act 2004.

Fair value reserve
Fair value reserve comprises cumulative net change in the fair value of financial assets classified under fair value through OCI that has been recognised in other comprehensive income until the investments are derecognised or impaired.

General Banking Reserve
General banking reserve comprises prudential portfolio provisions made by management for exposures in specific industries, in line with regulatory requirements.

Dividend
Pursuant to the board meeting held on 07 March 2023, a final dividend of Rs.266.5 million (Rs18.30 per share) (2022: Rs488 million) was approved for distribution as dividend to shareholders and was paid in June 2023, out of retained earnings, after all regulatory approvals were obtained.

In our opinion, the accompanying summary financial statements are consistent in all material respects, with the audited financial statements of the Bank prepared in accordance with International Financial Reporting Standards (IFRSs) and in compliance with the requirements of the Mauritius Companies Act 2001, the Financial Reporting Act 2004 and the Banking Act 2004.

Summary Financial Statements
The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and Our Report Thereon
We expressed an unmodified audit opinion on the audited financial statements in our report dated March 22, 2024. That report also includes the communication of key audit matters that, in our professional judgement, were of most significance in our audit of the audited financial statements of the current year.

Responsibilities of Directors for the Summary Financial Statements
The directors are responsible for the preparation of the summary financial statements on the basis described in the "Basis of preparation" note.

Auditor's Responsibility
Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements.

Other Matter
This report, including our opinion, has been prepared for and only for the Bank's shareholders in accordance with Section 34(6)(b)(iii) of the Mauritius Banking Act 2004 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.


Deloitte
Chartered Accountants

22 March 2024


Rajeev Tatiah
Licensed by FRC

Liquidity Coverage Ratio - Quarter ending December 2023

(Consolidated in MUR'000s)	TOTAL UNWEIGHTED VALUE (quarterly average of monthly observations)	TOTAL WEIGHTED VALUE (quarterly average of monthly observations)
High-quality liquid assets		
Total high-quality liquid assets (HQLA)	8,561,335	8,561,335
CASH OUTFLOWS		
Retail deposits and deposits from small business customers, of which:		
Less stable deposits	13,890,679	1,389,068
Unsecured wholesale funding, of which:		
Non-operational deposits (all counterparties)	13,725,862	5,490,345
Unsecured debt	2,725,582	2,725,582
Additional requirements, of which:		
Credit and liquidity facilities	668,335	137,610
Other contractual funding obligations	8,923	8,923
Other contingent funding obligations	846,768	42,338
TOTAL CASH OUTFLOWS	31,866,149	9,793,867
CASH INFLOWS		
Secured funding	6,590,478	6,590,478
Inflows from fully performing exposures	1,167,747	583,873
Other cash inflows	856	856
TOTAL CASH INFLOWS	7,759,080	7,175,207
		TOTAL ADJUSTED VALUE
TOTAL HQLA		8,561,335
TOTAL NET CASH OUTFLOWS		2,618,660
LIQUIDITY COVERAGE RATIO (%)		327%
QUARTERLY AVERAGE OF DAILY HQLA		8,589,082