

FINANCIAL HIGHLIGHTS

Like any other business, the impact of the pandemic was severely felt on the business front. Despite the unfavourable business and economic environment, the bank has been successful in improving its asset base by a modest increase of 3% from MUR55bn in 2019 to reach MUR57bn as at 31 December 2020. The gross loans book was consciously brought down from MUR29bn as at December 2019 to MUR22.5bn as at December 2020. This move allowed the bank to improve its liquidity level while at the same time

improving its capital ratios. Furthermore, the bank significantly fortified its capital base with the raising of Rs300m of Tier 1 capital

from its existing shareholders and subordinated bonds of Rs600m from local investors in June 2020. Over and above the negative impact of Covid-19, the performance of the bank was also affected by the classification of two fraud related accounts with common shareholding as impaired. This resulted in the deterioration of the impairment ratio from 4.23% as at December 2019 to 8.67% as at December 2020. Consequently, after booking substantial impairment provisions of Rs1.1bn, the Bank registered loss after tax of Rs492m.

The bank closed the year under review with exceptionally high liquidity and capital levels - Liquidity Coverage Ratio stood at 394% and Capital Adequacy Ratio at 19.81%.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Dec 2020	Restated Dec 2019	Dec 2018
	Rs 000	Rs 000	Rs 000
ASSETS			
Cash and cash equivalents	12,176,779	7,945,661	6,648,88
Derivative assets held for risk management	32,891	3,770	8,27
Loans and advances to banks	1,983,472	4,912,421	2,943,98
Securities purchased under agreement to resell	-	2,034,570	
Loans and advances to customers	18,656,594	22,928,271	20,668,90
Investment in financial instruments measured at fair value through other comprehensive income	12,035,154	2,568,506	2,044,70
Investment in financial instruments measured at amortised cost	10,228,322	13,066,886	4,162,87
Right-Of-Use asset	40,375	55,096	
Property and equipment	345,607	371,821	394,30
Intangible assets	111,585	138,466	156,53
Deferred tax assets	88,682	51,277	46,98
Other assets	1,448,071	1,546,750	1,343,37
Total Assets	57,147,532	55,623,495	38,418,82
LIABILITIES			
Deposits from customers	48,050,492	48,138,611	33,431,83
Derivative liabilities held for risk management	13,041	33,348	1,53
Other borrowed funds	3,767,074	2,449,494	1,103,47
Subordinated liabilities	1,387,217	713,831	699,63
Pension obligations	80,146	43,891	32,31
Current tax liabilities	1,783	59,037	14,61
Other liabilities	381,048	576,053	401,24
Lease liabilities	48,074	57,723	
Total Liabilities	53,728,875	52,071,988	35,684,65
EQUITY			
Stated capital	1,456,456	1,156,456	856,45
Retained earnings	1,376,237	1,875,669	1,488,63
Other reserves	585,964	519,382	389,08
Total Equity	3,418,657	3,551,507	2,734,17
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These financial statements were approved and authorised for issue by the Board of Directors on

57,147,532

Sandra Martyres Chairperson

Total Equity and Liabilities



Leonard Mususa Chairman of the **Board Audit Committee**

55,623,495 38,418,829

STATEMENT OF CASH FLOWS FOR T	THE YEAR END	ED 31 DECEM	BER 2020
_	Dec-20	Dec-19	Dec-18
	Rs 000	Rs 000	Rs 000
Cash flows from operating activities			
(Loss)/profit before income tax	(531,544)	699,141	448,682
Net change on provision for credit impairment	1,073,659	95,369	340,213
Depreciation	43,104	43,748	36,141
Amortisation	35,517	35,080	14,122
Gain on disposal of property and equipment	(402)	(139)	(6,901
Change in provisions and pensions obliga- tions	8,488	5,064	5,062
Gain on sale of securities	(38,464)	(6,826)	(103
Exchange gain/(loss) and others	272,944	21,075	(619
Net interest income	(927,179)	(1,087,656)	(953,746
	(63,877)	(195,144)	(117,149
Changes in operating assets and liabilities			
Movement in derivatives	(49,428)	36,315	(2,735
Decrease/(increase) in loans and advances	0.054.040	(4.000.405)	704.70
-to banks	2,951,010	(1,938,625)	781,794
-to customers Decrease/(increase) in securities purchased	3,253,311	(2,073,391)	(3,294,501
under agreement to resell	2,037,050	(2,035,393)	
Decrease/(increase) in other assets	92,817	(482,225)	(99,249
Decrease)/increase in deposits from customers	(92,198)	14,643,385	5,133,850
Decrease)/increase in other liabilities	(196,730)	206,919	119,13
nterest received	1,401,666	1,616,357	1,376,556
nterest paid	(555,765)	(534,084)	(443,184
Income tax paid	(52,474)	(30,050)	(22,421
Net cash from operating activities	8,725,382	9,214,064	3,432,096
Cash flows used in investing activities			
Purchase of investment securities	(150,471,330)	(29,553,832)	(6,900,110
Proceeds from sale of investment securities	143,984,117	20,225,868	4,459,719
Purchase of property and equipment	(6,845)	(18,746)	(23,434
Proceeds from sale of other assets	-	180	6,647
Proceeds from sale of property and equipment	765	-	889
Purchase of intangible assets	(8,636)	(12,469)	(129,081
Net cash used in investing activities	(6,501,929)	(9,358,999)	(2,585,370
Cash flows from financing activities			
ssue of shares	300,000	300,000	
Proceeds from subordinated liabilities	595,000	-	200,000
Repayment of other borrowed funds	(264,792)	(79,866)	(42,697
Proceeds from other borrowed funds	1,384,419	1,366,125	1,032,600
Dividend paid	-	(138,000)	(79,100
Repayment of the lease liabilities	(6,962)	(6,551)	
Net cash from financing activities	2,007,665	1,441,708	1,110,803
Cash and cash equivalents at the beginning	7,945,661	6,648,888	4,691,359
of the year Not each from operating activities			
Net cash from operating activities Net cash used in investing activities	8,725,382 (6 501 929)	9,214,064	3,432,096
Net cash used in investing activities Net cash from financing activities	(6,501,929) 2,007,665	(9,358,999) 1,441,708	(2,585,370 1,110,803
Net increase in cash and cash equivalents	4,231,118	1,296,773	1,957,529
	12,176,779	7,945,661	6,648,888

Independent auditor's report to the Shareholders of Bank One Limited The summary financial statements, which comprise the statement of financial position as at December

31, 2020, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and related note 1, are extracted from the audited financial statements of Bank One Limited (the "Bank") for the year ended 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

(Consolidated in MUR'000s)

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.

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2020

	Dec 2020	Restated Dec 2019	Dec 2018
	Rs 000	Rs 000	Rs 000
Interest income	1,487,023	1,685,135	1,395,469
Interest expense	(559,844)	(597,479)	(441,723)
Net interest income	927,179	1,087,656	953,746
Fee and commission income	689,113	671,250	500,317
Fee and commission expense	(497,249)	(394,526)	(281,824)
Net fee and commission income	191,864	276,724	218,493
Net gain on dealing in foreign currencies and derivatives	159,631	138,099	103,049
Net gain from derecognition of financial assets measured at fair value through other comprehensive income (FVOCI)	38,464	6,826	105
Other operating income	402	139	147,722
	198,497	145,064	250,876
Operating income	1,317,540	1,509,444	1,423,115
Personnel expenses	(447,820)	(447,389)	(406,765)
Depreciation and amortisation	(78,621)	(78,828)	(50,263)
Other expenses	(248,984)	(188,717)	(177,192)
	(775,425)	(714,934)	(634,220)
Profit before impairment	542,115	794,510	788,895
Net impairment loss on financial assets	(1,073,659)	(95,369)	(340,213)
(Loss)/profit before income tax	(531,544)	699,141	448,682
Income tax credit/(expense)	39,819	(68,683)	(55,223)

(Loss)/profit for the year	(491,725)	630,458	393,459
STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE Y	YEAR ENDED 31 DE	ECEMBER 2020)
	Dec 2020	Dec 2019	Dec 2018
	Rs 000	Rs 000	Rs 000
(Loss)/profit for the year	(491,725)	630,458	393,459
Other Comprehensive income :			
Items that will not be classified subsequently to profit or loss:			
Remeasurement of defined pension obligation,net of tax	(27,280)	(22,133)	10,603
Revaluation on building,net of tax	-	-	5,045
Movement in investment revaluation reserve for equity instruments at FVTOCI	(10,585)	2,077	1,260
Items that may be reclassified subsequently to profit or loss:			
Movement in investment revaluation reserve for debt instruments at FVTOCI			
Reclassification of (gains)/losses during the year	(38,464)	(18,755)	1,124
Credit allowance relating to debt instruments held at FVTOCI	3,395	-	-
Gains/(losses) arising during the year	131,809	63,683	(15,392)
Other Comprehensive Income for the year	58,875	24,872	2,640
Total Comprehensive (Loss)/Income for the year	(432,850)	655,330	396,099

	Stated capital	Revaluation surplus	Statutory reserve	General Banking reserve	Fair value reserve	Retirement Benefit Plan Reserve	Retained earnings	Total equity
-	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000	Rs 000
Balance as at 1 January 2018	856,456	92,268	247,950	73,451	8,537	(58,355)	1,239,958	2,460,265
Impact of adopting IFRS9	-	-	-	(41,435)	-	-	(1,652)	(43,087)
Restated balance as at 1 January 2018	856,456	92,268	247,950	32,016	8,537	(58,355)	1,238,306	2,417,178
Profit for the year	-	-	-	-	-	-	393,459	393,459
Other comprehensive income	-	5,045	-	-	(13,008)	10,603	-	2,640
Transfer to general banking reserve	-	-	-	5,014	-	-	(5,014)	-
Transfer to statutory reserve	-		59,019		_		(59,019)	-
Total comprehensive income	-	5,045	59,019	5,014	(13,008)	10,603	329,426	396,099
Transaction with owners								
Dividend	-	-	-	-	-	-	(79,100)	(79,100)
Total transaction with owners	-	-	-	-	-	-	(79,100)	(79,100)
Balance as at 31 December 2018	856,456	97,313	306,969	37,030	(4,471)	(47,752)	1,488,632	2,734,177
Balance as at 1 January 2019	856,456	97,313	306,969	37,030	(4,471)	(47,752)	1,488,632	2,734,177
Profit for the year	-	-	-	-	-	-	630,458	630,458
Other comprehensive income	-	-	-	-	47,005	(22,133)	-	24,872
Transfer to general banking reserve	-	-	-	10,852	-	-	(10,852)	-
Transfer to statutory reserve	-	-	94,569	-	-	-	(94,569)	-
Total comprehensive income	-		94,569	10,852	47,005	(22,133)	525,037	655,330
Transaction with owners								
Issue of shares	300,000	-	-	-	-	-	-	300,000
Dividend	-	-	-	-	-	-	(138,000)	(138,000)
Total transaction with owners	300,000		_	_	-	-	(138,000)	162,000
Balance as at 31 December 2019	1,156,456	97,313	401,538	47,882	42,534	(69,885)	1,875,669	3,551,507
Balance as at 1 January 2020	1,156,456	97,313	401,538	47,882	42,534	(69,885)	1,875,669	3,551,507
Loss for the year	-				-	-	(491,725)	(491,725)
Other comprehensive income	-	-			86,155	(27,280)	-	58,875
Transfer to general banking reserve				7,707			(7,707)	
Total comprehensive loss				7,707	86,155	(27,280)	(499,432)	(432,850)
Transaction with owners								
Issue of shares	300,000	-	-	-		-		300,000

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated March 09, 2021. 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.

401,538

55,589

128,689

97,313

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 note 1.

300,000

1,456,456

Total transaction with owners

Balance as at 31 December 2020

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.

This report, including our opinion, has been prepared for and only for the Bank's shareholders in accordance with Section 34(6)(b)(ii) 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.

Chartered Accountants

9 March 2021

TOTAL WEIGHTED VALUE (quarterly average of monthly

(97,165) 1,376,237 3,418,657

Note 1:

The accompanying summary financial statements, without reference to the detailed notes, are extracted from the audited financial statements of Bank One Limited (the "Bank") for the year ended 31 December 2020. 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 2020 and the statement of profit or loss, statement of

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.

TOTAL UNWEIGHTED VALUE

(quarterly average of monthly

Liquidity Coverage Ratio - Quarter ending December 2020

	observations)	observations)
HIGH-QUALITY LIQUID ASSETS		
Total high-quality liquid assets (HQLA)	6,459,517	6,459,517
CASH OUTFLOWS		
Retail deposits and deposits from small business customers, of which:		
Less stable deposits	15,874,166	1,587,417
Unsecured wholesale funding, of which:		
Non-operational deposits (all counterparties)	14,900,182	5,960,073
Unsecured debt	1,738,483	1,738,483
Additional requirements, of which:		
Credit and liquidity facilities	1,412,254	1,087,632
Other contractual funding obligations	1,118,228	1,118,228
Other contingent funding obligations	775,169	38,758
TOTAL CASH OUTFLOWS	35,818,482	11,530,591
CASH INFLOWS		
Secured funding	7,080,847	7,080,847
Inflows from fully performing exposures	2,635,818	1,317,909

TOTAL ADJUSTED VALUE

1,492,254

6,459,517

1,492,254

11,208,919

TOTAL HQLA

Other cash inflows

LIQUIDITY COVERAGE RATIO (%)

TOTAL NET CASH OUTFLOWS 1,639,581 394% **QUARTERLY AVERAGE OF DAILY HQLA** 6,864,823

Notes: The reported values for 'quarterly average of monthly observations' are based on October, November and December 2020 month end figures. The reported values for 'quarterly average of daily HQLA' are based on business days figures over 1st October 2020 to 31st December 2020's period.

COMMENTS

- As at the end of December 2020 the Bank's quarterly average LCR was 394%, significantly above the regulatory minimum of 100%. - The Bank's stock of High Quality Liquid Assets (HQLA) is proactively managed to ensure high levels of liquidity. - Liquidity levels are monitored daily.