

FINANCIAL HIGHLIGHTS

The banks closed Q1/2023 with total assets of MUR 46.9bn.

Net loan and deposit books stood at MUR 25.6bn and MUR 37.9bn respectively (MUR 20.5bn and MUR 36.9bn as at Mar 2022)

The impairment ratio remained low at 2.21% as at March 2023 (March 2022 3.40% and December 2022: 2.23%).

The Bank generated profit after tax of Rs140m for the quarter under review compared to Rs94m in quarter ended March 2022.

The performance was largely due to improvement in the interest margins and assets growth.

The Bank's Capital Adequacy Ratio stood at 17.41% as at March 2023 (March 2022:20.40% and December 2022:17.31%) against a regulatory limit of 12.50% and reported a consolidated LCR of 236% at end of the quarter against a regulatory requirement of 100%.

Bank One remains comfortable with its high levels of capital and liquidity amidst the high interest environment and uncertain business climate both locally and on the international front.

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023		
	Unaudited 31 Mar 2023	Audited 31 Dec 2022
	Rs 000	Rs 000
ASSETS		
Cash and cash equivalents	7,732,012	6,898,615
Derivative assets held for risk management	22,876	3,116
Non-current asset held-for-sale	45,000	45,000
Loans and advances to banks	6,052,119	5,147,185
Loans and advances to customers	19,588,715	20,180,265
Investment in financial instruments measured at fair value through other comprehensive income ("FVTOCI")	1,423,323	1,402,874
Investment in financial instruments measured at amortised cost	9,757,470	10,922,555
Right-Of-Use assets	81,040	76,965
Property and equipment	398,327	403,005
Intangible assets	132,774	133,583
Deferred tax assets	41,441	44,515
Other assets	1,709,740	1,571,519
Total Assets	46,984,837	46,829,197
LIABILITIES		
Deposits from customers	37,995,317	38,242,254
Derivative liabilities held for risk management	31,106	26,439
Other borrowed funds	3,208,061	2,932,664
Subordinated liabilities	1,165,758	1,289,279
Pension obligations	84,453	84,453
Current tax liabilities	32,916	22,657
Other liabilities	569,756	512,143
Lease liabilities	89,139	84,617
Total Liabilities	43,176,506	43,194,506
EQUITY		
Stated capital	1,456,456	1,456,456
Retained earnings	1,787,003	1,646,082
Other reserves	564,872	532,153
Total Equity	3,808,331	3,634,691
Total Equity and Liabilities	46,984,837	46,829,197

This interim condensed financial information was approved and authorised for issue by the Board of Directors on 15 May 2023.

Director	Director	
INTERIM CONDENSED STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MARCH 2023		
	Unaudited Three months ended 31 March 2023	Unaudited Three months ended 31 March 2022
	Rs 000	Rs 000
Cash and cash equivalents at beginning of period	6,898,615	10,449,280
Net cash used in operating activities	(454,005)	(460,031)
Net cash from/(used in) investing activities	1,140,809	(456,054)
Net cash from/(used in) financing activities	146,593	(181,672)
Net increase/(decrease) in cash and cash equivalents	833,397	(1,097,757)
Cash and cash equivalents at end of period	7,732,012	9,351,523

Liquidity Coverage Ratio - Quarter ending March 2023

(Consolidated in Rs'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)	5,759,978	5,759,978
CASH OUTFLOWS		
Retail deposits and deposits from small business customers, of which:		
Less stable deposits	13,234,213	1,323,421
Unsecured wholesale funding, of which:		
Non-operational deposits (all counterparties)	12,368,660	4,947,464
Unsecured debt	1,943,562	1,943,562
Additional requirements, of which:		
Credit and liquidity facilities	712,624	136,896
Other contractual funding obligations	-	-
Other contingent funding obligations	765,522	38,276
TOTAL CASH OUTFLOWS	29,024,581	8,389,619
CASH INFLOWS		
Secured funding	5,782,116	5,782,116
Inflows from fully performing exposures	1,026,473	513,236
Other cash inflows	3,462,606	3,462,606
TOTAL CASH INFLOWS	10,271,195	9,757,958
		TOTAL ADJUSTED VALUE
TOTAL HQLA		5,759,978
TOTAL NET CASH OUTFLOWS		2,439,490
LIQUIDITY COVERAGE RATIO (%)		236%
QUARTERLY AVERAGE OF DAILY HQLA		5,635,201

Notes: The reported values for ‘quarterly average of monthly observations’ are based on January, February and March 2023 month end figures.

The reported values for ‘quarterly average of daily HQLA’ are based on business days figures over 1st January 2023 to 31st March 2023’s period.

COMMENTS

- As at the end of March 2023 the Bank’s quarterly average LCR was 236%, significantly above the regulatory minimum of 100%.
- This is driven by an excess of MUR 3.3Bn of High Quality Liquid Assets (HQLA) over Net Cash Outflows (NCO).
- The Bank’s stock of High-Quality Liquid Assets (HQLA) is proactively managed to ensure high levels of liquidity.
- Liquidity levels are monitored daily.
- Formal reviews of the Bank’s liquidity position and limits takes place monthly in the management ALCO Committee and quarterly in the Board Risk Management Committee.

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MARCH 2023		
	Unaudited Three months ended 31 March 2023	Unaudited Three months ended 31 March 2022
	Rs 000	Rs 000
Interest income	521,400	285,540
Interest expense	(220,660)	(71,643)
Net interest income	300,740	213,897
Fee and commission income	78,768	94,647
Fee and commission expense	(33,098)	(30,822)
Net fee and commission income	45,670	63,825
Net gain on dealing in foreign currencies and derivatives	62,278	34,287
Net gain from derecognition of financial assets measured at fair value through other comprehensive income ("FVTOCI")	336	2,602
Other operating loss	(2)	(30)
	62,612	36,859
Operating income	409,022	314,581
Personnel expenses	(160,380)	(139,726)
Depreciation and amortisation	(27,783)	(23,981)
Other expenses	(76,924)	(70,487)
Non-interest expense	(265,087)	(234,194)
Profit before impairment and income tax	143,935	80,387
Net impairment reversal on financial assets	8,146	27,106
Profit before income tax	152,081	107,493
Income tax expense	(11,160)	(13,059)
Profit for the period	140,921	94,434
Other Comprehensive income :		
Items that will not be classified subsequently to profit or loss:		
Movement in fair value reserve for equity instruments at FVTOCI	(1,108)	16
Items that may be reclassified subsequently to profit or loss:		
Reclassification of gain on disposal of FVTOCI debt instruments during the period	(336)	(2,602)
Loss/(credit) allowance on debt instruments held at FVTOCI	147	(1,253)
Gain on FVTOCI debt instruments during the period	34,016	6,013
Other Comprehensive income for the period	32,719	2,174
Total Comprehensive income for the period	173,640	96,608

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MARCH 2023								
	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 01 January 2022	1,456,456	97,313	463,551	57,868	(19,256)	(69,804)	1,725,369	3,711,497
Profit for the period	-	-	-	-	-	-	94,434	94,434
Other comprehensive loss	-	-	-	-	2,174	-	-	2,174
Total comprehensive income for the period	-	-	-	-	2,174	-	94,434	96,608
Dividend	-	-	-	-	-	-	(168,000)	(168,000)
Balance as at 31 March 2022	1,456,456	97,313	463,551	57,868	(17,082)	(69,804)	1,651,803	3,640,105
Balance as at 01 January 2023	1,456,456	133,818	537,625	68,906	(123,749)	(84,447)	1,646,082	3,634,691
Profit for the period	-	-	-	-	-	-	140,921	140,921
Other comprehensive income	-	-	-	-	32,719	-	-	32,719
Total comprehensive income for the period	-	-	-	-	32,719	-	140,921	173,640
Balance as at 31 March 2023	1,456,456	133,818	537,625	68,906	(91,030)	(84,447)	1,787,003	3,808,331