CareEdge RATINGS AFRICA
A subsidiary of CARE Ratings Limited, India

Bank One Limited
01 October 2025

Rating

Facilities/Instruments	Amount (MUR Million)	Rating[1]	Rating Action
Long Term Bond Issue (Tier II)	**600**	**CARE MAU A+; Negative**	Revised from CARE MAU A+; Stable

Rating Rationale

The revision in the rating outlook of the bond issue for Bank One Limited ("Bank One") from CARE MAU A+; Stable to CARE MAU A+; Negative is primarily on account of the sharp deterioration in the asset quality of the bank which witnessed two consecutive years of increases in gross and net non-performing assets (GNPA and NNPA), though improved marginally in May 2025 and contraction in the loans and advances book.

The rating continues to derive strength from the strong parentage from CIEL Finance Limited ('CFL' - rated CARE MAU A+; Stable), which in turn is a wholly owned subsidiary of CIEL Limited (rated CARE MAU AA; Stable/CARE MAU A1+), which is one of the largest business groups in Mauritius and I&M Group PLC ('I&M'), a leading banking & financial group with an established track record on the African continent.

The credit profile of Bank One is supported by the large share of its customer loans book consisting of mortgages providing high security coverage, high-quality liquid assets providing adequate liquidity cushion, and comfortable capitalisation position providing healthy loss-absorption capacity.

The rating is however constrained by the high client concentration across the different lending portfolio segments and lower profitability & returns which were impacted by higher provisioning.

Outlook: Negative

The outlook has been revised to Negative due to the sharp deterioration in GNPA and NNPA over the past two consecutive financial years and contraction in the loan portfolio. However, this outlook could be revised to stable if meaningful improvement in asset quality and growth in loan book.

Rating Sensitivities:

Positive Factors - Factors that could lead to positive rating action/upgrade:

- Improvement in asset quality with the GNPA being brought down to below 2%
- Expansion of the loans & advances book by at least 30% over the next 2-3 years
- Strengthening of the CAR over 20% on sustainable basis

Negative Factors - Factors that could lead to negative rating action/downgrade:

- Further deterioration in asset quality with the GNPA increasing beyond 6.5%
- Weakening of the CAR to below 15%
- Continued contraction in the loans & advances book

[1]Complete definitions of the ratings assigned are available at www.careratingsafrica.com.

BACKGROUND

Bank One Limited ("Bank One") is a Mauritian based mid-sized private sector bank which provides retail, corporate, and private banking products and services in Mauritius and internationally (primarily in Africa). In August 2008, First City Bank Ltd. was rechristened as Bank One Limited.

Headquartered in Port Louis, the bank provides a wide range of banking products and services to its clients through a network of 7 branches and a well-distributed ATM network. The bank has over 50,000 clients with a deposit base and a loan book of MUR 47,473 million and MUR 27,672 million respectively as on 31 March 2024. Bank One was incorporated in March 2002 as Del Subs Company Limited and later renamed as First City Bank Ltd. In February 2008, First City Bank Ltd. was acquired by a joint venture between CIEL Finance Limited [rated CARE MAU A; Stable and 100% subsidiary of CIEL Limited (rated CARE MAU AA; Stable/CARE MAU A1+)] and I&M Group PLC from Kenya, with both entities owning sizeable banking operations in Madagascar, Kenya, Tanzania and Rwanda.

Financial performance for Bank One Limited

The profitability of Bank One in FY24 was impacted by high impairment provisioning which resulted in a 24.9% decline in PAT from MUR 756 million to MUR 567 million in FY23.

A sharp deterioration could be observed in the quality of the loan assets of the Bank as shown by the GNPA which increase from 2.23% at end of FY22 to 4.20% at end of FY23 and further to 6.04% as on 31 December 2024, resulting from the reclassification of a large cross-border exposure.

The Bank, however, remains well capitalised with Tier I and Total CAR standing at 13.17% and 17.33% respectively at end of FY24 against regulatory requirements of 10.5% and 12.5% respectively, indicating a comfortable loss-absorption capacity.

The liquidity profile of Bank One also remains healthy with a liquidity coverage ratio of 227% at end of FY24, comfortably above 100% minimum requirement.

Annexure I

Details of Rated Instrument

Instrument	Amount	Interest Rate	Repayment
Long Term Bond Issue (Tier II)	MUR 600 million	5.00% per annum (Fixed)	Bullet repayment in June 2030

Disclaimer

CARE Ratings (Africa) Private Limited ("CRAF")'s ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CRAF's ratings do not convey suitability or price for the investor. CRAF's ratings do not constitute an audit on the rated entity. CRAF has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CRAF does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CRAF have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CRAF may also have other commercial transactions with the entity.
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Annexure II

Rating Symbols
Long /Medium-term Issuer Rating

Symbols	Rating Definition
CARE MAU AAA (Is)	Issuers with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations, in Mauritius. Such issuers carry lowest credit risk.
CARE MAU AA (Is)	Issuers with this rating are considered to have high degree of safety regarding timely servicing of financial obligations, in Mauritius. Such issuers carry very low credit risk.
CARE MAU A (Is)	Issuers with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations, in Mauritius. Such issuers carry low credit risk.
CARE MAU BBB (Is)	Issuers with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations, in Mauritius. Such issuers carry moderate credit risk.
CARE MAU BB (Is)	Issuers with this rating are considered to have moderate risk of default regarding timely servicing of financial obligations, in Mauritius.
CARE MAU B (Is)	Issuers with this rating are considered to have high risk of default regarding timely servicing of financial obligations, in Mauritius.
CARE MAU C (Is)	Issuers with this rating are considered to have very high risk of default regarding timely servicing of financial obligations, in Mauritius.
CARE MAU D (Is)	Issuers with this rating are in default or are expected to be in default soon.

CRAF's Issuer Rating (CIR) reflects the overall credit risk of the issuer. The rating scale has been aligned with the long-term instrument rating scale ranging from AAA(Is) (Highest Safety) to D(Is) (Default). 'Is' suffix indicates 'Issuer Rating'

Modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols for the categories CARE MAU AA to CARE MAU C. The modifiers reflect the comparative standing within the category.

Rating Outlook

The rating outlook can be 'Positive', 'Stable' or 'Negative'.

A 'Positive' outlook indicates an expected upgrade in the credit ratings in the medium term on account of expected positive impact on the credit risk profile of the entity in the medium term.

A 'Negative' outlook would indicate an expected downgrade in the credit ratings in the medium term on account of expected negative impact on the credit risk profile of the entity in the medium term.

A 'Stable' outlook would indicate expected stability (or retention) of the credit ratings in the medium term on account of stable credit risk profile of the entity in the medium term.

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About CARE Ratings (Africa) Private Limited:
CARE Ratings (Africa) Private Limited (CRAF) is the first credit rating agency to be licensed by the Financial Services Commission of Mauritius in May 2015. It is also recognized by Bank of Mauritius as External Credit Assessment Institution (ECAI) from May 2016. CRAF is also licensed by Capital Markets Authority of Kenya to operate as a Credit Rating Agency in Kenya. CRAF intends to expand across other geographies in Africa with Mauritius as its hub of operations. With an equitable position in the Mauritius capital market, CARE Ratings (Africa) Private Limited provides a wide array of credit rating services that help corporates to raise capital and enable investors to make informed decisions backed by knowledge and assessment provided by the company.
CRAF's shareholders are CARE Ratings Limited, African Development Bank, MCB Equity Fund and SBM (NFC) Holdings Limited. CRAF gets its technical support in the areas such as rating systems and procedures, methodologies, etc. from CARE Ratings Limited on an ongoing basis. CARE Ratings Limited, with an established track record of rating companies over almost three decades, follows a robust and transparent rating process that leverages its domain and analytical expertise backed by the methodologies congruent with the international best practices.
CRAF’s Rating Committee consist of full-time members comprising of Senior Rating officials from CARE Ratings Limited and a panel of experienced professionals from Mauritius and African Development Bank.
CRAF has had a pivotal role to play in developing bank debt and capital market instruments including MMIs, corporate bonds and structured credit.