



MUTUAL TRUST BANK LIMITED AND ITS SUBSIDIARIES

CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

AS AT AND FOR THE HALF YEAR ENDED 30 JUNE, 2022



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড™

Mutual Trust Bank Ltd.

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In compliance with the Bangladesh Securities and Exchange Commission (BSEC) letter No. SEC/CFD/Misc/233/2004/615, dated 2 February, 2010 and the Dhaka and Chittagong Stock Exchange (Listing) Regulations, 2015, we are pleased to present the un-audited Consolidated Financial Statements of Mutual Trust Bank Limited as at and for the half year ended 30 June, 2022. These Consolidated Financial Statements are comprised of the financials of Mutual Trust Bank Limited including Off-shore Banking Unit, Islamic Banking and its subsidiaries i.e. MTB Securities Limited, MTB Capital Limited and MTB Exchange (UK) Limited, which are prepared as per International Accounting Standard (IAS) 34 "Interim Financial Reporting".

Condensed Consolidated Balance Sheet (Unaudited) As at 30 June 2022

	June 2022 BDT	2021 BDT
PROPERTY AND ASSETS		
Cash	16,083,390,633	14,815,134,487
Cash in Hand (Including Foreign Currency)	3,774,986,900	3,617,498,522
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)	12,308,403,733	11,197,635,965
Balance with other Banks & Financial Institutions	7,084,646,910	3,965,379,148
In Bangladesh	1,797,404,517	1,795,397,175
Outside Bangladesh	5,287,242,393	2,169,981,973
Money at Call on Short Notice		200,000,000
Investments	45,874,309,316	47,417,383,858
Government	37,501,823,879	40,852,130,399
Others	8,372,485,437	6,565,253,459
Loans and Advances/Investments	244,570,280,110	226,011,574,670
Loans, Cash Credits, Overdrafts, etc./Investments	240,944,852,648	222,483,861,585
Bills Purchased and Discounted	3,625,427,461	3,527,713,085
Fixed Asset including Premises, Furniture and Fixtures	5,519,818,173	5,394,493,735
Other Assets	11,859,758,950	8,696,959,252
Non-Banking Assets		
Total Property and Assets	330,992,204,092	306,500,925,149
LIABILITIES AND CAPITAL		
Borrowing from other Banks, Financial Institutions and Agents	46,046,266,648	35,205,781,006
Deposits and Other Accounts	222,563,540,685	211,782,425,769
Current Deposit & Other Accounts	27,394,254,168	26,914,905,893
Bills Payable	3,028,758,401	1,975,092,979
Savings Deposit	44,195,014,765	42,589,740,210
Fixed Deposits	101,387,565,267	91,528,348,348
Special Notified Deposits	22,743,627,112	25,158,651,767
Deposit Products	23,814,320,972	23,615,686,572
Other Liabilities	29,939,708,002	27,257,811,801
Bond	11,600,000,000	12,600,000,000
Perpetual Bond	4,000,000,000	4,000,000,000
Subordinated Debts	7,600,000,000	8,600,000,000
Total Liabilities	310,149,515,335	286,846,016,576
Capital/Shareholders' Equity		
Paid up Capital	8,937,452,240	8,124,956,590
Statutory Reserve	6,071,381,655	5,696,354,496
Share Premium	1,095,304,778	1,095,304,778
Revaluation Reserve on Investment in Securities	529,708,195	457,933,517
Foreign Currency Translational Gain/Loss	23,967,010	4,699,421
General Reserve	786,777,324	786,777,324
Surplus in Profit and Loss Account/Retained Earnings	3,397,966,260	3,488,747,189
Total Shareholders' Equity	20,842,557,461	19,654,773,315
Non-Controlling Interest	131,296	133,258
Total Liabilities and Shareholders' Equity	330,992,204,092	306,500,925,149
Net Asset Value (NAV) per share (2021 Restated)	23.32	21.99
Off-Balance Sheet Items		
Contra & Contingent Assets & Liabilities:		
Acceptances and endorsements	41,963,589,102	44,423,297,112
Letter of guarantee	48,720,090,855	40,349,440,573
Irrevocable letters of credit	49,462,999,427	36,766,759,417
Bills for collection	10,332,080,052	10,053,512,136
Other contingent liabilities	-	-
Total Off-Balance Sheet Items including Contingent Liabilities	150,478,759,435	131,593,009,237

Mutual Trust Bank Limited and its Subsidiaries
Selective Notes to the Condensed Interim Financial Statements (Un Audited)
As at and for the period ended 30 June 2022

1.0 Legal status and nature of the Bank
Mutual Trust Bank Limited (MTB) was incorporated in Bangladesh in the year 1999 as a Banking Company under the Companies Act, 1994 as a Public Limited Company. All types of commercial banking services are provided by the Bank within the stipulations laid down by the Bank Companies Act, 1991 (as amended up to date) and directive as received from the Bangladesh Bank from time to time. Registered office of the Bank is at MTB Centre, 26 Gulshan Avenue, Gulshan 1, Dhaka 1212. The Bank started its commercial business from October 24, 1999. The Bank is listed with the Dhaka and Chittagong Stock Exchanges Limited. Authorized Capital of the Bank is BDT 10 billion. The Bank has 120 (One Hundred and Twenty) branches including 14 (Fourteen) SME/Agri Branches and 36 (Thirty Six) sub branches all over the Bangladesh, 211 (Two Hundred and Eleven) Agent Banking Centre, 04(Four) air lounge and 02 (Two) Booth located at Hazrat Shahjalal International Airport, Dhaka.

1.1 Principal Activities
The principal activities of the bank are to provide all kinds of commercial banking services to its customers through its branches and offices in Bangladesh such as accepting deposits, corporate, SME and retail banking, personal financial services, project finance, etc.

1.2 Off-Shore Banking Unit (OBU)
The Bank obtained Off-shore Banking Unit Permission vide Letter No. BRPD (P-3)/744(105)/2009-4470 dated December 3, 2009 and commenced its operation on December 07, 2009. The Off-shore Banking Unit is governed under the rules and guidelines of Bangladesh Bank. The principal activities of the Unit are to provide all kinds of commercial banking services to its customers in foreign currencies approved by the Bangladesh Bank.

1.3 Islamic Banking:
The Bank obtained permission for Islamic Banking from Bangladesh Bank vide Letter No. BRPD(P-3)/745(511)/2019-9642 dated November 25, 2019. Through the Islamic Bank, the Bank extends all types of Islamic Shariah compliant finance like Lease, Hire Purchase Shirkatul Melk (HPSM), Bai Muazzal, Household Scheme etc. and different types of deposits like Mudaraba savings deposits, Mudaraba term deposits, Al-Wadeah current deposits, monthly/quarterly profit paying scheme etc.

1.4 Agent Banking:
The Bank obtained permission from Bangladesh Bank on 07/01/2016 vide reference No BRPD (P-3) 745 (511)/2016-142 to start the operation of Agent Banking and subsequently started its commercial operation on 06/06/2016. The services that are currently being offered includes- Account Opening (Savings), Cash deposit & withdrawal (Agent Banking A/C), Cash Deposit in Branch A/C, Inward foreign remittance disbursement, Collections of bills/utility bills, Payment of social benefits, Transfer of funds, Payment of salaries, Generation and issuance of bank statements, SME Loan repayment collection, Balance inquiry, Internet Banking & SMS banking, Corporate Bill/Distributor fee collection, Insurance Premium Collection etc.

1.5 Subsidiary Companies

1.5.1 MTB Securities Limited (MTBSL)
MTB Securities Limited was incorporated in Bangladesh as a private limited company on March 01, 2010 vide its registration No. 82668/10 and converted into public Ltd. company in the year 2015 under the Companies Act 1994. The company has started its commercial operation on September 23, 2010 after getting approval from the Bangladesh Securities and Exchange Commission (BSEC). The Brokerage registration is REG 3.1/DSE-197/2010/427 and Dealer registration is REG 3.1/DSE-197/2010/428.

1.5.2 MTB Exchange (UK) Limited (MTB UK)
Bangladesh Bank vide its letter No. BRPD(M)/204/25/2010-289 dated 19/08/2010 has accorded approval to the bank for opening a fully owned subsidiary company in the name of MTB Exchange (UK) Limited. The Company was incorporated on September 14, 2010 under the Companies Act 2006 of UK with the registration number 7282261 as a private company limited by shares. The registered office is located at 25 White Chapel Road, London, United Kingdom.

1.5.3 MTB Capital Limited (MTBCL)
The Bank obtained permission to embark upon Merchant Banking from the Securities and Exchange Commission (SEC) vide its certificate No. MB-55/2010 dated December 06, 2010 under the Securities and Exchange Commission Act, 1993. The operation has started as on April 17, 2011.

Condensed Consolidated Profit and Loss Account (Unaudited) For the Period ended 30 June 2022

	01 January to 30 June 2022 BDT	01 January to 30 June 2021 BDT	01 April to 30 June 2022 BDT	01 April to 30 June 2021 BDT
Particulars				
Interest Income/profit on investments	7,636,367,966	7,205,934,141	3,912,648,399	3,487,839,638
Interest paid/profit shared on deposits and borrowings etc.	5,210,686,783	4,445,209,035	2,783,293,920	2,147,630,638
Net Interest Income/profit on investments	2,424,681,183	2,760,725,106	1,129,354,479	1,340,209,000
Investment Income	1,409,219,806	1,464,748,341	451,600,323	749,595,814
Commission, Exchange and Brokerage	2,954,438,886	965,672,944	2,060,139,629	548,977,219
Other Operating Income	472,125,943	437,416,271	282,547,840	278,738,291
Total Other Income	4,835,784,635	2,887,837,555	2,794,287,792	1,677,311,251
Total Operating Income	7,260,465,818	5,648,562,661	3,923,642,271	2,917,520,251
Less: Operating Expenses:				
Salary and Allowances	2,112,859,622	1,713,972,439	1,149,533,242	885,522,561
Rent, Taxes, Insurance, Electricity etc.	375,176,329	351,406,454	187,680,030	173,533,118
Legal Expenses	2,153,426	2,387,108	1,145,716	1,091,797
Postage, Stamps, Telecommunication etc.	14,199,218	8,434,496	8,601,953	4,674,309
Stationery, Printings, Advertisements etc.	67,806,162	47,279,859	39,393,491	21,773,122
Chief Executive's salary and fees	13,134,693	12,769,313	7,365,243	6,946,832
Director's Fees	1,491,400	1,108,800	897,000	497,800
Auditor's Fees	-	-	-	-
Depreciation and repair of bank's assets	530,377,836	368,565,066	264,230,210	187,031,528
Other Expenses	796,914,736	864,790,218	446,581,428	361,304,400
Total Operating Expenses	3,914,113,421	3,179,713,763	2,105,408,312	1,642,378,468
Profit Before Provision	3,346,352,397	2,477,848,898	1,818,233,959	1,275,141,784
Less: Provision for Loans, Investment & Other				
Provision for Unclassified Loan and Advance	560,238,334	175,163,287	394,907,226	603,788,880
Provision for Classified Loan and Advance	415,648,624	376,015,873	171,369,384	(43,431,743)
Provision for Off-Balance Sheet Items	163,826,108	160,022,233	87,966,914	65,988,176
Provision for Diminution in Value of Investments	125,000,000	136,000,000	42,000,000	83,000,000
Provision for Other Assets	50,000,000	9,500,000	40,000,000	9,500,000
Total Provision	1,314,714,066	856,681,393	716,263,524	718,845,312
Profit Before Tax	2,031,638,332	1,621,167,516	1,101,970,435	556,296,472
Provision for Taxation	695,012,633	762,933,816	399,363,347	299,840,943
Current Tax Expenses	822,552,495	719,521,358	442,340,654	243,943,050
Deferred Tax Expenses/(Income)	(127,539,862)	43,412,458	(42,977,307)	55,897,893
Net Profit After Tax	1,336,625,699	858,233,699	702,607,088	256,455,529
Shareholders' of the Bank				
Minority Interest	1,336,625,699	858,233,699	702,607,088	256,455,529
Retained Surplus Brought Forward	3,488,747,189	2,166,251,505	3,488,747,189	2,166,251,505
Appropriations:				
Bonus Shares Issued during the year	812,495,650	738,632,410	812,495,650	738,632,410
Cash Dividend Paid by MTBSL during the year	227,495,800	1,622,000	81	654
Transferred to Statutory Reserve	375,027,159	296,559,179	209,841,613	99,622,894
Transferred to Start-Up Fund	12,385,892	8,011,481	6,657,220	2,375,804
Retained Surplus Carried Forward	4,274,404,501	1,045,203,070	1,028,994,483	840,631,109
Earnings Per Share (EPS) (2021 Restated)	1.50	0.96	0.79	0.29

Chairman **Director** **Managing Director & CEO**
Group Chief Financial Officer **Group Company Secretary (Acting)**

Condensed Consolidated Statement of Cash Flow (Unaudited) For the Period ended 30 June 2022

	01 January to 30 June 2022 BDT	01 January to 30 June 2021 BDT
Particulars		
A) Cash Flows From Operating Activities:		
Interest receipts/investment income receipts in cash	8,845,655,510	11,156,301,933
Interest payments/profit paid on Deposits, Borrowings, etc.	(4,960,711,192)	(6,720,967,080)
Dividend receipts	164,734,055	22,409,291
Fees & Commission receipts in cash	2,954,438,886	965,672,944
Recoveries on loans/investment previously written off	50,759,034	-
Cash payments to employees	(2,125,954,315)	(1,726,741,752)
Cash payments to suppliers	(67,806,162)	(47,279,859)
Income taxes paid	(687,590,317)	(334,338,235)
Receipts from other operating activities	758,703,062	613,915,939
Payments for other operating activities	(1,284,615,540)	(1,078,379,591)
Cash Flow from Operating Activities before Changes in Net Current Assets:	3,647,573,021	2,870,893,589
Increase/Decrease in operating assets and liabilities		
Loans and Advances/Investment to customers	(18,558,705,439)	(16,981,824,532)
Other Assets	(2,727,588,293)	(1,966,213,474)
Deposits from other banks	(3,950,000,000)	3,001,041,667
Deposits from customers	14,469,104,719	5,078,574,118
Borrowing from Other Banks, Financial Institutions & Agents	10,840,485,642	4,580,402,658
Other Liabilities	621,059,293	2,869,670,261
Cash generated from operating assets and liabilities	694,355,922	(3,418,349,303)
Net Cash Flows from Operating Activities	4,341,928,944	(547,755,713)
B) Cash Flow from Investing Activities:		
Investments in T. Bills, T. Bonds and other	3,422,670,188	(1,604,731,238)
Investments in Shares & Bonds	(1,807,231,978)	(2,448,457,421)
Purchase of Fixed Assets (Net)	(561,021,844)	(140,880,351)
Net Cash Flow from Investing Activities	1,054,416,366	(4,194,069,010)
C) Cash Flow from Financing Activities:		
Subordinated debts	(1,000,000,000)	1,500,000,000
Dividend Paid by MTB Subsidiaries	(227,500,000)	-
Net Cash Flow from Financing Activities	(1,227,500,000)	1,500,000,000
D) Net Increase in Cash and Cash Equivalents	4,168,845,309	(3,241,824,724)
E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents	19,267,589	(1,014,564)
F) Opening Cash and Cash Equivalents	18,984,169,345	17,928,429,557
Closing Cash and Cash Equivalents (D+E+F)	23,172,282,243	14,685,590,269
The above closing Cash and Cash Equivalents include:		
Cash in Hand (Including Foreign Currency)	3,774,986,900	3,027,709,136
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)	12,308,403,733	8,663,754,199
Balance with Other Banks & Financial Institutions	7,084,646,910	2,991,989,434
Money at Call and Short Notice	4,244,700	2,137,500
Prize Bond	23,172,282,243	14,685,590,269
Net Operating Cash Flows Per Share (2021 Restated)	4.86	(0.61)

Chairman **Director** **Managing Director & CEO**
Group Chief Financial Officer **Group Company Secretary (Acting)**

Condensed Consolidated Statement of Changes in Equity (Unaudited) As at 30 June 2022

Particulars	Amount in BDT									
	Paid-up Capital	Statutory Reserve	Share Premium	Revaluation Reserve on Investment in Securities	Foreign Currency Gain/(Loss)	General Reserve	Surplus in Profit and Loss Account/ Retained Earnings	Total	Minority Interest	Total
Balance as at January 01, 2022	8,124,956,590	5,696,354,496	1,095,304,778	457,933,517	4,699,421	786,777,324	3,488,747,189	19,654,773,315	133,258	19,654,906,573
Bonus Share Issued during the period	812,495,650	-	-	-	-	-	(812,495,650)	-	-	-
Cash Dividend Paid during the period	-	-	-	-	-	-	(227,495,800)	(4,200)	(4,200)	(227,500,000)
Currency Translation Differences	-	-	-	-	19,267,589	-	19,267,589	19,267,589	-	19,267,589
Transferred to Start-Up Fund	-	-	-	-	-	-	(12,385,892)	(12,385,892)	-	(12,385,892)
Revaluation Reserve transferred during the period	-	-	-	71,774,678	-	-	71,774,678	71,774,678	-	71,774,678
Net Profit for the period after Tax	-	-	-	-	-	-	1,336,625,529	1,336,625,529	2,237	1,336,625,809
Appropriation made during the period	-	-	-	-	-	-	(375,027,159)	-	-	(375,027,159)
Balance as at 30 June 2022	8,937,452,240	6,071,381,655	1,095,304,778	529,708,195	23,967,010	786,777,324	3,397,966,260	20,842,557,461	131,296	20,842,688,757
Balance as at 30 June 2021	8,124,956,590	5,336,082,545	1,095,304,778	649,721,658	2,923,306	786,777,324	3,397,966,260	17,975,046,710	133,379	17,983,191,569