

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড™
Mutual Trust Bank Ltd.
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Financial
Statements 2022

Independent Auditor's Report
To the Shareholders of
Mutual Trust Bank Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion
We have audited the consolidated financial statements of Mutual Trust Bank Ltd. (MTB) and its subsidiaries (the "Group") as well as the separate financial statements of Mutual Trust Bank Ltd. (the "Bank"), which comprise the consolidated and separate balance sheets as at 31 December 2022 and the consolidated and separate profit and loss accounts, consolidated and separate cash flow statements, consolidated and separate statements of changes in equity for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion the accompanying consolidated of the Group and separate financial statements of the bank give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Bank as at 31 December 2022 and of its consolidated and separate financial performance and its consolidated and separate cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS) as explained in note #2 and other applicable laws and regulations.

Key Audit Matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters	How the matter was addressed in our audit
Measurement of Provision for Loans and Advances The process of estimating provision for loans and advances associated with credit risk is judgmental and complex. While estimating such provisions certain judgmental factors need to be considered including: <ul style="list-style-type: none">Future business performance of the borrower;Key assumptions relating to further business performance of the borrower;Market value of the collateral;Ability to repossess collateral; andRecovery rates.	We tested the design and operating effectiveness of key controls focusing on the following: <ul style="list-style-type: none">Credit monitoring and provisioning process;Identification of loss events, including early warning and default warning indicators; andReview of quarterly Classification of Loans (CL). Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: <ul style="list-style-type: none">Reviewed the adequacy of the general and specific provisions in line with related Bangladesh Bank guidelines;Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information;Tested a selection of loans and advances to examine the validity of the recorded amounts, loan documentation, examined the statement of accounts, indicators of impairment, provision for non-performing loans and compliance with relevant Bangladesh Bank guidelines;Finally, assessed the appropriateness of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

Furthermore, these provisions are processed manually using the voluminous data extracted from the IT system of the Bank and following the instructions of Bangladesh Bank (the central bank of Bangladesh) issued time to time.

Due to high level of judgment involved and using some manual process in estimating the provision for loans and advances, we considered this to be a key audit matter.

At year end the Group and the Bank reported total gross loans and advances of BDT 25,834 billion (2021: BDT 22,601 billion) and BDT 20,955 billion (2021: BDT 22,932 billion) respectively respectively for loans and advances of BDT 12,031 billion (2021: BDT 8,891 billion) and BDT 11,226 billion (2021: BDT 8,711 billion) respectively.

See note 2.2.3.7, 7.a, 12.01, 12.a.1 and 12.a.2 to the financial statements.

Loans and advances Loans and advances are the main element of financial statements of the Bank. Income of the Bank is mainly dependent on the portfolio of loans and advances. Management performance is highly dependent on the target achievement of loans and advances. Loan disbursement requires robust documentation followed by approval from appropriate level of authority. We have identified loans and advances as key audit matter because there is an inherent risk of fraud in disbursement of loans and advances by management to meet specific targets or expectations.	We tested the design and operating effectiveness of key controls focusing on credit approval, loan disbursement procedures and monitoring process of loans and advances. We have performed procedure to check whether the Bank has ensured appropriate documentation as per Bangladesh Bank regulations and the Bank's policy before disbursement of loans and advances. In addition, we have performed procedure to check whether the loans and advances is recorded completely and accurately and that are existed at the reporting date. Furthermore, we have assessed the appropriateness of disclosure against Bangladesh Bank guidelines.
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See note 2.2.3.7, 7.a, 12.01, 12.a.1 and 12.a.2 to the financial statements.

Recognition of Interest income from loans and advances Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income has involvement of complex IT environment. We identify recognition of interest income from loans and advances as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.	We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans and advances. We performed test of operating effectiveness on automated control in place to measure recognition of interest income from loans and advances. We have also performed substantive procedure to check whether interest income is recognized completely and accurately. We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.
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Valuation of Treasury Bill and Treasury Bond The classification and measurement of Treasury bonds require judgment and complex estimates. In the absence of a quoted price in an active market, the fair value of treasury bills and treasury bonds is determined using complex valuation techniques while taking into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment. See note 2.2.2, 6.a.1 and 6.a.1.2 to the financial statements.	We tested the design and operating effectiveness of key controls focusing on the classification and measurement of treasury bills and treasury bonds. We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques applicable in the circumstances. Finally, we have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.
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Recognition and subsequent measurement of FRIS 16 Leases

IFRS 16 Leases became effective for annual reporting beginning on or after 01 January 2019 which replaced IAS 17 Leases. The application of the lease standard resulted in the recognition and subsequent measurement, a right-of-use (ROU) asset at BDT 1,407.45 million (net present value) BDT 1,330.13 million and lease liabilities at BDT 1,729.83 million (2021: BDT 1,494.50 million).

The recognition and subsequent measurement of IFRS 16 Leases is considered a key audit matter as the balance sheet recorded material management had to apply several judgments and estimates such as lease period, incremental borrowing rate, measurement basis among others and consider a significant data analysis to summarize the lease information used in their lease classification model.

See note 2.2.3, 8.a.1, 8.a.2, 8.a.3, 36.a and 37.a to the financial statements.

Legal and Regulatory Matters We focused on legal and regulatory matters because the Bank and its subsidiaries (the "Group") operate in a legal and regulatory environment that is expected to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.	We tested the design and operating effectiveness of key controls over the legal provision and contingencies process. We reviewed the charges with governance to obtain their view on the status of all significant litigation and regulatory matters. We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information. We also assessed the Group's provisions and contingent liabilities disclosures.
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IT systems and controls Our audit procedures have a focus on IT systems and controls due to the business environment and changes to the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.	We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting. We tested IT dependent controls (logical access, changes management and aspects of IT operational controls). This included: <ul style="list-style-type: none">testing that request for access to systems were appropriately reviewed and authorized;testing the Bank's periodic review of access rights;inspecting requests of changes to systems for appropriate approval and authorization
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Other Information
Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.
Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, if doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on such work we perform, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.
Responsibilities of Management and Those Charged with Governance for the consolidated and separate Financial Statements and Internal Control.
Management is responsible for the preparation and fair presentation of the financial statements of the Bank in accordance with IFRS as explained in note 2, and for such internal controls as management determines are necessary to the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Bank Company Act, 1991 and the Bangladesh Bank Regulations require the Management to ensure effectiveness of anti-fraud internal control, internal control and risk management functions of the Group and the Bank. The Management is also required to make a self-assessment on the effectiveness of anti-fraud internal control and report to Bangladesh Bank on instances of fraud and forgery.
In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.
Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial position of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation prohibits public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Report on Other Legal and Regulatory Requirements
In accordance with the Companies Act, 1994, the Securities and Exchange Rules 2020, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements of the Group and the separate financial statements of the Bank and considering the reports of the Management to Bangladesh Bank on anti-fraud internal control and forgery as stated under the Management's Responsibility for the financial statements and internal control:
 - internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
 - nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and the Bank;
- consolidated financial statements for the year ended 31 December 2022 of Mutual Trust Bank Limited's subsidiaries namely, MTB Securities Limited and MTB Capital Limited have been audited by Shafiqul Kabir Co., Chartered Accountants and MTB Exchange (UK) Limited has been audited by Jagan & Co., Chartered Management Accountants and have been properly reflected in the consolidated financial statements. The auditors have expressed an unqualified opinion for all three companies.
- in our opinion, proper books of accounts as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with in the report are in agreement with the books of accounts and returns;
- the expenditures incurred were for the purpose of the Group and the Bank's business for the year;
- the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank;
- adequate provisions have been made for advance and other assets which in our opinion, doubtful of recovery;
- the information and explanations required by us have been received and found satisfactory;
- we have reviewed over 80% of the risk weighted assets of the Bank and spent over 4,300 person hours; and
- Capital to Risk-weighted Asset Ratio (CAR) as required by Bangladesh Bank has been maintained adequately.

The engaged partner on the audit resulting in this independent auditor's report is **Hasan Mahmood**.

Dated, Dhaka
30 April 2023

Hasan Mahmood, Partner
Enrollment no: 584
M. J. Abedin & Co.
Chartered Accountants
Firm Registration no: N/A
DVC: 230502056AAS18467

Consolidated Balance Sheet
As at 31 December 2022

Particulars	Notes	Amount in BDT	2022	2021
PROPERTY AND ASSETS				
Cash	3.00		19,195,683,498	14,815,134,487
Cash in Hand (Including Foreign Currency)			4,262,691,278	3,817,438,522
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)			15,932,992,219	11,037,695,965
Balance with other Banks & Financial Institutions in Bangladesh	4.00		7,525,330,588	3,965,379,148
Outside Bangladesh			2,227,730,660	1,795,397,175
10,658,722,877			10,658,722,877	6,585,295,159
Money at Call on Short Notice	5.a		310,000,000	200,000,000
Investments	6.00		52,200,864,209	47,417,383,858
Government			41,694,098,402	40,852,130,359
10,505,765,807			10,505,765,807	6,565,253,499
Loans and Advances/Investments	7.00		253,835,694,386	220,011,574,670
Loans, Cash Credits, Overdrafts, etc./Investments			251,063,475,140	222,483,861,635
2,772,219,246			2,772,219,246	7,590,713,035
Fixed Assets including Premises, Furniture and Fixtures	8.00		5,265,362,889	5,394,403,735
Other Assets	9.00		15,230,742,091	8,696,959,252
Non-Banking Assets				
Total Property and Assets			353,643,677,662	306,500,925,149
LIABILITIES AND CAPITAL				
Borrowing from other Banks, Financial Institutions and Agents	10.00		44,971,333,982	35,205,781,006
Deposits and Other Accounts	11.00		232,657,443,657	211,782,425,769
Current Deposit & Other Accounts			20,303,987,611	26,914,905,893
Bills Payable			2,181,104,098	1,975,092,979
Savings Deposit			24,471,165,855	42,589,740,210
Fixed Deposits			105,844,214,988	91,620,348,348
Special Notice Deposits			66,042,995,954	25,156,651,767
Deposit Products			24,554,375,452	23,615,686,572
Other Liabilities	12.00		40,183,834,186	27,257,811,801
Bond	13.a		14,500,000,000	12,600,000,000
Perpetual Bond			4,000,000,000	4,000,000,000
Subordinated Debts			10,500,000,000	8,600,000,000
Total Liabilities			332,312,411,825	285,845,618,576
Capital/Shareholders' Equity				
Paid up Capital	14.a		8,937,452,240	8,124,956,950
Statutory Reserve	15.a		8,281,308,498	8,696,354,496
Share Premium	16.a		1,095,304,778	1,095,304,778
Revaluation Reserve on Investment in Securities	17.00		342,532,352	409,820,227
Foreign Currency Translational Gain/Loss			10,466,102	4,409,421
General Reserve	18.a		786,777,324	786,777,324
Surplus in Profit and Loss Account/Retained Earnings	19.00		3,456,421,965	3,046,326,323
Total Shareholders' Equity			21,331,133,467	19,160,595,981
Non-Controlling Interest	20.00		132,370	133,258
Total Liabilities and Shareholders' Equity			353,643,677,662	306,500,925,149
Net Asset Value (NAV) per share (2021 Restated)	21.00		23.87	21.99
Off-Balance Sheet Items	22.a			
Contract & Contingent Assets & Liabilities:				
Acceptances and endorsements			49,972,580,644	44,841,639,706
Letter of guarantee			49,287,726,110	40,349,440,573
Irrevocable letters of credit			36,805,688,054	36,766,759,417
Bills for collection			11,324,834,538	10,053,512,136
Other contingent liabilities			-	-
Total Off-Balance Sheet Items			149,390,829,346	132,011,351,831
Other Memorandum Items				
Value of Travelers' Cheque on Hand			-	-
Value of Bangladesh Sanchay Patra on Hand			-	-
Total Off-Balance Sheet Items including Contingent Liabilities			149,390,829,346	132,011,351,831

The annexed accounting policies and other notes form an integral part of these financial statements

Hasan Mahmood
Enrollment no: 584
M. J. Abedin & Co.
Chartered Accountants
Firm Registration no: N/A
DVC: 230502056AAS18467

Consolidated Profit and Loss Account
For the Year ended 31 December 2022

Particulars	Notes	Amount in BDT	2022	2021
Interest Income/profit on investments	24.00		10,064,871,951	14,982,481,475
Interest received on deposits and borrowings etc.			981,240,327	1,495,840,929
Net Interest Income/profit on investments			3,867,131,560	5,747,085,775
Investment Income	26.00		3,647,313,838	3,689,781,516
Income from investments			3,646,972,530	2,487,889,747
Other Operating Income			1,031,768,314	3,945,559,656
Total Operating Income			16,102,184,262	12,804,110,885
Less: Operating Expenses:				
Salaries and Allowances	29.00		4,406,811,010	3,882,417,475
Rent, Taxes, Insurance, Electricity etc.			736,038,300	726,921,483
Postage, Stamps, Telecommunication etc.	31.00		2,274,000	2,254,000
Stationery, Printings, Advertisements etc.	32.00		41,922,020	23,095,621
Chief Executive's salary and fees	33.00		143,165,855	116,627,488
Director's Fees	34.00		26,162,870	26,380,057
Auditor's Fees	35.00		3,626,959	3,633,000
Depreciation and repair of bank's assets	36.00		1,847,853,120	1,418,201,223
Other Expenses			889,364,348	841,347,591
Total Operating Expenses			8,295,931,017	7,589,358,678
Profit Before Tax			7,806,253,245	5,214,752,207
Less: Provision for Loans, Investment & Other	38.00		2,253,938,813	13,729,058
Special General Provision-COVID-19			98,241,572	475,868,961
Provision for Classified Loan and Advance			1,761,216,565	732,840,719
Provision for Off-Balance Sheet Items			146,053,383	335,592,853
Provision for Diminution in Value of Investments			256,000,000	940,000,000
Provision for Other Assets			60,000,000	-
Total Provision			4,574,450,953	2,122,931,391
Profit After Tax			3,231,802,292	3,091,820,816
Provision for Taxation			859,183,916	565,571,688
Current Tax Expenses			1,467,879,321	1,448,834,226
Deferred Tax Expenses(Income)	39.01		(608,395,409)	(856,993,540)
Net Profit After Tax			2,369,158,355	2,973,200,427
Shareholders' of the Bank				
Minority Interest			2,369,158,355	2,973,200,427
Retained Surplus Brought Forward			3,488,727,189	2,169,251,609
Appropriations:				
Bonus Shares Issued during the year			812,495,650	738,632,410
Capital Reserve			227,496,800	227,496,800
Cash Dividend Paid by MTBBL during the year			564,953,911	658,831,130
Dividend for Perpetual Bondholders			1,031,768,314	916,201,624
Transferred to Statutory Reserve			2,032,441,134	1,650,739,246
Transferred to Start-Up Fund			3,456,421,965	3,046,326,323
Retained Surplus, Carried Forward			3,456,421,965	3,046,326,323
Earnings Per Share (EPS) (2021 Restated)	40.00		2.65	3.33

The annexed accounting policies and other notes form an integral part of these financial statements

Hasan Mahmood
Enrollment no: 584
M. J. Abedin & Co.
Chartered Accountants
Firm Registration no: N/A
DVC: 230502056AAS18467

Consolidated Statement of Cash Flow
For the Year ended 31 December 2022

Particulars	Notes	Amount in BDT	
		2022	2021
A) Cash Flow from Operating Activities:			
Interest received/profit on investments		18,700,764,762	18,671,250,927
Interest payments/profit paid on Deposits, Borrowings, etc.		(10,160,734,805)	(11,159,731,807)
Dividend receipts		421,005,929	434,224,337
Fees & Commission receipts in cash		7,555,972,530	6,897,897,409
Recoveries on loan/investment previously written off		1,433,077,710	434,224,337
Cash payments to employees		(4,433,073,855)	(4,008,797,532)
Cash (paid to)/received from suppliers		(143,165,855)	116,627,488
Income taxes paid		(1,322,847,547)	(1,154,524,089)
Receipts from operating activities	41.00	7,797,207,132	8,655,616,617
Payments for other operating activities	42.00	(2,789,200,278)	(2,789,200,278)
Cash Flow from Operating Activities before change in Net Financial Assets		5,008,006,854	5,866,416,339
Loans and Advances/Investment to customers		1,615,719,716	2,208,998,981
Other Assets		(27,824,179,414)	(9,400,598,048)
Deposits from other banks & NBFI		1,854,874,771	2,208,998,981
Deposits from customers		(3,360,000,000)	3,350,000,000
Other Liabilities		29,159,832,083	21,437,384,419
Borrowings from Other Banks, Financial Institutions & Agents		7,765,552,976	4,398,472,567
Other Liabilities		(39,169,832,083)	(29,159,832,083)
Cash generated from operating assets and liabilities		(2,740,340,280)	6,655,006,280
B) Net Cash Flow from Investing Activities:		12,335,259,749	12,335,259,749
Investments in 'A', 'B&C', 'D' and other		(8,730,367,586)	(8,101,431,245)
Investments in Shares & Bonds		(1,002,224,243)	(1,594,576,749)
Purchase of Fixed Assets		(6,062,749,324)	(2,639,250,505)
Net Cash Flow from Investing Activities:		(6,062,749,324)	(12,334,536,549)
C) Cash Flow from Financing Activities:		18,884,160,445	18,884,160,445
Subordinated debts		1,000,000,000	1,750,000,000
Unsecured loans by MTB Subordinates		(600,000,000)	(224,001,368)
Net Cash Flow from Financing Activities:		1,300,000,000	1,525,998,632
Effect of Changes in Cash and Cash Equivalents		3,945,256,574	5,051,979,232
Effect of Changes of Exchange Rates on Cash and Cash Equivalents		5,766,881	761,850
Operating Profit		18,884,160,445	17,925,127,472
Closing Cash and Cash Equivalents (D+E+F)		27,033,509,086	18,984,160,445
The above closing Cash and Cash Equivalents include:			
Cash in hand (Including Foreign Currency)		14,262,991,270	3,617,409,623
Balance with Bangladesh Bank and its agent Banks (including foreign currency)		9,902,992,219	11,197,632,965
Balance with Other Banks & Financial Institutions		7,555,972,530	3,770,271,448
Money at Call and Short Notice		313,000,000	200,000,000
Prior Bank		20,000,000	20,000,000
Total		27,033,509,086	18,984,160,445

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Financial Statements 2022

Statement of Cash Flow
For the Year ended 31 December 2022

Particulars	Notes	Amount in BDT	
		2022	2021
A) Cash Flow From Operating Activities:			
Interest receipts/investment income receipts in cash		18,474,393.304	18,584,494.030
Interest payments/profit paid on Deposits, Borrowings, etc.		(10,160,726.962)	(11,165,794.963)
Dividend receipts		457,299.873	382,870.434
Fees & Commission receipts in cash		7,288,001.123	2,087,348.334
Recoveries on loans/investment previously written off		67,997.716	44,858.845
Cash payments to employees		(4,517,874.610)	(3,902,266.976)
Cash payments to suppliers		(140,476.755)	(113,860.499)
Income taxes paid		(1,196,461.774)	(1,085,671.535)
Receipts from other operating activities		1,979,055.162	1,098,129.960
Cash payments for other operating activities	41.a	(2,835,116.286)	(2,237,435.968)
Cash Flow from Operating Activities before Changes in Net Current Assets:		9,216,040.766	4,182,483.065
Increase/Decrease in operating assets and liabilities			
Loans and Advances/investment to customers		(28,021,039.405)	(22,076,995.420)
Other Assets		(5,272,923.584)	(3,689,642.457)
Deposits from other banks & NBFIs		(3,360,000.000)	3,950,000.000
Deposits from customers		24,014,336.019	19,786,166.118
Borrowing from Other Banks, Financial Institutions & Agents		9,795,552.970	4,358,472.567
Other Liabilities		4,880,404.469	4,877,649.367
Cash generated from operating assets and liabilities		2,006,630.475	1,406,559.175
Net Cash Flow from Operating Activities:		11,222,671.242	5,589,042.239
B) Cash Flow from Investing Activities:			
Investments in T. Bills, T. Bonds and other		(670,040.588)	(8,101,431.298)
Investments in Shares & Bonds		(3,212,950.439)	(2,368,362.978)
Purchase of Fixed Assets (Net)		(621,739.538)	(1,063,114.166)
Net Cash Flow from Investing Activities:		(4,504,730.565)	(11,532,913.443)
C) Cash Flow from Financing Activities:			
Issue of new share with premium		1,900,000.000	1,750,000.000
Subordinated debts		(381,664.497)	(224,061.356)
Net Cash Flow from Financing Activities:		1,518,335.503	1,525,938.644
Net Increase in Cash and Cash Equivalents		8,035,852.179	1,182,058.441
Effect of Changes of Exchange Rates on Cash and Cash Equivalents		8,117.177	1,487.371
Opening Cash and Cash Equivalents		18,717,872.336	17,535,813.895
Closing Cash and Cash Equivalents (D+E+F)		26,761,641.686	18,717,872.336
The above closing Cash and Cash Equivalents include:			
Cash in Hand (including Foreign Currency)		14,932,992.219	11,197,635.965
Balance with Bangladesh Bank and its Agent Banks (including foreign currency)		7,258,631.080	3,713,667.620
Balance with Other Banks & Financial Institutions		310,000.000	200,000.000
Money at Call and Short Notice		2,495.000	3,655.710
Price Bond		-	-
Net Operating Cash Flows Per Share (2021 Restated)	44.a	12.56	12.52

The annexed accounting policies and other notes form an integral part of these financial statements

[Signatures and Stamp]
Chairman, Director, Managing Director & CEO
Dated, Dhaka 30 April 2023
Signed as per annexed report on even date
M. A. ARSHAD & CO. Chartered Accountants, Dhaka

Statement of Changes in Equity
As at 31 December 2022

Particulars	Paid-up Capital	Statutory Reserve	Share Premium	Revaluation Reserve on Investment	Foreign Currency Translation Surplus (Gain/Loss)	General Reserve	Surplus in Profit and Loss Account/Retained earnings	Total
Balance as at 01 January 2022	8,124,956,590	5,696,354,496	1,095,304,778	409,202,227	1,366,243	786,777,324	3,446,258,323	19,160,905,981
Bonus Share Issued during the year	812,495,650	-	-	-	-	-	(812,495,650)	-
Currency Translation differences	-	-	-	-	8,117.177	-	-	8,117.177
Transferred to Shareholders' Fund	-	-	-	-	-	(22,113,441)	(22,113,441)	-
Revaluation Reserve transferred during the year	-	-	-	-	(87,287,875)	-	(87,287,875)	-
Dividend for Perpetual Bondholders	-	-	-	-	-	(381,664,497)	(381,664,497)	-
Net Profit for the year after tax	-	-	-	-	-	2,211,344,142	2,211,344,142	-
Appropriation made during the year	-	-	-	-	-	(594,953,911)	(594,953,911)	-
Balance as at 31 December 2022	8,937,452,240	6,291,308,408	1,095,304,778	342,932,352	9,485,420	786,777,324	3,456,442,957	20,390,361,487

The annexed accounting policies and other notes form an integral part of these financial statements

[Signatures and Stamp]
Chairman, Director, Managing Director & CEO
Dated, Dhaka 30 April 2023
Signed as per annexed report on even date
M. A. ARSHAD & CO. Chartered Accountants, Dhaka

Liquidity Statement
As at 31 December 2022

Particulars	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Above 5 years	Total
ASSETS:						
Cash	10,554,215.608	-	-	-	-	10,554,215.608
Balance with other banks and Financial Institutions	4,697,423.116	1,862,239,942	577,239,854	68,566,748.98	63,272,621	7,299,551,080
Money at Call & Short notice	310,000.000	-	-	-	-	310,000.000
Investments	2,771,354	2,626,577,983	313,362,456	8,406,997,706	38,441,619,658	49,791,328,796
Loans and Advances	26,753,361.546	57,871,989,221	68,842,290,831	8,840,070,461	31,513,724,648	290,746,239,469
Premises and Fixed Assets	30,028.343	61,686,687	278,355,091	1,484,560,483	3,195,973,895	5,051,674,499
Other Assets	6,950,912,930	17,004,296	3,126,627,537	5,227,014,554	3,778,392,302	18,497,651,488
Non-Banking Assets	-	-	-	-	-	-
Total Assets	47,889,452,598	62,597,966,798	73,137,844,607	81,201,305,100	86,129,083,024	306,955,241,728
LIABILITIES:						
Borrowing from Other Banks, Financial Institutions & Agents	5,022,780,613	12,620,915,585	14,518,240,045	10,091,930,885	7,717,457,854	44,871,333,982
Deposit and Other Account	31,254,571,687	46,969,442,730	51,842,458,178	65,953,597,826	37,521,208,080	233,611,278,510
Provision & Other Liabilities	70,971,443	52,769,657	4,870,461,131	3,361,038,000	22,871,197,686	36,863,327,146
Subordinated Debts	160,000.000	1,580,000.000	260,000.000	6,500,000.000	5,920,000.000	14,400,000.000
Total Liabilities	37,211,233,743	61,297,126,973	71,491,148,354	80,946,566,741	67,129,853,621	305,495,027,441
Net Liabilities	10,678,228,855	1,370,453,826	1,646,676,254	6,785,266,642	18,999,229,193	20,909,914,287

The annexed accounting policies and other notes form an integral part of these financial statements

[Signatures and Stamp]
Chairman, Director, Managing Director & CEO
Dated, Dhaka 30 April 2023

Notes to the Financial Statements
For the year ended 31 December 2021

- 1.00 The Bank and its activities**
- 1.01 Legal form of Mutual Trust Bank Limited**
Mutual Trust Bank Limited (MTBL) was incorporated in Bangladesh in the year 1999 as a Banking Company under the Companies Act, 1994. The Bank commenced its commercial operation on 07 December 2009. The Bank is 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 (and amendment thereon) and directive as received from the Bangladesh Bank from time to time. Registered office of the Bank is at MTB Centre, 25 Gulshan Avenue, Gulshan 1, Dhaka 1212. The Bank started its commercial business from 24 October 1999. The Bank is listed with the Dhaka and Chittagong Stock Exchanges Limited. Authorized capital of the Bank is BDT 100 billion. The Bank has 19 (One Hundred nineteen) Branches including 14 (Fourteen) SME/AgriBranches all over the Bangladesh, 198 (One Hundred Ninety Eight) Agent Banking Centres/37 (Thirty Seven) Sub Branch, 06 (Six) Air Lounge and 02 (Two) Booth located at HazratShajjal International Airport, Dhaka.
- 1.02 Principal activities and nature of operation of Mutual Trust Bank Limited**
The principal activities of the bank are to provide all kinds of commercial banking and related services such as accepting deposits, lending, money to customers, trade and services, issuance of Credit, Treasury bills, functions, inter bank borrowing and lending, dealing in government securities, equity shares, cash management, issuing debt and credit cards, SMSBanking, internet banking, call centre, securities and custody services, remittance services, privilege banking services, etc.
- 1.03 Off-Shore Banking Unit (OBU)**
The Bank obtained the Off-shore Banking Unit Permission vide Letter # BRPD/(P-37744/(105)/2009-4470 Dated 03 December 2009. The Bank commenced its operation of this unit from 07 December 2009. The unit is governed under the policy, rules and guidelines of Bangladesh Bank vide reference no. BRPD Circular no. 02, dated 25 February 2019 and amendment thereon BRPD Circular no. 09 dated 27 February 2019 & BRPD Circular no. 31 dated 18 June 2020. The principal activities of the unit are to provide all kinds of commercial banking services to its customers in foreign currencies, Separate Financial Statements of Off-shore Banking Unit has been drawn up in Annexure H.
- 1.04 Agent Banking**
The Bank obtained permission from Bangladesh Bank on 07/01/2016 vide reference no., BRPD (P-3) 745 (51/2016-142) to start the operation of Agent Banking and subsequently started its commercial operation on 06/06/2016. Till December 31, 2022 there are 198 agent outlets launched around the country. 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 B2B/Distributor fee collection, Insurance Premium Collection, etc.
- 1.05 Subsidiaries**
- 1.05.1 MTB Securities Limited (MTBSL)**
MTB Securities Limited was incorporated in Bangladesh as a private limited company on 01 March 2010 vide its registration no. 82868/10 and converted into public limited company in the year 2015 under the Companies Act, 1994. The company has started its commercial operation on 23 September 2010 after getting approval from the Bangladesh Securities and Exchange Commission (BSEC) as a separate entity. The Brokerage registration is REG 3.1/DSE-19/2010/4027 and Dealer registration is REG 3.1/DSE-19/2010/0428. MTBSL is engaged in buying and selling of securities for its customers and margin loan is extended to the customers against their margin for investment in the listed companies. The required margin level is monitored daily and margin loan is provided as per established guidelines. Separate Financial Statements of MTB Securities Limited has been drawn up in the reports.
- 1.05.2 MTB Exchange (UK) Limited (MTB UK)**
Bangladesh Bank vide their letter # BRPD(M)204/25/2010-2849 dated 19 August 2010 has accorded approval to the bank for operating a fully owned subsidiary company in the name of MTB Exchange (UK) Limited. The Company was incorporated on 14 June 2010 under the Companies Acts 2006 of UK with the registration number 7292281 as a private company limited by shares. The registered office is located at 25 White Chapel Road, London. The main activities of the exchange house are to carry on the remittance business and to undertake and participate in transactions, activities and operations commonly carried on or undertaken by remittance and exchange houses. Separate Financial Statements of MTB Exchange (UK) Limited has been drawn up in the reports.
- 1.05.3 MTB Capital Limited (MTBCL)**
The Bank obtained permission to embark upon Merchant Banking from the Bangladesh Securities and Exchange Commission (BSEC) vide its Certificate No. MB-55/2010 dated 06 December 2010 under the Securities and Exchange Commission Act, 1993. The operation was started as on 17 April 2011. Separate Financial Statements have been drawn up in the reports.
- MTBCL offers the following services to the market:**
- Discretionary and Non-Discretionary Portfolio Management services to both the retail and institutional investors under different product lines.
 - Issue management services to medium and large corporate houses to manage their Initial Public Offering (IPO), secondary offering, debt issuance and rights issues, etc.
 - Underwriting services for both debt and equity issues.
- Besides, MTBCL develops various investment schemes suiting varying objectives and constraints of different investor classes.
- 2.0 Significant accounting policies and basis of preparation of financial statements**
- 2.1 Basis of preparation**
The separate financial statements of the Bank as at and for the year ended 31 December 2022 comprise those of Domestic Banking Unit (Main operations) and Offshore Banking Unit (OBU), and the consolidated financial statements of the group comprise those of the Bank (Parent company) and its subsidiaries (collectively referred to as 'the Group' and individually referred to as 'Subsidiaries'). There was no significant change in the nature of principal business activities of the Bank and the subsidiaries during the financial period.
- 2.1.2**

2.1.1 Statement of Compliance

The consolidated financial statements of the Group and separate financial statements of the Bank and its subsidiaries as at and for the year ended 31 December 2022 have been prepared under the historical cost convention and in accordance with the "First Schedule" (section-38) of the Bank Companies Act, 1991 (and amendment thereon), BRPD Circular no. 14 dated 25 June 2003, other Bangladesh Bank circulars, International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs) adopted by the Financial Reporting Council of Bangladesh (FRC). In addition to this, the Bank complied with the requirements of following laws and regulations from various Government's bodies:

- (i) The Bank Company Act, 1991 and amendment thereon;
- (ii) The Companies Act, 1994;
- (iii) Rules, regulations and circulars issued by Bangladesh Bank from time to time;
- (iv) Bangladesh Securities and Exchange ordinance 1989, Bangladesh Securities and Exchange Rules 1987;
- (v) Bangladesh Securities and Exchange Act 1993 and Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015;
- (vi) The Income Tax ordinance 1984 and amendment thereon;
- (vii) The Value Added Tax and Supplementary Duty Act 2012;
- (viii) Financial Reporting Act 2015;
- (ix) Dhaka Stock Exchange (DSE), Chattogram Stock Exchange (CSE) and Central Depository Bangladesh Limited (CDL) rules and regulations.

Departures from IAS/IFRS:
Where the requirement of provisions and circulars issued by Bangladesh Bank differ with those of the regulatory authorities and accounting standards, the provisions and circulars issued by Bangladesh Bank shall prevail. As such the Group and the Bank has departed from those contradictory requirements of IFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below:

i) Presentation of financial statements

IFRS: As per IAS 1, a complete set of financial statements comprises a statement of financial position, a statement of profit or loss and other comprehensive income, a statement of changes in equity, a statement of cash flows, notes comprising a summary of significant accounting policies and other explanatory information and comparative information. IAS 1 has also stated the entity to disclose assets and liabilities under current and non-current classification separately in its statement of financial position.

Bangladesh Bank: A format of financial statements (i.e. balance sheet, profit and loss account, cash flows statement, changes in equity, liquidity statement) is prescribed in First Schedule of section 38 of the Bank Company Act 1991 (and amendment thereon) and BRPD Circular no. 14 dated 25 June 2003 of Bangladesh Bank. Assets and liabilities are not classified under current and non-current heading in the prescribed format of financial statements.

ii) Investment in shares and securities

IFRS: As per requirements of IFRS 9: classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. An entity should measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

Bangladesh Bank: As per Banking Regulation & Policy Department (BRPD) Circular no. 14 dated 25 June 2003 of Bangladesh Bank, Investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investments; otherwise investments are recognized at cost. As such Mutual Trust Bank Limited measures and recognizes Investment in Quoted and Unquoted shares at cost if the year-end Market value (for Quoted shares) and book value (Unquoted shares) are higher than the cost.

iii) Revaluation gain/loss on Government securities

IFRS: As per requirement of IFRS 9: Financial Instruments, where securities will fall under the category of fair value through profit or loss account, any change in the fair value of assets is recognized through the profit and loss account. Securities designated as amortized cost are measured at effective interest rate method and interest income is recognized through the profit and loss account.

Bangladesh Bank: According to Department of Offshore Supervision (DOS) Circular # 05 dated 26 May 2008 and subsequent clarification in DOS Circular # 05, dated 28 January 2009 of Bangladesh Bank, loss on revaluation of Government securities (T-bill/T-bond) which are categorized as held for trading will be charged through income accounts, but any gain on such revaluation should be recorded under revaluation reserve accounts. However, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

iv) Provision on loans and advances

IFRS: As per IFRS 9: Financial Instruments, an entity shall recognize an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances equal to the lifetime expected credit losses if the loans and advances are measured at amortized cost. If the loans and advances have increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses that may result from default events on such loans and advances that are possible within 12 months after reporting date.

Bangladesh Bank: As per BRPD Circular # 51 dated 18 December 2022, BRPD Circular # 14 dated 22 June 2022, BRPD Circular # 63 dated 21 April 2019, BRPD Circular # 59 dated 30 December 2020, BRPD Circular # 56 dated 10 December 2020, BRPD Circular # 52 dated 20 October 2020, BRPD Circular # 17 dated 28 September 2020, BRPD Circular # 16 dated 21 July 2020, BRPD Circular # 13 dated 16 June 2020, BRPD Circular # 03 dated 23 February 2019, BRPD Circular # 01 dated 20 February 2018, BRPD Circular # 15 dated 27 September 2017, BRPD Circular # 08 dated 02 August 2015, BRPD Circular # 16 dated 18 November 2014, BRPD Circular # 05 dated 29 May 2013, BRPD Circular # 19 dated 27 December 2012, BRPD Circular # 10 dated 25 September 2012, and a general provision at 0.25% to 2% under different categories of unclassified loans (standard and SMA loans) has to be maintained regardless of objective evidence of impairment. Also, provision for sub-standard loans, doubtful loans and bad losses, should be provided at 5%, 25% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD Circular # 10 dated 18 September 2007, BRPD Circular # 1 dated 15 January 2018, BRPD Circular # 07 dated 21 June 2018, and BRPD Circular # 13 dated 18 October 2018 a general provision at 1% should be provided for all off-balance sheet exposures except general provision against the LC for First Track Power Supply Projects, bills for collection and 'guarantees' where the counter guarantees have been issued by Multilateral Development Bank (MDB)/International Bank having BB rating grade '1' equivalent outlined in the Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III). Such provision policies are not specifically in line with those prescribed by IFRS 9.

v) Recognition of interest in suspense

IFRS: Loans and advances to customers are generally classified at amortized cost as per IFRS 9: Financial Instruments and interest income is recognized using the effective interest rate method by the gross carrying amount over the term of the loan. Once a loan subsequently become credit-impaired, the entity shall apply the effective interest rate to the amortized cost of these loans and advances.

Bangladesh Bank: As per BRPD Circular # 14 dated 23 September 2012, once a loan is classified as impaired, interest on such loan is not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as a liability in the balance sheet.

vi) Other comprehensive income

IFRS: As per IAS 1, Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single other comprehensive income statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all bank financial statements issued by Bangladesh Bank neither include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. However, elements of OCI, if any, are shown in the statement of changes in equity.

vii) Financial Instruments- presentation and disclosure

In several cases Bangladesh Bank guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 9: Financial Instruments. As such full disclosure and presentation requirements of IFRS7: Financial Instruments- Disclosures and IAS32: Financial Instruments- Presentation cannot be made in the accounts.

viii) Repo and reverse repo transactions

IFRS: As per IFRS 9: Financial Instruments, when an entity sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO), the arrangement is treated as an underlying asset continues to be recognized at amortized cost in the entity's financial statements. The difference between selling price and repurchase price will be treated as interest expense. The same rule applies to the opposite side of the transaction (reverse repo).

Bangladesh Bank: As per DOS Circular Letter # 06 dated 15 July 2010 & subsequent clarification in DOS Circular # 02 dated 23 June 2013, when a bank sells a financial asset at a fixed price and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as normal sales transactions and the financial assets are derecognized in the seller's book and recognized in the buyer's book.

ix) Financial guarantees

IFRS: As per IFRS 9: Financial Instruments, financial guarantees are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee liabilities are recognized initially at the fair value plus transaction cost that are directly attributable to the issue of the financial liabilities. The financial guarantee liability is subsequently measured at the higher of the amount of loss allowance for expected credit losses as per impairment requirement and the amount initially recognized less, in income, recognized in accordance with the principles of IFRS 15. Financial guarantees are included within other liabilities.

Bangladesh Bank: As per BRPD Circular # 14 dated 25 June 2003 financial guarantees such as L/C, L/G will be treated as off balance sheet items. No liability is recognized for the guarantee except the cash margin and 1% general provision for all contingent liabilities.

x) Cash and cash equivalents

IFRS: Cash and cash equivalents items should be reported as cash item as per IAS 7-Statement of Cash Flows.

Bangladesh Bank: As per BRPD Circular # 14 dated 25 June 2003, Cash and Cash-equivalents consist of cash with Bangladesh Bank, with its agent banks), government securities (prize bond) and deposits with other banks. Some of the cash items are cash with Bangladesh Bank and deposits with other banks. Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

xi) Non-banking assets

IFRS: No indication of non-banking assets is found in any IFRS.

Bangladesh Bank: As per BRPD Circular # 22 dated 20 September 2021, there is a separate balance sheet item titled as non-banking assets that exists in standard format prescribed by BRPD Circular # 14 dated 25 June 2003.

xii) Cash flow statement

IFRS: Cash flow statement, which educates stakeholders about fund movement, can be prepared using either the direct method or the indirect method as per IAS 7: Statement of Cash Flows. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD Circular # 14 dated 25 June 2003, cash flow should be a mixture of direct and indirect method.

xiii) Balance with Bangladesh Bank:

IFRS: Balance with Bangladesh Bank should be treated as other assets as it is not available for use in day-to-day operations as per IAS 7: Statement of Cash Flows.

Bangladesh Bank: Balance with Bangladesh Bank should be treated as cash and cash equivalents.

xiv) Presentation of intangible assets

IFRS: Intangible assets must

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Financial Statements 2022

2.2.3 Loans, advances and provisions

Loans and advances are stated at gross amount. General provisions on unclassified loans & off-balance sheet exposures, specific provisions for classified loans and interest suspense account thereon are shown under other liabilities. Provision against classified loans and advances is made on the basis of quarter-end review by the management and instruction contained in BRPD Circular # 51, 14,63, 59, 56, 52, 17, 16, 13, 03, 01, 15, 08, 16, 05, 19, 14, 10, 01, 07 & 13 dated 18 December 2022, 22 June 2022, 31 December 2020, 30 December 2020, 10 December 2020, 20 October 2020, 28 September 2020, 21 July 2020, 15 June 2020, 21 April 2019, 20 February 2018, 27 September 2017, 02 August 2015, 18 November 2014, 29 May 2013, 27 December 2012, 23 September 2012, 18 September 2007, 03 January 2018, 21 June 2018, 18 October 2018 respectively.

Interest on loans and advances
Interest is calculated on daily product basis but debited to the party's loan account quarterly. No interest is charged on loans and advances which are classified as bad and loss. Interest is calculated on unclassified loans and advances (only standard) and recognized as income during the period. Interest calculated on classified loans and advances (including special mention accounts) as per Bangladesh Bank circulars is kept in interest suspense account and credited to income on realization. Interest suspense and penal interest (if any) calculated on classified loans and advances are taken into income in the period of its receipt from the defaulting borrowers.

Commission and discounts on bills purchased and discounted are recognized at the time of realization. Recovery of written off loans and advances are taken into income in the period of its receipts from the defaulting borrowers.

Provision for loans and advances

Provision for loans and advances are made on the basis of quarter as well as year-end review by the management following instruction contained in BRPD Circulars 14, 16 & 52 dated 23 September 2012, 21 July 2020 & 20 October 2020 respectively and subsequent changes of Bangladesh Bank. The percentage of provision on loans and advance are given below:

Rate of provision

		RATE OF PROVISION									
		Consumer Financing					Small & Medium Enterprise Financing		Loans to BSMI Bs/SD s		
Particulars	Short Term Agri. Credit & Microcredit	Other than HP & LP	HF	LP	Only Card		Cottage, Micro and Small Credits under CSMSE	Medium Enterprise Financing			All other credit
UC	Standard	1%	2%	1%	2%	2%	0.25%	0.25%	2%	2%	1%
	SMA	0%	2%	1%	2%	2%	0.25%	0.25%	2%	2%	1%
Clas	SS	5%	20%	20%	20%	20%	5%	20%	20%	20%	20%
ssif	DF	5%	50%	50%	50%	50%	20%	50%	50%	50%	50%
ed	B/L	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Presentation of loans and advances

Loans and advances are shown at gross amount as assets while interest suspense and loan loss provision against classified loans & advances are shown as liabilities in the Balance Sheet.

Security against Loans

- Project loan: Project land and building are taken as security in the form of mortgage and plant & machinery are taken in the form of hypothecation.
- Working Capital: Goods are taken as security in the form of hypothecation along with land and building mortgage. Listed securities of stock exchange, fixed deposits, assignments of receivables etc. are also taken as security.

Bills purchased and Discounted

- Bills purchased and discounted do not include Government Treasury bills and have been classified into two heads viz:
 - Payable in Bangladesh;
 - Payable outside Bangladesh.
- The bills purchased and discounted have been analyzed as per the maturity grouping.

Written off loans and advances

Loans and advances are written off to the extent that (i) there is no realistic prospect of recovery, (ii) and against which legal cases are filed and classified as bad loss more than five years as per guidelines of Bangladesh Bank and (iii) special permission of Bangladesh Bank. These write off however, will not undermine/affect that claim amount against the borrowers. Detailed memorandum records for all such write off accounts are meticulously maintained and followed up.

2.2.4 Property, plant and equipment

a) Recognition

The cost of an item of property, plant and equipment (Fixed assets) shall be recognized as an asset, if and only if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

Property, plant and equipment have been accounted for at cost less accumulated depreciation (except land) as per IAS-16: Property, Plant and Equipment. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent cost of enhancement of an existing asset is recognized as a separate asset, only when it is probable that future economic benefits will flow to the entity and the cost can be measured reliably. All other repairs and maintenance are charged to the profit & loss account during the financial periods which are incurred.

a) Depreciation

Category of Fixed Assets	Method of Depreciation	Rate of Depreciation
Land	N/A	N/A
Immovable Property	Reducing balance method	2.50%
Furniture & Fixtures	Reducing balance method	10%
Office Equipment	Reducing balance method	20%
Computer & Peripherals	Straight line method	3-10 Yrs
Motor Vehicles	Straight line method	5 Yrs
Intangible Assets	Straight line method	3-10 Yrs

b) Disposal of fixed assets

On disposal of fixed assets, the cost and accumulated depreciation are eliminated from the fixed assets schedule and gains or losses on such disposal are reflected in the profit and loss accounts per provision of IAS 16: Property, Plant and Equipment.

c) Capital Work-in-Progress

Capital Work-in-Progress is stated at cost. These are expenses of a capital nature directly incurred in the construction of building, system development, awaiting capitalization.

d) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets have been capitalized as part of the cost of the assets.

e) Impairment

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the assets should be reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss is recognized as an expense in the profit and loss account.

2.2.5 Intangible assets

Software represents the value of computer application software licensed use of the Bank, other than software applied to the operation software system of computers. Software acquired by the Bank is stated at cost less accumulated amortization and accumulated impairment losses. Expenditure incurred on software is capitalized only when it enhances and extends the economic benefits of computer software beyond their original specifications and lives and such cost is recognized as capital improvement and added to the original cost of software. Software is amortized using the reducing balance method at the rate of 20%.

2.2.6 Other assets

Other assets include all assets not covered specifically in other areas of the supervisory activity and such accounts may be quite insignificant in the overall financial condition of the bank.

Provision for other assets

Provision fund benefits are per BRPD Circular # 04 dated 12 April 2022 and Circular #14 dated 25 June 2001 of Bangladesh Bank and necessary provisions made thereon accordingly and for items not covered under the circular adequate provisions have been made considering their reliability.

2.2.7 Receivables

Receivables are recognized when there is a contractual right to receive cash or another financial asset from another entity.

2.2.8 Leases

The bank follows IFRS 16 which has been effective from 01 January 2019. As IFRS 16 supersedes IAS 17: Leases, the Bank has made recognition, measurement and disclosure in the financial statements of 31 December 2022 both as Lessee and Lessor as per IFRS 16.

The Bank as Lessee

The Bank assesses at initiation of a contract whether the contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration, then the Bank considers the contract as a lease contract.

The Bank as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases, or, and lease of low value of assets. The Bank recognizes lease liabilities to make lease payment and right-of-use assets representing the right to use the underlying assets.

If tenor of a lease contract does not exceed twelve months from the date of initiation/application, the Bank considers the lease period as short term in line with the recognition threshold of ROU assets as per Fixed Asset policy of the Bank. In case of low value of lease assets, the Bank has set a materiality threshold which is 0.10% of Total capital of the Bank. However, the bank used a flat threshold of BDT 20 million and above which is 0.002% of total capital of the bank as of 31 December 2022. The reason behind considering the materiality threshold of BDT 20 million and above is that the Bank operates many ATM booths, sub-branches with short and single contracts; recording of which as ROU assets would inflate the balance sheet both in assets and liabilities. Moreover, frequent changes of those establishments would create misreporting as well as complexity in recording.

Right-of-use assets (ROU):

The Bank recognizes the right-of-use assets (ROU) at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and impairment of losses and adjusted for any measurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognized, initial direct cost incurred, and lease payment made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term, or remaining period of the lease term.

The Bank assessed all lease contracts live in 2019 & up to December 2022 and recognized as ROU assets of all leases, except short term and low value of assets as parameter guided by Bangladesh Bank and Banks' own policy set as per IAS 16 and IFRS 16. The ROU assets are presented in the note no. 8 of these financial statements.

Lease Liabilities (Bank as a lessee):

At the commencement of the lease, the bank recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed and variable lease payment (less any adjustment for initial payment), and amount is expected to be paid under residual value of guarantees. The lease payments also include the exercise price of purchase option reasonably certain to be exercised by the bank and payment of penalties for terminating the lease.

In 2019 & up to December 2022, the bank reassessed all lease payment of existing contracts for remaining period considering a cut-off date i.e. 01 January 2019. The lease liabilities are presented in the note 12.a.8 of these financial statements.

The Bank as Lessor

Amount due from lessees under finance leases are recorded as receivables at the amount of the Bank's net investment in the leases (Note-7.a.3). Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Bank's net investment outstanding in respect of the leases.

2.2.9 Non-Banking Assets

Non-banking assets are acquired on account of the failure of a borrower to repay the loan in time after receiving the decree from the court regarding the right and title of the mortgaged property. However, the bank has no non-banking assets.

2.3 Liabilities and provision

Borrowings from other banks, financial institutions and agents

Borrowings from other banks, financial institutions and agents include interest bearing borrowing redeemable at call, on demand and short-term deposits lodged for periods of less than 6 months. These borrowings are brought to account at the gross value of the outstanding balance. Interest paid or payable on these borrowings is charged to the profit and loss account.

Deposits and other accounts

Deposits and other accounts include non-interest bearing current deposit redeemable at call, interests bearing on demand and short term deposits, savings deposit, term deposit, margin, bills payable etc. These items are brought to account at the gross value of the outstanding balances.

Other liability

Other liability is recognized in the balance sheet according to the guideline of Bangladesh Bank and Income-tax Ordinance, 1984, IAS37 and internal policy of the banks. Provisions and accrued expenses are recognized in the financial statements when the bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.3.4 Employee benefit scheme

The retirement benefits accrued for the employees of the Bank as on reporting date have been accounted for in accordance with provisions of IAS 19: Employee Benefits. Bases of enumerating the retirement benefit schemes operated by the Bank are outlined below:

a) Provident Fund

Provident fund benefits are given to the permanent employees of the Bank in accordance with Bank's service rules. Accordingly, a trust deed and provident fund rules were prepared. The Commissioner of Income Tax, Taxes Zone 3, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of section 2(52), read with the provisions of part-B of the First Schedule of Income-tax Ordinance, 1984. The recognition took effect from 30 April 2001. The Fund is operated by a Board of Trustees consisting of 7 (seven) members. All confirmed employees of the Bank contribute 10% of their basic salary as a subscription to the fund. The Bank also contributes equal amount of the employees' contribution. Interest earned from the investment is credited to the members' account on yearly basis.

b) Gratuity

The Bank operates a funded gratuity scheme approved by the National Board of Revenue. The Gratuity Fund is managed separately by 'Mutual Trust Bank Limited Employees Gratuity Fund' and any investment decision out of this fund is also made by this trust.

As per gratuity scheme every permanent employee will get gratuity benefit as per following policy that rendering their service without break:

Completed years of Service	Payment of Gratuity
8 years& above	2.00 basic for each year of service in MTB
7 years	1.70 basic for each year of service in MTB
6 years	1.35 basic for each year of service in MTB
5 years	1.00 basic for each year of service in MTB

c) MTB Employees' Welfare Fund

The welfare fund is subscribed by monthly contribution of the employees. The Bank also contributes to the fund from time to time. The fund has been established to provide a token of appreciation or financial assistance to the employees and their family members for education, funeral function etc. The fund is governed and administered by the Board of trustees consisting of four (04) members.

d) MTB Employees' Medical Assistance Fund

Medical Assistance fund is subscribed by the employees as per policy. The Bank also contributes to the fund from time to time. The fund has been established to provide medical assistance to the employees with dependents. The fund is governed and administered by the Board of trustees consisting of four (04) members.

e) MTB Employees' Hospitalization and Group Life Policy

The Bank, as an adhering to the best practice in the banking industry and to strengthen its corporate culture, introduced the Group Life and Hospitalization policy for its employees and their dependents (spouse and kids) effective from 01 January 2019.

f) MTB Employees' Death Benefit Plan

The plan has been formed to provide financial benefit to the bereaved family of a deceased employee. The Bank contributes to the fund from the annual profit of the Bank on requirement basis. The fund is governed and administered by the Board of trustees consisting of four (04) members.

g) MTB Foundation

The Bank, as part of corporate social responsibility, has established MTB Foundation for the benefit of the community in which it operates and as part of its said responsibility it commits itself to human development, poverty alleviation and overall national economic development. The Bank contributes to the fund from the annual profit of the Bank on requirement basis. The fund is governed and administered by the Board of trustees consisting of nine (09) members.

h) Incentive Bonus

Mutual Trust Bank Limited has started an incentive bonus scheme for its employees. This bonus amount is distributed among the employees based on their performance. The bonus amount is paid annually and is accounted for the period to which it relates.

2.3.5 Debt securities

The Bank issued a contingent-convertible Perpetual bond as additional Tier-1 capital having received required approval from Bangladesh Bank and BSEC through private placement and bank issued 7-year non-convertible floating rate subordinated debts in two phases mainly to increase Tier-2 capital having received required approval from Bangladesh Bank and BSEC. Outstanding balance against the Bonds are stated in the financial statements at principal amount and interest payable of which is reported under other liabilities. Details of debt securities is given in note no. 13.a& annexure-D of the financial statements.

2.3.6 Taxation

a. Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other period or are never taxable or deductible. Bank's liability for current tax is calculated using tax rates that have been enacted the reporting period. Tax provision of the Group entities is made on taxable income of subsidiaries at different rates applicable as per the ITO 1984 and the tax authority of the country where it is incorporated.

b. Deferred tax

The Bank recognizes the current and deferred tax in the financial statements using the provisions of the prevailing tax laws applicable in Bangladesh, as per IAS12 (Income Taxes) and BRPD Circular no. 11 dated 12 December 2011. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilized. Deferred Tax liabilities are also recognized for taxable temporary differences arising on investments and it is probable that temporary differences will not reverse in the foreseeable future. Deferred tax is calculated at the tax rates, which are expected to apply in the period when the liability is settled or the asset is realized. Details of deferred tax assets or liabilities and amount recognized in profit and loss account for deferred tax income or expense are given in note 9.a.4.2.1 in the financial statements.

2.3.7 Provision for Nostro Accounts

As per instructions contained in the Circular Letter # FEPD (FEMO)/01/2005-677, dated 13 September 2005 issued by Foreign Exchange Policy Department of Bangladesh Bank, the Bank is not required to make a provision regarding the un-reconciled debit balance of Nostro accounts as on the reporting date in these financials as there are no un-reconciled entries which are outstanding more than 3 months.

2.4 Capital and shareholders' equity

a) Capital management

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve four major objectives: exceed regulatory thresholds and monitor long-term internal capital targets, maintain strong credit rating, manage capital levels commensurate with the risk profile of the Bank and provide the Bank's shareholders with acceptable returns.

Capital is managed in accordance with the board approved capital management planning from time to time. Senior management develops the capital strategy and oversees the capital management planning of the Bank. The Bank's finance and risk management department are key to implementing the Bank's capital strategy and managing capital. Capital is managed by using both regulatory control measure and internal matrix.

a.2 Paid-up capital

Paid-up capital represents total amount of shareholder capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at shareholders meetings. In the event of a winding-up of the company ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

a.3 Statutory reserve

The Statutory reserve has been maintained @ 20% of profit before tax in accordance with provisions of section 24 of the Bank Companies Act, 1991 (and amendment thereon).

a.4 Share Premium

Share premium is the capital that the Bank raise upon issuing shares that is in excess of the nominal value of the shares. The share premium shall be utilized in accordance with provisions of section 57 of the Companies Act, 1994 and as directed by Bangladesh Securities and Exchange Commission in this respect.

a.5 Revaluation Reserve on Govt. Securities

Revaluation reserve represent revaluation on Treasury bond (HFT and HTM) in accordance with the DOS Circular # 05 dated 26 May 2008 & DOS Circular # 05, dated 28 January 2009.

a.6 Non-Controlling Interest

Non-Controlling Interest business is that portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the parent.

2.5 Off Balance Sheet items

Under general banking transactions, liabilities against acceptance, endorsements and other obligations and bills against which acceptance has been given and claims exists there against, have been shown as Off-Balance Sheet items. Provision for off balance sheet items is made as per BRPD Circular #14 dated 23 September 2012 and BRPD Circular # 01 dated 03 January 2018.

2.6 Memorandum items

Memorandum items are maintained for those items for which the Bank has only a business responsibility and no legal commitment.

2.7 Revenue recognition

The Revenue during the period has been recognized according to the provision of IFRS15: Revenue from Contracts with Customers, as well as Bangladesh Bank guidelines.

2.7.1 Interest income

In terms of the provisions of the IFRS15: Revenue from Contracts with Customers, the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified.

- Interest on unclassified loans and advances (except SMA) has been accounted for as income on accrual basis and calculated on daily product basis but charged and accounted for quarterly and in some cases yearly;
- Interest on classified loans and advances has been credited to interest suspense account with actual receipt of interest there from having credited to income as and when received as per instruction of Bangladesh Bank;
- No interest is charged on loans and advances which have been classified as bad/loss;
- Commission and discount on bills purchased and discounted are recognized at the time of realization; and
- Recovery of written off loans and advances are taken into income in the period of its receipts from the defaulting borrowers.

2.7.2 Investment income

Interest income on investments is recognized on accrual basis. Capital gain on investments in shares is also included in investment income. Capital gain is recognized when it is realized.

- Income on investment in treasury bills, bonds, preference shares and debenture etc. other than equity shares has been accounted for on accrual basis;
- Govt. securities (HTM) are revalued on accrual basis and effect of such revaluation gain has been credited to Asset Revaluation Reserve account.
- Dividend on equity shares is recognized during the period in which it is declared and duly approved.
- Net increase in securities held to maturity during the period due to the valuation at mark-to-market basis has been credited to income statement.

2.7.3 Fees and commission income

- Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.
- Fees and Commissions on bills discounted, purchased & others are recognized at the time of realization.
- Foreign currency transactions are converted into BDT at prevailing on the dates of such transactions and exchange gains or losses arising out of such transactions are recognized as income or expense for the period and dealt with exchange account.

2.7.4 Dividend income on shares

Dividend income on shares is recognized during the period in which it is declared and ascertained.

2.7.5 Other operating income

Other operating income is recognized at the time when it is realized.

2.7.6 Interest paid on deposits and borrowings

Interest paid on deposits, borrowing and other expenses are recognized on accrual basis.

2.7.7 Operating expenses

Expenses incurred by the bank are recognized on accrual basis. Expenses incurred by the Bank shown in these financial statements are inclusive of VAT where applicable as per the Value Added Tax Act, 2012.

2.7.8 Other comprehensive income

Other comprehensive income is not prepared in accordance with IAS1: Presentation of Financial Statements. However, elements of other comprehensive income, if any, are shown in the statement of changes in equity.

2.8 Earnings per share

Basic earnings per share

Basic earnings per share have been calculated in accordance with IAS 33: Earnings per Share which has been shown on the face of statement of profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the period.

Weighted average number of ordinary shares

This represents the number of ordinary shares outstanding at the beginning of the year plus the number of ordinary shares issued during the year. The basis of computation of number of shares is in line with the provision of IAS 33: Earnings per Share.

Diluted earnings per share

No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during the year under review.

2.9 Reconciliation of inter-bank/inter-branch account

Accounts with regard to inter-bank (in Bangladesh and outside Bangladesh) are reconciled regularly and there are no material differences which may affect the financial statements significantly. Un-reconciled items/balances in the case of inter-branch transactions as on the reporting date are not material.

2.10 Proposed dividend

Final dividend is recognized when it is approved by the shareholders in AGM. However, the proposed dividend for the year 2022 has not been recognized as a liability in the balance sheet in accordance with IAS 10: Events after the Reporting Period. Dividend payable to the Bank's shareholders is recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive payment is established.

2.11 Operating segment

As per IFRS- 8: The Group has identified following five reportable segments which are the Group's major strategic business units/entities. The strategic business units offer different products and services, and are managed separately based on the management and internal reporting structure of the group. For each of the strategic business units, the Group's/Bank's Management Committee reviews internal management reports on quarterly basis. The following summary describes the operations in each of the reportable segments:

	Segment Name	Description
Solo	DBO (Domestic Banking Operation)	Deals with the full range of commercial banking products and services offered by four different business units: Corporate, Commercial, Retail Banking and Treasury.
	CBU (Offshore Banking Unit)	Deals with loans, deposits and other transactions and balances in freely convertible currencies with eligible corporate customers.
	MTB Securities Limited	It buys, sells and deals in shares, debentures and other securities on behalf of customers and does margin lending etc.
Consolidated	MTB Capital Limited	It offers issue management, underwriting, portfolio management, corporate advisory services to the clients including advisory services on merger and amalgamation, capital restructuring, bond services etc.
	MTB Exchange (UK) Limited	It deals with trade finance and off-shore banking business in United Kingdom.

Performance is measured based on segment revenue and profit, as included in the internal management reports that are reviewed by the Management Committee of the Bank. Segment profit is used to measure performance as management believes that such information is relevant in evaluating the results of certain segments.

2.12 Litigation

The Bank is not a party to any lawsuits except those arising in the normal course of business, which were filed against the default clients for non-performance in loans repayment and against various level of tax authority regarding some disputed tax issues. The Bank, however, provides adequate provisions as per guidelines of IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

2.13 Write-off

Write-off describes a reduction in recognized value. It refers to recognition of the reduced or zero value



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Financial Statements 2022

MTB has restructured Internal Control and Compliance Department (ICCD) headed by a senior level executive in light of Core Risk guidelines of Bangladesh Bank. The Department is comprised of three divisions; Audit and Inspection Division, Compliance Division and Monitoring Division. The Bank has developed Internal Control and Compliance Policy duly approved by the Board of Directors, complying with the directives of the revised guidelines of Bangladesh Bank on ICC in Banks.

As a tool of Internal Control, the Audit and inspection teams undertake periodic and special audit and inspection on the branches and departments/divisions of Head Office in order to sort out the weaknesses and defects in the control process and report to the management for taking corrective measures to protect the interests of the Bank.

The Compliance and Monitoring Divisions of this department ensure timely and proper compliance of all regulatory instructions and internal policies and procedures in the day-to-day operation of the Bank by way of using various control tools. They assess the operational risk and take appropriate measures to mitigate the same for smooth operation of the Bank. ICCD reports serious non-compliances detected by internal and external auditors with up-to-date compliance position thereof, large financial risk exposures, control weaknesses etc. to the Audit Committee of the Board for review and taking appropriate measures.

The ICCD also ensures clear definition of organizational structure, appropriate assignment, accountability and delegation of authorities to functional management to create control and compliance culture within the organization with active guidance and supervision of senior management and Board of Directors.

Business entities today exist in a highly competitive world. They are constantly innovating to meet their business objectives providing essential and unique services to their customers. Technology advances have enabled them to achieve their varied strategies. And yet, the threats of disaster, on account of business interruption, are not extinct. In fact, they have also evolved along with the technology. Keeping that in mind MTB has taken up its Business Continuity Planning (BCP) as the most significant challenges working out a way to prevent, if possible, and manage the consequences of a disaster, limiting it to the extent that a business can afford. Besides BCP, the Bank is also focusing on combating security threats as well. In keeping with our centralized management model, each branch within the Bank has its own ICT systems. Actions taken include the updating of software and analyzing new software, enhancing ICT related controls, training of staff in system knowledge and sharing of best practices between branch users.

d) Money Laundering Risk

The ICCD also ensures clear definition of Financial Institutions lies with the involvement in any single transaction or series of transactions that assists a criminal in keeping, concealing or disposing of proceeds derived from illegal activities. So it is a major threat to the banks and non-bank financial institutions.

Mutual Trust Bank (MTB), as a compliant bank, is firmly determined not to let money launderers and terrorists or perpetrators to use it as a channel to launder money or finance terrorism in any possible way. Hence, MTB has its own Anti Money Laundering (AML) & Combating Financing of Terrorism (CFT) compliance program which is designed considering the size & range of activities, complexity of operations and the nature & degree of Money Laundering & Terrorist Financing risks faced by the bank. Certainly, it is designed as per the prevailing laws (i.e. Money Laundering Prevention Act, 2012 (Amendment 2015), The Anti-Terrorism Act, 2009 (Amended- 2012 & 2013), rules (i.e. Money Laundering Prevention Rules, 2013, Anti-Terrorism Rules, 2013), BFU guidelines (i.e. Money Laundering and Terrorist Financing Risk Management Guidelines), circulars & instruction and international standards. MTB applies risk sensitive Customer Due Diligence (CDD) measures, monitors business relationships and records suspicious transactions pursuant to the national regulations and international standards.

MTB has developed its own Money Laundering (ML) & Terrorist Financing (TF) Risk Management Guideline entailing the customer acceptance policy and the ML & TF Risk Assessment Guideline. The customer acceptance policy incorporates the detail customer due diligence procedure for acceptance/rejection of customer, procedures to open & operate different types of account. The ML & TF Risk Assessment Guideline incorporates the risk register in line with BFU guideline. Department has been reformed as 'Central Compliance Unit (CCU)' under the direct supervision of the MD & CEO which consists of 8 (eight) members having expertise in the field of general banking and information technology. Every year, the MD & CEO of the bank makes statement of commitment in writing to all employees that clearly sets forth MTB's policy against Money Laundering, Terrorist Financing & Proliferation Financing.

e) Fraud and Forgeries

Fraud Detection and Management Process: The Bank has its board approved Fraud Management Policy. Internal Audit (IA) team conducts surprise audit on all MTB branches and offices of the Head Office at least once in a year (high risk branches are audited half-yearly basis). While auditing branches and offices, the Internal Audit (IA) teams thoroughly check the operational activities of the branches/offices including transactions in various accounts and search for any irregularities occurred in those accounts. IA teams also monitor the staff accounts and if necessary investigate the suspicious transactions and report the same to the management. IA teams also conduct investigation into specific allegations and submits reports to the management for action. Senior management of the bank also conducts regular visit to MTB branches and advises the branch officials to comply with all the regulatory instructions, policies and procedures of the bank.

2.18 Implementation of BASEL-III

Bangladesh Bank issued 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' (Revised)Regulatory Capital Framework in line with Basel-III) vide its BRPD Circular 18 dated 21 December 2014 that Basel-III reporting start from January 2015 and full implementation will start from January 2021. The Basel-III rules on capital consist of measures on improving the quality, consistency and transparency of capital, enhancing risk coverage, introducing a supplementary leverage ratioand promoting counter-cyclical buffers and addressing systemic risk and interconnectedness.

In 2021, the Bank is required to maintain minimum Common Equity Tier-1 (CET-1) capital ratio of 4.50%, capital conservation buffer 2.50%, minimum CET-1 plus conservation buffer of 7.00%, minimum Tier-1 capital ratio of 6.00%, minimum total capital ratio 10.00% and minimum totalcapital plus capital conservation buffer 12.50%

Pillar-4: Minimum Capital Requirement

Banks must hold minimum regulatory capital against Credit, Market and Operational Risk inherent with Banking Business. Mutual Trust Bank Limited has adopted the following measurement approaches for computing its Capital Adequacy Ratio:

- Standardized Approach for Credit Risk
- Basic Indicator Approach for Operational Risk, and
- Standardized Approach for Market Risk

Pillar-II: Supervisory Review Process (SRP)

The Supervisory Review Process (the Second Pillar of Basel-III) of the risk-based capital adequacyframework is intended to ensure that banks have adequate capital to support all the risks in thebusiness and, concurrently, to encourage banks to develop and utilize superior risk managementtechniques in monitoring and managing risks. In compliance with the Pillar-II guidelines of theBangladesh Bank under Basel-III framework, Mutual Trust Bank Limited has formulated its own Board approvedInternal Capital AdequacyAssessment Process (ICAAP) to assess various risks that it is exposed to.Following Risk has to be assessed for Adequate Capital Requirement under ICAAP as per Bangladesh Bank Guideline:

- Residual Risk
- Concentration Risk
- Liquidity Risk
- Reputation Risk
- Strategic Risk
- Settlement Risk
- Evaluation of Core Risk Management
- Environmental & Climate Change Risk
- Other Material Risks

Pillar-III: Market Discipline

The purpose of market discipline is to establish transparency and discipline in the financial marketso that stakeholders can assess the position of a bank with respect to the assets held by it as well as to identify the risks relating to these assets and the capital adequacy to meet probable losses.For this purpose, banks have to develop a set of disclosures containing information on the assets,risk exposures, risk assessment processes and the capital adequacy to meet the risks. The Pillar-III Disclosures are published on a yearly basis on the Bank's website also published in the Bank'sAnnual Report.

2.19 Audit Committee

In compliance to Bangladesh Bank's circular, the Board of Directors has formed an Audit Committee comprising of the following 4 (Four) Directors of the Board.

Sl.No.	Name of the Director	Status with the Bank	Status with the Committee
01.	Ms. Nasreen Sattar	Independent Director	Chairman
02.	Ms. Anika Chowdhury	Director	Member
03.	Mr. Daniel Donald de Lange	Director	Member
04.	Mr. Faruq Ahmad Siddiqi	Independent Director	Member

During the period, 04 (Four) meetings of the audit committee were held.

Audit committee reviews various audit/inspection reports at regular intervals. Upon scrutiny of the audit objections and compliance, the committee advised the management to remain within the policy guidelines and directives of the regulatory authorities.

As per circular, the committee places their report regularly to the board meetings of the Bank mentioning their activities & recommendations of the internal control system, compliance of rules and regulations and establishment of good governance within the organization.

2.20 Directors responsibility on statements

The Board of Directors takes the responsibility for the preparation and presentation of these financial statements.

2.21 Credit rating of the Bank

As per BRPD Circular no. 6 dated 5 July 2006, the Bank has done its credit rating by Credit Rating Information and Services Limited (CRISL) based on the audited financial statements as at and for the year ended 31 December 2021. The following ratings have been awarded:

Particulars	Periods	Date of rating	Validity Date	Long term	Short term
Entity rating	January to December 2021	12 May 2022	11 May 2023	AA	ST-2
Entity rating	January to December 2020	23 May 2021	22 May 2022	AA	ST-2

2.22 Events after the reporting period

Material events after the reporting period need to be considered and appropriate adjustments/disclosures accordingly are always made in the financial statements as per IAS 10: Events after the Reporting Period. Board's recommendation for dividend distribution is a common item presented in the note no. 53.

2.23 Approval of Financial Statements

The financial statements were approved by the Board of Directors on 30 April 2023

2.24 General:

- These financial statements are presented in BDT, which is the Bank's functional currency. Figure appearing in these financial statements have been rounded off to the nearest BDT.
- The expenses, irrespective of capital or revenue nature, accrued/due but not paid have been provided for in the books of the Bank.
- Figures of previous year have been rearranged whenever necessary to conform to current period's presentation.
- No Asset has been set off against any Liability except MTB General Account.

Particulars	Amount in BDT	
	2022	2021
3.00 Consolidated cash		
i. Cash in hand (including foreign currency)		
Mutual Trust Bank Limited (Note-3.a.1)	4,257,323,387	3,602,713,035
MTB Securities Limited	3,213,020	12,323,611
MTB Capital Limited	20,600	11,934
MTB Exchange (UK) Limited	2,134,272	2,449,942
	4,262,691,279	3,617,498,522
ii. Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currency)		
Mutual Trust Bank Limited (Note-3.a.2)	14,932,992,219	11,197,635,965
MTB Securities Limited	-	-
MTB Capital Limited	-	-
MTB Exchange (UK) Limited	-	-
	14,932,992,219	11,197,635,965
	19,195,683,498	14,815,134,487
3.a Cash		
Cash in Hand (including Foreign Currency)	4,257,323,387	3,602,713,035
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)	14,932,992,219	11,197,635,965
	19,195,683,498	14,800,349,000
3.a.1 Cash In Hand (Including Foreign Currency)		
Local Currency	4,133,952,844	3,509,787,858
Foreign Currency	74,077,856	69,126,089
	4,208,030,701	3,578,913,947
Islamic Banking Branches		
	49,282,686	23,789,086
	4,257,323,387	3,602,713,035

3.a.2 Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)		
With Bangladesh Bank:		
Local Currency	11,209,311,580	9,642,188,956
Foreign Currency	3,198,338,734	1,201,410,369
With Sonali Bank (as agent of Bangladesh Bank-Local Currency)	211,852,605	243,309,042
	14,620,562,129	11,086,908,387
Islamic Banking Branches		
	312,489,089	110,727,478
	14,932,992,219	11,197,635,965

Bangladesh Bank Adjustment Account represents outstanding transactions(nel) originated but yet to be responded at the Balance Sheet date. However, the status of unresponded entries as at 31 December 2022 is given below:

Period of Unreconciliation	Number of unresponded entry		Unresponded amount	
	Dr.	Cr.	Dr.	Cr.
Less than 3 months	42	12	(1,315,682,484)	423,699,067
3 months to Less than 6 months	0	0	-	-
6 months to Less than 12 months	0	0	-	-
12 months and more	0	0	-	-
Total	42	12	(1,315,682,484)	423,699,067

All unadjusted entries are subsequently adjusted on regular basis.

3.a.3 Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR)		
Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with Section 33 of The Bank Companies Act, 1991 (as amended in 2013) and Bangladesh Bank MPD circular no. 03 dated 09 April 2020, DOS circular no. 26 dated 19 August 2019 and BRPD (P-3)/744(27)/2020-4086 for Offshore Banking Unit.		

A. Cash Reserve Requirement (CRR)

As per Bangladesh Bank MPD circular no. 03 dated 09 April, 2020; bank has to maintain CRR 3.50% on daily basis and 4.00% on bi-weekly basis based on weekly Average of Total Demand and Time Liabilities (ATDTL) of the base month which is two months prior to reporting month. The reserve maintained by MTB as at 31 December 2022 is presented below.

B. Cash Reserve Requirement (CRR) for Offshore banking Unit

As per Bangladesh Bank circular no. BRPD(P-3)/744(27)/2020-4086 dated 16 June, 2020; Offshore banking unit has to maintain CRR 1.50% on daily basis and 2.00% on bi-weekly basis based on weekly Average of Total Demand and Time Liabilities (ATDTL) of the base month which is two months prior to reporting month. The reserve maintained by MTB as at 31 December 2022 is presented below.

Dec-2022	Dec-2021	
	Ratio in %	BDT Million
Required Reserve (3.50% of ATDTL) for OBO	3.50%	7,989.29
Required Reserve (1.50% of ATDTL) for OBO	1.50%	230.29
	5.00%	8,219.58
Actual Reserve Maintained	4.52%	10,317.33
Surplus		2,097.75

ii. Bi-weekly Bank's CRR Maintenance		
Required Reserve (4.00% of ATDTL) for OBO	4.00%	9,130.61
Required Reserve (2.00% of ATDTL) for OBO	2.00%	307.05
	6.00%	9,437.66
Actual Reserve Maintained	4.25%	9,653.07
Surplus		215.41

* Last bi-weekly average as of 31 December 2022

C. Statutory Liquidity Ratio (SLR)

As per Section 33 of the Bank Company Act, 1991 & MPD circular no. 02 dated December 10, 2013 issued by Bangladesh Bank with effect from February 1, 2014, bank has to maintain SLR of minimum 13.00% based on weekly Average Total Demand and Time Liabilities (ATDTL) of the base month which is two months prior to reporting month. SLR maintained by the bank as at 31 December 2022 is presented below.

Dec-2022	Dec-2021	
	Ratio in %	BDT Million
Required Reserve (13% of ATDTL) for DBO	13.00%	29,674.50
Required Reserve (13% of ATDTL) for OBO	13.00%	1,437.82
	26.00%	31,112.32
Actual Reserve Maintained	20.39%	46,533.55
Surplus		14,863.33

I. Components of Statutory Liquidity Ratio (SLR) (BDT Million)

Cash in Hand	4,208,031	3,578,91
Excess Cash Reserve*	879,66	999,88
Balance with Agent Bank (Sonali Bank Ltd)	211,85	243,31
Held to Maturity (HTM) Securities	34,036,60	35,532,25
Held for Trading (HFT) Securities	7,192,01	4,896,24
Other eligible securities	2,48	2,48
	46,533,65	45,254,25

*As per Bangladesh Bank DOS circular no. 26 dated 19 August 2019; Cash Reserve (if any) in excess of 3.50% of ATDTL calculated on bi-weekly average basis is considered as an eligible component of Statutory Liquidity Reserve for that particular day.

4.00 Consolidated Balance with other Banks and Financial Institutions		
In Bangladesh		
Mutual Trust Bank Limited (Note-4.a.1)	1,961,231,052	1,543,685,647
MTB Securities Limited	1,207,867,788	1,412,381,790
MTB Capital Limited	12,466,573	13,846,460
MTB Exchange (UK) Limited	(953,834,953)	(1,174,516,722)
Less: Intragroup Deposit	2,227,730,560	1,795,397,175
Outside Bangladesh		
Mutual Trust Bank Limited (Note-4.a.2)	5,297,600,028	2,169,981,973
MTB Securities Limited	-	-
MTB Capital Limited	-	-
MTB Exchange (UK) Limited	-	-
	5,297,600,028	2,169,981,973
	7,525,330,588	3,965,379,148

4.a Balance with other Banks and Financial Institutions		
In Bangladesh (Note-4.a.1)	1,961,231,052	1,543,685,647
Outside Bangladesh (Note-4.a.2)	5,297,600,028	2,169,981,973
	7,258,831,080	3,713,667,620

4.a.1 In Bangladesh		
Term Placement	653,000,000	111,200,000
Union Capital Limited	60,600,000	65,700,000
GSP Finance Company (Bangladesh) Limited	42,400,000	45,500,000
Midland Bank Limited	450,000,000	-
Lanka Bangla Finance Ltd	100,000,000	-
Special Notice Deposit (SND)	31,656,485	88,268,533
BASC Bank Limited	14,033,129	34,365,391
Sonali Bank Limited	17,104,080	53,616,280
Agrani Bank Limited	517,767	82,194
Janata Bank Limited	-	2,144
NRB Bank Limited	-	1,000
Islam Bank Bangladesh Limited	1,910	1,510
Current Deposits (CD)	28,574,547	254,217,115
ICash Limited	38,459,739	87,798,320
Southeast Bank Limited	642,772	647,997
Standard Chartered Bank (SCB)	7,652,163	15,824,163
Janata Bank Limited	5,430,630	16,455,417
Agrani Bank Limited	154,386,709	133,490,216
Offshore Banking Unit	-	-
Islamic Banking Branches	1,050,000,000	1,080,000,000
	1,961,231,052	1,543,685,647

4.a.2 Outside Bangladesh (NOSTRO Accounts)		
In current account		
Mashreq bank, New York	443,631,028	443,788,878
Standard Chartered Bank, New York	1,879,155,530	372,420,813
Habib American Bank, New York	1,003,546,029	36,008,955
Commerzbank, Germany	67,039,008	31,018,824
KB Kookmin Bank	6,035,209	20,758,959
JP Morgan, New York	614,870,195	389,061,432
ICICI Hong Kong	14,528,563	27,118,598
Standard Chartered Bank, Singapore	6,338,494	6,133,864
JP Morgan, London	16,299,443	7,707,625
Standard Chartered Bank, London	27,557,129	40,836,747
Habib American Bank, Zurich	3,191,280	9,005,217
Standard Chartered Bank, Tokyo	4,758,845	9,663,692
Standard Chartered Bank, Germany	57,466,063	42,904,788
ICICI Mumbai	676,308	600,309
Unicredit, Germany	265,541,540	13,680,835
Commerzbank, Germany	297,454,711	102,797,452
United Bank of India, Kolkata	463,592	411,497
Standard Chartered Bank, Mumbai	22,846,796	10,992,285
Standard Chartered Bank, Kolkata	51,698,338	42,941,396
Standard Chartered Bank, Pakistan	3,224,513	27,589,960
Standard Chartered Bank, Colombo	40,202	13,275,444
Sonal Bank, Kolkata	9,954,277	3,827,504
Habib Metropolitan Bank	5,443,246	21,562,866
Mashreq bank, Mumbai	22,877,901	36,851,944
AB Bank, Mumbai	127,254,089	97,021,150
Avis Bank, Mumbai	46,105,232	45,839,396
ICICI, Mumbai	104,885,460	71,970,973
Himayl Bank Ltd., Kathmandu	11,309,989	9,394,242
Nipul Bangladesh Bank Ltd.	13,632,529	11,323,378
Punjab National Bank, Kolkata	8,321,464	7,072,522
HDFC Bank, Mumbai	6,115,547	57,409,664
EMIRATES ISLAMIC BANK	13,847,248	10,083,698
MASAREE Bank, UAE	42,428,827	51,859,978
Commerz Bank, Germany	24,246,014	2,764,364
Bank Al Balad	20,235,625	9,075,716
Bank Al Rajhi	5,007,802	5,007,802
Riyadh Bank	2,885,007	2,369,680
Sonal Bank UK	3,620,289	-
INDUSIND BANK	5,065,745	-
Huzhou Bank, China	14,812	-
	5,255,630,787	2,092,373,540
	5,283,663,390	2,120,406,147
ICICI Bank Ltd., Mumbai - Term Deposit	13,936,638	49,575,826
	5,297,600,028	2,169,981,973
Offshore Banking Unit	-	-
Details of NOSTRO accounts are shown in Annexure-A		

	Particulars	Amount in BDT	
		2022	2021
4.a.3	Maturity grouping of Balance with other Banks and Financial Institutions		
	On Demand	4,687,423,116	2,368,117,721
	Less than three months	1,692,239,942	992,734,689
	More than three months but less than one year	577,238,654	295,913,243
	More than one year but less than five years	66,656,747	35,125,261
	More than five years	63,272,621	32,370,706
		<u>7,298,631,080</u>	<u>3,713,967,620</u>
5.a	Money at Call on Short Notice:		
	Call Money		
	With Banking Companies (Note 5.a.i)		
		310,000,000	200,000,000
		<u>310,000,000</u>	<u>200,000,000</u>
5.a.1	Call Money-With Banking Companies		
	Widford Bank Limited	-	200,000,000
	United Commercial Bank Limited	310,000,000	-
		<u>310,000,000</u>	<u>200,000,000</u>

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Financial Statements 2022

Particulars	Amount in BDT			
	2022	2021		
7.04 Maturity grouping of Consolidated Loans and Advances/Investments				
On Demand	26,900,816,126	23,969,226,234		
Not more than three months	97,940,639,699	61,461,416,136		
More than three months but less than one year	66,561,147,851	61,695,675,462		
More than one year but less than five years	67,181,087,521	59,247,212,011		
More than five years	2,928,103,279	29,629,686,465		
	253,835,694,386	226,011,574,670		
7.5 Loans and Advances/Investments				
In Bangladesh				
Loans (Note-7.a.i)	197,439,550,338	171,963,466,319		
Cash Credits	26,039,332,401	27,811,006,373		
Overdrafts	22,694,182,728	15,602,614,478		
	246,173,029,462	215,386,487,169		
Bills Purchased and Discounted (Note-7.a.i.2)	27,722,119,107	3,527,173,085		
	250,945,239,659	222,924,200,254		
Outside Bangladesh				
7.5.1 Loans / Investments:				
Continuous Loans	8,871,534,009	8,930,339,361		
Demand Loans	60,165,352,111	47,889,839,492		
Term Loans	90,435,977,030	61,537,221,535		
Short term Agri, Credit and Microcredit	5,589,834,400	5,589,591,628		
Packing Credit	589,172,762	538,466,141		
Credit Cards	4,062,081,468	3,072,733,014		
Staff Loan	1,013,709,429	844,343,729		
Lease Finance (Note-7.a.3)	333,117,293	42,245,342		
Others loan	17,080,778,433	149,122,686,840		
	171,080,778,433	223,518,635,635		
Islamic Banking Unit	4,248,528,554	34,915,845		
Islamic Banking Branches	197,439,550,338	171,963,466,319		
7.5.2 Bill Purchased and Discounted				
Payable in Bangladesh	1,868,300,038	2,218,022,590		
Payable outside Bangladesh	3,913,829,405	822,365,902		
	2,286,103,440	3,041,388,492		
Islamic Banking Branches	181,583,112	486,324,593		
Islamic Banking Unit	2,286,103,440	3,041,388,492		
7.5.2 Net Loans and Advances/Investments				
Gross Loans & Advances (Note-7.a)	250,945,239,659	222,924,200,254		
Less:				
Interest Suspense (Note-12.a.6)	7,248,501,637	5,323,146,759		
Provision for Loans & Advances (Note-12.a.1 & 12.a.2)	17,230,914,141	17,230,914,141		
	233,424,894,293	209,427,085,655		
7.5.3 Gross Lease Rent Receivable				
Within 1 year	271,392,238	371,006,468		
Within 5 years	128,847,867	97,500,726		
	367,210,101	468,507,211		
Less: Unearned Lease Rent	34,092,689	34,092,689		
	333,117,293	42,245,342		
7.5.4 Residual Maturity grouping of Loans and Advances/Investments				
On Demand	26,753,301,345	23,785,970,060		
Not more than three months	57,871,882,221	51,405,793,941		
More than three months but less than one year	68,842,290,331	61,689,201,301		
More than one year but less than five years	65,964,070,416	59,247,212,011		
More than five years	31,513,724,645	27,994,840,124		
	250,945,239,659	222,924,200,254		
7.5.5 Significant concentration wise grouping of Loans and Advances/Investments				
a) Directors	1,263,220	1,077,300		
b) Chief Executive & Other Senior Executives	1,013,709,459	844,343,729		
i) Managing Director	-	-		
ii) Other Senior Executives	1,013,709,459	844,343,729		
c) Advances to Industries				
Agriculture	4,176,042,840	3,179,679,683		
RMG	36,210,621,362	37,044,121,947		
Textile	10,243,389,051	12,409,186,162		
Ship Building	1,982,118,073	2,005,332,100		
Ship Breaking	3,903,378,686	3,903,378,686		
Other Manufacturing industry	88,724,446,369	21,140,896,876		
SME loans	32,376,279,324	27,820,136,875		
Construction	14,340,415,269	14,340,415,269		
Power, Gas	2,670,674,429	3,102,683,120		
Transport, Storage and Communication	2,085,813,435	88,156,273		
Trade Service	16,786,403,073	24,018,156,478		
Commercial real estate financing	6,115,038,200	5,388,860,541		
Residential real estate financing	730,233,676	1,057,456,869		
Consumer credit	18,888,018,055	16,223,382,149		
Capital Market Loan provided for brokerage or merchant banking, to stock dealer or any kind of capital market	422,923,096	1,177,884,216		
NRIs	8,368,989,242	8,368,989,242		
Others	3,587,194,343	41,345,723,620		
	249,920,266,890	222,074,759,226		
7.5.6 Details of Large Loan / Investments				
Number of borrowers with outstanding amount of loans exceeding 10% of total capital of the Bank and classification status thereof, Total capital of the Bank is BDT 32,417.41 million as at 31 December 2022 (BDT 29,443.04 million as of 31 December 2021).	30	28		
Number of Clients	102,067	73,336		
Outstanding Advances (BDT Million)				
Client wise details are given below:				
	Outstanding	BDT Million		
	Funded	Non-Funded	Total	Classification
USA GROUP	5,139,000	1,063,300	17,870	UC
CHINA GROUP	8,200,000	1,027,800	2,485,800	UC
CITY SEED CRUSHING INDUSTRIES LTD.	8,450,000	511,500	1,854,400	UC
CTG DENIM	8,935,500	1,620,400	2,630,800	UC
BENAL GROUP	5,613,000	1,443,700	3,903,378,686	UC
MEGHA GROUP	9,900,000	200,300	5,170,500	UC
KARAFAY SHIP BUILDERS LTD.VOSTA& ITS ALLIED CONCERNS	5,967,000	1,583,100	21,770,800	UC
ENERGYING ENGINEERING LTD.	8,234,000	1,855,200	9,053,100	UC
PERKO GROUP	5,653,400	2,568,100	3,604,000	UC
ALU GROUP	4,538,900	2,087,100	458,000	UC
ZEN GROUP	8,359,200	1,632,100	47,400	UC
AKLU GROUP	4,450,000	246,800	2,266,700	UC
MINI AMIR GROUP	3,670,000	1,419,100	46,500	UC
MINI HOSPITAL, RECRUITMENT MANUFACTURING LTD & ITS ALLIED CONCERNS	5,638,100	1,841,300	1,997,200	UC
SUMMIT CORPORATION LIMITED & ITS ALLIED CONCERNS	13,250,000	1,850,100	1,850,100	UC
SRAL SEC	5,635,100	1,841,300	2,986,800	UC
BASHUNDHA	7,179,000	4,484,900	1,526,700	UC
EPILYON FARMERS LIMITED & ITS ALLIED CONCERNS	7,769,000	3,219,200	4,267,000	UC
SECE-BUSINESS LIMITED & ITS ALLIED CONCERNS	5,330,000	3,756,000	1,153,100	UC
ARKAY KUT DYEING MILLS LTD & ITS ALLIED CONCERNS	9,523,100	2,781,000	5,645,500	UC
PARTEK STAR GROUP	3,621,400	2,336,200	32,400	UC
MBS INDUSTRIES LIMITED	3,950,000	1,632,100	10,260	UC
AMUL KHAR GROUP	4,360,000	2,138,700	2,091,100	UC
KABIR STEEL LTD & ITS ALLIED CONCERNS	4,960,000	1,844,700	2,114,700	UC
L.A. GROUP	4,100,000	3,924,300	3,904,300	UC
JAMUNARA & OTHERS	3,901,300	510,400	510,400	UC
CONCRETE INFRASTRUCTURE LTD.	8,290,000	1,306,400	4,751,100	UC
INDIAN GROUP	4,787,800	1,355,000	46,200	UC
SHARON LIMITED	5,338,500	2,426,700	4,633,100	UC
SHARON LIMITED	4,891,800	1,686,800	2,400,000	UC
Total	197,796,300	48,727,800	53,338,300	102,067
7.5.6.1 Large Loan Restructuring				
i) The facilities at Jamuna Builders Ltd. and Jamuna Denims Ltd. were restructured according to BRPD circular No 4/2015 dated 29.01.2015 under NB NCC dated 02.26.2016 with grace period for 12 months for 12 years with validity 02.26.2027. Accordingly, the 1st instalment due date was 02.12.2016. Later, client again allowed 12 month interim grace period under BB NCC from June 2019 to May 2020. As such, client paid total 24 month grace period. After that, client was allowed payment pause for 6 months according to BRPD circular No 17 dated 28.05.2020 up to 31.05.2020 under 02.26.2027. Thereafter, as per BRPD Circular 03/2021 dated 31.10.2021, validity extended for 02 year U. up to 31.05.2020 from 31.05.2020, as far, as of December 2020, client have paid all the instalment regularly in due time since inception. In 2021, According to BRPD circular No 53 dated 30.12.2021, client have to pay minimum 15% against 4 quarterly instalments for the year 2021 which is amounting to 2.86 crore (Tk 2.89 crore) for Jamuna Builders Ltd. and 2.10 crore for Jamuna Builders Ltd. But client paid 5.79 crore (Tk 0.84 crore in Jamuna Denims Ltd and 4.95 crore in Jamuna Builders Ltd. In 2022, client have paid all the instalment in due time according to BRPD circular No 14 dated 22.06.2022 and based on the circular client have requested to extend the validity for 01 year more with the current validity.				
ii) Abdul Monem Ltd. and Abdul Monem Sugar Refinery Ltd. were allowed grace period for 9 months. So, the 1st instalment due date was 30.06.2016. As such, 22 number of instalment income due on 30.06.2021. The client is waived deferred payment of quarterly instalment facilities up to 31.12.2020 as per BRPD Circular-17, dated 28.06.2020 due to COVID-19. If we considered 12 months extension in instalment payment then total no of due instalment up to 31.12.2022 stands to 23. However, up to 31.12.2022 Abdul Monem Ltd & Abdul Monem Sugar Refinery Ltd have paid advance instalment with 23.77 no's of instalment and 28.12 no's of instalment respectively.				
7.6 Classification of Loans and Advances/Investments				
Unspecialified (UC):				
Standard	230,577,350,242	203,338,895,033		
Special Mention Account (SMA)	1,515,080,041	6,483,324,221		
Sub total	236,392,430,283	209,817,19,254		
Classified:				
Substandard	1,142,428,821	1,186,176,762		
Doubtful	1,092,241,101	661,520,499		
Bad & Loss	12,414,141,454	11,258,353,729		
Sub total	6,842,263,947	6,842,263,947		
Total	236,392,430,283	209,817,19,254		
7.6.1 Details of Required Provision for Loans and Advances/Investments				
	Base for Provision	Rate (%)	Provision	
Unspecialified (UC):				
Standard	204,048,781,496	0%, 0.25%, 1%	3,213,743,070	
Standard-Offshore Banking Unit	22,512,729,903	0%, 0.25%, 1%	225,127,300	
SMA	5,329,366,428	2% & 4.00%	264,401,290	
General Provision-COVID-19	728,048,715	-	728,048,715	
Sub total	232,091,077,917	4,431,356,369	4,431,356,369	
Classified:				
Substandard	529,896,856	5% & 20%	89,995,310	
Doubtful	459,633,943	5% & 50%	119,358,103	
Bad & Loss	6,642,263,947	100%	6,642,263,947	
Sub total	7,631,794,746	6,831,577,359	6,831,577,359	
Total	239,722,872,662	11,262,933,729	11,262,933,729	
7.6.2 Details of Required Provision for Off Balance Sheet Items				
Required Provision for Off-Balance Sheet Exposures	1,289,944,023	1,147,899,040		
Total Provision maintained (Note-12.a.3)	1,289,944,023	1,147,899,040		
	-	-	-	
7.6.3 Geographical Location wise Loans and Advances/Investments				
In Bangladesh				
Urban	195,459,696,356	171,963,466,319		
Chittagong Division	39,045,684,362	33,907,282,733		
Sylhet Division	1,901,159,240	1,901,159,240		
Mymensingh Division	638,185,775	773,571,875		
Rajshahi Division	4,401,588,847	4,577,556,128		
Khulna Division	1,080,982,173	986,304,962		
Rangpur Division	2,301,479,984	2,523,182,435		
Barisal Division	221,259,921	191,115,984		
	244,141,015,264	216,763,266,886		
Rural				
Chittagong Division	4,125,016,372	3,207,487,023		
Sylhet Division	1,586,865,635	1,586,865,635		
Sylhet Division	156,088,538	281,206,593		
Mymensingh Division	435,586,619	307,603,389		
Rajshahi Division	20,881,472	34,993,839		
Khulna Division	42,288,607	34,969,385		
Rangpur Division	415,167,056	415,167,056		
Barisal Division	8,892,962	4,895,906		
	6,802,224,336	6,130,950,368		
Outside Bangladesh	250,945,239,659	222,924,200,254		
7.6.1.1 Sectorwise Loan/Investment (including Bill Purchased and Discounted)				
Public sector	-	-	-	
Co-Operative sector	-	-	-	
Private sector	250,945,239,659	222,924,200,254		
7.6.2 Particulars of Loans and Advances/Investments				
i) Debts considered good in respect of which the bank company is fully secured	194,716,493,002	169,220,979,916		
ii) Debts considered good for which the bank holds no other security than the debtor's personal security	4,082,091,468	3,672,731,016		
iii) Debts considered good secured by the personal undertakings of one or more parties in addition to the personal security	37,515,855,813	38,490,415,706		
iv) Debts considered doubtful or bad, provision not provided for	1,013,709,459	844,343,729		
v) Debts due by directors or officers of the bank or any of them either severally or jointly with any other person	1,013,709,459	844,343,729		
vi) Debts due by companies or firms in which the Directors of the bank are interested as partners or managing	-	-		
vii) Maximum total amount of advances, including temporary advances, made at any time during the year to	-	-		
viii) Maximum total amount of advances, including temporary advances granted during the year to the companies	-	-		
ix) Due from banking companies	-	-		
x) Amount of classified loan on which interest has not been charged, should be mentioned as follows:				
a.) amount of loan written off	4,161,209,361	1,115,183,976		
b.) amount realized against loan previously written off	1,091,081,779	362,066,175		
c.) amount of provision kept against loan classified as 'bad/loss' on the date of preparing the balance sheet	6,642,263,947	4,471,185,727		
xi) Cumulative amount of loans written off	7,248,501,637	5,323,146,759		
Opening Balance	4,789,728,761	4,427,872,587		
Amount Written off during the period	1,091,081,779	362,066,175		
Balance of Written off Loans & Advance	5,880,810,540	4,789,728,761		
xii) The amount of written off loan for which law suit has been filed	5,880,810,540	4,789,728,761		
7.6.3 Maturity grouping of Bill Purchased and Discounted				
Payable within one month	816,639,325	1,047,733,674		
More than one month but less than three months	1,855,015,963	1,855,015,963		
More than three months but less than six months	494,565,305	629,344,014		
More than or equal to six months	277,219,107	3,527,173,085		
7.6.4 List of Asset pledged as collaterals:				
Collateral of movable/immovable assets	120,581,824,480	111,332,707,392		
Commodities and Export documents	16,941,016,739	32,400,566,479		
Fixed deposit receipts	10,300,045,625	8,642,714,106		
Other securities	82,455,826,518	48,695,470,226		
Personal guarantee	20,696,524,118	225,892,345,053		
	260,945,239,659	222,924,200,254		

	Particulars	Amount in BDT	
		2022	2021
8.00	Consolidated fixed assets including premises, furniture and fixtures		
	Mutual Trust Bank Limited (Note-8.a)	5,051,674,439	5,203,874,445
	MTB Securities Limited	200,971,170	173,227,139
	MTB Capital Limited	12,717,220	14,382,150
	MTB Exchange (UK) Limited	-	-
	Consolidated net book value at the end of the year	5,265,362,689	5,398,493,735
	Details are shown in Annexure-C		
8.a	Fixed Asset including Premises, Furniture and Fixture		
	Land	104,263,000	104,263,000
	Immovable Property	1,450,740,795	1,450,740,795
	Furniture & Fixtures	1,682,022,988	1,682,023,105
	Office Equipment	1,955,761,440	1,917,328,688
	Computers & Peripherals	888,615,880	840,362,331
	Motor Vehicles	205,394,317	214,382,816
	Intangible Assets	915,068,979	915,068,979
	Right of use assets	2,222,439,619	1,626,970,973
	Less: Accumulated Depreciation	9,463,622,718	8,931,968,188
	Total	5,265,362,689	5,175,262,120
	Islamic Banking Branches	29,329,167	29,329,167
	Book value at the end of the year	5,051,674,439	5,203,874,445
	Details are shown in Annexure-C (i)		
	The cost of the fixed-use assets comprises present value of lease payments less incentive, plus initial direct payment and dismantling cost etc. The bank, as lessee, on lease-by-lease basis, elected a single threshold less than BDT 20 million to consider low value asset on the basis of materiality (less than 1%) of the total capital as per BOT 32.417.34 million as of 31 December 2022. Hence, any payment made by the bank under contract for use of any rental premises or assets for a period not exceeding twelve months, and/or, falls as low value assets, and substantially risks and benefits of ownership of those rental premises/assets do not transfer to the bank, is recognized as expense as per IFRS 15 Revenue from contracts with customers' instead of recognizing as ROU assets.		
8.00	Consolidated other assets		
	Mutual Trust Bank Limited (Note-8.a)	18,407,851,488	12,124,015,514
	Less: Investment in subsidiary (Note-8.a.1)	(14,879,455,688)	(9,959,619,714)
	MTB Securities Limited	37,230,223	37,230,223
	MTB Capital Limited	43,015,315	58,647,600
	MTB Exchange (UK) Limited	(164,959,133)	(262,437,323)
	Less: Intragroup receivable & payable	351,286,404	101,339,537
	Total	15,230,142,091	8,696,595,320
8.01	Consolidated Advance Income Tax		
	Mutual Trust Bank Limited (Note-8.a.1)	5,016,715,831	3,823,253,757
	MTB Securities Limited	25,847,647	22,870,112
	MTB Capital Limited	-	15,887,788
	MTB Exchange (UK) Limited	-	-
	Total	5,395,969,260	4,068,121,744
8.02	Consolidated Deferred Tax Assets/ (Liabilities)		
	Mutual Trust Bank Limited (Note-8.a.2)	2,351,034,248	1,741,362,031
	MTB Securities Limited	(6,041,215)	(4,750,202)
	MTB Capital Limited	(86,878)	(111,079)
	MTB Exchange (UK) Limited	-	-
	Total	2,344,896,155	1,736,500,750
8.a	Other Asset		
	Classification of Other Asset		
	A) Income generating Other Asset:		
	i) Investment in Shares of Subsidiary Companies (Note-8.a.1)	3,528,396,800	3,528,396,800
	B) Non-income generating Other Asset		
	i) Stationery, Stamp, Printing materials in stock etc.	61,688,291	35,396,220
	ii) Advance Rent and Advertisement	305,303,836	343,415,354
	iii) Interest Accrued on Investment but not collected & other income receivable (Note-8.a.2)	1,193,640,000	1,249,280,000
	iv) Security Deposit	14,229,360	11,550,249
	v) Suspense Account (Note- 8.a.3)	34,963,480	305,703,614
	vi) Others (Note- 8.a.4)	12,362,924,386	6,550,327,335
	Total	18,407,851,488	12,124,015,514
8.a.1	Investment in Shares of Subsidiary Companies		
	MTB Securities Limited	3,250,000,000	3,250,000,000
	MTB Capital Limited	250,000,000	250,000,000
	MTB Exchange (UK) Limited	26,395,800	26,395,800
	Total	3,526,395,800	3,526,395,800
8.a.2	Interest Accrued on Investment but not collected & other income receivable		
	Interest Receivable on Treasury Bond	3,211,181	249,045,901
	Interest Receivable on Loans and Advances	3,912,020	450,379,139
	Interest Receivable on Treasury Bond	1,070,932,521	1,249,280,000
	Interest Receivable on Term Placement	1,186,248	127,556,478
	Interest Receivable on Call Money	148,542	213,847
	Total	1,190,446,376	1,298,226,885
8.3	Suspense Account		
	Sundry Debtors	260,480,129	22,772,501
	Legal Expense	56,616,191	42,096,161
	Sundry Payable	31,057,580	289,705,474
	Chargeback Settlement Account	739,151	13,929,526
	Total	343,963,480	356,703,671
8.a.4	Others		
	Advance Income Tax (Note-8.a.4.1)	5,016,715,831	3,823,253,757
	Deferred Tax Asset (Note-8.a.4.2)	2,351,034,248	1,741,362,031
	Advance against Suppliers/Parties & Capital Work-in-Progress	110,765,696	258,860,604
	Prepaid Bids	61,688,291	35,396,220
	Advance paid to Employees	9,947,800	14,955,000
	Prepaid Interest Expense against MTB Instant	1,472,078,772	1,070,932,521
	Stamp Charge Adjusting Account	5,040	272,500
	Receivables from MTB on Cards & ATM	243,329,309	142,721,943
	Placement to Off-Shore Banking Unit	10,197,676	7,074,210,984
	Receivables from Off-Shore Banking Unit	100,197,676	300,618,273
	Receivables from Subsidiaries (UK)	34,963,480	34,963,480
	Taka A/C Exchange House Receivable	11,112,335	10,579,143
	NBS Outstanding	233,448	4,337,173
	MFS Settlement Account	1,329,889	-
	Sundry Asset	2,712,379	18,566
	Unrealized Exchange loss on Foreign Currency	-	5,285,000
	RTGS Adjusting Receivable Account	-	-
	Total	12,688,960,919	13,342,223,287
	Islamic Banking Branches	4,178,917,811	449,662,631
	Less: Inter transaction with Offshoring Bank Unit	80,847,041	(7,251,176,825)
	Less: Inter transaction with MTB Islamic Banking	(552,433,239)	-
	Total	17,397,624,385	6,595,377,335
8.a.1	Advance Income Tax		
	Opening Balance	3,823,253,757	2,373,582,223
	Add: Payable during the year	1,186,461,174	1,085,671,535
	Total	5,016,715,831	3,823,253,757
8.a.2	Deferred Tax Assets/ (Liabilities)		
	Opening Balance	1,741,362,031	885,157,826
	Add: Deferred Tax Income/Expense) during the year (Note-8.a.4.2)	609,672,217	863,204,205
	Total	2,351,034,248	1,741,362,031
8.a.3	Computation of deferred tax		
	Fixed Assets		
	Accounting written down value	3,531,645,889	3,638,302,321
	Less: Tax base written down value	2,089,433,192	2,096,080,700
	Deductible/(Taxable) temporary difference	(442,268,689)	(442,268,689)
	Effective Tax Rate	37.50%	37.50%
	Deferred Tax Assets/(Liabilities)	(165,850,785)	(165,850,785)
	Interest Receivable from Treasury Bond		
	Accounting based	(240,807,262)	(133,835,024)
	Less: Tax Base	-	470,932,521
	Deductible/(Taxable) temporary difference	(240,807,262)	(470,932,521)
	Effective Tax Rate	37.50%	37.50%
	Deferred Tax Assets/(Liabilities)	(90,874,741)	(90,874,741)
	Loan Loss Provision		
	Provision made against classified loans	6,831,577,359	5,960,796,000
	Less: Tax Base	6,831,577,359	5,960,796,000
	Deductible/(Taxable) temporary difference	(6,831,577,359)	(5,960,796,000)
	Effective Tax Rate	37.50%	37.50%
	Deferred Tax Assets/(Liabilities)	2,561,841,510	2,334,794,750
	Provision for Investments		
	Provision against Shares in quoted companies	80,000,000	-
	Less: Tax Base	80,000,000	-
	Deductible/(Taxable) temporary difference	80,000,000	-
	Effective Tax Rate	37.50%	37.50%
	Deferred Tax Assets/(Liabilities)	30,000,000	-
	Closing Deferred Tax Assets/(Liabilities)	2,351,034,248	1,741,362,031
	Opening Deferred Tax Assets/(Liabilities)	1,741,362,031	885,157,826
	Deferred Tax Income/Expense	609,672,217	863,204,205
8.a.5	Classification of Other Asset		
	Unclassified	18,216,589,069	12,028,665,529
	Doubtful	63,476,282	42,096,161
	Bad Loans	129,780,638	83,263,709
	Total	18,407,851,488	12,124,015,514
8.20	Consolidated borrowing from other banks, financial institutions and agents		
	Mutual Trust Bank Limited (Note-10.a)	44,971,333,382	35,205,781,006
	MTB Securities Limited	422,923,095	275,189,644
	MTB Capital Limited	374,619,005	215,785,284
	MTB Exchange (UK) Limited	-	-
	Less: Intragroup Borrowings	(787,414,700)	(493,904,906)
	Total	44,971,333,382	35,205,781,006
10.a	Borrowing From Other Banks, Financial Institutions and Agents		
	In Bangladesh		
	Mutual Trust Bank Limited (Note 10a.1)	25,582,431,630	19,520,729,224
	Offshore Banking Unit	4,948,103,652	3,915,367,882
	Outside Bangladesh		
	Mutual Trust Bank Limited	30,113,135,211	-
	Offshore Banking Unit	18,138,278,443	8,764,023,270
	Total	49,994,413,124	27,974,912,574
	Less: Inter transaction with Offshore Banking	(4,723,079,772)	(6,764,232,276)
	Total	44,971,333,382	35,205,781,006
8.a.1	In Bangladesh:		
	Borrowing from Bank:		
	Call Borrowing: Jamuna Bank Ltd.	-	-
	Term Borrowing	-	-
	Foreign Currency Borrowing		
	Puabul Bank Limited	-	-
	Bank Asia Limited	-	-
	United Commercial Bank Limited	-	-
	Jamuna Bank Limited	-	-
	Borrowing from Bangladesh Bank:	25,588,167,122	19,435,464,717
	SME Refinance	1,328,637,621	1,205,362,419
	Investment Promotion and Financing Facility (IPFF)	12,620,915,585	8,880,275,767
	Long Term Financing Facility (LTFF) under FSP	3,077,722,889	1,434,915,760
	COVID-19 Financial Stimulus Fund (RMG Salary)	14,518,249,945	8,175,182,970
	CMSE Stimulus Package	2,990,242,000	1,146,177,000
	WU Stimulus Package for Large Industry and Service	1,120,629,305	1,044,112,565
	Agri (Non-Credit)	384,003,124	250,892,500
	Export Development Fund	17,381,127,716	12,527,945,526
	Pre-sanction credit scheme	19,901,000	-
	Green Transformation Fund	84,454,313	115,044,995
	Borrowing from Other Institutes:	4,264,506	58,264,506
	SME Foundation	4,264,506	58,264,506
	Repo of Treasury Bill/Bond	-	-
	Bangladesh Bank	-	-
	Total	25,582,431,630	19,520,729,224
8.a.2	Security against Borrowing From Other Banks, Financial Institutions and Agents		
	Secured (Treasury Bill)	44,971,333,382	35,205,781,006
	Unsecured	-	-
8.a.3	Maturity Grouping of Borrowing from Other Banks, Financial Institutions & Agents		
	On Demand	929,214,416	724,431,931
	Repayable within one month	4,063,566,198	3,204,645,767
	More than one month but within six months	12,620,915,585	8,880,275,767
	More than six months but within one year	14,518,249,945	12,931,301,053
	More than one year but within five years	10,091,830,885	7,117,612,473
	More than five years but within ten years	2,117,457,856	1,344,510,819
	Total	44,971,333,382	35,205,781,006
8.00	Consolidated deposits and other accounts		
	Current deposits and other accounts		
	Mutual Trust Bank Limited (Note-11.a.1)	29,304,015,081	26,915,622,914
	MTB Securities Limited	-	-
	MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	-	-
	Less: Intragroup Deposit	(27,470)	(171,021)
	Total	29,303,987,611	26,915,451,893
	Bills payable		
	Mutual Trust Bank Limited (Note-11.a.1)	2,181,104,098	1,975,092,979
	MTB Securities Limited	-	-
	MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	-	-
	Total	2,181,104,098	1,975,092,979
	Saving deposit		
	Mutual Trust Bank Limited (Note-11.a.1)	44,731,165,855	42,589,740,210
	MTB Securities Limited	-	-
	MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	-	-
	Total	44,731,165,855	42,589,740,210
	Fixed deposit		
	Mutual Trust Bank Limited (Note-11.a.1)	105,844,214,688	91,528,348,348
	MTB Securities Limited	-	-
	MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	-	-
	Less: Intragroup Deposit	(105,844,214,688)	(91,528,348,348)
	Total	105,844,214,688	91,528,348,348
	Special Notified Deposits		
	Mutual Trust Bank Limited (Note-11.a.1)	26,996,403,337	26,332,451,468
	MTB Securities Limited	-	-
	MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	-	-
	Less: Intragroup Deposit	(653,607,393)	(1,173,799,701)
	Total	26,342,795,944	25,158,651,767
	Deposit Products		
	Mutual Trust Bank Limited (Note-11.a.1)	24,554,375,452	23,615,686,572
	MTB Securities Limited	-	-
	MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	-	-
	Total	24,554,375,452	23,615,686,572
	Special Notified Deposits		
	Mutual Trust Bank Limited (Note-11.a.1)	23,657,443,657	21,162,425,769
	MTB Securities Limited	-	-
	MTB Capital Limited	-	-
	MTB Exchange (UK) Limited	-	-
	Total	23,657,443,657	21,162,425,769

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Financial Statements 2022

Particulars	Amount in BDT	
	2022	2021
14.1.2 Raising of Share Capital		
Given below the history of raising of Share Capital of the Bank:		
Accounting Year	Declaration	No. of Share
Up to 2002	Initial Paid-up Capital	20,000,000
2003	IPC & FWDG	40,000,000
2003-Bonus	20.00%	12,000,000
2004-Bonus	20.00%	14,400,000
2005-Bonus	10.00%	8,640,000
2006-Bonus	5.00%	4,752,000
2007-Bonus	25.00%	24,948,000
2008-Bonus	20.00%	24,948,000
2008-Bonus	18.00%	26,943,840
2009-Bonus	25.00%	35,328,360
2010-Bonus	20.00%	42,394,032
2012-Bonus	10.00%	25,434,984
2013-Bonus	10.00%	27,978,482
2014-Bonus	20.00%	61,552,461
2015-Bonus	20.00%	73,863,193
2016-Bonus	15.00%	86,478,874
2017-Bonus	12.50%	63,107,004
2018-Bonus	11.00%	68,389,404
2019	Strategic Investor (NORFUND)	63,107,004
2019-Bonus	5.00%	31,172,872
2020-Bonus	10.00%	73,863,241
2021-Bonus	10.00%	81,249,585
Total		833,745,224

14.1.3 Percentage of shareholdings at the closing date:			
Particulars	No. of shares	Value of shares	31 December 2022
Holdings	BDT	% of holding	
Less than 499 shares	2072	336,881	0.0396%
500 to 5,000 shares	2718	5,012,695	0.5982%
5,001 to 10,000 shares	988	3,997,176	0.4781%
10,001 to 20,000 shares	317	4,247,788	0.5089%
20,001 to 30,000 shares	132	3,165,125	0.3803%
30,001 to 40,000 shares	33	2,174,810	0.2613%
40,001 to 50,000 shares	44	1,850,754	0.2213%
50,001 to 100,000 shares	103	7,101,329	0.8519%
100,001 to 1,000,000 shares	19	38,298,422	4.5825%
Over 1,000,000 shares	84	827,269,479	99.5621%
Total	6228	833,745,224	100%

14.1.6 Name of Directors and their shareholdings as at 31 December 2022			
Name	Designation	31 December 2022	Holding %
No. of Shares held	BDT	% of holding	
Mr. Md. Abdul Malek	Chairman	17,549,339	2.1046%
Mr. Syed Manzoor Elahi	Vice Chairman (Founding Chairman)	30,063,210	3.6061%
Mr. Md. Hossainul Kabir	Director	18,019,548	2.1602%
Mr. Md. Hossainul Kabir	Sponsor Director	18,019,548	2.1602%
Mr. Rahmat Adnan Chowdhury	Director	21,232,111	2.5465%
Dr. Arif Chowdhury (Representing Advanced Chemical Industries Ltd.)	Director	26,952,876	3.2105%
Mr. Khairul Nazim Hossain	Director	18,308,076	2.1968%
Mr. Anika Chowdhury (Representing ASTRAS Ltd.)	Sponsor Director	20,214,614	2.4246%
Mr. Daniel Donald De Lange (Representing NORFUND)	Director	63,107,004	7.6013%
Mr. Nasreen Sattar	Independent Director	-	-
Mr. Faruq Ahmad Siddiq	Independent Director	-	-
Total		256,121,682	30.8571%

14.2.1 Consolidated Capital to Risk-weighted assets Ratio (CRAR) as defined by the Basel Capital Accord			
Common Equity Tier-1 (Going-Concern Capital)			
Paid-up Capital	8,937,452,240	8,124,556,590	
Statutory Reserve	6,281,308,498	5,696,354,498	
Share Premium	1,095,304,778	1,095,304,778	
General Reserve	786,777,324	786,777,324	
Minority Interest	132,370	132,370	
Retained Earnings	3,825,461,139	3,488,747,189	
Regulatory Adjustments:	20,926,436,259	19,192,273,835	
Goodwill and all other Intangible Assets	445,795,696	519,468,991	
Deferred Tax Assets (95% of DTA as per BB Guideline)	2,433,748,434	2,122,105,013	
Reciprocal Crossholdings in the CE-1 Capital of Banking, Financial and Insurance Entities	-	-	
Total Common Equity Tier-1 (Going-Concern Capital)	28,794,545,100	26,641,574,003	
Additional Tier-2 Capital	18,046,891,158	16,550,699,832	
Total Tier-2 Capital (Going-Concern Capital)	22,046,891,158	20,312,240,371	

Tier-2 Capital (Going-Concern Capital):			
General Provision including Off-Balance Sheet Items	5,725,300,392	3,364,194,881	
Revaluation Reserve on Investment in Securities	6,504,075,058	6,680,701,761	
Subordinated debt	10,979,376,081	10,030,955,322	
Regulatory Adjustments:	22,804,777,535	21,063,587,941	
Goodwill and all other Intangible Assets	445,795,696	519,468,991	
Deferred Tax Assets (95% of DTA as per BB Guideline)	2,433,748,434	2,122,105,013	
Reciprocal Crossholdings in the CE-1 Capital of Banking, Financial and Insurance Entities	-	-	
Total Tier-2 Capital (Going-Concern Capital)	22,804,777,535	21,063,587,941	

Tier-2 Capital (Going-Concern Capital):			
General Provision including Off-Balance Sheet Items	5,725,300,392	3,364,194,881	
Revaluation Reserve on Investment in Securities	6,504,075,058	6,680,701,761	
Subordinated debt	10,979,376,081	10,030,955,322	
Regulatory Adjustments:	22,804,777,535	21,063,587,941	
Goodwill and all other Intangible Assets	445,795,696	519,468,991	
Deferred Tax Assets (95% of DTA as per BB Guideline)	2,433,748,434	2,122,105,013	
Reciprocal Crossholdings in the CE-1 Capital of Banking, Financial and Insurance Entities	-	-	
Total Tier-2 Capital (Going-Concern Capital)	22,804,777,535	21,063,587,941	

B. Risk Weighted Assets			
Credit Risk on			
Balance Sheet Exposure	163,485,069,963	157,031,507,044	
Off-Balance Sheet Exposure	26,520,438,102	26,012,964,539	
Market Risk	190,415,506,065	183,044,571,483	
Operational Risk	16,780,831,241	9,433,537,085	
Total Risk Weighted Assets	207,681,635,371	192,157,033,172	
Regulatory Adjustments:	22,804,777,535	21,063,587,941	
Goodwill and all other Intangible Assets	445,795,696	519,468,991	
Deferred Tax Assets (95% of DTA as per BB Guideline)	2,433,748,434	2,122,105,013	
Reciprocal Crossholdings in the CE-1 Capital of Banking, Financial and Insurance Entities	-	-	
Total Risk Weighted Assets	22,804,777,535	21,063,587,941	

C. Minimum Required Capital on Risk Weighted Assets (Except capital conservation buffer)			
D. Capital Surplus (Shortfall) (A-C) (Except capital conservation buffer)			
E. Capital Requirement			
Capital to Risk-weighted assets Ratio (CRAR)			
Common Equity Tier-1	10.00%	14.45%	10.00%
Tier-1 Capital	6.00%	9.84%	6.00%
Tier-2 Capital	6.00%	9.84%	6.00%
Total Tier-1 Capital (Going-Concern Capital)	16.00%	24.29%	16.00%

The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 dated December 21, 2014.

14.2.2 Capital to Risk-weighted assets Ratio (CRAR) as defined by the Basel Capital Accord			
Common Equity Tier-1 (Going-Concern Capital)			
Paid-up Capital	8,937,452,240	8,124,556,590	
Statutory Reserve	6,281,308,498	5,696,354,498	
Share Premium	1,095,304,778	1,095,304,778	
General Reserve	786,777,324	786,777,324	
Minority Interest	132,370	132,370	
Retained Earnings	3,825,461,139	3,488,747,189	
Regulatory Adjustments:	20,926,436,259	19,192,273,835	
Goodwill and all other Intangible Assets	445,795,696	519,468,991	
Deferred Tax Assets (95% of DTA as per BB Guideline)	2,433,748,434	2,122,105,013	
Reciprocal Crossholdings in the CE-1 Capital of Banking, Financial and Insurance Entities	-	-	
Total Common Equity Tier-1 (Going-Concern Capital)	28,794,545,100	26,641,574,003	
Additional Tier-2 Capital	18,046,891,158	16,550,699,832	
Total Tier-2 Capital (Going-Concern Capital)	22,046,891,158	20,312,240,371	

Tier-2 Capital (Going-Concern Capital):			
General Provision including Off-Balance Sheet Items	5,725,300,392	3,364,194,881	
Revaluation Reserve on Investment in Securities	6,504,075,058	6,680,701,761	
Subordinated debt	10,979,376,081	10,030,955,322	
Regulatory Adjustments:	22,804,777,535	21,063,587,941	
Goodwill and all other Intangible Assets	445,795,696	519,468,991	
Deferred Tax Assets (95% of DTA as per BB Guideline)	2,433,748,434	2,122,105,013	
Reciprocal Crossholdings in the CE-1 Capital of Banking, Financial and Insurance Entities	-	-	
Total Tier-2 Capital (Going-Concern Capital)	22,804,777,535	21,063,587,941	

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General Provision including Off-Balance Sheet Items	5,725,300,392	3,364,194,881	
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Reciprocal Crossholdings in the CE-1 Capital of Banking, Financial and Insurance Entities	-	-	
Total Tier-2 Capital (Going-Concern Capital)	22,804,777,535	21,063,587,941	

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Goodwill and all other Intangible Assets	445,795,696	519,468,991	
Deferred Tax Assets (95% of DTA as per BB Guideline)	2,433,748,434	2,122,105,013	
Reciprocal Crossholdings in the CE-1 Capital of Banking, Financial and Insurance Entities	-	-	
Total Tier-2 Capital (Going-Concern Capital)	22,804,777,535	21,063,587,941	

E. Capital Requirement			
Capital to Risk-weighted assets Ratio (CRAR)			
Common Equity Tier-1	10.00%	14.45%	10.00%
Tier-1 Capital	6.00%	9.84%	6.00%
Tier-2 Capital	6.00%	9.84%	6.00%
Total Tier-1 Capital (Going-Concern Capital)	16.00%	24.29%	16.00%

The calculation of CRAR under Basel III has been made as per "Guidelines on Risk Based Capital Adequacy (Revised Regulatory Capital Framework for banks in line with Basel III)" issued by Bangladesh Bank vide its BRPD Circular no. 18 dated December 21, 2014.

15. Statutory Reserve			
Opening Balance	5,696,354,498	5,037,523,368	
Add: Transferred during the year (20% of pre-tax profit)	584,953,911	558,831,130	
Total	6,281,308,409	5,596,354,498	
16. Share Premium			
Opening Balance	1,095,304,778	1,095,304,778	
Add: Consolidated Profit made during the year	1,095,304,778	1,095,304,778	
Less: Bonus Share issued during the year	-	-	
Less: Capital reserve by MTBSL during the year	-	-	
Less: Cash Dividend paid by Subsidiaries (MTBSL)	-	-	
Less: Transferred to Statutory Reserve	-	-	
Less: Start-Up Fund	-	-	
Total	2,190,609,556	2,190,609,556	

17. Consolidated Revaluation Reserve on Investment in Securities			
Mutual Trust Bank Limited (Note-36.a)	342,532,352	408,820,227	
MTB Securities Limited	51,831,124	418,239,290	
MTB Capital Limited	-	-	
MTB Exchange (UK) Limited	-	-	
Total	394,363,476	827,059,517	
17.a Revaluation Reserve on Investment in Securities			
Opening Balance	409,820,227	486,928,408	
Less: Adjusted during the year	(77,108,132)	(77,108,132)	
Total	332,712,095	409,820,227	

18. General Reserve			
Opening Balance	786,777,324	786,777,324	
Add: Consolidated Profit made during the year	786,777,324	786,777,324	
Less: Bonus Share issued during the year	-	-	
Less: Capital reserve by MTBSL during the year	-	-	
Less: Cash Dividend paid by Subsidiaries (MTBSL)	-	-	
Less: Transferred to Statutory Reserve	-	-	
Less: Start-Up Fund	-	-	
Total	1,573,554,648	1,573,554,648	

19. Surplus in Profit and Loss Account/Retained earnings			
Opening Balance	3,046,326,323	1,795,195,562	
Add: Profit made during the year *	2,211,344,142	2,917,833,997	
Less: Bonus Share issued during the year	(812,495,650)	(786,832,410)	
Less: Dividend for Nonparticipating Shareholders	(281,654,497)	(224,081,356)	
Less: Transferred to Statutory Reserve	(584,953,911)	(558,831,130)	
Less: Start-Up Fund	(22,113,441)	(29,179,340)	
Total	3,656,442,755	3,046,326,323	

*As per regulation of Bangladesh Bank (ref. BRPD circular no. 11 dated December 12, 2011), the amount of Net Profit After Tax (NPAT), increased due to the recognition of deferred tax asset on specific provision kept against classified banks, will not be distributed as dividend, since carrying amount of provisions (liability) will be settled in future periods when deferred tax income will be recovered. Hence, this entire amount of deferred tax asset, BDT 2,561,541,516 will be deducted while determining the distributable profit for the shareholders.

20. Non-Controlling Interest			
Opening Balance	133,258	131,752	
Add: Profit made during the year	3,311	1,507	
Less: Cash Dividend Paid by MTBSL	(4,200)	(4,200)	
Closing Balance	132,369	129,059	
MTB Securities Limited @ 0.002% of NPAT	151,098,856	37,176,343	
MTB Capital Limited @ 0.004% of NPAT	3,020	744	
Total	151,098,856	37,176,343	

21. Consolidated Net Asset Value (NAV) per share			
Total net assets value	21,331,133,467	19,654,773,215	
Number of shares outstanding	893,745,224	893,745,224	
Net Asset Value (NAV) per share (2021 Restated)	23.87	21.99	

21.a Net Asset Value (NAV) per share			
Total net assets value	20,909,301,487	19,160,905,881	
Number of shares outstanding	893,745,224	893,745,224	
Net Asset Value (NAV) per share (2021 Restated)	23.40	21.44	

Particulars	Amount in BDT	
	2022	2021
22.a Off-Balance Sheet Items		
Contingent Assets & Liabilities:		
Acceptances and endorsements	4,710,044,205	3,830,250,511
Accepted Bill (Inwards)	1,163,564,477	1,070,161,162
Accepted Bill (Outwards)	66,299,966,822	64,849,813,205
Less: Inter transaction with Off-Banking Unit	20,109,288,287	20,456,318,094
	46,197,448,900	44,423,391,112
Islamic Banking Branches	47,934,900,641	418,349,504
	49,972,255,544	44,841,739,706
Letter of guarantee		
ILO Current (Inland)	29,098,664,664	23,596,100,618
BO outward (Foreign)	20,169,474,191	18,753,330,954
Islamic Banking Branches	29,296,118,855	40,349,446,573
Offshore Banking Unit	31,407,254	-
	49,287,726,112	49,349,446,573
Irrevocable letters of credit		
ILO Sight & Usance	5,630,274,626	5,203,520,776
F/LC Sight & Usance	1,224,603,272	1,437,262,447
	36,855,182,198	36,660,892,423
	12,302,025	129,866,964
Less: Inter transaction with Off-shore Banking Unit	36,842,830,173	36,660,892,423
	1,962,871,803	129,866,964
Islamic Banking Branches	38,805,688,954	36,796,759,417
BBIs for collection		
(i)s	1,977,100,805	10,030,511,130
	16,571,598,855	16,083,512,169
	753,744,683	-
Islamic Banking Branches	11,324,834,538	10,083,512,136



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Financial Statements 2022

Off Shore Banking Unit (OBU) Profit and Loss Account For the Year ended 31 December 2022									
Particulars	Notes	2022				2021			
		USD	BDT	EURO	BDT	USD	BDT	EURO	BDT
Interest income	10	12,342,459	1,158,959,338	562,296	55,403,751	8,939,084	761,036,026	12,971	1,288,320
Less: Interest on deposits, borrowings, etc.	11	11,773,801	1,049,222,472	385,558	39,033,800	6,687,773	569,369,552	9,246	994,033
Net Interest Income		1,168,657	109,737,166	206,738	20,370,151	2,251,311	191,667,374	3,729	364,283
Commission, exchange, etc.		-	-	-	-	-	-	-	-
Other operating income		-	-	-	-	-	-	-	-
Total Operating Income (A)		1,168,657	109,737,166	206,738	20,370,151	2,251,311	191,667,374	3,729	364,283
Salaries and allowances	12	-	-	-	-	-	-	-	-
Rent, taxes, insurance, electricity, etc.		-	-	-	-	-	-	-	-
Legal expenses		-	-	-	-	-	-	-	-
Postage, stamp, telecommunication, etc.		-	-	-	-	-	-	-	-
Stationery, printing, advertisements, etc.		-	-	-	-	-	-	-	-
Auditors' fees		-	-	-	-	-	-	-	-
Depreciation and repair of Bank's assets		-	-	-	-	-	-	-	-
Other expenses		-	-	-	-	-	-	-	-
Total operating expenses (B)		491,628	37,713,067	3,183	313,065	192,432	16,382,861	491	47,969
Profit / (loss) before provision (C=A-B)		767,028	72,024,079	203,554	20,056,487	2,058,879	175,284,512	3,235	316,294
Provision for loans and advances / investments		-	-	-	-	-	-	-	-
General provision		-	-	-	-	-	-	-	-
Total provision (D)		767,028	72,024,079	203,554	20,056,487	2,058,879	175,284,512	3,235	316,294
Total profit / (loss) before taxes (C-D)		-	-	-	-	-	-	-	-
Provision for taxation		-	-	-	-	-	-	-	-
Current tax		-	-	-	-	-	-	-	-
Deferred tax		-	-	-	-	-	-	-	-
Net profit / (loss) after taxation		767,028	72,024,079	203,554	20,056,487	2,058,879	175,284,512	3,235	316,294
Retained earnings brought forward from previous year		767,028	72,024,079	203,554	20,056,487	2,058,879	175,284,512	3,235	316,294

Off Shore Banking Unit (OBU) Notes to the Financial Statements For the Year ended 31 December 2022

- 1.00 Status of the unit**
- The Bank obtained the Offshore Banking Unit (OBU) permission vide letter No. BRPD/37/44/105/2009-4470 dated December 3, 2009. The Bank commenced operation of this unit from December 07, 2009. The Offshore Banking Unit is governed under the rules and guidelines of the Bangladesh Bank. Its office is located at 26, MTB center, Gulshan South Avenue, Gulshan Circle 1, Dhaka 1212.
- 1.01 Principal activities**
- The principal activities of the units are to provide all kinds of commercial banking services to its customers through its off-shore Banking Units in Bangladesh.
- 2.00 Significant accounting policies and basis of preparation of financial statements**
- 2.10 Basis of accounting**
- The Offshore Banking Unit maintains its accounting records in USD from which accounts are prepared according to the Bank Companies Act, 1991, International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and other applicable directives issued by The Bangladesh Bank. In particular, Banking regulations and policy department (BRPD) Circular No. 14 dated 25 June 2012.
- 2.20 Use of estimates and judgements**
- The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
- Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.
- 2.30 Foreign currencies transaction**
- Foreign currency transactions are converted into equivalent functional currency (i.e. USD & EURO) using the exchange rates ruling on the dates of respective transactions as per IAS-21 "The Effects of Changes in Foreign Exchange Rates". All monetary items have been translated to presentation currency (i.e. BDT) at average rate and all balance sheet items were translated to presentation currency at the closing rate. Any resulting differences have been recognised as foreign currency translation gains/losses (a component of equity in the Bank's financial statements).
- 2.40 Reporting period**
- These financial statements are prepared from 01 January 2022 to 31 December 2022.
- 2.50 Loans and advances / investments**
- a) Loans and advances of Offshore Banking Units are stated in the balance sheet on gross basis.
- b) Interest is calculated on a daily product basis but charged and accounted for on accrual basis. Interest is not charged on bad and loss loans as per guidelines of the Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.
- c) Provision for Loans and Advances has been made on the basis of measurement required and as per instructions by the Bangladesh Bank, BRPD Circular 14 and 19 dated 23 September 2012 and 27 December 2012 respectively.
- 2.60 Provision for liabilities**
- A provision is recognized in the balance sheet when the unit has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligations, in accordance with the IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".
- 2.70 Interest income**
- In terms of the provisions of the FRG-15 "Revenue from contracts with customers", the interest income is recognized on accrual basis.
- 2.80 Interest paid and other expenses**
- In terms of the provisions of the IAS - 1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.
- 2.90 Allocation of common expenses**
- Operating expenses in the nature of salary, rent, taxes and taxes, management expenses, printing stationery, etc. are not allocated in the current year due to insignificant amount.
- 2.10 General**
- a) These financial statements are presented in Taka, which is the Bank's functional currency. Figures appearing in these financial statements have been rounded off to the nearest Taka.
- b) Assets and liabilities & income and expenses have been converted into Taka currency @ US\$1=Taka 103,297.0 & EURO=Taka 109,717 (closing rate as at 31 December 2022) and BDT 93,900.2 & 98,531.0 (average rate which represents the period end).
- c) Fixed assets of this unit are appearing in the books of the main operation of the bank and depreciation is also charged to Profit & Loss Accounts of the main operation of the bank.

Particulars	2022				2021			
	USD	BDT	EURO	BDT	USD	BDT	EURO	BDT
3.00 Balance with other banks and financial institutions								
In Bangladesh	-	-	-	-	-	-	-	-
Outside Bangladesh	99,028	10,229,263	53,792	3,707,374	57,345	49,538,232	407	38,594
	99,028	10,229,263	53,792	3,707,374	57,345	49,538,232	407	38,594
4.00 Loans and advances								
i) Loans, cash credits, overdrafts, etc.	19,612,246	2,015,594,444	-	-	23,907,559	2,051,268,541	-	-
Term Loan	172,511,706	17,819,941,888	20,915,720	2,284,699,207	236,034,310	20,251,743,782	2,182,689	212,574,332
Usance Payable at Sight (UPAS)	192,023,352	19,835,498,142	20,915,720	2,284,699,207	239,941,869	22,383,012,303	2,182,689	212,574,332
ii) Bills purchased and discounted								
Payable Inside Bangladesh	3,703,231	382,832,844	-	-	5,698,119	486,324,590	-	-
Interest Documentary bills purchased	-	-	-	-	1	64	-	-
Foreign Documentary bills purchased	3,703,231	382,832,844	-	-	5,698,119	486,324,590	-	-
Payable Outside Bangladesh	195,727,183	20,210,038,786	20,915,720	2,284,699,207	255,699,987	22,789,338,896	2,182,689	212,574,332

4.01 Classification of Loans and Advances including bill discounted								
Unclassified (UC)								
Standard	195,727,183	20,210,038,786	20,915,720	2,284,699,207	255,699,987	22,789,338,896	2,182,689	212,574,332
Special Mention Account (SMA)								
Sub total	195,727,183	20,210,038,786	20,915,720	2,284,699,207	255,699,987	22,789,338,896	2,182,689	212,574,332
Classified:								
Substandard	-	-	-	-	-	-	-	-
Doubtful	-	-	-	-	-	-	-	-
Bad & Loss	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-
Total	195,727,183	20,210,038,786	20,915,720	2,284,699,207	255,699,987	22,789,338,896	2,182,689	212,574,332

4.02 Geographical Location wise Loans and Advances								
Inside Bangladesh								
Urban								
Dhaka Division	134,611,625	13,925,636,415	12,731,089	1,398,828,439	213,001,869	18,275,500,085	1,911,736	188,107,567
Chittagong Division	47,561,734	4,912,984,473	6,156,713	673,159,507	42,896,822	3,680,701,759	-	-
Rajshahi Division	-	-	-	-	-	-	-	-
Khulna Division	-	-	-	-	-	-	-	-
Sylhet Division	3,591,221	370,962,358	2,048,198	224,730,311	2,737,263	234,659,763	-	-
Barisal Division	-	-	-	-	-	-	-	-
Rangpur Division	-	-	-	-	-	-	-	-
Mymensingh Division	-	-	-	-	694,307	76,731,527	-	-
	195,944,580	19,839,602,246	20,915,720	2,284,699,207	259,592,088	22,861,632,125	1,911,736	188,107,567
Rural								
Dhaka Division	6,777,228	700,667,394	-	-	-	-	-	-
Chittagong Division	1,300,419	134,229,342	-	-	-	-	-	-
Rajshahi Division	202,150	20,881,472	-	-	4,072,160	349,963,539	-	-
Khulna Division	-	-	-	-	224,034	19,222,094	-	-
Sylhet Division	46,555	4,608,892	-	-	927,722	79,598,576	107,902	10,059,869
Barisal Division	-	-	-	-	365,638	31,371,721	125,640	12,286,198
Rangpur Division	249,716	25,794,912	-	-	381,333	31,002,360	-	-
Mymensingh Division	1,166,534	12,955,438	-	-	126,892	10,895,079	37,581	3,680,713
	9,762,892	1,008,447,540	-	-	6,077,889	521,443,771	271,133	26,403,764
	195,727,183	20,210,038,786	20,915,720	2,284,699,207	255,699,987	22,789,338,896	2,182,689	212,574,332

5.00 Other Assets								
Adjusting A/C Debt	289,829	30,869,140	-	-	344,125	20,945,037	-	-
Term Placement	17,073,336	1,763,621,597	-	-	1,000,194	85,616,953	-	-
Parking Account for Assets	23,082,262	2,384,328,164	-	-	500,000	42,900,000	-	-
	40,434,367	4,174,817,811	-	-	1,744,320	149,562,000	-	-

6.00 Borrowings from other banks, financial institutions and agents								
In Bangladesh	45,894,226	4,739,702,889	1,995,000	209,000,789	182,616,742	13,982,516,464	432,540	42,122,043
Outside Bangladesh	165,975,219	17,134,412,445	18,675,000	2,048,865,398	100,173,321	8,594,870,953	1,743,141	169,752,323
	211,759,445	21,874,115,334	20,580,000	2,257,866,186	282,790,063	22,547,387,417	2,175,681	211,874,366
In Bangladesh								
Borrowing from Bank:	2,181,311	225,322,882	-	-	2,666,742	226,808,494	-	-
Bangladesh Bank Limited	43,702,915	4,514,380,011	1,995,000	209,000,789	82,450,000	7,074,700,000	432,540	42,122,043
Other Bank	-	-	-	-	775,000	6,649,500,000	-	-
Outside Bangladesh	45,894,226	4,739,702,889	1,995,000	209,000,789	182,616,742	13,982,516,464	432,540	42,122,043
	165,975,219	17,134,412,445	18,675,000	2,048,865,398	100,173,321	8,594,870,953	1,743,141	169,752,323
	211,759,445	21,874,115,334	20,580,000	2,257,866,186	282,790,063	22,547,387,417	2,175,681	211,874,366

Particulars	Notes	2022				2021			
		USD	BDT	EURO	BDT	USD	BDT	EURO	BDT
7.00 Deposits and other accounts									
Fixed Deposits		-	-	-	-	-	-	-	-
7.01 Other liabilities									
Due to Head Office (Retained earnings)		22,964,358	2,370,177,269	23,082	2,352,385	1,642,435	140,920,960	-	-
Due to Head Office (Retained earnings)		767,028	72,024,079	203,554	20,056,487	2,058,879	175,284,512	3,235	316,294
Interest Payable on Borrowing		18,977,775	1,939,959,025	142,873	13,875,103	1,177,886	102,968,318	4,390	424,586
Translation gain/loss		34,621,142	3,524,944,522	369,912	40,539,785	4,873,183	416,719,989	7,394	738,908
		165,975,219	17,134,412,445	18,675,000	2,048,865,398	100,173,321	8,594,870,953	1,743,141	169,752,323
7.02 Deposits and other accounts									
Fixed Deposits		-	-	-	-	-	-	-	-
7.03 Other liabilities									
Due to Head Office (Retained earnings)		22,964,358	2,370,177,269	23,082	2,352,385	1,642,435	140,920,960	-	-
Due to Head Office (Retained earnings)		767,028	72,024,079	203,554	20,056,487	2,058,879	175,284,512	3,235	316,294
Interest Payable on Borrowing		18,977,775	1,939,959,025	142,873	13,875,103	1,177,886	102,968,318	4,390	424,586
Translation gain/loss		34,621,142	3,524,944,522	369,912	40,539,785	4,873,183	416,719,989	7,394	738,908
		165,975,219	17,134,412,445	18,675,000	2,048,865,398	100,173,321	8,594,870,953	1,743,141	169,752,323

Letter of Guarantee									
10.00	Interest income								
	Interest on bills and advances (Note-10.01)	12,024,958	1,132,148,023	561,291	55,373,699	8,646,284	78,290,257	12,971	1,268,314
	Foreign Currency Lending (Note-10.02)	317,550	29,813,314	305	30,052	290,793	24,758,666	-	-
		12,342,458	1,169,139,337	561,596	55,403,751	8,937,068	781,659,526	12,971	1,268,314
10.01	Interest on bills and advances								
	Interest on term bills	1,009,665	103,277,556	-	-	1,097,814	85,294,342	-	-
	Interest on 90DS	833,662	83,938,948	561,991	55,373,699	863,958,496	78,290,257	12,971	1,268,314
	Interest on Placement to other OBU	14,008	13,536,812	-	-	16,820	1,585,865	-	-
	Interest on Deposits purchased	238,422	22,096,312	-	-	1,744,156	15,462,309	-	-
	Interest on Deposits sold	5,952	54,670,870	-	-	1,840	1,580,387	-	-
		12,044,955	1,158,146,322	561,991	55,373,699	8,646,284	78,290,257	12,971	1,268,314
10.02	Foreign Currency Lending								
	Foreign Currency Lending	317,550	29,813,314	305	30,052	290,793	24,758,666	-	-
		317,550	29,813,314	305	30,052	290,793	24,758,666	-	-
11.00	Interest on deposits and borrowings, etc.								
	Interest on deposits	4,584	431,399	-	-	6,420	547,295	-	-
	Interest paid on borrowings	11,989,207	1,068,779,773	355,558	35,833,600	6,891,346	588,627,551	9,248	904,000
		11,973,881	1,068,222,172	355,558	35,833,600	6,897,737	589,389,926	9,248	904,000
12.00	Interest Income								
	Rebate & Other	-	-	-	-	-	-	-	-
13.00	Other Expenses								
	Office Charges	95,129	4,445,174	3,133	313,665	60,432	5,144,922	491	47,876
	Bank Fees and Comission	317,550	29,818,871	3,133	313,665	139,000	1,248,381	491	47,876
		401,679	4,474,047	3,133	315,665	192,432	6,393,303	491	47,876



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Financial Statements 2022

Independent Auditor's Report MTB SECURITIES LIMITED Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MTB SECURITIES LIMITED which comprise the Statement of Financial Position as at December 31, 2022, Statements of Profit or Loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects of the statement of financial position of MTB SECURITIES LIMITED as at December 31, 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities in accordance with these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditors' Responsibilities of the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatements of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Other Information

Management is responsible for the other information. The other information comprises all of the information other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the company's financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations, we also report the following:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- In our opinion, proper books of accounts as required by law have been kept by company so far as it appeared from our examination of these books;
- The statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns.

Signed for and on behalf of
Shafiq Basak & Co.
Chartered Accountants

Sheikh Zahidul Islam FCA, MBA
Partner
DVC 2303011394AS970654

Place: Dhaka
Date: February 12, 2023

MTB SECURITIES LIMITED Statement of Financial Position As at December 31, 2022

Particulars	Notes	Amount in BDT	
		December 31, 2022	December 31, 2021
ASSETS			
Non-Current Assets			
Property, plant & equipment	4	200,971,170	176,227,139
Investment in Stock Exchange	5	54,113,290	54,113,290
Investment in securities under Strategic & SFCM	6	634,831,694	256,893,234
		889,916,154	487,233,663
Current assets			
Advances and prepayments	7	29,369,702	37,122,716
Investment in Marketable securities	8	1,256,898,180	957,823,897
Margin loan to clients	9	3,245,333,252	3,200,807,474
Security Deposit for CSE TREC		30,000,000	30,000,000
Accounts receivable		68,454,408	9,056,367
Advance Income Tax (AIT)	11	345,406,112	228,970,188
Cash & cash equivalents	12	1,211,080,808	1,424,705,401
		6,186,542,462	5,888,486,043
		7,076,458,616	6,375,719,706
Total Assets			
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	13	3,250,000,000	3,250,000,000
Retained earnings	14	148,864,196	131,573,175
Dividend payable		130,000,000	227,500,000
Capital reserve	15	51,831,124	48,113,290
		3,580,695,321	3,657,186,465
Liabilities			
Long Term Liability			
Long Term Lease Liability		91,313,258	105,433,386
Term Loan-ICB SFMU		257,922,339	-
		349,235,597	105,433,386
Current Liabilities			
Accounts payable	16	1,237,089,010	1,176,076,377
Loan from MTB	17	422,923,095	275,189,243
Liabilities for expenses	18	25,519,621	29,521,954
Payable-interest	19	859,741	-
Provision for income tax	19	393,463,525	261,900,110
Deferred tax liability	20	6,041,215	4,750,202
Provision for margin loan	21	689,688,791	655,688,791
Provision for diminution in value of Investments	22	324,300,000	198,300,000
Current Portion Lease Liability		46,642,701	11,673,178
		3,146,527,699	2,613,099,855
		7,076,458,616	6,375,719,706
Total equity and liabilities			
Net Assets Value (NAV) per share	23	12.09	11.58

The annexed notes form an integral part of these financial statements.

Chief Executive Officer
Md. Nazrul Islam Mazumder

Vice Chairman
Syed Mahbubur Rahman

Chairman
Md. Abdul Malek

Signed for and on behalf of
Shafiq Basak & Co.
Chartered Accountants

Sheikh Zahidul Islam FCA, MBA
Partner
DVC 2303011394AS970654

Place: Dhaka
Date: February 12, 2023

MTB SECURITIES LIMITED Statement of Profit or Loss and Other Comprehensive Income For the period ended December 31, 2022

Particulars	Notes	Amount in BDT	
		31.12.2022	31.12.2021
Operating Income		711,585,754	919,129,042
Brokerage commission	24	343,497,691	473,830,370
Interest income	25	228,877,965	232,395,343
Income from investment	26	127,596,925	200,396,369
Margin account maintenance	27	666,094	684,505
Depository participant	28	10,685,261	11,212,305
Other operating income	29	261,818	610,150
Less: Operating expenses		240,241,687	221,327,952
Laga charge		23,268,298	32,937,725
CDBL charge	30	19,083,950	18,900,000
Sales Associate Commission		33,174,036	21,963,636
Office & administrative expenses	31	164,715,403	147,526,591
Net operating income		471,344,067	697,801,090
Less: Financial expenses	32	27,480,783	22,853,884
Profit before provision		443,863,284	674,947,206
Less: Provision for margin loan	33	34,000,000	341,700,000
Less: Provision for diminution in value of Investments	34	126,000,000	128,300,000
		160,000,000	470,000,000
Net profit before income tax		283,863,284	204,947,206
Less: Income tax expenses	35	132,854,428	167,768,863
Net profit after tax		151,008,856	37,178,343
Other Comprehensive Income:			
Capital reserve		(3,717,834)	-
TOTAL COMPREHENSIVE INCOME		147,291,021	37,178,343
Earnings Per Share (EPS)	36	0.46	0.11

The annexed notes form an integral part of these financial statements.

Chief Executive Officer
Md. Nazrul Islam Mazumder

Vice Chairman
Syed Mahbubur Rahman

Chairman
Md. Abdul Malek

Signed for and on behalf of
Shafiq Basak & Co.
Chartered Accountants

Sheikh Zahidul Islam FCA, MBA
Partner
DVC 2303011394AS970654

Place: Dhaka
Date: February 12, 2023

MTB SECURITIES LIMITED Statement of Changes in Equity For the period ended December 31, 2022

Particulars	Paid up capital	Retained Earnings	Capital Reserved for DSE Investment	Capital Reserved	Dividend payable A/c	Total
Balance as on 01 January, 2022	3,250,000,000	131,573,175	48,113,290	-	227,500,000	3,657,186,465
Add: Net profit/(Loss) after tax for the period	-	147,291,021	-	-	-	147,291,021
Less: Interim Dividend	-	(130,000,000)	-	-	(227,500,000)	(357,500,000)
Addition during the year dividend payable A/C	-	-	-	-	130,000,000	130,000,000
Transfer during the period	-	-	-	3,717,834	-	3,717,834
Balance as on 31 December, 2022	3,250,000,000	148,864,196	48,113,290	3,717,834	130,000,000	3,580,695,321

Particulars	Paid up capital	Retained Earnings	Capital Reserved for DSE Investment	Capital Reserved	Dividend payable A/c	Total
Balance as on 01 January, 2021	3,250,000,000	321,894,832	48,113,290	-	-	3,620,008,122
Add: Net profit/(Loss) after tax for the period	-	37,178,343	-	-	-	37,178,343
Less: Interim Dividend	-	(227,500,000)	-	-	-	(227,500,000)
Addition during the year dividend payable A/C	-	-	-	-	227,500,000	227,500,000
Balance as on 31 December, 2021	3,250,000,000	131,573,175	48,113,290	-	227,500,000	3,657,186,465

Chief Executive Officer
Md. Nazrul Islam Mazumder

Vice Chairman
Syed Mahbubur Rahman

Chairman
Md. Abdul Malek

Place: Dhaka
Date: February 12, 2023

MTB SECURITIES LIMITED Statement of Cash Flows For the period from January 01, 2022 to December 31, 2022

Particulars	Amount in BDT	
	2022	2021
Cash flow from operating activities:		
Net profit during the year (after tax)	151,008,856	37,178,343
Add : Amount considered as non cash items :		
Depreciation charge during the year	23,162,914	6,015,583
Increase/(decrease) in provision for expenses	(4,002,333)	4,332,723
Increase/(decrease) in provision for margin loan	34,000,000	341,700,000
Increase / (decrease) in provision for investment in securities	126,000,000	128,300,000
Increase/(decrease) in interest payable	859,741	-
Increase/(decrease) in Current Portion of Lease Liability	34,969,523	11,673,178
Increase/(decrease) in provision for income tax	131,563,415	167,815,154
Increase/(decrease) in deferred tax liability	1,291,013	(46,291)
Sub total of non cash items	347,844,273	659,790,347
Changes in working capital components		
Increase/(decrease) in accounts payable	61,012,633	411,101,611
(Increase)/decrease in accounts receivable	(59,398,041)	57,688,891
(Increase)/decrease in advance income tax	(116,435,924)	(80,081,107)
(Increase)/decrease in advance & prepayment	7,753,014	(24,573,172)
	(107,068,318)	364,136,223
A) Net cash inflow from operating activities	391,784,811	1,061,104,913
Cash flow from investing activities:		
(Increase)/decrease in Investment in securities Dealer	(299,074,283)	(40,564,579)
(Increase)/decrease in purchase of premises & fixed asset	(16,687,752)	(120,413,808)
(Increase)/decrease in Right of Use Assets	(31,219,193)	-
(Increase)/decrease in margin loan to clients	(44,525,778)	(442,633,796)
(Increase)/decrease in Security deposit of CSE TREC	-	(30,000,000)
(Increase)/decrease in Investment in Strategic & Specialfund Investment	(377,938,460)	(216,511,220)
B) Net cash outflow from investing activities	(769,445,466)	(850,123,403)
Cash flow from financing activities :		
Increase/(decrease) in short term borrowing	147,733,852	254,480,997
Increase/(decrease) in Long term borrowing	257,922,339	-
Long Term Lease Liability	(14,120,128)	105,433,386
Dividend paid	(227,500,000)	-
C) Net cash outflow from financing activities	164,036,063	359,914,383
D) Net cash increase / (decrease) (A+B+C)	(213,624,593)	570,895,893
E) Opening cash and cash equivalents	1,424,705,401	853,809,508
F) Closing cash and cash equivalents (D+E)	1,211,080,808	1,424,705,401
Net operating cash flow per share (NOCPSP)	1.21	3.26

Chief Executive Officer
Md. Nazrul Islam Mazumder

Vice Chairman
Syed Mahbubur Rahman

Chairman
Md. Abdul Malek

Place: Dhaka
Date: February 12, 2023

MTB SECURITIES LIMITED Notes to the Financial Statements For the year ended December 31, 2022

- 1.00 Company and its activities**
1.01 Legal status of the company
MTB Securities Limited was incorporated in Bangladesh as a private limited company on March 01, 2010 vide its registration No. 82868/10 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) as a separate entity. The Brokerage registration is REG 3.1/DSE-197/2010-427 and Dealer registration is REG 3.1/DSE-197/2010-428.
- 1.02 Nature of business**
The main object of MTB Securities Limited is to act as a TREC holder of stock exchange, the depository participant of the Central Depository System (CDS) and to carry on business of broker, or dealers in stocks, securities, bonds, debentures etc. The company is also authorized to buy, sell, hold or otherwise acquire or invest the capital of the company in shares, stocks, and fixed income securities.
- 2.00 Significant accounting policies**
2.01 Basis of preparation of financial statements
The Financial Statement of MTB Securities Limited includes the Statement of Financial Position, Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flow and notes to the Financial Statements and disclosures. This Financial Statement has been prepared under the historical cost convention on a going concern basis in accordance with International Accounting Standards (IAS), The Companies Act 1994, Securities and Exchange Rules, 2020 and other Laws and Regulations applicable to the company.
- 2.02 Leases**
The Company follows IFRS 16 which has been effective from 01 January 2019. As IFRS 16 supersedes IAS 17: Leases, the Bank has made recognition, measurement and disclosure in the financial statements of 31 December 2021 both as Lessee and Lessor as per IFRS 16.
- 2.03 Statement of cash flows**
Cash flow statement is prepared in accordance with the International Accounting Standards (IAS – 7): "Statement of Cash Flows" and the cash flows from operating activities have been presented under indirect method.
- 2.04 Property and equipment**
Depreciation of fixed asset is charged using reducing balance method as per IAS- 16 "Property, Plant and Equipment". Depreciation of an asset begins, when it is available for use. The rates of depreciation used to write off the amount of assets are as follows:
- | Category of assets | Rate of depreciation |
|------------------------|----------------------|
| Furniture | 10% |
| Office equipment | 20% |
| Furniture and fixtures | 10% |
| Premises | 5% |
- 2.05 Revenue recognition**
Revenue which comprises of brokerage commission, interest income and other income are recognized in accordance with International Financial Reporting Standard (IFRS) 15: "Revenue from Contracts with Customers".
- 2.06 Provision for income tax**
Provision for income tax has been calculated based on Income Tax Ordinance, 1984 and Finance Act 2022.
- 2.07 Provision for expenses**
Provision for expenses is recognized when the company has a present obligation as a result of a past event and it is probable that the outflow of resources embedding economic benefits will be required to settle the present obligations and reliable estimate of the amount can be made.
- 2.08 Cash and cash equivalent**
Cash and cash equivalent includes cash at bank which are held and are available for use by the Company.
- 2.09 Reporting period**
The financial statement covers from January 01, 2022 to December 31, 2022.
- 2.10 Events after Reporting Period**
This report passed in the Board of Directors meeting on February 12, 2023, where 4% Final cash dividend was approved.
- 3.00 General**
The figures in the financial statements are presented in Bangladeshi Taka (BDT), which is the company's functional currency. Figures in these notes and financial statements have been rounded off to the nearest Taka value.

Particulars	Amount in BDT	
	31.12.2022	31.12.2021
4.00 Property, plant & equipment		
Cost:		
Opening Balance	245,999,494	125,585,686
Add: Addition during the year	47,906,945	120,413,808
less: Disposal during the year	5,044,416	-
Total Cost:	288,862,023	245,999,494
Depreciation:		
Opening Balance	69,772,355	63,756,772
Add: Depreciation during the year	23,162,914	6,015,583
Less: Depreciation of Disposal assets	5,044,416	-
Total Accumulated depreciation	87,890,853	69,772,355
Written down value	200,971,170	176,227,139
The detail has shown in Annexure - A.		
5.00 Investment in DSE		
Dhaka Stock Exchange Limited (DSE)	54,113,290	54,113,290
Total	54,113,290	54,113,290



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Financial Statements 2022

		Amount in BDT	
		31.12.2022	31.12.2021
13.00 Share capital			
13.01 Authorized capital			
500,000,000 ordinary shares of Taka 10 each.		5,000,000,000	5,000,000,000
13.02 Issued, subscribed and paid-up capital			
325,000,000 ordinary shares of Taka 10 each fully paid.		3,250,000,000	3,250,000,000
13.03 Shareholding Position of the Company			
Share Holders	Number of Share	Percentage	
Mutual Trust Bank Limited	324,994,000	99.998%	
Mr. Chowdhury Akhtar Asif	1,000		
Mr. Md. Hashem Chowdhury	1,000		
Mr. Goutam Prasad Das	1,000		
Md. Khalid Mahmood Khan	1,000	0.002%	
Mr. Abdul Mannan	1,000		
Mr. Md. Nazrul Islam Mazumder	1,000		
Total	325,000,000	100.00%	
14.00 Retained earnings			
Opening balance	131,573,175	321,894,832	
Net profit during the year	147,291,021	37,178,343	
Less: Dividend paid during the year	(130,000,000)	(227,500,000)	
Total	148,864,196	131,573,175	
15.00 Capital reserve			
Shares issued by DSE (Note: 15.01)	48,113,290	48,113,290	
General (Note: 15.02)	3,717,834	-	
Total	51,831,124	48,113,290	
15.01 Capital reserve for investments with DSE			
Shares issued by DSE	48,113,290	48,113,290	
Total	48,113,290	48,113,290	
15.02 Capital reserve			
Opening balance	3,717,834	-	
Add: Addition during the year	3,717,834	-	
Less: Adjusted during the period	-	-	
Closing Balance	3,717,834	-	
To compliance with Bangladesh Securities and Exchange Commission (Risk Based Capital Adequacy) rules, 2019 the company maintained a capital reserve by 10% on profit after tax of last year.			
16.00 Accounts Payable			
It represents money deposited by client for trading purpose. The details are as follows:			
Payable to clients (Note 16.01)	1,217,248,376	1,058,794,149	
Payable to (DSE) (Note 16.02)	135,350	45,985,794	
Payable to (CSE) (Note 16.02)	-	-	
Payable to (DSE)-dealer (Note 16.02)	-	-	
Payable to (CSE)-dealer (Note 16.02)	-	-	
IPO Payable (Note 16.03)	-	58,700,000	
Suppliers/Vendors & Others Payable (Note 16.04)	19,705,284	12,626,434	
Total	1,237,089,010	1,176,076,377	
16.01 Payable to clients			
This balance represents the clients' sale proceed of securities and deposit against securities purchase which is currently lying with the Company's bank account.			
16.02 Payable to Dhaka Stock Exchange (DSE)			
This amount represents payable to Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) arising from daily transactions in Customer Accounts maintained with MTB Securities Limited & arising from daily transactions in Dealer Account.			
16.03 IPO payable			
This balance represents payable to IPO issuers.			
16.04 Suppliers/Vendors & Others Payable			
This balance represents payable to various suppliers, cheques issued to various client but not yet cleared.			
17.00 Loan from MTB			
Short Term Overdraft (SOD-General) facility maintained with Mutual Trust Bank Limited (MTB). The funds availed from this facility is used for extending margin loan customers, Investment in securities and other operating purpose for MTB Securities Limited.			
Opening balance	275,189,243	20,708,246	
Add: During the year	690,921,692	943,483,567	
Less: Cash paid during the year	(543,187,840)	(689,002,570)	
Total	422,923,095	275,189,246	
18.00 Liabilities for expenses			
Provision for incentive bonus	14,260,405	15,550,055	
Office rent	363,850	2,908,528	
Electricity bill	399,497	516,107	
Mobile & T&T bill	36,500	37,500	
Advertisement	129,600	80,892	
Audit Fee	143,750	69,000	
Repair & Maintenance	113,536	65,316	
Office Maintenance	50,893	49,697	
Cleaning of Office Premises	40,746	275,044	
Utility bill	461,418	645,885	
Entertainment	-	1,186	
Security Service Bill	43,236	543,455	
CDBL Charge	990,869	1,814,658	
Software Maintenance	329,200	337,700	
Marketing & Business Development cost	1,042,455	1,042,455	
Provision for foreign trade commission repatriation	5,312,744	5,312,744	
Professional Fees	233,556	173,000	
Others Expenses	1,567,376	98,732	
Total	25,519,621	29,521,954	
19.00 Provision for income tax			
Provision for Corporate Income Tax has made on various sources of income as applicable tax rates on those income as per Tax Laws compiled as under			
Opening balance	261,900,110	94,084,956	
Addition during the year (Note: 19.01)	131,563,415	167,815,154	
Adjustment during the year	-	-	
Total	393,463,525	261,900,110	
19.01 Addition during the year			
Current tax expenses (Note: 35)	131,563,415	167,815,154	
Total	131,563,415	167,815,154	
20.00 Deferred Tax Liability			
Deferred tax is calculated on the difference between tax base of asset			
Opening Balance	4,750,202	4,796,493	
Deferred tax (income)/expense during the year	1,291,013	(46,291)	
Total	6,041,215	4,750,202	
21.00 Provision for margin loan:			
Opening balance	655,688,791	313,988,791	
Add: Provision made during the year period (Note: 33)	34,000,000	341,700,000	
Less: Written off during the year	-	-	
Total	689,688,791	655,688,791	
This provision is made as per BSEC guideline against Margin loan in Negative Equity Client Accounts and as per BSEC (Risk Based Capital Adequacy) Rules, 2019.			
22.00 Provision for diminution in value of Investments:			
Opening balance	198,300,000	70,000,000	
Addition during the year (Note: 34)	126,000,000	128,300,000	
Total	324,300,000	198,300,000	
This provision is made as per BSEC guideline against unrealized loss in Dealer Account.			
23.00 Net Assets Value (NAV) per share			
Net Assets (23.01)	3,929,930,917	3,762,619,851	
Number of ordinary shares outstanding	325,000,000	325,000,000	
	12.09	11.58	
23.01 Net Assets			
Total Assets	7,076,458,616	6,375,719,706	
Less: Liabilities	3,146,527,699	2,613,099,855	
Total	3,929,930,917	3,762,619,851	
24.00 Brokerage commission			
Dhaka Stock Exchange Limited	343,478,120	473,830,370	
Chittagong Stock Exchange Limited	19,571	-	
Total	343,497,691	473,830,370	
The amount is charged on daily turnover during the year as per rate decided by the management of the company.			
25.00 Interest Income			
Interest Income Comprises of Interest on margin loan and Interest on bank deposit placed with various bank.			
Interest on margin loan	228,573,588	222,962,727	
Interest on bank deposit with MTB	21,709	8,826,790	
Interest on bank deposit with other Bank	282,668	605,826	
Total	228,877,965	232,395,343	
26.00 Income From Investment			
Gain/ (loss) on sale of securities -Dealer	63,834,172	102,176,078	
Gain/ (loss) on sale of Strategic Investment	3,84,784	3,666,197	
Gain/ (loss) on sale of securities -Special Fund	6,136,472	51,928,662	
Gain/ (loss) on sale of securities -ICB Fund	10,275,366	-	
Dividend Income on investment-Dealer	31,679,424	31,890,054	
Dividend Income on Strategic Investment	1,264,676	1,204,952	
Dividend Income on Special Investment	9,935,625	7,907,027	
Dividend Income on investment-ICB	2,221,875	-	
Dividend Income from DSE	2,164,531	1,623,399	
Total	127,596,925	200,396,369	
27.00 Margin account maintenance			
Margin account maintenance	666,094	684,505	
Total	666,094	684,505	
The amount represents service charges on margin account, which were received from the customer during the year.			
28.00 Depository participant			
BO maintenance fees	9,427,600	10,622,350	
Dematerialization charges	47,595	1,371	
CDS charges	1,210,066	588,584	
Total	10,685,261	11,212,305	
This amount Comprises of BO maintenance, demate charge and CDS charges.			
29.00 Other operating income			
Other Income	261,818	610,150	
Total	261,818	610,150	
Other income represents Cheque return charge & IPO application fee charged on the customer.			

		Amount in BDT	
		31.12.2022	31.12.2021
Other income represents Cheque return charge & IPO application fee charged on the customer.			
30.00 CDBL charges			
CDBL charges	19,083,950	18,900,000	
Total	19,083,950	18,900,000	
The amount comprises of BO opening, maintenance, CDS charge and other expenses charged by CDBL.			
31.00 Office & administrative expenses			
Salary & Allowances	102,747,530	92,741,437	
Lease expense	12,288,395	17,352,203	
Insurance expenses	325,948	159,416	
Electricity bill	2,626,982	2,446,480	
Postage & telegraph	144,073	215,818	
Mobile & T&T bill	386,400	476,750	
Table/Petty stationary	1,071,454	739,299	
Computer stationary	973,362	1,301,236	
Advertisement -Company's Own	181,508	189,130	
Directors' fees	798,600	840,400	
Audit fee	143,750	126,500	
Depreciation	23,162,914	6,015,583	
Repair & Maintenance	169,532	814,093	
Maintenance of office premises	1,191,974	471,604	
Car expenses	2,517,314	1,154,110	
Security service	2,997,630	2,738,515	
Office cleaning	2,656,062	2,110,709	
Utility bill	3,881,290	2,839,395	
Conveyance	309,005	301,101	
Entertainment -Refreshment/Party Diner	2,235,900	1,381,218	
Periodical, Magazine, News paper	26,664	29,630	
Bank charge & excise duty	391,658	316,734	
Training expenses	20,000	-	
Traveling expenses	227,228	211,515	
Software maintenance	170,000	188,307	
Business Development Expenses	-	11,313	
Foreign trade commission repatriation	-	641,391	
Registration charge, fees & renewal	2,854,563	1,535,704	
CSE New TREC Registration Fees	-	10,000,000	
IPO Apply charge	24,000	27,000	
Professional fees	191,667	150,000	
Total	164,715,403	147,526,591	
32.00 Financial expenses			
Interest on SOD (G) Business, Mutual Trust Bank Ltd.	27,480,783	20,443,567	
Interest on Lease Liability	-	2,410,317	
Total	27,480,783	22,853,884	
This amount comprises of interest expense on Loan from Mutual Trust Bank (MTB) and apply of interest on lease liability as per IFRS-16.			
33.00 Provision for margin loan made during the year			
This provision is made as per BSEC guideline against Margin loan in Negative Equity Client Accounts and as per BSEC (Risk Based Capital Adequacy) Rules, 2019.			
Provision made during the year period	34,000,000	341,700,000	
Total	34,000,000	341,700,000	
34.00 Provision for investment in securities made during the year			
This provision is made as per BSEC guideline against unrealized loss in Dealer Account			
Provision for investment in securities	126,000,000	128,300,000	
Total	126,000,000	128,300,000	
35.00 Income tax expenses made during the year			
Current tax Annexure	131,563,415	167,815,154	
Deferred tax Annexure-B	1,291,013	(46,291)	
Total	132,854,428	167,768,863	
Income Tax Expenses is calculated as per guideline of Income Tax Ordinance and Rules.			
36.00 Earnings Per Share (EPS)			
Net profit after tax	147,291,021	37,178,343	
Number of ordinary shares outstanding	325,000,000	325,000,000	
Earnings Per Share (EPS)	0.45	0.11	
37.00 Net operating cash flows per share (NOCFPS)			
Net operating cash flows	391,784,811	1,061,104,913	
Number of shares	325,000,000	325,000,000	
Total	1.21	3.26	
38.00 Related party transactions			
Name of the party	Nature of transactions	Taka	
Mutual Trust Bank Limited	Loan from MTB	422,923,095	
39.00 Number of employees			
The number of employees engaged for the whole year or part thereof, who received a total remuneration of Taka 36,000 or above, were 69 persons.			

MTB SECURITIES LIMITED										
Schedule of Property, Plant & Equipment										
For the period ended December 31, 2022										
Annexure-A										
Amount in BDT										
Particulars	Cost			Rate	Depreciation				Written down value as on 31.12.2022	
	Balance as on 01.01.2022	Addition during the year	Disposal during the year		Balance as on 31.12.2022	Balance as on 01.01.2022	Charge for the year	Disposal for the year		Balance as on 31.12.2022
Furniture	1,432,510	1,383,499	288,708	2,527,301	10%	613,921	139,428	288,708	46,641	2,062,660
Fixture & fittings	50,485,668	9,451,723	3,805,074	56,132,317	10%	26,427,293	2,738,941	3,805,074	25,361,160	30,771,157
Office equipment	32,967,702	5,852,530	950,634	37,869,598	20%	25,075,454	2,120,195	950,634	26,245,015	11,624,583
Premises	46,365,000	-	-	46,365,000	5%	16,951,364	1,470,682	-	18,422,046	27,942,954
Sub Total	131,250,880	16,687,752	5,044,416	142,894,216		69,068,032	6,469,246	5,044,416	70,492,862	72,401,354
Right Of User Assets as per IFRS-16	114,748,614	31,219,193		145,967,807		704,232	16,695,668		17,397,991	128,569,816
Total balance as on December 31, 2022	245,999,494	47,906,945	5,044,416	288,862,032		69,772,355	23,162,914	5,044,416	87,890,853	200,971,170

*Right Of User Assets as per IFRS-16: Depreciation charge calculated monthly

Independent Auditor's Report

MTB Capital Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **MTB Capital Ltd** which comprise the Statement of Financial Position as at December 31, 2022, Statements of profit or Loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects of the statement of financial position of **MTB Capital Ltd** as at December 31, 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in jurisdictions, and we have fulfilled our other ethical responsibilities in accordance these requirements and with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditors' Responsibilities for the Audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Other Information

Management is responsible for the other information. The other information comprises all the information other than the financial statements and the Auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, to consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations and for the internal control as management deems necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.



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Financial Statements 2022

MTB Capital Ltd. Statement of Cash Flows For the year ended 31 December 2022

Particulars	Amount in BDT	
	2022	2021
Net Profit during the year (after Tax)	7,280,369	19,083,977
Add : Amount consider as Non Cash items :		
Depreciation charged during the year	442,775	510,972
Depreciation charged during the year on ROU	1,232,156	1,232,156
Increase/(decrease) in Provision for diminution in value of Investments	12,000,000	45,000,000
Increase/(decrease) in Provision for Margin Loan	24,000,000	25,000,000
Increase/(decrease) in Provision for Income Tax	12,918,274	3,735,276
Increase/(decrease) in Deferred Tax Liability	(14,201)	(12,044)
Increase/(decrease) in Other Liabilities	6,939,035	11,342,440
Sub-total of Non Cash items	57,518,039	86,808,799
Changes in Working Capital Components		
Increase/(decrease) in Accounts Payable	(3,158,789)	(3,601,741)
(Increase)/decrease in Accounts Receivable	28,704,205	(4,857,876)
(Increase)/decrease in Advance & Prepayment	(13,071,920)	11,661,894
A) Net Cash Flow from Operating Activities	77,271,904	109,095,052
Cash Flow from Investing Activities:		
(Increase)/decrease in Investment in Securities	(153,790,154)	(26,966,638)
(Increase)/decrease in Investment in Securities under SFCM	(17,771,011)	(82,170,334)
(Increase)/decrease in purchase of Premises & Fixed Asset	-	(104,800)
(Increase)/decrease in Right of Use Assets	-	(12,321,558)
Increase/(decrease) in Lease Liability	(793,575)	11,588,799
(Increase)/decrease in Margin Loan to Clients	(62,064,306)	(88,914,822)
B) Net Cash Flow from Investing Activities	(234,419,047)	(198,889,353)
Cash Flow from Financing Activities :		
Increase/(decrease) in Short term Borrowings	155,775,921	85,093,943
C) Net Cash Flow from financing activities	155,775,921	85,093,943
D) Net Cash increase / (decrease) (A+B+C)	(1,371,222)	(4,700,358)
E) Opening Cash and Cash Equivalents	13,858,396	18,558,752
F) Closing Cash and Cash Equivalents	12,487,173	13,858,396
Net Operating Cash Flow per Share (NOCFPS)(Note: 36.00)	19.64	27.73


Chief Executive Officer


Director


Chairman

Place: Dhaka
Date: February 12, 2023

MTB Capital Ltd. Notes to the Financial Statements For the year ended 31 December 2022

1.00 Legal Status of the Company

MTB Capital Ltd. (MTBCL), a fully owned subsidiary of Mutual Trust Bank Limited, was incorporated in Bangladesh as a private limited company. MTBCL obtained registration certificate No. MB-55/2010 under the Bangladesh Securities and Exchange Commission Act, 1993 on December 06, 2010 as a full fledged merchant bank and obtained registration No. C-80040 from the Registrar of Joint Stock Companies and Firms (RJSC), Dhaka, Bangladesh on October 08, 2009 under the Companies Act, 1994. The company has commenced its operation on April 18, 2011.

The registered office of the company is situated at Chandrashila Svastu Tower, 69/1, Panthapath, Dhaka.

2.00 Nature of Business

The main activities of the company are issue management, underwriting, portfolio management whether discretionary or non-discretionary, corporate advisory services to the clients including advisory services on merger and amalgamation, capital restructuring, bond services etc.

3.00 Significant Accounting Policies

3.01 Basis of preparation of Financial Statements

The Financial Statements of the company are made up to 31 December 2022 and prepared under the historical cost convention except investment in securities as a going concern and in accordance with the Companies Act 1994, International Financing Reporting Standards (IFRS), the Securities and Exchange Rules 2020, Dhaka & Chittagong Stock Exchange Limited listing Regulations, Income Tax Ordinance, 1984 and other laws and rules applicable in Bangladesh.

3.02 Statement of Cash Flows

Statement of cash flows has been prepared in accordance with the International Accounting Standard (IAS) - 7 "Statement of Cash Flows".

3.03 Property, Plant and Equipment

3.03.1 Recognition and measurement:

Property, plant and equipments are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of asset and bringing to the location and conditioned necessary for it to be capable of operating in the intended manner.

3.03.2 Depreciation

Depreciation is charged using reducing balance method as per International Accounting Standard (IAS)-16 "Property plant & equipment". The rates of depreciation used are as follows:

Category of assets	Rate of depreciation
Furniture & Fixture	10%
Office Equipment	20%
Interior Decoration	10%

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the Statement of Profit or Loss and other Comprehensive Income.

3.04 Leases

The Company follows IFRS 16 which has been effective from 01 January 2019. As IFRS 16 supersedes IAS 17: Leases, the Company has made recognition, measurement and disclosure in the financial statements as Lessee and Lessor as per IFRS 16.

3.05 Revenue Recognition

The accounting policies adopted for the recognition of revenue are as follows:

3.05.1 Interest Income

Interest on margin loan to investors is recognized as revenue on an accrual basis and interest receivable on such loan is capitalized with original loan on quarterly basis.

3.05.2 Dividend Income

Dividend income on investment in securities has been recognized when the shareholders right to receive payment is established.

3.05.3 Capital gain / (loss) on sale of Securities

Capital gain/(loss) on sale of securities is accounted for based on difference between average sale proceeds of securities and cost of securities sold.

3.05.4 Fees and commission Income

Fees and commission income includes portfolio management fees, settlement charges, issue management fees, underwriting commissions and any other such fees and commissions.

3.06 Cash and Bank balance

Cash and bank balance includes cash in hand and cash at bank, which are held and are available for use by the company without any restriction.

3.07 Investment in Securities

Investment in securities is recognized at the end of the period at cost price of investment made by the company.

3.08 Reporting in the period

These financial statements cover one year from 1st January 2022 to 31 December 2022.

3.09 General

- i) Comparative information have been disclosed for all numerical information of the financial statements and also the narrative and descriptive information so as to clarify the current year position in with that to preceding year.

Changes Format:

Statement of financial position format has been changed, wherever necessary, for ensuring better comparability in line with IAS-1 without changes facts & figures. Prior period figure has remained unchanged but rearrangement has been made if required.

- ii) The figures in the financial statements are presented in Bangladeshi Taka (BDT), which is the company's functional currency. Figures in these notes and financial statements have been rounded off to the nearest Taka value.

4.00 Property, Plant & Equipment

Cost:

Opening Balance	25,125,247	12,698,889
Addition during the period	-	12,426,358
Total Cost	25,125,247	25,125,247

Depreciation:

Opening Balance	10,733,097	8,989,970
Add: Depreciation charged during the period	1,674,930	1,743,127
12,408,027	10,733,097	
12,717,220	14,392,150	

Written Down Value

(Detail is shown in Annexure - A)

5.00 Investment in Securities

Investment in securities represent the cost price of securities which have been invested by the company

Quoted Shares (Annexure-B)	443,750,904	289,960,749
Unquoted Shares	-	-
443,750,904	289,960,749	

6.00 Investment in Securities under SFCM

Investment under SFCM represent the cost price of securities which have been invested by the company under Special Fund for Investment in Capital Market (SFCM) (BB DOS Circular-01, Dt.-12.02.2020)

Quoted Shares (Annexure-B)	99,941,345	82,170,334
Unquoted Shares	-	-
99,941,345	82,170,334	

7.00 Margin Loans to Clients

Margin Loan to Investors - Non-Discretionary Account (NDA)

Margin Loan to Investors - Discretionary Account (DA)	441,088,399	379,322,016
	1,447,776	1,149,853
442,536,175	380,471,869	

8.00 Accounts Receivable

Underwriting Commission	1,288,818	1,627,634
Issue Management Fees	4,038,115	4,538,115
Trustee Fees	-	900,000
Dividend Receivable	6,879,670	5,736,067
Management Fees	1,283,110	1,283,110
Receivable from MTB Securities Ltd.	211,539	6,224,421
Receivable from SSML	83,034	-
Receivable from CMSL Securities Ltd.	-	141,644
IPOs	-	22,037,500
13,784,285	42,488,490	

9.00 Advance and Prepayments

Advance Income Tax	9.01	25,847,647	15,897,798
Advance to Employees	9.02	3,383,382	261,311
29,231,029		16,159,109	

9.01 Advance Income Tax

Opening Balance	15,897,798	27,126,360
Add: Addition during the period	9,949,849	6,704,719
Less: Adjustment made during the period	-	17,933,281
25,847,647	15,897,798	

9.02 Advance to Employees

Advance to Employee Car	3,383,382	261,311
3,383,382	261,311	

10.00 Cash & Cash Equivalents

This is made up as under:

Cash in Hand	20,600	11,936
---------------------	---------------	---------------

Cash at Bank (Mutual Trust Bank)

MTB Tower 0087-0210000208 (Own Portfolio)	27,470	520,366
MTB Tower 0087-0320000045 (SND)	189,165	184,159
MTB Tower 0087-0320000054 (IPO)	14,047	18,183
MTB Tower 0087-0210000464 (SFCM)	8,148	196,655
MTB Tower 0087-0320000214 (NDA)	7,336,847	2,872,266
MTB Tower 0087-0320000205 (DA)	193,331	2,696,016
MTB Tower 0087-0320000223 (GA)	4,697,565	7,358,815
12,466,573	13,846,460	
12,487,173	13,858,396	

Cash and Cash Equivalents

11.00 Share Capital

Authorized Capital

50,00,000 Ordinary Shares of BDT 100 each.

Issued, Subscribed and Paid-up Capital:	393,464,100	374,727,700
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3,934,641 Ordinary Shares of BDT 100 each

Shareholding Position:

Particulars	No. of Shares	Amount	Percentage
Mutual Trust Bank Limited	3,934,485	393,448,500	99.996%
Mr. Md. Wakiluddin	156	15,600	0.004%
Total	3,934,641	393,464,100	100%

12.00 Retained Earnings

Opening Balance	21,684,915	20,445,138
Add: Net Profit after Tax during the period	7,280,369	19,083,977
Less: Stock Dividend	18,736,400	17,844,200
Closing Balance	10,228,884	21,684,915

13.00 Deferred Tax Liability

Opening Balance	111,079	123,123
Deferred Tax during the period	(14,201)	(12,044)
96,878	111,079	

14.00 Short Term Loan

Mutual Trust Bank Ltd.

MTB SOD (G) Business A/C-0087-0173000039	202,506,032	146,692,149
MTB SOD (G) Business under SFCM A/C-2411000001258	96,858,462	72,023,536
MTB SOD (G) Business A/C-2411000006422	75,127,111	-
374,491,605	218,715,684	

15.00 Accounts Payable

LeadSoft BD Ltd.	214,556	414,556
Audit fees payable	69,000	54,000
Payable to MTB Securities Ltd.	5,266,245	3,714,261
Payable to SSML	1,170,984	4,439,514
Client Deposits	6,286,912	7,524,474
Source Tax, VAT and Others	1,080,654	1,100,335
14,088,351	17,247,140	

16.00 Provision for diminution in value of Investments

Opening Balance	67,000,000	22,000,000
Add: Provision made during the period	12,000,000	45,000,000
79,000,000	67,000,000	

17.00 Provision for Margin Loan

Opening Balance	57,000,000	32,000,000
Add: Provision made during the period	24,000,000	25,000,000
81,000,000	57,000,000	

18.00 Provision for Current Tax

Opening Balance	40,410,659	36,675,383
Add: Addition during the period	12,918,274	21,668,557
Less: Adjustment made during the period	-	17,933,281
53,328,933	40,410,659	

19.00 Other Liabilities

Provision for Expenses	1,773,650	2,374,655
Interest Suspense	35,005,729	27,820,632
Management fee Suspense	1,174,776	819,833
37,954,156	31,015,121	

19.01 Provision for Expenses

Incentive Bonus:

Opening Balance	2,374,655	1,463,700
Add: Addition during the period	787,488	1,515,455
Less: Paid during the period	1,388,493	604,500
Closing Balance	1,773,650	2,374,655

19.02 Interest Suspense Account

Opening Balance	27,820,632	17,895,725
Add: Addition during the period	7,185,097	9,924,907
Less: Adjustment made during the period	-	-
Closing Balance	35,005,729	27,820,632

19.03 Portfolio Management fee Suspense Account

Opening Balance	819,833	313,255
Add: Addition during the period	354,943	506,578
Less: Adjustment made during the period	-	-
Closing Balance	1,174,776	819,833

20.00 Lease Liability

Opening Balance	11,588,799	-
Add: Addition during the period	-	12,321,558
Less: Adjustment made during the period	793,575	732,759
Closing Balance	10,795,225	11,588,799

21.00 Net Assets Value (NAV) per share

Net Assets	403,692,984	396,412,615
Number of ordinary shares outstanding	3,934,641	3,747,277
102.60	105.79	

21.01 Net Assets

Total Assets	1,054,448,132	839,501,097
Less: Non-current Liabilities	96,878	111,079
Less: Current Liabilities	650,658,270	442,977,403
403,692,984	396,412,615	

22.00 Interest Income

Interest on Margin Loan - Non- Discretionary Account (NDA)	47,415,226	45,312,521
Interest on Margin Loan - Discretionary Account (DA)	10,678	10,558
Interest on Bank Accounts	368	-
47,426,272	45,323,079	

23.00 Income from Investment

Dividend Income	16,519,588	8,928,471
Capital gain on sale of Securities	20,858,993	68,257,262
37,378,581	77,185,733	

24.00 Underwriting Commission

-	520,066	
-	520,066	

25.00 Issue Management Fees

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Mutual Trust Bank Ltd.

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Financial Statements 2022

		Amount in BDT	
		31.12.2022	31.12.2021
31.00 Interest Expense			
Interest on SOD (G) Business, Mutual Trust Bank Ltd.		22,375,919	15,076,942
		22,375,919	15,076,942
32.00 Provision for diminution in value of Investments		12,000,000	45,000,000
This provision is made as per BSEC guideline and to reduce the risk of Investment. As on Balance sheet date we have created total BDT 7,90,00,000 (50.06%) out of total requirement of BDT 15,77,99,389.00			
33.00 Provision for margin loan		24,000,000	25,000,000
This provision is made as per BSEC guideline and to reduce the risk of Investment. As on Balance sheet date we have created total BDT 8,10,00,000 (45.21%) out of total requirement of BDT 17,91,46,512.00			
34.00 Income Tax Expenses			
Current Tax	34.01	12,918,274	21,668,557
Deferred Tax	34.02	(14,201)	(12,044)
		12,904,073	21,656,513
Income Tax Expenses is calculated as per guideline of Income Tax Ordinance 1984 and related Rules.			
34.01 Current Tax		12,918,274	21,668,557
34.02 Deferred Tax Expense/(Income)		(14,201)	(12,044)
(Detail is shown in Annexure - C)			
35.00 Earning per share			
Net Profit after tax		7,280,369	19,083,977
Number of ordinary shares outstanding		3,934,641	3,934,641
		1.85	4.85
36.00 Net Operating cash flows per share (NOCFPS)			
Net Operating cash flows		77,271,904	109,095,052
Number of shares		3,934,641	3,934,641
		19.64	27.73
37.00 Related Party Transaction			
Name of Party	Nature of Transactions		
Mutual Trust Bank Ltd.	SOD Loan	374,491,605	218,715,684
		374,491,605	218,715,684
38.00 Number of employees			
The number of employees engaged for the whole year or part there of, who received a total remuneration of Taka 36,000 or above were 08 persons.			
39.00 Events after the balance sheet date			
Subsequent to the reporting date, the Board of Directors recommended no dividend.			

MTB Capital Ltd. Schedule of Property, Plant & Equipment As at 31 December 2022

Particulars	Cost				Depreciation					Written Down Value as on 31.12.2022
	Opening Balance	Addition during the Year	Disposal during the Year	Balance as on 31.12.2022	Rate (%)	Opening Balance	Charged during the Year	Disposal for the Year	Accumulated Depreciation during the Year	
Furniture & Fixture	1,367,694	-	-	1,367,694	10%	659,717	70,798	-	730,515	637,179
Office Equipment	8,670,356	-	-	8,670,356	20%	7,585,359	224,999	-	7,770,358	899,998
Interior Decoration	2,765,639	-	-	2,765,639	10%	1,295,865	146,977	-	1,442,842	1,322,797
Sub Total	12,803,689	-	-	12,803,689		9,500,941	442,775	-	9,943,716	2,859,974
Right of Use Assets as per IFRS 16	12,321,558	-	-	12,321,558	10%	1,232,156	1,232,156	-	2,464,312	9,857,247
Total December 2022	25,125,247	-	-	25,125,247		10,733,097	1,674,930	-	12,408,027	12,717,220
Total December 2021	12,698,889	12,426,358	-	25,125,247		8,989,970	1,743,127	-	10,733,097	14,392,150

MTB Capital Ltd. Investment in Quoted Securities As at 31 December 2022

Annexure- B (Amount in BDT)			
Sector Name	Cost Value	Market value	Difference
Bank	3,212,412	2,357,500	(5,569,912)
Cement	36,765,025	27,132,600	(9,632,425)
Ceramics	9,597,475	3,613,760	(5,983,714)
Engineering	28,180,370	16,676,229	(11,504,141)
Financial Institutions	35,333,792	23,400,000	(11,933,792)
Food & Allied	9,622,695	5,807,000	(3,815,695)
Fuel & Power	158,130,620	109,507,674	(48,622,946)
G-SEC (T.Bond)	111,723	111,723	-
Insurance	25,037,234	19,988,149	(5,049,086)
IT Sector	29,954,878	25,420,840	(4,534,038)
Miscellaneous	17,395,621	13,490,729	(3,904,892)
Mutual Funds	911,820	640,000	(271,820)
Paper & Printing	3,739,716	3,402,000	(337,716)
Pharmaceuticals & Chemicals	72,477,258	47,690,461	(24,786,797)
Services & Real Estate	13,169,020	10,698,187	(2,470,833)
Tannery Industries	1,702,651	1,572,600	(130,051)
Telecommunication	64,059,535	50,489,281	(13,570,255)
Textile	26,281,776	17,809,500	(8,472,276)
Travel & Leisure	8,008,627	6,196,350	(1,812,277)
Total	543,692,249	386,004,583	(162,402,666)

MTB Capital Ltd. Calculation of Deferred Tax For the year ended 31 December, 2022

Annexure - C Amount in BDT		
Deferred Tax Expense/(Income)	2022	2021
Carrying amount of Property, Plant & Equipment	2,859,974	3,302,748
Less: Tax base Property, Plant & Equipment	2,601,631	3,006,537
Taxable temporary difference	258,342	296,211
Applicable Tax Rate	37.50%	37.50%
Deferred Tax (Assets)/ Liabilities	96,878	111,079
Less: Opening Balance	111,079	123,123
Deferred Tax Expense/(Income)	(14,201)	(12,044)

MTB EXCHANGE (UK) LIMITED Directors' Report For the year ended 31 December 2022

The directors present their annual report and the financial statements for the year ended 31 December 2022

Principal activities

Principal activity of the company during the financial year was of financial intermediation.

Directors

The directors who served the company throughout the year were as follows:

Md. Hedayetullah
Syed Manzur Elahi
Rashed Ahmed Chowdhury
Syed Mahbubur Rahman

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the board and signed on its behalf by:


Syed Mahbubur Rahman
Director

Date approved: 03 January 2023

MTB EXCHANGE (UK) LTD Accountants' Report For the year ended 31 December 2022

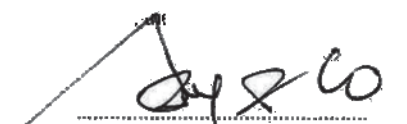
In order to assist you to fulfil your duties under Companies Act 2006, we have prepared for your approval the accounts of MTB EXCHANGE (UK) LIMITED for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member of the Chartered Institute of Management Accountants, we are subject to its ethical and other professional requirements which are detailed at CIMA's website.

This report is made solely to the member of MTB EXCHANGE (UK) LIMITED, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of MTB EXCHANGE (UK) LIMITED and state those matters that we have agreed to state to the Board of MTB EXCHANGE (UK) LIMITED, as a body, in this report in accordance with the requirements of the Chartered Institute of Management Accountants and as detailed at its website. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than MTB EXCHANGE (UK) LIMITED and its members as a body for our work or for this report.

It is your duty to ensure that MTB EXCHANGE (UK) LIMITED has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and Loss of MTB EXCHANGE (UK) LIMITED. You consider that MTB EXCHANGE (UK) LIMITED is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of MTB EXCHANGE (UK) LIMITED. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.


Jahan & Co
Chartered Management Accountants
22 Osborn Street
London
E1 6TD
03 January 2023

MTB Exchange (UK) Limited Income Statement For the Year Ended 31 December 2022

	Notes	2022 £	2021 £
Turnover		-	-
Gross profit		-	-
Administrative expenses		(4,130)	(9,158)
Operating Profit		(4,130)	(9,158)
Profit/Loss on ordinary activities before taxation		(4,130)	(9,158)
Tax on profit on ordinary activities	4	-	1,499
Profit/Loss for the financial year		(4,130)	(7,659)

MTB EXCHANGE (UK) LTD Statement of Financial Position As at 31 December 2022

	Notes	2022 £	2021 £
Current assets			
Cash at bank and in hand		17,170	21,170
Creditors: amounts falling due within one year	5	(1,809)	(1,678)
NET CURRENT ASSETS		15,361	19,492
Total assets less current liabilities		15,361	19,492
Creditors: Amounts falling due after more than one year	6	(288,308)	(288,309)
Net Liabilities		(272,947)	(268,817)
Capital and reserves			
Called up share capital	7	230,000	230,000
Other Comprehensive income	8	806	806
Profit and loss account	9	(503,753)	(499,623)
Shareholders funds		(272,947)	(268,817)

For the year ended 31 December 2022 the company was entitled to exemption from audit under section 477 of the companies act 2006 relating to small companies.

Directors' Responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.
- The directors acknowledge their responsibilities for complying with the requirements of the companies act 2006 with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime of Part 15 of the Companies Act 2006.

The financial statements were approved by the board of directors on 03 January 2023 and were signed on its behalf by:


Syed Mahbubur Rahman
Director

MTB EXCHANGE (UK) LTD Statement of Changes in Equity For the Year Ended 31 December 2022

	Equity share capital £	Retained Earnings £	Total £
At 01 January 2021	230,000	(491,964)	(261,964)
Profit for the year	-	(7,659)	(7,659)
Total comprehensive income for the year	-	(7,659)	(7,659)
Total investments by and distributions to owners	-	-	-
At 31 December 2021	230,000	(499,623)	(269,623)
At 01 January 2022	230,000	(499,623)	(269,623)
Profit for the year	-	(4,130)	(4,130)
Total comprehensive income for the year	-	(4,130)	(4,130)
Total investments by and distributions to owners	-	-	-
At 31 December 2022	230,000	(503,753)	(273,753)

MTB Exchange (UK) Limited Notes to the Accounts For the year ended 31 December 2022

General Information

MTB EXCHANGE (UK) LIMITED is a private company, limited by shares, registered in England and Wales, registration number 07282261, registration address C/O Jahan & Co, 22 Osborn Street, LONDON, E1 6TD. The company ceased to trade in March 2020

1. Accounting Policies

Significant accounting policies

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, the financial reporting standard applicable in the UK and Republic of Ireland (as applied to small entities by Section 1A of the standard)

Going concern basis

The company has stopped trading in March 2020. Thus it did not adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

Government grants

Government grants received are credited to deferred income. Grants towards capital expenditure are released to the income statement over the expected useful life of the assets. Grants received towards revenue expenditure are released to the income statement as the related expenditure is incurred.

Taxation

Taxation represents the sum of tax currently payable and deferred tax. Tax is recognised in the statement of income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves.

The company's liability for current tax is calculated using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Current and deferred tax assets and liabilities are not discounted

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

	2022 £	2021 £
2. Directors' Emoluments		
The directors did not withdraw any salary during the period.	-	-
3. Average number of employees during the year	Number	Number
Administration	-	-
Sales	-	-
4. Tax on profit on ordinary activities		
UK Corporation tax	-	(1,499)
	-	(1,499)
Terminal Loss Relief Claim		
A claim of Terminal Loss Relief was made to HMRC during 2021, which was accepted and refunded £1499.43 to the company		
5. Creditors: amount falling due within one year		
Accrued Expenses	1,808	-
Other Creditors	-	1,676
	1,809	1,676
6. Creditors: amount falling due after more than one year		
Other Creditors	288,308	288,309
	288,308	288,309
7. Share Capital		
Allotted, called up and fully paid	230,000	230,000
230,000 Class A shares of £ 1.00 each	230,000	230,000
8. Other Comprehensive Income		
Unrealized Gains or losses	806	806
	806	806
9. Profit and loss account		
Balance at 01 January 2022	(499,623)	(491,964)
Loss for the year	(4,130)	(7,659)
Balance at 31 December 2022	(503,753)	(499,623)