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MUTUAL TRUST BANK PLC AND ITS SUBSIDIARIES
CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

AS AT AND FOR THE FIRST QUARTER ENDED 31 MARCH 2024

মিউচুয়াল ট্রাস্ট ব্যাংক পিএলসি
Mutual Trust Bank PLC

you can bank on us

In compliance with the Bangladesh Securities and Exchange Commission (BSEC) letter No. SEC/CFD/Misc/233/2004/615, dated 2 February, 2010 and the Dhaka and Chittagong Stock Exchange (Listing) Regulations, 2015, we are pleased to present the un-audited Consolidated Financial Statements of Mutual Trust Bank PLC as at and for the first quarter ended 31 March, 2024. These Consolidated Financial Statements are comprised of the financials of Mutual Trust Bank PLC including Off-shore Banking Unit, Islamic Banking and its subsidiaries i.e. MTB Securities Limited and MTB Capital Limited, which are prepared as per International Accounting Standard (IAS) 34 "Interim Financial Reporting".

Mutual Trust Bank PLC and Its Subsidiaries
Consolidated Balance Sheet (Un-audited)
As at 31 March 2024

| Notes | March 2024 | | 2023 | |
|---|------------------------|--------------|------------------------|--|
| | BDT | | BDT | |
| PROPERTY AND ASSETS | | | | |
| Cash | 16,786,604,932 | | 16,874,398,664 | |
| Cash In Hand (Including Foreign Currency) | 5,530,961,036 | | 4,231,546,069 | |
| Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency) | 11,255,643,896 | | 12,642,852,594 | |
| Balance with other Banks & Financial Institutions | 8,727,026,232 | | 6,333,244,689 | |
| In Bangladesh | 2,143,355,184 | | 3,650,849,499 | |
| Outside Bangladesh | 6,583,671,048 | | 2,682,395,190 | |
| Money at Call on Short Notice | 150,000,000 | | 300,000,000 | |
| Investments | 78,846,515,765 | | 68,644,845,932 | |
| Government | 65,472,183,169 | | 55,792,828,769 | |
| Others | 13,374,332,596 | | 12,852,017,163 | |
| Loans and Advances/Investments | 266,692,741,189 | | 261,023,395,572 | |
| Loans, Cash Credits, Overdrafts, etc./Investments | 263,740,337,566 | | 258,351,286,624 | |
| Bills Purchased and Discounted | 2,952,403,623 | | 2,672,108,948 | |
| Fixed Asset including Premises, Furniture and Fixtures | 4,765,356,465 | | 4,828,574,590 | |
| Other Assets | 15,846,043,466 | | 11,322,707,645 | |
| Non-Banking Assets | - | | - | |
| Total Property and Assets | 391,814,288,049 | | 369,327,167,092 | |
| LIABILITIES AND CAPITAL | | | | |
| Borrowing from other Banks, Financial Institutions and Agents | 38,016,670,244 | | 30,758,997,172 | |
| Deposits and Other Accounts | 273,616,740,317 | | 262,583,639,899 | |
| Current Deposit & Other Accounts | 38,753,596,682 | | 36,041,140,264 | |
| Bills Payable | 2,050,295,846 | | 2,551,035,385 | |
| Savings Deposit | 50,204,982,346 | | 48,402,403,693 | |
| Fixed Deposits | 129,434,520,649 | | 123,044,008,116 | |
| Special Notified Deposits | 28,853,609,792 | | 27,349,706,603 | |
| Deposit Products | 24,319,733,002 | | 25,195,345,836 | |
| Other Liabilities | 44,278,016,151 | | 39,328,873,779 | |
| Bond | 10,810,000,000 | | 12,550,000,000 | |
| Perpetual Bond | 4,000,000,000 | | 4,000,000,000 | |
| Subordinated Debts | 6,810,000,000 | | 8,550,000,000 | |
| Total Liabilities | 366,721,426,712 | | 345,221,510,850 | |
| Capital/Shareholders' Equity | 2.7 | | | |
| Paid up Capital | 9,831,197,460 | | 9,831,197,460 | |
| Statutory Reserve | 7,133,746,353 | | 6,938,131,468 | |
| Share Premium | 1,095,304,778 | | 1,095,304,778 | |
| Revaluation Reserve on Investment in Securities | 945,727,167 | | 776,950,707 | |
| Foreign Currency Translational Gain/Loss | 63,561,665 | | 2,766,353 | |
| General Reserve | 786,777,324 | | 786,777,324 | |
| Surplus in Profit and Loss Account/Retained Earnings | 5,236,412,596 | | 4,674,394,834 | |
| Total Shareholders' Equity | 25,092,727,342 | | 24,105,522,924 | |
| Non-Controlling Interest | 133,995 | | 133,318 | |
| Total Liabilities and Shareholders' Equity | 391,814,288,049 | | 369,327,167,092 | |
| Net Asset Value (NAV) per share (2023 Restated) | 2.8 | 25.52 | 24.52 | |
| Off-Balance Sheet Items | | | | |
| Contra & Contingent Assets & Liabilities: | 2.4.3 | | | |
| Acceptances and endorsements | 58,080,413,695 | | 57,267,219,509 | |
| Letter of guarantee | 55,734,736,678 | | 56,164,767,683 | |
| Irrevocable letters of credit | 48,405,804,227 | | 36,528,172,971 | |
| Bills for collection | 14,528,032,942 | | 13,437,478,692 | |
| Total Off-Balance Sheet Items | 176,748,986,542 | | 163,397,638,856 | |

Chairman
Director
Managing Director & CEO
Head of Finance (Acting CFO)
Group Company Secretary

Mutual Trust Bank PLC and Its Subsidiaries
Consolidated Profit and Loss Account (Un-audited)
For the Period ended 31 March 2024

| Particulars | March 2024 | | March 2023 | |
|---|----------------------|--------------------|----------------------|--|
| | BDT | | BDT | |
| Interest Income/profit on investments | 5,885,712,588 | | 4,324,175,134 | |
| Interest paid/profit shared on deposits and borrowings etc. | 4,097,146,593 | | 2,807,515,220 | |
| Net Interest Income/profit on investments | 1,788,565,995 | | 1,716,659,914 | |
| Investment income | 1,774,471,290 | | 1,070,580,986 | |
| Commission, Exchange and Brokerage | 1,042,865,442 | | 1,033,542,701 | |
| Other Operating Income | 239,253,424 | | 228,835,903 | |
| Total Other Income | 3,056,590,156 | | 2,332,959,590 | |
| Total Operating Income | 4,845,156,151 | | 4,049,619,504 | |
| Less: Operating Expenses: | | | | |
| Salary and Allowances | 1,307,945,538 | | 1,041,715,392 | |
| Rent, Taxes, Insurance, Electricity etc. | 218,459,909 | | 182,550,586 | |
| Legal Expenses | 1,098,100 | | 883,063 | |
| Postage, Stamps, Telecommunication etc. | 13,288,216 | | 8,749,549 | |
| Stationery, Printings, Advertisements etc. | 54,728,286 | | 51,368,706 | |
| Chief Executive's salary and fees | 7,186,164 | | 5,494,623 | |
| Director's Fees | 1,165,940 | | 939,500 | |
| Auditor's Fees | 28,750 | | 157,156 | |
| Depreciation and repair of bank's assets | 251,870,750 | | 229,835,055 | |
| Other Expenses | 497,680,333 | | 597,924,136 | |
| Total Operating Expenses | 2,353,431,986 | | 2,119,617,786 | |
| Profit Before Provision | 2,491,724,165 | | 1,930,001,737 | |
| Less: Provision for Loans, Investment & Other | | | | |
| Provision for Unclassified Loan and Advance | - | | 469,317,268 | |
| Provision for Classified Loan and Advance | 1,179,838,404 | | 110,594,705 | |
| Provision for Off-Balance Sheet Items | 126,366,650 | | 205,962,458 | |
| Provision for Diminution in Value of Investments | 88,300,000 | | 16,600,000 | |
| Provision for Other Assets | 50,000,000 | | 10,000,000 | |
| Total Provision | 1,444,505,054 | | 812,474,429 | |
| Profit Before Tax | 1,047,219,111 | | 1,117,527,308 | |
| Provision for Taxation | 2.5.a | 282,261,226 | 445,880,232 | |
| Current Tax Expenses | 561,820,189 | | 520,384,133 | |
| Deferred Tax Expenses/(Income) | (279,558,963) | | (74,503,902) | |
| Net Profit After Tax | 764,957,885 | | 671,647,076 | |
| Shareholders' of the Bank | 764,957,209 | | 671,645,981 | |
| Minority Interest | 677 | | 1,095 | |
| Retained Surplus Brought Forward | 764,957,885 | | 671,647,076 | |
| | 4,674,394,834 | | 3,825,461,139 | |
| Appropriations: | 5,439,352,042 | | 4,497,107,120 | |
| Transferred to Statutory Reserve | 195,614,885 | | 209,544,950 | |
| Transferred to Start-Up Fund | 7,324,562 | | 6,209,824 | |
| | 202,939,447 | | 215,754,774 | |
| Retained Surplus, Carried Forward | 5,236,412,596 | | 4,281,352,346 | |
| Earnings Per Share (EPS) (2023 Restated) | 2.9 | 0.78 | 0.68 | |

Chairman
Director
Managing Director & CEO
Head of Finance (Acting CFO)
Group Company Secretary

Mutual Trust Bank PLC and Its Subsidiaries
Condensed Consolidated Statement of Changes in Equity (Un Audited)
For the Period ended 31 March 2024

| Particulars | Paid-up Capital | Statutory Reserve | Share Premium | Revaluation Reserve on Investment in Securities | Foreign Currency Translation Gain/(Loss) | General Reserve | Surplus in Profit and Loss Account/Retained earnings | | Total | Minority Interest | Total |
|---|----------------------|----------------------|----------------------|---|--|--------------------|--|-----------------------|----------------|-----------------------|-------|
| | | | | | | | | | | | |
| Balance as at January 01, 2024 | 9,831,197,460 | 6,938,131,468 | 1,095,304,778 | 776,950,707 | 2,766,353 | 786,777,324 | 4,674,394,834 | 24,105,522,924 | 133,318 | 24,105,656,242 | |
| Currency Translation differences | | | | | 60,795,312 | | - | 60,795,312 | | 60,795,312 | |
| Transferred to Start-Up Fund | | | | | | | (7,324,562) | (7,324,562) | | (7,324,562) | |
| Revaluation Reserve transferred during the period | | | | 168,776,459 | | | - | 168,776,459 | | 168,776,459 | |
| Net Profit for the period after Tax | | | | | | | 764,957,209 | 764,957,209 | 677 | 764,957,885 | |
| Appropriation made during the period | | | | | 195,614,885 | | (195,614,885) | - | | - | |
| As at 31 March 2024 | 9,831,197,460 | 7,133,746,353 | 1,095,304,778 | 945,727,167 | 63,561,665 | 786,777,324 | 5,236,412,596 | 25,092,727,342 | 133,995 | 25,092,861,337 | |
| As at 31 December 2023 | 9,831,197,460 | 6,938,131,468 | 1,095,304,778 | 776,950,707 | 2,766,353 | 786,777,324 | 4,674,394,834 | 24,105,522,924 | 133,318 | 24,105,656,242 | |

Chairman
Director
Managing Director & CEO
Head of Finance (Acting CFO)
Group Company Secretary

Mutual Trust Bank PLC and Its Subsidiaries

Selective Notes to the Condensed Interim Financial Statements (Unaudited)
As at and for the period ended 31 March 2024

1.0 Legal status and nature of the Bank

Mutual Trust Bank PLC (MTB) was incorporated in Bangladesh in the year 1999 as a Banking Company under the Companies Act, 1994 as a Public Limited Company. All types of commercial banking services are provided by the Bank within the stipulations laid down by the Bank Companies Act, 1991 (and amendment thereon) and directive as received from the Bangladesh Bank from time to time. Registered office of the Bank is at MTB Centre, 26 Gulshan Avenue, Gulshan 1, Dhaka 1212. The Bank started its commercial business from 24 October 1999. The Bank is listed with the Dhaka and Chittagong Stock Exchanges Limited. Authorized capital of the Bank is BDT 20 billion. The Bank has 120 (One hundred twenty) Branches including 14 (Fourteen) SME/Agri Branches all over the Bangladesh, 198 (One Hundred Ninety-Eight) Agent Banking Centre, 37 (Thirty-Seven) Sub Branches, 08 (Eight) Air Lounges and 02 (Two) Booth located at Hazrat Shahjalal International Airport, Dhaka.

1.1 Principal Activities

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

1.2 Off-Shore Banking Unit (OBU)

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

1.3 Islamic Banking

The Bank obtained permission for Islamic Banking from Bangladesh Bank vide Letter No. BRPD(P-3)/745(51)/2019-9642 dated November 25, 2019. Through the Islamic Banking the Bank extends all types of Islamic Shariah compliant finance like Lease, Hire Purchase Shirkatul Melk (HPSM), Bai Muazzal, Household Scheme, etc. and different types of deposits like Mudaraba savings deposits, Mudaraba term deposits, Al-Wadeah current deposits, monthly/quarterly profit paying scheme, etc.

1.4 Agent Banking

The Bank obtained permission from Bangladesh Bank on 07/01/2016 vide reference No. BRPD (P-3) 745 (51)/2016-142 to start the operation of Agent Banking and subsequently started its commercial operation on 06/06/2016. The services that are currently being offered includes- Account Opening (Savings), Cash deposit & withdrawal (Agent Banking A/C), Cash Deposit in Branch A/C, Inward foreign remittance disbursement, Collections of bills/utility bills, Payment of social benefits, Transfer of funds, Payment of salaries, Generation and issuance of bank statements, SME Loan repayment collection, Balance inquiry, Internet Banking & SMS banking, Corporate Bill/Distributor fee collection, Insurance Premium Collection, etc.

1.5 Subsidiary Companies

1.5.1 MTB Securities Limited (MTBSL)

MTB Securities Limited was incorporated in Bangladesh as a private limited company on March 01, 2010 vide its registration No. 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). The Brokerage registration is REG 3.1/DSE-197/2010/427 and Dealer registration is REG 3.1/DSE-197/2010/428.

1.5.2 MTB Capital Limited (MTBCL)

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

2.0 Significant Accounting Policies

2.1 Basis of Accounting

The financial statements of the Bank as at and for the period ended 31 March 2024 have been prepared under the historical cost convention, on a going concern basis and in accordance with the "first schedule (Sec-38)" of the Bank Companies Act, 1991 (as amended up to date) and as per the BRPD circular no. 14 dated 25 June 2003, other Bangladesh Bank Circulars, International Financial Reporting Standards (IFRS)

adopted by the Financial Reporting Council of Bangladesh (FRC). The Companies Act 1994, The Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchanges Listing Regulations 2015, The Income Tax Act 2023 and other laws and rules applicable in Bangladesh. All inter-branch account balances and transactions among the Corporate Head Office and the branches have been taken into account.

2.2 Basis of Consolidation

The consolidated financial statements include the financial statements of Mutual Trust Bank PLC, Off-shore Banking Units, Islamic Banking and its subsidiaries i.e. MTB Securities Limited and MTB Capital Limited. The consolidated financial statements are prepared to a common financial period ending 31 March 2024.

2.3 Cash Flow Statement

Cash flow statement has been prepared in accordance with the International Accounting Standard-7 "Cash Flow Statement" under direct method as recommended in the BRPD Circular no.14, dated June 25, 2003 issued by the Banking Regulation & Policy Department of Bangladesh Bank.

2.4 Provisions

2.4.1 Loans and Advance/Investment

Provision for Loans and Advance has been made as per directives/letter issued by Bangladesh Bank from time to time. As well as Bangladesh Bank letter Reference No. DBL-4/119/2024-466 dated March 31, 2024 and DOS (CAMS) 1157/41 (Dividend)/2024-1468, dated 03 April 2024 regarding approval to required provision amount.

2.4.2 Investment

Provisions for diminution in value of investment is made for loss arising from decrease of the value of investment in quoted shares as per directives of the competent authorities.

2.4.3 Off-Balance Sheet Exposures

Off-balance sheet items have been disclosed under contingent liabilities and other commitments according to Bangladesh Bank guidelines. As per BRPD Circular no.14 of September 23, 2012, Circular letter no.1 of January 03, 2018, Circular No. 7 of 21 June 2018 and Circular No.13 of 18 October 2018 the Bank has maintained provision against off-balance sheet exposures.

2.5.a According to IAS-12 "Income Taxes", Current Tax comprises of Operating Profit before Provision after adjustment of permanent disallowances.

Required provision for current tax has been calculated on operating profit before provision as per the Income Tax Ordinance 1984 as well as according to IAS 12, so the tax rates stood at 22.55% and 26.96% for the Q1 of 2024 and Q1 for 2023 respectively which is shown below:

| Particulars | 01 January to 31 March 2024 | 01 January to 31 March 2023 |
|-----------------------------------|-----------------------------|-----------------------------|
| Operating profit before Provision | 2,491,724,165 | 1,930,001,737 |
| Provision for Current Tax | 561,820,189 | 520,384,133 |
| Effective Tax rate | 22.55% | 26.96% |

2.5.b Calculation of Effective Tax Rate

As per the Paragraph 81(c) of IAS 12 "Income Tax" a numerical reconciliation between the average effective Tax Rate and the applicable Tax Rate are as follows:

| Particulars | BDT | |
|--|----------------------|--|
| Operating Profit Before Provision & Tax | 2,384,279,480 | |
| Less: Items to be considered separately | 1,738,519,619 | |
| | 645,759,861 | |
| Add: Inadmissible expenses as per IT ordinance | 1,005,298,785 | |
| | 1,652,058,646 | |
| Less: Admissible expenses as per IT ordinance | 384,869,943 | |
| Income from Business | 1,267,188,702 | |
| Add: Income from Dividend | 85,918,316 | |
| Add: Capital Gain from Trading in Govt. Securities | 218,626,532 | |
| Total Taxable income | 1,571,733,550 | |

| Calculation of Tax Liabilities | BDT | Rate | |
|---|----------------------|----------------------|--------------------|
| Income from Business | 1,267,188,702 | @ 37.50% | 475,195,763 |
| Capital Gain from Trading in Govt. Securities | 218,626,532 | @ 15.00% | 32,793,980 |
| Income from Dividend | 85,918,316 | @ 20.00% | 17,183,663 |
| Total Taxable Income | 1,571,733,550 | Tax liability | 525,173,406 |
| Tax Expenses of MTB Subsidiaries | | | 36,646,783 |

| | |
|--|--------------------|
| Total Provision for Current Tax | 561,820,189 |
| Operating profit before Provision | 2,491,724,165 |
| Effective Tax Rate | 22.55% |

2.6 Calculation of Deferred Tax:

| | |
|--|------------|
| | BDT |
| Taxable temporary difference arising from the carrying value of Assets | (1,610 |