

Draft

Information Memorandum

Private placement of 500 coupon-bearing non-convertible fully redeemable unsecured Subordinated Bonds of BDT 10,000,000 (Ten million Taka) each at par totaling BDT 5,000,000,000 (Five billion Taka).

Coupon Rate / Yield to Maturity: Latest average 6-month FDR rate of all private commercial banks excluding banks licensed after 2010 as published by Bangladesh Bank on the quotation day + 2.00% Margin.

Coupon Range: 6.00% - 9.00% at all times

Type of Security: Coupon-bearing Non-Convertible Redeemable Unsecured Subordinated Bond

Face Value: BDT 10,000,000 of Each Bond

Issue Price: BDT 10,000,000 of Each Bond

Total Issue Amount: BDT 5,000,000,000 (divided into 500 number of securities)

Issuer:

Mutual Trust Bank Limited



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us

MTB Centre, 26 Gulshan Avenue, Plot 5,
Block SE(D), Gulshan 1, Dhaka 1212

**Credit Rating of the Bond: AA-B
Emerging Credit Rating Limited**



Trustee to the Issue:

UCB Investment Limited



*Tanzim Alamgir
Managing Director & CEO
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Lead Arranger

RSA Advisory Limited



**rsa
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Co-Arranger

MTB Capital Limited



**MTB
CAPITAL LTD.**
You can invest with us

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"If you have any query about this document, you may consult the issuer and the trustee"

Notice & Disclaimer

Mutual Trust Bank Limited (hereinafter referred as the “Bank” or the “MTB” or the “Issuer”) has authorized RSA Advisory Limited (hereinafter referred as “RSAAL” or the “Lead Arranger” or just the “Arranger”) to distribute this Information Memorandum (IM) in connection with the proposed transaction outlined in it (the “Transaction”) and the bonds proposed to be issued in the Transaction (the “Bonds”).

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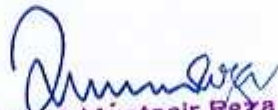
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INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IT IS RECOMMENDED THAT PROSPECTIVE INVESTORS CONSULT THEIR FINANCIAL, LEGAL AND OTHER ADVISERS BEFORE PURCHASING OR ACQUIRING OR INVESTING IN THE SUBORDINATED BONDS.



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Issuer's Disclaimer

All the Features of MTB 5th Subordinated Bond are draft only and finalization of these features are subject to the approvals of concerned regulators. These features may be modified as per the directions of Bangladesh Bank and Bangladesh Securities and Exchange Commission or any other concerned regulators.


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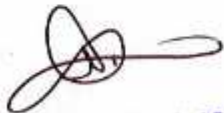
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1 Report to the Eligible Investors

By investing in the Bonds, you are hereby deemed to have acknowledged, represented and warranted to, and agree (as the case may be) for the benefit of the Lead Arranger, as set out below:

High risk: You are fully aware that investment in the Bonds involves a high degree of risk.

Consultation with advisers: You have (i) consulted with your own legal, regulatory, tax, business, investment, financial and accounting advisers in connection herewith to the extent you have deemed necessary, (ii) collected and reviewed all information that you or your advisers believe is necessary or appropriate in connection with the purchase of the Bonds, and (iii) made your own investment decisions based upon your own judgment, due diligence and advice from such advisers as you have deemed necessary and not upon any view expressed by or on behalf of the Lead Arranger.

No reliance: You acknowledge and agree that you may not rely on any investigation that the Lead Arranger or any of its affiliates or any person acting on their behalf may have conducted with respect to the Issuer or any of their affiliates, and neither the Lead Arranger nor its affiliates, employees, officers, directors, legal advisers or representatives have made any representation to you, express or implied, with respect to your investment in the Bonds.

Informed decision: You are in possession of all the information that you believe is necessary or appropriate in order to make an informed decision regarding your purchase of the Bonds, including without limitation, adequate information concerning the Issuer's business, financial condition, results of operations and prospects.

Knowledge and experience: You have such knowledge and experience in financial, business and international investment matters that you are capable of evaluating the merits and risks of purchasing the Bonds and are aware that you may be required to bear, and are able to bear, all risks including economic risk of an investment in the Bonds.

Information of the Company: You acknowledge that the information provided to you with regard to the Issuer and the Bonds in this Information Memorandum has been supplied to you by the Lead Arranger only on behalf of the Issuer and that neither the Lead Arranger nor any of its affiliates, employees, officers, directors, legal advisers or representatives has verified such information or makes any representation or warranty as to its accuracy or completeness.

Review of Information Memorandum: You have reviewed this Information Memorandum in its entirety, including the risks associated with investment in the Bonds, and you understand and acknowledge all of the risks described herein. By investing in the Bonds, you have determined that:

- i. the Bonds are a suitable investment for you and your investment in the Bonds does not and will not, when consummated, violate any investment or other guidelines, policies or restrictions (corporate or otherwise), or any law, rule, regulation or order applicable to you; and
- ii. you have obtained all approvals and consents (whether internal or external), and have made all notifications necessary for you to invest in the Bonds as contemplated; and you can bear the economic risk of the investment and are able to sustain a complete loss in connection with your investment.

Own account: You are purchasing the Bonds for your own account and not with a view to any distribution thereof.

No representation or warranty: The Lead Arranger has not made, and you have not relied upon any representation, warranty or condition (express and/or implied), and the Lead Arranger shall not owe any duty whatsoever to you in connection with the Bonds.

No obligation to purchase: The Lead Arranger shall have no obligation to purchase or acquire all or any part of the Bonds purchased by you or to support losses, if any, directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Bonds, including the non-performance by the issuance, whether to you or otherwise.


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2 Risk Factors and Management's Perception about the Risks

Mutual Trust Bank Limited (The Issuer) operates in the banking industry which is cyclical and hence is exposed to several risk factors arising from external as well as internal matters. Moreover, any investment in debt securities carries risks. Since different debt securities carry different risks, an investment in debt securities has to be evaluated on its own merits.

Investment in MTB 5th Subordinated Bond is in that respect no different. Potential investors are strongly encouraged to carefully evaluate all the information in this Information Memorandum, specially the risk factors both internal and external on their own merit and not by referent to any other debt securities whether of a comparable nature or otherwise before making any investment decision.

This section addresses the possible risks an investor might have to bear by investing in the bonds and each risk factor is followed by management's perception regarding the risk. If any of the risks described below materialize, it could have a serious impact on the Issuer's financial results and the ability of the Issuer to fulfill its obligations under the Bonds to be issued. However, the list of risk factors explained below is not meant to be a comprehensive description of all risks which may be relevant to investing in the Bonds. The sequence in which the risks below are listed is not intended to be indicative of any order of priority or of the extent of their consequences.

2.1 Interest Rate Risk

Interest rate risk is the risk that the bank faces due to unfavorable movements of the market and industry interest rates. The bank may face such unfavorable conditions due to rise in borrowing rates and/or fall in lending rates. The bank's financing in different sectors is mostly structured at fixed rates for specified terms. Volatility in the money market can also raise the cost of funding of the issuer and thus hamper its profitability. Any change in the government's monetary policy also might cause unfavorable movement in interest rates. The risks derived from interest rate fluctuation thus may have a significant impact on the bank's business, profitability and financial condition.

Management's perception

MTB conducts its lending and other business operations by taking appropriate and judicious care of the associated risks. Managing a varied and wide range of risks has always been the primary concern of the bank. In compliance with the requirement of Bangladesh Bank's Asset Liability Management guidelines, MTB has formed "Asset Liability Management Committee" (ALCO) with the senior executives. The Committee meets once every month to set and review strategies on Asset Liability Management (ALM). MTB ALM desk performs Money Market activities, manages liquidity and interest rate risk of the bank, and understands market dynamics i.e. competition, potential target markets etc., updates the balance sheet movements and complies with the statutory obligations as well as the risk elements involved with the business.

2.2 Exchange Rate Risk

Exchange rate fluctuation may reduce the profitability of MTB because it funds foreign trade commitments from various sources of foreign exchange like exports, imports and remittances and holds foreign currencies to serve these purposes. If the local currency appreciates against the major foreign currencies and the bank holds a significant net long position in foreign currencies during that time, the bank might incur losses. Similarly, if the local currency depreciates against the major foreign currencies while the bank holds a net short position in foreign currencies, the bank might also incur losses.

Management's perception

MTB's policy regarding Foreign Exchange, in line with policy given by Bangladesh Bank, has well-defined internal approval procedures and position limits for each foreign currency transactions, as well as vigorous accounting and information systems and internal compliance control. In compliance with the requirement of Bangladesh Bank's Foreign Exchange Risk Management guidelines, Treasury department performs the foreign exchange dealing in an appropriate manner and manages risks of the organization's overall balance sheet as well as the capital of the Bank. MTB's internal audit system reports on foreign exchange risk management policy on a regular basis to the senior management. To minimize the potential losses due to foreign exchange risk the bank emphasizes on i) monitoring dealers' dealing limit ii) reconciliation of


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treasury front and back office positions iii) daily reconciliation of NOSTRO accounts iv) matching of open items and many more.

2.3 Non-repayment Risk

Non-repayment risk is defined as the potential risk that borrower or counterparty will fail to meet its obligations in accordance with agreed terms. Although MTB sets high standards in repaying all its obligations to the depositors and lenders, it is possible that the bank may fail to repay its obligations arising from the bonds to be issued in extreme cases. In the event of default, the investors might suffer from financial loss.

Management's perception

MTB operates under the tight regulations and close supervision of Bangladesh Bank. Moreover, it is highly unlikely that a reputed organization like Mutual Trust Bank Limited will risk its reputation by setting an instance of default. Furthermore, in case of any event of default or non-repayment, the Trustee would give notice period to the Issuer in protecting the Event of Default and take further steps to ensure the interest of the investors.

2.4 Prepayment, Call or Refunding risk

Prepayment, call or refunding risks are the risks associated with the early repayment of the principal amount of a bond. Such risks exist in a bond that has prepayment or call option.

Management's Perception

Since there is no provision for early repayment of the principal amount of the Bonds, the bondholders will not be exposed to prepayment or call risks associated with investing in the Bonds.

2.5 Security Risk

Security is the specific revenue sources or assets pledged by an issuer to the bondholder to secure repayment of the bond. Therefore, security risk is all about the process of recovering the investment by the bond holder by utilizing the charge against the collateral securities in case of Issuer's inability to repay the face value of the bond(s).

Management's Perception

Mutual Trust Bank's subordinated bond is an unsecured bond. Specific revenue sources or assets are not being pledged against issuance of the bonds. However, investors will have the right on the Bank's cash flow to get repaid but rank of a subordinated bond holder is below than other loans (or securities) with regard to claims on assets or earnings.

2.6 Liquidity Risk

The Bank's businesses are subject to liquidity risks and could affect the Bank's ability to meet its financial obligations. In order for the Bank to continue to meet its funding obligations and to maintain or grow its business generally, it relies on customer savings/deposits as well as ongoing access to the wholesale lending markets. The ability of the Bank to access funding sources on favorable economic terms is dependent on a variety of factors, including a number of factors outside of its control, such as general market conditions and confidence in the banking system.

Management's Perception

The management of Mutual Trust Bank is well aware of the risks involving liquidity constraint and is capable of handling such risks by practicing modern Asset Liability Management (ALM) techniques. The ALM committee regularly monitors the overall liquidity position of the bank and proactively makes policy changes in due course of time. Therefore, it is very unlikely that the bondholders will face any material loss from liquidity risk.

2.7 Management Risk

Management risk refers to the chance that company managers may put their own interests ahead of the interest of the company and shareholders. The term signifies the risk of the situation that may occur if the company or any of its stakeholders other than the management would have been better off without the choices made by management. The bondholders may suffer financial losses in such an event.

Management's Perception

The management of Mutual Trust Bank comprises a group of highly professional individuals with considerable experience and reputation in the country's financial industry. Therefore, it is very unlikely that the management will conduct in such an unprofessional manner. Moreover, the management of the bank is constantly supervised by a board of directors consisting of seasoned professionals and entrepreneurs who work hard to ensure that the interests of all the stakeholders are served by the management. Being operated in the highly regulated banking industry is also a safeguard against this risk as Bangladesh Bank monitors the management to ensure best practice in the industry.

2.8 Operational Risk

The business of the bank depends on the ability to process a large number of transactions efficiently and accurately. Losses may occur from inadequate personnel, inadequate or failed internal control processes and systems, or from external events that interrupt normal business operations. There can be no assurance that the Bank will not suffer material losses from operational risk in the future.

Management's Perception

MTB has restructured Internal Control and Compliance Division (ICC) headed by a senior level executive in light of Core Risk guidelines of Bangladesh Bank. The Division is comprised of four departments; Audit and Inspection Department, ICC Compliance Unit, ICC Monitoring Unit and ICC System Audit unit. The Bank has developed an Internal Control and Compliance Policy duly approved by the Board of Directors. 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 & Monitoring Units of this division 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. ICC Division reports serious non-compliances detected by internal and external auditors with up-to-date compliance position thereto, large financial risk exposures, control weaknesses etc. to the Audit Committee of the Board for review and taking appropriate measures. The ICC division also ensures the clear definition of organizational structure, appropriate assignment, accountability and delegation of authorities to functional management to create control and compliance culture within organization with the active guidance and supervision of senior management and Board of Directors.

2.9 Business Risk

Business risk refers to the possibility that the bank will have lower than anticipated profits, or that it will experience a loss rather than a profit. Business risk of the issuer could occur by numerous factors including interest spread, non-interest income, operating expenses, money & capital market volatility, competition, government regulations and economic climate. Like all other companies Mutual Trust Bank is also exposed to certain business risk factors.

Management's Perception

Like all other businesses such risks exist in the banking industry. The Bank scrutinizes all of its clients and the associated risks systematically using up to date risk evaluation techniques and thereby has been able to maintain good asset quality so far and expects the same in the future. Some other systematic (Market) risks might arise from the external environment of the Bank, similar to any other bank.

2.10 Industry Risk

The issuer is operating in a highly competitive market as modern banking industry has brought greater business diversification. Some banks in the industrialized world are entering into investments, underwriting of securities and portfolio management. The entry of new competitors may also deteriorate the competitive environment and result in lower profitability of the bank.


Md. Nazmul Hossain, FCA
Chief Financial Officer
Mutual Trust Bank Limited
Head Office Dhaka


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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Roza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.


Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Management's Perception

Being a robustly growing third generation private commercial bank, MTB has already carved a commendable position in the banking industry of Bangladesh. The Bank has always been careful in offering its products and services at competitive terms and conditions which in turn optimizes its industry risk exposure. The management also continues to focus on more diversification of the loan book. However, like all the other banks currently operating in Bangladesh, industry risk remains a key risk factor for MTB.

2.11 Market and Technology Related Risk

The financial industry of Bangladesh is currently one of the fastest growing in the country and is increasingly becoming competitive. Especially the entrance of nine more banks in the industry in 2012-13 has made the competitive atmosphere more intense. Strong marketing and brand management would be required to increase the bank's customer base.

As the banking industry is becoming more and more technology dependent the risks deriving from technological use is increasing day by day. The bank might be exposed to risks such as cyber-attack, system collapse, system hacking, unauthorized electronic fund transfers, etc.

Management's Perception

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.

2.12 Risk Related to Potential or Existing Government Regulations

The issuer operates its business under the specific guidelines laid by Bangladesh Bank, Bangladesh Securities and Exchange Commission and other regulatory authorities. The bank is also regulated by Bank Companies Act 1991(amended up to 2013), Companies Act 1994, Income Tax Ordinance 1984, Income Tax Rules 1984 and Value Added Tax (VAT) Act 1991. Moreover, Bangladesh Bank changes policy rates including Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) of banking institutions from time to time. Any abrupt changes in the policies and regulations made by the authorities may adversely affect the business of the company.

Management's Perception

Unless any policy change that may negatively and significantly affect the industry as a whole, the business of the bank is expected not to be affected materially. Like all scheduled banks in Bangladesh, MTB has been funding their assets from their deposits after maintaining required SLR including CRR has the bank has been consistently compliant to any such changes. Mutual Trust Bank is capable of dealing with consequences of unfavorable policy or regulatory changes made by the government. Additionally, the regulatory bodies in Bangladesh are least likely to take any steps that might prove detrimental to the country's financial industry.

2.13 Risk Related to Potential Changes in Global or National Policies

A financial institution's ability to operate a profitable business is directly related to the monetary and fiscal policies of the country at any given time. Imposition of restrictive monetary and/or fiscal policy by the government at any time may affect a company's profitability. Again, changes in the existing global or national policies can have either positive or negative impacts on the bank.

Every company operates under the economic policies formulated and imposed by the political government. The government tends to reshape these policies time to time for the sake of greater interest of the country's

economy. Sometimes those changes in existing policy or any future policy framework adversely affect smooth operation of such companies.

Management's Perception

The management of the bank is always concerned about the prevailing and upcoming future changes in the global or national policy and shall response appropriately and timely to safeguard its interest. However, it is possible that MTB suffers from major adverse changes in global and/or national policies in the future.

2.14 Credit Risk

Credit risk is the risk due to a borrower's inability to meet its financial obligations to the lender. The credit risk is generally made up of transaction risk or default risk and portfolio risk. This risk is controlled through segmental exposure limits to various industries and sectors, prudential exposure and substantial exposure ceiling and risk mitigation by obtaining collateral and guarantees.

Management's Perception

Mutual Trust Bank has put in place a well-structured Credit Risk Management policy duly approved by the Board. In addition to Credit Risk Management Policy, the company has also framed board approved credit policy and ensures compliance with regulatory requirements, more particularly in respect of Exposures norms, Assets Classification guidelines, Capital Adequacy guideline, etc. of Bangladesh Bank/other Statutory Authorities.

Credit Risk is monitored by the company account wise and compliance with the risk limits/exposure cap approved by the board is ensured. The quality of internal control system is also monitored and in-house expertise has been built up to tackle all the facets of Credit Risk.

The Bank follows a well-defined multi-layered discretionary power structure for sanction of loans. Credit Grid has been constituted at Plead office level for considering fresh/enhancements proposals. It assesses various risk factors for new products prior to its introduction. Therefore, the Issuer takes various measures for minimizing its credit risk.

2.15 Reputation Risk

Money Laundering risk 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. In place of the Money Laundering Prevention Act, 2002, the government re-enacted Money Laundering Prevention Ordinance, 2008 (ordinance 12 of 2008) on 13.04.08. The government enacted Anti-Terrorism Ordinance, 2008 on 09.06.2008 in order to combat terrorism and financing of terrorism. These two ordinances entrust some duties and responsibilities with financial institutions. Bangladesh Bank, the regulatory authority, has issued at least 20 (twenty) circulars so far which includes, among others, KYC procedures, STR, CTR, Money Laundering Prevention Ordinance 2008, Anti-Terrorism Ordinance, 2008 and their implementation processes. There can be many other reasons for which an organization can suffer from reputational loss.

Management's Perception

MTB in line with the said ordinances, circulars and guidelines of Bangladesh Bank, has developed two separate guidelines on policies and procedures on prevention of Money Laundering and on Combating Financing of Terrorism. As per the provisions of these two ordinances the employees of the Bank have to carry out some duties and responsibilities under the supervision of Bangladesh Bank. In order to ensure the compliance of all the instructions given on different occasions by Bangladesh Bank, Central Compliance Unit (CCU) has been established and Chief Anti-Money Laundering Compliance Officer (CAMLCO) and Branch Anti-Money Laundering Compliance Officers (BAMLCO) have been designated. Additionally, MTB, under the leadership of one of the strongest Board of Directors in the country as well as a professional top management, is continuously working to improve its standards and practices in order to keep pace with global best practices.


Mohammad Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Masuk Muntasir Foyez
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

3 Detailed Description and Information of Issuer's Application

1. Particulars of the issuer, Mutual Trust Bank Limited (MTB)

| | | |
|-----|--|--|
| (a) | Name of the Issuer: | Mutual Trust Bank Limited (MTB) |
| (b) | Legal status of the issuer: | Public company limited by shares |
| (c) | Details of Contact Information: | Corporate Office: MTB Centre, 26 Gulshan Avenue, Plot 5, Block SE(D), Gulshan 1, Dhaka 1212 Phone : 880 (2) 984 6966, 984 2429, Fax : 880 (2) 984 4303 E-mail : info@mutualtrustbank.com Website: https://www.mutualtrustbank.com Contact Person Name: Mohammad Nazmul Hossain, FCA Designation: Group Chief Financial Officer Phone: 01730-781184 E-mail: n.hossain@mutualtrustbank.com Address: MTB Centre, 26 Gulshan Avenue, Plot 5, Block SE(D), Gulshan 1, Dhaka 1212 |
| (d) | Date of incorporation: | September 29, 1999 |
| (e) | Date of commencement of Business: | October 24, 1999 |
| (f) | Authorized capital: | BDT 10,000,000,000 (as on 30 September, 2022) |
| (g) | Paid-up capital: | BDT 8,937,452,240 (as on 30 September, 2022) |
| (h) | Total equity: | BDT 21,780,130,633 (as on 30 September, 2022) |
| (i) | Total liabilities: | BDT 314,072,521,385 (as on 30 September, 2022) |
| (j) | Total financial obligations: | BDT 314,072,521,385 (Total Liability) |
| (k) | Total assets: | BDT 335,852,652,018 (as on 30 September, 2022) |
| (l) | Total tangible assets: | BDT 5,384,883,698 (Fixed Asset including Premises, Furniture and Fixtures) (as on 30 September, 2022) |
| (m) | Net worth: | BDT 21,780,130,633 (as on 30 September, 2022) |
| (n) | Others: | Not Applicable |

2. Particulars of Issue Manager: Not Applicable

3. Particulars of the issue:

| | | |
|-----|---|--|
| (a) | Name of the issue: | MTB 5 th Subordinated Bond |
| (b) | Type of instruments to be issued: | Tier 2 Eligible Non-Convertible Fully-redeemable coupon-bearing Unsecured Subordinated Bond |
| (c) | Purpose of the issue: | The issuance is to generate liquidity to strengthen Tier II capital of the bank |
| (d) | Number of securities and total size of the issue to be offered: | Number of securities being offered: 500 (Five Hundred) no. Total issue amount: BDT 5,000,000,000 (Five Billion Taka) |
| (e) | Face value and issue price of securities mentioning discount or premium thereof: | Face value: BDT 10,000,000 Issue price: BDT 10,000,000 |
| (f) | Coupon rate/discount rate and YTM: | Benchmark Rate: Latest average 6-month FDR rate of all private commercial banks excluding banks licensed after 2010 as published by Bangladesh Bank on the quotation day. |



| | | <p>(The Benchmark Rate will be rounded to 2 (two) decimal places. For example, if the benchmark rate is 5.155, then it should be rounded off to 5.16 and if the benchmark rate is 5.154 then it should be rounded off to 5.15); plus Margin: 2.00% p.a. Coupon Floor Rate: 6.00% p.a. Coupon Ceiling Rate: 9.00% p.a.</p> <p>Coupon Payment: Semi-annual coupon payment starting at the end of 6 months from the date of drawdown</p> | | | | | | | | | | | | | | | | | | | | | | | | |
|-----------------------------|--|---|------|-----------|---------|-----------------------------|---|---------------|-----------------------------|---|---------------|-----------------------------|---------------|---------------|-----------------------------|---------------|---------------|-----------------------------|---------------|---------------|-----------------------------|---------------|---------------|-----------------------------|---------------|---|
| (g) | Tenor | 7 years from the date of issuance | | | | | | | | | | | | | | | | | | | | | | | | |
| (h) | Details of conversion/exchange option features: | Not applicable as the bond is Non-Convertible | | | | | | | | | | | | | | | | | | | | | | | | |
| (i) | Mode of redemption or conversion/exchange | <p>The bond is Fully redeemable. Principal redemptions will be in 5 (five) equal annual instalments commencing at the end of 3rd year (36th month) from the date of drawdown in the following manner;</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Repayment</th> <th>Balance</th> </tr> </thead> <tbody> <tr> <td>End of 1st Year</td> <td>-</td> <td>5,000,000,000</td> </tr> <tr> <td>End of 2nd Year</td> <td>-</td> <td>5,000,000,000</td> </tr> <tr> <td>End of 3rd Year</td> <td>1,000,000,000</td> <td>4,000,000,000</td> </tr> <tr> <td>End of 4th Year</td> <td>1,000,000,000</td> <td>3,000,000,000</td> </tr> <tr> <td>End of 5th Year</td> <td>1,000,000,000</td> <td>2,000,000,000</td> </tr> <tr> <td>End of 6th Year</td> <td>1,000,000,000</td> <td>1,000,000,000</td> </tr> <tr> <td>End of 7th Year</td> <td>1,000,000,000</td> <td>-</td> </tr> </tbody> </table> | Year | Repayment | Balance | End of 1 st Year | - | 5,000,000,000 | End of 2 nd Year | - | 5,000,000,000 | End of 3 rd Year | 1,000,000,000 | 4,000,000,000 | End of 4 th Year | 1,000,000,000 | 3,000,000,000 | End of 5 th Year | 1,000,000,000 | 2,000,000,000 | End of 6 th Year | 1,000,000,000 | 1,000,000,000 | End of 7 th Year | 1,000,000,000 | - |
| Year | Repayment | Balance | | | | | | | | | | | | | | | | | | | | | | | | |
| End of 1 st Year | - | 5,000,000,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| End of 2 nd Year | - | 5,000,000,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| End of 3 rd Year | 1,000,000,000 | 4,000,000,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| End of 4 th Year | 1,000,000,000 | 3,000,000,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| End of 5 th Year | 1,000,000,000 | 2,000,000,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| End of 6 th Year | 1,000,000,000 | 1,000,000,000 | | | | | | | | | | | | | | | | | | | | | | | | |
| End of 7 th Year | 1,000,000,000 | - | | | | | | | | | | | | | | | | | | | | | | | | |
| (j) | Mode of option (call or put), if any, in case of redemption or conversion/exchange and discount or premium thereof | Not applicable as the bond is non-convertible and fully redeemable | | | | | | | | | | | | | | | | | | | | | | | | |
| (k) | Rate of return | <p>Benchmark Rate: Latest average 6-month FDR rate of all private commercial banks excluding banks licensed after 2010 as published by Bangladesh Bank on the quotation day; plus Margin: 2.00% p.a. Coupon Floor Rate: 6.00% p.a. Coupon Ceiling Rate: 9.00% p.a. (excluding risk premium in case of rating trigger fall and late payment penalty in case of late payment)</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| (l) | Applicable tax rate | As per applicable Tax Laws of Bangladesh | | | | | | | | | | | | | | | | | | | | | | | | |
| (m) | Default protection, if any | Not applicable | | | | | | | | | | | | | | | | | | | | | | | | |
| (n) | Type of collateral securities being offered, if any: | Unsecured | | | | | | | | | | | | | | | | | | | | | | | | |
| (o) | Status of securities holders in case of priority of payment | The Bonds shall constitute direct, subordinated, unconditional and unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference or priority among themselves. | | | | | | | | | | | | | | | | | | | | | | | | |
| (p) | Period within which securities to be issued: | As per regulatory approvals | | | | | | | | | | | | | | | | | | | | | | | | |
| (q) | Nature of tradability or listing in the stock exchange(s) (Main Board /ATB/any other platform, mentioning the name of the stock exchange) | Alternative Trading Board (ATB) | | | | | | | | | | | | | | | | | | | | | | | | |
| (r) | Others: | Rating Trigger: If the credit rating of the issue falls below the minimum investment grade i.e. 'BBB' in the long term or "ST-3" in | | | | | | | | | | | | | | | | | | | | | | | | |

| | the short term, then the Issuer shall pay an additional fee on top of the stipulated Coupon Rate as a risk premium as mentioned in the table below: | | | | | | | | | | |
|--------------|---|--------------|--------------------------|----|------|---|------|---|------|---|------|
| | <table border="1"> <thead> <tr> <th>Issue Rating</th> <th>Risk Premium to be Added</th> </tr> </thead> <tbody> <tr> <td>BB</td> <td>0.5%</td> </tr> <tr> <td>B</td> <td>1.0%</td> </tr> <tr> <td>C</td> <td>1.5%</td> </tr> <tr> <td>D</td> <td>2.0%</td> </tr> </tbody> </table> | Issue Rating | Risk Premium to be Added | BB | 0.5% | B | 1.0% | C | 1.5% | D | 2.0% |
| Issue Rating | Risk Premium to be Added | | | | | | | | | | |
| BB | 0.5% | | | | | | | | | | |
| B | 1.0% | | | | | | | | | | |
| C | 1.5% | | | | | | | | | | |
| D | 2.0% | | | | | | | | | | |

4. Particulars of the Trustee:

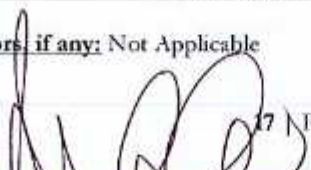
| | |
|---|---|
| (a) Name of the trustee: | UCB investment Limited |
| (b) Paid-up capital of the trustee: | BDT 1,000,000,000 (as on December 31, 2021) |
| (c) Net worth of the trustee: | BDT 1,132,493,978 (as on December 31, 2021) |
| (d) Name of the issue(s) where performing as trustee: | <ul style="list-style-type: none"> • NRBC Bank Subordinated Bond-1 • Bank Asia Perpetual Bond • Mercantile Bank Perpetual Bond • Mir Akhter Zero Coupon Bond • Envoy Textiles Zero Coupon Bond • MTB 5th Subordinated Bond |
| (e) Others: | Not Applicable |

5. Particulars of the credit rating company:

| (a) Name of credit rating company: | Credit rating of the Issuer: Credit Rating Information and Services Limited (CRISL) Credit rating of the Issue: Emerging Credit Rating Limited (ECRL) | | | | | | | | | | | |
|--|---|--|--------------|--------------------------|----|------|---|------|---|------|---|------|
| (b) Credit rating status of the issuer | Long Term Rating: AA Short Term Rating: ST-2 Outlook: Stable | | | | | | | | | | | |
| (c) Credit rating status of the issue: | Long Term Rating: AA-B+ Outlook: Stable *B denotes Bond | | | | | | | | | | | |
| (d) Date and validity of rating along with surveillance rating for the issuer: | Issuer Rating Valid From: 12-May-2022 Validity Date: 11-May-2023 | Issue Rating Valid From: 15-June-2022 Validity Date: 14-June-2023 | | | | | | | | | | |
| (e) Latest default rate of the credit rating company: | Rating category wise: 0.1% Rating band wise 10 years cumulative rate: 0.2% | | | | | | | | | | | |
| (f) Average time to default of the rated category: | 49 months | | | | | | | | | | | |
| (g) Rating trigger, if any: | If the credit rating of the issue falls below the minimum investment grade i.e. 'BBB' in the long term or "ST-3" in the short term, then the Issuer shall pay an additional fee on top of the stipulated Coupon Rate as a risk premium as mentioned in the table below: <table border="1"> <thead> <tr> <th>Issue Rating</th> <th>Risk Premium to be Added</th> </tr> </thead> <tbody> <tr> <td>BB</td> <td>0.5%</td> </tr> <tr> <td>B</td> <td>1.0%</td> </tr> <tr> <td>C</td> <td>1.5%</td> </tr> <tr> <td>D</td> <td>2.0%</td> </tr> </tbody> </table> | | Issue Rating | Risk Premium to be Added | BB | 0.5% | B | 1.0% | C | 1.5% | D | 2.0% |
| Issue Rating | Risk Premium to be Added | | | | | | | | | | | |
| BB | 0.5% | | | | | | | | | | | |
| B | 1.0% | | | | | | | | | | | |
| C | 1.5% | | | | | | | | | | | |
| D | 2.0% | | | | | | | | | | | |
| (h) Others: | Not Applicable | | | | | | | | | | | |

6. Particulars of originators, if any: Not Applicable


Anad Nazmul Hossain, FCA
Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Mark Murtasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.


Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

7. Particulars of other contractual parties:

| | | |
|-----|---|--|
| (a) | Name of the Lead Arranger: | RSA Advisory Limited |
| (b) | Legal status of the Lead Arranger: | Private limited company |
| (c) | Details of contact information of Lead Arranger: | RSA Advisory Limited House 85, Level 04, Road 03, Block F, Banani, Dhaka-1213 Phone : 0967 733 3666, E-mail : info@rsacapital.com Website: https://www.rsacapital.com Contact Person Name: Md. Mueyedul Islam Mueyed Designation: Senior Officer Phone: 016 8800 6080 E-mail: mueyed@rsacapital.com Address: House 85, Level 04, Road 03, Block F, Banani, Dhaka-1213 |
| (d) | Name of the issue managed by the issue manager: | MTB 5 th Subordinated Bond |
| (e) | Name of the Co-Arranger: | MTB Capital Limited |
| (f) | Legal status of the Co-Arranger: | Private limited company |
| (g) | Details of contact information of Co-Arranger: | MTB Capital Limited Chandrashila Suvastu Tower (2nd Floor) 69/1, Panthapath, Dhaka 1205 Phone: +880 2 964 1157 Fax: +880 2 964 1159 E-mail: info.mtbcap@mutualtrustbank.com Website: www.mtbcap.com Contact Person Name: Md. Ashadul Islam Designation: Board Secretary and Compliance Officer Phone: 018 1841 6284 E-mail: ashad@mutualtrustbank.com Address: Chandrashila Suvastu Tower (2nd Floor) 69/1, Panthapath, Dhaka 1205 |
| (h) | Paying Agent, Register, Transfer Agent | UCB Investment Limited |
| (i) | Legal Advisor | Lex Juris |

4 Detail Plan of the Utilization of Proceeds


4.1 Purpose of Issuance of MTB 5th Subordinated Bond

Mutual Trust Bank has decided to raise capital through issuance of subordinated bonds in order to strengthen its capital base in accordance with Basel III guidelines of Bangladesh Bank. The proposed subordinated bond issue will help the bank enhance its capital strength through raising Tier 2 capital and continue its balance sheet growth.

4.2 Plan Regarding Utilization of Proceeds

Apart from strengthening of the bank's capital base, the proceeds from the issue will be used for undertaking general business activities of the bank including loans and investments in treasury and other securities. In summary, the proceeds will primarily be used for:

- Raising Tier-2 capital of the bank
- Growing the bank's loan portfolio in corporate, SME and retail segments
- Investing in treasury securities and other instruments


Mohammad Asadul Hossain, FCA
Group Chief Financial Officer
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19 Page
Syed Mahbubur Rahman
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Mark Muntasir Raza
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Group Company Secretary
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Managing Director & CEO
UCB Investment Limited

5 Features of the Debt Security

MTB 5th Subordinated Bond is a non-convertible, fully redeemable, unsecured subordinated debt instrument with a tenure of 7 years. The claims of the potential holders of the Bonds are junior to the claims of the depositors and other creditors of the Issuer. The bonds are unsecured and will not be insured by any deposit insurance scheme. The bonds are non-convertible and fully redeemable and will be ineligible as collateral for any loan made by the Issuer. The major features¹ of the MTB 5th Subordinated Bond are presented below:

5.1 Basic Features of the Instrument

Table 1: Basic Features of MTB 5th Subordinated Bond

| | |
|--|--|
| Issuer: | Mutual Trust Bank Limited |
| The Issue: | 500 coupon-bearing non-convertible fully redeemable unsecured Subordinated Bonds of BDT 10,000,000 (Ten million Taka) each at par totaling BDT 5,000,000,000 (Five billion Taka) |
| Name of the Instrument: | MTB 5 th Subordinated Bond |
| Mandated Lead Arranger: | RSA Advisory Limited |
| Arrangement Basis: | Best Efforts |
| Purpose: | To raise Tier-2 Capital |
| Investors: | Local Financial Institutions, Insurance Companies, Corporate etc and any other eligible investors. |
| Currency: | Bangladeshi Taka ("BDT") |
| Face Value: | BDT 10,000,000 (Ten Million) Per Bond |
| Denomination/Minimum Subscription: | BDT 10,000,000 (Ten Million Taka) |
| Mode of Placement: | Private Placement on a best effort basis |
| Issue Price: | 100% at Par |
| Issue Size: | BDT 5,000,000,000 (Five Billion Taka) |
| Issue Type: | Tier 2 Eligible Subordinated Bond |
| Tenor: | 7 years from the date of issuance |
| Trustee: | UCB Investment Limited |
| Paying Agent, Register, Transfer Agent: | UCB Investment Limited |
| Legal Counsel: | Lex Juris |
| Credit Rating Agency: | Emerging Credit Rating Limited (ECRI) |
| Total Bonds to be issued: | 500 (Five Hundred) no. |
| Investors: | Institutional investors and high net-worth individual investors |
| Yield to Maturity/ Rate of Return | Coupon Rate |
| Coupon Rate: | Reference Rate + Coupon Margin |
| Reference Rate: | Latest average 6-month FDR rate of all private commercial banks excluding banks licensed after 2010 as published by Bangladesh Bank on the quotation day. The Reference Rate will be rounded to 2 (two) decimal places. For example, if the benchmark rate is 5.155, then it should be rounded off to 5.16 and if the benchmark rate is 5.154 then it should be rounded off to 5.15 |

¹ All the features of MTB 5th Subordinated Bond are draft only and finalization of these features are subject to the approvals of concerned regulators.

| Quotation Day: | 5 business days before the first day of any period for which a Coupon Rate is to be determined. | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------------------|--|---------------|--------------------------|---------|-----------------------------|---|---------------|-----------------------------|------|---------------|-----------------------------|---------------|---------------|-----------------------------|---------------|---------------|-----------------------------|---------------|---------------|-----------------------------|---------------|---------------|-----------------------------|---------------|---|
| Coupon Margin: | 2.0% | | | | | | | | | | | | | | | | | | | | | | | | |
| Range of Coupon Rate: | 6.00% to 9.00% at all times. (excluding risk premium in case of rating trigger fall and late payment penalty in case of late payment) | | | | | | | | | | | | | | | | | | | | | | | | |
| Coupon Payment: | Semi-annually starting after 6 months from the drawdown date | | | | | | | | | | | | | | | | | | | | | | | | |
| Repayment Schedule: | Face Value (principal) redemptions will be in 5 (five) equal annual tranches commencing at the end of 3 rd year from the date of drawdown in the following manner: <table border="1" data-bbox="726 609 1324 878"> <thead> <tr> <th>Year</th> <th>Repayment</th> <th>Balance</th> </tr> </thead> <tbody> <tr> <td>End of 1st Year</td> <td>-</td> <td>5,000,000,000</td> </tr> <tr> <td>End of 2nd Year</td> <td>-</td> <td>5,000,000,000</td> </tr> <tr> <td>End of 3rd Year</td> <td>1,000,000,000</td> <td>4,000,000,000</td> </tr> <tr> <td>End of 4th Year</td> <td>1,000,000,000</td> <td>3,000,000,000</td> </tr> <tr> <td>End of 5th Year</td> <td>1,000,000,000</td> <td>2,000,000,000</td> </tr> <tr> <td>End of 6th Year</td> <td>1,000,000,000</td> <td>1,000,000,000</td> </tr> <tr> <td>End of 7th Year</td> <td>1,000,000,000</td> <td>-</td> </tr> </tbody> </table> | Year | Repayment | Balance | End of 1 st Year | - | 5,000,000,000 | End of 2 nd Year | - | 5,000,000,000 | End of 3 rd Year | 1,000,000,000 | 4,000,000,000 | End of 4 th Year | 1,000,000,000 | 3,000,000,000 | End of 5 th Year | 1,000,000,000 | 2,000,000,000 | End of 6 th Year | 1,000,000,000 | 1,000,000,000 | End of 7 th Year | 1,000,000,000 | - |
| Year | Repayment | Balance | | | | | | | | | | | | | | | | | | | | | | | |
| End of 1 st Year | - | 5,000,000,000 | | | | | | | | | | | | | | | | | | | | | | | |
| End of 2 nd Year | - | 5,000,000,000 | | | | | | | | | | | | | | | | | | | | | | | |
| End of 3 rd Year | 1,000,000,000 | 4,000,000,000 | | | | | | | | | | | | | | | | | | | | | | | |
| End of 4 th Year | 1,000,000,000 | 3,000,000,000 | | | | | | | | | | | | | | | | | | | | | | | |
| End of 5 th Year | 1,000,000,000 | 2,000,000,000 | | | | | | | | | | | | | | | | | | | | | | | |
| End of 6 th Year | 1,000,000,000 | 1,000,000,000 | | | | | | | | | | | | | | | | | | | | | | | |
| End of 7 th Year | 1,000,000,000 | - | | | | | | | | | | | | | | | | | | | | | | | |
| Credit Rating: | <p>Issuer Rating AA (Long Term), ST-2 (Short Term), Outlook: Stable Validity Date: 11-May-2023 Rating Agency: Credit Rating Information and Services Limited (CRISL)</p> <p>Issue Rating AA-B Validity Date: 14-June-2023 Rating Agency: Emerging Credit Rating Limited (ECRL)</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| Rating trigger, if any: | If the credit rating of the issue falls below the minimum investment grade i.e. 'BBB' in the long term or "ST-3" in the short term, then the Issuer shall pay an additional fee on top of the stipulated Coupon Rate as a risk premium as mentioned in the table below: <table border="1" data-bbox="758 1339 1300 1489"> <thead> <tr> <th>Issue Rating</th> <th>Risk Premium to be Added</th> </tr> </thead> <tbody> <tr> <td>BB</td> <td>0.5%</td> </tr> <tr> <td>B</td> <td>1.0%</td> </tr> <tr> <td>C</td> <td>1.5%</td> </tr> <tr> <td>D</td> <td>2.0%</td> </tr> </tbody> </table> | Issue Rating | Risk Premium to be Added | BB | 0.5% | B | 1.0% | C | 1.5% | D | 2.0% | | | | | | | | | | | | | | |
| Issue Rating | Risk Premium to be Added | | | | | | | | | | | | | | | | | | | | | | | | |
| BB | 0.5% | | | | | | | | | | | | | | | | | | | | | | | | |
| B | 1.0% | | | | | | | | | | | | | | | | | | | | | | | | |
| C | 1.5% | | | | | | | | | | | | | | | | | | | | | | | | |
| D | 2.0% | | | | | | | | | | | | | | | | | | | | | | | | |
| Listing: | Will be listed on Alternative Trading Board (ATB) | | | | | | | | | | | | | | | | | | | | | | | | |
| Governing Law: | Laws of Bangladesh. | | | | | | | | | | | | | | | | | | | | | | | | |


Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Malik Muntasir Beza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.


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Syed Manabur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

5.2 Rate of Return, Yield to Maturity, Coupon/Discount Rate

Rate of return comprises of reference rate and Margin.

- **Reference Rate:** Latest average 6-month FDR rate of all private commercial banks excluding banks licensed after 2010 as published by Bangladesh Bank on the quotation day.
 - The Reference Rate will be rounded to 2 (two) decimal places. For example, if the benchmark rate is 5.155, then it should be rounded off to 5.16 and if the benchmark rate is 5.154 then it should be rounded off to 5.15.
- **Coupon Margin:** 2.00% p.a.
- **Coupon Floor Rate:** 6.00%
- **Coupon Ceiling Rate:** 9.00%
- **Coupon payment:** Coupon to be paid semi-annually. First coupon will be paid after 6 months from the drawdown date.

5.3 Transferability/Liquidity;

Transferable in accordance with the provisions of Trust Deed.

5.4 Prepayment, Call, Refunding, Conversion or Exchange option;

The Bond is non-convertible and not-callable in nature and has no prepayment option.

5.5 Early redemption or Late redemption;

The Issuer shall pay a late payment penalty of 2% (two per cent) higher than the Coupon Rate and be payable on the amount not paid on the due date up till the date of actual payment.

5.6 Tax Features;

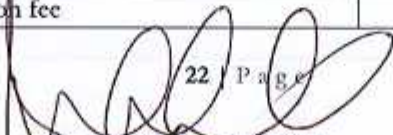
All payments made by the Issuer or under or in respect of the Trust Deed or the Bonds will be subject to any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Bangladesh or any political subdivision thereof or any authority thereof or therein having power to tax. The Issuer will not be Obligated pay any additional amounts in respect of such taxes, duties, assessments or governmental charges that may from time to time be deducted or withheld from such payments, but will provide or procure the provision of original or authenticated tax receipts relating to any such deductions or withholdings to Bondholders.

5.7 Costs related to the issue;

Total costs for issuing the bond (considering BDT 5,000 million is successfully raised) have been estimated to be BDT 48.95 million. The details of the cost breakdown is given below:

| Cost Associated with MTB 5 th Subordinated Bond | |
|--|---------------|
| Face value of MTB 5 th bond | 5,000,000,000 |
| Arranger & Co-arranger Fee | 25,000,000 |
| VAT on arranger fee | 3,750,000 |
| BSEC consent fee | 5,000,000 |
| BSEC Application fee | 10,000 |
| Trustee application fee | 50,000 |
| Trustee registration fee | 100,000 |

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Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited


Matik Muntasir Toza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office Dhaka

| | |
|--------------------------------------|-------------------|
| Annual trustee fee to BSEC (7 years) | 350,000 |
| Trustee fee (7 years) | 1,750,000 |
| VAT on Trustee fee | 262,500 |
| Credit rating fee (7 years) | 630,000 |
| VAT on credit rating fee | 47,250 |
| Legal Counsel | 150,000 |
| VAT on legal counsel fee | 22,500 |
| Miscellaneous (stamp, printing ad) | 50,000 |
| (A) Total bond issuance fee | 37,172,250 |

| Listing Fee on ATB | |
|------------------------------------|-------------------|
| CDBL Fee (5000000000*0.00015) | 750,000 |
| CDBL Annual fee | 50,000 |
| DSE listing Fee (5000000000*0.15%) | 7,500,000 |
| DSE listing Annual fee | 600,000 |
| Total Listing fee | 8,900,000 |
| Issue manager fee for listing | 2,500,000 |
| VAT on issue manager | 375,000 |
| (B) Total listing fee | 11,775,000 |

| | |
|------------------------------|-------------------|
| Total bond cost (A+B) | 48,947,250 |
|------------------------------|-------------------|

5.8 Repayment Schedule

Face Value (principal) redemptions of every tranche will be in 5 (five) equal annual installments commencing at the end of 3rd year from the issue date of the respective tranche.

Table 2: Repayment Schedule of MTB 5th Subordinated Bond

| MTB 5 th Subordinated Bond | | | | | | |
|---|-----------------|--------|-------------------|--------------------------|----------------------|----------------|
| Repayment Schedule for Total Issue of BDT 5,000 Million | | | | | | |
| Year | No. of Tranches | Months | Beginning Balance | Principal Redemption (%) | Principal Redemption | Ending Balance |
| 1 st | | 6 | 5,000,000,000 | 0.00% | - | 5,000,000,000 |
| | | 12 | 5,000,000,000 | 0.00% | - | 5,000,000,000 |
| 2 nd | | 18 | 5,000,000,000 | 0.00% | - | 5,000,000,000 |
| | | 24 | 5,000,000,000 | 0.00% | - | 5,000,000,000 |
| 3 rd | 1 | 30 | 5,000,000,000 | 0.00% | - | 5,000,000,000 |
| | | 36 | 5,000,000,000 | 20.00% | 1,000,000,000 | 4,000,000,000 |
| 4 th | 2 | 42 | 4,000,000,000 | 0.00% | - | 4,000,000,000 |
| | | 48 | 4,000,000,000 | 20.00% | 1,000,000,000 | 3,000,000,000 |
| 5 th | 3 | 54 | 3,000,000,000 | 0.00% | - | 3,000,000,000 |
| | | 60 | 3,000,000,000 | 20.00% | 1,000,000,000 | 2,000,000,000 |
| 6 th | 4 | 66 | 2,000,000,000 | 0.00% | - | 2,000,000,000 |
| | | 72 | 2,000,000,000 | 20.00% | 1,000,000,000 | 1,000,000,000 |
| 7 th | 5 | 78 | 1,000,000,000 | 0.00% | - | 1,000,000,000 |
| | | 84 | 1,000,000,000 | 20.00% | 1,000,000,000 | - |

5.9 Call or put option, and premium or discount thereof, if any;

Not Applicable

Mohammad Nazim Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
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Syed Mahabubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Matik Muntasir Reza
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Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

5.10 Credit enhancement or guarantee, if any;
Not Applicable

5.11 Enforcement of Charges over Securities

The Trustee may at any time, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to recover any amounts due in respect of the Bonds which are unpaid or to enforce any of its rights under this Trust Deed or the Conditions but it shall not be bound to take any such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or a Written Resolution and (b) it shall have been indemnified and/or secured to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith and provided that the Trustee shall not be held liable for the consequence of taking any such action and may take such action without having regard to the effect of such action on individual Bondholders. Only the Trustee may enforce the provisions of the Bonds or this Trust Deed and no Bondholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.


6 Description of collateral Security

Subordinated Bonds are unsecured and rank below deposits, borrowings and secured bonds with regard to claims on assets or earnings. MTB 5th Subordinated Bond is unsecured and the claims of the bondholders are not covered by any collateral or security thereon and therefore no charge against the issues.


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Syed Manubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Mohammad Nazmul Hossein, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

7 Rights Duties and Obligations of the Issuer

7.1 Covenant to Repay

The Issuer covenants with the Trustee that it will, as and when the Bonds or any of them become due to be redeemed or any principal on the Bonds or any of them becomes due to be repaid in accordance with the Conditions, unconditionally pay or procure to be paid to or to

the order of the Trustee in Bangladesh Taka in Dhaka in immediately available freely transferable funds the principal amount of the Bonds or any of them becoming due for redemption or repayment on that date and shall (subject to the provisions of the Conditions) until all such payments (both before and after judgment or other order) are duly made unconditionally pay or procure to be paid to or to the order of the Trustee as aforesaid on the dates provided for in the Conditions interest on the principal amount of the Bonds or any of them outstanding from time to time as set out in the Conditions *provided that:*

- 7.1.1 every payment of principal or interest in respect of the Bonds or any of them made to or to the account of the Bondholders shall satisfy, to the extent of such payment ;
- 7.1.2 if any payment of principal or interest in respect of the Bonds or any of them is made after the due date, payment shall be deemed not to have been made until either the full amount is paid to the Bondholders or, if earlier, the seventh day after notice has been given to the Bondholders in accordance with the Conditions that the full amount has been received by the Trustee to the extent that there is failure in the subsequent payment to the Bondholders under the Conditions; and
- 7.1.3 in any case where payment of the whole or any part of the principal amount due in respect of any Bond is improperly withheld or refused interest shall accrue at applicable interest rate for the Bond on the whole or such part of such principal amount from the date of such withholding or refusal until the date either on which such principal amount due is paid to the Bondholders or, if earlier, the seventh day after which notice is given to the Bondholders in accordance with the Conditions that the full amount payable in respect of the said principal amount is available for collection by the Bondholders such payment is in fact made.

The Trustee will hold the benefit of this covenant and the covenants in Clause 11.3 (*Covenant to comply with Trust Deed, Conditions and Schedules*), and Clause 11.4 (*Covenants by the Issuer*) on trust for the Bondholders.

7.2 Following an Event of Default

At any time after any Event of Default shall have occurred, the Trustee may:

by notice in writing to the Issuer, require it to make all subsequent payments in respect of Bonds to or to the order of the Trustee and with effect from the issue of any such notice until such notice is withdrawn, sub-clause 11.1.1 of Clause 11.1 (*Covenant to Repay*) and (so far as it concerns payments by the Issuer) Clause 19.2 of the Trust Deed (*Payment to Bondholders*) shall cease to have effect.

7.3 Covenant to comply with Trust Deed, Conditions, Schedules and applicable law

- 7.3.1 The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of this Trust Deed, the Conditions (including, without limitation, Condition 5 (*Covenants*)) and the other Schedules which are expressed to be binding on it and to perform and observe the same. The Bonds are subject to the provisions contained in this Trust Deed, all of which shall be binding upon the Issuer and the Bondholders and all persons claiming through or under them respectively. The Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, this Trust Deed and the other Bond Documents and will be deemed to have notice of all of the provisions of the Bond Documents applicable to them.
- 7.3.2 The Issuer hereby covenants with the Trustee to comply with, perform and observe all those provisions of the applicable law including but is not limited to Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021. The Issuer agrees that Bondholders and all persons claiming under or through them respectively will also be entitled to the benefit of, and will be bound by, the applicable law and will be deemed to have notice of all of the provisions of the applicable law applicable to them.
- 7.3.3 The Trustee shall itself be entitled to enforce the obligations of the Issuer under the Bonds and the Conditions and the applicable law as if the same were set out and contained in this Trust Deed which shall be read and construed as one document with the Bonds.

7.4 Covenants by the Issuer

The Issuer hereby covenants with the Trustee that, so long as any of the Bonds remain outstanding, it will:

7.4.1 Books of account:

At all times keep and procure that all its Subsidiaries keep such books of account as may be necessary to comply with all applicable laws and so as to enable the financial statements of the Issuer to be prepared and allow, subject to confidentiality obligations under applicable law, the Trustee and any person appointed by it free access to the same at all reasonable times and to discuss the same with responsible officers of the Issuer;

7.4.2 Event of Default:

Give notice in writing to the Trustee forthwith upon becoming aware of any Event of Default and without waiting for the Trustee to take any further action;

7.4.3 Corporate Governance:

Comply (and shall ensure that each member of the Group will) in all material respects with the corporate governance guidelines set out by the Bangladesh Bank and the Bangladesh Securities and Exchange Commission.

7.4.4 Information:

So far as permitted by applicable law, at all times give to the Trustee such information, opinions, certificates and other evidence as it shall require and, in such form, as it shall require in relation to Issuer for the performance of its obligations under the Bond Documents;

7.4.5 Execution of further Documents:

So far as permitted by applicable law, at all times execute all such further documents and do all such further acts and things as may be necessary at any time or times in the opinion of the Trustee to give effect to the provisions of this Trust Deed;

7.4.6 Notices to Bondholders:

Send or procure to be sent to the Trustee not less than 5 (five) business days prior to the date of publication, one copy of each notice to be given to the Bondholders in accordance with the Conditions and, upon publication, send to the Trustee two copies of such notice;

7.4.7 Notification of non-payment:

Notify the Trustee forthwith in the event that it does not, on or before the due date for payment in respect of the Bonds or any of them, pay unconditionally the full amount in the relevant currency of the moneys payable on such due date on all such Bonds;

7.4.8 Notification of late payment:

In the event of the unconditional payment to the Trustee of any sum due in respect of the Bonds or any of them being made after the due date for payment thereof, forthwith give notice to the Bondholders that such payment has been made;

7.4.9 Notification of redemption or repayment:

14 (Fourteen) days prior to the Redemption Dates or purchase in respect of any Bond, give to the Trustee notice in writing of the amount of such redemption or purchase pursuant to the Conditions and duly proceed to redeem or purchase such Bonds accordingly;

7.4.10 Authorised Signatories:

Upon the execution hereof and thereafter forthwith upon any change of the same, deliver to the Trustee a list of the Authorised Signatories of the Issuer, together with certified specimen signatures of the same; and

7.4.11 Payments:

Pay moneys payable by it to the Trustee hereunder without set off, counterclaim, deduction or withholding, unless otherwise compelled by law and in the event of any deduction or withholding compelled by law will pay such additional amount as will result in the payment to the Trustee of the amount which would otherwise have been payable by it to the Trustee hereunder


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Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

8 Rights Duties and Obligations of the Trustee

8.1 Trustee's Rights

- 8.1.1 *Applicable Law:* Notwithstanding anything contained in this Trust Deed the Trustee shall have all such rights and powers granted to it under the applicable law including but is not limited to Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.
- 8.1.2 *Advice:* The Trustee may in relation to this Trust Deed act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (whether obtained by the Trustee, the Issuer, or any Subsidiary) and which advice or opinion may be provided on such terms (including as to limitations on liability) as the Trustee may consider in its sole discretion to be consistent with prevailing market practice with regard to advice or opinions of that nature and shall not be responsible for any Liability occasioned by so acting; any such opinion, advice, certificate or information may be sent or obtained by letter, telegram, telex, cablegram or facsimile transmission;
- 8.1.3 *Resolution or direction of Bondholders:* the Trustee shall not be responsible for acting upon any resolution purporting to be a Written Resolution or to have been passed at any meeting of the Bondholders in respect whereof minutes have been made and signed or a direction of a specified percentage of Bondholders, even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or the making of the directions or that for any reason the resolution purporting to be a Written Resolution or to have been passed at any Meeting or the making of the directions was not valid or binding upon the Bondholders;
- 8.1.4 *Trustee not responsible for investigations:* save as otherwise provided by applicable law, the Trustee shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person contained in this Trust Deed, the Bonds, or any other agreement or document relating to the transactions herein or therein contemplated or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof;
- 8.1.5 *Entry on the Register:* the Trustee shall not be liable to the Issuer or any Bondholder by reason of having accepted as valid or not having rejected any entry on the Register later found to be forged or not authentic and can assume for all purposes in relation hereto that any entry on the Register is correct;
- 8.1.6 *Events of Default:* save as otherwise provided by applicable law, until it shall have actual knowledge or express notice to the contrary, the Trustee shall be entitled to assume that no such Event of Default has happened and that the Issuer is observing and performing all the obligations on its part contained in the Bonds and under this Trust Deed and no event has happened as a consequence of which any of the Bonds may become repayable; and
- 8.1.7 *Right to Deduct or Withhold:* notwithstanding anything contained in this Trust Deed, to the extent required by any applicable law, if the Trustee is or will be required to make any deduction or withholding from any distribution or payment made by it hereunder or if the Trustee is or will be otherwise charged to, or is or may become liable to, tax as a consequence of performing its duties hereunder whether as principal, agent or otherwise, and whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whenever made upon the Trustee, and whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Trust Deed (other than in connection with its remuneration as provided for herein) or any investments or deposits from time to time representing the same, including any income or gains arising there from or any action of the Trustee in connection with the trusts of this Trust Deed (other than the remuneration herein specified) or otherwise, then the Trustee shall be entitled to make such deduction or withholding or, as the case may be, to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Trustee to tax from the funds held by the Trustee upon the trusts of this Trust Deed.
- 8.1.8 *Liability:* The Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to this Trust Deed or the Bonds save in relation to its own gross negligence, wilful default or fraud. This Clause 6.1.8 shall survive the termination or expiry of this Trust Deed or the removal or termination of the Trustee.



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- 8.1.9 *Force Majeure*: The Trustee shall not be liable for any failure or delay in the performance of its obligations under this Trust Deed or any other Bond Document because of circumstances beyond such Trustee's control, including, without limitation, acts of God, flood, war (whether declared or undeclared), terrorism, fire, riot, embargo, labour disputes, any laws, ordinances, regulations or the like which restrict or prohibit the performance of the obligations contemplated by this Trust Deed or any other Bond Document, inability to obtain or the failure of equipment, or interruption of communications or computer facilities, and other causes beyond such Trustee's control whether or not of the same class or kind as specifically named above.
- 8.1.10 *Immunities*: The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Trust Deed shall extend to the Trustee's officers, directors and employees. Such immunities and protections and right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the defeasance or discharge of this Trust Deed and final payment of the Bonds. The Issuer acknowledges that in any proceedings taken in relation to this Trust Deed, it will not be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.
- 8.1.11 *Professional charges*: any trustee being a banker, lawyer, broker or other person engaged in any profession or business shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or his partner or firm on matters arising in connection with the trusts of this Trust Deed and also his properly incurred charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with this Trust Deed, in each case as agreed pursuant to the Fee Letter (including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person);
- 8.1.12 *Expenditure by the Trustee*: nothing contained in this Trust Deed shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties or the exercise of any right, power, authority or discretion hereunder if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it; and
- 8.1.13 *Trustee may enter into financial transactions with the Issuer*: no Trustee and no director or officer of any corporation being a Trustee hereof shall by reason of the fiduciary position of such Trustee be in any way precluded from making any contracts or entering into any transactions in the ordinary course of business with the Issuer or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, or from accepting the trusteeship of any other debenture stock, debentures or securities of the Issuer or any Subsidiary or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, and neither the Trustee nor any such director or officer shall be accountable to the Bondholders or the Issuer or any Subsidiary, or any person or body corporate directly or indirectly associated with the Issuer or any Subsidiary, for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and the Trustee and any such director or officer shall also be at liberty to retain the same for its or his own benefit.
- 8.1.14 *Trustee Liability*: The Trustee shall not be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to this Trust Deed or the Bonds save in relation to its own gross negligence, wilful default or fraud.
- 8.1.15 *Right to Sue*: The Trustee may sue and may be sued on behalf of the Bondholders.
- 8.2 Trustee's powers and duties**
- 8.2.1 *Applicable Law*: Notwithstanding anything contained in this Trust Deed the Trustee shall have all such responsibility as set out in the applicable law including but is not limited to Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021.
- 8.2.2 *Act for Bondholders*: Subject to applicable law and terms and conditions of this Trust Deed, the Trustee shall act on behalf and for the exclusive interest of the Bondholders;
- 8.2.3 *Monitoring*: Trustee shall ensure that Issuer is observing the applicable law for the Bonds and the terms and conditions of the Bond Documents. As soon as the Trustee is aware of any breach by the Issuer it shall immediately inform the Bondholders and the Issuer of such breach;
- 8.2.4 *Report to BSEC*: Trustee shall submit an annual compliance report to the BSEC on the activities of the Issuer including repayment of dues to the Bondholders. When Trustee shall submit such report to the BSEC it shall provide copy to the Issuer and the Bondholders;
- 8.2.5 *Grievances of the Bondholders*: Upon receipt of a complaint from the Bondholders Trustee shall take necessary steps for redress of grievances of the Bondholders within one month of the date of receipt of the complaints and he shall keep the BSEC and the Issuer informed about the number, nature and other particulars of the complaints received and the manner in which such complaints have been redressed;

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mohammod Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Md. Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

- 8.2.6 *Trustee's determination* The Trustee may determine whether or not a default in the performance or observance by the Issuer of any obligation under the provisions of this Trust Deed or contained in the Bonds is capable of remedy and if the Trustee shall certify that any such default is, in its opinion, not capable of remedy, such certificate shall be conclusive and binding upon the Issuer and the Bondholders;
- 8.2.7 *Determination of questions:* the Trustee as between itself and the Bondholders shall have full power to determine all questions and doubts arising in relation to any of the provisions of this Trust Deed and every such determination, whether made upon a question actually raised or implied in the acts or proceedings of the Trustee, shall be conclusive and shall bind the Trustee and the Bondholders;
- 8.2.8 *Trustee's discretion:* the Trustee shall (save as expressly otherwise provided herein) as regards all the trusts, powers, authorities and discretions vested in it by this Trust Deed or by operation of law, on reasonable ground have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and the Trustee shall not be responsible for any Liability that may result from the exercise or non-exercise thereof (save as otherwise provided by applicable law) but whenever the Trustee is under the provisions of this Trust Deed bound to act at the request or direction of the Bondholders, the Trustee shall nevertheless not be so bound unless first indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing;
- 8.2.9 *Trustee's consent:* any consent given by the Trustee for the purposes of this Trust Deed may be given on such terms and subject to such conditions (if any) as the Trustee may require;
- 8.2.10 *Application of proceeds:* the Trustee shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Bonds;
- 8.2.11 *Error of judgment:* the Trustee shall not be liable for any error of judgment made in good faith applying due diligence and without negligence by any officer or employee of the Trustee assigned by the Trustee to administer its corporate trust matters, save in relation to its own gross negligence, wilful default or fraud;
- 8.2.12 *Agents:* Subject to the provisions of the Trust Act 1882 and Bangladesh Securities and Exchange Commission (Debt Securities) Rules 2021, the Trustee may, in the conduct of the trusts of this Trust Deed instead of acting personally, employ and pay an agent on any terms, whether or not a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Trustee (including the receipt and payment of money) with the consent of Issuer and the Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person *provided that* the Trustee had exercised reasonable care in the appointment of such person;
- 8.2.13 *Confidential information:* the Trustee shall not (unless required by law or ordered so to do by a court of competent jurisdiction) be required to disclose to any Bondholder confidential information or other information made available to the Trustee by the Issuer in connection with this Trust Deed and no Bondholder shall be entitled to take any action to obtain from the Trustee any such information.
- 8.2.14 *Determination of Interest Rate:* the Trustee shall determine Applicable Interest Rate in accordance with Condition of the Bond.

8.3 Exercise of Discretion

- 7.3.1. Notwithstanding anything in this Trust Deed to the contrary, the Trustee shall not be obliged to exercise or consider exercising any discretion or consider making or make any determination (including, without limitation, any determination as to whether any fact or circumstance or activity or thing is material or substantial or complies with some such similar quantitative standard) or to consider taking or take any action whatsoever in connection with or under or pursuant to the Bonds unless directed to do so by the holders of not less than 66²/₃ percent in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution of Bondholders (subject in all cases to the Trustee having been indemnified or provided with security to its satisfaction and otherwise being satisfied that it is lawful for it to so exercise discretion, make a determination or otherwise take any action). Such direction shall specify the way in which the Trustee shall exercise such discretion or, as the case may be, make the determination or take the action to be taken by the Trustee.
- 7.3.2. The Trustee will be responsible for any loss, expense, damage, claim, cost, charge or liability which may be suffered as a result of any exercise or non-exercise of a discretion or the making or failure to make any determination or the taking or failure to take any action by the Trustee, acting on the directions of the Bondholders as aforesaid or pending the provision of such a direction.

9 Rights Duties and Obligations of the Arranger


The Issuer has appointed RSA Advisory Limited as the Mandated Lead Arranger of the proposed Bonds. Rights and Obligations of the Arranger of MTB 5th Subordinated Bond include:

- 9.1 Due diligence of the issue prior to submission of the proposed bonds to external parties;
- 9.2 Coordinate and provide integral support for preparation of Information Memorandum and appointment of relevant parties;
- 9.3 Ensure proper documentation completion and compliance with regulatory requirements, prior to submission to regulators;
- 9.4 Engage with regulators and Issuer for approval of the bonds;
- 9.5 Support due diligence of prospective investors for investing in the bonds;
- 9.6 Complete documentation of the bonds prior to subscription of the bonds;
- 9.7 Monitor compliance with conditions precedent prior to issuance of the bonds.

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Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
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Mohammed Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



10 Rights Duties and Obligations of the Bondholders

- 10.1 Each Bondholder has the right to demand information from the Issuer as set out in the Trust Deed and the Condition attached in Schedule 1 Part B of the Trust Deed (*Terms and Conditions of the Bonds*).
- 10.2 Each Bondholder has the right to receive payment of principal amount of the Bond on the Redemption Date as set out in the Condition attached in Schedule 1 of the Trust Deed (*Terms and Conditions of the Bonds*).
- 10.3 Each Bondholder has the right to receive interest on the Bond on the Interest Payment Date as set out in the Condition attached in Schedule 1 of the Trust Deed (*Terms and Conditions of the Bonds*).
- 10.4 Each Bondholder has the right to attend meeting of the Bondholders and vote therein in accordance with Condition 12 of the Trust Deed (*Meetings of Bondholders, Modification, Waiver and Substitution*).


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Managing Director & CEO
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Managing Director & CEO
Mutual Trust Bank Limited


Mohammad Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

11 Description of Mutual Trust Bank Limited

Mutual Trust Bank Limited was incorporated as a Public Limited Company on September 29, 1999, under the Companies Act 1994, with an Authorized Share Capital of BDT 1,000,000,000 divided into 10,000,000 ordinary shares of BDT 100 each. At present, the Authorized Share Capital of the company is BDT 10,000,000,000 divided into 1,000,000,000 ordinary shares of BDT 10 each.

The Company was also issued Certificate for Commencement of Business on the same day and was granted license on October 05, 1999 by Bangladesh Bank under the Banking Companies Act 1991 and started its banking operation on October 24, 1999.

Table 3: Basic Information of the Issuer

| | |
|--------------------------------|--|
| Registered name of the company | Mutual Trust Bank Limited |
| Company Registration No. | c38707 (665)/99 on September 29, 1999 |
| Bangladesh Bank Permission No. | BRPD (P) 744(78)/99-3081 on October 5, 1999 |
| SWIFT Code | MTBL BD DH |
| Memberships | <ul style="list-style-type: none"> • The Institute of Bankers Bangladesh (IBB) • Bangladesh Association of Banks (BAB) • Bangladesh Foreign Exchange Dealers Association (BAFEDA) • Bangladesh Institute of Bank Management (BIBM) • Bangladesh Association of Publicly Listed Companies (BAPLC) • Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) • International Chamber of Commerce Bangladesh Limited (ICCB) • Dhaka Stock Exchange (DSE) • Dhaka Chamber of Commerce & Industry (DCCI) • American Chamber of Commerce in Bangladesh (AmCham) • Primary Dealers Bangladesh Limited (PDBL) |
| Awards | <ul style="list-style-type: none"> • Received the DHL-Daily Star Award as "The Best Financial Institution" of 2014 • MTB received Best SME Bank of the Year 2014 & Best Women Entrepreneurs' Friendly Bank of the Year 2014 • Won the Golden Globe Tigers Summit Award 2015 for Excellence in Branding & Marketing • The Institute of Chartered Accountants of Bangladesh (ICAB) National Award for best presented Annual Reports-2015 & 17 • MTB won the "Dream Company to Work for" award in the organizational category at "Asia's Best Employer Brand Awards 2018" • MTB won Award for Excellence in Improving Performance Through Leadership 2018 |

Over the past 22 years of operation, the Issuer has laid a strong foundation to create a strong brand image and strengthen its foothold in the highly regulated banking industry. MTB is equipped with strong delivery channels consisting of 119 branches & 33 Sub-branches, 201 Agent Banking Centers, 18 kiosks, 310 modern ATMs including 6 CRM Booths, 4 Air Lounges, over 3,220 Point of Sales (POS) machines, located

in prime commercial, urban and rural areas. MTB offers fully integrated real time Online Banking Services, 24/7 modern Contact Centre and Internet and SMS Banking to its growing clientele, through a dedicated team of experienced Relationship Managers and Alternate Delivery Channels (ADC). Currently there are 2,418 number of employees working for the Bank.

11.1 Subsidiaries of Mutual Trust Bank Limited

The Bank has 3 (three) subsidiary companies namely MTB Securities Limited, MTB Capital Limited and MTB Exchange (UK) Limited.

11.1.1 MTB Securities Limited

MTB Securities Limited (MTBSL) was incorporated in Bangladesh as a private limited company on March 01, 2010 vide its registration number no. 82868/10 under the companies Act 1994 and converted into public limited company in the year 2015 under the Companies Act, 1994. The company has started commercial operation on September 23, 2010 after getting approval from the Bangladesh Securities and Exchange Commission (BSEC) as a separate entity. The Main objective of the company is to act as a member of the stock exchange and of the Central Depository System (CDS) companies, and carry out business of brokers, jobbers, or dealers in stocks, securities, bonds, divestures etc. The Company is also authorized to buy, sell, hold and otherwise acquire or invest the capital of the company in shares, stocks, and fixed income securities.

11.1.2 MTB Capital Limited

The Issuer obtained permission to embark upon Merchant Banking from the Bangladesh 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. MTB Capital Limited (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 right issuance.
- Underwriting services for both debt and equity issues.

Besides, MTBCL develops various investment schemes suiting varying objectives and constraints of different investor classes.

11.1.3 MTB Exchange (UK) Limited

MTB Exchange (UK) Limited (MTB UK) was incorporated on June 14, 2010 under the Companies Act 2006 of UK with registration number 7282261 as a private company limited by shares. The registered office of MTB UK is located at 25 White Chapel Road, London. The main objective of the exchange house is to carry on the remittance business and to undertake and participate in transactions, activities and operations commonly carried out or undertaken by remittance and exchange houses.

11.2 Capital Structure (Consolidated basis)

Mutual Trust Bank Limited, the issuer of the subordinated bonds, is a commercial bank and like other banks, its capital structure comprises shareholder's equity, deposits, and other liabilities. Most of MTB's assets have been financed by deposits and other accounts (66.3%).

Table 4: Sources of Issuer's Fund

| | As of 30 September, 2022 |
|---|--------------------------|
| | BDT million |
| Liabilities | 314,072.52 |
| Borrowings from other banks, FIs and agents | 44,634.77 |
| Mutual Trust Bank Subordinated & perpetual Bond | 11,600.00 |
| Deposits and other accounts | 222,750.38 |
| Other liabilities | 35,087.38 |

| | |
|---|-------------------|
| Total Equity | 21,780.13 |
| Paid-up Capital | 8,937.45 |
| Statutory Reserve | 6,324.04 |
| Share Premium | 1,095.30 |
| Foreign Currency Translational Gain | 46.52 |
| Retained Earnings | 4,033.55 |
| Other Reserve | 1,343.14 |
| Total Liabilities and Shareholders' Equity | 335,852.65 |

The Issuer maintains appropriate capital adequacy, which enables it to confront various risk factors it may be exposed to. The current CRAR of 14.42% on 30 September, 2022 was higher than the minimum requirement of 10% (excluding 2.5% buffer), due to the increase in minimum requirement in accordance with BASEL III implementation roadmap by Bangladesh Bank. The proposed subordinated bond will help meet this requirement. The total eligible capital of the bank, on consolidated basis, was BDT 32,532.63 million as on 30 September, 2022 against the risk weighted assets of BDT 225,578.04 million.

Table 5: Regulatory Capital of the Issuer

| | As of 30 September, 2022 |
|---|--------------------------|
| | BDT million |
| Total Risk Weighted Assets | 225,578.04 |
| Core capital (Tier-I) | 22,758.30 |
| Supplementary capital (Tier-II) | 9,774.33 |
| Total Capital | 32,532.63 |
| Total Required Capital | 22,557.80 |
| Capital Surplus/(Shortfall) | 9,974.83 |
| Capital Adequacy Ratio | 14.42% |
| Core capital to Risk Weighted Assets | 10.09% |
| Supplementary capital to Risk Weighted Assets | 4.33% |

Issuer's total paid up capital stood at BDT 8,937.45 million at the end of 30 September, 2022 which was divided into 893,745,224 number of ordinary shares with a face value of BDT 10 per share. Out of the total shares, 27.23% (243,388,389 number of shares) were held by Sponsors of the Issuer.

Table 6: Shareholding Structure of the Issuer

| Particulars | As of 30 September, 2022 | | |
|-----------------------------|--------------------------|----------------------|--------------|
| | No. of Shares | Share Value (BDT mn) | % of Holding |
| Sponsors | 243,388,389 | 2,433,883,890 | 27.2324% |
| Foreign Investors (NORFUND) | 85,157,133 | 851,571,330 | 9.5281% |
| Institutions | 267,322,264 | 2,673,222,640 | 29.9103% |
| General Public | 297,877,438 | 2,978,774,380 | 33.3291% |
| Total | 893,745,224 | 8,937,452,240 | 100% |

11.3 Business Description

All types of commercial banking services are provided by the Bank within the stipulations laid down by the Bank Companies Act, 1991 (as amended in 2013) and directive as received from the Bangladesh Bank from time to time. Registered office of the Bank is at MTB Centre, 26 Gulshan Avenue, Gulshan 1, Dhaka 1212. The Bank started its commercial business from October 24, 1999. The principal activities of the bank are to provide all kinds of commercial banking and related services such as accepting deposits, lending loans to customers, trade and services, treasury functions, cash management, securities and custody services, remittance services etc. The Bank obtained the Off-shore Banking Unit Permission vide Letter No. BRPD (P-3)744(105)/2009- 4470 dated December 03, 2009. The Bank commenced operation of this unit from 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.

11.3.1 Products & Services

11.3.1.1 Wholesale Banking

MTB Wholesale Banking services are a blend of the Corporate, Off-Shore Banking, and Syndication & Structured Finance, that focuses on offering a wide range of services to large corporates, multinationals and institutional clients. The bank puts highest priority to assist its customers fund requirements with diversified financial products and services. The bank always focuses on delivering services by creating exceptional value to its customers while offering market competitive relationship loan pricing and conditions.

Wholesale banking products includes;

Term Finance: MTB provides loans that have specified repayment schedule and a floating interest rate with tenure more than one year but less than ten years. It offers term loans for the following broader purposes.

- Project Finance
- Finance for Importing Capital Machinery
- Lease Finance
- House Building Finance

Working Capital Finance: To meet customers' running capital requirements MTB offers the following products:

- Secured Overdraft (SOD)
- Cash Credit (Hypo.)
- Cash Against Document
- Short Term Loan
- Inland Bill Purchase (IBP)
- Foreign Bill Purchase (FBP)

Trade Finance: MTB offers export and import finance facilities for its customers depending on their requirements. MTB's trade finance service is a unity of funded and non-funded facilities:

- Export Finance Facility includes;
 - Back-to-Back L/C Opening
 - Export Bill Discounting (FDBP and IDBP)
- Import Finance Facility includes;
 - Loan Against Trust Receipt (LTR)
 - Term Loan
- Non-funded Trade Finance Facility includes;
 - L/C Opening (Sight & Deferred)
 - L/C Advising
 - L/C Transfer
 - Bank Guarantee
 - Secured Overdraft (SOD) in the form of SOD (general/export bill) and SOD (Others-work order, FDR, land, etc.)
 - Bank Guarantee in the form of Performance guarantee, Advance Payment guarantee, and
 - Bid bond, Inland Bill Purchase (IBP) includes mainly government security bills and bonds.
 - Foreign Bill Purchase (FBP) includes foreign drafts.

MTB Offshore Banking: MTB Offshore Banking services specially tailored for 100% foreign owned company, joint venture and locally owned company in Export Processing Zones (EPZ). It offers term finance, working capital finance and trade finance services in different modes. It also provides term finance facility to locally owned industrial units outside EPZ under some special conditions.

Syndications & Structured Finance: MTB is active in the Syndication market with professional team having finest expertise and wide market network for enabling its corporate clients to access large loans through cost efficient structures. MTB offers tailor made solutions to fit customers' business requirements. It also facilitates its peer group in closing their syndicated deals by co-arranging or by taking large exposures in both Greenfield and Brownfield projects including;

- Infrastructure Financing e.g. Power, Telecom, Hotels
- Aircraft Financing
- Manufacturing Project Financing e.g. Steel, Cement, Glass, Petrochemical
- Agro-based Project Financing
- Micro Financing

MTB's product basket contains Long Term Financing along with full range of product mix for Short Term Financing of day to day operations and non-fund based facilities. The bank always seeks to understand unique needs of its customers' business and incessantly strive to meet and to exceed their expectations.

11.3.1.2 Retail Banking

MTB offers various retail banking products to meet its customers' different needs.

- a) **Deposit Products:** MTB has designed various deposit accounts to service its customers' different needs. From a straight forward Savings account to Fixed Deposits, MTB always strives to offer the best value for its customers' money. Banking with MTB enables its customers to priorities between flexibility, highest interest yield and convenience. Various deposit products offered by MTB are explained below;

Regular Savings Account: An easy-to-operate savings account that allows customers to issue cheques, draw Demand Drafts and withdraw cash.

Current Account: A Current account is ideal for carrying out day-to-day business transactions. With the MTB Regular Current Account, customers can access to their accounts anytime, anywhere, pay using payable at par cheques or deposit cheque at any MTB bank branch.

Fixed Deposit: MTB offers fixed deposit products with automatic renewal, overdraft facility etc.

Brick by Brick: MTB Brick by Brick is a monthly deposit scheme in which any one can deposit on a monthly basis and at the end of the period gets a handsome amount. Customer can open this account for 3/5/8/10 years and the monthly installment of this Plan is BDT 250.00, 500.00, 1,000.00, 2,000.00, 5,000.00, i.e. it can be any amount multiple of BDT 500.00. The customer may avail loan up to 90% and credit card limit up to 80% of the payable amount. If the depositor wants to close the account in between two maturity periods, e.g. 3 and 5 years, 5 and 8 years, 8 and 10 years, s/he will be paid the full amount admissible for the immediate past maturity period and simple interest on the deposited amount at the prevailing savings rate for the rest period.

Monthly Benefit Plan: It has been designed to help and assist conscious savers from all strata of the society. The plan is for 3(three) years and 5(five) years and on maturity the

account will be renewed automatically. A Savings/Current account is required to open an MBP/MBPs. The monthly benefit will be credited to this account. The customer may avail loan up to 90% of the deposited amount.

MTB Double Saver: MTB Double Saver is a fixed deposit scheme where the deposit doubles in 7 (seven) years. Minimum deposit amount will be of BDT 50,000.00 or any amount above this instead of its multiple. Account holder can avail loan up to 90% of the payable amount instead of the deposited amount.

Children's Education Plan: This product is designed for children where no initial deposit is required. Monthly installments are Tk. 1,000 or multiples of Tk. 1,000 but cannot exceed Tk 20,000. The savings periods are 4, 7, 9 and 12 years.

MTB Millionaire Plan: MTB Millionaire Plan is a monthly deposit scheme which will make a client millionaire after a certain period. The tenure of this scheme is 6/8/10/12/15/20 years. More than one account can be opened by the same depositor in the same branch. The customer may avail loan up to 90% and credit card limit up to 80% of the payable amount.

MTB Inspire: MTB Inspire provides a range of enhanced services including free debit card, free internet banking etc. Interest is calculated on daily basis and paid monthly.

MTB Ruby: MTB Ruby enables today's independent women to enjoy hassle-free banking services. Besides the core MTB banking advantage, MTB Ruby, an exclusive savings account for women, is packed with special benefits.

MTB Kotipati: This product has been designed for the customers who want to have BDT 10 million after certain period through monthly installments of a specified amount.

MTB Junior: MTB Junior is a savings account for minors that offer the opportunity to save for today and the future. School and college students below 18 years are eligible for this accounts.

MTB Graduate: MTB Graduate is a savings account for college and university students who are 18 years and above.

MTB Senior: MTB Senior has been designed keeping in mind the fact that a senior citizen's banking requirements are wholly different and deserve special attention. Bangladeshi citizens who are 60 years and above are eligible for this account.

MTB Shanchay: MTB Shanchay, a savings product for the "Base of the Pyramid". Low income group who don't manage their finance due to the lack of available banking facilities; opening the product would help minimize their financial risks. Minimum account opening balance is Tk 50. Interest will be calculated on monthly average balance and credited to account on half yearly basis.

MTB Care: MTB Care, a unique proposition of MTB, is a savings product for children with special needs. Through this product, special needs children will get assistance from branches in opening and maintaining the account at a lower cost compared to other savings products. This is also MTB's commitment towards helping special children to have access to banking services.

- b) **Loan Products:** MTB has a comprehensive selection of facilities to offer, from a simple personal loan, credit cards, auto loan and overdraft facilities to home loan. MTB strives to remain competitive and are committed to constantly reviewing both its lending policies and rates to ensure that customers get the best deals in town.

MTB Personal Loan: MTB Personal Loan is simple, convenient and quick. Loan amount varies from BDT 50,000 to BDT 1,000,000. With flexible repayment options it has no hidden charge.

MTB Auto Loan: MTB Auto Loans are built for utmost speed and competence. MTB Auto Loan is available for financing both new and reconditioned cars. Loan Amount varies from Tk. 300,000 to Tk. 4,000,000.

MTB Home Loan: Whether it is purchasing a new house or a new apartment, MTB has a wide range of home loan options that can be customized to customers' specific need. Loan amounts from BDT 500,000 to BDT 10,000,000.

MTB Home Equity Loan: MTB offers this loan for house construction, extension, renovation, face upliftment, finishing work.

MTB Professional Loan: MTB Professional Loan is a multi-purpose cash loan which is collateral free, with fixed monthly installment.

- c) **Card Products:** MTB has designed its card products with a lot of features like – convenient, instant line of credit, global recognition and acceptance, exclusive privileges and more. MTB's range of cards help the card holders to meet their financial objectives.

MTB Credit Card: Its credit cards are accepted at over 23 million Merchant Establishments around the world, including 110,000 Merchant Establishments in India. Revolving credit facilities are available with a payment of minimum amount. Card holders can avail the credit facilities up to 45 days without paying any interest from the date of purchase.

MTB Debit Card: MTB Visa Debit card can be used as an ATM card at any VISA ATM across the world, as well as for making purchases at merchant locations. MTB's Visa Debit card is extremely versatile and simple to use. It allows the card holders to pay directly from their bank account for purchases, without having to carry any cash.

- d) **MTB FlexiPay:** It allows the MTB credit card holders to convert any retail transaction with repayment on monthly equal installments. Any retail purchase transaction of BDT 3,000 or above can be converted to FlexiPay without any enrollment fees.

11.3.1.3 Small and Medium Enterprise (SME) Loan

SMEs, the engine of growth in Bangladesh, is considered a priority sector as announced by Bangladesh Bank. MTB has been awarded as **Best SME Bank of the Year 2014** at the **SME Financing Fair - 2014**. MTB SME Banking has differentiated itself in the market in its business approach. MTB have designed a number of loan products to meet the needs which are explained below:

MTB Bhagyobati: MTB Bhagyobati loan is only for the SMEs owned by the women entrepreneurs. Loan amount ranges between BDT 1.00 lac and BDT 50.00 lac with tenure of up to 3 years.

MTB Krishi: MTB Krishi is designed for direct lending in the agriculture sector. Only eligible farmers and agri SMEs may apply for the loan. Crops cultivation, fisheries, livestock & poultry are the priority sector of lending. Loan amount can be up to BDT 30 million.

MTB Mousumi: SME customers need additional fund in some occasions, festivals and seasons. MTB Mousumi enables those SMEs which has seasonal type of business. Loan amount can be up to BDT 1 million.

MTB Revolving Loan: Any SME, manufacturing, service, trading or farming, requires working capital for smooth operation of the business. This loan product enables those SMEs to meet their working capital requirements to support their operations and future growth. It is CC (H) and revolving type loan. Loan amount can be up to BDT 5 million.

MTB Digoon: MTB Digoon enables the SMEs to get loan double amount of their deposit. Loan amount ranges between BDT 5.00 lac and BDT 20.00 lac.

MTB Small Business Loan: This loan enables the SMEs to expand their business. Loan amount can be up to BDT 5 million.

MTB Green Energy Loan: MTB Green Energy Loan is an environment friendly loan enables the prospective customers to set up renewable energy projects such as solar, biogas, wind, hydro and any other potential renewable plant. Any individual, business entrepreneurs, NGO, institutions having capacity to repay may apply for the loan. Loan amount can be up to BDT 30 million.

MTB Gunobati – MTB Gunobati offers the lowest rate i.e., 8.5% in market.

MTB also recognized as **Best Women Entrepreneur Friendly Bank of the Year 2014** besides **SME Bank of the Year 2014** at the **SME Financing Fair-2014** for its efforts to promote the Women entrepreneurship development.

11.3.1.4 NRB Banking:

MTB offers an array of deposit products in local currency for the NRBs who are residing abroad and want to save their hard-earned money to utilize in future and facilitate their family maintenance.

NRB Savings Account: NRB Taka Savings Account offers a regular savings account in local currency for the NRBs who are residing abroad and want to save their hard-earned money to utilize in future and facilitate their family maintenance. This is an interest bearing Taka account in which interest is paid twice a year.

NRB Deposit Pension Scheme (NRB DPS): NRB DPS is a monthly installment base savings deposit product in Bangladeshi Taka for individuals. It is specially designed for NRBs and their nominated beneficiaries. NRB Deposit Pension Scheme is a new deposit product for NRBs as well as new concept since there is no separate or any pension scheme for the NRBs.

NRB Fixed Deposit (NRB FDR): NRB Fixed Deposit Account will offer a regular fixed deposit account in local currency for the NRBs who are residing abroad and want to save their hard-earned money to utilize in future and facilitate their family maintenance. Tenor of NRB Fixed Deposit: Duration may be One month, Three Months, Six Months or One Year.

11.3.1.5 Treasury Services

MTB treasury offers sophisticated solutions supported by a large sales force and a state of the art dealing room in Bangladesh. Currently MTB's team covers Foreign Exchange, Fixed Income, Money Market, Corporate Sales and Primary Dealers Business.

Money Market: Money markets refer to raising and deploying short-term resources, with maturity of funds generally not exceeding one year. MTB money market is one of the most active and efficient desk in the interbank market of the country. The money market is sub-divided into Call Money, Term Money Market, SWAP, Repo & Reverse Repo etc.

DIBOR: Interbank market is considered to be a risk free market, though in reality, the banks do carry counterparty risk. However, for practical purposes, interbank market carries lowest risk, not only to sovereign risk; hence the interest rates prevailing in interbank market constitute "benchmark" rates. The call money rate as indicated by the overnight Dhaka Interbank Offered Rate is most widely accepted benchmark rate for corporate debt paper, as also for bank credit extended on floating rate basis.


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Managing Director & CEO
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Foreign Exchange: MTB's dynamic Corporate and institutional marketing teams provide up to date market intelligence, advice and timely execution of deals of its customers throughout the trading day including the following:

Spot Foreign Exchange, Forward Foreign Exchange, Fx SWAP, Competitive Forex Rates for Remittances, Export and Import, Market outlook etc.

Primary Dealers Business: Primary dealer system is an agreement between two major stakeholders in the domestic government debt market. The central bank has given approval to Mutual Trust Bank Limited as primary dealer (PD) aiming to boost the country's secondary securities market. The authority has approved Mutual Trust Bank Limited as PD of the government securities dated November 23, 2009. Central Bank has taken the latest move to increase the number of market makers to bring dynamism in the secondary market. Mutual Trust Bank, a dynamic third generation Bank, through its 44 network plans to gradually do business by selling government securities to corporate, institutions and individuals. The business will be administered by the MTB Treasury team, which is equipped with state-of-the-art technology, the industry's leading edge skilled manpower that have expertise in handling government securities trading.

11.4 Business Analysis Based on Solo Financials

11.4.1 Asset Size & Growth

MTBL's total assets grew significantly during the last 10 years of its operation. At the end of 30 September, 2022, total assets of the company stood at BDT 335,853 million which is 9.6% higher than that of December 31, 2021. During the last 10 years MTB's asset size grew to 3.61 times at 13.7% compound annual growth rate (CAGR).

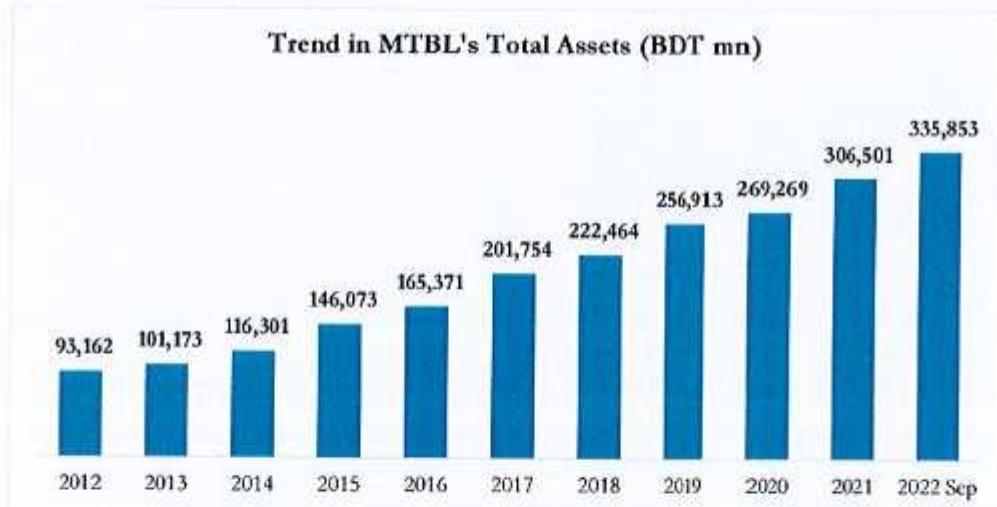


Figure 1: Issuer's Total Assets Size & Growth

11.4.2 Growth of Loans & Advances

At the end of 30 September, 2022 total loans and advances of the Bank stood at BDT 249,935 million which is 10.6% higher than that of December 31, 2021. During the last 10 years, MTBL's total loans and advances size grew to 4.42 times at 16.0% CAGR.


 Mohammad Masud Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka.


 Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited


 Melik Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited

Trend in MTBL's Loans & Advances (BDT mn)

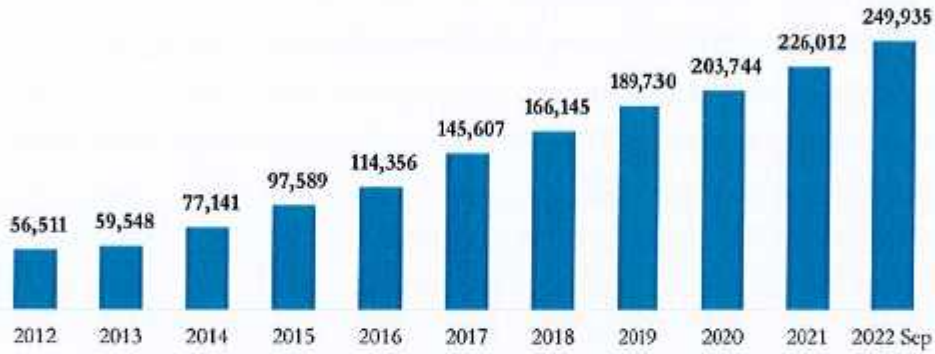


Figure 2: Issuer's Total Loans & Advances and Growth

11.4.3 Growth of Deposits

MTBL's deposits and other accounts grew by 5.2% at the end of 30 September, 2022 compared to that of December 31, 2021 to stand at BDT 222,750 million. During the last 10 years, the Issuer's total deposit grew to 3.04 times at 11.8% CAGR.

Trend in MTBL's Deposits (BDT mn)

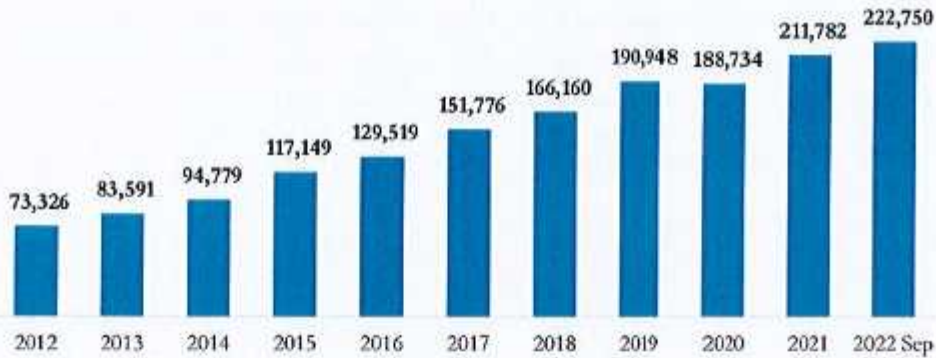


Figure 3: Issuer's Deposit Size and Growth

The Issuer has managed to keep its advance deposit ratio (ADR) at 84.86% at the end of 30 September, 2022.

Trend in MTBL's Advance to Deposit Ratio

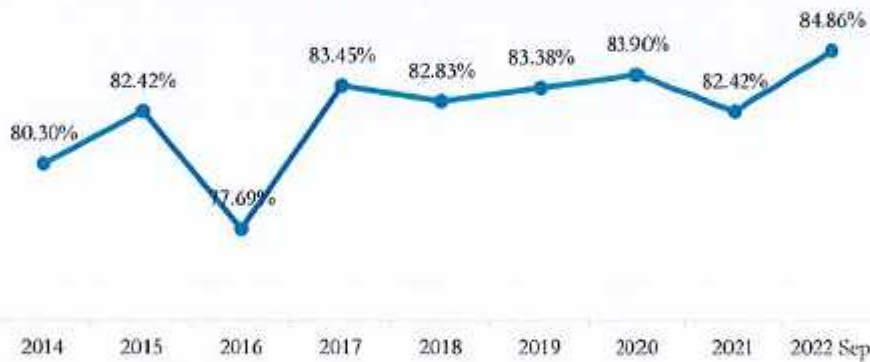


Figure 4: Historical Advance Deposit Ratio

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 UCB Investment Limited


Mohammad Nazimul Hassain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


Syed Mahubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited


Melik Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

11.4.4 Operational Performance

In BDT million otherwise stated

| | 2022 Sep | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|-------------------------|----------|--------|--------|--------|--------|--------|--------|
| NIM | 3,597 | 5,747 | 3,945 | 5,430 | 5,251 | 4,308 | 3,878 |
| Profit before provision | 5,507 | 5,661 | 3,518 | 5,240 | 4,884 | 3,916 | 3,408 |
| Total Provision | 2,116 | 2,122 | 1,690 | 2,140 | 2,342 | 1,656 | 947 |
| Profit before tax | 3,391 | 3,539 | 1,829 | 3,099 | 2,542 | 2,259 | 2,461 |
| Net profit after tax | 2,233 | 2,973 | 970 | 1,338 | 1,734 | 1,980 | 1,464 |
| Cost to Income (ratio) | 56.07% | 55.79% | 64.77% | 53.25% | 50.31% | 53.82% | 54.65% |

Table 7: MTB's Operating Performance

Cost income ratio was 56.07% at the end of 30 September, 2022 which is almost the same as previous year's ratio indicating the stability in efficiency. The ratio, which measures operating expense as a percentage of operating income, is used to gauge efficiency and productivity for financial institutions. The average cost income ratio was 55.52% over the period from 2016 to Sep 2022.

MTB's return on assets (ROA) and return on equity (ROE) for the 9 months were 0.93% and 10.78% respectively at the end of 30 September, 2022. Other Key Ratios for Last 7 years is given below:

| | 2022 Sep | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--------------------------|----------|--------|--------|--------|--------|--------|--------|
| CRAR | 14.42% | 14.41% | 12.92% | 12.91% | 12.86% | 13.76% | 11.29% |
| Loan-Deposit | 84.86% | 82.42% | 83.90% | 83.38% | 82.83% | 83.45% | 77.69% |
| NPL | 5.58% | 5.80% | 4.61% | 5.39% | 5.39% | 4.30% | 4.36% |
| Cost-income ratio | 56.07% | 55.79% | 64.77% | 53.21% | 50.31% | 53.82% | 54.65% |
| Return on Average Assets | 0.93% | 1.03% | 0.37% | 0.56% | 0.82% | 1.08% | 0.94% |
| Return on Average Equity | 10.78% | 16.22% | 5.83% | 9.03% | 13.83% | 18.35% | 15.61% |
| Earnings per share (BDT) | 2.50 | 3.66 | 1.31 | 2.03 | 3.03 | 3.89 | 3.30 |
| NAV per share (BDT) | 24.37 | 24.19 | 23.03 | 23.16 | 23.24 | 23.08 | 19.26 |

Table 8: Key Ratios for Last 5 years

11.5 Profile of the Board of Directors

MTB's Board of Directors consists of highly reputable businessmen and professionals. The current Board of Directors comprises:

- Mr. Md. Wakiluddin, Chairman
- Mr. Md. Abdul Malek, Vice Chairman
- Mr. Syed Manzur Elahi, Director (Founding Chairman)
- Mr. Md. Hedayetullah, Director
- Mr. Rashed Ahmed Chowdhury, Director
- Dr. Arif Dowla, Director
- Ms. Khwaja Nargis Hossain, Director
- Ms. Anika Chowdhury, Director
- Mr. Daniel Donald de Lange, Director
- Ms. Nasreen Sattar, Independent Director
- Mr. Faruq Ahmad Siddiqi, Independent Director
- Syed Mahbubur Rahman, Managing Director & CEO


Tanzim Alamgir
Managing Director & CEO
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Mr. Md. Wakiluddin, Chairman

Mr. Md. Wakiluddin is the Chairman of the Board of Mutual Trust Bank Limited (MTB) and its subsidiaries, MTB Securities Ltd. (MTBSL) and MTB Capital Limited (MTBCL) He is also the Chairman of Baridhara Corporation Ltd. & Baridhara Agro & Food Processing Ltd.

He is presently serving as:

- Managing Director of Swadesh Properties Ltd.
- Swadesh Global Media Ltd.
- Managing Director of HURDCO International School
- Director of Swadesh Land Developers Ltd.

Mr. Md. Abdul Malek, Vice Chairman

Mr. Md. Abdul Malek is the Vice Chairman of the Board of Mutual Trust Bank Ltd. (MTB), obtained B.Sc. Engineering (Civil) from BUET, a renowned engineering institution of the country. He has vast experience and special skills and expertise in structuring and developing along with a glorious tradition in construction of multistoried buildings.

He was the Chairman of Sheltech Consultants (Pvt.) Ltd. (SCPL), a major practitioner in Urban Planning, Architectural, Engineering Design, and Tourism Development. SCPL has earned a good recognition both locally and internationally. He has also vast experience in the Garments sector.

Mr. Syed Manzur Elahi, Director (Founding Chairman)

Mr. Syed Manzur Elahi is the Founding Chairman of Mutual Trust Bank Ltd. (MTB), Pioneer Insurance Company Limited, Chairman of MTB Foundation and served as the Chairman of the MTB Board Executive Committee of the bank. Mr. Elahi is the Chairman of Apex Group, a leading business conglomerate in Bangladesh, and has won various awards for his contributions to trade and industry including "Business Executive of the Year 2000" by the American Chamber of Commerce (AmCham), Bangladesh and "Business Person of the Year 2002" award, sponsored by the Daily Star and DHL Worldwide Express.

Mr. Elahi is currently the Chairman of

- | | |
|----------------------------|--------------------------------------|
| • Apex Tannery Ltd. | • Grey Advertising (Bangladesh) Ltd. |
| • Apex Footwear Ltd. | • Quantum Consumer Solutions Ltd. |
| • Apex Pharma Ltd. | • ManusherJonno Foundation |
| • Blue Ocean Footwear Ltd. | • Sunbeams School Ltd. |
| • Apex Enterprises Ltd. | • MTB Foundation |

He is also Managing Director of International Publications Limited, the owning company of The Financial Express, Director of Credit Rating Agency of Bangladesh Limited (CRAB), Director of Central Depository Bangladesh Ltd. (CDBL), Chairman of the Board of Trustees of East West University, Member of the Board of Trustees of Centre for Policy Dialogue (CPD), Member of Trustee Board of Diabetic Association of Bangladesh and Member of Trustee Board of Bangladesh Freedom Foundation.

Mr. Md. Hedayetullah, Director

Mr. Md. Hedayetullah is the Chairman of the Executive Committee of Mutual Trust Bank Ltd. (MTB). Prior to his new role, he was the Chairman of the Board of MTB.

He is presently serving as the:

- Chairman of Hedayetullah Securities Ltd.
- Managing Director of FB Footwear Ltd.

- Managing Director of Footbed Footwear Ltd.
- Managing Director of Nuovo Shoes (BD) Ltd.
- Director of Apex Tannery Ltd.
- Director of Apex Property Development Ltd.

Mr. Md. Hedayetullah obtained B.Sc. (Honors) degree in Leather Technology from the British School of Leather Technology, University of Leicester, Northampton, UK and M.A. in International Business from Webster University, Regents College, London, UK.

Mr. Rashed Ahmed Chowdhury, Director

Mr. Rashed Ahmed Chowdhury is the Director and Chairman of the Board Risk Management Committee of Mutual Trust Bank Ltd. (MTB). Prior to assuming this role, he was the Chairman of the bank and its three subsidiary companies.

Mr. Chowdhury is the:

- Chairman of Banga Garments Ltd.
- Chairman of ABC Building Products Ltd.
- Founder Trustee and former Chairman of the Board of Trustees of IUB
- Founding member and past President of Cadet College Club Limited
- Member of the Management Committee of Ispahani Islamia Eye Institute and Hospital (IIEI&H)
- Member of the Board of Trustees of the Corporate Social Responsibility (CSR) Centre
- Member of the Board of Trustees of the Bangladesh Business & Disability Network (BBDN)
- Senior Vice President of Bangladesh Squash Rackets Federation.

He is also:

- Director of Associated Builders Corporation Ltd. (ABC), a pioneer in the field of construction and real estate development in Bangladesh
- Director of ABC Real Estates Ltd.

Dr. Arif Dowla, Director

Dr. Arif Dowla has served as Chairman of Mutual Trust Bank Ltd. (MTB) from January 17, 2012 to February 26, 2014. Dr. Dowla is the Managing Director of the renowned conglomerate, Advanced Chemical Industries (ACI) Ltd., ACI Logistics Limited and Stochastic Logic Limited.

He is Director of:

- ACI Formulations Limited
- ACI Motors Limited
- ACI Pure Flour Limited
- ACI Agrolink Limited
- Premiaflex Plastics Limited
- ACI Foods Limited

Besides, Dr. Dowla is also the Chairman of Tetley ACI (Bangladesh) Ltd. And Vice Chairman of ACI Healthcare Ltd.

Ms. Khwaja Nargis Hossain, Director

Ms. Khwaja Nargis Hossain was the Vice Chairman of the Board of Mutual Trust Bank Limited (MTB). Ms. Hossain received Master's Degree in Islamic History from the University of Dhaka.

She is also:

- Managing Director of SAHCO Securities Limited.

- Corporate Director of SAHCO International Limited
- Member of BOAO Forum for Asia (BFA), China. BFA is a non-profit international organization formed by twenty six Asian Countries and Australia for socio-economic development of the people of Asia and rest of the world.

Ms. Anika Chowdhury, Director

Ms. Anika Chowdhury is a Director of Mutual Trust Bank Limited (MTB), grand daughter of the iconic and legendary MTB Chairman, late Mr. Samson H Chowdhury and daughter of Mr. Tapan Chowdhury, Managing Director of Square Pharmaceuticals Ltd. and former Adviser to the Caretaker Government of Bangladesh in 2007.

She received Master's Degree in Business Administration from the University of Columbia, New York.

She is also a Managing Director of Square Health Limited, Director of Square Fashions Ltd., Management Coordinator of Square Group the leading business conglomerate in Bangladesh and Director (Business Development) of Square Pharmaceuticals Ltd

Mr. Daniel Donald de Lange, Director

Mr. Daniel Donald de Lange has over 30 years' experience in the finance industry and as such has gained significant insight into all aspects of banking and finance. He is based in Hong Kong and has lived and transacted in Asia for over 25 years.

He was a Managing Director with JPMorgan Chase, and during his 17 years with the firm was based in New York, Jakarta, and Hong Kong. He led multidisciplinary teams originating, advising, and executing crossborder transactions with multinational and domestic companies. As advisor to large multi-sponsor transactions, he was closely involved in financial, commercial and legal aspects of ventures.

Mr. de Lange was a member of the management team and board of directors of a London-listed company focused on investment in, and development of, alternative energy projects. As a member of the main and investee boards, he was involved in oversight of all aspects of the company.

He currently is a senior advisor to responsibility Investments AG, a USD 3 billion Zurich-based impact asset manager focused on the finance industry and renewable energy in Asia, Africa, and Latin America. He is on the Investment Committee of the ACPF fund, involved in approving new investments, as well as undertaking risk and other related activities.

Mr. de Lange has extensively acted as corporate finance advisor to different companies and projects in the Asia-Pacific region, principally focused on strategic advice, transaction implementation, and capital raising. In this context, he had interactions with multiple financial market participants, including investment and commercial banks, private equity funds, project developers, institutional investment funds, export credit and political risk agencies, and others.

Mr. de Lange holds an MBA from Columbia University in New York, and an LL.M in Civil Law from Leiden University in the Netherlands. He speaks several languages, including advanced- intermediate Mandarin.

Ms. Nasreen Sattar, Independent Director

Ms. Nasreen Sattar presently sits in the Board of Mutual Trust Bank as an Independent Director and the Chairman of the MTB Board Audit Committee. She is involved in training & developing professional women in enhancing their leadership skills, aspirations, achieving goals, discovering their own strengths and exploiting them. Prior to the current role she served as Independent Director and Audit Committee member of IPDC Finance Ltd. Ms. Nasreen is an international banking professional having over 23 years of experience. She started her career with ANZ Grindlays Bank in 1986, which was acquired by Standard

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Mohamud Nazmul Hossain, FCA
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Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Chartered Bank in 2000. Soon after the acquisition she became Regional Head for Development Organizations covering South Asia.

Her last assignment was as CEO for Standard Chartered Bank, Afghanistan from 2007 to 2009 where she successfully led the Bank over challenging and difficult times. She not only grew business but, more importantly developed the local human resources.

Mr. Faruq Ahmad Siddiqi, Independent Director

Mr. Faruq Ahmad Siddiqi has recently been appointed as an Independent Director of Mutual Trust Bank Limited (MTB). Prior to joining MTB, he was an Independent Director of Apex Tanneries Limited, Runner Automobiles Limited and its subsidiary Runner Motors Limited. He, currently, is serving Summit Power Limited as Independent Director and a member of rating committee of Credit Rating Agency of Bangladesh Ltd. (CRAB). He, also, served Al-Arafah Islami Bank Limited as Independent Director from 2016 to 2018. He discharged responsibilities as Chairman, Board Audit Committee in Apex Tanneries Limited and Summit Power Limited.

He served Bangladesh Securities and Exchange Commission from 2006 to 2009 as Chairman. Mr. Faruq also served Posts & Telecommunication, Education and Commerce Ministries of the People's Republic of Bangladesh as Secretary. He served National Board of Revenue as Member, Jamuna Bridge Multipurpose Authority as Director (Accounts & Finance) from 1997 to 1999 and RAJUK as Member (Finance) from 1990 to 1992. He also served Commissioner of Taxes.

Syed Mahbubur Rahman, Managing Director & CEO

Mr. Syed Mahbubur Rahman is the Managing Director & CEO of Mutual Trust Bank Limited (MTB). Prior to joining MTB, he was the Managing Director & CEO of Dhaka Bank Limited. Before joining Dhaka Bank Limited, he served BRAC Bank Limited as Managing Director & CEO and Deputy Managing Director (DMD). He also served Prime Bank Limited as Deputy Managing Director. He is the former Chairman of the Association of Bankers, Bangladesh Limited (ABB). He was accorded with 'The Asian Banker Leadership Achievement Award' for Bangladesh for his achievement in the period from 2011 to 2013.

Currently, he is serving as the Vice Chairman of the Board of IIDFC, Vice Chairman of Primary Dealers Bangladesh Limited (PDBL), Director of LIC of Bangladesh Ltd. He started his career with Saudi Bangladesh Industrial & Agricultural Investment Co. Ltd. (SABINCO) as a Monitoring Officer in 1988. He served Industrial Leasing & Development Co. (BD) Limited (IDLC) as Manager, Monitoring from 1993 to 1996. He also served ANZ Grindlays Bank, Bangladesh as Manager, Corporate Banking from 1996 to 1998 and Standard Chartered Bank as Relationship Manager, Corporate Banking from 1998 to 2000. In 2002, he joined Citibank N.A. as Resident Vice President and left the bank in 2008 when he was a Director of the bank and was serving as the Head of Financial Institutions Group.

11.6 Profile of Senior Management

Mr. Chowdhury Akhtar Asif **Additional Managing Director & GCRO**

Chowdhury Akhtar Asif has been appointed as Additional Managing Director & Group Chief Risk Officer (GCRO) of Mutual Trust Bank Limited (MTB). Currently he is the Acting Managing Director of MTB. Prior to joining MTB, he was the Deputy Managing Director (DMD) and Chief Risk Officer (CRO) of BRAC Bank Limited. Before joining BRAC Bank Limited, he served ONE Bank Limited as the Head of Credit Risk Management & Senior Executive Vice President. He also served Eastern Bank Limited as the Unit Head, Corporate Unit.

After completing Master of Commerce in Finance from the University of Dhaka, he started his career with IFIC Bank Limited as a Probationary Officer in 1992 and served the bank till 2014. He served IFIC Bank Limited as the Head of Credit Risk Management (CRM) from 2013 to 2014 and the Head of Corporate Risk, CRM Division from 2011 to 2012.

Goutam Prosad Das **Deputy Managing Director & Group Head of ICC**

Goutam Prosad Das has been promoted to the rank of Deputy Managing Director of Mutual Trust Bank Limited (MTB) with effect from November 1, 2016. Prior to this elevation, he was the Senior Executive Vice President (SEVP) and Head of MTB Group Internal Control & Compliance (GICC) Division. Das joined MTB on September 26, 2012 and since then has made significant contributions to the bank.

Md. Khalid Mahmood Khan **DMD, Corporate & Commercial Business**

Md. Khalid Mahmood Khan has recently been promoted to the rank of Deputy Managing Director (DMD) of Mutual Trust Bank Limited (MTB) with effect from April 01, 2021. Prior to this elevation, Khalid was serving Mutual Trust Bank Limited as Senior Executive Vice President & Head of Wholesale Banking Division – 02. Out of 21 years of his service duration at MTB, he has successfully served the bank as the Manager of three important branches of MTB such as Principal Branch, Dilkusha Branch & Panthapath Branch for 13 years.

Rais Uddin Ahmad **Deputy Managing Director & CAMLCO**

Rais Uddin Ahmad has been appointed as Deputy Managing Director & CAMLCO of Mutual Trust Bank Limited (MTB). Rais has been working in the banking sector since 1994. He started his career with ANZ Grindlays Bank, Bangladesh as a Management Trainee. He joined BRAC Bank Limited on March 2005 as Company Secretary, Head of Risk Management & CAMLCO. He also worked with Standard Chartered Bank from 2002 to 2003 as Acting Head of Legal & Compliance. Concurrently, he was the Integration Manager for SCB & ANZ Grindlays Bank. He has 27 years of working experience in Business, Regulatory, Risk Management and Company Matters in the banking sector.

Md. Bakhteyar Hossain **Head of Transaction Banking**

Mr. Hossain is a seasoned banker with over twenty-six years of experience with specialization in International Trade. He is currently heading MTB International Trade Services (MITS) Division of Mutual Trust Bank Limited (MTB) – a reputed private sector commercial bank in Bangladesh. Prior to joining MTB, he rendered his services to Agrani Bank Limited – one of the largest nationalized commercial bank of the country. As a part of his portfolio in MTB, he looks after the Transaction Banking, Financial Institutions, Offshore Banking Unit (operations), SWIFT, MNC Banking and MTB NRB Division.


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Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
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Corporate Head Office, Dhaka.

Md. Shamsul Islam
Group Head of Treasury

Mr. Md. Shamsul Islam, Senior Executive Vice President and Head Of Treasury Department Joined MTB on July 01, 2013 as Senior Vice President and since then he has made significant contributions to the bank. Before joining MTB, he worked in National Bank Limited at International Division as Senior Vice President. Mr. Shamsul Completed his M.Com from University of Dhaka and subsequently completed MBA from "National Louis University" USA. He possess 22 years' Experience in banking profession. His core concentration was with Treasury function.

Malik Muntasir Reza
Group Company Secretary

Mr. Malik Muntasir Reza is the Group Company Secretary of Mutual Trust Bank Limited (MTB) since July 1, 2015. Mr. Muntasir joined MTB as Executive Vice President on March 24, 2015. Muntasir brings in over 19 years of banking experience with him.

He received the MTB Board of Directors' appreciation for working as a member of the Deal Team and accomplishing the Norfund's equity investment, successfully. The highest ever equity FDI by an International Organization (9.53% shares held in MTB) in a Bangladeshi Bank. He also received appreciation for amending and updating the Articles of Association of bank.

Mr. Muntasir has completed his M. Com. in Accounting under National University. He is a Fellow Member of The Institute of Chartered Secretaries of Bangladesh (ICSB).

Usman Rashed Muyeen
Head of Credit Risk Management

Usman Rashed Muyeen has been appointed as the Head of Credit Risk Management & Senior Executive Vice President (SEVP) of Mutual Trust Bank Limited (MTB). Prior to joining MTB, he was the Head of Credit Risk Management of Eastern Bank Limited (EBL). Muyeen is an Omega (UK) Certified Credit professional who brings with him more than 23 years in banking in different capacities.

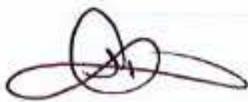
Md. Shafquat Hossain
Head of Retail Banking Division

Mr. Md. Shafquat Hossain has joined as the Head of SME & Retail Banking Division and Senior Executive Vice President of Mutual Trust Bank Limited (MTB). Shafquat has 23 years of extensive experience in Retail, Cards and Branch Banking, holding various positions in Retail and Branch Banking which included the Head of Retail Banking and Wealth Management of HSBC in Bangladesh, Head of Products and Segments in Standard Chartered Bank in Bangladesh and more recently Head of Retail Banking and Card Division at Dhaka Bank Limited. He has attended different professional training and development programs at home and abroad.

Masud Mushfiq Zaman
Group Head of Human Resources

Masud Mushfiq Zaman has joined Mutual Trust Bank Limited (MTB) on September 21, 2020 as Senior Vice President. He is the Group Head of Human Resources of MTB. Mr. Mushfiq has 17 years of extensive experience in Human Resources, holding various positions in Leadership, HR Strategy & Culture, Learning & Talent Management, Recruitment & Selection, Training & Development, which included the Associate Director, Head of Learning & Talent Management at BRAC HR & Learning Division, National Consultant A2i in Prime Minister's Office, Head of Strategic Business Partner, Technology Division, People & Organization at Grameen Phone.


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Managing Director & CEO
UCB Investment Limited



Mohammed Nazmul Hossain, FCA
Group Chief Financial Officer
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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Azam Khan
Group Chief Communication Officer

Azam Khan has been appointed as the Head of Communications & Senior Vice President (SVP) of Mutual Trust Bank Limited (MTB). He brings with him more than 20 years in banking and 12 years in development sector in different capacities.

Mohammad Nazmul Hossain
Group Chief Financial Officer

Mohammad Nazmul Hossain, FCA, CSRS has joined Mutual Trust Bank Limited (MTB) on January 11, 2022 as Group Chief Financial Officer (GCFO). He is a Fellow Chartered Accountant (FCA) of the Institute of Chartered Accountants of Bangladesh (ICAB) and completed his Chartered Accountancy training from KPMG Bangladesh (Rahman Rahman Huq). He is also qualified as a Certified Sustainability Reporting Specialist (CSRS) awarded by the National Center for Sustainability Reporting, Jakarta, Indonesia – a certified training partner of Global Reporting Initiative (GRI). Nazmul has more than 15 years of extensive diversified experience in Accounts and Finance, holding various positions in Banks, and service providing industries.

12 Description of Encumbered and Unencumbered Assets with Value Thereof

12.1 Encumbered Assets

Mutual Trust Bank Ltd. has no encumbered assets as on 30 September, 2022.

12.2 Unencumbered Assets

All the assets of the Issuer including all fixed assets are unencumbered as on 30 September, 2022.

13 Description of Assets and Liabilities

13.1 Description of Assets (Solo)

Since Mutual Trust Bank Limited is a commercial bank, most of its assets are financial assets like loans & advances, bills discounted, government treasury securities, debt and equity securities issued by corporates, etc. while loans & advances comprises the lion's share of the company's total assets. At the end of 30 September, 2022 total assets of MTB stood at BDT 333,446.33 million. Details breakdown of total assets are given below.

Table 9: Composition of Total Asset

| Types of Assets | 30 September, 2022 |
|---|--------------------|
| | BDT mn |
| Cash | 15,640.37 |
| Balance with Other Banks & Financial Institutions | 4,897.75 |
| Money at Call and Short Notice | - |
| Investments | 45,280.35 |
| Loans and Advances | 247,015.27 |
| Fixed Asset including Premises, Furniture & Fixture | 5,189.02 |
| Other Assets | 15,423.57 |
| Total Assets | 333,446.33 |

Cash:

MTB's Cash & Cash equivalents at the end of 30 September, 2022 stood at BDT 15,640.37 million and most of that was kept with Bangladesh Bank.

Table 10: Details of Cash

| | 30 September, 2022 |
|--|--------------------|
| | BDT mn |
| In Hand (Including foreign currency) | 3,622.17 |
| Local Currency | 3,524.50 |
| Foreign Currency | 60.37 |
| Islamic Banking Branches | 37.31 |
| Balance with Bangladesh Bank and its Agent Bank | 12,018.20 |
| Balance with Bangladesh Bank (Local Currency) | 10,859.89 |
| Balance with Bangladesh Bank (Foreign Currency) | 458.60 |
| Balance with Agent Bank | 204.67 |
| Islamic Banking Branches | 495.03 |
| Total Cash & Cash Equivalent | 15,640.37 |

Balance with Other Banks & Financial Institutions:

MTB's total Balance with other banks and financial institutions stood at BDT 4,897.75 million on solo basis at the end of 30 September, 2022, out of which BDT 2,972.52 million (60.7%) was outside Bangladesh.

Table 11: Balance with Other Banks & Financial Institutions

| | 30 September, 2022 |
|--|--------------------|
| | BDT mn |
| In Bangladesh | 1,925.23 |
| Outside Bangladesh | 2,972.52 |
| Balance with Other Banks & Financial Institutions | 4,897.75 |

Investments:

MTB's total investments of 30 September, 2022 was BDT 45,280.35 million of which 87.5% were invested government securities.

Table 12: Details of Investments

| | 30 September, 2022 |
|--------------------------------|--------------------|
| | BDT mn |
| Government Securities | 39,609.00 |
| Treasury Bills | 524.67 |
| Treasury Bonds | 38,660.99 |
| Prize Bonds | 3.37 |
| Islamic Banking Branches | 419.98 |
| Others | 5,671.35 |
| Investment in Quoted Shares | 1,175.46 |
| Investment in Un-quoted Shares | 179.88 |
| Funds | 481.01 |
| Subordinated Bond | 640.00 |
| Perpetual Bond | 1,050.00 |
| Investment in Preference Share | 2,045.00 |
| Total Investment | 45,280.35 |

Loans and Advances:

Out of the BDT 247,015.27 million total loans and advances, BDT 87,849.30 million was Term Loan (35.6%).

Table 13: Details of Loans and Advances

| | 30 September, 2022 |
|------------------|--------------------|
| | BDT mn |
| Overdraft | 20,986.61 |
| Cash Credit | 26,587.83 |
| Continuous Loans | 9,736.91 |

| | |
|---|-------------------|
| Demand Loans | 59,534.41 |
| Term Loans | 87,849.30 |
| Short term Agri. Credit and Microcredit | 6,202.60 |
| Packing Credit | 624.02 |
| Credit Cards | 3,786.18 |
| Staff Loan | 974.74 |
| Lease Finance | 361.71 |
| Offshore Banking Unit | 24,821.41 |
| Islamic Banking Branches | 2,695.09 |
| Others loan | - |
| Bills Purchased & Discounted | 2,854.46 |
| Total Loans and Advances | 247,015.27 |

Fixed assets:

MTB's fixed assets include land, buildings, machineries & equipment and furniture and fixtures among others. At the end of 30 September, 2022 MTB's total net fixed assets stood at BDT 5,189.02 million.

Table 14: Details of Fixed Assets

| | 30 September, 2022 |
|--|--------------------|
| | BDT mn |
| Land | 104.25 |
| Immovable Property | 1,455.74 |
| Furniture & Fixtures | 1,676.32 |
| Office Equipment | 2,815.29 |
| Motor Vehicles | 205.55 |
| Intangible Assets | 947.90 |
| Right-of-use assets | 2,235.77 |
| Islamic Banking Branches | 26.39 |
| Total Cost | 9,467.21 |
| Less: Accumulated Depreciation | 4,278.19 |
| Book value at the end of the year | 5,189.02 |

Other Assets:

MTB's other assets include investments in subsidiary companies, interest/profit receivables, security deposit, suspense account among others. Total other assets of the MTB at the end of 30 September, 2022 stood at BDT 15,423.57 million on solo basis.

Table 15: Details of Other Assets

| | 30 September, 2022 |
|------------------------------------|--------------------|
| | BDT mn |
| Income generating | 3,528.40 |
| Non-income generating other assets | 11,895.17 |
| Total Other assets | 15,423.57 |

13.2 Description of Liabilities (Solo)

At the end of 30 September, 2022, total liabilities of Mutual Trust Bank Limited stood at BDT 312,095.31 million. Description of these liabilities are given below:

Table 16: Description of Liabilities

| | 30 September, 2022 |
|---|--------------------|
| | BDT mn |
| Borrowing From Other Banks, Financial Institutions and Agents | 44,634.77 |
| Deposit and Other Accounts | 223,667.75 |

| | |
|-------------------|-------------------|
| Bond | 11,600.00 |
| Other Liabilities | 32,192.79 |
| Total | 312,095.31 |

Borrowing From Other Banks, Financial Institutions and Agents:

MTB's borrowing from other banks, financial institutions & agents stood at BDT 44,634.77 million at the end of 30 September, 2022. MTB borrowed BDT 37,094.61 million in Bangladesh and BDT 15,258.76 million from outside Bangladesh.

Table 17: Description of Borrowings

| | 30 September, 2022 |
|--|--------------------|
| | BDT mn |
| In Bangladesh | 37,094.61 |
| Outside Bangladesh | 15,258.76 |
| Less: Inter transaction with Offshore Banking Unit | (7,718.61) |
| Borrowing From Other Banks, Financial Institutions and Agents | 44,634.77 |

Deposits and other accounts:

Given the nature of its business, MTB's major liabilities come in the form of deposits and other accounts. At the end of 30 September, 2022, MTB's total deposits & other accounts stood at BDT 223,667.75 million.

Table 18: Description of Deposits and Other Accounts

| | 30 September, 2022 |
|---|--------------------|
| | BDT mn |
| Current Deposit & Other Accounts | 28,385.56 |
| Bills Payable | 2,141.44 |
| Savings deposits | 44,466.47 |
| Fixed deposits | 104,064.58 |
| Special Noticed Deposits | 20,832.59 |
| Deposit Products | 23,472.73 |
| Islamic Banking Branches | 304.38 |
| Total Deposit & Other Accounts | 223,667.75 |

Mutual Trust Bank Subordinated Bond:

The Bank floated MTB 2nd Non-Convertible Subordinated Debt through private placement for BDT 3,000 million, date of issue October 20, 2015. Interest on the 10.50% to 13.50%. This non-convertible subordinated debt is payable half yearly from the date of Issue i.e., April and October of each year.

The Bank floated MTB 3rd Non-Convertible Subordinated Debt through private placement for BDT 5,000 million, date of issue February 16, 2017. Interest on the 7.00% to 10.50%. This non-convertible subordinated debt is payable half yearly from the date of Issue i.e., February and August of each year.

The bank issued its MTB 4th Non-convertible Subordinate Bond amounting to BDT 5,000 million on January 2020 through private placement. The Coupon is semi-annually payable, and it ranges from 7.00% to 10.00%.

The Bank issued a contingent-convertible Perpetual bond amounting to BDT 4,000 million as additional Tier-1 capital in December, 2020 through private placement. The coupon is Semi-annually payable, and it ranges from 6% to 10%, where the reference rate is 20-year treasury bond rate along with 2% margin.

At the end of 30 September, 2022, outstanding amount from the issuance of above-mentioned subordinated bonds stood at BDT 12,600 million.

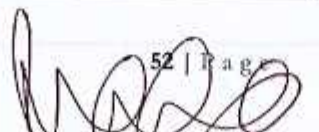
Table 19: Outstanding Balance of Subordinated Bonds & perpetual Bonds

| SL No. | Name of Subordinated Bond | Outstanding Amount (BDT mn.) |
|--------|---------------------------|------------------------------|
| 1 | MTB 2nd Subordinated Debt | 600 |
| 2 | MTB 3rd Subordinated Debt | 2,000 |
| 3 | MTB 4th Subordinated Debt | 5,000 |
| 4 | MTB Perpetual Bond | 4,000 |

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Md. Amirul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

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Syed Mahubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Raza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

| | |
|---|--------|
| Total subordinated & perpetual bond liability | 11,600 |
|---|--------|

Other Liabilities:

MTB's other liabilities include various provisions including provision for classified and unclassified loans & advances, provision for off-balance sheet exposure, provision for income tax and others. At the end of 30 September, 2022, MTB's other liabilities stood at BDT 32,192.79 million.

Table 20: Description of Other Liabilities

| | |
|---|------------------|
| Provision for Loans and Advances | 8,238.58 |
| Provision for Off Balance Sheet Items | 1,298.51 |
| Provision for Income Tax | 6,788.17 |
| Interest Suspense | 6,591.04 |
| Leasehold Liabilities Under IFRS 16 | 1,773.32 |
| Interest Payable on Deposits and Other Accounts | 2,244.69 |
| Others | 5,258.48 |
| | 32,192.79 |

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Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Md. Masud Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

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Syed Mahbubur Rahmar
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

14 Description of Previously Issued Debt or Equity Securities

14.1 Initial Public Offering

MTB Issued 4,000,000 shares of BDT 100 each through Initial Public Offering at 25% premium (@ BDT 125 each) in 2003. MTB collected BDT 600 million in cash as IPO proceedings and Paid-up capital was increased by BDT 400 million.

14.2 Rights offering

In the year 2008 MTB issued Right share at 5:1 ratio (20%) without any premium to enhance the capital of the Bank. Just before the right issue the paid-up capital was BDT 1,247.4 million and the amount of right issue was BDT 249.48 million. The offer was duly subscribed. The number of right shares issued was 24,948,000.

14.3 MTB 1st Subordinated Bond

Mutual Trust Bank Limited issued 250 (Two Hundred Fifty) fully redeemable non-convertible unsecured subordinated bonds of BDT 10,000,000 (One Crore) each totaling BDT 2500,000,000 (Two Hundred Fifty Crore) through private placement on 23 September 2010. The tenor of the bond was 07 years. Bangladesh Securities and Exchange Commission vide its letter SEC/CI/CPLC-219/10-249 dated August 3, 2010 and Bangladesh Bank vide its letter BRPD (BIC) 661/14B (P)2010-227 dated August 30, 2010 had given consent to MTB (Mutual Trust Bank Limited) to raise Tier-2 Capital through issuance of the bond. MTB collected BDT 2500,000,000 (Two Hundred Fifty Crore) from 22 institutional investors on 23 September 2010. The below table shows the investors of the bond along with their respective investment amounts.

Amount in Crore Tk.

| Sl# | Investors | Subscription Amount | Redemption | Outstanding (As of 30 Sep, 2022) |
|-----|---------------------------------------|---------------------|------------|----------------------------------|
| 1 | AK Khan & Co. Limited | 36 | Full | - |
| 2 | Agrani Bank Limited | 30 | Full | - |
| 3 | Dhaka Bank Limited | 19 | Full | - |
| 4 | Sonali Bank Limited | 25 | Full | - |
| 5 | IPDC of Bangladesh Limited | 15 | Full | - |
| 6 | Rupali Bank Limited | 20 | Full | - |
| 7 | Dutch Bangla Bank Limited | 15 | Full | - |
| 8 | Bank Asia Limited | 15 | Full | - |
| 9 | Trust Bank Limited | 11 | Full | - |
| 10 | BASIC Bank Limited | 7 | Full | - |
| 11 | National Life Insurance Co. Ltd. | 7 | Full | - |
| 12 | Janata Bank Limited | 10 | Full | - |
| 13 | Central Depository Bangladesh Limited | 7 | Full | - |
| 14 | NCC Bank Limited | 4 | Full | - |
| 15 | Pubali Bank Limited | 4 | Full | - |
| 16 | Prime Bank Employees Provident Fund | 4 | Full | - |
| 17 | Popular Life Insurance Co. Ltd. | 4 | Full | - |
| 18 | Delta Life Insurance Company Ltd. | 4 | Full | - |
| 19 | Investment Corporation of Bangladesh | 5 | Full | - |
| 20 | Grameen Mutual Fund One- Scheme Two | 4 | Full | - |

2.1
Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

| | | | | |
|--------------|--------------------------------|------------|------|---|
| 21 | Pragati Life Insurance Limited | 2 | Full | - |
| 22 | Pacific Jeans Limited | 2 | Full | - |
| Total | | 250 | | |

14.4 MTB 2nd Subordinated Bond

Mutual Trust Bank Limited issued 300 (Three Hundred) fully redeemable non-convertible unsecured subordinated bonds of BDT 10,000,000 (one crore) each totaling BDT 3000,000,000 (Three Hundred Crore) through private placement on 20 October 2015. The tenor of the bond was 7 years. Bangladesh Securities and Exchange Commission vide its letter BSEC/CI/DS/-29/412 dated August 24, 2015 and Bangladesh Bank vide its letter BRPD (BFIS) 661/14B (P)2015-11985 dated September 27, 2015 had given consent to MTB (Mutual Trust Bank Limited) to raise Tier-2 Capital through issuance of the bond. MTB collected BDT 3000,000,000 (Three Hundred Crore) from 08 institutional investors on 20 October 2015. The below table shows the investors of the bond along with their respective investment amounts.

Amount in Crore Tk.

| Sl# | Investors | Subscription Amount | Redemption | Outstanding (As of 30 Sep, 2022) |
|--------------|-----------------------------|---------------------|------------|----------------------------------|
| 1 | Sonali Bank Limited | 100 | 80 | 20 |
| 2 | BRAC Provident Fund | 50 | 40 | 10 |
| 3 | Bank Asia Limited | 40 | 32 | 8 |
| 4 | Uttara Bank Limited | 30 | 24 | 6 |
| 5 | BRAC | 25 | 20 | 5 |
| 6 | BRAC Bank Limited | 25 | 20 | 5 |
| 7 | NRB Commercial Bank Limited | 20 | 16 | 4 |
| 8 | United Finance Limited | 10 | 8 | 2 |
| Total | | 300 | 240 | 60 |

14.5 MTB 3rd Subordinated Bond

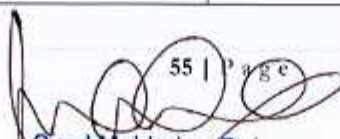
Mutual Trust Bank Limited issued 500 (Five hundred) fully redeemable non-convertible unsecured subordinated bonds of BDT 10,000,000 (One Crore) each totaling BDT 5000,000,000 (Five Hundred Crore) through private placement on 16 February 2017. The tenor of the bond was 7 years. Bangladesh Securities and Exchange Commission vide its letter BSEC/CI/DS/-29/2015/670 dated November 22, 2016 and Bangladesh Bank vide its letter BRPD (BFIS) 661/14B (P)2016-8316 dated December 20, 2016 had given consent to MTB (Mutual Trust Bank Limited) to raise Tier-2 Capital through issuance of the bond. MTB collected BDT 5000,000,000 (Five Hundred Crore) from 11 institutional investors on 16 February 2017. The below table shows the investors of the bond along with their respective investment amounts.


Amount in Crore Tk.

| Sl# | Investors | Subscription Amount | Redemption | Outstanding (As of 30 Sep, 2022) |
|-----|------------------------|---------------------|------------|----------------------------------|
| 1 | Pubali Bank Limited | 95 | 57 | 38 |
| 2 | Dhaka Bank Limited | 90 | 54 | 36 |
| 3 | Sonali Bank Limited | 75 | 45 | 30 |
| 4 | Southeast Bank Limited | 65 | 39 | 26 |

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

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Syed Mahbubur Rahmar
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

| | | | | |
|----|--------------------------------------|------------|------------|------------|
| 5 | Janata Bank Limited | 50 | 30 | 20 |
| 6 | Agrani Bank Limited | 30 | 18 | 12 |
| 7 | Eastern Bank Limited | 30 | 18 | 12 |
| 8 | Rupali Bank Limited | 20 | 12 | 8 |
| 9 | Delta Life Insurance Company Limited | 20 | 12 | 8 |
| 10 | Standard Bank Limited | 15 | 9 | 6 |
| 11 | United Finance Limited | 10 | 6 | 4 |
| | Total | 500 | 300 | 200 |

14.6 MTB 4th Subordinated Bond

Mutual Trust Bank Limited issued 500 (Five hundred) fully redeemable non-convertible unsecured subordinated bonds of BDT 10,000,000 (One Crore) each totaling BDT 5,000,000,000 (Five Hundred Crore) through private placement on 14 September 2020. The tenor of the bond was 07 years. Bangladesh Securities and Exchange Commission vide its letter BSEC/CI/DS-29/2015/549, dated December 31, 2019 and Bangladesh Bank vide its letter BRPD (BFIS) 661/14B (P)2019-10070 dated December 5, 2019 had given consent to MTB (Mutual Trust Bank Limited) to raise Tier-2 Capital through issuance of the bond. MTB collected BDT 5000,000,000 (Five Hundred Crore) from 9 institutional investors and 1 high net worth individual on 14 September 2020. The below table shows the investors of the bond along with their respective investment amounts.

Amount in Crore Tk.

| Sl# | Investors | Subscription Amount | Redemption | Outstanding (As of 30 Sep, 2022) |
|-----|-----------------------------------|---------------------|------------|----------------------------------|
| 1 | Eastern Bank Limited | 100 | - | Full |
| 2 | BRAC Bank Limited | 40 | - | Full |
| 3 | Square Pharmaceuticals Limited | 200 | - | Full |
| 4 | Agrani Bank Limited | 50 | - | Full |
| 5 | Sonali Bank Limited | 50 | - | Full |
| 6 | Community Bank Bangladesh Limited | 10 | - | Full |
| 7 | Shadharan Bima Corporation | 10 | - | Full |
| 8 | Guardian Life Insurance Limited | 10 | - | Full |
| 9 | Ms. Monisha Anwar Huq | 20 | - | Full |
| 10 | Shimanto Bank Limited | 10 | - | Full |
| | Total | 500 | - | Full |

14.7 MTB Perpetual Bond

Mutual Trust Bank Limited issued 4000 (Four Thousand) fully redeemable non-convertible unsecured subordinated bonds of BDT 1,000,000 (Ten Lac) each totaling BDT 4,000,000,000 (Four Hundred Crore) through private placement on 12 August 2021. Bangladesh Securities and Exchange Commission vide its letter BSEC/CI/DS-114/2019/298, dated December 23, 2020 and Bangladesh Bank vide its letter BRPD (BFIS) 661/14B (P)2020-7418 dated September 14, 2020 had given consent to MTB (Mutual Trust Bank Limited) to raise Additional Tier-1 Capital through issuance of this perpetual bond. MTB collected BDT 4000,000,000 (Four Hundred Crore) from 5 institutional investors and 1 high net worth individual on 12 August 2021. The below table shows the investors of the bond along with their respective investment amounts.

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Amount in Crore Tk.

| Sl# | Investors | Subscription Amount | Redemption | Outstanding (As of 30 Sep, 2022) |
|-----|-------------------------|---------------------|------------|----------------------------------|
| 1 | Trust Bank Limited | 65 | - | Full |
| 2 | Bank Asia Limited | 100 | - | Full |
| 3 | Eastern Bank Limited | 100 | - | Full |
| 4 | Ms. Afroza Sultana | 10 | - | Full |
| 5 | Mercantile Bank Limited | 40 | - | Full |
| 6 | Prime Bank Limited | 85 | - | Full |
| | Total | 400 | - | Full |


Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Mahamud Mamun Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


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Syed Mahbubur Rahmar
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

15 Comparative Financial Statements of MTB for the Last 3 (Three) Years

15.1 Comparative Balance Sheet (Consolidated)

(All the figures are in BDT million unless otherwise specified)

| Mutual Trust Bank Limited & Its Subsidiaries Consolidated Balance Sheet As on 30 September 2022 | | | | |
|---|----------------|----------------|----------------|----------------|
| | 2022 Sep | 2021 | 2020 | 2019 |
| PROPERTY AND ASSET | | | | |
| Cash | 15,653 | 14,815 | 11,781 | 14,557 |
| In hand (incl. FCs) | 3,635 | 3,617 | 2,840 | 2,887 |
| Balance with Bangladesh Bank and its agent bank(s) (incl. FCs) | 12,018 | 11,198 | 8,942 | 11,670 |
| Balance with others bank and FIs | 5,009 | 3,965 | 5,031 | 3,385 |
| In Bangladesh | 2,036 | 1,795 | 3,323 | 648 |
| Outside Bangladesh | 2,973 | 2,170 | 1,708 | 2,737 |
| Money at call and on short notice | - | 200 | 1,114 | 207 |
| Investment | 47,580 | 47,417 | 36,657 | 34,200 |
| Government | 39,609 | 40,852 | 32,826 | 31,064 |
| Others | 7,971 | 6,565 | 3,831 | 3,135 |
| Loans, advances and lease/investments | 249,935 | 226,012 | 203,744 | 189,730 |
| Loans, cash credits, overdrafts, etc./Investments | 247,081 | 222,484 | 201,997 | 186,991 |
| Bills purchased and discounted | 2,854 | 3,528 | 1,747 | 2,738 |
| Fixed assets incl. premises, furniture and fixtures | 5,385 | 5,394 | 4,896 | 4,301 |
| Other Asset | 12,291 | 8,697 | 6,046 | 10,534 |
| TOTAL ASSETS | 335,853 | 306,501 | 269,269 | 256,913 |
| LIABILITIES AND CAPITAL | | | | |
| Liabilities | | | | |
| Borrowings from other banks & FIs and agents | 44,635 | 35,206 | 30,847 | 21,701 |
| Bond | 11,600 | 12,600 | 10,850 | 6,800 |
| Deposits and other accounts | 222,750 | 211,782 | 188,734 | 190,948 |
| Current Deposit & Other Accounts | 28,386 | 26,915 | 19,214 | 16,351 |
| Bills payable | 2,141 | 1,975 | 1,988 | 1,644 |
| Savings Deposit | 44,466 | 42,590 | 36,213 | 29,885 |
| Fixed deposit | 104,065 | 91,528 | 75,322 | 91,061 |
| Other deposits | 43,692 | 48,774 | 55,997 | 52,008 |
| Other Liability | 35,087 | 27,258 | 21,827 | 21,174 |
| Total Liabilities | 314,073 | 286,846 | 252,258 | 240,623 |
| Capital/Shareholders' Equity | | | | |
| Paid-up Capital | 8,937 | 8,125 | 7,386 | 7,035 |
| Statutory Reserve | 6,324 | 5,696 | 5,038 | 4,692 |
| Share Premium | 1,095 | 1,095 | 1,095 | 1,095 |
| Foreign Currency Translational Gain | 47 | 5 | 4 | 5 |
| Retained Earnings | 4,034 | 3,489 | 2,166 | 2,254 |
| Other Reserve | 1,343 | 1,245 | 1,322 | 1,209 |
| Minority Interest | 0.133 | 0.133 | 0.132 | 0.130 |
| Total Equity | 21,780 | 19,655 | 17,011 | 16,290 |
| TOTAL LIABILITY AND EQUITY | 335,853 | 306,501 | 269,269 | 256,913 |

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mohammad Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

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Syed Mahbubur Rahmar
Managing Director & CEO
Mutual Trust Bank Limited

Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

15.2 Comparative Balance Sheet (Solo)

(All the figures are in BDT million unless otherwise specified)

| Mutual Trust Bank Limited | | | | |
|--|----------------|----------------|----------------|----------------|
| Balance Sheet | | | | |
| As on 30 September 2022 | | | | |
| | 2022 Sep | 2021 | 2020 | 2019 |
| PROPERTY AND ASSET | | | | |
| Cash | 15,640 | 14,800 | 11,762 | 14,544 |
| In hand (incl. FCs) | 3,622 | 3,603 | 2,821 | 2,875 |
| Balance with Bangladesh Bank and its agent bank(s) (incl. FCs) | 12,018 | 11,198 | 8,942 | 11,670 |
| Balance with others bank and FIs | 4,898 | 3,714 | 4,656 | 3,239 |
| In Bangladesh | 1,925 | 1,544 | 2,948 | 502 |
| Outside Bangladesh | 2,973 | 2,170 | 1,708 | 2,737 |
| Money at call and on short notice | - | 200 | 1,114 | 207 |
| Investment | 45,280 | 45,776 | 35,382 | 33,195 |
| Government | 39,609 | 40,852 | 32,826 | 31,064 |
| Others | 5,671 | 4,924 | 2,556 | 2,130 |
| Loans, advances and lease/investments | 247,015 | 222,924 | 200,848 | 186,769 |
| Loans, cash credits, overdrafts, etc./Investments | 244,161 | 219,396 | 199,101 | 184,030 |
| Bills purchased and discounted | 2,854 | 3,528 | 1,747 | 2,738 |
| Fixed assets incl. premises, furniture and fixtures | 5,189 | 5,204 | 4,831 | 4,228 |
| Other Asset | 15,424 | 12,124 | 9,320 | 13,874 |
| TOTAL ASSETS | 333,446 | 304,743 | 267,913 | 256,056 |
| LIABILITIES AND CAPITAL | | | | |
| Liabilities | | | | |
| Borrowings from other banks & FIs and agents | 44,635 | 35,206 | 30,847 | 21,701 |
| Bond | 11,600 | 12,600 | 10,850 | 6,800 |
| Deposits and other accounts | 223,668 | 212,957 | 189,221 | 191,369 |
| Current account and other accounts | 28,386 | 26,916 | 19,221 | 16,351 |
| Bills payable | 2,141 | 1,975 | 1,988 | 1,644 |
| Savings bank deposits | 44,466 | 42,590 | 36,215 | 29,885 |
| Fixed deposit | 104,065 | 91,528 | 93,477 | 91,161 |
| Other deposits | 44,610 | 49,948 | 38,320 | 52,329 |
| Other Liability | 32,193 | 24,819 | 20,423 | 20,265 |
| Total Liabilities | 312,095 | 285,582 | 251,341 | 240,135 |
| Capital/Shareholders' Equity | | | | |
| Paid-up Capital | 8,937 | 8,125 | 7,386 | 7,035 |
| Statutory Reserve | 6,324 | 5,696 | 5,038 | 4,692 |
| Share Premium | 1,095 | 1,095 | 1,095 | 1,095 |
| Foreign Currency Translational Gain/Loss | 42 | 1 | (0) | 1 |
| Retained Earnings | 3,658 | 3,046 | 1,779 | 1,938 |
| Other Reserve | 1,295 | 1,197 | 1,274 | 1,161 |
| Minority Interest | - | - | - | - |
| Total Equity | 21,351 | 19,161 | 16,572 | 15,921 |
| TOTAL LIABILITY AND EQUITY | 333,446 | 304,743 | 267,913 | 256,056 |

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Managing Director & CEO
UCB Investment Limited

Mohammed Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Office, Dhaka

Syed Mambubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Malik Muntasir Fozar
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

15.3 Comparative Profit & Loss Account (Consolidated)

(All the figures are in BDT million unless otherwise specified)

| Mutual Trust Bank Limited & Its Subsidiaries | | | | |
|--|---------------|---------------|--------------|---------------|
| Consolidated Profit and Loss Account | | | | |
| For three quarters ended 30 September 2022 | | | | |
| | 2022 Sep | 2021 | 2020 | 2019 |
| OPERATING INCOME | | | | |
| Interest income/profit on investments | 11,737 | 14,562 | 15,565 | 18,394 |
| Interest Expenses | 8,140 | 8,815 | 11,620 | 12,964 |
| Net interest income | 3,597 | 5,747 | 3,945 | 5,430 |
| Income from Investment | 2,342 | 3,670 | 3,461 | 2,536 |
| Commission, exchange and brokerage | 5,927 | 2,488 | 1,922 | 2,630 |
| Other operating income | 670 | 899 | 658 | 612 |
| | 8,939 | 7,057 | 6,042 | 5,777 |
| Total operating income | 12,536 | 12,804 | 9,987 | 11,207 |
| OPERATING EXPENSES | | | | |
| Salary and allowances | 3,236 | 4,058 | 3,632 | 3,276 |
| Rent, taxes, insurance, electricity, etc | 576 | 727 | 578 | 671 |
| Legal expenses | 1 | 5 | 2 | 5 |
| Postage, stamps, telecommunication, etc. | 27 | 21 | 7 | 17 |
| Stationery, printing, advertisement, etc. | 100 | 117 | 77 | 136 |
| Chief executive's salary and fees | 20 | 29 | 26 | 23 |
| Directors' fees | 2 | 4 | 3 | 3 |
| Auditors' fees | - | 2 | 3 | 2 |
| Depreciation and repairs of Bank's assets | 755 | 841 | 804 | 633 |
| Other expenses | 2,311 | 1,340 | 1,336 | 1,200 |
| Total operating expenses | 7,028 | 7,143 | 6,469 | 5,967 |
| Profit before provision | 5,507 | 5,661 | 3,518 | 5,240 |
| Provision for Classified Loan and Advance | 420 | 733 | 880 | 178 |
| Other provisions | 1,696 | 1,389 | 810 | 1,962 |
| Total provision | 2,116 | 2,122 | 1,690 | 2,140 |
| Profit before tax | 3,391 | 3,539 | 1,829 | 3,099 |
| Less: Income tax expenses | 1,158 | 566 | 859 | 1,762 |
| Current Tax | 1,601 | 1,449 | 857 | 1,660 |
| Deferred Tax expense / (Income) | (443) | (883) | 2 | 102 |
| Net Profit | 2,233 | 2,973 | 970 | 1,338 |
| Shareholders' of the bank | 2,233 | 2,973 | 970 | 1,338 |
| Minority Interest | 0 | 0 | 0 | 0 |
| Retained surplus brought forward | 3,489 | 2,166 | 2,254 | 2,176 |
| | 5,722 | 5,139 | 3,224 | 3,514 |
| Appropriations | | | | |
| Bonus share issued | 812 | 739 | 352 | 664 |
| Dividend Paid during the year | 227 | 224 | 352 | - |
| Transferred to statutory reserve | 628 | 659 | 346 | 596 |
| Transferred to Start-Up Fund | 21 | 29 | 9 | - |
| | 1,688 | 1,651 | 1,058 | 1,260 |
| Retained surplus carried forward | 4,034 | 3,489 | 2,166 | 2,254 |
| Earnings Per Share (EPS) | 2.50 | 3.66 | 1.19 | 1.81 |

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Managing Director & CEO
Mutual Trust Bank Limited

Malik Muntasir Raza
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Group Company Secretary
Mutual Trust Bank Limited
- Dhaka Head Office, Dhaka.

15.4 Comparative Profit & Loss Account (Solo)

(All the figures are in BDT million unless otherwise specified)

| Mutual Trust Bank Limited | | | | |
|---|---------------|---------------|--------------|---------------|
| Profit and Loss Account | | | | |
| For three quarters ended 30 September 2022 | | | | |
| | 2022 Sep | 2021 | 2020 | 2019 |
| OPERATING INCOME | | | | |
| Interest income/profit on investments | 11,569 | 14,330 | 15,472 | 18,275 |
| Interest Expenses | 8,140 | 8,821 | 11,635 | 12,990 |
| Net interest income | 3,429 | 5,508 | 3,837 | 5,285 |
| Income from Investment | 2,229 | 3,392 | 3,389 | 2,481 |
| Commission, exchange and brokerage | 5,716 | 2,087 | 1,757 | 2,471 |
| Other operating income | 649 | 862 | 633 | 584 |
| | 8,593 | 6,341 | 5,779 | 5,536 |
| Total operating income | 12,022 | 11,850 | 9,617 | 10,821 |
| OPERATING EXPENSES | | | | |
| Salary and allowances | 3,154 | 3,951 | 3,532 | 3,177 |
| Rent, taxes, insurance, electricity, etc. | 557 | 706 | 540 | 633 |
| Legal expenses | 1 | 5 | 2 | 5 |
| Postage, stamps, telecommunication, etc. | 27 | 20 | 6 | 16 |
| Stationery, printing, advertisement, etc. | 98 | 114 | 76 | 134 |
| Managing Director's salary and fees | 20 | 29 | 26 | 23 |
| Directors' fees | 1 | 2 | 2 | 2 |
| Auditors' fees | - | 1 | 2 | 2 |
| Depreciation and repairs of Bank's assets | 750 | 833 | 796 | 625 |
| Other expenses | 2,292 | 1,311 | 1,311 | 1,176 |
| Total operating expenses | 6,900 | 6,974 | 6,293 | 5,793 |
| Profit before provision | 5,123 | 4,876 | 3,323 | 5,028 |
| Provision for Classified Loan and Advance | 420 | 733 | 880 | 178 |
| Other provisions | 1,564 | 849 | 716 | 1,870 |
| Total provision | 1,984 | 1,582 | 1,596 | 2,048 |
| Profit before tax | 3,138 | 3,294 | 1,728 | 2,980 |
| Income Tax Expenses | 1,066 | 376 | 829 | 1,716 |
| Current Tax | 1,509 | 1,260 | 826 | 1,614 |
| Deferred Tax | (443) | (883) | 2 | 102 |
| Net Profit | 2,072 | 2,918 | 899 | 1,264 |
| Retained Surplus brought forward | 3,046 | 1,779 | 1,938 | 1,934 |
| | 5,118 | 4,697 | 2,837 | 3,198 |
| Appropriations | | | | |
| Bonus share issued | 812 | 739 | 352 | 664 |
| Dividend Paid during the year | - | 224 | 352 | - |
| Transferred to statutory reserve | 628 | 659 | 346 | 596 |
| Transferred to Start-Up Fund | 21 | 29 | 9 | - |
| | 1,461 | 1,651 | 1,058 | 1,260 |
| Retained surplus | 3,658 | 3,046 | 1,779 | 1,938 |
| Earnings Per Share (EPS) | 2.32 | 3.59 | 1.11 | 1.71 |

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Managing Director & CEO
UCB Investment Limited


Monirul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

15.5 Comparative Cash Flow Statement (Consolidated)

(All the figures are in BDT million unless otherwise specified)

| Mutual Trust Bank Limited & Its Subsidiaries | | | | |
|---|----------------|-----------------|----------------|----------------|
| Consolidated Cash Flow Statement | | | | |
| As on 30 September 2022 | | | | |
| | 2022 Sep | 2021 | 2020 | 2019 |
| Cash flows from operating activities | | | | |
| Interest receipts | 13,445 | 18,945 | 15,159 | 20,554 |
| Interest payments | (6,688) | (11,160) | (10,761) | (12,033) |
| Dividend receipts | 257 | 434 | 26 | 67 |
| Fees and commission receipts | 5,927 | 2,488 | 1,922 | 2,630 |
| Recoveries of loans previously written off | 58 | 45 | 35 | 45 |
| Payments to employees | (3,256) | (4,087) | (3,658) | (3,300) |
| Payments to suppliers | (100) | (117) | (77) | (136) |
| Income taxes paid | (878) | (1,155) | (1,220) | (1,082) |
| Receipts from other operating activities | 1,032 | 1,852 | 1,756 | 987 |
| Payments for other operating activities | (3,063) | (2,209) | (2,012) | (1,996) |
| | 6,733 | 5,036 | 1,169 | 5,736 |
| Increase in operating assets and liabilities | | | | |
| Loans and advances to customers | (23,923) | (22,268) | (10,998) | (23,563) |
| Other assets | (2,702) | (3,595) | 7 | (486) |
| Deposits from other banks / borrowings | (3,950) | 3,950 | (5,500) | (5,400) |
| Deposits from customers | 13,410 | 21,437 | 2,546 | 29,288 |
| Borrowing from Other Banks, Financial Institutions & Agents | 9,429 | 4,358 | 9,146 | 2,060 |
| Other liabilities | 4,533 | 2,645 | 3,352 | 1,239 |
| Operating profit | (3,203) | 6,527 | (1,447) | 3,139 |
| Net cash from operating activities | 3,530 | 11,564 | (278) | 8,876 |
| Cash flows from investing activities | | | | |
| Investments in T. Bills, T. Bonds and other | 1,341 | (8,101) | (1,649) | (7,078) |
| Investments in Shares & Bonds | (1,405) | (2,735) | (695) | (149) |
| Purchase of Fixed Assets (Net) | (599) | (1,199) | (1,297) | (1,689) |
| Net cash used in investing activities | (663) | (12,035) | (3,641) | (8,917) |
| Cash flows from financing activities | | | | |
| Issue of new share with premium | - | - | - | 1,732 |
| Subordinated debts & Perpetual bond | (1,000) | 1,750 | 4,050 | - |
| Dividend for Perpetual Bondholders | (228) | (224) | (352) | (600) |
| Net cash used in financing activities | (1,228) | 1,526 | 3,698 | 1,132 |
| Net increase / (decrease) in cash and cash equivalents | 1,639 | 1,055 | (220) | 1,092 |
| Effects of exchange rate changes on cash and cash Equivalents | 42 | 1 | (1) | (1) |
| Cash and cash equivalents at beginning of the year | 18,984 | 17,928 | 18,150 | 17,059 |
| Cash and cash equivalents at end of the year * | 20,665 | 18,984 | 17,928 | 18,150 |
| *Cash and cash equivalents: | | | | |
| Cash | 3,635 | 3,617 | 2,840 | 2,887 |
| Balance with Bangladesh Bank and its agent bank(s) | 12,018 | 11,198 | 8,942 | 11,670 |
| Balance with other banks and financial institutions | 5,009 | 3,965 | 5,031 | 3,385 |
| Money at call and short notice | - | 200 | 1,114 | 207 |
| Prize bonds | 3 | 4 | 2 | 2 |
| | 20,665 | 18,984 | 17,928 | 18,150 |
| Net Operating Cash Flows Per Share | 3.95 | 14.23 | (0.34) | 12.02 |

15.6 Comparative Cash Flow Statement (Solo)

(All the figures are in BDT million unless otherwise specified)

| Mutual Trust Bank Limited & Its Subsidiaries | | | | |
|--|-----------------|-----------------|----------------|----------------|
| Cash Flow Statement | | | | |
| As on 30 September 2022 | | | | |
| | 2022 Sep | 2021 | 2020 | 2019 |
| Cash flows from operating activities | | | | |
| Interest receipts | 13,277 | 18,712 | 15,066 | 20,436 |
| Interest payments | (6,688) | (11,166) | (10,776) | (12,059) |
| Dividend receipts | 225 | 383 | 4 | 39 |
| Fees and commission receipts | 5,716 | 2,087 | 1,757 | 2,471 |
| Recoveries of loans previously written off | 58 | 45 | 35 | 45 |
| Payments to employees | (3,174) | (3,981) | (3,558) | (3,201) |
| Payments to suppliers | (98) | (114) | (76) | (134) |
| Income taxes paid | (768) | (1,086) | (1,202) | (1,042) |
| Receipts from other operating activities | 929 | 1,588 | 1,680 | 932 |
| Payments for other operating activities | (3,025) | (2,159) | (1,946) | (1,929) |
| Operating profit | 6,452 | 4,310 | 984 | 5,558 |
| Increase / (decrease) in operating assets and liabilities | | | | |
| Loans and advances to customers | (24,091) | (22,076) | (11,064) | (23,465) |
| Other assets | (2,517) | (3,817) | 54 | (522) |
| Deposits from other banks / borrowings | (3,950) | 3,950 | (5,500) | (5,400) |
| Deposits from customers | 14,661 | 19,786 | 2,611 | 29,169 |
| Borrowing from Other Banks, Financial Institutions & Agents | 9,429 | 4,358 | 9,146 | 2,060 |
| Other liabilities | 2,793 | 4,678 | 2,982 | 1,349 |
| | (3,676) | 6,879 | (1,770) | 3,191 |
| Net cash from operating activities | 2,776 | 11,189 | (786) | 8,748 |
| Cash flows from investing activities | | | | |
| Investments in T. Bills, T. Bonds and other | 1,341 | (8,101) | (1,649) | (7,078) |
| Investments in Shares & Bonds | (747) | (2,368) | (425) | 38 |
| Purchase of Fixed Assets (Net) | (587) | (1,063) | (1,295) | (1,688) |
| Net cash used in investing activities | 7 | (11,533) | (3,369) | (8,728) |
| Cash flows from financing activities | | | | |
| Issue of new share with premium | - | - | - | 1,732 |
| Subordinated debts & Perpetual bond | (1,000) | 1,750 | 4,050 | - |
| Dividend for Perpetual Bondholders | - | (224) | (352) | (600) |
| Net cash used in financing activities | (1,000) | 1,526 | 3,698 | 1,132 |
| Net increase / (decrease) in cash and cash equivalents | 1,784 | 1,182 | (457) | 1,153 |
| Effects of exchange rate changes on cash and cash Equivalents | 40 | 1 | (1) | 0 |
| Cash and cash equivalents at beginning of the year | 18,718 | 17,534 | 17,992 | 16,839 |
| Cash and cash equivalents at end of the year * | 20,541 | 18,718 | 17,534 | 17,992 |
| *Cash and cash equivalents: | | | | |
| Cash | 3,622 | 3,603 | 2,821 | 2,875 |
| Balance with Bangladesh Bank and its agent bank(s) | 12,018 | 11,198 | 8,942 | 11,670 |
| Balance with other banks and financial institutions | 4,898 | 3,714 | 4,656 | 3,239 |
| Money at call and short notice | - | 200 | 1,114 | 207 |
| Prize bonds | 3 | 4 | 2 | 2 |
| | 20,541 | 18,718 | 17,534 | 17,992 |
| Net Operating Cash Flows Per Share | 3.11 | 13.77 | (0.97) | 11.84 |

16 Financial Ratios for last 3 (Three) Years


Table 21: Financial Ratios of MTB for Last Three Years

| Sl. | Particulars | Metric | 2022 Sep | 2021 | 2020 | 2019 |
|-----|---------------------------------------|--------|-------------|--------|--------|--------|
| 1 | Current Ratio | N/A | N/A | N/A | N/A | N/A |
| 2 | Quick Ratio | N/A | N/A | N/A | N/A | N/A |
| 3 | Times Interest Earned Ratio | N/A | N/A | N/A | N/A | N/A |
| 4 | Break-Even Point | N/A | N/A | N/A | N/A | N/A |
| 5 | Debt to Equity Ratio | Ratio | 14.42 | 14.59 | 14.83 | 14.77 |
| 6 | Debt to Total Asset Ratio | % | 93.51% | 93.59% | 93.68% | 93.66% |
| 7 | Accounts Receivable Turnover Ratio | N/A | N/A | N/A | N/A | N/A |
| 8 | Inventory Turnover Ratio | N/A | N/A | N/A | N/A | N/A |
| 9 | Asset Turnover Ratio | % | 6.16% | 7.05% | 8.02% | 9.40% |
| 10 | Debt Service Coverage Ratio | N/A | N/A | N/A | N/A | N/A |
| 11 | Cost to Income Ratio | % | 56.07% | 55.79% | 64.77% | 53.21% |
| 12 | Operating Profit Ratio | % | 26.64% | 26.18% | 16.28% | 21.69% |
| 13 | Net Profit Margin | % | 17.81% | 23.22% | 9.72% | 11.95% |
| 14 | Net Operating Cash Flow to Net Income | Ratio | 1.58 | 3.89 | (0.29) | 6.63 |
| 15 | Debt to Tangible Assets Ratio | Ratio | 46.41 | 41.90 | 41.61 | 44.11 |
| 16 | Cost of Fund | % | 6.99% | 6.46% | 7.92% | 9.55% |
| 17 | Loan Deposit Ratio | % | 84.86% | 82.42% | 83.90% | 83.38% |
| 18 | Return Avg. Assets (ROA) | % | 0.93% | 1.03% | 0.37% | 0.56% |
| 19 | Tier I Capital Ratio | % | 10.09% | 9.64% | 8.17% | 7.76% |
| 20 | Tier II Capital Ratio | % | 4.33% | 4.76% | 4.75% | 5.15% |
| 21 | Capital Adequacy Ratio | % | 14.42% | 14.41% | 12.92% | 12.91% |
| 22 | Non-performing Loan Ratio (NPL) | % | 5.58% | 5.80% | 4.61% | 5.39% |
| 23 | Return on Avg. Equity (ROE) | % | 10.78% | 16.22% | 5.83% | 9.03% |
| 24 | Earnings Per Share (EPS) | BDT | 2.50 | 3.66 | 1.31 | 2.03 |
| 25 | Price Earning Ratio | Times | 4.98 | 5.36 | 18.34 | 13.03 |
| 26 | NAV per Share | BDT | 24.37 | 24.19 | 23.03 | 23.16 |

*The Issuer of Subordinated Bond i.e. Mutual Trust Bank Limited operates in banking industry which is a service industry. Considering the business nature of the Issuer, only relevant financial ratios have been presented above.


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Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

17 Credit Rating Summary with Rating Rationale of the Issuer and the Issue

17.1 Credit Rating Summary of the Issuer

| Date of Declaration | Valid Till | Rating Type | Long Term | Short Term | Rated by | Outlook |
|---------------------|--------------|---------------|-----------|------------|----------|---------|
| May 12, 2022 | May 11, 2023 | Entity Rating | AA | ST-2 | CRISL | Stable |

17.2 Rating Rationale of the Issuer

Credit Rating Information and Services Limited (CRISL) has reaffirmed the Long Term Rating to 'AA' (pronounced as double A) and the Short Term Rating to 'ST-2' of Mutual Trust Bank Limited (MTB) through an in-depth analysis of the operational and the financial performance of the bank along with all its relevant quantitative and qualitative factors. The basis of its evaluation was financials of the bank up to December 31, 2021, IQ of 2022 and other prevailing factors up to the date of the rating. The above ratings have been assigned after due consideration of MTB's position in the areas of financial performance, asset quality, capital adequacy, liquidity, risk management practice, portfolio management, compliance, governance practice, robustness of IT infrastructure & IT risk management, HR development practice and above all MTB's strategy to address future contingency. While assigning the rating CRISL also factored the operational performance and fund management efficiency of the bank through its capital market subsidiaries as well as the performance of exchange house operation.

CRISL assigned the above ratings in consideration of its fundamentals such as its average financial performance, compliance of capital adequacy in line with Bangladesh Bank circular, good IT infrastructure, good branch network, experienced top management, etc. CRISL, however, observed few limitations which include moderate asset quality and operating performance, dominance of high-cost deposit in funding mix, etc. However, these factors are not expected to have any significant impact on MTB during the rating validity period.

Overall financial performance of MTB has been found average in 2021. The earnings per share (EPS) of the Bank improved to Tk. 3.66 in YE2021 from Tk. 1.19 at YE2020. Operating profit of the bank improved and out of total operating income in 2021, 44.88% income generated from net interest income, 28.66% from investment in share and securities, 19.43% from commission, exchange & brokerage income and rest 7.02% from other operating income. After accommodating the increase in expenditure, the net profit after tax stood at Tk. 2,973.20 million in YE2021 against Tk. 970.39 million in YE2020.

The overall asset quality of the bank has been found moderate. As on December 31, 2021, the consolidated asset of the Bank has grown by 13.83%. Gross non-performing loan (NPL) has increased to 5.88% in 2021 due to comply with the Bangladesh Bank's loan classification circular, the Bank classify significant amount of investment facility through consulting with the client during 2021.

The overall liquidity of MTB with all its indicators has been improved during 2021. The loans and advance to deposit ratio stood at 82.42% (with regulatory adjustment ADR was 85.00%) as on December 31, 2021 against 83.90% as on December 31, 2020. The Liquidity Coverage Ratio and Net Stable Funding Ratio of the Bank stood at 115.14 % and 106.68% respectively on December 31, 2021, which was found to be satisfactory considering regulatory standards. However, because of high inflation rate, there are indications that the financial and banking industries might have to face remarkable instability in the coming months.

Overall Capital to Risk Weighted Asset Ratio (CRAR) of the Bank stood at 14.41% which is in line with the requirement under risk based capital adequacy framework. CRISL found that the Capital to Risk Weighted Asset Ratio (CRAR) stood at 13.34% (Solo) as on March 31, 2022.


 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

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 Syed Mahbubur Rahmar
 Managing Director & CEO
 Mutual Trust Bank Limited

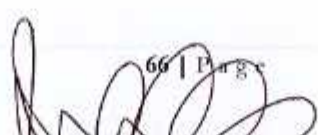

 Malik Muntasir Raza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


 Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited

Banks rated in this category are adjudged to be of high quality, offer higher safety, and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions. The Short term rating indicates a high certainty of timely repayment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.


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Managing Director & CEO
UCB Investment Limited


Mohammad Hossain, FCA
Group Chief Financial Officer
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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

17.3 Credit Rating Summary of the Issue

| Date of Declaration | Valid Till | Rating Type | Long Term | Rated by | Outlook |
|---------------------|---------------|-------------|-----------|----------|---------|
| June 15, 2022 | June 14, 2023 | Initial | AA-B | ECRL | Stable |

17.4 Rating Rationale of the Issue

Emerging Credit Rating Limited (ECRL) has assigned **AA-B** (Pronounced as 'Double A minus Bond') long term credit rating to MTB 5th Subordinated Bond (hereinafter referred to as "The Subordinated Bond" or "The Bond" or "The Issue") to be issued by Mutual Trust Bank Limited (MTB). The outlook on the rating is **Stable**. The rating is consistent with ECRL's methodology for this type of bond rating.

The rating reflects the strengths of the bank and prospective performance of the bond which are backed by good capital base, growth in total asset base and loan portfolio, income diversification through strengthening investment portfolio, compliance with the CRR and SLR requirement. However, ECRL is concerned that the bond market is competitive with limited subscribers, non-performing loan (NPL) growth of the bank as well as provision deferral facility which would limit the future profit of the bank. **The rating was assigned on the basis of draft information memorandum, draft agreements between the issuer and trustee provided by the entity in discussion and the rating may significantly change if the covenants in those documents are altered.**

The proposed bond will be repayable in seven years with five equal installments starting from the end of year three. Semi-annual coupon payment will be paid starting at the end of 6 months from the date of drawdown. The interest rate for the bond is between 7.00% to 9.00% p.a. Coupon rate of the bond will be determined by the benchmark rate/ reference rate plus 2.00% p.a. Moreover, RSA Advisory Limited will act as the mandated lead arranger, MTB Capital Limited will act as the co-arranger and UCB Investment Limited will act as the trustee for this issue. The fund will be used in regular lending and business activities of the bank which will help to grow the bank's loan and advance portfolio.

In terms of performance of the issuer, Mutual Trust Bank Limited has improved its capital base recently through issuance of perpetual bond of BDT 4,000 million as well as 10% bonus share in FY2021 (10% in FY2020). A good growth of retained earnings has also facilitated to strengthen the capital base in FY2021 as a result, the capital to risk weighted assets ratio (CRAR) reached to 14.16% (12.75% in FY2020) which was well above the regulatory requirement of 12.50%.

The total loans portfolio of MTB reached to BDT 222,924.20 million in FY2021 from BDT 200,848.10 million a year back with a growth of 10.99% (7.54% in FY2020) as the demand for loan has increased recently. Besides, the investment portfolio of MTB has had fluctuating growth in the recent four financial years with a remarkable 29.38% growth in FY2021. Since the interest rate cap was established, banks in the country have begun to focus more on diversifying their income streams and asset base by paying close attention to their investment portfolio. MTB has increased its investment in government's treasury bonds by 36.13% in FY2021 to BDT 40,209.43 million from BDT 29,538.19 million in FY2020.

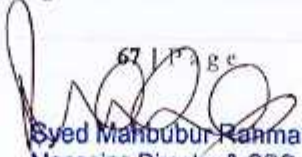
On the other hand, NPL ratio of the bank remained at 5.88% in the latest year in review which was 4.67% in FY2020 and 5.48% in FY2019. Gross NPL has increased by 39.62% and 28.16% in 2021 as compared to FY2020 and FY2019 respectively. It is concerning that the performance of loan may further deteriorate in FY2022 due to the withdrawal of provided relaxation on loan repayment.

The bank rescheduled a total of BDT 759.59 million worth of loan as compared to BDT 403.21 million loans in FY2020 and BDT 4,201.00 million loans in FY2019. The bank wrote off BDT 362.06 million, BDT 924.85 million and BDT 334.96 million bad loans respectively in last three years i.e. 2021, 2020 and 2019. NPL along with reschedule and written off loan altogether comprise 6.38% of loans & advances in FY2021 whereas the rates were 5.34% and 7.90% in the year 2020 and 2019 respectively. The bank's exposure to large loans (funded and non-funded together exceeding 10% of bank's capital) has declined from a year ago. The number of such large loan accounts was 26 individual accounts with total outstanding

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Managing Director & CEO
Mutual Trust Bank Limited



Md. Masudul Karim
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

amounting to BDT 73,336.40 million in FY2021 in contrast to the 28 accounts with total outstanding amount of BDT 91,205.00 million in FY2020.

The deposit composition of the bank has changed recently and nowadays MTB is focusing more on low cost or no cost fund i.e. current account—saving accounts (CASA) thus, the CASA funding has improved to 46.74% of the total deposit in FY2021 as opposed to 38.67% and 38.39% in FY2020 and FY2019 respectively. Loan to deposit ratio of the bank has been always within the regulatory limit (currently 87%) in last four years indicating a good balance between the deposit collection and loan disbursement.

MTB has kept 4.08% CRR and 21.61% SLR at the end of FY2021 with a surplus CRR of BDT 168.36 million and surplus SLR of BDT 18,036.28 million against the requirement in FY2021. The maturity-based asset and liabilities profile of MTB are distributed over different time horizons. The bank had net liquidity gap in 1- 5 years bracket in FY2021 and shown surplus net liquidity in the other brackets. However, the total net liquidity comprising all maturity periods in FY2021 has surplus liquidity.

From the profitability perspective, MTB has regained its pace in FY2021 after a sharp decline of net interest income in FY2020. Net interest income significantly increased by 43.55% in FY2021 as opposed to a 25.45% decline in FY2020. However, comparing with the FY2019 income, net interest income of the bank only grew by 4.22%. The interest expense of the bank fell by 24.18% as a consequence of increasing low-cost funding (i.e. CASA) in the deposit mix as well as the excess liquidity in the banking sector in FY2021. On the other hand, the bank has continued its growth in non-interest income portion through good growth in commission/fees, exchange and other operating income in FY2021. Consequently, the overall operating income of the bank improved with a rate of 23.22% to BDT 11,849.75 million in FY2021 from BDT 9,616.57 million in FY2020. Operating expense, however, increased by 10.81% which ultimately resulted the pre-provision profit of BDT 4,876.19 million in FY2021 from BDT 3,323.40 million a year ago with a record growth of 46.72% year-on-year.

The bank is under the provision deferral facility and as per Bangladesh Bank letter in April, 2022, the provision of BDT 2,567.34 million has been deferred which is equivalent to the shortfall amount at the end of year 2021. For its classified loan full provision was kept but unclassified loan has provision deficit of BDT 2,567.34 million in FY2021 for which deferral facility has been taken. The deferred provision will be maintained in next three (03) years. In FY2021, the bank had deferred tax income of BDT 883.20 million (specific provision caused huge deferred tax income) which underpins the profit in that year. Therefore, post-tax profit had a sudden gain and reached BDT 2,917.83 million in FY2021 from BDT 1,263.71 million in FY2019 with 130.89% increase (BDT 899.32 million in FY2020).

ECRL views MTBL's outlook as **Stable** due to the current position of the bank and good capital base.

Financial Highlights: Mutual Trust Bank Limited(MTB)

| FY 31 December | 2021 | 2020 | 2019 | 2018 |
|-----------------------------------|------------|------------|------------|------------|
| Total Asset (BDT million) | 304,742.53 | 267,913.21 | 256,056.00 | 221,827.58 |
| Asset Growth (%) | 13.75 | 4.63 | 15.43 | 10.21 |
| Gross Loans (BDT Million) | 222,924.20 | 200,848.10 | 186,768.62 | 163,281.71 |
| Gross Loans Growth (%) | 10.99 | 7.54 | 14.38 | 14.33 |
| Deposits (BDT Million) | 212,956.94 | 189,220.78 | 191,369.29 | 166,700.99 |
| Deposit Growth (%) | 12.54 | (1.12) | 14.80 | 9.50 |
| Gross NPL Ratio (%) | 5.88 | 4.67 | 5.48 | 5.48 |
| Loan to Deposit Ratio (%) | 82.42 | 83.90 | 83.38 | 82.83 |
| Net Interest Income (BDT million) | 5,508.26 | 3,837.11 | 5,285.13 | 5,090.84 |
| Net Interest Income Growth (%) | 43.55 | (27.40) | 3.82 | 19.88 |
| Non-Interest Income (BDT million) | 6,341.50 | 5,779.46 | 5,535.80 | 4,300.03 |
| Non-Interest Income Growth (%) | 9.72 | 4.40 | 28.74 | 12.40 |
| Pre-Tax Profit (BDT million) | 3,294.16 | 1,727.85 | 2,979.75 | 2,368.90 |
| Post-Tax ROAE (%) | 32.66 | 5.54 | 8.73 | 12.81 |
| CRAR (%) | 14.16 | 12.75 | 12.86 | 12.82 |

For detailed Credit Rating Report of the Issue, please see Annexure 3



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Managing Director & CEO
Mutual Trust Bank Limited



Malik Munir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

18 Latest Default Matrix and Transition Statistics of CRC

Average Time (Month) to Default from Original Rating

| Original Band | Defaulted Issuers | Average Months from Original Rating |
|---------------|-------------------|-------------------------------------|
| AAA | 0 | n/a |
| AA | 0 | n/a |
| A | 1 | 57 |
| BBB | 3 | 60 |
| BB | 2 | 30 |
| B | 0 | n/a |
| C | 0 | n/a |
| *High Grade | 1 | 57 |
| **High Yield | 5 | 48 |
| All Corporate | 6 | 49 |

* High Grade represents AAA, AA & A ratings

**High Yield represents BBB, BB, B & C ratings



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 Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited


 Md. Kamrul Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


 Syed Maibabur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited


 Malik Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

ECRL Default Studies 2021

Default Summary by Rating Category

| Year | Issuers as of 31st December | Default count (High Grade) | Default count (High Yield) | High grade default rate | High yield default rate | All corporate default rate |
|------------------------|-----------------------------|----------------------------|----------------------------|-------------------------|-------------------------|----------------------------|
| 2011 | 223 | 0 | 0 | 0.0% | 0.0% | 0.0% |
| 2012 | 634 | 0 | 0 | 0.0% | 0.2% | 0.2% |
| 2013 | 1136 | 0 | 2 | 0.0% | 0.0% | 0.0% |
| 2014 | 1128 | 0 | 0 | 0.0% | 0.0% | 0.0% |
| 2015 | 875 | 0 | 0 | 0.0% | 0.0% | 0.0% |
| 2016 | 916 | 0 | 1 | 0.0% | 0.1% | 0.1% |
| 2017 | 760 | 1 | 0 | 0.4% | 0.0% | 0.1% |
| 2018 | 876 | 0 | 0 | 0.0% | 0.0% | 0.0% |
| 2019 | 993 | 0 | 1 | 0.0% | 0.1% | 0.1% |
| 2020 | 1010 | 0 | 1 | 0.0% | 0.1% | 0.1% |
| 2021 | 1068 | 0 | 0 | 0.0% | 0.0% | 0.0% |
| Arithmetic Mean | n.a. | n.a. | n.a. | 0.0% | 0.1% | 0.1% |

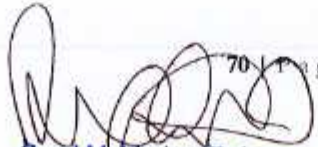
Cumulative Default Rate by Rating Band

| Rating band | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| AAA | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| AA | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| A | 0.1% | 0.1% | 0.2% | 0.2% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% | 0.3% |
| BBB | 0.0% | 0.0% | 0.1% | 0.1% | 0.1% | 0.1% | 0.2% | 0.2% | 0.2% | 0.2% |
| BB | 0.4% | 0.6% | 0.7% | 0.7% | 0.8% | 0.8% | 0.8% | 0.8% | 0.8% | 0.8% |
| B | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 3.1% | 3.1% | 3.1% | 3.1% | 3.1% |
| C | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| B & Lower | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| High Grade | 0.0% | 0.1% | 0.1% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% |
| High Yield | 0.1% | 0.1% | 0.1% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.3% | 0.3% |
| All Corporate | 0.1% | 0.1% | 0.1% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% |




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 Managing Director & CEO
 UCB Investment Limited


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 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited


Malik Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

19 Description of the Trustee

UCB Investment Limited (UCBIL) shall act as the Trustee for MTB 5th Subordinated Bond subject to regulatory approval.

19.1 Overview to the Trustee

UCB Investment Limited (UCBIL) is a fully owned subsidiary of United Commercial Bank Limited. It was incorporated in Bangladesh with the Registrar of Joint Stock Companies & Firms (RJSC&F), vide registration number: C-94654/11 dated 03 August, 2011 as a private limited company under the Companies Act (Act XVIII) of 1994. It obtained full-fledged Merchant Banker & Portfolio Management license (Reg No: MB- 97/2020) from Bangladesh Securities and Exchange Commission on 5th October, 2020.

The company has been inaugurated on 29th November 2020. The company aims to play a vital role in bridging the gap in professional financial management services in the country and the gap between investors and investment opportunities. The registered address of the company is Bulus Center, Road: 34, Plot: CWS-(A)- 1, Gulshan Avenue, Dhaka-1212.

The key strength of UCBIL comes from its people, who are highly talented investment managers with vast and versatile experience in the investment landscape. Keeping innovation and sustainable growth at the core of its operations, UCBIL intends to lead its clients and the country to a brighter and wealthier future and promote unique financial solutions for some of the nation's most successful institutions.

19.2 Board of Directors:

Mr. Habibur Rahman, Chairman

Mr. Habibur Rahman is the Chairman of UCB Investment Limited. He is acting as Deputy Managing Director of United Commercial Bank Limited. Prior to joining UCB Ltd., he was Senior Executive Vice President at the Corporate Banking division of Eastern Bank Limited.

Mr. Rahman has vast experience in home and abroad in diverse sectors of banking for over 24 years working in different financial institutions like Bank Indosuez, ANZ Grindlays, Standard Chartered, Toronto Dominion (TD), HSBC, City and EBL. He worked as Deal Administration Manager in TD Securities (Wholesale Banking) at TD Bank Canada. His credentials also include as relationship manager in Corporate Banking at ANZ Grindlays Bank, Standard Chartered bank and HSBC Bangladesh.

Mr. Md. Shah Alam Bhuiyan, Director

Mr. Md. Shah Alam Bhuiyan is one of the directors of UCB Investment Limited (nominated Director of United Commercial Bank Limited). He is a distinguished banking professional with 32 years of experience of which over 27 years covering experience in the financial service industry with both foreign and local Banks. He is the Deputy Managing Director of United Commercial Bank Limited.

Mr. Bhuiyan joined the service of United Commercial Bank Limited in the rank and capacity of Senior Executive Vice President (SEVP) & Head of Special Asset Management Division (SAMD) of the Bank in 2017. He obtained graduation in Management, Accounting & Costing from the University of Dhaka and Executive MBA from NIBM, India.

Mr. N. Mustafa Tarek, Director

Mr. N. Mustafa Tarek is one of the directors of UCB Investment Limited (nominated Director of United Commercial Bank Limited). He is serving as Deputy Managing Director of United Commercial Bank Limited since 14th May, 2018.

Mr. Tarek, having 29 years of professional experience in Government, Multinational, Telecommunications, Local Conglomerate and financial institutions, joined United Commercial Bank Limited on 5th January, 2012 as Executive Vice President. He has a long professional track record in Human Resource and Industrial Relations, Administration, Project Management, Supply Chain and Safety, Health and Environment.

Mr. Md. Abdullah Al Mamoon, Director

Mr. Md. Abdullah Al Mamoon is one of the directors of UCB Investment Limited (nominated Director of United Commercial Bank Limited). He is the Deputy Managing Director and Chief Operating Officer


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Group Chief Financial Officer
Mutual Trust Bank Limited
Head Office Dhaka


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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

(COO) of United Commercial Bank Limited. Mr. Mamoon joined United Commercial Bank Limited on 01/03/2017 as Senior Executive Vice President with over 30 years of multi-disciplinary experiences in diversified professional domains with Government and Financial Institutions.

Mr. Touhid Shipar Rafiquzzaman, Independent Director

Mr. Touhid Shipar Rafiquzzaman is the Independent Director of UCB Investment Limited. Mr. Rafiquzzaman is a highly experienced international banker with 36 years of professional experience in the entire gamut of banking, having worked in two multi-national banks across four geographies. He is a certified risk professional and has extensive experience working in emerging markets.

Mr. Tanzim Alamgir, Managing Director & CEO

Tanzim Alamgir is the founding Managing Director and Chief Executive Officer (CEO) of UCB Investment Limited. Prior to joining UCB Investment Limited, he was the Chief Operating Officer (COO) of City Bank Capital and looked after the overall operations of the company. There he completed numerous first of its kind deals such as perpetual bonds, bank guarantee backed bonds, preference share of the first private LNG terminal in Bangladesh, first subordinated bond for a state-owned bank- Agrani Bank Limited, and many more which led the investment banking division to reach its highest peak. His tremendous efforts for City Bank Capital also led the bank to win the Finance Asia 2020 Best Investment Bank in Bangladesh Award.

With deep business and industry expertise, Mr. Alamgir puts special focus on fund raising for large, local, and multinational corporate houses in the country. He is a seasoned professional having diversified exposure in finance, operations and strategy for more than 13 years, which in turn developed great relationships with banks, NBFIs and corporates in different industries.

19.3 Product and Services

With its group of versatile financial consultants, UCBIL covers all investment banking services, including Corporate Advisory, Fixed Income Securities, Syndicate Loans, IPO Management, Issue Management Service, Underwriting and Portfolio Management. The entity aims at delivering top-class, customized investment solutions to its clients to cater to their specific needs and be their long-term growth partner.

19.3.1 Fixed Income Securities:

When we act as Arranger and Issue Manager, we provide full-fledged support to our clients –starting from analyzing the requirement and structuring the product, accordingly, preparing prospectus as per the latest rules and regulations, negotiating terms with the investors, assisting to get all necessary regulatory approvals, fund raising, completing documentation and listing of the bonds as and when required.

19.3.2 Local and Foreign Loan Syndication:

At UCB Investment Limited (UCBIL), we cater to the need of clients whose needs are complex and unconventional. Our Structured Finance team helps them in every step of their transaction. From preparing necessary documents to funding, raising and collaborating with suitable local and foreign financial institutes, we serve on our best effort basis.

19.3.3 Issue Management and Underwriting:


UCB Investment Limited provides a high quality of Issue Management services to their clients. Our Issue Management services include- Initial Public Offering (IPO), Rights Offering, Repeat Public Offering (RPO), Qualified Investors Offer (QIO), etc.

19.3.4 Portfolio Management:

In Discretionary Portfolio Management, our investment managers looks after client's portfolio with their best judgment and outlook of the market. We also provide Non-Discretionary Portfolio Management services where experts do all the market-related research and recommendations the clients but the clients have absolute discretionary power to make the final decision.



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Managing Director & CEO
Mutual Trust Bank Limited



Matik Muntasir Raza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

19.3.5 Corporate Advisory

Our Corporate Advisory services include a review of capital structure and providing necessary advisory services for appropriate financial restructuring, structuring of the transaction, assisting in a formal capital planning exercise for clients, thorough due diligence for preparation of the offering, resolving legal and regulatory issues, advising on the timing of the placement and offering of the securities etc.

19.3.6 Merger and Acquisition

The professional advisers of UCB Investment provide 360-degree due diligence of transferor and transferee companies for developing Amalgamation Schemes. At UCBIL, our experts assess the intrinsic value of a business. As a reliable M&A adviser, we structure the transaction, conduct valuation, conduct due diligence, assess all material agreements, negotiate the best price for our client and ensure closing the deal.

19.3.7 Business Valuation

Valuation of Business is the process of revealing the economic value of a company. Business Valuation is required for numerous reasons- be it a regulatory requirement for investment or repatriation of funds to a foreign country, taxation reporting, determining the sales/purchase price of a company or any other ad-hoc requirement of clients; UCB Investment caters to all segments of valuation. Our valuation service includes analysis of the company's management, its capital structure, its future earnings prospects and evaluation of the market value of its assets.

19.3.8 Agency and Trustee

At UCB Investment Limited (UCBIL), our experienced team provides the service of a Trustee, Facility and Security Agent and Issuing and Paying Agent to ease financial transactions by ensuring different compliance requirements.

As a Trustee or Agency, we conduct due diligence on the financial and transactional documents as and when required as per relevant law of the country, act in the best interest of the Investors and Lenders as per relevant trust deeds and Agency Agreements, monitor and administrate the trust, act as a point of contact between Issuer/Borrower and Investors/Lenders group, ensure timely and seamless transactional supports, coordinate legal procedures on behalf of the Investors and Lenders within the scope of relevant law and agreements.

19.3.9 Placement and Transfer Agent Services

The dynamic team of UCB Investment is equipped to provide out-of-the-box services to you such as acting as placement agent and Transfer Agent Services. This service of UCBIL is unique because we are ready to be by your side –even when you appoint another Arranger to raise funds and they struggle to do so! As a placement agent we would find investors/lenders for you and help you to close the deal – be it a debt instrument or syndication/club financing transaction; with the help of our strong network and partnership with local and foreign investor/lender groups. As a transfer agent, we can also help our clients to find a buyer/seller to offload certain investments in absence of active secondary market.

19.4 Key Operational Results

UCB Investment Limited is one of the prominent merchant banks in Bangladesh. The following table shows the financial position of the company.

Table 22: Key Financials of the Trustee

In BDT Million

| Particulars | December 31, 2021 | December 31, 2020 | December 31, 2019 |
|-------------------------|-------------------|-------------------|-------------------|
| Total Assets | 1,225.38 | 370.40 | 356.36 |
| Shareholders' Equity | 1,132.49 | 312.19 | 316.36 |
| Paid up Capital | 1,000.00 | 250.00 | 250.00 |
| Investments | 233.22 | 193.88 | 300.75 |
| Total Operating Income | 136.96 | (1.75) | 36.42 |
| Profit Before Provision | 96.61 | (6.32) | 36.38 |
| Net Profit After Tax | 70.30 | (4.17) | 19.32 |

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UCB Investment Limited


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Group Chief Financial Officer
Mutual Trust Bank Limited
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Syed Mahabubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Below are the name of the issues where UCB Investment Limited is working as trustee:

| Sl. | Name of the Issue | Maturity Period | IM Issue Date | Date of Completion of subscription | Value of debt (BDT Million) | Repayment Amount (BDT Million) | Outstanding as of May 31, 2022 (BDT Million) | Default (If Any) |
|-----|--|-----------------|-------------------|------------------------------------|-----------------------------|--------------------------------|--|------------------|
| 1 | NRBC Bank Subordinated Bond-1 | 07 years | November 23, 2021 | December 26, 2021 | 3,000 | - | 3,000 | Nil |
| 2 | Bank Asia Perpetual Bond | Perpetual | March 02, 2022 | N/A | 5,000 | - | 5,000 | Nil |
| 3 | Mercantile Bank Perpetual Bond | Perpetual | May 24, 2022 | N/A | 5,000 | - | 5,000 | Nil |
| 4 | Mir Akhter Zero Coupon Bond | 04 Years | April 04, 2022 | N/A | 2,499 | - | 2,499 | Nil |
| 5 | Envoy Textiles Zero Coupon Bond | 05 Years | May 24, 2022 | N/A | 2,000 | - | 2,000 | Nil |
| 6 | Eastern Bank Limited 3 rd Subordinated Bond | 07 years | - | N/A | 5,000 | - | 5,000 | Nil |
| 7 | MTB 5 th Subordinated Bond | 07 years | - | N/A | 5,000 | - | 5,000 | Nil |


Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

20 Modus Operandi of the Issue

20.1 Application Procedure:

The Bonds shall be distributed 100% through private placement. Each Investor (Bondholder) shall enter into a separate Subscription Agreement with respect to their investment with the Issuer and shall be bound by the terms and conditions contained in the Subscription Agreement and the Trust Deed containing in details the rights and obligations of the Investor(s).

20.2 The Issuance of Bond

Notwithstanding anything contained anywhere in this Trust Deed, the Bonds shall be issued in dematerialised form as per the CDDBL Bye Laws and the Issuer shall apply to the respective stock exchange(s) for listing in the Alternative Trading Board (ATB) immediately from the date of availing ATB facilities under the Bangladesh Securities and Exchange Commission (Alternative Trading System) Rules, 2019 and respective regulations of the stock exchange(s) in this regard.

The Bond shall be rated by the Credit Rating Agency and its periodical surveillance rating shall be done by the Credit Rating Agency in line with the provisions of the Credit Rating Companies Rules, 1996 up to the full and final redemption or conversion of the issued securities.

20.3 Allotment:

On the Closing Date, to be determined, the Issuer shall allot and issue the Bonds to the Investor(s). The Bonds will be allotted according to the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021.

20.4 Refund

Not applicable at the time of Issuance. However, subject to receiving proper consent from the regulatory authorities Refund in relation to the subscription may be possible upon mutual agreement between the Issuer and each Bondholder.

20.5 Transfer

Bonds are transferable subject to the Terms and Conditions set out in the Trust Deed.

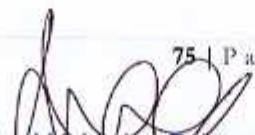
20.6 Repayment and Redemption features of the Bond

Coupon on the Bonds shall be paid on semi-annual basis on the Interest Payment Dates. The Interest Payment Dates shall be determined depending upon the Issue Date. Unless previously redeemed or purchased or cancelled, the principal of the Bonds will amortize, and paid annually on a pro rata basis to the Bondholders in instalments of 20% per year commencing at the third anniversary of the Bonds from the Issue Date. The final maturity of the Bonds will at the end of seventh year from the Issue Date of the Bonds.

20.7 Details of conversion or exchange option

Not Applicable.


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Syed Mahbubur Rahman
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Mutual Trust Bank Limited

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Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Malik Muntasir Raza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


22 Details of Fees Structure and Expenses

Total costs for issuing the bond (considering BDT 5,000 million is successfully raised) have been estimated to be BDT 48.95 million. The details of the cost breakdown are given below:

| Cost Associated with MTB 5 th Subordinated Bond | |
|--|-------------------|
| Face value of MTB 5th bond | 5,000,000,000 |
| Arranger & Co-arranger Fee | 25,000,000 |
| VAT on arranger fee | 3,750,000 |
| BSEC consent fee | 5,000,000 |
| BSEC Application fee | 10,000 |
| Trustee application fee | 50,000 |
| Trustee registration fee | 100,000 |
| Annual trustee fee to BSEC (7 years) | 350,000 |
| Trustee fee (7 years) | 1,750,000 |
| VAT on Trustee fee | 262,500 |
| Credit rating fee (7 years) | 630,000 |
| VAT on credit rating fee | 47,250 |
| Legal Counsel | 150,000 |
| VAT on legal counsel fee | 22,500 |
| Miscellaneous (stamp, printing ad) | 50,000 |
| (A) Total bond issuance fee | 37,172,250 |

| Listing Fee on ATB | |
|------------------------------------|-------------------|
| CDBL Fee (5000000000*0.00015) | 750,000 |
| CDBL Annual fee | 50,000 |
| DSE listing Fee (5000000000*0.15%) | 7,500,000 |
| DSE listing Annual fee | 600,000 |
| Total Listing fee | 8,900,000 |
| Issue manager fee for listing | 2,500,000 |
| VAT on issue manager | 375,000 |
| (B) Total listing fee | 11,775,000 |
| Total bond cost (A+B) | 48,947,250 |


Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited


Mohammad Nazimul Hossain, FCA
 Group Chief Financial Officer
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 Corporate Head Office, Dhaka


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Syed Mahbubur Rahmar
 Managing Director & CEO
 Mutual Trust Bank Limited


Md. M. Muntasir Reza
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Annexure 1: Issue Application as per Schedule A


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Corporate Head Office, Dhaka


Mohammad Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


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Syed Mahbubur Rahma,
Managing Director & CEO
Mutual Trust Bank Limited



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Mutual Trust Bank Ltd.

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MTB/CHO/GF/2022/57

June 16, 2022

The Chairman

Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
E-6/C, Agargaon
Sher-e-Bangla Nagar Administrative Area
Dhaka-1207, Bangladesh.

Dear Sir,

Subject: Application for Issuance of Fully Redeemable Non-Convertible Unsecured Floating Rate MTB 5th Subordinated Bond of BDT 5,000 Million

Please accept best compliments from Mutual Trust Bank Limited (MTB).

The Board of Directors of Mutual Trust Bank Limited in its 276th meeting held on Monday, May 30, 2022 decided to issue 500 nos. coupon-bearing non-convertible fully redeemable unsecured Subordinated Bonds of BDT 5,000,000,000 (Five billion Bangladeshi Taka), subject to necessary regulatory approvals. The purpose of the proposed subordinated bond is to enhance the capital strength of Mutual Trust Bank Limited by increasing Tier-2 Capital.

1. Particulars of the issuer are given below:

| | |
|-----------------------------------|---|
| Name: | Mutual Trust Bank Limited (MTB) |
| Legal status: | Public company limited by shares |
| | Corporate Office: MTB Centre, 26 Gulshan Avenue, Plot 5, Block SE(D), Gulshan 1, Dhaka 1212 Phone : 880 (2) 984 6966, 984 2429. Fax : 880 (2) 984 4303 E-mail : info@mutualtrustbank.com Website: https://www.mutualtrustbank.com |
| Details of contact information: | Contact Person Name: Mohammad Nazmul Hossain, FCA Designation: Group Chief Financial Officer Phone: 01730-781184 E-mail: n.hossain@mutualtrustbank.com Address: MTB Centre, 26 Gulshan Avenue, Plot 5, Block SE(D), Gulshan 1, Dhaka 1212 |
| Date of incorporation: | September 29, 1999 |
| Date of commencement of Business: | October 24, 1999 |
| Authorized capital: | BDT 10,000,000,000 (as on December 31, 2021) |
| Paid-up capital: | BDT 8,124,950,590 (as on December 31, 2021) |
| Total equity: | BDT 19,654,773,315 (as on December 31, 2021) |

2.5
Tanzim Alamgir
Managing Director & CEO
TCB Investment Limited

Page 1 of 6 Syed Mabbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Head Office, Dhaka

Mohammad Nazmul Hossain
Group Chief Financial Officer
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| | |
|------------------------------|--|
| Total liabilities: | BDT 286,846,018,576 (as on December 31, 2021) |
| Total financial obligations: | BDT 286,846,018,576 (Total Liability) |
| Total assets: | BDT 306,500,925,149 (as on December 31, 2021) |
| Total tangible assets: | BDT 5,394,493,735 (Fixed Asset including Premises, Furniture and Fixtures) (as on December 31, 2021) |
| Net worth: | BDT 19,654,773,315 (as on December 31, 2021) |

2. Particulars of the arrangers are given below:

| | |
|--|---|
| Name of the Lead Arranger: | RSA Advisory Limited |
| Name of the Co-Arranger: | MTB Capital Limited |
| Legal status of the Lead Arranger: | Private limited company |
| Legal status of the Co-Arranger: | Private limited company |
| Details of contact information of Lead Arranger: | <p>RSA Advisory Limited House 85, Level 04, Road 03, Block F, Banani, Dhaka-1213 Phone : 0967 733 3666, E-mail : info@rsacapital.com Website: https://www.rsacapital.com</p> <p>Contact Person Name: Md. Mueyedul Islam Mueyed Designation: Senior Officer Phone: 016 8800 6080 E-mail: mueyed@rsacapital.com Address: House 85, Level 04, Road 03, Block F, Banani, Dhaka-1213</p> |
| Details of contact information of Co-Arranger: | <p>MTB Capital Limited Chandrashila Suvastu Tower (2nd Floor) 69/1, Panthapath, Dhaka 1205 Phone: +880 2 964 1157 Fax: +880 2 964 1159 E-mail: info.mtbcap@mutualtrustbank.com Website: www.mtbcap.com</p> <p>Contact Person Name: Md. Ashadul Islam Designation: Board Secretary and Compliance Officer Phone: 018 1841 6284 E-mail: ashad@mutualtrustbank.com Address: Chandrashila Suvastu Tower (2nd Floor) 69/1, Panthapath, Dhaka 1205</p> |
| Name of the issue managed by the issue manager: | MTB 5 th Subordinated Bond |

3. Key information regarding the proposed issue are summarized below:

| | |
|-----------------------------------|---|
| Name of the issue: | MTB 5 th Subordinated Bond |
| Type of instruments to be issued: | Tier 2 Eligible Non-Convertible Fully-redeemable coupon-bearing Unsecured Subordinated Bond |

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mohammad Nazimul Hossain
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Syed Mahboobur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Head Office: Dhaka



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| Purpose of the issue: | To raise Tier-2 Capital | | | | | | | | | | | | |
|--|---|-------------|-----------------|----------------------|-----|----------------------|-----|----------------------|-----|----------------------|-----|----------------------|-----|
| Number of securities and total size of the issue to be offered: | Number of securities being offered: 500 (Five Hundred) no. Total issue amount: BDT 5,000,000,000 (Five Billion Taka) | | | | | | | | | | | | |
| Face value and issue price of securities mentioning discount or premium thereof. | Face value: BDT 10,000,000 Issue price: BDT 10,000,000 | | | | | | | | | | | | |
| Coupon rate/discount rate and YTM: | Benchmark Rate: Latest average 6-month FDR rate of all private commercial banks excluding banks licensed after 2010 as published by Bangladesh Bank on the quotation day. (The Benchmark Rate will be rounded to 2 (two) decimal places. For example, if the benchmark rate is 5.155, then it should be rounded off to 5.16 and if the benchmark rate is 5.154 then it should be rounded off to 5.15); plus Margin: 2.00% p.a. Coupon Floor Rate: 7.00% p.a. Coupon Ceiling Rate: 9.00% p.a. | | | | | | | | | | | | |
| Coupon Payment: | Semi-annual coupon payment starting at the end of 6 months from the date of drawdown | | | | | | | | | | | | |
| Redemption: | Principal redemptions will be in 5 (five) equal annual instalments commencing at the end of 3 rd year (36 th month) from the date of drawdown in the following manner; <table border="1"> <thead> <tr> <th>End of Year</th> <th>Redemption Rate</th> </tr> </thead> <tbody> <tr> <td>3rd Year</td> <td>20%</td> </tr> <tr> <td>4th Year</td> <td>20%</td> </tr> <tr> <td>5th Year</td> <td>20%</td> </tr> <tr> <td>6th Year</td> <td>20%</td> </tr> <tr> <td>7th Year</td> <td>20%</td> </tr> </tbody> </table> | End of Year | Redemption Rate | 3 rd Year | 20% | 4 th Year | 20% | 5 th Year | 20% | 6 th Year | 20% | 7 th Year | 20% |
| End of Year | Redemption Rate | | | | | | | | | | | | |
| 3 rd Year | 20% | | | | | | | | | | | | |
| 4 th Year | 20% | | | | | | | | | | | | |
| 5 th Year | 20% | | | | | | | | | | | | |
| 6 th Year | 20% | | | | | | | | | | | | |
| 7 th Year | 20% | | | | | | | | | | | | |
| Tenor | 7 years from the date of issuance | | | | | | | | | | | | |
| Details of conversion/exchange option features: | Non-Convertible | | | | | | | | | | | | |
| Mode of redemption or conversion/exchange | Fully redeemable | | | | | | | | | | | | |
| Mode of option (call or put), if any, in case of redemption or conversion/exchange and discount or premium thereof | Non-Convertible, Non-Callable | | | | | | | | | | | | |
| Rate of return | Benchmark Rate: Latest average 6-month FDR rate of all private commercial banks excluding banks licensed after 2010 as published by Bangladesh Bank on the quotation day; plus Margin: 2.00% p.a. Coupon Floor Rate: 7.00% p.a. Coupon Ceiling Rate: 9.00% p.a. | | | | | | | | | | | | |
| Applicable tax rate | As per the laws of Bangladesh | | | | | | | | | | | | |
| Default protection, if any | Unsecured | | | | | | | | | | | | |
| Type of collateral securities being offered, if any: | Unsecured | | | | | | | | | | | | |

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mohammed Mazmul Haque
Group Chief Financial Officer

Corporate Head Office: MTB Centre, 26 Gulshan Avenue, Gulshan 1, Dhaka 1212
Phone: 880 (2) 5681 2298, 222 263 966, Fax: 880 (2) 222 264 303, SWIFT: MTBL BD DH E-mail: info@mutualtrustbank.com

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.



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| | |
|---|--|
| Status of securities holders in case of priority of payment | The Bonds shall constitute direct, subordinated, unconditional and unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference or priority among themselves. |
| Period within which securities to be issued: | As per regulatory approvals |
| Nature of tradability or listing in the stock exchange(s) (Main Board / ATB /any other platform, mentioning the name of the stock exchange) | Alternative Trading Board (ATB) |
| Date of audited accounts, which is included in the IM: | 31 December 2021 |

4. Particulars of the Trustee are given below:

| | |
|---|--|
| Name of the trustee: | UCB investment Limited |
| Paid-up capital of the trustee: | BDT 1,000,000,000 (as on December 31, 2021) |
| Net worth of the trustee: | BDT 1,132,493,978 (as on December 31, 2021) |
| Name of the issue(s) where performing as trustee: | <ul style="list-style-type: none">• NRBC Bank Subordinated Bond-1• Bank Asia Perpetual Bond• Mercantile Bank Perpetual Bond• Mir Akhter Zero Coupon Bond• Envoy Textiles Zero Coupon Bond• MTB 5th Subordinated Bond |

5. Particulars of the credit rating company are given below:

| | |
|--|--|
| Name of credit rating company: | Emerging Credit Rating Limited |
| Credit rating status of the issuer | AA (Long Term), ST-2 (Short Term) |
| Date and validity of rating along with surveillance rating for the issuer: | Valid From: 12-May-2022 Validity Date: 11-May-2023 Surveillance Rating: Rating Agency: Credit Rating Information and Services Limited (CRISL) |
| Credit rating status of the issue: | AA-B [*] [*] B denotes Bond |
| Date and validity of rating along with surveillance rating for the issue: | Valid From: 15-June-2022 Validity Date: 14-June-2023 Surveillance Rating: Rating Agency: Emerging Credit Rating Limited (ECRL) |
| Latest default rate of the credit rating company: | Rating category wise: 0.1% Rating band wise 10 years cumulative rate: 0.2% |
| Average time to default of the rated category: | 49 months |
| Rating trigger, if any: | Not Applicable |

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Managing Director & CEO
UCB Investment Limited

Mohammad Nazmul Hossain, FCA
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Mutual Trust Bank Limited
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Corporate Head Office: MTB Centre, 26 Gulshan Avenue, Gulshan 1, Dhaka 1212

Page 4 of 6

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Muhammad Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.



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Mutual Trust Bank Ltd.

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6. Particulars of originators, if any: Not Applicable

7. Particulars of other contractual parties:

| | |
|--|------------------------|
| Paying Agent, Register, Transfer Agent | UCB Investment Limited |
| Legal Advisor | Lex Juris |

We enclose herewith the necessary documents and Pay Order No. 1675406 dated June 16, 2022 for BDT 10,000 (ten thousand only) in favor of Bangladesh Securities and Exchange Commission as per rule 4 of Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021. The bank has followed relevant rules and regulations of Bangladesh Bank and Bangladesh Securities and Exchange Commission.

We, therefore, request you to accord your kind consent to issue MTB 5th Subordinated Bond and allow us to strengthen the capital base.

Thanking You.

Yours sincerely,

Chowdhury Akhtar Ashraf
Acting Managing Director and Additional Managing Director & GCRO

Enclosed:

1. Pay Order No. 1675406 dated June 16, 2022 for BDT 10,000 (ten thousand) as application fee
2. Certified copy of Memorandum and Articles of Association
3. Certified copy of Certificate of Incorporation
4. Certified copy of Certificate of Commencement of Business
5. Certified copy of Particulars of Directors (Form XII)
6. Certified copy of Return of Allotment of Shares (Form XV)
7. Certified copy of Annual Summary of Share Capital (Schedule X)
8. Auditor's Report along with the Audited Financial Statements of Mutual Trust Bank Limited as of 31 December 2021
9. Details of outstanding debt securities
10. Statement regarding purpose of issuance of securities and plan regarding the use of proceeds
11. Extract from Resolution of the Board of Directors deciding to issue subordinated bonds
12. Copies of disclosure of Price Sensitive Information (BSEC, stock exchanges and newspaper) regarding the issue
13. Auditor's Certificate showing deposit of an amount equivalent to the owners' stake in Mutual Trust Bank Limited attested by the Chief Executive Officer
14. Short description of business of Mutual Trust Bank Limited
15. Credit Rating Report of MTB 5th Subordinated Bond
16. Credit Rating Report of Mutual Trust Bank Limited
17. Draft Information Memorandum prepared as per Schedule 'B' of the Securities and Exchange Commission (Debt Securities) Rules, 2021

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UCB Investment Limited

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18. Draft Deed of Trust prepared as per Schedule 'C' of the Securities and Exchange Commission (Debt Securities) Rules, 2021
19. Copy of registration certificate of the proposed trustee by the Commission to act as trustee to this bond
20. Due Diligence Certificate of the proposed trustee as per Schedule 'D' of the Securities and Exchange Commission (Debt Securities) Rules, 2021
21. Repayment Schedule of MTB 5th Subordinated Bond in hard and electronic forms
22. undertaking of MTB and its directors for obtaining CIB report from Bangladesh Bank
23. Bank's Certificate regarding previous bond issues
24. Bank statement showing deposit of proceeds of previous bond issues
25. Copy of the application letter submitted for Bangladesh Bank approval
26. Certified copy of Trust Deed of previous bond
27. Bangladesh Securities & Exchange Commission's Consent Letter on previous bond issue
28. Bangladesh Bank's Consent Letters on previous bond issue
29. Copy of Agreement between Issuer and Rating Agency
30. Authorization letter for signing application and other documents

Documents to be submitted:

1. Copy of Bangladesh Bank's approval of this bond
2. Copy of Registration Certificate to trustee to act as trustee to this bond
3. CIB Undertaking form of all directors including MD & CEO


2.5
Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Page 6 of 6

Corporate Head Office: MTB Centre, 26 Gulshan Avenue, Gulshan 1, Dhaka 1212


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Group Chief Financial Officer
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Corporate Head Office, Dhaka

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Annexure 2: Audited Financial as of 30 September 2022

**Auditors' Report Along with Audited Financial Statements of
Mutual Trust Bank Limited & its Subsidiaries
For three Quarters ended 30 September, 2022**



Mohammad Mazmit Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

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Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited



Malik Muntasir Reza
Sr. Executive Vice President &
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Mutual Trust Bank Limited
Corporate Head Office, Dhaka



শফিক বসাক এন্ড কোং
SHAFIQ BASAK & CO.
CHARTERED ACCOUNTANTS



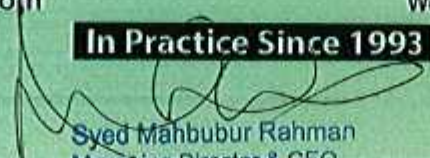
PRIVATE & CONFIDENTIAL

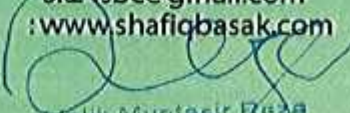
**INDEPENDENT AUDITOR'S REPORT
ON
CONSOLIDATED & SEPARATE
FINANCIAL STATEMENTS
OF
MUTUAL TRUST BANK LTD. AND
ITS SUBSIDIARIES
FOR INTERIM PERIOD ENDED
30 SEPTEMBER 2022**

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E-mail : basak_sbc@yahoo.com
basak@shafiqbasak.com


DHAKA OFFICE :
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FAKIRAPOOL, MOTIJHEEL, DHAKA.
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In Practice Since 1993


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tasnim Alamgir
Managing Director & CEO
MTC Investment Limited


Tasnim Alamgir
Managing Director & CEO
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



শফিক বসাক এন্ড কোং
SHAFIQ BASAK & CO.

CHARTERED ACCOUNTANTS

Partners:

Md. Shafiqul Islam, FCA
Sampad Kumar Basak, FCA
Sarwar Mahmood, FCA
Sheikh Zahidul Islam, MBA, FCA

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basak@shafiqbasak.com

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

Independent auditor's report on consolidated & separate interim financial statements of Mutual Trust Bank Ltd. and its subsidiaries

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 for interim period ended 30 September 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 period 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 for interim period ended 30 September 2022, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 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 consolidated and separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the guidelines issued by Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with IESBA Code the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. 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 judgement, 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.


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited



INDEPENDENT MEMBER OF

A B A C U S

WORLDWIDE

DHAKA OFFICE - (2) : House - 42 (1st Floor), Road - 01, Block - A, Niketan, Gulshan - 01, Dhaka.

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In Practice Since 1993

Mohammad... FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

| The key audit matters | How the matter was addressed in our audit. |
|---|--|
| Measurement of Provision for Loans and Advances | |
| <p>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:</p> <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; and • Recovery rates. <p>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.</p> <p>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.</p> <p>At period end the Group and the Bank reported total gross loans and advances of BDT 249.94 billion (2021: BDT 226.01 billion) and BDT 247.02 billion (2021: BDT 222.92 billion) respectively and provision for loans and advances of BDT 8.997 billion (2021: BDT 8.885 billion) and BDT 8.95 billion (2021: BDT 8.17 billion) respectively.</p> <p>See note # 2.2.3, 7, 7.a, 12.01, 12.a.1 and 12.a.2 to the financial statements.</p> | <p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; and • Review of quarterly Classification of Loans (CL) <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <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; and • Finally, assessed the appropriateness of disclosures against relevant accounting standards and Bangladesh Bank guidelines. |
| Loans and advances | |
| <p>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.</p> <p>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.</p> <p>See note no 2.2.3, 7 and 7.a to the financial statements</p> | <p>We tested the design and operating effectiveness of key controls focusing on credit appraisal, loan disbursement procedures and monitoring process of loans and advances.</p> <p>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.</p> <p>Furthermore, we have assessed the appropriateness of disclosure against Bangladesh Bank guidelines.</p> |


Md. Masud Hossain, B.A.
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited




Malik Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited

| Recognition of Interest Income from loans and advances | |
|---|--|
| <p>Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income has involvement of complex IT environment.</p> <p>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.</p> | <p>We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans and advances.</p> <p>We performed test of operating effectiveness on automated control in place to measure and recognize interest income.</p> <p>We have also performed substantive procedure to check whether interest income is recognized completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p> |
| Valuation of Treasury Bill and Treasury Bond | |
| <p>The classification and measurement of treasury bonds require judgment and complex estimates.</p> <p>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 which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p> <p>See note # 2.2.2, 6.a.1.1 and 6.a.1.2 to the financial statements.</p> | <p>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.</p> <p>Finally, we have assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p> |
| Recognition and subsequent measurement of IFRS 16 Leases | |
| <p>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 1,562.12 million (net present value) (2021: BDT 1,330.13 million) and lease liabilities at BDT 1,773.32 million (2021: BDT 1,404.50 million).</p> <p>The recognition and subsequent measurement of IFRS 16 Leases is considered a key audit matter, as the balances recorded are 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 calculation model.</p> <p>See note # 2.2.8, 8, 8.a, 12.a.8, 36.a and 37.a to the financial statements.</p> | <p>In responding to the identified key audit matter, we completed the following audit procedures:</p> <ul style="list-style-type: none"> Assessed the design and implementation of key controls pertaining to the determination of the IFRS 16 Leases impact on the financial statements of the bank; Assessed the appropriateness of the incremental borrowing rate; Verified the accuracy of the underlying lease data by agreeing to original contract and checked the accuracy of the IFRS 16 calculations through recalculation of the expected IFRS 16 adjustment and; Assessed the disclosures given in the financial statements. <p>For identifying the individual lease contract as 'low value item' the Bank has applied a threshold of Tk 20 million for each lease and also considered the probability of exercising non-renewal option of those lease contract.</p> |

Mohammad Nazim Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited




Mark Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

| Legal and Regulatory Matters | |
|---|--|
| <p>We focused on legal and regulatory matters because the Bank and its subsidiaries (the "Group") operate in a legal and regulatory environment that is exposed 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.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.</p> | <p>We tested the design and operating effectiveness of key controls over the legal provision and contingencies process.</p> <p>We inquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We inquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Group's provisions and contingent liabilities disclosure.</p> |
| IT systems and controls | |
| <p>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.</p> <p>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.</p> | <p>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 general controls (logical access, changes management and aspects of IT operational controls). This included:</p> <ul style="list-style-type: none"> • testing that requests 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 |

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, in 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 IFRSs as explained in note # 2, and for such internal control as management determines is necessary to enable 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 effective internal audit, 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 controls and report to Bangladesh Bank on instances of fraud and forgeries.

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 to cease operations, or has no realistic alternative but to do so.

Mohammad Masud Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



Mamun Muntasir Reza
Sr. Executive Vice President
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

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 events or conditions that may cast significant doubt on the Group's and the Bank'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 information of the entities or business activities within the Group to express an opinion on the consolidated 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 precludes 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 interest benefits of such communication.

Mohamud Murtasir, FSA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



Murtasir Murtasir Reza
Sr. Executive Vice President
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Report on Other Legal and Regulatory Requirements

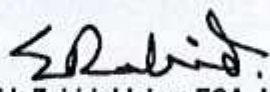
In accordance with the Companies Act, 1994, the Securities and Exchange Rules 2020, the Bank Company Act, 1991 and the rules and regulations issued by Bangladesh Bank, we also report that:

- i) 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;
- ii) 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 controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - a. internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
 - b. 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 (other than matters disclosed in these financial statements);
- iii) 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;
- iv) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- v) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- vi) the expenditures incurred were for the purpose of the Group's and the Bank's business for the period;
- vii) 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;
- viii) subject to the content of note # 7.a.8, adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- ix) the information and explanations required by us have been received and found satisfactory;
- x) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 2,300 person hours; and
- xi) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately for the interim period ended 30 September 2022.

The engagement partner on the audit resulting in this independent auditor's report is Sheikh Zahidul Islam FCA, MBA.

Dated, Dhaka
10 November 2022

Signed for and on behalf of
SHAFIQ BASAK & CO.
Chartered Accountants


Sheikh Zahidul Islam FCA, MBA
Enrolment no. 1394

2.5
Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Mohammad Masain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



Mutual Trust Bank Limited and Its Subsidiaries
Consolidated Balance Sheet
As at 30 September 2022

| | Notes | September 2022 BDT | 2021 BDT |
|---|-------|------------------------|------------------------|
| PROPERTY AND ASSETS | | | |
| Cash | 3.00 | 15,652,958,483 | 14,815,134,487 |
| Cash In Hand (Including Foreign Currency) | | 3,634,755,593 | 3,617,498,522 |
| Balance with Bangladesh Bank and Its Agent Bank(s) (including foreign currency) | | 12,018,202,891 | 11,197,635,965 |
| Balance with Other Banks & Financial Institutions | 4.00 | 5,008,768,553 | 3,965,379,148 |
| In Bangladesh | | 2,036,250,359 | 1,795,397,175 |
| Outside Bangladesh | | 2,972,518,194 | 2,169,981,973 |
| Money at Call on Short Notice | 5.a | - | 200,000,000 |
| Investments | 6.00 | 47,579,700,509 | 47,417,383,858 |
| Government | | 39,609,002,414 | 40,852,130,399 |
| Others | | 7,970,698,095 | 6,565,253,459 |
| Loans and Advances/Investments | 7.00 | 249,934,982,067 | 226,011,574,670 |
| Loans, Cash Credits, Overdrafts, etc./Investments | | 247,080,519,954 | 222,483,861,585 |
| Bills Purchased and Discounted | | 2,854,462,114 | 3,527,713,085 |
| Fixed Asset including Premises, Furniture and Fixtures | 8.00 | 5,384,883,698 | 5,394,493,735 |
| Other Assets | 9.00 | 12,291,358,707 | 8,696,959,252 |
| Non-Banking Assets | | - | - |
| Total Property and Assets | | 335,852,652,018 | 306,500,925,149 |
| LIABILITIES AND CAPITAL | | | |
| Borrowing from Other Banks, Financial Institutions and Agents | 10.00 | 44,634,768,507 | 35,205,781,006 |
| Deposits and Other Accounts | 11.00 | 222,750,377,622 | 211,782,425,769 |
| Current Deposit & Other Accounts | | 28,385,539,609 | 26,914,905,893 |
| Bills Payable | | 2,141,438,590 | 1,975,092,979 |
| Savings Deposit | | 44,466,470,767 | 42,589,740,210 |
| Fixed Deposits | | 104,064,580,284 | 91,528,348,348 |
| Special Noticed Deposits | | 19,915,236,031 | 25,158,651,767 |
| Deposit Products | | 23,777,112,341 | 23,615,686,572 |
| Other Liabilities | 12.00 | 35,087,375,255 | 27,257,811,801 |
| Bond | 13.a | 11,600,000,000 | 12,600,000,000 |
| Perpetual Bond | | 4,000,000,000 | 4,000,000,000 |
| Subordinated Debts | | 7,600,000,000 | 8,600,000,000 |
| Total Liabilities | | 314,072,521,385 | 286,846,018,576 |
| Capital/Shareholders' Equity | | | |
| Paid up Capital | 14.a | 8,937,452,240 | 8,124,956,590 |
| Statutory Reserve | 15.a | 6,324,036,691 | 5,696,354,496 |
| Share Premium | 16.a | 1,095,304,778 | 1,095,304,778 |
| Revaluation Reserve on Investment in Securities | 17.00 | 556,362,253 | 457,933,517 |
| Foreign Currency Translational Gain/Loss | | 46,518,068 | 4,699,421 |
| General Reserve | 18.a | 786,777,324 | 786,777,324 |
| Surplus in Profit and Loss Account/Retained Earnings | 19.00 | 4,033,546,676 | 3,488,747,189 |
| Total Shareholders' Equity | | 21,779,998,029 | 19,654,773,315 |
| Non-Controlling Interest | 20.00 | 132,604 | 133,258 |
| Total Liabilities and Shareholders' Equity | | 335,852,652,018 | 306,500,925,149 |
| Net Asset Value (NAV) per share (2021 Restated) | 21.00 | 24.37 | 21.99 |



Mohammed M. M. Moin, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


 Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited


 Main Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited

Mutual Trust Bank Limited and Its Subsidiaries
Consolidated Balance Sheet
As at 30 September 2022

| Notes | September'2022 BDT | 2021 BDT |
|---|------------------------|------------------------|
| Off-Balance Sheet Items | | |
| Contra & Contingent Assets & Liabilities: | | |
| 22.a | | |
| Acceptances and endorsements | 43,264,423,116 | 44,841,639,706 |
| Letter of guarantee | 51,371,740,461 | 40,349,440,573 |
| Irrevocable letters of credit | 44,857,832,726 | 36,766,759,417 |
| Bills for collection | 10,298,506,360 | 10,053,512,136 |
| Other contingent liabilities | - | - |
| Total Off-Balance Sheet Items | 149,792,502,663 | 132,011,351,831 |
| Other Commitments | | |
| Documentary credits and short term trade related transactions | - | - |
| Forward asset purchased and forward deposit placed | - | - |
| Undrawn note issuance and revolving underwriting facilities | - | - |
| Undrawn formal standby facilities, credit lines and other commitments | - | - |
| Claim against the bank not acknowledged as debt | - | - |
| Litigation pending against Bank | - | - |
| Other Memorandum Items | | |
| Value of Travelers' Cheque on Hand | - | - |
| Value of Bangladesh Sanchoy Patra on Hand | - | - |
| Total Off-Balance Sheet Items including Contingent Liabilities | 149,792,502,663 | 132,011,351,831 |

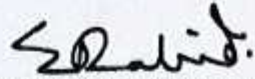
The annexed accounting policies and other notes form an integral part of these financial statements

 Chairman
 Director
 Director
 Managing Director & CEO

Signed as per annexed report on even date

Dated, Dhaka
10 November 2022

Signed for and on behalf of
SHAFIQ BASAK & CO.
Chartered Accountants


 Sheikh Zahidul Islam FCA, MBA
 Enrolment No. 1394




 Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited


 Malik Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


 Syed Manubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited

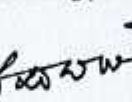

 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

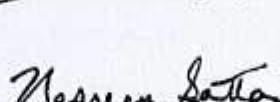
Mutual Trust Bank Limited and its Subsidiaries
Consolidated Profit and Loss Account
For the Period ended 30 September 2022

| Particulars | Notes | 01 January to | 01 January to |
|---|--------------|-----------------------|----------------------|
| | | 30 September 2022 | 30 September 2021 |
| | | BDT | BDT |
| Interest Income/Profit on Investments | 24.00 | 11,736,545,632 | 10,655,996,831 |
| Interest paid/Profit Shared on Deposits and Borrowings etc. | 25.00 | 8,139,566,015 | 6,698,651,586 |
| Net Interest Income/Profit on Investments | | 3,596,979,617 | 3,957,345,245 |
| Investment Income | 26.00 | 2,341,529,482 | 2,469,765,467 |
| Commission, Exchange and Brokerage | 27.00 | 5,926,834,358 | 1,675,488,034 |
| Other Operating Income | 28.00 | 670,161,935 | 598,438,654 |
| Total Other Income | | 8,938,525,775 | 4,743,692,155 |
| Total Operating Income | | 12,535,505,392 | 8,701,037,400 |
| Less: Operating Expenses: | | | |
| Salary and Allowances | 29.00 | 3,235,667,971 | 2,630,802,507 |
| Rent, Taxes, Insurance, Electricity etc. | 30.00 | 575,502,766 | 491,983,257 |
| Legal Expenses | 31.00 | 775,102 | 1,456,362 |
| Postage, Stamps, Telecommunication etc. | 32.00 | 27,068,046 | 11,440,447 |
| Stationery, Printings, Advertisements etc. | 33.00 | 100,270,572 | 77,735,096 |
| Chief Executive's salary and fees | 29.a.1 | 20,499,936 | 19,786,145 |
| Director's Fees | 34.00 | 2,330,133 | 1,415,200 |
| Auditor's Fees | 35.00 | - | 422,553 |
| Depreciation and repair of bank's assets | 36.00 | 755,455,642 | 581,663,772 |
| Other Expenses | 37.00 | 2,310,739,651 | 1,051,737,937 |
| Total Operating Expenses | | 7,028,309,818 | 4,868,453,276 |
| Profit Before Provision | | 5,507,195,574 | 3,832,584,124 |
| Less: Provision for Loans, Investment & Other | 38.00 | | |
| Provision for Unclassified Loan and Advance | | 1,318,354,109 | 37,794,050 |
| Provision for Classified Loan and Advance | | 420,418,101 | 889,648,693 |
| Provision for Off-Balance Sheet Items | | 150,622,585 | 268,692,169 |
| Provision for Diminution in Value of Investments | | 177,000,000 | 286,000,000 |
| Provision for Other Assets | | 50,000,000 | 19,000,000 |
| Total Provision | | 2,116,394,775 | 1,501,134,912 |
| Profit Before Tax | | 3,390,800,799 | 2,331,449,212 |
| Provision for Taxation | | 1,157,602,513 | 1,356,983,460 |
| Current Tax Expenses | 39.00 | 1,600,742,066 | 1,245,485,287 |
| Deferred Tax Expenses/(Income) | 39.01 | (443,139,553) | 111,498,173 |
| Net Profit After Tax | | 2,233,198,286 | 974,465,752 |
| Shareholders' of the Bank | | 2,233,194,740 | 974,462,118 |
| Minority Interest | | 3,546 | 3,635 |
| Retained Surplus Brought Forward | | 2,233,198,286 | 974,465,752 |
| | | 3,488,747,189 | 2,166,251,505 |
| | | 5,721,941,929 | 3,140,713,623 |
| Appropriations: | | | |
| Bonus Shares Issued during the year | | 812,495,650 | 738,632,410 |
| Cash Dividend Paid by MTBSL during the year | | 227,495,800 | - |
| Transferred to Statutory Reserve | | 627,682,195 | 414,814,372 |
| Transferred to Start-Up Fund | | 20,721,609 | 8,447,088 |
| | | 1,688,395,254 | 1,161,893,870 |
| Retained Surplus, Carried Forward | | 4,033,546,676 | 1,978,819,753 |
| Earnings Per Share (EPS) (2021 Restated) | 40.00 | 2.50 | 1.09 |

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


 Chairman


 Director


 Director

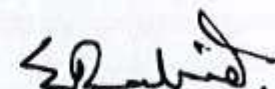

 Managing Director & CEO

Signed as per annexed report on even date

Dated, Dhaka
 10 November 2022

Signed for and on behalf of
SHAFIQ BASAK & CO.
 Chartered Accountants




 Sheikh Zahidul Islam FCA, MBA
 Enrolment No. 1394


 Mohamed Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


 Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited

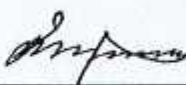

 Mannuuntasir Roza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

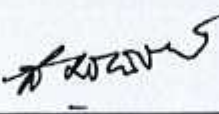

 Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited


Mutual Trust Bank Limited and Its Subsidiaries
Consolidated Statement of Cash Flow
For the Period ended 30 September 2022

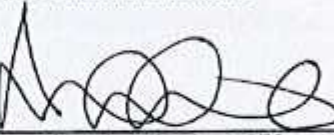
| Particulars | Notes | 01 January to | 01 January to |
|--|--------------|-----------------------------|-----------------------------|
| | | 30 September 2022 BDT | 30 September 2021 BDT |
| A) Cash Flows From Operating Activities: | | | |
| Interest receipts/investment income receipts in cash | | 13,445,445,300 | 14,999,261,131 |
| Interest payments/profit paid on Deposits, Borrowings, etc. | | (6,687,839,506) | (8,227,699,019) |
| Dividend receipts | | 256,604,283 | 86,498,708 |
| Fees & Commission receipts in cash | | 5,926,834,358 | 1,675,488,034 |
| Recoveries on loans/investment previously written off | | 58,198,332 | - |
| Cash payments to employees | | (3,256,167,907) | (2,650,588,652) |
| Cash payments to suppliers | | (100,270,572) | (77,735,096) |
| Income taxes paid | | (878,160,534) | (673,179,482) |
| Receipts from other operating activities | 41.00 | 1,031,620,766 | 1,072,946,826 |
| Payments for other operating activities | 42.00 | (3,063,489,311) | (1,644,625,586) |
| Cash Flow from Operating Activities before Changes in Net Current Assets: | | 6,732,775,229 | 4,560,366,863 |
| Increase/Decrease in operating assets and liabilities | | | |
| Loans and Advances/investment to customers | | (23,923,407,397) | (16,191,904,622) |
| Other Assets | | (2,701,672,242) | (2,519,037,409) |
| Deposits from other banks | | (3,950,000,000) | 3,750,000,000 |
| Deposits from customers | | 13,410,306,357 | 4,969,098,835 |
| Borrowing from Other Banks, Financial Institutions & Agents | | 9,428,987,501 | 4,299,982,999 |
| Other Liabilities | | 4,532,665,213 | 3,132,728,916 |
| Cash generated from operating assets and liabilities | | (3,203,220,567) | (2,559,131,281) |
| Net Cash Flows from Operating Activities | | 3,529,554,662 | 2,001,235,582 |
| B) Cash Flow from Investing Activities: | | | |
| Investments in T. Bills, T. Bonds and other | | 1,341,271,310 | (905,643,198) |
| Investments in Shares & Bonds | | (1,405,444,636) | (2,655,859,306) |
| Purchase of Fixed Assets (Net) | | (598,771,992) | (740,282,524) |
| Net Cash Flow from Investing Activities | | (662,945,318) | (4,301,785,028) |
| C) Cash Flow from Financing Activities: | | | |
| Subordinated debts | | (1,000,000,000) | 2,350,000,000 |
| Dividend Paid by MTB Subsidiaries | | (227,500,000) | - |
| Net Cash Flow from Financing Activities | | (1,227,500,000) | 2,350,000,000 |
| D) Net Increase in Cash and Cash Equivalents | | 1,639,109,345 | 49,450,554 |
| E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents | | 41,818,647 | 550,586 |
| F) Opening Cash and Cash Equivalents | | 18,984,169,345 | 17,928,429,557 |
| Closing Cash and Cash Equivalents (D+E+F) | | 20,665,097,337 | 17,978,430,698 |
| The above closing Cash and Cash Equivalents include: | | | |
| Cash In Hand (Including Foreign Currency) | | 3,634,755,593 | 3,410,143,164 |
| Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency) | | 12,018,202,891 | 9,494,234,394 |
| Balance with Other Banks & Financial Institutions | | 5,008,768,553 | 5,072,014,040 |
| Money at Call and Short Notice | | - | - |
| Prize Bond | | 3,370,300 | 2,039,100 |
| | | 20,665,097,337 | 17,978,430,698 |
| Net Operating Cash Flows Per Share (2021 Restated) | 44.00 | 3.95 | 2.24 |

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


 Chairman


 Director


 Director


 Managing Director & CEO




 Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited


 Md. Mazmul Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


 Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited


 Md. Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Mutual Trust Bank Limited and Its Subsidiaries
Consolidated Statement of Changes in Equity
As at 30 September 2022

| Particulars | Amount in BDT | | | | | | | | | |
|---|-----------------|-------------------|---------------|---|--|-----------------|---|----------------|-------------------|----------------|
| | 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, 2022 | 8,124,956,590 | 5,696,354,496 | 1,095,304,778 | 457,933,517 | 4,699,421 | 786,777,324 | 3,488,747,189 | 19,654,773,315 | 133,258 | 19,654,906,573 |
| Bonus Share Issued during the period | 812,495,650 | | | | | | (812,495,650) | | | |
| Cash Dividend Paid during the period | | | | | | | | | | |
| Currency Translation differences | | | | | 41,818,647 | | (227,495,800) | (227,495,800) | (4,200) | (227,500,000) |
| Transferred to Start-Up Fund | | | | | | | (20,721,609) | 41,818,647 | | 41,818,647 |
| Revaluation Reserve transferred during the period | | | | 98,428,736 | | | (20,721,609) | (20,721,609) | | (20,721,609) |
| Net Profit for the period after Tax | | | | | | | 2,233,194,740 | 98,428,736 | 3,546 | 98,428,736 |
| Appropriation made during the period | | 627,682,195 | | | | | (627,682,195) | 2,233,194,740 | | 2,233,196,286 |
| Balance as at 30 September 2022 | 8,937,452,240 | 6,324,036,691 | 1,095,304,778 | 556,362,253 | 46,518,068 | 786,777,324 | 4,033,546,676 | 21,779,998,029 | 132,604 | 21,780,130,633 |
| Balance as at 31 December, 2021 | 8,124,956,590 | 5,696,354,496 | 1,095,304,778 | 457,933,517 | 4,699,421 | 786,777,324 | 3,488,747,189 | 19,654,773,315 | 133,258 | 19,654,906,573 |

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

Chairman
Chairman

Director
Director

Managing Director & CEO
Managing Director & CEO

2.5
Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Chairman
Chairman

Mohammed Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



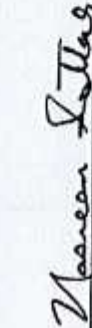
Mutual Trust Bank Limited and Its Subsidiaries
Consolidated Liquidity Statement
As at 30 September 2022

| Particulars | Amount in BDT | | | | | |
|---|-----------------------|-----------------------|-----------------------|------------------------|-----------------------|------------------------|
| | Less than 1 month | 1 to 3 months | 3 to 12 months | 1 to 5 years | Above 5 years | Total |
| ASSETS : | | | | | | |
| Cash | 6,928,958,483 | - | - | - | 8,724,000,000 | 15,652,958,483 |
| Balance with Other Banks and Financial Institutions | 3,181,671,546 | 1,288,052,753 | 450,027,536 | 46,324,774 | 42,691,943 | 5,008,768,553 |
| Money at Call & Short notice | - | - | - | - | - | - |
| Investments | 421,390,435 | 1,598,555,827 | 1,977,288,218 | 6,544,208,459 | 37,038,257,570 | 47,579,700,509 |
| Loans and Advances | 26,480,162,525 | 57,038,488,218 | 68,138,996,627 | 65,543,568,914 | 32,733,765,784 | 249,934,982,067 |
| Premises and Fixed Assets | 66,237,818 | 132,475,636 | 596,140,363 | 3,179,415,268 | 1,410,614,613 | 5,384,883,698 |
| Other Assets | 4,419,288,355 | 242,046,049 | 2,570,639,401 | 4,831,842,804 | 227,542,099 | 12,291,358,707 |
| Non-Banking Assets | - | - | - | - | - | - |
| Total Assets | 41,497,709,163 | 60,299,618,483 | 73,733,092,144 | 80,145,360,220 | 80,176,872,009 | 335,852,652,018 |
| LIABILITIES : | | | | | | |
| Borrowing From Other Banks, Financial Institutions & Agents | 4,985,190,122 | 12,526,460,649 | 16,394,626,465 | 9,023,886,872 | 1,704,604,399 | 44,634,768,507 |
| Deposit and Other Account | 29,991,242,180 | 44,470,215,590 | 48,218,459,150 | 64,146,321,114 | 35,924,139,589 | 222,750,377,622 |
| Provision & Other Liabilities | 869,450,964 | 432,870,432 | 5,049,461,957 | 7,661,924,890 | 21,073,667,011 | 35,087,375,255 |
| Subordinated Debts | 600,000,000 | - | 1,880,000,000 | 4,600,000,000 | 4,520,000,000 | 11,600,000,000 |
| Total Liabilities | 36,445,883,266 | 57,429,546,672 | 71,542,547,572 | 85,432,132,876 | 63,222,410,999 | 314,072,521,385 |
| Net Liquidities | 5,051,825,897 | 2,870,071,810 | 2,190,544,572 | (5,286,772,657) | 16,954,461,010 | 21,780,130,633 |

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


 Chairman

Director


 Director

Managing Director & CEO


 Malik Muntashir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office: Dhaka.


 Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited




 Md. Monirul Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office: Dhaka


 Syed Mahbubur Ranma
 Managing Director & CEO
 Mutual Trust Bank Limited

Mutual Trust Bank Limited

Balance Sheet

As at 30 September 2022

| | Notes | September'2022 BDT | 2021 BDT |
|---|-------|------------------------|------------------------|
| PROPERTY AND ASSETS | | | |
| Cash | 3.a | 15,640,374,940 | 14,800,349,000 |
| Cash In Hand (Including Foreign Currency) | | 3,622,172,049 | 3,602,713,035 |
| Balance with Bangladesh Bank and Its Agent Bank(s) (Including foreign currency) | | 12,018,202,891 | 11,197,635,965 |
| Balance with Other Banks & Financial Institutions | 4.a | 4,897,751,886 | 3,713,667,620 |
| In Bangladesh | | 1,925,233,692 | 1,543,685,647 |
| Outside Bangladesh | | 2,972,518,194 | 2,169,981,973 |
| Money at Call on Short Notice | 5.a | - | 200,000,000 |
| Investments | 6.a | 45,280,348,729 | 45,776,422,353 |
| Government | | 39,609,002,414 | 40,852,130,399 |
| Others | | 5,671,346,314 | 4,924,291,954 |
| Loans and Advances/Investments | 7.a | 247,015,272,155 | 222,924,200,254 |
| Loans, Cash Credits, Overdrafts, etc./Investments | | 244,160,810,041 | 219,396,487,169 |
| Bills Purchased and Discounted | | 2,854,462,114 | 3,527,713,085 |
| Fixed Asset including Premises, Furniture and Fixtures | 8.a | 5,189,017,272 | 5,203,874,445 |
| Other Assets | 9.a | 15,423,565,940 | 12,124,015,514 |
| Non-Banking Assets | | - | - |
| Total Property and Assets | | 333,446,330,921 | 304,742,529,186 |
| LIABILITIES AND CAPITAL | | | |
| Borrowing from Other Banks, Financial Institutions and Agents | 10.a | 44,634,768,507 | 35,205,781,006 |
| Deposits and Other Accounts | 11.a | 223,667,749,675 | 212,956,942,491 |
| Current Deposit & Other Accounts | | 28,385,556,855 | 28,915,622,914 |
| Bills Payable | | 2,141,438,590 | 1,975,092,979 |
| Savings Deposit | | 44,466,470,767 | 42,589,740,210 |
| Fixed Deposits | | 104,064,580,284 | 91,528,348,348 |
| Special Noticed Deposits | | 20,832,590,837 | 26,332,451,468 |
| Deposit Products | | 23,777,112,341 | 23,615,686,572 |
| Other Liabilities | 12.a | 32,192,787,459 | 24,818,899,708 |
| Bond | 13.a | 11,600,000,000 | 12,600,000,000 |
| Perpetual Bond | | 4,000,000,000 | 4,000,000,000 |
| Subordinated Debts | | 7,600,000,000 | 8,600,000,000 |
| Total Liabilities | | 312,095,305,642 | 285,581,623,206 |
| Capital/Shareholders' Equity | | | |
| Paid up Capital | 14.a | 8,937,452,240 | 8,124,956,590 |
| Statutory Reserve | 15.a | 6,324,036,691 | 5,696,354,496 |
| Share Premium | 16.a | 1,095,304,778 | 1,095,304,778 |
| Revaluation Reserve on Investment in Securities | 17.a | 508,248,963 | 409,820,227 |
| Foreign Currency Translational Gain/Loss | | 41,617,491 | 1,366,243 |
| General Reserve | 18.a | 786,777,324 | 786,777,324 |
| Surplus in Profit and Loss Account/Retained earnings | 19.a | 3,657,587,793 | 3,046,326,323 |
| Total Shareholders' Equity | | 21,351,025,279 | 19,160,905,981 |
| Total Liabilities and Shareholders' Equity | | 333,446,330,921 | 304,742,529,186 |
| Net Asset Value (NAV) per share (2021 Restated) | 21.a | 23.89 | 21.44 |

Mohammad Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Dhaka

Syed Mandubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited

Balance Sheet

As at 30 September 2022

| | September'2022 BDT | 2021 BDT |
|---|------------------------|------------------------|
| Off-Balance Sheet Items | | |
| <u>Contra & Contingent Assets & Liabilities:</u> | | |
| Acceptances and endorsements | 43,264,423,116 | 44,841,639,706 |
| Letter of guarantee | 51,371,740,461 | 40,349,440,573 |
| Irrevocable letters of credit | 44,857,832,726 | 36,766,759,417 |
| Bills for collection | 10,298,506,360 | 10,053,512,136 |
| Other contingent liabilities | - | - |
| Total Off- Balance Sheet Items | 149,792,502,663 | 132,011,351,831 |
| <u>Other Commitments</u> | | |
| Documentary credits and short term trade related transactions | - | - |
| Forward asset purchased and forward deposit placed | - | - |
| Undrawn note issuance and revolving underwriting facilities | - | - |
| Undrawn formal standby facilities, credit lines and other commitments | - | - |
| Claim against the bank not acknowledged as debt | - | - |
| Litigation pending against Bank | - | - |
| <u>Other Memorandum Items</u> | | |
| Value of Travelers' Cheque on Hand | - | - |
| Value of Bangladesh Sanchoy Patra on Hand | - | - |
| Total Off-Balance Sheet Items including Contingent Liabilities | 149,792,502,663 | 132,011,351,831 |

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

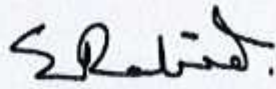


 Chairman Director Director Managing Director & CEO

Signed as per annexed report on even date

Dated, Dhaka
10 November 2022

Signed for and on behalf of
SHAFIQ BASAK & CO.
Chartered Accountants


 Sheikh Zahidul Islam FCA, MBA
Enrolment No. 1394



14


 Tanzim Alamgir, FCA
Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


 Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

2.5
 Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

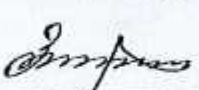
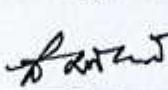
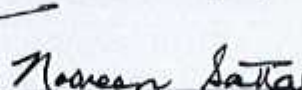


 Md. Muntasir Feroz
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Mutual Trust Bank Limited

Profit and Loss Account
For the Period ended 30 September 2022

| Particulars | Notes | 01 January to | 01 January to |
|---|--------|-----------------------|----------------------|
| | | 30 September 2022 | 30 September 2021 |
| | | BDT | BDT |
| Interest Income/Profit on Investments | 24.a | 11,568,576,585 | 10,532,181,661 |
| Interest paid/Profit Shared on Deposits and Borrowings etc. | 25.a | 8,139,566,015 | 6,698,651,586 |
| Net Interest Income/Profit on Investments | | 3,429,010,571 | 3,833,530,075 |
| Investment Income | 26.a | 2,228,842,023 | 2,281,931,515 |
| Commission, Exchange and Brokerage | 27.a | 5,715,801,732 | 1,362,207,011 |
| Other Operating Income | 28.a | 648,712,688 | 569,252,647 |
| Total Other Income | | 8,593,356,443 | 4,213,391,173 |
| Total Operating Income | | 12,022,367,014 | 8,046,921,248 |
| Less: Operating Expenses: | | | |
| Salary and Allowances | 29.a | 3,153,797,085 | 2,558,339,216 |
| Rent, Taxes, Insurance, Electricity etc. | 30.a | 556,611,992 | 475,530,882 |
| Legal Expenses | 31.a | 775,102 | 1,456,362 |
| Postage, Stamps, Telecommunication etc. | 32.a | 26,762,406 | 11,019,075 |
| Stationery, Printings, Advertisements etc. | 33.a | 98,215,569 | 76,126,541 |
| Chief Executive's salary and fees | 29.a.1 | 20,499,936 | 19,786,145 |
| Director's Fees | 34.a | 1,425,600 | 510,400 |
| Auditor's Fees | 35.a | - | - |
| Depreciation and repair of bank's assets | 36.a | 749,623,141 | 676,446,102 |
| Other Expenses | 37.a | 2,291,650,436 | 1,028,499,755 |
| Total Operating Expenses | | 6,899,561,266 | 4,747,714,477 |
| Profit Before Provision | | 5,122,805,748 | 3,299,206,771 |
| Less: Provision for Loans, Investment & Other | 38.a | | |
| Provision for Unclassified Loan and Advance | | 1,318,354,109 | 37,794,050 |
| Provision for Classified Loan and Advance | | 420,418,101 | 889,648,693 |
| Provision for Off-Balance Sheet items | | 160,622,565 | 268,692,169 |
| Provision for Diminution in Value of Investments | | 45,000,000 | 10,000,000 |
| Provision for Other Assets | | 50,000,000 | 19,000,000 |
| Total Provision | | 1,984,394,775 | 1,225,134,912 |
| Profit Before Tax | | 3,138,410,973 | 2,074,071,859 |
| Provision for Taxation | | 1,066,250,049 | 1,229,363,026 |
| Current Tax Expenses | 39.a | 1,509,144,860 | 1,117,854,948 |
| Deferred Tax Expenses/(Income) | 39.a.1 | (442,894,811) | 111,508,078 |
| Net Profit After Tax | | 2,072,160,924 | 844,708,833 |
| Retained Surplus Brought Forward | | 3,046,326,323 | 1,779,195,562 |
| | | 5,118,487,246 | 2,623,904,395 |
| Appropriations: | | | |
| Bonus Shares issued during the year | | 812,495,650 | 738,632,410 |
| Transferred to Statutory Reserve | | 627,662,195 | 414,814,372 |
| Transferred to Start-Up Fund | | 20,721,609 | 8,447,088 |
| | | 1,460,879,454 | 1,161,893,870 |
| Retained Surplus, Carried Forward | | 3,657,587,793 | 1,462,010,525 |
| Earnings Per Share (EPS) (2021 Restated) | 40.a | 2.32 | 0.95 |

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

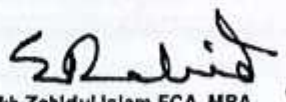
Chairman Director Director Managing Director & CEO

Signed as per annexed report on even date

Dated, Dhaka
10 November 2022

Signed for and on behalf of
SHAFIQ BASAK & CO.
Chartered Accountants




 Sheikh Zahidul Islam FCA, MBA
 Enrolment No. 1394

Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited


 Mohammad Nazmul Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Dhaka



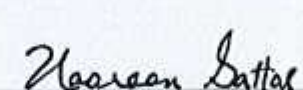


 Syed Mahbubur Ranmar
 Managing Director & CEO
 Mutual Trust Bank Limited


 Matik Muntasir Raza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka.

Mutual Trust Bank Limited
Statement of Cash Flow
For the Period ended 30 September 2022

| Particulars | Notes | 01 January to | 01 January to |
|--|-------|-----------------------------|-----------------------------|
| | | 30 September 2022 BDT | 30 September 2021 BDT |
| A) Cash Flows From Operating Activities: | | | |
| Interest receipts/investment income receipts in cash | | 13,277,476,254 | 14,875,445,961 |
| Interest payments/profit paid on Deposits, Borrowings, etc. | | (6,687,839,506) | (8,227,699,019) |
| Dividend receipts | | 224,807,994 | 66,872,925 |
| Fees & Commission receipts in cash | | 5,715,801,732 | 1,362,207,011 |
| Recoveries on loans/investment previously written off | | 58,198,332 | - |
| Cash payments to employees | | (3,174,297,021) | (2,578,125,361) |
| Cash payments to suppliers | | (98,215,569) | (76,126,541) |
| Income taxes paid | | (767,548,578) | (624,490,101) |
| Receipts from other operating activities | 41.a | 929,280,369 | 875,552,650 |
| Payments for other operating activities | 42.a | (3,025,350,518) | (1,603,480,098) |
| Cash Flow from Operating Activities before Changes in Net Current Assets: | | 6,452,313,489 | 4,070,177,427 |
| Increase/Decrease in operating assets and liabilities | | | |
| Loans and Advances/investment to customers | | (24,091,071,901) | (16,153,148,063) |
| Other Assets | | (2,517,435,167) | (2,509,585,582) |
| Deposits from other banks | | (3,950,000,000) | 3,750,000,000 |
| Deposits from customers | | 14,660,807,184 | 5,490,984,129 |
| Borrowing from Other Banks, Financial Institutions & Agents | | 9,428,987,501 | 4,299,982,999 |
| Other Liabilities | | 2,792,596,478 | 2,735,689,477 |
| Cash generated from operating assets and liabilities | | (3,876,115,906) | (2,386,057,040) |
| Net Cash Flows from Operating Activities | | 2,776,197,583 | 1,684,120,387 |
| B) Cash Flow from Investing Activities: | | | |
| Investments in T. Bills, T. Bonds and other | | 1,341,271,310 | (905,643,198) |
| Investments in Shares & Bonds | | (747,054,360) | (2,105,087,700) |
| Purchase of Fixed Assets (Net) | | (586,840,986) | (735,632,678) |
| Net Cash Flow from Investing Activities | | 7,375,965 | (3,746,343,576) |
| C) Cash Flow from Financing Activities: | | | |
| Subordinated debts | | (1,000,000,000) | 2,350,000,000 |
| Net Cash Flow from Financing Activities | | (1,000,000,000) | 2,350,000,000 |
| D) Net Increase in Cash and Cash Equivalents | | 1,783,573,548 | 287,776,811 |
| E) Effect of Changes of Exchange Rates on Cash and Cash Equivalents | | 40,251,248 | 1,029,198 |
| F) Opening Cash and Cash Equivalents | | 18,717,672,330 | 17,534,126,517 |
| Closing Cash and Cash Equivalents (D+E+F) | | 20,541,497,126 | 17,822,932,527 |
| The above closing Cash and Cash Equivalents include: | | | |
| Cash In Hand (Including Foreign Currency) | | 3,622,172,049 | 3,391,949,494 |
| Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency) | | 12,018,202,891 | 9,494,234,394 |
| Balance with Other Banks & Financial Institutions | | 4,897,751,886 | 4,934,709,538 |
| Money at Call and Short Notice | | - | - |
| Prize Bond | | 3,370,300 | 2,039,100 |
| | | 20,541,497,126 | 17,822,932,526 |
| Net Operating Cash Flows Per Share (2021 Restated) | 44.a | 3.11 | 1.88 |

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

 Chairman
 Director
 Director
 Managing Director & CEO



16


 Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka.


 Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited


 Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited
 Malik Munasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka.

Mutual Trust Bank Limited
Statement of Changes in Equity
As at 30 September 2022

| Particulars | Paid-up Capital | Statutory Reserve | Share Premium | Revaluation Reserve on Investment in Securities | Foreign Currency Translation Gain/(Loss) | General Reserve | Amount in BDT | |
|---|----------------------|----------------------|----------------------|---|--|--------------------|--|-----------------------|
| | | | | | | | 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 | 409,820,227 | 1,366,243 | 786,777,324 | 3,046,326,323 | 19,160,905,981 |
| Bonus Share issued during the period | 812,495,650 | | | | | | (812,495,650) | - |
| Currency Translation differences Transferred to Start-Up Fund | | | | | 40,251,248 | | | 40,251,248 |
| Revaluation Reserve transferred during the period | | | | 98,428,736 | | | (20,721,609) | (20,721,609) |
| Net Profit for the year after tax | | | | | | | 2,072,160,924 | 98,428,736 |
| Appropriation made during the period | | 627,682,195 | | | | | (627,682,195) | 2,072,160,924 |
| Balance as at 30 September 2022 | 8,937,452,240 | 6,324,036,691 | 1,095,304,778 | 508,248,963 | 41,617,491 | 786,777,324 | 3,657,587,793 | 21,351,025,279 |
| Balance as at 31 December 2021 | 8,124,956,590 | 5,696,354,496 | 1,095,304,778 | 409,820,227 | 1,366,243 | 786,777,324 | 3,046,326,323 | 19,160,905,981 |

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

(Signature)
Chairman

(Signature)
Director

Managing Director & CEO



(Signature)
Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

(Signature)
Maik Muntasir Freza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

(Signature)
Mohammad Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

(Signature)
Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Mutual Trust Bank Limited
Liquidity Statement
As at 30 September 2022

| Particulars | Amount in BDT | | | | |
|---|-----------------------|-----------------------|-----------------------|------------------------|-----------------------|
| | Less than 1 month | 1 to 3 months | 3 to 12 months | 1 to 5 years | Above 5 years |
| ASSETS: | | | | | |
| Cash | 6,916,374,940 | | | | 8,724,000,000 |
| Balance with Other Banks and Financial Institutions | 3,162,745,510 | 1,256,508,359 | 389,480,300 | 46,324,774.38 | 42,691,943 |
| Money at Call & Short notice | | | | | |
| Investments | 76,487,668 | 793,782,704 | 1,057,547,506 | 6,314,273,281 | 37,038,257,570 |
| Loans and Advances | 26,334,327,053 | 56,965,570,482 | 68,354,749,353 | 64,340,426,274 | 31,020,198,993 |
| Premises and Fixed Assets | 63,921,581 | 127,843,163 | 575,294,233 | 3,068,235,907 | 1,353,722,388 |
| Other Assets | 4,375,707,613 | 154,884,564 | 2,305,193,060 | 4,831,842,804 | 3,755,937,899 |
| Non-Banking Assets | | | | | |
| Total Assets | 40,929,564,365 | 59,298,590,272 | 72,682,264,452 | 78,601,103,040 | 81,934,808,793 |
| LIABILITIES: | | | | | |
| Borrowing From Other Banks, Financial Institutions & Agents | 4,985,190,122 | 12,526,460,649 | 16,394,626,465 | 9,023,886,872 | 1,704,604,399 |
| Deposit and Other Account | 29,991,259,426 | 44,970,215,590 | 49,635,813,956 | 63,146,321,114 | 35,924,139,589 |
| Provision & Other Liabilities | 606,102,019 | 397,908,899 | 3,059,111,844 | 7,582,695,575 | 20,546,969,121 |
| Subordinated Debts | 600,000,000 | | 1,880,000,000 | 4,600,000,000 | 4,520,000,000 |
| Total Liabilities | 36,182,551,567 | 57,894,585,139 | 70,969,552,265 | 84,352,903,562 | 62,695,713,109 |
| Net Liquidities | 4,747,012,798 | 1,404,005,133 | 1,712,712,187 | (5,751,800,521) | 19,239,095,684 |
| Total | | | | | 21,351,025,279 |

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

Suzman Hasan
Chairman

Director

Mansur Zaman
Director

Managing Director & CEO

2.5
Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Mohammad Hazmat Hossain
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



Mutual Trust Bank Limited

Notes to the Financial Statements
For the Period ended 30 September 2022

Corporate Profile and Significant Accounting Policies

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 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 10 billion. The Bank has 120 (One hundred & twenty) Branches including 14 (Fourteen) SME/Agri Branches all over the Bangladesh, 209 (Two Hundred and Nine) Agent Banking Centre, 36 (Thirty Six) Sub Branch, 06 (Six) Air Lounge and 02 (Two) Booth located at Hazrat Shahjalal 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 loans to customers, trade and services, issuing letter of Credit, treasury functions, inter bank borrowing and lending, dealing in government securities, equity shares, cash management, issuing debit and credit cards, SMS banking, 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-3)744(105)/2009-4470 dated 03 December 2009. The Bank commenced operation of this unit from 07 December 2009. This 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 May 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 September 30, 2022 there are 209 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 Bill/Distributor fee collection, Insurance Premium Collection etc.

1.5 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 Milk (HPSM), Bai Muazzal, Household Scheme etc. and different types of deposits like Mudaraba savings deposits, Mudaraba term deposits, Al-Wadeeah current deposits, monthly/quarterly profit paying scheme etc.

1.06 Subsidiaries

1.6.1 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-197/2010/427 and Dealer registration is REG 3.1/DSE-197/2010/428.

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.

1.6.2 MTB Exchange (UK) Limited (MTB UK)

Bangladesh Bank vide their letter # BRPD (M)204/2010-289 dated 19 August 2010 has accorded approval to the bank for opening a fully owned subsidiary company in the name of MTB Exchange (UK) Limited. The Company was incorporated on 14 June 2010 under the Companies Acts 2006 of UK with the registration number 7282261 as a private company limited by shares. The registered office is located at 25 White Chapel Road, London.


Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
MTC Investment Limited



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.

1.6.3 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:

- a. Discretionary and Non-Discretionary Portfolio Management services to both the retail and institutional investors under different product lines.
- b. Issue management services to medium and large corporate houses to manage their Initial Public Offering (IPO), secondary offering, debt issuance and rights issuance.
- c. 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 period ended 30 September 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 (together 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.

2.1.1 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 period ended 30 September 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 (IASs) 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 1969, Bangladesh Securities and Exchange Rules 1987, Bangladesh Securities and Exchange Act 1993 and Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015;
- v) The Income Tax ordinance 1984 and amendment thereon;
- vi) The Value Added Tax and Supplementary Duty Act 2012;
- vii) Financial Reporting Act 2015;
- viii) Dhaka Stock Exchange (DSE), Chattogram Stock Exchange (CSE) and Central Depository Bangladesh (CDBL) 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 the "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.



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Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

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. Based on these factors it would generally fall either under "at fair value through profit or loss account" or under "at fair value through other comprehensive income", where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.

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 Offsite 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 the year-end if there is any revaluation gain for any particular held for trading T-bill/T-bond, such gain can be used to the extent of any revaluation loss for that particular held for trading T-bill/T-bond. T-bill/T-bond designated as held to maturity are measured at amortized cost method but interest income/gain should be recognized through revaluation reserve.

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 at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has 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 # 63 dated 31 December 2020, 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 15 June 2020, BRPD Circular # 03 dated 21 April 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 # 14 dated 23 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%, 20%, 50% 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 # 01 dated 03 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 by using the effective interest rate method to 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.


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Mutual Trust Bank Limited




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Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of 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 IFRS 7: Financial Instrument- Disclosures and IAS 32: 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 a loan and the 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 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 their 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, 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 bank(s), government securities (prize bond) and deposits with other banks. Some cash and cash equivalent items such as money at call and on short notice, treasury bills, 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 the 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.

Mohammad Nazim Hossain, FCA
Group Chief Financial Officer
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Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Joint Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

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

xiv) Presentation of intangible assets

IFRS: Intangible assets must be identified and recognized, and the disclosure must be given as per IAS 38: Intangible Assets.

Bangladesh Bank: There is no regulation for intangible assets in BRPD Circular # 14 dated 25 June 2003.

xv) Off-balance sheet items

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD Circular # 14 dated 25 June 2003, off balance sheet items must be disclosed separately on the face of the balance sheet. Accordingly, the Bank has recognized the following off balance sheet items:

- Acceptances and endorsements
- Letters of guarantee
- Irrevocable letters of credit
- Bills for collection
- Foreign exchange contracts

xvi) Disclosure of appropriation of profit

IFRS: There is no requirement to show appropriation of profit on the face of Statement of Comprehensive Income.

Bangladesh Bank: As per BRPD Circular # 14 dated 25 June 2003, an appropriation of profit should be disclosed in the face of profit and loss account.

xvii) Loans and advance net of provision

IFRS: Loans and advances should be presented net of provisions.

Bangladesh Bank: As per BRPD Circular # 14 dated 25 June 2003, provision on loans and advances should be presented separately as liability and cannot be netted off against loans and advances. [Also refer to Note 2.16: Compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)]

xviii) Provision on undrawn loan commitments

IFRS: As per IFRS 9 bank shall recognize credit losses on undrawn loan commitments such as Letter of Credit (L/C), Letter of Guarantee (L/G) etc. as the present value of the difference between the contractual cash flow that are due by the customer if the commitment is drawn down and the cash flows that bank expects to receive.

Bangladesh Bank: As per BRPD Circular # 07 dated 21 June 2018 and BRPD Circular # 14 dated 23 September 2012, the Bank is required to maintain provision at 1% rate against off-balance sheet exposures (which includes all types of undrawn loan commitments).

xix) Uniform Accounting Policy

In several case Bangladesh Bank and Bangladesh Securities and Exchange Commission guidelines categorize, recognize, measure and present financial instruments differently from those prescribed in IFRS 10. As such some disclosure, presentation and measurement requirements of IFRS 10 cannot be made in financial statements. [Also refer to Note 2.16 Compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs)].

2.1.2 Basis of consolidation

The financial statements of the Company and its subsidiaries, as mentioned in note no. 1.05 has been consolidated in accordance with IFRS 10: Consolidated Financial Statements. Intra-company transactions, balances and intra-group gains on transactions between group companies are eliminated on consolidation.

The total profit of the Company and its subsidiaries has been shown in the Consolidated Profit & Loss Account with the proportion of profit after taxation. All assets and liabilities of the Company and of its subsidiaries are shown in the consolidated Balance Sheet. The consolidated financial statements are prepared to a common reporting period (also called 'accounting period') ended 30 September 2022.

Conversion Policy:

The conversion policy of Off-shore Banking Unit (OBU) and MTB Exchange (UK) Limited is given below:

| Details | Price | Rate of USD for OBU | Rate of EURO for OBU | Rate of GBP for MTB UK |
|--------------------------|---------------|---------------------|----------------------|------------------------|
| For assets & liabilities | Closing price | 101.5286 | 98.6210 | 109.9138 |
| For income & expenses | Average price | 90.9587 | 96.0666 | 112.6762 |



Mohammad Nazmul Hossain, I.C.
Group Chief Financial Officer
Mutual Trust Bank Limited
Dhaka

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Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Dhaka, Dhaka Head Office

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

2.1.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items:

- a) Government Treasury Bills and Bonds designated as 'Held for Trading (HFT)' at present value using marking to market concept with gain credited to revaluation reserve but loss charged to income statement.
- b) Government Treasury Bills and Bonds designated as 'Held to Maturity (HTM)' at present value using amortization concept.

The accounting policies, unless otherwise stated have been consistently applied by the company and consistent with those of the previous year.

2.1.4 Going concern

The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The accompanying financial statements do not include any adjustments should the Bank be unable to continue as a going concern.

2.1.5 Functional and presentation currency

The financial statements are presented in Bangladeshi Taka (BDT) currency, which is the Bank's functional currency. All financial information presented in BDT has been rounded to the nearest BDT.

2.1.6 Use of estimates and judgments

The preparation of financial statements in conformity with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

The most perilous estimates and judgments are applied to the Provision for impairment of loans & investments and Employees benefits.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised.

2.1.7 Materiality, aggregation and off setting

Each material item as considered by management significant has been displayed separately in the financial statements. No amount has been set off unless the Bank has a legal right to set off the amounts and intends to settle on net basis. Income and expenses are presented on a net basis only when permitted by the relevant accounting standards.

The values of any asset or liability as shown in the balance sheet are not off-set by way of deduction from another liability or asset unless there exist a legal right therefore. No such incident existed during the period.

2.1.8 Comparative information

The accounting policies have been consistently applied by the Bank and are consistent with those used in the previous year. Comparative information is reclassified and rearranged wherever necessary to conform to the current presentation.

2.1.9 Foreign currency transaction and commitments

a) Foreign currency

Items included in the financial statements of each entity in the group are measured using the currency of the primary economic environment in which the entity operates, i.e. the functional currency. The financial statements of the group and the Bank are presented in BDT which is the Bank's functional and presentation currency.

b) Foreign currencies translation

Foreign currency transactions are converted into equivalent BDT using the ruling exchange rates on the dates of respective transactions as per IAS 21: The Effects of Changes in Foreign Exchange Rates. Foreign currency balances held in US Dollar are converted into BDT at weighted average rate of inter-bank market as determined by Bangladesh Bank on the closing date of every month. Balances held in foreign currencies other than US Dollar are converted into equivalent US Dollar at buying rates of New York closing of the previous day and converted into equivalent BDT. The resulting exchange transaction gains and losses are included in the profit and loss account.

c) Commitments

Commitments / Contingent liabilities for outstanding forward foreign exchange contracts disclosed in the consolidated financial statements and financial statements of Bank have been translated at contracted rates. Contingent liabilities/commitments for letter of credit, letter of guarantee and acceptance denominated in foreign currencies have been expressed in BDT at the rate of revaluation rate.

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2.1.10 Statement of cash flows

Statement of cash flows has been prepared in accordance with IAS 7: Statement of Cash Flows and under the guideline of Bangladesh Bank BRPD Circular # 14 dated 25 June 2003. The Statement shows the Structure of Changes in cash and cash equivalents during the financial period.

2.1.11 Statement of changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. Statement of changes in equity has been prepared in accordance with IAS 1: Presentation of Financial Statements and relevant guidelines of Bangladesh Bank & BRPD Circular # 14 dated 25 June 2003.

2.1.12 Liquidity statement

The liquidity statement has been prepared in accordance with remaining maturity grouping of Assets and Liabilities as of the close of the period as per following basis.

- a) Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- b) Investments are on the basis of their repayment schedule.
- c) Loans and advances/investments are on the basis of their repayment schedule.
- d) Fixed assets are on the basis of their useful lives.
- e) Other assets are on the basis of their realization/amortization.
- f) Borrowing from other banks, financial institutions and agents etc. are as per their maturity/repayment terms.
- g) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- h) Provision and other liabilities are on the basis of their payments/adjustments schedule.

2.1.13 Accounting for contingent liabilities and contingent assets

The bank recognized provisions only when it has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the obligation can be made. No provision is recognized for:

- a) Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future event not wholly within the control of the bank; or
- b) Any present obligation that arises from past events but is not recognized because
 - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - A reliable estimate of the amount of obligation cannot be made.

2.1.14 Reporting period

These financial statements of the Bank and its subsidiaries cover the period from 01 January to 30 September 2022.

2.2 Assets and basis of their valuation

2.2.1 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, unrestricted balances held with Bangladesh Bank and highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the Bank management for its short-term commitments.

2.2.2 Investments

All investment in securities is initially recognized at cost, being fair value of the consideration given, including acquisition charges associated with the investment. Premiums are amortized and discounts accredited, using the effective yield method and are taken to discount income. The valuation methods of investments used are:

a) Held to maturity (HTM)

Investments which have 'fixed or determinable payments' and are intended to be 'held to maturity' other than those that meet the definition of 'held at amortized cost', are classified as held to maturity (HTM). These investments are subsequently measured at present value as per Bangladesh Bank guideline.

b) Held for trading (HFT)

Investments classified in this category are acquired principally for the purpose of selling or repurchasing in short trading or if designated as such by the management. After initial recognition, investments are measured at fair value and any change in the fair value is recognized in the statement of income for the period in which it arises.




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c) Revaluation

As per the DOS Circular letter # 05 dated 26 May 2008 & subsequent amendment DOS Circular # 05 dated 28 January 2009 and DOS Circular # 21 dated 27 October 2009, HFT securities are revalued on weekly basis and HTM securities are amortized on yearly basis. The HTM securities are also revalued if they are reclassified to HFT category with the Board's approval. Any gain or loss on revaluation of HTM securities is recognized in the statement of changes in equity. Gain/loss on revaluation of HFT securities is recognized in the profit and loss account on weekly basis and gain on revaluation is transferred to statement of changes in equity on monthly basis.

Valuation of investments has been shown as under Government treasury bills and bonds (HTM) at present value (using amortization concept), Government treasury bills and bonds (HFT) at present value (using marking to market concept).

d) Investment in listed securities

These securities are bought and held primarily for the purpose of selling them in future or held for dividend income which are reported at cost. Unrealized gains are not recognized in the profit and loss statement. But provision was made for diminution in value of investment.

e) Investment in unquoted securities

Investment in unlisted securities is reported at cost under cost method. Adjustment is given for any shortage of book value over cost for determining the carrying amount of investment in unlisted securities.

As per Bangladesh Bank DOS Circular # 04 dated 15 June 2010 and DOS Circular # 04 dated 24 November 2011, provision for diminution in value of investment was made by netting of unrealized gain/loss of shares from market price/ book value less cost price.

Besides, the Bank complied with BRPD Circular # 14 dated 25 June 2003 as follows, "All investments in shares and securities (both dealing and investment) should be revalued at the year end. The quoted shares should be valued as per market price in the stock exchange(s) and unquoted shares as per book value of last audited balance sheet. Provision should be made for any loss arising from diminution in value of investments."

f) Investment in subsidiary

Investment in subsidiary is accounted for under the cost method of accounting in the Bank's financial statements in accordance with the IAS 27: Separate Financial Statements.

g) Value of Investments has been shown as under:

| Investment class | Initial recognition | Measurement after recognition | Recording of change |
|---------------------------------|---------------------|-------------------------------|--|
| Government treasury bills (HFT) | Cost | Marking to market/fair value | Loss transferred to profit and loss account and income transferred to revaluation reserve. |
| Government treasury bills (HTM) | Cost | Amortized cost | Loss transferred to profit and loss account and gain transferred to revaluation reserve. |
| Government treasury bonds (HFT) | Cost | Marking to market/fair value | Loss transferred to profit and loss account and income transferred to revaluation reserve. |
| Government treasury bonds (HTM) | Cost | Amortized cost | Amortized gain/loss transferred to revaluation reserve. |
| Zero coupon bond | Cost | Amortized cost | None |
| Prize bond | Cost | None | None |
| Debentures | Cost | At cost price | None |
| Unquoted shares and debenture | Cost | None | Loss transferred to profit and loss account but no unrealized gain recorded. |
| Quoted shares | Cost | Cost | Loss transferred to profit and loss account but no unrealized gain recorded. |

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 # 63, 59, 56, 52, 17, 16, 13, 03, 01, 15, 08, 16, 05, 19, 14, 10, 01, 07 & 13 dated 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, 22 December 2012, 23 September 2012, 18 September 2007, 03 January 2018, 21 June 2018, 18 October 2018, respectively.

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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 instructions contained in BRPD Circular# 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 | | | | | | | | | | |
|-------------------|---------------------------------------|--------------------|------|------|-----------|--|-----------------------------|-------------------|------------------|------|
| Particulars | Short Term Agri. Credit & Microcredit | Consumer Financing | | | | Small & Medium Enterprise Financing | | Loans to BHs/MSDs | All other credit | |
| | | Other than HF & LP | HF | LP | Only Card | Cottage, Micro and Small Credits under CMSME | Medium Enterprise Financing | | | |
| UC | Standard | 1% | 2% | 1% | 2% | 2% | 0.25% | 0.25% | 2% | 1% |
| | SMA | 0% | 2% | 1% | 2% | 2% | 0.25% | 0.25% | 2% | 1% |
| Classified | SS | 5% | 20% | 20% | 20% | 20% | 5% | 20% | 20% | 20% |
| | DF | 5% | 50% | 50% | 50% | 50% | 20% | 50% | 50% | 50% |
| | B/L | 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 sub-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 associated with the item can be measured reliably. All other repairs and maintenance are charged to the profit & loss account during the financial periods which are incurred.



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b) Depreciation

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

c) 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 account as per provision of IAS 16: Property, Plant and Equipment.

d) 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.

e) 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.

f) 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 as Useful Life of 3 to 10 years.

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

Other assets have been classified as per BRPD 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 30 September 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 0.068% of total capital of the bank as of 30 September 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.

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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 30 September 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 30 September 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-7.03). 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

2.3.1 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 items 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.

2.3.2 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.

2.3.3 Other liability

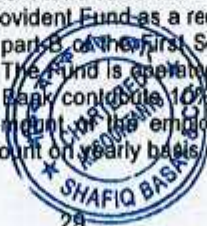
Other liability is recognized in the balance sheet according to the guideline of Bangladesh Bank and Income-tax Ordinance, 1984, IAS 37 and internal policy of the banks. Provisions and accrued expenses are recognized in the financial statements when the bank has a legal or constructive obligation as 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 5 (five) 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.




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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 adherence 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. In case of death of an employee while in active service, financial benefit is paid to the nominee of the deceased employee at a prescribed amount ranging from BDT 3 (three) lacs to 10 (ten) lacs.

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.

2.3.5 Debt securities (subordinated debt)

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 subordinated debt is given in note no. 13.a & annexure-D of the financial statements.

2.3.6 Taxation

a. Current tax

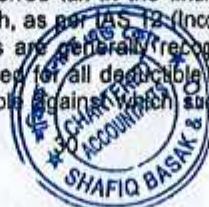
The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other period or are never taxable or deductible. Bank's liability for current 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 IAS 12 (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

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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

2.4.1 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 meet longer-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.

2.4.2 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.

2.4.3 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).

2.4.4 Share Premium

Share premium is the capital that the Bank raises 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.

2.4.5 Revaluation Reserve on Govt. Securities

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

2.4.6 Non-Controlling Interest

Non-Controlling Interest in 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 IFRS 15: Revenue from Contracts with Customers, as well as Bangladesh Bank guidelines.

2.7.1 Interest income

In terms of the provisions of the IFRS 15: 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.

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Group Chief Financial Officer
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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

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Merikuntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

- a) 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;
- b) 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;
- c) No interest is charged on loans and advances which have been classified as bad/loss;
- d) Commission and discount on bills purchased and discounted are recognized at the time of realization; and
- e) 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 (Amendment 2015).

2.7.8 Other comprehensive income

Other comprehensive income is not prepared in accordance with IAS 1: 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 entries/balances in the case of inter-branch transactions as on the reporting date are not material.


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 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


 Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited




 Malik Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

2.10 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. |
| | OBU (Offshore Banking Unit) | Deals with loans, deposits and other transactions and balances in freely convertible currencies with eligible corporate customers. |
| Consolidated | MTB Securities Limited | It buys, sells and deals in shares, debentures and other securities on behalf of customers and does margin lending etc. |
| | 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.

2.11 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.

2.12 Write-Off

Write-off describes a reduction in recognized value. It refers to recognition of the reduced or zero value of an asset. Generally, it refers to loan for which a return on the loan is now impossible or unlikely. The item's potential return is thus canceled and removed from ("written off") the bank's statement of financial position. Recovery against debts written off/provided for is credited to revenue. Income is recognized where amounts are either recovered and/or adjusted against securities/properties or advances there-against or are considered recoverable.

2.13 Accounting for changes in policy, Accounting Estimates and Errors

According to IAS 8: Accounting policies, changes in accounting estimates and errors, the effect of a change in accounting policy and correction of error if material is to be applied retrospectively and change in an accounting estimate is to be applied prospectively. The carrying amount of assets, liabilities, or equity may be changed following a change in accounting estimates in the period of the change. The Bank followed the same accordingly.

2.14 Related Party disclosures

A party is related to the company if:

- i) directly or indirectly through one or more intermediaries, the party control, is controlled by, or is under common control with, the company; has an interest in the company that gives it significant influence over the company; or has joint control over the company;
- ii) the party is an associate;
- iii) the party is a joint venture;
- iv) the party is a member of the key management personnel of the company or its parent;
- v) the party is a close member of the family of any individual referred to in (i) or (iv);
- vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- vii) the party is a post-employment benefit plan for the benefit of employees of the company, or of any entity that is a related party of the company.

2.15 Compliance report on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)

The Financial Reporting Council of Bangladesh (FRC) is the sole authority for adoption of International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs). Mutual Trust Bank Limited has applied all the applicable IASs and IFRSs as adopted by the FRC while preparing the financial statements. Details are given below:

Muhammad Nazim Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited




Md. Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCE Investment Limited

| Name of the International Accounting Standards (IAS) | IAS No. | Status |
|--|----------|----------|
| Presentation of Financial Statements | 1 | Applied* |
| Inventories | 2 | N/A |
| Statement of Cash Flows | 7 | Applied* |
| Accounting policies, Changes in accounting Estimates & Errors | 8 | Applied |
| Events after the Reporting Period | 10 | Applied |
| Income Taxes | 12 | Applied |
| Property, Plant and Equipment | 16 | Applied |
| Employees Benefits | 19 | Applied |
| Accounting for Government Grants and Disclosure of Government Assistance | 20 | N/A |
| The Effects of Changes in Foreign Exchange Rates | 21 | Applied |
| Borrowing Costs | 23 | Applied |
| Related Party Disclosures | 24 | Applied |
| Accounting and Reporting by Retirement Benefit Plans | 26 | N/A |
| Separate Financial Statements | 27 | Applied |
| Investment in Associates | 28 | N/A |
| Interest in Joint Ventures | 31 | N/A |
| Financial Instruments: Presentation | 32 | Applied* |
| Earnings per share | 33 | Applied |
| Interim Financial Reporting | 34 | Applied |
| Impairment of Assets | 36 | Applied |
| Provision, Contingent Liabilities and Contingent Assets | 37 | Applied* |
| Intangible Assets | 38 | Applied |
| Investment Property | 40 | N/A |
| Agriculture | 41 | N/A |
| International Financial Reporting Standards (IFRS) | IFRS No. | Status |
| First-time Adoption of Bangladesh Financial Reporting Standard | 1 | N/A |
| Shares Based Payment | 2 | N/A |
| Business Combination | 3 | Applied |
| Insurance Contracts | 4 | N/A |
| Non-current Assets Held for Sale and Discontinued Operation | 5 | N/A |
| Exploration for and Evaluation of Mineral Resources | 6 | N/A |
| Financial Instruments: Disclosures | 7 | Applied* |
| Operating Segments | 8 | Applied |
| Financial Instruments | 9 | Applied* |
| Consolidated Financial Statements | 10 | Applied |
| Joint Arrangements | 11 | N/A |
| Disclosure of Interests in other Entities | 12 | N/A |
| Fair Value Measurement | 13 | Applied* |
| Regulatory Deferral Accounts | 14 | N/A |
| Revenue from contracts with customers | 15 | Applied |
| Leases | 16 | Applied |

* Bangladesh Bank is the prime regulatory body for banks in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with the provision of IAS/IFRS as marked above and described in note 2.1.1. As such the bank has departed from those contradictory requirements of IAS/IFRS in order to comply with the rules and regulations of Bangladesh Bank.

2.16 Risk Management

Risk is an integral part of banking business, and MTB aims at delivering superior shareholder value by achieving an appropriate trade-off between risks and return. The policies and procedures established for this purpose are continuously reviewed in our quest to benefit from a blend of local and international practices. MTB conducts its risk management activities following six core risk guidelines of Bangladesh Bank and Basel norms. At the directives of Bangladesh Bank, MTB has established a separate Risk Management Division (RMD) to identify, measure, monitor and manage risks more effectively and efficiently. MTB's Risk management process is accomplished at strategic level, managerial level and at operational level. At strategic level, MTB Board of Directors (BOD), through Board Risk Management Committee (BRMC) & senior management, sets up risk governance structure & risk philosophy, endorses risk strategies, reviews & approves risk policies as well as the threshold limits of risks that may be taken in line with Bank's risk appetite. These limits are continuously monitored by an experienced risk management team and overseen by BRMC. At managerial level, policies and strategies formulated by BOD are implemented by middle management or divisions/departments/units devoted to risk reviews. RMD reports high-risk related matters, identified by the management-level risk committee to the BRMC. RMD also submits periodic stress testing results to the BOD as well. Operational level encompasses on-the-line risk management, where risks are actually created at front office or at credit desk of the bank.

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Managing Director & CEO
Mutual Trust Bank Limited

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Sr. Executive Vice President's
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

MTB's risk management in the following areas, among others, is mentioned briefly:

(a) Credit Risk Management

Credit risk is the risk due to a borrower's inability to meet its financial obligations to the lender. The credit risk is generally made up of transaction risk or default risk and portfolio risk. We have standardized credit approval processes. Credit risk is controlled through segmental exposure limits to various industries and sectors, prudential exposure and substantial exposure ceiling and risk mitigation by obtaining collateral and guarantees.

The Bank has put in place a well-structured Credit Risk Management Policy duly approved by the Board. In addition to Credit Risk Management Policy, the Bank has also framed Board approved credit policy and ensures compliance with regulatory requirements, more particularly in respect of Exposures norms, Assets Classification guidelines, Capital Adequacy guideline, etc. of Bangladesh Bank/other Statutory Authorities.

Credit Risk is monitored by the Bank account wise and compliance with the risk limits/exposure cap approved by the Board is ensured. The quality of internal control system is also monitored and in-house expertise has been built up to tackle all the facets of Credit Risk.

The Bank follows a well-defined multi layered discretionary power structure for sanction of loans. Credit Grid has been constituted at Head office level for considering fresh/enhancements proposals. The Bank assesses various risk factors for new products prior to its introduction.

(b) Market Risk

Market risk is the possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates, equity and commodity prices.

i. Foreign Exchange Risk Management

Foreign Exchange Risk is a measure by the variance of the domestic currency value of an asset, liability or operating income that is attributable to unanticipated change in the exchange rates. Simply, it is the risk that relates to gains/losses that arise due to fluctuations in the exchange rates.

In view of the significance of the market risk and in order to aggregate all such risks at a single department and to bring expertise in such functions, the concept of treasury has evolved. Today's financial institutions engage in activities from import, export and remittance to complex derivatives involving basic foreign exchange and money market to complex structured products. All these require a high degree of expertise that is difficult to achieve in the transactions originating from departments and as such the expertise is housed in a separate department i.e. Treasury.

MTB has already segregated Treasury functions in three separate wings i.e. Front office, Back office and Mid office.

In compliance with the requirement of Bangladesh Bank's Foreign Exchange Risk Management guidelines, Treasury department is performing the foreign exchange dealing in an appropriate manner and managing risks of the organization's overall balance sheet as well as the capital of the Bank.

ii. Interest Rate Risk

MTB's focus is mainly on interest rate risk arising from conduct of normal business. Failure to identify the risks associated with business and failure to take timely measures in giving a sense of direction threatens the very existence of the institutions. It is therefore, imperative for the bank to form a "Asset Liability Management Committee (ALCO)" with the senior management as its members to control and better manage its Balance Sheet Risk.

In compliance with the requirement of Bangladesh Bank's Asset Liability Management guidelines, MTB has formed "Asset Liability Management Committee" (ALCO) with the senior executives. The Committee meets once every month to set and review strategies on Asset Liability Management (ALM).

MTB ALM desk performs Money Market activities, manages liquidity and interest rate risk of the bank and understands market dynamics i.e. competition, potential target markets etc., updates the balance sheet movements and complies with the statutory obligations as well as the risk elements involved with the business.

iii. Equity Risk

Equity risk arises from movement in market value of securities. The investment committee monitors the risks under a well-designed policy framework.

(c) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risks in the Bank are managed through a comprehensive and well-articulated internal control framework. Material losses are regularly analyzed by cause and actions are taken to improve system and controls to prevent recurrence in the future.


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Managing Director & CEO
Mutual Trust Bank Limited




Mark Muntasir Reza
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Md. Kamrul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

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 thereto, 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

Money Laundering risk 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), BFIU 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 BFIU 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.

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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

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Group Company Secretary
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Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

2.17 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 ratio and 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 total capital plus capital conservation buffer 12.50%

Pillar-I: 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 adequacy framework is intended to ensure that banks have adequate capital to support all the risks in the business and, concurrently, to encourage banks to develop and utilize superior risk management techniques in monitoring and managing risks. In compliance with the Pillar-II guidelines of the Bangladesh Bank under Basel-III framework, Mutual Trust Bank Limited has formulated its own Board approved Internal Capital Adequacy Assessment 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 markets so 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's Annual Report.

2.16 Audit Committee

In compliance to Bangladesh Bank's circular, the Board of Directors has formed an Audit Committee comprising of the following 5 (Five) 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 (Representing ASTRAS Ltd.) | Member |
| 03. | Mr. Daniel Donald de Lange | Director (Representing NORFUND) | 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.

Mohammad Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Danzim Alamgir
Managing Director & CEO
UCB Investment Limited

2.19 Directors responsibility on statements

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

2.20 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 |
| Entity rating | January to December 2019 | 15 July 2020 | 14 July 2021 | AA | ST-2 |

2.21 Approval of Financial Statements

The financial statements were approved by the Board of Directors on **10 November 2022**.

2.22 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.


Group Chief Financial Officer
Mutual Trust Bank Limited
Head Office, Dhaka


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited




Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Malik Muntasir/Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Mutual Trust Bank Limited

Notes to the Financial Statements
For the Period ended 30 September 2022

| | 30 September 2022 BDT | 2021 BDT |
|--|--------------------------|-----------------------|
| 3.00 Consolidated cash | | |
| I. Cash in hand (including foreign currency) | | |
| Mutual Trust Bank Limited (Note-3.a.1) | 3,622,172,049 | 3,602,713,035 |
| MTB Securities Limited | 10,254,162 | 12,323,811 |
| MTB Capital Limited | 2,507 | 11,934 |
| MTB Exchange (UK) Limited | 2,326,875 | 2,449,942 |
| | 3,634,755,593 | 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) | 12,018,202,891 | 11,197,635,965 |
| MTB Securities Limited | - | - |
| MTB Capital Limited | - | - |
| MTB Exchange (UK) Limited | - | - |
| | 12,018,202,891 | 11,197,635,965 |
| | 15,652,958,483 | 14,815,134,487 |
| 3.a Cash | | |
| Cash in Hand (including Foreign Currency) | 3,622,172,049 | 3,602,713,035 |
| Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currency) | 12,018,202,891 | 11,197,635,965 |
| | 16,640,374,940 | 14,800,349,000 |
| 3.a.1 Cash in Hand (Including Foreign Currency) | | |
| Local Currency | 3,624,497,912 | 3,509,787,858 |
| Foreign Currency | 80,385,357 | 69,128,089 |
| | 3,584,883,269 | 3,578,913,947 |
| Islamic Banking Branches | 37,308,780 | 23,799,088 |
| | 3,622,172,049 | 3,602,713,035 |
| 3.a.2 Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currency) | | |
| With Bangladesh Bank: | | |
| Local Currency | 10,859,892,850 | 9,842,188,956 |
| Foreign Currency | 458,603,819 | 1,201,410,399 |
| With Sonali Bank (as agent of Bangladesh Bank-Local Currency) | 204,672,119 | 243,309,042 |
| | 11,523,168,788 | 11,086,908,397 |
| Islamic Banking Branches | 495,034,102 | 110,727,578 |
| | 12,018,202,891 | 11,197,635,965 |

Bangladesh Bank Adjustment Account represents outstanding transactions(not) originated by yet to be responded at the Balance Sheet date. However, the status of unresponded entries as at 30 September 2022 is given below:

| Period of Unreconciliation | Number of unresponded entry | | Unresponded amount | |
|---------------------------------|-----------------------------|-----------|----------------------|-------------------|
| | Dr. | Cr. | Dr. | Cr. |
| Less than 3 months | 41 | 23 | (350,890,303) | 16,806,888 |
| 3 months to Less than 6 months | 16 | 1 | (16,981,248) | 73,268 |
| 6 months to Less than 12 months | 0 | 0 | - | - |
| 12 months and more | 0 | 0 | - | - |
| Total | 57 | 24 | (367,871,549) | 16,880,177 |

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 30 September 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 18 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 30 September 2022 is presented below.

| | Sep'2022 | | Dec'2021 | |
|---|------------|----------------|------------|-----------------|
| | Ratio in % | BDT Million | Ratio in % | BDT Million |
| i. Daily Bank's CRR Maintenance including Offshore Banking | | | | |
| Required Reserve (3.50% of ATDTL) for DBO | 3.50% | 6098.57 | 3.50% | 6,980.17 |
| Required Reserve (1.50% of ATDTL) for OBO | 1.50% | 214.47 | 1.50% | 149.03 |
| | | Total | | Total |
| | | 6313.04 | | 7,129.20 |
| Actual Reserve Maintained | 4.41% | 10513.17 | 4.49% | 9,175.92 |
| Surplus | | 2200.13 | | 2,046.72 |
| ii. Bi-weekly Bank's CRR Maintenance | | | | |
| Required Reserve (4.00% of ATDTL) for DBO | 4.00% | 9255.50 | 4.00% | 7,977.33 |
| Required Reserve (2.00% of ATDTL) for OBO | 2.00% | 285.97 | 2.00% | 198.71 |
| | | Total | | Total |
| | | 9541.47 | | 8,176.04 |
| Actual Reserve Maintained | 4.05% | 9853.70 | 4.08% | 8,344.40 |
| Surplus | | 112.23 | | 168.36 |

* Last bi-weekly average as of 30 September 2022

C. Statutory Liquidity Ratio (SLR)

As per Section 33 of the Bank Company Act, 1991 & MPD circular no. 02 dated December 11, 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 30 September 2022 is presented below.

| | Sep'2022 | | Dec'2021 | |
|---|------------|------------------|------------|------------------|
| | Ratio in % | BDT Million | Ratio in % | BDT Million |
| Required Reserve (13% of ATDTL) for DBO | 13.00% | 30,980.38 | 13.00% | 25,928.34 |
| Required Reserve (13% of ATDTL) for OBO | 13.00% | 1,339.16 | 13.00% | 1,291.63 |
| | | Total | | Total |
| | | 32,319.54 | | 27,219.97 |
| Actual Reserve Maintained | 17.89% | 57,653.70 | 31.61% | 45,254.25 |
| Surplus | | 25,333.96 | | 18,036.28 |



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Group Chief Financial Officer
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Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited

Notes to the Financial Statements
For the Period ended 30 September 2022

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

| | 30 September 2022 BDT | 2021 BDT |
|---|--------------------------|------------------|
| Cash in Hand | 3,584.88 | 3,578.91 |
| Excess Cash Reserve* | 971.70 | 999.88 |
| Balance with Agent Bank (Sonali Bank Ltd) | 204.67 | 243.31 |
| Held to Maturity (HTM) Securities | 34,118.89 | 35,532.25 |
| Held for Trading (HFT) Securities | 5,070.08 | 4,898.24 |
| Other eligible securities | 3.37 | 3.68 |
| | 43,951.67 | 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

| | 30 September 2022 BDT | 2021 BDT |
|--|--------------------------|----------------------|
| In Bangladesh | | |
| Mutual Trust Bank Limited (Note-4.a.1) | 1,925,233,692 | 1,543,685,647 |
| MTB Securities Limited | 999,900,275 | 1,412,381,790 |
| MTB Capital Limited | 28,488,445 | 13,846,460 |
| MTB Exchange (UK) Limited | - | - |
| Less: Intragroup Deposit | (917,372,053) | (1,174,616,722) |
| | 2,036,250,359 | 1,795,397,175 |
| Outside Bangladesh | | |
| Mutual Trust Bank Limited (Note-4.a.2) | 2,972,518,194 | 2,189,981,973 |
| MTB Securities Limited | - | - |
| MTB Capital Limited | - | - |
| MTB Exchange (UK) Limited | - | - |
| | 2,972,518,194 | 2,189,981,973 |
| | 5,008,768,553 | 3,985,379,148 |

4.a Balance with Other Banks and Financial Institutions

| | 30 September 2022 BDT | 2021 BDT |
|---------------------------------|--------------------------|----------------------|
| In Bangladesh (Note-4.a.1) | 1,925,233,692 | 1,543,685,647 |
| Outside Bangladesh (Note-4.a.2) | 2,972,518,194 | 2,189,981,973 |
| | 4,897,751,886 | 3,713,667,620 |

4.a.1 In Bangladesh

| | 30 September 2022 BDT | 2021 BDT |
|--|--------------------------|----------------------|
| Term Placement | 104,200,000 | 111,200,000 |
| Union Capital Limited | 61,800,000 | 65,700,000 |
| GSP Finance Company (Bangladesh) Limited | 42,400,000 | 45,500,000 |
| Special Notice Deposit (SND) | 55,715,911 | 88,268,533 |
| BASIC Bank Limited | 32,083,129 | 34,565,391 |
| Sonali Bank Limited | 21,899,033 | 53,616,293 |
| Agrani Bank Limited | 1,729,802 | 82,194 |
| Janata Bank Limited | 2,247 | 2,144 |
| NRBC Bank Limited | - | 1,000 |
| Islami Bank Bangladesh Limited | 1,510 | 1,510 |
| Current Deposits (CD) | 215,317,781 | 254,217,113 |
| bKash Limited | 108,791,367 | 87,799,320 |
| Southeast Bank Limited | 647,997 | 647,997 |
| Standard Chartered Bank (SCB) | 15,480,336 | 15,824,163 |
| Janata Bank Limited | 14,744,788 | 16,455,417 |
| Agrani Bank Limited | 75,853,295 | 133,400,216 |
| Offshore Banking Unit | - | - |
| Islamic Banking Branches | 1,550,000,000 | 1,099,000,000 |
| | 1,925,233,692 | 1,543,685,647 |

4.a.2 Outside Bangladesh (NOSTRO Accounts)

| | 30 September 2022 BDT | 2021 BDT |
|------------------------------------|--------------------------|-------------|
| In current account | | |
| Mashreqbank, New York | 269,431,247 | 443,768,678 |
| Standard Chartered Bank, New York | 1,179,203,032 | 372,420,813 |
| Habib American Bank, New York | 44,210,997 | 36,006,855 |
| Commerz Bank, Germany | 63,008,782 | 31,018,824 |
| KB Kookmin Bank | 48,983,088 | 20,758,959 |
| JP Morgan, New York | 279,785,875 | 389,061,432 |
| ICICI, Hong Kong | 36,517,362 | 27,118,568 |
| Standard Chartered Bank, Singapore | 5,550,260 | 6,133,864 |
| JP Morgan, London | 13,830,365 | 7,707,625 |
| Standard Chartered Bank, London | 112,975,962 | 40,838,747 |
| Habib American Bank, Zurich | 3,035,937 | 9,005,217 |
| Standard Chartered Bank, Tokyo | 17,533,647 | 9,663,692 |
| Standard Chartered Bank, Germany | 29,522,830 | 42,004,788 |
| ICICI, Mumbai | 607,840.27 | 600,309 |
| Unicredit, Germany | 18,105,828 | 13,680,635 |
| Commerz Bank, Germany | 106,364,698 | 102,797,452 |
| Punjab Bank of India, Kolkata | 416,728 | 411,497 |
| Standard Chartered Bank, Mumbai | 15,379,527 | 10,892,285 |
| Standard Chartered Bank, Kolkata | 50,974,825 | 42,941,396 |
| Standard Chartered Bank, Pakistan | 11,113,517 | 27,758,960 |
| Standard Chartered Bank, Colombo | 6,638,192 | 13,275,444 |
| Sonali Bank, Kolkata | 18,188,207 | 3,827,504 |
| Habib Metropolitan | 22,903,837 | 21,562,686 |
| Mashreqbank, Mumbai | 34,561,263 | 36,851,944 |
| AB Bank, Mumbai | 61,378,141 | 97,021,150 |
| Indusind Bank Mumbai | 5,092,589 | - |
| Axis Bank, Mumbai | 56,614,738 | 45,839,396 |
| ICICI, Mumbai | 42,210,587 | 71,970,973 |
| Himalayan Bank Ltd., Kathmandu | 11,151,707 | 9,394,242 |
| Nepal Bangladesh Bank Ltd. | 13,441,743 | 11,323,378 |
| Punjab Bank, Kolkata | 6,787,344 | 7,072,522 |
| HDFC Bank, Mumbai | 45,608,733 | 57,409,684 |
| EMIRATES ISLAMIC BANK | 68,485,878 | 10,083,888 |
| MASHREQ BANK, UAE | 200,826,984 | 51,859,978 |
| Commerz Bank, Germany | 2,782,858 | 2,764,364 |
| Bank Al Bilad | 19,811,092 | 9,075,716 |
| Bank Al Rajhi | 2,973,987 | 5,027,902 |

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Group Chief Financial Officer
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Dhaka

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Managing Director & CEO
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Mark Muntasir Reza
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Group Company Secretary
Mutual Trust Bank Limited
Dhaka Head Office, Dhaka

Tanzim Aiazgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited

Notes to the Financial Statements
For the Period ended 30 September 2022

Riyadh Bank
HUZOUGH BANK CHINA

ICICI Bank Ltd., Mumbai - Term Deposit

Offshore Banking Unit

Details of NOSTRO accounts are shown in Annexure-A

4.a.3 Maturity grouping of Balance with other Banks and Financial Institutions

On Demand
Less than three months
More than three months but less than one year
More than one year but less than five years
More than five years

5.a Money at Call on Short Notice:

Call Money
With Banking Companies (Note 5.a.1)
With Non-Banking Financial Institutions (Note 5.a.2)

5.a.1 Call Money-With Banking Companies
Midland Bank Limited

6.00 Consolidated Investments

Government Investment
Mutual Trust Bank Limited (Note-6.a.1)
MTB Securities Limited
MTB Capital Limited
MTB Exchange (UK) Limited

Other Investments
Mutual Trust Bank Limited (Note-6.a.3)
MTB Securities Limited
MTB Capital Limited
MTB Exchange (UK) Limited

6.a Investments
Government (Note 6.a.1)
Others (Note 6.a.3)

6.a.1 Government (Investment in Govt. securities)

Treasury Bills (Note 6.a.1.1)
Treasury Bonds (Note 6.a.1.2)
Prize Bonds

Islamic Banking Branches

6.a.1.1 Treasury Bills (at present value)

Un-encumbered
28 days treasury bills
91 days treasury bills
182 days treasury bills
364 days treasury bills
Sub-total

Encumbered
91 days treasury bills
182 days treasury bills
364 days treasury bills
Sub-total
Total Treasury Bill

6.a.1.2 Treasury Bonds

Un-encumbered
2 Years Bangladesh Government treasury bonds
5 Years Bangladesh Government treasury bonds
10 Years Bangladesh Government treasury bonds
15 Years Bangladesh Government treasury bonds
20 Years Bangladesh Government treasury bonds
Sub-total
Encumbered
Sub-total
Treasury Bond
Islamic Banking Branches
Total Treasury Bond

6.a.2 Investment Classified as per Bangladesh Bank Circular

Held to Maturity (HTM) (Note 6.a.2.1)
Held for Trading (HFT) (Note 6.a.2.2)
Other Securities

| 30 September 2022 | 2021 |
|----------------------|----------------------|
| BDT | BDT |
| 2,838,710 | 2,399,680 |
| 707 | - |
| 2,929,019,405 | 2,092,373,640 |
| 28,032,607 | 28,032,607 |
| 2,957,052,012 | 2,120,406,147 |
| 15,486,182 | 49,575,828 |
| 2,972,518,194 | 2,169,981,973 |

| | |
|----------------------|----------------------|
| 3,162,745,510 | 2,398,117,721 |
| 1,266,509,359 | 952,734,689 |
| 389,480,300 | 295,319,243 |
| 46,324,774 | 35,125,261 |
| 42,691,943 | 32,370,706 |
| 4,897,751,886 | 3,713,667,620 |

| | |
|---|-------------|
| - | 200,000,000 |
| - | 200,000,000 |

| | |
|---|-------------|
| - | 200,000,000 |
| - | 200,000,000 |

| | |
|-----------------------|-----------------------|
| 39,609,002,414 | 40,852,130,399 |
| 39,609,002,414 | 40,852,130,399 |

| | |
|-----------------------|-----------------------|
| 5,671,346,314 | 4,924,201,954 |
| 1,835,750,580 | 1,268,830,421 |
| 483,601,200 | 372,131,064 |
| 7,970,698,095 | 6,565,253,459 |
| 47,579,709,509 | 47,417,383,858 |

| | |
|-----------------------|-----------------------|
| 39,609,002,414 | 40,852,130,399 |
| 5,671,346,314 | 4,924,201,954 |
| 45,280,348,729 | 45,776,422,353 |

| | |
|-----------------------|-----------------------|
| 524,665,010 | 219,059,856 |
| 38,960,987,105 | 40,209,434,833 |
| 3,370,300 | 3,655,710 |
| 39,189,022,414 | 40,432,150,399 |
| 419,980,000 | 419,980,000 |
| 39,609,002,414 | 40,852,130,399 |

| | |
|--------------------|--------------------|
| 524,665,010 | - |
| - | - |
| - | 219,059,856 |
| 524,665,010 | 219,059,856 |

| | |
|--------------------|--------------------|
| - | - |
| - | - |
| - | - |
| 524,665,010 | 219,059,856 |

| | |
|-----------------------|-----------------------|
| 144,505,650 | 1,451,873,250 |
| 3,174,911,215 | 2,854,036,245 |
| 12,270,071,682 | 12,602,438,520 |
| 9,746,306,708 | 9,102,199,215 |
| 13,325,191,849 | 14,198,887,602 |
| 38,660,987,105 | 40,209,434,833 |

| | |
|-----------------------|-----------------------|
| - | - |
| 38,660,987,105 | 40,209,434,833 |
| 419,980,000 | 419,980,000 |
| 39,080,987,105 | 40,629,414,833 |

| | |
|-----------------------|-----------------------|
| 34,536,971,260 | 35,952,231,911 |
| 5,068,680,854 | 4,896,242,778 |
| 5,874,716,614 | 4,927,947,684 |
| 45,280,348,729 | 45,776,422,353 |



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Syed Mahfubur Rahman
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Mutual Trust Bank Limited

Notes to the Financial Statements
For the Period ended 30 September 2022

| | 30 September 2022 BDT | 2021 BDT |
|---|--------------------------|-----------------------|
| 6.a.2.1 Held to Maturity (HTM) | | |
| Treasury Bond | | |
| 2 Years | - | - |
| 5 Years | 2,209,742,445 | 2,209,742,445 |
| 10 Years | 11,043,597,289 | 11,305,152,528 |
| 15 Years | 8,631,786,602 | 8,601,000,926 |
| 20 Years | 12,851,844,844 | 13,836,336,012 |
| | 34,536,971,280 | 35,952,231,811 |
| 6.a.2.2 Held for Trading (HFT) | | |
| Treasury Bill | | |
| 91 days | 524,685,010 | - |
| 182 days | - | 219,059,858 |
| 364 days | - | - |
| Treasury Bond | | |
| 2 Years | 144,505,650 | 1,451,873,250 |
| 5 Years | 1,365,148,770 | 1,064,273,800 |
| 10 Years | 1,226,474,413 | 1,297,285,992 |
| 15 Years | 1,114,520,108 | 501,198,290 |
| 20 Years | 673,348,905 | 382,551,591 |
| | 5,068,660,854 | 4,698,242,778 |
| 6.a.3 Other (investment in other securities) | | |
| Shares and Mutual Fund in quoted companies: | | |
| Shares in Quoted companies | 1,156,639,063 | 1,160,539,014 |
| Mutual Fund in Quoted companies | 18,821,340 | 96,275,759 |
| | 1,175,460,403 | 1,256,814,773 |
| Shares in unquoted companies (at face value): | | |
| BD Venture Limited | 20,000,000 | 20,000,000 |
| Central Depository (BD) Limited | 15,694,430 | 15,694,430 |
| Industrial & Infrastructure Development Finance Company Limited | 71,770,260 | 71,770,260 |
| LIC Bangladesh | 30,000,000 | 30,000,000 |
| Central Counterparty Bangladesh Limited | 37,500,000 | 37,500,000 |
| The Bangladesh Rating Agency Limited | 4,915,500 | 4,915,500 |
| | 179,880,190 | 179,880,190 |
| Funds: | | |
| Open end Mutual Fund (Unquoted) | 481,005,721 | 267,599,891 |
| | 481,005,721 | 267,599,891 |
| Subordinated Bonds : | | |
| One Bank Subordinated Bond | 40,000,000 | 40,000,000 |
| Trust Bank Subordinated Bond | 40,000,000 | 40,000,000 |
| UCB 3rd Subordinated Bond | 150,000,000 | 150,000,000 |
| Jamuna Bank Subordinated Bond | 60,000,000 | 60,000,000 |
| ABL Second Mudaraba Bond | 60,000,000 | 60,000,000 |
| IPDC Subordinated Bond | 120,000,000 | 120,000,000 |
| NBL Subordinated Bond | 150,000,000 | 150,000,000 |
| | 640,000,000 | 670,000,000 |
| Perpetual Bonds: | | |
| Jamuna Bank Perpetual Bond | 650,000,000 | 650,000,000 |
| NCC Bank Perpetual Bond | 400,000,000 | 400,000,000 |
| | 1,050,000,000 | 1,050,000,000 |
| Investment in Preference Share | 2,045,000,000 | 1,500,000,000 |
| Other investments | 5,571,346,314 | 4,924,291,954 |
| Islamic Banking Branches | 100,000,000 | - |
| Total other investments | 5,671,346,314 | 4,924,291,954 |
| (Details are shown in Annexure-B) | | |

6.a.4 Assets pledged as security for liabilities as at 30 September 2022 is BDT 4,380,608,285 of Treasury Bill against Re-Purchase Agreement.

Details are as under:

(a) I. Disclosure regarding outstanding Repo as at 30 September 2022

| Counter Party Name | Agreement Date | Reversal Date | Amount |
|---|----------------|---------------|----------------------|
| A. Inter Bank (Reverse Repo) | - | - | - |
| National Credit and Commerce Bank Limited | 28-Sep-22 | 2-Oct-22 | 299,160,900 |
| Utara Bank Limited | 28-Sep-22 | 2-Oct-22 | 499,692,500 |
| Bank Asia Limited | 28-Sep-22 | 3-Oct-22 | 747,321,823 |
| Commercial Bank of Ceylon | 28-Sep-22 | 2-Oct-22 | 249,846,250 |
| Standard Chartered Bank | 28-Sep-22 | 2-Oct-22 | 1,374,716,842 |
| United Commercial Bank | 28-Sep-22 | 2-Oct-22 | 1,219,899,945 |
| Total | | | 4,380,608,285 |

II. There was no Reverse Repo as at 30 September 2022.

(b) Disclosure regarding overall transaction of Repo as at 30 September 2022

| Particulars | Minimum outstanding during the year | Maximum outstanding during the year | Daily average outstanding during the year |
|---|-------------------------------------|-------------------------------------|---|
| Securities sold under Repo: | | | |
| i) with Bangladesh Bank | 3,372,659,587 | 3,372,659,587 | 9,240,183 |
| ii) with Other Banks & Financial Institutions | 489,328,914 | 145,897,500 | 967,802,058 |
| Securities purchased under Reverse Repo: | | | |
| i) with Bangladesh Bank | - | - | - |
| ii) with Other Banks & Financial Institutions | 1,990,598,320 | 68,283,061 | 31,441,516 |

6.a.5 Maturity grouping of Investment as follows:

On Demand
Less than three months
More than three months but less than one year
More than one year but less than five years
More than five years

| | |
|-----------------------|-----------------------|
| 76,487,668 | 1,528,097,474 |
| 793,782,704 | 1,380,830,450 |
| 1,057,547,506 | 920,298,545 |
| 6,314,273,281 | 7,301,272,957 |
| 37,038,257,570 | 34,645,952,926 |
| 45,280,348,729 | 45,776,422,353 |

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Mutual Trust Bank Limited

Notes to the Financial Statements
For the Period ended 30 September 2022

| | 30 September 2022 BDT | 2021 BDT |
|--|--------------------------|------------------------|
| 7.00 Consolidated Loans and Advances/Investments: | | |
| Mutual Trust Bank Limited (Note-7.a) | 244,160,810,041 | 219,396,487,169 |
| MTB Securities Limited | 3,218,775,283 | 3,200,807,474 |
| MTB Capital Limited | 427,111,527 | 380,471,869 |
| MTB Exchange (UK) Limited | | |
| Less: Inter-company loan | (726,176,877) | (493,604,927) |
| | 247,080,519,954 | 222,483,861,585 |
| Consolidated bills purchased and discounted: | | |
| Mutual Trust Bank Limited (Note-7.a) | 2,854,462,114 | 3,527,713,085 |
| MTB Securities Limited | | |
| MTB Capital Limited | | |
| MTB Exchange (UK) Limited | | |
| | 2,854,462,114 | 3,527,713,085 |
| | 249,934,982,067 | 226,011,574,670 |
| 7.01 Significant concentration wise grouping of Consolidated Loans and Advances/Investments: | | |
| a) Directors | | |
| Credit Cards (Note - 49) | 1,722,449 | 1,077,390 |
| b) Chief Executive & other Senior Executives | 974,738,879 | 848,343,729 |
| i) Managing Director | | |
| ii) Other Senior Executives | 974,738,879 | 848,343,729 |
| c) Advances to Industries | | |
| Agriculture | 4,342,418,010 | 3,188,679,653 |
| RMG | 45,214,051,043 | 37,054,273,187 |
| Textile | 24,897,074,325 | 12,409,196,162 |
| Ship Building | 1,857,731,611 | 2,005,332,100 |
| Ship Breaking | 3,813,513,229 | 3,803,379,886 |
| Other Manufacturing industry | 76,242,811,635 | 21,140,856,876 |
| SME loans | 14,988,484,811 | 27,820,139,875 |
| Construction | 12,024,788,191 | 14,134,021,171 |
| Power, Gas | 2,889,414,371 | 3,102,653,120 |
| Transport, Storage and Communication | 1,663,452,447 | 681,582,573 |
| Trade Service | 25,167,469,686 | 24,018,150,476 |
| Commercial real estate financing | 4,734,131,726 | 5,368,860,541 |
| Residential real estate financing | 718,758,542 | 15,674,580 |
| Consumer credit | 18,011,856,352 | 16,223,382,149 |
| Capital Market (Loan provided for brokerage or merchant banking, to stock dealer or any kind of capital market activities) | 3,727,568,152 | 4,265,258,632 |
| NBFIs | 4,356,221,467 | 8,354,889,242 |
| Others | 4,330,976,141 | 41,345,723,620 |
| | 248,958,529,739 | 225,162,153,642 |
| | 249,934,982,067 | 226,011,574,670 |
| 7.02 Classification of Consolidated Loans and Advances/Investments: | | |
| Consolidated Unclassified Loans and Advances (UC): | | |
| Standard | 228,547,379,539 | 206,421,229,449 |
| Special Mention Account (SMA) | 7,432,826,383 | 6,483,324,221 |
| Sub total | 235,980,205,922 | 212,904,553,670 |
| Consolidated Classified Loans & Advances: | | |
| Substandard | 1,742,041,217 | 1,187,186,762 |
| Doubtful | 1,425,776,901 | 661,520,499 |
| Bad & Loss | 10,786,958,047 | 11,258,333,739 |
| Sub total | 13,954,776,165 | 13,107,021,000 |
| Total | 249,934,982,067 | 226,011,574,670 |
| 7.03 Consolidated list of Asset pledged as collaterals: | | |
| Collateral of movable/immovable assets | 117,836,652,821 | 111,332,707,392 |
| Commodities and Export documents | 18,484,002,346 | 32,400,566,479 |
| Fixed deposit receipts | 25,074,050,743 | 9,542,114,105 |
| Other securities | 87,154,332,247 | 48,095,470,226 |
| Personal guarantee | 21,285,943,910 | 24,040,718,469 |
| | 249,934,982,067 | 226,011,574,670 |
| 7.04 Maturity grouping of Consolidated Loans and Advances/Investments | | |
| On Demand | 26,480,162,625 | 23,809,228,234 |
| Not more than three months | 57,038,488,218 | 51,481,419,528 |
| More than three months but less than one year | 68,138,996,627 | 61,695,675,462 |
| More than one year but less than five years | 65,543,568,914 | 59,247,212,011 |
| More than five years | 32,733,785,764 | 29,678,041,416 |
| | 249,934,982,067 | 226,011,574,670 |
| 7.a Loans and Advances/Investments | | |
| In Bangladesh | | |
| Loans (Note-7.a.1) | 196,588,377,221 | 171,983,466,319 |
| Cash Credits | 26,587,828,504 | 27,811,009,373 |
| Overdrafts | 20,986,609,317 | 19,602,014,476 |
| | 244,160,810,041 | 219,396,487,169 |
| Bills Purchased and Discounted (Note-7.a.1.2) | 2,854,462,114 | 3,527,713,085 |
| | 247,015,272,155 | 222,924,200,254 |
| Outside Bangladesh | | |
| | 247,015,272,155 | 222,924,200,254 |
| 7.a.1 Loans / Investments: | | |
| Continuous Loans | 9,736,906,790 | 8,930,339,393 |
| Demand Loans | 59,534,406,473 | 47,689,836,492 |
| Term Loans | 87,849,299,237 | 81,537,221,535 |
| Short term Agri. Credit and Microcredit | 6,202,602,379 | 5,968,591,828 |
| Packing Credit | 624,024,102 | 639,466,141 |
| Credit Cards | 3,788,177,506 | 3,072,733,014 |
| Staff Loan | 974,738,879 | 848,343,729 |
| Lease Finance (Note-7.a.3) | 381,700,805 | 424,295,342 |
| Others loan | | 12,136,567 |
| | 169,969,869,172 | 149,122,963,840 |

Mohammad Nazim Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



Mark Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited
Notes to the Financial Statements
For the Period ended 30 September 2022

| | 30 September 2022 BDT | 2021 BDT |
|---|--------------------------|------------------------|
| Offshore Banking Unit | 24,821,414.476 | 22,515,586.635 |
| Islamic Banking Branches | 2,665,093,873 | 344,815,845 |
| | 165,586,377,321 | 171,983,466,319 |
| 7.a.1.2 Bill Purchased and Discounted | | |
| Payable in Bangladesh | 2,262,080,518 | 2,219,022,590 |
| Payable outside Bangladesh | 358,399,295 | 822,365,002 |
| | 2,618,459,813 | 3,041,388,492 |
| Offshore Banking Unit | 236,002,300 | 488,324,593 |
| | 2,854,462,114 | 3,527,713,085 |
| 7.a.2 Net Loans and Advances/Investments | | |
| Gross Loans & Advances (Note- 7.a) | 247,015,272,155 | 222,924,200,254 |
| Less: | | |
| Interest Suspense (Note- 12.a.6) | 6,591,037,684 | 5,323,146,759 |
| Provision for Loans & Advances (Note -12.a.1) | 8,238,577,701 | 7,406,588,641 |
| Net Loans & Advances | 232,185,657,370 | 210,194,464,855 |
| 7.a.3 Gross Lease Rent Receivable | | |
| Within 1 year | 268,237,869 | 371,096,485 |
| Within 5 years | 134,184,600 | 97,500,726 |
| | 402,402,469 | 468,597,211 |
| Less: Unearned Lease Rent | 40,692,684 | 44,301,859 |
| | 361,709,805 | 424,295,342 |
| 7.a.4 Residual Maturity grouping of Loans and Advances/Investments | | |
| On Demand | 26,334,327,053 | 23,785,975,060 |
| Not more than three months | 56,865,570,482 | 51,409,793,941 |
| More than three months but less than one year | 68,354,749,353 | 61,688,201,301 |
| More than one year but less than five years | 64,340,426,274 | 58,065,389,828 |
| More than five years | 31,020,198,893 | 27,894,840,124 |
| | 247,015,272,155 | 222,924,200,254 |
| 7.a.5 Significant concentration wise grouping of Loans and Advances/Investments | | |
| a) Directors | 1,722,449 | 1,077,300 |
| Credit Cards (Note - 49) | 974,738,879 | 848,343,729 |
| b) Chief Executive & other Senior Executives | | |
| i) Managing Director | - | - |
| ii) Other Senior Executives | 974,738,879 | 848,343,729 |
| c) Advances to Industries | | |
| Agriculture | 4,342,416,010 | 3,188,670,653 |
| RMG | 45,214,051,943 | 37,054,273,187 |
| Textile | 24,897,074,325 | 12,409,196,162 |
| Ship Building | 1,857,731,811 | 2,005,332,100 |
| Ship Breaking | 3,813,513,229 | 3,803,379,886 |
| Other Manufacturing Industry | 76,242,811,535 | 21,140,858,876 |
| SME loans | 14,986,484,811 | 27,820,139,675 |
| Construction | 12,024,788,191 | 14,134,021,171 |
| Power, Gas | 2,809,414,371 | 3,102,853,120 |
| Transport, Storage and Communication | 1,863,452,447 | 881,582,573 |
| Trade Service | 25,167,468,688 | 24,018,150,476 |
| Commercial real estate financing | 4,734,131,725 | 5,398,960,541 |
| Residential real estate financing | 718,758,542 | 15,674,580 |
| Consumer credit | 16,011,656,352 | 16,223,362,149 |
| Capital Market (Loan provided for brokerage or merchant banking, to stock dealer or any kind of | 807,858,240 | 1,177,884,216 |
| NBFIs | 4,356,221,467 | 6,354,889,242 |
| Others | 4,330,076,141 | 41,345,723,620 |
| | 246,038,810,827 | 222,674,778,226 |
| | 247,015,272,155 | 222,924,200,254 |
| 7.a.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 32,156.54 million as at 30 September 2022 (BDT 29,443.04 million as at 31 December 2021). | | |
| Number of Clients | 30 | 26 |
| Outstanding Advances (BDT Million) | 104,442 | 73,336 |

Client wise details are given below:

| Name of the clients | Sanction limit | Outstanding | | Total | Classification Status |
|--|----------------|-------------|--------------|----------|-----------------------|
| | | Funded | Non - Funded | | |
| | | BDT Million | | | |
| MSA Group | 5,130.00 | 1,211.30 | 191.40 | 1,402.70 | UC |
| City Group | 6,520.00 | 9.80 | 3,998.10 | 3,408.00 | UC |
| City Seed Crushing Industries Ltd. | 6,450.00 | 520.40 | 3,062.30 | 3,582.70 | UC |
| Clg. Denim | 6,835.90 | 1,653.50 | 539.10 | 2,192.60 | UC |
| Bengal Group | 5,075.30 | 1,416.60 | 115.40 | 1,532.00 | UC |
| Meghna Group | 8,900.00 | 83.60 | 5,050.80 | 5,104.40 | UC |
| Kamafuly Ship Builders Ltd.Vosta. & its allied c | 3,407.00 | 503.30 | 1,367.00 | 2,070.30 | UC |
| Energypac Engineering Ltd. | 6,243.40 | 2,209.50 | 3,843.30 | 5,852.80 | UC |
| Deeko Group | 5,653.40 | 2,758.40 | 1,313.20 | 4,071.60 | UC |
| A.J.I Group | 4,639.60 | 2,019.80 | 831.20 | 2,851.00 | UC |
| EON Group | 6,352.50 | 3,837.50 | 481.40 | 4,318.90 | UC |
| AKU Group | 4,450.00 | 51.80 | 1,088.30 | 1,140.10 | UC |
| MIR AKHTER Group | 3,679.00 | 1,805.10 | 698.70 | 2,273.80 | UC |
| JMI Hospital Requisite Manufacturing Ltd & its | 4,118.20 | 1,691.60 | 911.60 | 2,603.40 | UC |
| Summit Corporation Limited & its allied conce | 13,250.00 | - | 1,548.10 | 1,548.10 | UC |
| PRAN - RFL | 5,905.10 | 372.40 | 2,016.00 | 2,388.40 | UC |
| Bashundhara | 7,178.60 | 4,598.40 | 2,091.50 | 6,689.90 | UC |
| Epylion Fabrics Limited & its allied concerns | 7,387.60 | 4,206.20 | 3,159.40 | 7,387.60 | UC |
| SO Celsus Limited & its allied concerns | 5,330.00 | 3,792.60 | 1,199.00 | 4,991.60 | UC |
| Arkay Knit Dyeing Mills Ltd | 9,240.50 | 3,778.70 | 4,931.60 | 8,710.30 | UC |
| Parlex Star Group | 3,621.40 | 2,275.10 | 81.20 | 2,356.30 | UC |
| BRB | 3,050.00 | - | 10.80 | 10.80 | UC |
| Abul Khair Group | 4,360.00 | 257.40 | 2,065.00 | 4,288.40 | UC |
| Kabir Steel Ltd & its allied concerns | 4,898.30 | 2,332.70 | 2,599.70 | 4,878.40 | UC |
| T.K. | 4,030.00 | 150.00 | 2,003.30 | 2,789.30 | UC |

Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Syed Manubul Rahman
Managing Director & CEO
Mutual Trust Bank Limited



Malik Muntasir Roza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited

Notes to the Financial Statements
For the Period ended 30 September 2022

| | 30 September 2022 | | | 2021 | |
|--------------------------------|-------------------|-----------|-----------|------------|----|
| | BDT | | | BDT | |
| Jahangir & Others | 3,091.30 | 517.00 | - | 517.00 | UC |
| CONFIDENCE INFRASTRUCTURE LTD. | 8,399.20 | 813.90 | 4,582.90 | 5,396.80 | UC |
| RADIANT GROUP | 4,787.80 | 1,457.90 | -399.90 | 1,857.80 | UC |
| NDE | 5,176.70 | 2,088.30 | 2,242.20 | 4,340.60 | UC |
| GPH SPAT LIMITED | 6,850.00 | 2,135.60 | 1,774.90 | 3,910.70 | UC |
| Total | 177,290.70 | 89,334.90 | 54,107.30 | 104,442.20 | |

7.a.6.1 Large Loan Restructuring

1) The liabilities of Jamuna Builders Ltd. and Jamuna Denims Ltd. were restructured according to BRPD circular No 4/2015 dated 29.01.2015 under BB NOC dated 02.09.2018 with grace period for 12 months for 12 years with validity 02.09.2027. Accordingly, the 1st instalment due date was 02.12.2018. Later, client again allowed 12 month interim grace under BB NOC from June 2019 to May 2020. As such, client avail total 24 month grace period. After that, client were allowed payment pause for 8 months i.e. validity extended up to 31.05.2028 from 02.09.2027 according to BRPD circular No 17 dated 28.09.2020. Thereafter, as per BRPD Circular 03/2021 dated 31.01.2021, validity extended for 02 year i.e. up to 31.05.2030 from 31.05.2028, so far, as of December 2020, client have paid all the installment 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 installments for the year 2021 which is amounting to 2.39 crore (Tk 0.29 crore for Jamuna Denims 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). During 2022, the client paid 1st 02 quarterly installment in full and paid 60% of 3rd quarterly installment according to BRPD circular No 14 dated 22.06.2022. Considering the situation, Currently client have no overdue liability rather, client paid Tk 3.45 crore in advance in 2021.

2) Abdul Monem Ltd. and Abdul Monem Sugar Refinery Ltd. were allowed grace period for 09 months at the time of restructuring. So, the 1st instalment due date was 30.09.2019. The clients were allowed payment pause for 9 months i.e. validity increases up to 01.03.2028 from 01.06.2027 as per BRPD-13/2020. Now, 22 number of installments become due till 30.09.2022 and amount due for recovery stood at BDT 119.49 Crore. The client has no overdue installments. Total recovery is BDT 140.10 Crore. So, total 20.61 crore has been recovered in advance from the client.

7.a.7 Classification of Loans and Advances/Investments

Unclassified (UC):

Standard
Special Mention Account (SMA)

Sub total

Classified:

Substandard
Doubtful
Bad & Loss

Sub total

Total

| | |
|-----------------|-----------------|
| 225,827,889,827 | 203,333,855,033 |
| 7,432,826,363 | 6,483,324,221 |
| 233,060,496,990 | 209,817,179,254 |
| 1,742,044,217 | 1,187,166,762 |
| 1,425,778,901 | 861,520,499 |
| 10,786,958,047 | 11,258,333,739 |
| 13,954,778,165 | 13,107,021,000 |
| 247,015,272,155 | 222,924,200,254 |

7.a.8 Details of Required Provision for Loans and Advances/Investments

| Particulars | Base for Provision | Rate (%) | Provision | |
|--|------------------------|---------------------------------|-----------------------|----------------------|
| | | | Required | Maintained |
| Unclassified (UC): | | | | |
| Standard | 187,579,098,076 | | 1,854,759,496 | 943,225,832 |
| Standard- Offshore Banking Unit | 25,057,418,778 | | 250,574,168 | 250,574,168 |
| SMA | 4,811,798,555 | | 38,700,601 | 38,700,601 |
| Loan against "Stay Order", STD | 7,268,079,040 | | 577,904,120 | 577,904,120 |
| Loan against "BB NOC/ Stay Order", STD | 1,444,403,178 | | 885,830,967 | 85,830,967 |
| Rescheduled loan (by BB NOC), STD | 547,828,940 | | 223,968,792 | 223,968,792 |
| Rescheduled loan (2% down payment), SMA | 92,293,161 | 0%, 0.25%, 1%, 2%, 5% & 100% | 46,146,580 | 46,146,580 |
| Large Loan Restructured, SMA | 1,777,973,026 | | 35,559,461 | 35,559,461 |
| NBFI, STD | 616,420,980 | | 308,210,490 | 308,210,490 |
| Rescheduled loan (by BB NOC), SMA | 432,010,578 | | 257,845,303 | 257,845,303 |
| Loan against "Stay Order", SMA | 19,263,543 | | 192,635 | 192,635 |
| General Provision-COVID-19 | - | | 707,659,831 | 707,659,831 |
| Sub total | 229,646,983,851 | | 5,187,350,444 | 3,475,818,781 |
| Classified: | | | | |
| Substandard | 871,323,919 | 1% & 30% | 109,876,695 | 109,876,695 |
| Doubtful | 642,825,115 | 1% & 50% | 171,847,068 | 171,847,068 |
| Bad loan | 5,188,898,990 | 100% | 5,188,898,990 | 5,188,898,990 |
| Sub total | 6,702,848,024 | | 5,470,420,752 | 5,470,420,752 |
| Total | 236,349,829,876 | | 10,657,771,196 | 8,946,237,533 |
| Provision will be maintained in future* | | | | 1,711,533,684 |

*As per Bangladesh Bank letter (Reference No. DBI-4/119/2022-458 dated April 04, 2022 and DOS (CAMS) 1157/41(Dividend)/2022-1967, dated 10 April 2022 and DOS (CAMS) 1157/41(Dividend)/2022-2003, dated 13 April 2022), the provision of Taka 256.73 crore has been deferred which is equivalent to the shortfall amount at the end of year 2021. The deferred provision will be maintained in next three (03) years.

7.a.9 Details of Required Provision for Off Balance Sheet Items

Required Provision for Off-Balance Sheet Exposures

Total Provision maintained (Note -12.a.3)

Excess(Short) Provision

| | |
|---------------|---------------|
| 1,298,512,605 | 1,147,890,040 |
| 1,298,512,605 | 1,147,890,040 |

7.a.10 Geographical Location wise Loans and Advances/Investments

Inside Bangladesh

Urban

Dhaka Division
Chittagong Division
Sylhet Division
Mymensingh Division
Rajshahi Division
Khulna Division
Rangpur Division
Barisal Division

Rural

Dhaka Division
Chittagong Division

| | |
|-----------------|-----------------|
| 191,963,809,005 | 171,946,553,488 |
| 38,302,738,398 | 33,807,282,733 |
| 1,681,319,249 | 1,907,689,074 |
| 522,288,472 | 773,517,875 |
| 4,390,229,203 | 4,577,556,126 |
| 1,113,394,453 | 968,348,564 |
| 2,217,969,000 | 2,523,182,435 |
| 195,854,694 | 191,119,594 |
| 240,568,612,475 | 216,793,249,886 |
| 3,820,715,193 | 3,207,497,203 |
| 1,618,341,511 | 1,538,858,835 |



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(Signature)

Maik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

(Signature)
Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

(Signature)
Mohammad Maszud Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited

Notes to the Financial Statements
For the Period ended 30 September 2022

Sylhet Division
Mymensingh Division
Rajshahi Division
Khulna Division
Rangpur Division
Bartsal Division

Outside Bangladesh

| 30 September 2022 | 2021 |
|------------------------|------------------------|
| BDT | BDT |
| 150,291,118 | 281,208,593 |
| 370,114,744 | 307,620,338 |
| 51,654,331 | 349,393,939 |
| 34,002,893 | 34,689,385 |
| 382,322,019 | 370,079,369 |
| 10,218,071 | 43,606,906 |
| 6,446,659,881 | 6,130,950,368 |
| 247,015,272,155 | 222,924,200,254 |

7.a.11 Sector-wise Loans/Investment (including Bill Purchased and Discounted)

Public sector
Co-Operative sector
Private sector

| | |
|------------------------|------------------------|
| - | - |
| - | - |
| 247,015,272,155 | 222,924,200,254 |
| 247,015,272,155 | 222,924,200,254 |

7.a.12 Particulars of Loans and Advances/Investments

I) Debts considered good in respect of which the bank company is fully secured.
II) Debts considered good for which the bank holds no other security than the debtor's personal security.
III) Debts considered good secured by the personal undertakings of one or more parties in addition to the
IV) Debts considered doubtful or bad, provision not provided for.
V) Debts due by directors or officers of the bank or any of them either severally or jointly with any other
VI) Debts due by companies or firms in which the Directors of the bank are interested as partners or
VII) Maximum total amount of advances, including temporary advances, made at any time during the year
VIII) Maximum total amount of advances, including temporary advances granted during the year to the
IX) Due from banking companies;
X) Amount of classified loan on which interest has not been charged, should be mentioned as
a. I) (Decrease)/Increase in provision,
ii) amount of loan written off
iii) amount realized against loan previously written off;
b. Amount of provision kept against loan classified as 'bad/off' on the date of preparing the balance sheet
c. Interest creditable to the Interest Suspense A/c;
XI) Cumulative amount of loans written off
Opening Balance
Amount Written off during the period
Balance of Written off Loans & Advance
XII) The amount of written off loan for which law suit has been filed

| | |
|----------------------|----------------------|
| 187,527,658,932 | 169,220,979,916 |
| 3,786,177,508 | 3,072,733,014 |
| 41,746,659,551 | 38,490,415,706 |
| - | - |
| 974,738,879 | 848,343,729 |
| - | - |
| 974,738,879 | 848,343,729 |
| - | - |
| - | - |
| - | - |
| 1,889,394,775 | 1,115,183,976 |
| 1,023,823,850 | 362,056,175 |
| 58,198,332 | 44,858,845 |
| 5,188,896,990 | 4,471,165,787 |
| 8,591,037,084 | 5,323,146,759 |
| - | - |
| 4,789,728,761 | 4,427,872,587 |
| 1,023,823,850 | 362,056,175 |
| 5,813,552,611 | 4,789,728,761 |
| 5,813,552,611 | 4,789,728,761 |

7.a.13 Maturity grouping of Bill Purchased and Discounted

Payable within one month
More than one month but less than three months
More than three months but less than six months
More than or equal to six months

| | |
|----------------------|----------------------|
| 842,822,662 | 1,041,733,674 |
| 1,502,303,410 | 1,856,635,397 |
| 509,230,041 | 629,344,014 |
| - | - |
| 2,854,482,114 | 3,527,713,085 |

7.a.14 List of Asset pledged as collaterals:

Collateral of movable/immovable assets
Commodities and Export documents
Fixed deposit receipts
Other securities
Personal guarantees

| | |
|------------------------|------------------------|
| 117,936,652,821 | 111,332,707,392 |
| 18,484,002,346 | 32,400,568,479 |
| 25,074,050,743 | 9,542,114,105 |
| 87,154,332,247 | 48,685,470,226 |
| 18,366,233,998 | 20,953,342,053 |
| 247,015,272,155 | 222,924,200,254 |

8.00 Consolidated fixed assets including premises, furniture and fixtures

Mutual Trust Bank Limited (Note-8.a)
MTB Securities Limited
MTB Capital Limited
MTB Exchange (UK) Limited
Consolidated net book value at the end of the year
Details are shown in Annexure-C

| | |
|----------------------|----------------------|
| 5,189,017,272 | 5,203,874,445 |
| 182,730,473 | 176,227,139 |
| 13,135,952 | 14,392,150 |
| - | - |
| 5,384,883,698 | 5,394,493,735 |

8.a Fixed Asset including Premises, Furniture and Fixture

Cost
Land
Immovable Property
Furniture & Fixtures
Office Equipments
Motor Vehicles
Intangible Assets
Right off use assets

| | |
|----------------------|----------------------|
| 104,253,000 | 104,253,000 |
| 1,455,740,795 | 1,455,740,795 |
| 1,876,324,460 | 1,652,603,105 |
| 2,815,285,798 | 2,762,691,018 |
| 205,548,417 | 214,382,616 |
| 947,895,229 | 915,268,871 |
| 2,235,766,598 | 1,826,970,783 |
| 9,440,812,294 | 8,931,908,188 |

Total Cost
Less: Accumulated Depreciation

| | |
|----------------------|----------------------|
| 4,278,189,572 | 3,756,646,008 |
| 5,162,622,722 | 5,175,262,120 |
| 26,394,550 | 28,612,325 |
| 5,189,017,272 | 5,203,874,445 |

Islamic Banking Branches

Book value at the end of the year

Details are shown in Annexure-C (i)

The cost of the right-of-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 Bank's total capital i.e. BDT 32,158.54 million as of 30 September 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 asset, 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

9.00 Consolidated other assets

Mutual Trust Bank Limited (Note-9.a)
Less: Investment in subsidiary

| | |
|-----------------------|----------------------|
| 15,423,565,940 | 12,124,015,514 |
| (3,528,395,800) | (3,528,395,800) |
| 11,895,170,140 | 8,595,619,714 |

MTB Securities Limited
MTB Capital Limited
MTB Exchange (UK) Limited
Less: Intragroup receivable & payable

| | |
|-----------------------|----------------------|
| 397,062,401 | 305,149,271 |
| 34,687,700 | 58,647,600 |
| (34,061,533) | (282,457,333) |
| 396,168,568 | 101,339,537 |
| 12,291,358,707 | 8,696,959,252 |

M. Momenul Haque, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Syed Mahubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited




Mark Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Co. porate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited

Notes to the Financial Statements
For the Period ended 30 September 2022

| | 30 September 2022 BDT | 2021 BDT |
|--|--------------------------|-----------------------|
| 9.01 Consolidated Advance Income Tax | | |
| Mutual Trust Bank Limited (Note-9.a.4.1) | 4,590,802,335 | 3,823,253,757 |
| MTB Securities Limited | 344,461,534 | 229,970,168 |
| MTB Capital Limited | 23,095,415 | 15,897,798 |
| MTB Exchange (UK) Limited | - | - |
| | <u>4,958,359,285</u> | <u>4,069,121,744</u> |
| 9.02 Consolidated Deferred Tax Assets/(Liabilities) | | |
| Mutual Trust Bank limited (Note-9.a.4.2) | 2,184,256,842 | 1,741,362,031 |
| MTB Securities Limited | (4,516,110) | (4,750,202) |
| MTB Capital Limited | (100,429) | (111,079) |
| MTB Exchange (UK) Limited | - | - |
| | <u>2,179,640,303</u> | <u>1,736,500,750</u> |
| 9.a Other Asset | | |
| Classification of Other Asset | | |
| A) Income generating Other Asset: | | |
| i) Investment in Shares of Subsidiary Companies (Note-9.a.1) | 3,528,395,800 | 3,528,395,800 |
| B) Non-income generating Other Asset : | | |
| i) Stationery, Stamps, Printing materials in stock etc. f | 45,302,577 | 35,390,220 |
| ii) Advance Rent and Advertisement | 548,343,660 | 343,415,354 |
| iii) Interest Accrued on investment but not collected & other income receivable (Note-9.a.2) | 1,053,600,547 | 1,170,570,408 |
| iv) Security Deposit | 14,227,245 | 11,550,249 |
| v) Suspense Account (Note- 6.a.3) | 666,462,126 | 356,703,671 |
| vi) Others (Note- 9.a.4) | 6,547,233,985 | 6,877,983,812 |
| | <u>15,423,565,940</u> | <u>12,124,015,514</u> |
| 9.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 | 28,395,800 | 28,395,800 |
| | <u>3,528,395,800</u> | <u>3,528,395,800</u> |
| 9.a.2 Interest Accrued on investment but not collected & other income receivable | | |
| Interest Receivable on investment | 6,593,744 | 249,045,901 |
| Interest Receivable on Loans and Advances | 311,438,342 | 450,379,139 |
| Interest Receivable on Treasury Bond | 735,568,461 | 470,932,521 |
| Interest Receivable on Balance with other Bank | - | - |
| Interest Receivable on Call Money | - | 212,847 |
| | <u>1,053,600,547</u> | <u>1,170,570,408</u> |
| 9.a.3 Suspense Account | | |
| Sundry Debtors | 380,582,414 | 22,772,510 |
| Advance against TA/DA | 2,000 | - |
| Legal Expenses | 49,042,053 | 42,086,161 |
| Sanchay Patra | 256,359,967 | 289,705,474 |
| Chargeback Settlement Account | 475,692 | 2,139,500 |
| | <u>688,462,126</u> | <u>356,703,671</u> |
| 9.a.4 Others | | |
| Advance Income Tax (Note-9.a.4.1) | 4,590,802,335 | 3,823,253,757 |
| Deferred Tax Asset (Note-9.a.4.2) | 2,184,256,842 | 1,741,362,031 |
| Advance against Suppliers/Parties & Capital Work-in-Progress ✓ | 84,345,668 | 259,860,604 |
| Protested Bills ✓ | 51,809,559 | 51,609,559 |
| Advance paid to Employees ✓ | 18,376,647 | 14,955,000 |
| Prepaid Interest Expense against MTB Instant | 1,815,980 | 1,829,214 |
| Stamp Charge Adjustment Account ✓ | 74,960 | 272,500 |
| Receivables from MTB on Cards & ATM ✓ | 196,353,175 | 142,721,943 |
| Term Placement | 352,291,204 | 127,656,476 |
| Placement to Off-Shore Banking Unit | 7,718,607,880 | 7,074,210,000 |
| Receivables from Off-Shore Banking Unit | 107,550,842 | 176,966,825 |
| Receivable from Subsidiaries (UK) ✓ | 34,961,533 | 34,961,533 |
| Taka A/C Exchange House Receivable | 12,475,680 | 10,579,143 |
| NRB Outstanding | - | 4,337,173 |
| MFS Settlement Account | 5,730,450 | - |
| Sundry Asset ✓ | 181,432 | - |
| Unrealized Exchange loss on Foreign Currency | - | 18,966 |
| RTGS Adjusting Receivable Account | 660,138,229 | 5,285,000 |
| | <u>18,017,572,417</u> | <u>13,469,879,743</u> |
| Offshore Banking Unit | 1,198,407,904 | 149,662,620 |
| Islamic Banking Branches | 422,494,921 | 309,618,273 |
| Less: Inter transaction with Offshore Banking Unit | (7,820,158,722) | (7,251,176,825) |
| Less: Inter transaction with MTB Islami Banking | (265,082,535) | - |
| | <u>9,547,233,985</u> | <u>6,677,983,812</u> |
| 9.a.4.1 Advance Income Tax | | |
| Opening Balance | 3,823,253,757 | 2,737,582,223 |
| Add: Payment during the year | 767,549,578 | 1,085,671,535 |
| | <u>4,590,802,335</u> | <u>3,823,253,757</u> |
| 9.a.4.2 Deferred Tax Assets/(Liabilities) | | |
| Opening Balance | 1,741,362,031 | 858,157,826 |
| Add: Deferred Tax Income/(Expense) during the year (Note-9.a.4.2.1) | 442,894,811 | 633,204,205 |
| | <u>2,184,256,842</u> | <u>1,741,362,031</u> |
| 9.a.4.2.1 Computation of deferred tax | | |
| Fixed Assets | | |
| Accounting written down value | 3,596,695,528 | 3,838,302,105 |
| Less: Tax base written down value | 2,961,515,029 | 2,996,060,709 |
| Deductibles/(Taxable) temporary difference | (635,180,497) | (842,221,398) |
| Effective Tax Rate | 37.50% | 37.50% |
| Deferred Tax Assets/(Liabilities) | <u>(238,192,687)</u> | <u>(315,833,624)</u> |
| Interest Receivable from Treasury Bond | | |
| Accounting based | 735,568,461 | 470,932,521 |
| Less: Tax Base | (735,568,461) | (470,932,521) |
| Deductibles/(Taxable) temporary difference | - | - |
| Effective Tax Rate | 37.50% | 37.50% |
| Deferred Tax Assets/(Liabilities) | <u>(276,838,173)</u> | <u>(178,599,695)</u> |



(Signature)

Mak Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

(Signature)
Mohammad Hazrat Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

(Signature)
Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Mutual Trust Bank Limited

Notes to the Financial Statements
For the Period ended 30 September 2022

| | 30 September 2022 BDT | 2021 BDT |
|--|--------------------------|-----------------|
| Leasehold Expenses under IFRS 16 | | |
| Accounting based | 211,196,950 | 23,677,269 |
| Less: Tax Base | - | 23,677,269 |
| Deductibles/(Taxable) temporary difference | 211,196,950 | - |
| Effective Tax Rate | 37.50% | 37.50% |
| Deferred Tax Assets/(Liabilities) | 78,198,859 | - |
| Loan Loss Provision | | |
| Provision made against classified loans | 5,470,420,752 | 5,956,786,000 |
| Less: Tax Base | - | - |
| Deductibles/(Taxable) temporary difference | 5,470,420,752 | 5,956,786,000 |
| Effective Tax Rate | 37.50% | 37.50% |
| Deferred Tax Assets/(Liabilities) * | 2,051,407,762 | 2,233,794,750 |
| Off-Balance Sheet Items | | |
| Provision made against Off-Balance Sheet items | 1,298,512,605 | - |
| Less: Tax Base | - | - |
| Deductibles/(Taxable) temporary difference | 1,298,512,605 | - |
| Effective Tax Rate | 37.50% | 37.50% |
| Deferred Tax Assets/(Liabilities) * | 488,942,327 | - |
| Provision for Other Assets | | |
| Provision made against Other Assets | 215,303,556 | - |
| Less: Tax Base | - | - |
| Deductibles/(Taxable) temporary difference | 215,303,556 | - |
| Effective Tax Rate | 37.50% | 37.50% |
| Deferred Tax Assets/(Liabilities) * | 80,738,834 | - |
| Closing Deferred Tax Assets/(Liabilities) | 2,184,256,842 | 1,741,362,031 |
| Opening Deferred Tax Assets/(Liabilities) | 1,741,362,031 | 658,157,820 |
| Deferred Tax Income/(Expense) | 442,894,811 | 863,204,205 |
| 9.a.5 Classification of Other Asset | | |
| Unclassified | 15,240,819,027 | 12,028,665,824 |
| Doubtful | 57,823,904 | 42,086,181 |
| Bad/Loss | 124,923,009 | 53,263,709 |
| | 15,423,565,940 | 12,124,015,714 |
| 10.00 Consolidated Borrowing from Other Banks, Financial Institutions and Agents | | |
| Mutual Trust Bank Limited (Note-10.a) | 44,634,768,507 | 35,205,781,006 |
| MTB Securities Limited | 436,499,960 | 275,189,243 |
| MTB Capital Limited | 289,676,917 | 218,715,684 |
| MTB Exchange (UK) Limited | (726,176,877) | (493,604,927) |
| Less: Intragroup Borrowings | 44,634,768,507 | 35,205,781,006 |
| 10.a Borrowing From Other Banks, Financial Institutions and Agents in Bangladesh | | |
| Mutual Trust Bank Limited (Note 10.a.1) | 26,843,313,818 | 19,520,729,224 |
| Offshore Banking Unit | 10,251,300,176 | 13,094,638,508 |
| | 37,094,613,994 | 33,515,367,730 |
| Outside Bangladesh | | |
| Mutual Trust Bank Limited | 15,258,762,393 | 8,764,623,276 |
| Offshore Banking Unit | 15,258,762,393 | 8,764,623,276 |
| | 52,353,376,387 | 42,279,991,006 |
| | (7,718,607,880) | (7,074,210,000) |
| | 44,634,768,507 | 35,205,781,006 |
| Less: Inter transaction with Offshore | | |
| | | |
| 10.a.1 in Bangladesh: | | |
| Borrowing from Bank: | 300,000,000 | - |
| Call Borrowing: Jamuna Bank Ltd. | 300,000,000 | - |
| Borrowing from Bangladesh Bank: | 28,539,049,312 | 19,435,464,717 |
| SME Refinance | 1,480,341,519 | 1,205,352,419 |
| Investment Promotion and Financing Facility (IPFF) | 695,883,613 | 723,272,094 |
| Long Term Financing Facility (LTFF) under FSSP | 1,351,839,836 | 1,434,915,760 |
| COVID 19 Financial Stimulus Fund (RMG Salary) | 352,900,617 | 813,751,852 |
| GMSME Stimulus Package | 1,541,317,000 | 1,318,177,000 |
| WC Stimulus Package for Large Industry and Service | 1,975,037,356 | 1,044,112,565 |
| Agri (Non-Crops) | 364,773,124 | 252,892,500 |
| Export Development Fund | 18,646,180,071 | 12,527,945,526 |
| Pre-shipment credit scheme | 40,000,000 | - |
| Green Transformation Fund | 91,175,276 | 115,044,995 |
| Borrowing from Other Institutes: | 4,264,506 | 85,264,506 |
| SME Foundation | 4,264,506 | 85,264,506 |
| Total | 26,843,313,818 | 19,520,729,224 |
| 10.a.2 Security against Borrowing From Other Banks, Financial Institutions and Agents Unsecured | 44,634,768,507 | 35,205,781,006 |
| | 44,634,768,507 | 35,205,781,006 |
| 10.a.3 Maturity Grouping of Borrowing From Other Banks, Financial Institutions | | |
| On Demand | 922,280,175 | 727,434,931 |
| Repayable within one month | 4,062,929,947 | 3,204,645,787 |
| More than one month but within six months | 12,528,480,649 | 9,880,275,963 |
| More than six months but within one year | 16,394,626,465 | 12,931,301,053 |
| More than one year but within five years | 9,023,686,872 | 7,117,612,473 |
| More than five year but within ten years | 1,704,604,399 | 1,344,510,819 |
| | 44,634,768,507 | 35,205,781,006 |



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Mehnazul Haque, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
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Mutual Trust Bank Limited

Notes to the Financial Statements
For the Period ended 30 September 2022

| | 30 September 2022 BDT | 2021 BDT |
|--|--------------------------|------------------------|
| 11.90 Consolidated deposits and other accounts | | |
| Current deposits and other accounts | | |
| Mutual Trust Bank limited (Note-11.a.1) | 28,385,556,855 | 28,015,622,014 |
| MTB Securities Limited | | |
| MTB Capital Limited | | |
| MTB Exchange (UK) Limited | | |
| Less: Intragroup Deposit | (17,240) | (717,021) |
| | <u>28,385,539,609</u> | <u>28,914,905,893</u> |
| Bills payable | | |
| Mutual Trust Bank limited (Note-11.a.1) | 2,141,438,590 | 1,975,092,979 |
| MTB Securities Limited | | |
| MTB Capital Limited | | |
| MTB Exchange (UK) Limited | | |
| | <u>2,141,438,590</u> | <u>1,975,092,979</u> |
| Saving deposit | | |
| Mutual Trust Bank limited (Note-11.a.1) | 44,466,470,767 | 42,589,740,210 |
| MTB Securities Limited | | |
| MTB Capital Limited | | |
| MTB Exchange (UK) Limited | | |
| | <u>44,466,470,767</u> | <u>42,589,740,210</u> |
| Fixed deposit | | |
| Mutual Trust Bank limited (Note-11.a.1) | 104,064,580,284 | 91,528,348,348 |
| MTB Securities Limited | | |
| MTB Capital Limited | | |
| MTB Exchange (UK) Limited | | |
| Less: Intragroup Deposit | - | - |
| | <u>104,064,580,284</u> | <u>91,528,348,348</u> |
| Special Noticed Deposits | | |
| Mutual Trust Bank limited (Note-11.a.1) | 20,832,590,837 | 28,332,451,468 |
| MTB Securities Limited | | |
| MTB Capital Limited | | |
| MTB Exchange (UK) Limited | | |
| Less: Intragroup Deposit | (917,354,806) | (1,173,799,701) |
| | <u>19,915,236,031</u> | <u>26,158,651,767</u> |
| Deposit Products | | |
| Mutual Trust Bank limited (Note-11.a.1) | 23,777,112,341 | 23,615,688,572 |
| MTB Securities Limited | | |
| MTB Capital Limited | | |
| MTB Exchange (UK) Limited | | |
| | <u>23,777,112,341</u> | <u>23,615,688,572</u> |
| | <u>222,750,377,822</u> | <u>211,782,425,769</u> |
| 11.a Deposit and Other Accounts | | |
| From Customers (Note 11.a.1) | 223,667,749,675 | 209,006,942,491 |
| From Banks | - | 3,950,000,000 |
| | <u>223,667,749,675</u> | <u>212,956,942,491</u> |
| 11.a.1 Deposit and Other Accounts: | | |
| Current Deposit & Other Accounts : | | |
| Current Deposit (Including Unclaimed Dividend amount, Note 11.a.6) | 18,473,367,725 | 20,263,301,662 |
| Foreign Currency Deposit | 4,095,196,032 | 2,769,725,332 |
| Sundry Deposit | 5,586,971,391 | 3,739,584,445 |
| | <u>28,155,535,147</u> | <u>26,872,611,439</u> |
| Offshore Banking Unit | 3,750,518 | - |
| Islamic Banking Branches | 226,269,189 | 43,011,475 |
| | <u>28,385,556,855</u> | <u>28,915,622,914</u> |
| Bills Payable : | | |
| Payment Order Issued | 2,138,051,337 | 1,971,474,669 |
| Pay Slip Issued | 498,491 | 680,945 |
| Demand Draft Payable | 2,783,705 | 2,830,783 |
| | <u>2,141,333,532</u> | <u>1,974,895,408</u> |
| Offshore Banking Unit | - | - |
| Islamic Banking Branches | 105,058 | 197,571 |
| | <u>2,141,438,590</u> | <u>1,975,092,979</u> |
| Savings Deposit: | | |
| From Customers | 43,609,520,949 | 42,055,411,723 |
| Islamic Banking Branches | 43,909,520,949 | 42,055,411,723 |
| | <u>56,949,818</u> | <u>534,328,487</u> |
| | <u>44,466,470,767</u> | <u>42,589,740,210</u> |
| Fixed Deposits: | | |
| From Customers | 100,192,614,459 | 85,869,159,681 |
| From Banks (Note 11.a.2) | - | 3,950,000,000 |
| Offshore Banking Unit | 100,192,614,459 | 89,819,159,681 |
| Islamic Banking Branches | - | 23,029,238 |
| | <u>3,871,965,825</u> | <u>1,686,159,449</u> |
| | <u>104,064,580,284</u> | <u>91,528,348,348</u> |
| Special Noticed Deposits: | | |
| Islamic Banking Branches | 20,236,563,445 | 26,305,565,797 |
| | <u>596,027,393</u> | <u>26,885,671</u> |
| | <u>20,832,590,837</u> | <u>26,332,451,468</u> |
| Deposit Products : | | |
| Brick by Brick | 11,462,423,206 | 12,225,301,907 |
| MTB Millionaire Plan | 5,560,024,899 | 5,336,882,993 |
| Children Education Deposit Scheme | 18,372,233 | 15,313,430 |
| MTB Education Plan | 102,578,524 | 213,919,399 |
| MTB Gift Cheque | 8,212,502 | 8,310,001 |
| MTB Kotipad | 6,106,938,123 | 5,686,815,542 |
| NRB Deposit Pension Scheme | 88,235,677 | 90,489,515 |
| MTB Lakshopoli | 2,105,806 | 1,921,844 |
| MTB Angona DPS | 32,869,465 | 9,440,707 |
| MTB Micro DPS | 971,500 | - |



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Corporate Head Office Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited
Notes to the Financial Statements
For the Period ended 30 September 2022

Islamic Banking Branches

| | 30 September 2022 BDT | 2021 BDT |
|---|--------------------------|-----------------|
| | 23,472,731,936 | 23,588,495,139 |
| | 304,360,406 | 27,191,433 |
| | 23,777,112,341 | 23,615,686,572 |
| 11.a.2 Fixed Deposits from Banks: | | |
| Pubali Bank Limited | | 750,000,000 |
| Prime Bank Limited | | 600,000,000 |
| Southeast Bank Ltd | | 500,000,000 |
| South Bangla Agriculture & Commerce Bank Limited | | 1,000,000,000 |
| United Commercial Bank Limited | | 1,100,000,000 |
| | - | 3,950,000,000 |
| 11.a.3 Maturity grouping of Deposit and Other Accounts: | | |
| On Demand | 8,061,377,982 | 7,675,341,687 |
| Repayable within one month | 21,929,881,464 | 20,879,722,323 |
| More than one month but within six months | 44,970,215,590 | 42,816,720,914 |
| More than six months but within one year | 49,635,813,958 | 47,258,897,152 |
| More than one year but within five years | 63,146,321,114 | 60,122,424,662 |
| More than five year but within ten years | 34,604,499,867 | 32,947,369,593 |
| More than ten years | 1,319,639,722 | 1,256,445,660 |
| | 223,667,749,675 | 212,956,942,491 |
| 11.a.4 Demand & Time Deposit | | |
| a) Demand Deposit | 34,528,977,815 | 32,723,792,512 |
| Current Deposit | 18,699,636,914 | 20,408,313,137 |
| Savings Deposit (9%) | 4,001,882,369 | 3,833,076,619 |
| Foreign Currency Deposit non interest bearing | 4,095,198,032 | 2,769,725,332 |
| Sundry Deposit | 5,500,721,909 | 3,739,584,445 |
| Bills Payable | 2,141,438,590 | 1,975,092,079 |
| b) Time Deposits | 189,138,771,861 | 180,233,149,979 |
| Saving Deposit (91%) | 40,464,688,398 | 38,756,663,591 |
| Fixed Deposit | 104,064,590,284 | 87,578,348,348 |
| Deposit from Banks | - | 3,950,000,000 |
| Short Term Deposit | 26,832,590,837 | 26,332,451,468 |
| Deposit Under Scheme | 23,777,112,341 | 23,615,686,572 |
| | 223,667,749,675 | 212,956,942,491 |
| 11.a.5 Sector wise Deposit | | |
| Government | 114,541,848 | 24,020,115 |
| Autonomous & Semi-Autonomous Bodies | 348,175,382 | 375,341,822 |
| Local Authorities | 946,179,044 | 714,427,685 |
| Public Non- Financial Organization | 4,481,609,255 | 5,017,112,639 |
| Other Public | 28,288,262 | 13,143,812 |
| Foreign Currency | 4,095,198,032 | 2,769,725,332 |
| Private | 213,653,779,725 | 200,093,171,086 |
| Deposit from Banks | - | 3,950,000,000 |
| | 223,667,749,675 | 212,956,942,491 |
| 11.a.6 Unclaimed Dividend Account: | | |
| Cash Dividend remain unclaimed which were declared for the years: | | |
| 2005 | - | 1,035,631 |
| 2006 | - | 2,246,697 |
| 2011 | - | 577,634 |
| 2019 | 1,259,451 | 1,401,709 |
| | 1,259,451 | 5,351,661 |
| As per Directives No. BSEC/CMRRCD/2021-388/03 dated January 14, 2021, of Bangladesh Security & Exchange Commission (BSEC) clause No. 3(vi) disclose the summary of year-wise unpaid or unclaimed cash dividend information in the statement of financial statements as a separate line item "Unclaimed Dividend Account". | | |
| 12.00 Consolidated Other Liabilities | | |
| Mutual Trust Bank limited (Note-12.a) | 32,192,787,459 | 24,818,899,708 |
| MTB Securities Limited | 2,633,489,449 | 2,443,343,897 |
| MTB Capital Limited | 294,097,718 | 224,372,708 |
| MTB Exchange (UK) Limited | 31,982,164 | 33,652,831 |
| Less: Intragroup receivable & payable | (34,981,633) | (262,457,333) |
| | 35,097,375,255 | 27,257,811,801 |
| 12.01 Consolidated Provision for Loans and Advances | | |
| Mutual Trust Bank limited (Note-12.a.1) | 8,238,577,701 | 8,173,090,841 |
| MTB Securities Limited | 690,688,791 | 655,888,791 |
| MTB Capital Limited | 68,000,000 | 57,000,000 |
| MTB Exchange (UK) Limited | - | - |
| | 8,997,266,492 | 8,885,779,632 |
| 12.02 Consolidated Provision for Current Income Tax* | | |
| Mutual Trust Bank limited (Note-12.a.7) | 6,788,168,731 | 5,289,023,871 |
| MTB Securities Limited | 344,461,634 | 261,900,110 |
| MTB Capital Limited | 49,446,440 | 40,410,659 |
| MTB Exchange (UK) Limited | - | - |
| | 7,182,076,705 | 5,591,334,640 |
| 12.a Other Liabilities | | |
| Provision for Loans and Advances/Investments (Note-12.a.1) | 8,238,577,701 | 7,406,588,841 |
| Special General Provision-COVID-19 (Note-12.a.2) | 707,650,831 | 760,502,000 |
| Provision for Off Balance Sheet Items (Note-12.a.3) | 1,298,512,605 | 1,147,890,040 |
| Provision against Diminution value of Investment (Note-12.a.4) | 68,000,000 | 21,000,000 |
| Provision for Other Asset (Note-12.a.5) | 215,303,556 | 165,303,556 |
| Interest Suspense (Note-12.a.6) | 6,591,837,084 | 5,323,146,759 |
| Provision for Income Tax (Note-12.a.7) | 6,788,168,731 | 5,279,023,871 |
| Leasehold Liabilities Under IFRS 16 (Note-12.a.8) | 1,773,318,152 | 1,404,406,458 |
| Contribution for MTB Employees Benefits | 13,100 | 11,570 |
| Treasury Intermediate Parking A/C | 120,362,438 | 127,659 |
| Withholding VAT payable | 53,148,878 | 65,477,322 |
| Withholding Tax payable | 214,144,723 | 375,075,279 |



Syed Mahabubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Mohammad Nazmul Hossain, FCA
Group Chief Financial Officer
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Mark Masud Reza
Sr Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited

Notes to the Financial Statements
For the Period ended 30 September 2022

| | 30 September 2022 BDT | 2021 BDT |
|---|--------------------------|-----------------------|
| Excise Duty Payable | 92,511,367 | 448,068,313 |
| Master Card and Visa card Payable | 201,190,441 | 127,668,559 |
| ATM/POS settlement account | 19,892,248 | 15,458,583 |
| Agent Banking Commission Payable | 682,981 | 529,727 |
| Parking GL for various purpose | 16,476,482 | 899,932 |
| Interest Payable on Deposits and Other Accounts | 2,244,690,176 | 789,499,319 |
| Interest Payable on Subordinated debt | 221,954,040 | 274,547,422 |
| Interest Payable on Borrowing | 110,064,167 | 113,389,778 |
| Provision for Expenses | 661,875,701 | 45,905,141 |
| BB Impress Fund Parking Account (NRB) | 1,489,018,877 | 64,704,648 |
| Provision for Good Borrower | 5,768,000 | 5,768,000 |
| Incentive Bonus Payable | - | 199,023,492 |
| Provision for Gratuity | 161,800,000 | 171,000,000 |
| Payable to MTB Islami Banking | 265,082,535 | 286,145,447 |
| Contribution to MTB Foundation | - | 30,000,000 |
| Blocked Interest Receivable BB Subsidy | 912,068 | 2,799,341 |
| Start-Up Fund for SME | 58,893,177 | 38,171,568 |
| Clearing House Adjustment | 214,930 | 187,931 |
| Student File Correspondence Bank fee Payable | 170,760 | - |
| | 31,617,134,823 | 24,567,128,858 |
| Offshore Banking Unit | 757,477,774 | 418,858,652 |
| Islamic Banking Branches | 190,808,238 | 9,879,023 |
| Less: Inter transaction with Offshore Banking Unit | (107,550,842) | (176,966,625) |
| Less: Inter transaction with Islamic Banking Branches | (265,082,535) | - |
| | 32,192,787,459 | 24,818,899,708 |
| 12.a.1 Provision for Loans and Advances/Investments | | |
| For Unclassified | | |
| Opening Balance | 1,449,802,841 | 2,788,140,133 |
| Add: Provision made during the year | 1,318,354,109 | 13,729,058 |
| Less: Waiver during the year | - | (29,968) |
| Less: Transferred to classified provision as per Bangladesh Bank letter DOS (CAMS) 1157/41(Dividend) /2022-1987, dated 10 April 2022 and DOS (CAMS) 1157/41(Dividend) /2022-2003, dated 13 April 2022 | - | (1,352,042,382) |
| Closing Balance | 2,768,156,949 | 1,449,802,841 |
| For Classified | | |
| Opening Balance | 5,956,768,000 | 4,181,004,000 |
| Add: Provision made during the year | 420,418,101 | 732,840,719 |
| Add: Recoveries of amounts previously written off | 58,168,332 | 44,859,845 |
| Add: Provision transferred from Special General Provision-COVID-19 | 58,842,169 | - |
| Add: Transferred from unclassified provision as per Bangladesh Bank letter DOS (CAMS) 1157/41(Dividend) /2022-1987, dated 10 April 2022 and DOS (CAMS) 1157/41(Dividend) /2022-2003, | (1,023,823,850) | (354,019,847) |
| Less: Adjustment for Loan written off during the year | 5,479,420,752 | 5,956,768,000 |
| Closing Balance | 8,238,577,761 | 7,406,588,841 |
| 12.a.2 Special General Provision-COVID-19 | | |
| Opening Balance | 766,502,000 | 408,639,000 |
| Add: Provision made during the year | - | 475,868,981 |
| Less: Provision transferred | (58,842,169) | (118,005,981) |
| Closing Balance | 707,659,831 | 766,502,000 |
| 12.a.3 Provision for Off Balance Sheet Items | | |
| Opening Balance | 1,147,890,040 | 612,297,387 |
| Add: Provision made during the year | 150,822,585 | 335,662,853 |
| Closing Balance | 1,298,512,605 | 1,147,890,040 |
| 12.a.4 Provision against Shares in quoted companies | | |
| Opening Balance | 21,000,000 | 62,000,000 |
| Add: Provision made during the year | 45,000,000 | - |
| Less: Provision transferred to Income Tax provision | - | (41,000,000) |
| Closing Balance | 66,000,000 | 21,000,000 |
| 12.a.5 Provision for Other Assets | | |
| Opening Balance | 185,303,556 | 141,303,556 |
| Add: Provision made during the year | 50,000,000 | 24,000,000 |
| Closing Balance | 215,303,556 | 165,303,556 |
| 12.a.6 Interest suspense account | | |
| Opening Balance | 5,323,146,759 | 3,432,498,843 |
| Add: Addition during the year | 1,267,890,328 | 1,641,535,809 |
| Less: Waiver of Interest suspense | - | (50,897,984) |
| Closing Balance | 6,591,037,084 | 5,323,146,759 |
| 12.a.7 Provision for Income Tax* | | |
| Opening Balance | 5,279,023,871 | 3,990,698,011 |
| Less: Adjustment made during the year | - | (12,500,000) |
| Add: Provision transferred from Diminution in Value of Investments | - | 41,000,000 |
| Add: Provision made during the year | 1,509,144,860 | 1,259,525,860 |
| Closing Balance | 6,788,168,731 | 5,279,023,871 |
| *Income tax provision has been made as per Income Tax Ordinance 1984 and as amended for the time being. | | |
| 12.a.7.1 Provision for current tax made during the year | | |
| Income tax @ 37.50% on estimated taxable business profit | 1,350,234,068 | 1,176,662,245 |
| Income tax @ 20.00% on dividend income | 44,961,599 | 76,534,087 |
| Income tax @ 15.00% on Capital Gain from Trading in Govt. Securities | 42,085,152 | - |
| Income tax @ 10.00% on capital gain on sale of shares | - | 6,320,528 |
| Estimated total provision required | 1,509,144,860 | 1,259,525,860 |
| Computation of taxable business profit | | |
| Profit before tax | 5,122,805,748 | 4,876,187,043 |
| Add: Inadmissible expenditures | 2,972,574,103 | 3,734,382,781 |
| Less: Allowable Expenditure & Separate consideration | 3,889,379,994 | 4,890,838,125 |
| Estimated taxable business profit for the year | 4,105,999,856 | 3,719,731,699 |

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Sr. Executive Vice President &
Group Company Secretary
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Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited
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BDT

2021
BDT

12.a.8 Leasehold Liabilities Under IFRS 16

The bank recognized lease liabilities which is present value of lease payments to be made over the lease term from the date of commencement or 01 January 2019 (date of initial application). 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. The lease payment has been discounted using Bank rate as implicit borrowing rate @ 4%.

13.a Bond

MTB Perpetual Bond :

4,000,000,000
4,000,000,000

4,000,000,000
4,000,000,000

The Bank issued a contingent-convertible Perpetual bond amounting to BDT 4,000 million as additional Tier-1 capital in December, 2020 through private placement. The coupon is Semi-annually payable and it ranges from 6% to 10%, where the reference rate is 20-year treasury bond rate along with 2% margin.

Subordinated Debts :

MTB 2nd Subordinated Debt

Opening Balance
Less: Payment during the year

600,000,000
600,000,000

600,000,000
600,000,000

MTB 3rd Subordinated Debt

Opening Balance
Less: Payment during the year

3,000,000,000
1,000,000,000

4,000,000,000
1,000,000,000

MTB 4th Subordinated Debt

5,000,000,000
7,600,000,000

5,000,000,000
8,600,000,000

The Bank floated MTB 2nd Non convertible Subordinated Debt through private placement for BDT 3,000 million, date of issue October 20, 2015. The range of coupon interest is from 10.50% to 13.50% for non convertible subordinated debt which is payable half yearly from the date of issue i.e. April and October of each year.

The Bank floated MTB 3rd Non convertible Subordinated Debt through private placement for BDT 5,000 million, date of issue February 16, 2017. The range of coupon interest is from 7.00% to 10.50% for non convertible subordinated debt which is payable half yearly from the date of issue i.e. February and August of each year.

The bank issued its MTB 4th Non-convertible Subordinate Bond amounting to BDT 5,000 million on January 2020 through private placement. The Coupon is semi-annually payable and it ranges from 7.00% to 10.00%.

Detail list of subordinated debt holders are shown in Annexure-D

14.a Capital

14.a.1 Authorized Capital:

1,000,000,000 ordinary shares of Tk. 10 each

10,000,000,000
10,000,000,000

14.a.1.1 Issued, subscribed and Paid-up Capital:

Opening Paid-Up Capital
73,883,241 ordinary shares @ BDT 10 each issued as bonus
81,240,565 ordinary shares @ BDT 10 each issued as bonus

8,124,956,590
7,388,324,180

812,485,650
738,832,410

14.a.1.2 Raising of Share Capital

Given below the history of raising of Share Capital of the Bank:

| Accounting Year | Declaration | No. of Share | Value of Capital | Cumulative |
|-----------------|------------------------------|--------------|------------------|---------------|
| Up to 2002 | Initial Paid-up capital | 20,000,000 | 200,000,000 | 200,000,000 |
| 2003 | IPO & Pre-IPO | 40,000,000 | 400,000,000 | 600,000,000 |
| 2003-Bonus | 20.00% | 12,500,000 | 120,000,000 | 720,000,000 |
| 2004-Bonus | 20.00% | 14,400,000 | 144,000,000 | 864,000,000 |
| 2005-Bonus | 10.00% | 8,840,000 | 88,400,000 | 950,400,000 |
| 2006-Bonus | 5.00% | 4,752,000 | 47,520,000 | 997,920,000 |
| 2007-Bonus | 25.00% | 24,948,000 | 249,480,000 | 1,247,400,000 |
| 2008-Right | 20.00% | 24,948,000 | 249,480,000 | 1,496,880,000 |
| 2008-Bonus | 18.00% | 26,043,840 | 260,438,400 | 1,766,318,400 |
| 2009-Bonus | 20.00% | 35,328,360 | 353,283,600 | 2,119,587,000 |
| 2010-Bonus | 20.00% | 42,381,640 | 423,816,400 | 2,543,403,400 |
| 2012-Bonus | 10.00% | 25,434,984 | 254,349,840 | 2,797,753,240 |
| 2013-Bonus | 10.00% | 27,878,482 | 278,784,820 | 3,076,538,060 |
| 2014-Bonus | 20.00% | 61,552,661 | 615,526,610 | 3,693,159,670 |
| 2015-Bonus | 20.00% | 73,883,189 | 738,831,930 | 4,431,991,600 |
| 2016-Bonus | 15.00% | 66,418,874 | 664,188,740 | 5,096,560,340 |
| 2017-Bonus | 12.50% | 63,107,004 | 631,070,040 | 5,733,630,380 |
| 2018-Bonus | 11.00% | 66,389,404 | 663,894,040 | 6,397,524,420 |
| 2019 | Strategic Investor (NORFUND) | 63,107,004 | 631,070,040 | 7,034,594,460 |
| 2019-Bonus | 5.00% | 35,172,971 | 351,729,720 | 7,386,324,180 |
| 2020-Bonus | 10.00% | 73,883,241 | 738,832,410 | 8,124,956,590 |
| 2021-Bonus | 10.00% | 81,240,565 | 812,485,650 | 8,937,452,240 |
| Total | | 893,745,224 | 8,937,452,240 | |

14.a.1.3 Percentage of shareholdings at the closing date:

| Particulars | No. of shares | 30 September 2022 | |
|-----------------------------|---------------|------------------------|--------------|
| | | Value of shares BDT | % of holding |
| Sponsors / Directors | 143,388,388 | 2,433,883,890 | 27.2324% |
| Foreign investors (NORFUND) | 85,157,133 | 851,571,330 | 9.5281% |
| Institutions | 287,322,284 | 2,873,222,840 | 29.9103% |
| General | 297,877,438 | 2,878,774,380 | 33.3291% |
| Total | 813,745,224 | 8,937,452,240 | 100% |

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Group Chief Financial Officer
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For the Period ended 30 September 2022

30 September 2022
BDT

2021
BDT

14.a.1.4 Classification of Shareholders by holdings as at 30 September 2022

| Holdings | No. of | No. of | Value of shares | Total Holdings % |
|-----------------------------|--------------|-------------------|----------------------|------------------|
| | Shareholders | Shares | In BDT | |
| Less than 499 shares | 2088 | 3,30,014 | 3,300,140 | 0.0369% |
| 500 to 5,000 shares | 2811 | 5,19,581 | 51,945,810 | 0.5812% |
| 5,001 to 10,000 shares | 571 | 3,898,115 | 38,991,150 | 0.4363% |
| 10,001 to 20,000 shares | 331 | 4,74,692 | 47,468,820 | 0.5311% |
| 20,001 to 30,000 shares | 133 | 3,17,559 | 31,715,590 | 0.3549% |
| 30,001 to 40,000 shares | 87 | 2,327,892 | 23,228,920 | 0.2599% |
| 40,001 to 50,000 shares | 42 | 1,867,518 | 18,675,180 | 0.2090% |
| 50,001 to 100,000 shares | 109 | 7,391,497 | 73,914,970 | 0.8270% |
| 100,001 to 1,000,000 shares | 130 | 37,64,438 | 376,434,380 | 4.2119% |
| Over 1,000,000 shares | 84 | 87,177,920 | 8,271,779,200 | 92.5519% |
| Total | 6363 | 89,745,224 | 8,937,452,240 | 100% |

14.a.1.5 Name of Directors and their shareholdings as at 30 September 2022

| Name | Designation | 30 September 2022 | | |
|---|------------------------------|---------------------|----------------------|-----------------|
| | | No. of Shares held | BDT | Holding % |
| Mr. Md. Wajiduddin | Chairman | 18,219,849 | 163,816,790 | 2.0182% |
| Mr. Md. Abdul Malek | Vice Chairman | 17,954,809 | 163,228,720 | 2.0090% |
| Mr. Syed Manzur Eghl | Director (Founding Chairman) | 28,816,321 | 271,057,470 | 3.3301% |
| Mr. Md. Hedayatullah | Director | 18,155,420 | 165,049,150 | 2.0314% |
| Mrs. Khwaja Nargis Hossain | Director | 18,308,078 | 168,437,060 | 2.0485% |
| Dr. Arif Dowla (Representing Advanced Chemical Industries Ltd.) | Director | 28,952,816 | 245,026,150 | 3.0157% |
| Mr. Rashed Ahmed Chowdhury | Director | 21,292,471 | 234,484,180 | 2.3824% |
| Ms. Anika Chowdhury (Representing ASTRAS Ltd.) | Director | 20,214,514 | 163,697,830 | 2.2618% |
| Mr. Daniel Donald De Lange (Representing NORFUND) | Director | 85,157,133 | 183,769,220 | 9.5281% |
| Ms. Nasreen Sattar | Independent Director | - | - | - |
| Mr. Faruq Ahmad Siddiq | Independent Director | - | - | - |
| Total | | 2,55,871,682 | 1,756,544,370 | 28.8291% |

14.a.2.1 Consolidated Capital to Risk-weighted assets Ratios (CRAR) as defined by the Basel Capital Accord

| | | |
|---|------------------------|------------------------|
| Common Equity Tier-1 (Going-Concern Capital): | | |
| Paid-up Capital | 8,937,452,240 | 8,124,956,590 |
| Statutory Reserve | 8,324,038,891 | 5,696,354,498 |
| Share Premium | 1,065,304,778 | 1,065,304,778 |
| General Reserve | 766,777,324 | 766,777,324 |
| Minority Interest | 132,604 | 133,258 |
| Retained Earnings | 4,033,548,878 | 3,488,747,189 |
| | 21,177,250,313 | 19,192,273,635 |
| Regulatory Adjustments: | | |
| Goodwill and all other Intangible Assets | 470,108,416 | 519,468,991 |
| Deferred Tax Assets (95% of DTA as per BB Guideline) | 1,948,837,393 | 2,122,105,013 |
| Reciprocal Crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities | - | - |
| | 2,418,945,809 | 2,641,574,003 |
| Total Common Equity Tier -1 (Going-Concern Capital) | 18,758,304,504 | 16,550,699,632 |
| Additional Tier-1 Capital | 4,000,000,000 | 3,761,540,739 |
| Total Tier-1 Capital (Going-Concern Capital) | 22,758,304,504 | 20,312,240,371 |
| Tier-2 Capital (Going-Concern Capital): | | |
| General Provision including Off Balance Sheet Items | 4,774,329,388 | 3,364,194,881 |
| Subordinated debt | 5,000,000,000 | 6,086,761,041 |
| | 9,774,329,388 | 10,030,955,922 |
| Regulatory Adjustments: | | |
| Revaluation Reserve for Fixed Assets, Securities & Equity Securities | - | - |
| Total Tier-2 Capital (Going-Concern Capital) | 9,774,329,388 | 10,030,955,922 |
| A. Total Regulatory Capital (Tier-1+Tier-2) | 32,532,633,892 | 30,343,196,293 |
| B. Risk Weighted Assets | | |
| Credit Risk on | | |
| Balance Sheet Exposure | 169,224,473,928 | 157,031,607,044 |
| Off Balance Sheet Exposure | 25,678,689,481 | 28,012,984,439 |
| | 194,903,163,408 | 185,044,591,483 |
| Market Risk | 10,385,471,918 | 9,433,537,085 |
| Operational Risk | 20,279,200,271 | 18,157,783,375 |
| Total Risk Weighted Assets | 225,578,036,597 | 210,635,871,943 |
| C. Minimum Required Capital on Risk Weighted Assets (Except capital conservation buffer) | 22,557,803,860 | 21,063,587,194 |
| D. Capital Surplus/(Shortfall) (A-C) (Except capital conservation buffer) | 9,974,830,030 | 9,279,609,099 |

| E. Capital Requirement | September 30, 2022 | | December 31, 2021 | |
|---|--------------------|--------|-------------------|--------|
| | Required | Held | Required | Held |
| Capital to Risk-weighted assets Ratios (CRAR) | 18.00% | 14.41% | 10.00% | 14.41% |
| Common Equity Tier-1 | 4.50% | 8.32% | 4.50% | 7.88% |
| Tier-1 Capital | 6.00% | 19.09% | 6.00% | 9.64% |
| Tier-2 Capital | - | 4.33% | - | 4.76% |

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.

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Notes to the Financial Statements
For the Period ended 30 September 2022

| | 30 September 2022 BDT | 2021 BDT |
|--|---------------------------|--------------------------|
| 14.a.2.2 Capital to Risk-weighted assets Ratios (CRAR) as defined by the Basel Capital Accord | | |
| Common Equity Tier-1 (Going-Concern Capital): | | |
| Paid-up Capital | 8,937,452,240 | 8,124,856,500 |
| Statutory Reserve | 6,324,038,601 | 5,696,354,496 |
| Share Premium | 1,095,304,778 | 1,095,304,778 |
| General Reserve | 786,777,324 | 786,777,324 |
| Retained Earnings | 3,657,687,793 | 3,046,326,323 |
| | 20,801,158,826 | 18,749,719,511 |
| Regulatory Adjustments: | | |
| Goodwill and all other Intangible Assets | 470,108,416 | 519,468,991 |
| Deferred Tax Assets (95% of DTA as per BB Guideline) | 1,948,837,393 | 2,122,105,013 |
| Reciprocal Crossholdings in the CET-1 Capital of Banking, Financial and Insurance Entities | - | - |
| | 2,418,945,809 | 2,641,574,003 |
| Total Common Equity Tier-1 (Going-Concern Capital) | 18,382,213,017 | 16,108,145,508 |
| Additional Tier-1 Capital | 4,000,000,000 | 3,638,747,510 |
| Total Tier-1 Capital (Going-Concern Capital) | 22,382,213,017 | 19,746,893,018 |
| Tier-2 Capital (Going-Concern Capital): | | |
| General Provision including Off Balance Sheet items | 4,774,329,388 | 3,384,184,681 |
| Subordinated debt | 5,000,000,000 | 6,333,953,924 |
| | 9,774,329,388 | 9,698,148,605 |
| Regulatory Adjustments: | | |
| Revaluation Reserve for Fixed Assets, Securities & Equity Securities | - | - |
| Total Tier-2 Capital (Going-Concern Capital) | 9,774,329,388 | 9,698,148,605 |
| A. Total Regulatory Capital (Tier-1+Tier-2) | 32,156,542,403 | 29,443,041,624 |
| B. Risk Weighted Assets | | |
| Credit Risk on | | |
| Balance Sheet Exposure | 169,731,687,666 | 157,439,639,697 |
| Off Balance Sheet Exposure | 25,678,889,481 | 26,012,994,439 |
| | 195,410,577,147 | 183,452,634,136 |
| Market Risk | 6,857,855,216 | 6,896,998,369 |
| Operational Risk | 19,423,686,653 | 17,580,298,819 |
| Total Risk Weighted Assets | 221,692,319,017 | 207,909,901,324 |
| C. Minimum Required Capital on Risk Weighted Assets (Except capital conservation buffer) | 22,169,231,902 | 20,790,990,132 |
| D. Capital Surplus/(Shortfall) (A-C) (Except capital conservation buffer) | 9,987,310,501 | 8,652,051,691 |
| E. Capital Requirement | | |
| | September 30, 2022 | December 31, 2021 |
| | Required | Held |
| Capital to Risk-weighted assets Ratios (CRAR) | 10.00% | 14.31% |
| Common Equity Tier-1 | 4.50% | 7.75% |
| Tier-1 Capital | 6.00% | 9.50% |
| Tier-2 Capital | - | 4.81% |

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.a Statutory Reserve | | |
| Opening Balance | 5,696,354,496 | 5,037,523,368 |
| Add: Transferred during the year (20% of pretax profit) | 627,882,195 | 658,831,130 |
| | 6,324,038,691 | 5,696,354,496 |
| 16.a Share Premium | | |
| Add: During the year | 1,095,304,778 | 1,095,304,778 |
| | 1,095,304,778 | 1,095,304,778 |
| 17.00 Consolidated Revaluation Reserve on Investment in Securities | | |
| Mutual Trust Bank Limited (Note-17.a) | 508,248,963 | 409,820,227 |
| MTB Securities Limited | 48,113,290 | 48,113,290 |
| MTB Capital Limited | - | - |
| MTB Exchange (UK) Limited | - | - |
| | 556,362,253 | 457,933,617 |
| 17.a Revaluation Reserve on Investment in Securities | | |
| Opening Balance | 409,820,227 | 486,928,408 |
| Add: During the year | 98,428,738 | - |
| Less: Adjust during the year | - | (77,108,182) |
| | 508,248,963 | 409,820,227 |
| 18.a General Reserve | | |
| Opening Balance | 786,777,324 | 786,777,324 |
| | 786,777,324 | 786,777,324 |
| 19.00 Consolidated Surplus in Profit and Loss Account/Retained earnings | | |
| Opening Balance | 3,488,747,189 | 2,160,251,506 |
| Add: Consolidated Profit made during the year | 2,233,184,740 | 2,973,198,920 |
| Less: Bonus Share Issued during the year | (812,485,650) | (738,632,410) |
| Less: Dividend for Perpetual Bondholders | - | (224,061,356) |
| Less: Cash Dividend paid by Subsidiaries (MTBSL) | (227,495,800) | - |
| Less: Transferred to Statutory Reserve | (627,682,185) | (658,831,130) |
| Less: Start-Up Fund | (20,721,609) | (29,176,340) |
| | 4,033,546,676 | 3,488,747,189 |
| Add: Capitalized Profit Reserve (Bonus Share Issued by MTB Capital Limited) | - | - |
| | 4,033,546,676 | 3,488,747,189 |

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Group Chief Financial Officer
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Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited
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For the Period ended 30 September 2022

| | 30 September 2022 BDT | 2021 BDT |
|--|--------------------------|------------------------|
| 19.a Surplus In Profit and Loss Account/Retained earnings | | |
| Opening Balance | 3,046,326,323 | 1,779,195,662 |
| Add: Profit made during the year * | 2,072,180,924 | 2,917,833,897 |
| Less: Bonus Share Issued during the year | (812,495,650) | (738,632,410) |
| Less: Dividend for Perpetual Bondholders | - | (224,061,350) |
| Less: Transferred to Statutory Reserve | (627,682,195) | (658,631,130) |
| Less: Start-Up Fund | (20,721,609) | (29,178,340) |
| | 3,657,587,793 | 3,046,326,323 |
| 20.00 Non-Controlling Interest | | |
| Opening balance | 133,258 | 131,752 |
| Add: Profit made during the year | 3,548 | 1,507 |
| Less: Cash Dividend Paid by MTBSL | (4,200) | - |
| Closing balance | 132,604 | 133,258 |
| MTB Securities Limited @ 0.002% of NPAT | 144,797,280 | 37,178,343 |
| | 2,896 | 744 |
| MTB Capital Limited @ 0.004% of NPAT | 16,240,082 | 19,083,977 |
| | 650 | 783 |
| | 3,548 | 1,507 |
| 21.00 Consolidated Net Asset Value (NAV) per share | | |
| Total net assets value | 21,779,990,029 | 19,654,773,315 |
| Number of shares outstanding | 893,745,224 | 893,745,224 |
| Net Asset Value (NAV) per share (2021 Restated) | 24.37 | 21.99 |
| 21.a Net Asset Value (NAV) per share | | |
| Total net assets value | 21,351,025,279 | 19,160,905,981 |
| Number of shares outstanding | 893,745,224 | 893,745,224 |
| Net Asset Value (NAV) per share (2021 Restated) | 23.89 | 21.44 |
| 22.a Off-Balance Sheet Items | | |
| Contra & Contingent Assets & Liabilities: | | |
| Acceptances and endorsements | | |
| Accepted Bill (Inland) | 4,108,407,852 | 3,838,250,511 |
| Accepted Bill (Foreign) | 58,086,292,169 | 61,051,384,695 |
| | 63,094,700,020 | 64,887,615,205 |
| Less: Inter transaction with Off-shore Banking Unit | 22,682,819,653 | 20,464,318,094 |
| | 40,411,880,368 | 44,423,297,112 |
| Islamic Banking Branches | 2,852,542,746 | 418,342,594 |
| | 43,264,423,116 | 44,841,639,706 |
| Letter of guarantee | | |
| BG Outward (Inland) | 29,356,881,302 | 23,598,109,618 |
| BG Outward (Foreign) | 22,003,778,139 | 16,753,330,854 |
| | 51,360,659,441 | 40,349,440,573 |
| Islamic Banking Branches | 11,081,820 | - |
| Offshore Banking Unit | 51,371,740,461 | 40,349,440,573 |
| Irrevocable letters of credit | | |
| ILC Sight & Usance | 6,261,714,414 | 5,203,529,776 |
| FLC Sight & Usance | 36,582,232,625 | 31,457,362,647 |
| | 42,843,947,039 | 36,660,892,423 |
| Less: Inter transaction with Off-shore Banking Unit | 34,881,144 | - |
| | 42,808,965,894 | 36,660,892,423 |
| Islamic Banking Branches | 2,048,868,832 | 105,866,994 |
| | 44,857,832,726 | 36,766,759,417 |
| Bills for collection | | |
| Bills | 9,992,518,669 | 10,053,512,136 |
| Cheques | 9,992,518,669 | 10,053,512,136 |
| Islamic Banking Branches | 305,887,691 | - |
| | 10,298,506,360 | 10,053,512,136 |
| | 149,792,502,663 | 132,011,351,831 |
| 22.a.1 Letter of Guarantee | | |
| i) Claims against the Bank not acknowledged as debts | | |
| ii) Money for which the bank is contingently liable in respect of guarantees given favoring: | | |
| Directors | - | - |
| Government | 21,048,689,565 | 8,168,669,214 |
| Bank and other Financial Institutions | 30,311,988,876 | 32,180,571,359 |
| Others | 51,360,659,441 | 40,349,440,573 |
| Less: Margin | (3,320,267,302) | (2,826,875,664) |
| | 48,040,392,139 | 37,522,564,909 |
| iii) Liability on Account of Bills Re-Discounted | - | - |
| iv) Liability on Account of Outstanding Forward Exchange Contract | - | - |
| | 48,040,392,139 | 37,522,564,909 |
| 22.a.1.1 Segregation of Commitment by Type | | |
| Documentary Credit and Short Term Business Related Transaction | 44,857,832,726 | 36,766,759,417 |
| Forward Asset Purchased and Forward Deposit | - | - |
| Endorsed formal standby facilities, Credit facilities and other commitments: | | |
| Less than one year | 94,636,163,577 | 85,191,060,279 |
| One year and above | - | - |
| Undrawn formal standby facilities, credit lines and other commitments: | | |
| Spot and Forward Foreign Exchange Rate Contract | - | - |
| Other Exchange Contract | - | - |
| Others | 10,298,506,360 | 10,053,512,136 |
| | 149,792,502,663 | 132,011,351,831 |

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Corporate Head Office, Dhaka.

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Mutual Trust Bank Limited



Mahmudul Haque Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
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Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited
Notes to the Financial Statements
For the Period ended 30 September 2022

| | 01 January to 30 September 2022 BDT | 01 January to 30 September 2021 BDT |
|---|--|--|
| 23.00 Income Statement | | |
| Income: | | |
| Interest, Discount and Similar Income | 13,272,534,339 | 12,437,287,028 |
| Dividend Income | 224,807,994 | 68,872,925 |
| Fee, Commission and Brokerage | 954,534,884 | 784,303,535 |
| Exchange Gain | 4,761,266,848 | 577,903,476 |
| Other Operating Income | 948,788,863 | 879,205,271 |
| | 20,161,933,028 | 14,745,572,834 |
| Expenses: | | |
| Interest, Fee and Commission | 8,139,566,015 | 6,698,651,586 |
| Administrative expenses | 3,858,067,689 | 3,142,768,620 |
| Other operating expenses | 2,446,032,493 | 1,119,349,259 |
| Depreciation on Banking Assets | 595,441,084 | 485,696,598 |
| | 15,039,127,280 | 11,446,366,063 |
| | 5,122,805,748 | 3,299,206,771 |
| Operating profit | | |
| 24.00 Consolidated Interest Income/Profit on Investments | | |
| Mutual Trust Bank Limited (Note-24.a) | 11,568,576,585 | 10,532,181,661 |
| MTB Securities Limited | 170,387,044 | 122,426,128 |
| MTB Capital Limited | 38,242,683 | 24,469,649 |
| MTB Exchange (UK) Limited | | |
| Less: Intragroup Interest Income (Loans) | (38,860,680) | (23,080,607) |
| Less: Intragroup Interest Income (Bank balance) | | |
| | 11,738,545,632 | 10,655,996,831 |
| 24.a Interest Income/Profit on Investments | | |
| Loans and Advances/Investments (Note-24.a.1) | 11,408,713,990 | 10,448,441,222 |
| Money at Call and Short Notice | 5,945,575 | 7,087,000 |
| Short Term Placement (Local) | 35,102,431 | 22,724,643 |
| Short Term Placement (Foreign) | 418,304,203 | 138,885,602 |
| | 11,868,066,199 | 10,617,138,467 |
| Less: Inter transaction with Offshore Banking Unit | (299,489,613) | (84,956,806) |
| | 11,568,576,585 | 10,532,181,661 |
| 24.a.1 Interest on Loans and Advances/Investments | | |
| Cash Credits | 1,472,921,173 | 1,628,501,693 |
| Overdrafts | 1,290,222,771 | 1,266,303,137 |
| Bills Purchased and Discounted | 179,255,401 | 113,029,776 |
| Continuous Loans | 677,113,479 | 747,149,751 |
| Demand Loans | 2,369,345,140 | 1,827,555,266 |
| Term Loans | 3,843,829,923 | 3,664,053,437 |
| Short term Agrl. Credit and Microcredit | 290,700,293 | 340,468,597 |
| Packing Credit | 31,483,103 | 38,010,702 |
| Credit Cards | 276,522,328 | 217,239,481 |
| Staff Loan | 22,920,692 | 24,649,258 |
| Lease Finance | 23,400,828 | 25,329,313 |
| | 10,477,715,227 | 8,890,290,411 |
| Offshore Banking Unit | 810,743,189 | 652,935,097 |
| Islamic Banking Branches | 120,256,574 | 5,215,714 |
| | 11,408,713,990 | 10,448,441,222 |
| 25.00 Consolidated Interest paid/Profit Shared on Deposits and Borrowings etc. | | |
| Mutual Trust Bank Limited (Note-25.a) | 8,139,566,015 | 6,698,651,586 |
| MTB Securities Limited | 23,049,447 | 12,470,154 |
| MTB Capital Limited | 15,611,233 | 10,610,453 |
| MTB Exchange (UK) Limited | | |
| Less: Intragroup Interest Expense (Borrowings) | (38,860,680) | (23,080,607) |
| | 8,139,566,015 | 6,698,651,586 |
| 25.a Interest paid/Profit Shared on Deposits and Borrowings etc. | | |
| Interest on Deposit and Other Accounts (Note-25.a.1) | 6,515,422,148 | 5,489,004,325 |
| Interest on Subordinated Bonds and Borrowing from other Banks and Financial Institutions (25.a.2) | 1,085,621,802 | 879,140,837 |
| | 7,581,043,949 | 6,368,145,162 |
| Offshore Banking Unit | 730,238,725 | 405,755,951 |
| Islamic Banking Branches | 127,772,954 | 9,707,279 |
| Less: Inter transaction with Offshore Banking Unit | (299,489,613) | (84,956,806) |
| | 8,139,566,015 | 6,698,651,586 |
| 25.a.1 Interest on Deposits and Other Accounts | | |
| Current Deposit & Other Accounts | 10,690,432 | 6,258,154 |
| Savings Deposit | 467,057,621 | 441,181,568 |
| Fixed Deposits | 3,848,761,027 | 3,204,408,833 |
| Special Noticed Deposits | 535,149,628 | 304,233,074 |
| Deposit Products | 1,555,782,539 | 1,532,922,697 |
| | 6,515,422,148 | 5,489,004,325 |
| 25.a.2 Interest on Subordinated Bonds and Borrowing other Banks and Financial Institutions | | |
| Interest on Borrowing from other Banks and Financial Institutions | 365,539,275 | 193,410,472 |
| Interest on Subordinated Debt | 700,082,527 | 685,730,365 |
| | 1,065,621,802 | 879,140,837 |
| 26.00 Consolidated Investment Income | | |
| Mutual Trust Bank Limited (Note-25.a) | 2,228,842,023 | 2,281,831,515 |
| MTB Securities Limited | 90,533,515 | 135,248,291 |
| MTB Capital Limited | 22,153,944 | 52,585,661 |
| MTB Exchange (UK) Limited | | |
| | 2,341,529,482 | 2,469,765,467 |
| 26.a Investment Income | | |
| Interest on Treasury Bill | | 15,869,610 |
| Interest on Treasury Bond | 1,667,571,067 | 1,783,110,618 |
| Capital Gain from Trading in Govt. Securities | 280,567,861 | 290,430,193 |
| Dividend Income from Investment in Shares | 11,580,745 | 11,550,759 |



Syed Mahabubur Rahmar
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Tanzim Alamgir
Group Chief Financial Officer
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Sr. Executive Vice President &
Group Company Secretary
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Notes to the Financial Statements
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| | 01 January to 30 September 2022 BDT | 01 January to 30 September 2021 BDT |
|--|--|--|
| Dividend Income from Preference Share Investment | 134,856,945 | 50,529,167 |
| Dividend Income from Mutual Fund | 1,882,134 | 4,784,000 |
| Dividend Income from Perpetual Bond | 76,488,170 | - |
| Income from Other Investments | 36,388,086 | 121,995,348 |
| | 2,209,333,429 | 2,278,278,894 |
| | 19,808,895 | 3,652,621 |
| | 2,228,842,023 | 2,281,931,515 |
| Islamic Banking Branches | | |
| 27.00 Consolidated Commission, Exchange and Brokerage | | |
| Mutual Trust Bank Limited (Note-27.a) | 5,715,801,732 | 1,382,207,011 |
| MTB Securities Limited | 211,032,628 | 313,099,773 |
| MTB Capital Limited | - | 181,250 |
| MTB Exchange (UK) Limited | - | - |
| | 5,926,834,358 | 1,675,488,034 |
| 27.a Commission, Exchange and Brokerage | | |
| Commission (Note-27.a.1) | 954,534,884 | 784,303,535 |
| Exchange (Note-27.a.2) | 4,761,266,848 | 577,903,476 |
| | 5,715,801,732 | 1,382,207,011 |
| 27.a.1 Commission | | |
| Commission on Letter of Guarantee | 230,139,181 | 152,935,785 |
| Commission on Letter of Credit | 312,994,209 | 283,379,547 |
| Commission on Acceptance of Bills | 277,670,335 | 234,865,868 |
| Commission on Import/Export Collection | 37,206,093 | 29,745,948 |
| Commission on LC Advising | 11,879,350 | 10,659,900 |
| Commission on PO, DD & TT | 2,888,154 | 4,956,004 |
| Exchange houses commission | 34,075,122 | 33,024,799 |
| On-line service commission | 11,523,033 | 8,968,261 |
| Commission on IDC | 77,935 | 131,876 |
| Underwriting Commission regarding Treasury Bill/Bond | - | 19,583,835 |
| Commission on RTGS | 6,027,372 | 3,438,759 |
| Commission on POS | - | 2,109,715 |
| | 924,460,784 | 783,818,117 |
| Offshore Banking Unit | | |
| Islamic Banking Branches | 30,074,100 | 485,418 |
| | 954,534,884 | 784,303,535 |
| 27.a.2 Exchange Gain (net of exchange loss) | | |
| Exchange Gain | 4,794,148,887 | 577,910,681 |
| Less: Exchange Loss | 32,882,039 | 7,205 |
| | 4,761,266,848 | 577,903,476 |
| 28.00 Consolidated other operating income | | |
| Mutual Trust Bank Limited (Note-28.a) | 648,712,688 | 569,252,647 |
| MTB Securities Limited | 10,902,316 | 11,836,894 |
| MTB Capital Limited | 10,546,931 | 17,349,013 |
| MTB Exchange (UK) Limited | - | - |
| | 670,161,935 | 598,438,554 |
| 28.a Other Operating Income | | |
| Handling Charges | 133,083 | 241,940 |
| VISA Card | 182,794,316 | 102,971,810 |
| Charges against cards | 122,097,084 | 158,448,881 |
| Service Charges | 82,863,913 | 54,958,984 |
| Telephone & SMS Charge Recoveries | 72,668,990 | 53,783,117 |
| SWIFT Charge Recoveries | 32,382,933 | 22,934,510 |
| SME Fees and Charges | 2,912,768 | 3,922,091 |
| Management fees | 20,858,379 | 19,086,864 |
| Early Settlement Fee | 2,630,065 | 3,129,690 |
| Loan Processing Fee | 35,683,291 | 39,357,930 |
| NPSB Acquire Income | 24,372,960 | 16,287,079 |
| Locker Rent | 5,834,323 | 3,894,190 |
| Miscellaneous Earnings | 60,381,007 | 93,143,259 |
| | 645,175,603 | 569,160,345 |
| Offshore Banking Unit | | |
| Islamic Banking Branches | 3,537,684 | 92,302 |
| | 648,712,688 | 569,252,647 |
| 29.00 Consolidated Salaries and Allowances | | |
| Mutual Trust Bank Limited (Note-29.a) | 3,153,797,085 | 2,558,339,216 |
| MTB Securities Limited | 72,668,503 | 62,920,688 |
| MTB Capital Limited | 9,202,363 | 9,542,593 |
| MTB Exchange (UK) Limited | - | - |
| | 3,235,667,971 | 2,630,802,507 |
| 29.a Salary and Allowances | | |
| Basic Pay | 1,429,425,283 | 1,275,790,813 |
| Allowances | 1,039,009,585 | 960,780,110 |
| Bonus | 335,473,481 | 87,063,416 |
| Gratuity | 221,800,000 | 117,000,000 |
| Provident Fund | 128,088,735 | 117,604,877 |
| | 3,153,797,085 | 2,558,339,216 |
| 29.a.1 Chief Executive's salary and fees | | |
| Basic | 14,362,137 | 13,549,185 |
| Allowance | 1,510,002 | 1,871,116 |
| Bonus | 3,191,588 | 3,010,930 |
| Provident Fund | 1,436,211 | 1,354,914 |
| | 20,489,936 | 19,786,145 |
| 30.00 Consolidated Rent, Taxes, Insurance, Electricity etc. | | |
| Mutual Trust Bank Limited (Note-30.a) | 556,611,992 | 475,530,882 |
| MTB Securities Limited | 18,587,211 | 14,881,188 |
| MTB Capital Limited | 303,563 | 1,481,300 |
| MTB Exchange (UK) Limited | - | 99,887 |
| | 575,502,766 | 491,993,257 |

Abdullah Mazhar Hossain, FCA
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Mutual Trust Bank Limited
Notes to the Financial Statements
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| | 01 January to 30 September 2022 BDT | 01 January to 30 September 2021 BDT |
|--|--|--|
| 30.a Rent, Taxes, Insurance, Electricity etc. | | |
| Rent* | 218,575,823 | 209,112,928 |
| VAT on Rent | 53,784,542 | 53,001,590 |
| Rates & Taxes | 5,480,881 | 7,508,035 |
| Insurance | 188,683,419 | 127,710,166 |
| Electricity & Utilities | 89,978,530 | 78,199,166 |
| | 556,481,175 | 475,530,882 |
| Islamic Banking Branches | 130,817 | - |
| | 556,611,992 | 475,530,882 |
| * While implementing IFRS 16: Leases, the bank recorded interest paid on lease liability (note-37.a) and depreciation on ROU assets (note-37.a) instead of charging rental expense of BDT 177,725,666 in 30 September 2022 against those rental premises that have been treated as ROU assets and shown in the Balance Sheet as per IFRS 16. | | |
| 30.a.1 Reconciliation of rental expense is presented as under: | | |
| A) Total Rent expenses incurred for office premises paid during 2022 | 450,088,030 | 588,469,878 |
| Total Rent expenses incurred in 2022 | | |
| B) Rental expenses converted into the interest expenses on lease liability & depreciation expenses on ROU Assets: | | |
| Rent expense considering for IFRS 16 Leases | 177,725,668 | 241,259,997 |
| | | |
| C)=(A-B). Rent Expenses presented in Note 30.a | 272,362,364 | 347,209,879 |
| | | |
| D) Expenses charged during 2022 for IFRS 16 - Leases | | |
| Interest Expenses on lease liability (Note 37.a) | 43,549,810 | 58,457,448 |
| Depreciation Expenses on ROU Assets (Note 36.a) | 225,212,124 | 233,490,912 |
| Total expenses charged for ROU Assets during the year | 268,761,735 | 291,948,358 |
| | | |
| E)=(D-B). Additional expenses incurred for leases during 2022 | 91,036,069 | 50,688,361 |
| | | |
| 31.00 Consolidated Legal Expense | | |
| Mutual Trust Bank Limited (Note-31.a) | 775,102 | 1,456,382 |
| MTB Securities Limited | - | - |
| MTB Capital Limited | - | - |
| MTB Exchange (UK) Limited | - | - |
| | 775,102 | 1,456,382 |
| 31.a Legal Expense | | |
| Legal Expense | 775,102 | 1,456,382 |
| | | |
| Islamic Banking Branches | 775,102 | 1,456,382 |
| | | |
| 31.00 Consolidated Postage, Stamps, Telecommunication etc. | | |
| Mutual Trust Bank Limited (Note-32.a) | 26,762,408 | 11,019,075 |
| MTB Securities Limited | 242,830 | 348,053 |
| MTB Capital Limited | 62,810 | 75,319 |
| MTB Exchange (UK) Limited | - | - |
| | 27,068,048 | 11,440,447 |
| 32.a Postage, Stamps, Telecommunication etc. | | |
| Postage/Courier Service | 8,603,601 | 4,655,897 |
| Telephone | 17,568,217 | 6,351,878 |
| | | |
| Islamic Banking Branches | 26,171,817 | 11,007,878 |
| | 590,588 | 11,500 |
| | 26,762,408 | 11,019,075 |
| 33.00 Consolidated Stationery, Printings, Advertisements etc. | | |
| Mutual Trust Bank Limited (Note-33.a) | 98,215,569 | 78,126,541 |
| MTB Securities Limited | 1,870,513 | 1,300,730 |
| MTB Capital Limited | 184,490 | 303,130 |
| MTB Exchange (UK) Limited | - | 4,695 |
| | 100,270,572 | 77,735,096 |
| 33.a Stationery, Printings, Advertisements etc. | | |
| Printing Stationery | 37,139,111 | 28,190,748 |
| Computer Stationery | 10,788,089 | 9,618,073 |
| Petty & Table Stationery | 17,000,210 | 13,385,001 |
| Publicity & Advertisement | 31,871,883 | 23,341,219 |
| | | |
| Islamic Banking Branches | 98,887,273 | 74,535,041 |
| | 1,328,298 | 1,591,500 |
| | 98,215,569 | 76,126,541 |
| 34.00 Consolidated Director's Fees | | |
| Mutual Trust Bank Limited (Note-34.a) | 1,425,600 | 510,400 |
| MTB Securities Limited | 475,200 | 538,800 |
| MTB Capital Limited | 429,333 | 368,000 |
| MTB Exchange (UK) Limited | - | - |
| | 2,330,133 | 1,418,200 |
| 34.a Director's Fees | | |
| Meeting fee | 1,355,200 | 510,400 |
| | | |
| Islamic Banking Branches | 1,355,200 | 510,400 |
| | 70,400 | - |
| | 1,425,600 | 510,400 |
| Bank has paid BDT 8,000 as Honorarium according to the BRPD circular letter no. 11 dated 04 October 2015 | | |
| 35.00 Consolidated Auditor's Fees | | |
| Mutual Trust Bank Limited (Note-35.a) | - | - |
| MTB Securities Limited | - | - |
| MTB Capital Limited | - | - |
| MTB Exchange (UK) Limited | - | 422,553 |
| | | 422,553 |
| 35.a Auditor's Fees | | |
| | | |



[Signature]
Md. Masud Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

[Signature]
Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

[Signature]
Md. Muntazir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
U.C.B. Investment Limited

Mutual Trust Bank Limited
Notes to the Financial Statements
For the Period ended 30 September 2022

| | 01 January to 30 September 2022 BDT | 01 January to 30 September 2021 BDT |
|---|--|--|
| 36.00 Consolidated Depreciation and Repair of Bank's assets | | |
| Mutual Trust Bank Limited (Note-36.a) | 749,623,141 | 578,448,102 |
| MTB Securities Limited | 4,393,552 | 4,698,798 |
| MTB Capital Limited | 1,438,949 | 518,872 |
| MTB Exchange (UK) Limited | - | - |
| | 755,455,642 | 581,663,772 |
| 36.01 Consolidated Depreciation of assets | | |
| Mutual Trust Bank Limited (Note-36.a) | 595,441,084 | 485,596,598 |
| MTB Securities Limited | 4,294,794 | 3,983,445 |
| MTB Capital Limited | 1,256,199 | 381,234 |
| MTB Exchange (UK) Limited | - | - |
| | 600,992,077 | 489,961,277 |
| 36.01.1 Consolidated Repair of Bank's assets | | |
| Mutual Trust Bank Limited (Note-36.a) | 154,182,057 | 90,849,504 |
| MTB Securities Limited | 98,758 | 715,353 |
| MTB Capital Limited | 182,750 | 137,638 |
| MTB Exchange (UK) Limited | - | - |
| | 154,463,565 | 91,702,495 |
| 36.a Depreciation and repair of bank's assets | | |
| Depreciation : | | |
| Immovable Property | 21,832,539 | 22,392,348 |
| Furniture & Fixture | 61,107,816 | 67,037,926 |
| Office Equipments | 200,824,624 | 168,589,822 |
| Motor Vehicles | 21,256,184 | 23,008,848 |
| Intangible Asset | 62,207,796 | 44,952,125 |
| Right off use Assets | 225,212,124 | 159,615,530 |
| | 595,441,084 | 485,596,598 |
| Repair of Bank's assets | | |
| Islamic Banking Branches | 151,045,782 | 90,822,404 |
| | 746,486,866 | 576,419,002 |
| | 3,136,275 | 27,100 |
| | 749,623,141 | 576,448,102 |
| 37.00 Consolidated Other Expenses | | |
| Mutual Trust Bank Limited (Note-37.a) | 2,291,850,436 | 1,028,499,755 |
| MTB Securities Limited | 14,443,832 | 20,553,019 |
| MTB Capital Limited | 4,445,583 | 2,532,927 |
| MTB Exchange (UK) Limited | - | 152,237 |
| | 2,310,739,651 | 1,051,737,937 |
| 37.a Other Expenses | | |
| Security & Auxiliary Service | 223,884,902 | 194,314,544 |
| Office Cleaning | 75,287,483 | 62,279,900 |
| Office Maintenance | 18,668,242 | 22,647,488 |
| Car Expense & Benefits | 1,267,768,872 | 208,291,433 |
| Entertainment | 15,882,501 | 10,793,122 |
| Newspaper & Periodicals | 345,010 | 182,257 |
| Clearing House Expense | 19,454 | - |
| Traveling & Conveyance | 27,775,768 | 15,592,087 |
| Bank Charge | 5,272,337 | 1,614,648 |
| Training Expense | 3,557,290 | 2,287,268 |
| Professional Fee | 5,089,445 | 12,791,805 |
| AGM Expense | 320,000 | 315,000 |
| Subscription & Donation | 18,008,002 | 44,122,366 |
| Reuters Charge | - | 2,269,588 |
| CDBL Charges | - | 4,000 |
| Fees & Registration | 27,082,830 | 9,389,991 |
| Business Development Expense | 328,943,895 | 162,362,388 |
| Honorarium | 1,441,218 | 606,941 |
| Cash Carrying Expense | 25,415,704 | 22,848,486 |
| Contact Point Verification (CPV) Charges | 161,979 | 2,433,825 |
| Site Maintenance & Support Service | 2,674,772 | 2,886,532 |
| On-line and connectivity charges | 25,175,826 | 28,747,570 |
| NID Verification Charge | 1,825,081 | 2,073,527 |
| Agent Banking Float Sharing Commission | 42,270,290 | 33,302,059 |
| Interest on lease liability | 43,549,610 | 64,214,789 |
| Passage for Travel | 115,566,321 | 106,687,551 |
| Loss on Sale of Fixed Assets | 6,267,075 | 4,405,880 |
| Other Expenses | 5,991,988 | - |
| | 2,276,175,892 | 1,015,845,042 |
| Offshore Banking Unit | 13,205,463 | 12,053,340 |
| Islamic Banking Branches | 2,460,260 | 801,373 |
| | 2,291,850,436 | 1,028,499,755 |
| 38.00 Consolidated Provision for Loans, Investment & Other | | |
| Provision for Unclassified Loans and Advances | 1,318,354,109 | 37,794,050 |
| Provision for Classified Loans & Advances | 420,418,101 | 869,548,093 |
| Provision for Off Balance Sheet Items | 150,622,565 | 268,692,169 |
| Provision for Margin Loan & Investment in Shares | 177,000,000 | 286,000,000 |
| Provision for Other Asset | 50,000,000 | 19,000,000 |
| | 2,116,394,775 | 1,501,134,912 |
| 38.a Provision for Loans, Investment & Other | | |
| Provision for Unclassified Loans and Advances | 1,318,354,109 | 37,794,050 |
| Provision for Classified Loans & Advances | 420,418,101 | 869,548,093 |
| Provision for Off Balance Sheet Items | 150,622,565 | 268,692,169 |
| Provision for Investment in Shares | 45,000,000 | 10,000,000 |
| Provision for Other Asset | 50,000,000 | 19,000,000 |
| | 1,984,394,775 | 1,225,134,912 |

Mohammad Nazmul Hossain, FCA
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Sr. Executive Vice President &
Group Company Secretary
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Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited
Notes to the Financial Statements
For the Period ended 30 September 2022

| | 01 January to 30 September 2022 BDT | 01 January to 30 September 2021 BDT |
|--|--|--|
| 39.00 Consolidated Provision for Current Tax | | |
| Mutual Trust Bank Limited (Note-39.a) | 1,509,144,860 | 1,117,854,948 |
| MTB Securities Limited | 82,561,425 | 115,935,437 |
| MTB Capital Limited | 8,035,782 | 11,763,169 |
| MTB Exchange (UK) Limited | - | (88,297) |
| | <u>1,600,742,068</u> | <u>1,245,465,287</u> |
| 39.a Provision for Current Tax | | |
| Current tax | <u>1,509,144,860</u> | <u>1,117,854,948</u> |
| 39.01 Consolidated Deferred Tax (Income)/Expenses | | |
| Mutual Trust Bank Limited (Note-39.a.1) | (442,894,811) | 111,508,078 |
| MTB Securities Limited | (234,002) | - |
| MTB Capital Limited | (10,650) | (9,905) |
| MTB Exchange (UK) Limited | - | - |
| | <u>(443,139,553)</u> | <u>111,498,173</u> |
| 39.a.1 Provision for Deferred Tax Expenses/(Income) | | |
| Deferred Tax | <u>(442,894,811)</u> | <u>111,508,078</u> |
| | <u>(442,894,811)</u> | <u>111,508,078</u> |
| 40.00 Consolidated Earning Per Share (EPS):* | | |
| Consolidated Net Profit After Tax | 2,233,194,740 | 974,462,118 |
| Number of Ordinary Shares outstanding | 893,745,224 | 893,745,224 |
| Earning Per Share (EPS) | <u>2.50</u> | <u>1.09</u> |
| 40.a Earning Per Share (EPS):* | | |
| Net Profit After Tax | 2,072,160,924 | 844,708,833 |
| Number of Ordinary Shares outstanding | 893,745,224 | 893,745,224 |
| Earning Per Share (EPS) | <u>2.32</u> | <u>0.95</u> |
| 41.00 Consolidated Receipts from other operating activities | | |
| Mutual Trust Bank Limited (Note-41.a) | 929,280,369 | 1,588,129,960 |
| MTB Securities Limited | 77,604,208 | 170,277,897 |
| MTB Capital Limited | 24,736,209 | 93,147,760 |
| MTB Exchange (UK) Limited | - | - |
| | <u>1,031,620,786</u> | <u>1,851,555,617</u> |
| 41.a Receipts from other operating activities | | |
| Handling charge | 133,883 | 297,485 |
| VISA Card | 182,794,316 | 147,674,822 |
| Charges against cards | 122,097,084 | 200,802,086 |
| Service Charges | 82,683,913 | 99,775,932 |
| Telephone & SMS Charge Recoveries | 72,668,990 | 126,251,276 |
| SWIFT Charge Recoveries | 32,392,933 | 31,911,575 |
| SME Fees and Charges | 2,912,768 | 4,686,387 |
| Management fees | 20,858,379 | 28,502,251 |
| Early Settlement Fee | 2,830,895 | 3,791,166 |
| Loan Processing Fee | 35,663,291 | 57,128,820 |
| NPSB Acquire Income | 24,372,960 | 22,157,019 |
| Locker Rent | 5,634,323 | 7,155,790 |
| Discount on Treasury Bill | - | 17,178,905 |
| Gain/(net off loss) from Trading in Govt. Securities | 280,507,681 | 645,709,649 |
| Capital Gain/(Loss) on Investment in shares of quoted companies | - | 63,295,278 |
| Miscellaneous Earnings | 60,381,067 | 131,042,851 |
| Islamic Banking Branches | 3,537,684 | 770,570 |
| | <u>929,280,369</u> | <u>1,588,129,960</u> |
| 42.00 Consolidated Payments for other operating activities | | |
| Rent, Tax, Insurance and Electricity etc. | 575,502,769 | 726,521,483 |
| Legal Expense | 775,102 | 5,167,512 |
| Postage, Stamps, Telegram & Telecommunication etc. | 27,068,048 | 20,852,310 |
| Directors' Fee | 2,330,133 | 3,633,000 |
| Auditors fees | - | 2,158,389 |
| Repair & Maintenance | 154,463,565 | 149,795,752 |
| Other Expenditure | 2,303,348,699 | 1,300,674,618 |
| | <u>3,063,469,311</u> | <u>2,209,003,283</u> |
| 42.a Payments for other operating activities | | |
| Rent, Tax, Insurance, Electricity | 556,611,992 | 706,148,335 |
| Legal Expense | 775,102 | 5,167,512 |
| Postage, Stamps, Telegram & Telephone | 26,762,406 | 20,047,383 |
| Directors' Fee | 1,425,600 | 2,217,600 |
| Audit fee | - | 1,465,000 |
| Repair & Maintenance | 154,182,057 | 150,238,307 |
| Other Expenditure | 2,285,593,361 | 1,273,609,944 |
| | <u>3,025,350,518</u> | <u>2,158,922,680</u> |
| 43.00 Consolidated Reconciliation of cash flows from operating activities | | |
| Profit before provision | 5,507,193,574 | 5,680,803,508 |
| Adjustment for non cash items | | |
| Depreciation on fixed assets | 538,784,261 | 625,738,781 |
| Amortization on software | 62,207,796 | 65,813,058 |
| | <u>600,992,077</u> | <u>691,551,839</u> |
| Adjustment with non-operating activities | | |
| Recovery of written off loan | 58,198,332 | 44,858,845 |
| Accounts Receivable | (14,566,680) | 2,099,088,039 |
| Accounts Payable on deposits | 1,451,726,508 | (2,344,338,165) |
| Loss on sale of assets | 7,389,952 | 8,812,972 |
| MTB Foundation | - | 30,000,000 |
| | <u>1,502,748,113</u> | <u>(161,576,308)</u> |

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Group Chief Financial Officer
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Tanzim Alamgir
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Mutual Trust Bank Limited
Notes to the Financial Statements
For the Period ended 30 September 2022

| | 01 January to 30 September 2022 BDT | 01 January to 30 September 2021 BDT |
|--|--|--|
| Changes in operating assets and liabilities | | |
| Changes in loans & advances | (23,923,407,397) | (22,268,069,099) |
| Changes in deposits & other accounts | 9,460,306,357 | 25,387,384,419 |
| Changes in borrowings | 9,428,987,501 | 4,358,472,567 |
| Changes in other assets | (2,701,872,242) | (3,695,334,472) |
| Changes in other liabilities | 4,532,565,213 | 2,844,890,387 |
| | (3,203,226,667) | 6,527,343,864 |
| | (878,160,534) | (1,154,524,080) |
| | 3,529,554,662 | 11,563,598,761 |
| Income tax paid | | |
| 43.a Reconciliation of cash flows from operating activities | 5,122,805,748 | 4,876,187,043 |
| Profit before provision | | |
| Adjustment for non cash items | | |
| Depreciation on fixed assets | 533,233,268 | 616,520,160 |
| Amortization on software | 62,207,798 | 85,813,058 |
| | 595,441,064 | 682,333,218 |
| Adjustment with non-operating activities | | |
| Recovery of written off loan | 58,198,332 | 44,858,845 |
| Accounts Receivable | (14,566,680) | 2,099,088,039 |
| Accounts Payable on deposits | 1,451,726,509 | (2,344,336,165) |
| Loss on sale of assets | 6,257,075 | 7,680,095 |
| MTB Foundation | - | 30,000,000 |
| | 1,501,615,236 | (162,709,185) |
| Changes in operating assets and liabilities | | |
| Changes in loans & advances | (24,091,071,901) | (22,076,095,420) |
| Changes in deposits & other accounts | 10,710,807,184 | 23,738,166,118 |
| Changes in borrowings | 9,428,987,501 | 4,358,472,567 |
| Changes in other assets | (2,517,435,167) | (3,817,298,034) |
| Changes in other liabilities | 2,792,598,478 | 4,677,649,367 |
| | (3,676,115,908) | 6,878,893,698 |
| | (767,548,578) | (1,085,871,535) |
| | 2,776,197,583 | 11,189,933,239 |
| Income tax paid | | |
| 44.00 Consolidated Net Operating Cash Flows Per Share | 3,529,554,662 | 2,001,235,562 |
| Total net operating cash flows | 893,745,224 | 893,745,224 |
| Number of shares outstanding | 3.95 | 2.24 |
| Net Operating Cash Flows Per Share (2021 Restated) | | |
| 44.a Net Operating Cash Flows Per Share | 2,776,197,583 | 1,684,120,387 |
| Total net operating cash flows | 893,745,224 | 893,745,224 |
| Number of shares outstanding | 3.11 | 1.88 |
| Net Operating Cash Flows Per Share (2021 Restated) | | |
| 45.00 Number of Employees | | |
| The number of employees engaged for the whole year or part thereof who received a total remuneration of BDT 46,000 or above were 2,527. | | |
| 46.00 Number of Branches | 156 | 152 |
| Number of Branch | 120 | 120 |
| Number of Sub Branch | 36 | 32 |
| 47.00 Number of Meetings | | |
| Board Meeting | 11 | 14 |
| Executive Committee Meeting | 8 | 3 |
| Audit Committee Meeting | 3 | 4 |
| Risk Management Committee Meeting | 4 | 4 |
| 48.00 Auditors Work Hour | | |
| The external auditors of the bank, Shafiq Basak & Co. Chartered Accountants covered 80% of the Bank's Risk Weighted Asset and has spent around 1,200 man-hours to complete the audit as per Bangladesh Standard on Auditing (BSA). | | |
| 49.00 Related Party Disclosures of the Bank | | |
| i) Name of the Directors together with a list of entities in which they have interest | | Annexure-E |
| ii) Significant contracts where Bank is a party and wherein Directors have interest during the period ended 30 September 2022 | | |

| Name of Directors | Relationship with the | Nature of transaction | Approve limit | Outstanding amount | |
|--|------------------------------|-----------------------|------------------|--------------------|--------------|
| | | | | BDT | USD |
| Mr. Md. Wakiuddin | Chairman | Credit Card | BDT 900,000.00 | 7,368.27 CR | 18.85 CR |
| | | Credit Card | BDT 100,000.00 | 3,302.47 CR | - |
| Mr. Md. Abdul Malek | Vice Chairman | Credit Card | BDT 1,000,000.00 | 343.36 DR | 23.21 CR |
| Mr. Syed Manzur Elahi | Director (Founding Chairman) | Credit Card (Secured) | USD 30,000.00 | 11,405.00 CR | 43.98 DR |
| Mr. Md. Hedayatullah | Director | Credit Card (Secured) | BDT 187,3000.00 | 4,047.06 CR | 11,837.70 DR |
| | | Credit Card | BDT 209,375.00 | - | 119.40 DR |
| Mr. Rashed Ahmed Chowdhury (Representing Associated Builders Corporation Ltd.) | Director | Credit Card (Secured) | BDT 472,800.00 | - | 1,917.19 DR |
| | | Credit Card | BDT 1,000,000.00 | - | 2,719.52 DR |
| Mrs. Khwaja Nargis Hossain | Director | Credit Card | BDT 500,000.00 | 11,845 DR | - |
| Ms. Anika Chowdhury (Representing ASTRAS Ltd.) | Director | Credit Card | BDT 453,500.00 | 18,758.50 CR | 1.61 CR |
| Dr. Arif Dowla (Representing Advanced Chemical Industries Ltd.) | Director | N/A | | | |
| Mr. Daniel De Lange (Representing NORFUND) | Director | N/A | | | |
| Ms. Nasreen Saitar | Independent Director | N/A | | | |
| Mr. Faruq Ahmad Siddiqi | Independent Director | N/A | | | |


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Mutual Trust Bank Limited
Notes to the Financial Statements
For the Period ended 30 September 2022

| | |
|--|--|
| 01 January to 30 September 2022 BDT | 01 January to 30 September 2021 BDT |
|--|--|

iii) Shares issued to Directors and Executives without consideration or exercisable at a discount

Nil

iv) Related Party Transactions

| Name of party | Related with | Transactions nature | Funded Outstanding amount BDT Million | Nature of Security |
|---|----------------------------|--------------------------|---------------------------------------|-------------------------|
| Sunbeams School Ltd. (1. Mr. Sayed Nasim Manzur, 2. Ms. Munze Manzur) | Mr. Syed Manzur Elahi | SOO (General) | 64.79 | RM of Land and Building |
| MRS. GAZALA CHOWDHURY | MR. RASHED AHMED CHOWDHURY | MTB Personal Loan Branch | 0.45 | Personal Guarantee |

v) Lending policies in respect of related party

Lending to related parties is effected as per requirements of Section 27(1) of the Bank Companies Act, 1991.

vi) Business other than banking business with any relation concern to the Directors as per section 18(2) of the Bank Companies Act, 1991

a) Lease agreement made with the Directors

| Nature of contract | Purpose | Name of Director and Related by | Remarks |
|--------------------|---------------------------------|---------------------------------|-----------------------------|
| Lease agreement | Pabna Branch | Ms. Anika Chowdhury | Approved by Bangladesh Bank |
| | Pabna Branch ATM Booth | | Approved by Board of MTB |
| | Square Textile ATM Booth | | |
| | Square Pharmaceuticals ATM | | |
| | Square Hospital ATM Booth | | |
| | Square Fashions ATM Booth | | |
| | Square Dale Centre | | |
| Lease agreement | Bilqis Tower ATM Booth | Mr. Rashed Ahmed Chowdhury | Approved by Board of MTB |
| | ABC House ATM Booth | | |
| | ABC Heritage ATM Booth | | |
| | ABC BPL ATM Booth | | |
| Lease agreement | Pragati Sarani Branch | Mr. Md. Wakiuddin | Approved by Bangladesh Bank |
| | Pragati Sarani Branch ATM Booth | | |
| Lease agreement | Apex Adelchi Footwear Ltd, ATM | Syed Manzur Elahi | Approved by Board |

b) Insurance agreement made with the Directors

| Name of Party | Nature of contract | Purpose | Name of Director and Related by | Remarks |
|---|--------------------|--|--|-------------------|
| Pioneer Insurance Company Limited (1. Mr. M Anis Ud Dowla, Chairman; 2. Mr. Tapan Chowdhury, Director; 3. Mr. A.K.M. Rahmatullah, MP, Director, 4. Ms. Mrs Rozina Afroze, Director, 5. Mr. Syed Nasim Manzur, Director, 6. Ms. Fahama Khan, Director) | Insurance Contract | Motor, Cash Insurance, Cash Transil, Bank Locker Insurance | Dr. Anil Dowla, Director, MTB (son of Mr. Anis Ud Dowla) Ms. Anika Chowdhury, Director, MTB (daughter of Mr. Tapan Chowdhury) Mr. Md. Hedayetullah (son of Mr. A.K.M.) | Approved by Board |
| Guardian Life Insurance Ltd. (Mr. Samuel S Chowdhury, Chairman) | Insurance Contract | Group Life Insurance, Depository Insurance | Ms. Anika Chowdhury (niece of Mr. Mr. Samuel S Chowdhury) | Approved by Board |

vii) Business with subsidiary

| Name of party | Relationship | Nature of transaction | Outstanding |
|---------------------------|--------------------|-----------------------------------|-------------|
| MTB Securities Limited | Subsidiary Company | Loan facility | 436.50 |
| | | Deposits | 688.88 |
| MTB Capital Limited | Subsidiary Company | Loan facility | 289.68 |
| | | Deposits | 28.49 |
| MTB Exchange (UK) Limited | Subsidiary Company | Receivable from MTB Exchange (UK) | 34.96 |

viii) Relationship with Funds:

Employees Provident Fund:
Deposits
Employees Gratuity Fund:
Deposits

| BDT | BDT |
|------------|-------------|
| 34,601,223 | 12,057,363 |
| 51,555,155 | 177,102,295 |

50.00 Key Management personal compensation

Transaction with key management personal of the Bank for the period ended 30 September 2022 is as follows:

Short-term employee benefit

Key Management personal includes Managing Director, Additional Managing Director, Deputy Managing Director, Head of Internal Control & Compliance Division, Chief Financial Officer and Company Secretary.

| September 2022 | 2021 |
|----------------|-------------|
| 66,784,294 | 104,655,774 |

51.00 Verification of financial statements through Document Verification System (DVS)

Pursuant to BRPD circular letter no. 4 dated 04 January 2021 Banks are required to preserve the updated statutory audit report of the clients in loan file during approval/renewal of the facilities. As per BRPD circular letter no.35 dated 06 July 2021, the statutory audit report and Financial Statements needs to be verified through the Document Verification System (DVS) developed by the Institute of Chartered Accountants of Bangladesh (ICAB). Financial Reporting Council (FRC) vide its letter no 178/FRC/APR/2021/27(23) dated 07 December 2021 has instructed to disclose the percentage (%) of the loan file covered under the compliance of these BRPD Circular in the financial statements of the Bank. The master access on the DVS system was given to the Bank representative on 02 August 2021. The Bank has started implementing the compliance upon receiving the master access on DVS system.

52.00 Financial Highlights as at 30 September 2022 are shown in Annexure-F

Mohammad Mazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



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Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited
Balance with other Banks - Out Side Bangladesh (NOSTRO Account)
Currency wise position and Exchange rate applied for conversion of Balance with other Banks in Foreign Currency into Local currency as at 30
September 2022:

Annexure - A

| Name of the Bank | Currency | 30 September 2022 | | | 2021 | | |
|------------------------------------|----------|-------------------------|---------------|----------------------|-------------------------|---------------|----------------------|
| | | Foreign Currency Amount | Exchange Rate | BDT | Foreign Currency Amount | Exchange Rate | BDT |
| Mashreqbank, New York | USD | 2,645,337 | 101.85 | 269,431,247 | 5,172,365 | 85.80 | 443,788,878 |
| Standard Chartered Bank, New York | USD | 11,577,685 | 101.85 | 1,179,203,032 | 4,340,669 | 85.80 | 372,420,613 |
| Habib American Bank, New York | USD | 434,074 | 101.85 | 44,210,997 | 4,19,885 | 85.80 | 38,008,955 |
| Commerz Bank, Germany | USD | 618,635 | 101.85 | 63,008,782 | 361,525 | 85.80 | 31,018,824 |
| KB Kookmin Bank | USD | 480,927 | 101.85 | 48,933,088 | 241,946 | 85.80 | 20,758,959 |
| JP Morgan, New York | USD | 2,747,098 | 101.85 | 279,795,675 | 4,534,516 | 85.80 | 389,081,432 |
| ICICI, Hong Kong | USD | 358,536 | 101.85 | 36,517,342 | 318,068 | 85.80 | 27,118,598 |
| Standard Chartered Bank, Singapore | SGD | 78,442 | 70.78 | 5,550,290 | 97,636 | 62.82 | 6,133,864 |
| JP Morgan, London | GBP | 128,739 | 109.91 | 13,930,385 | 66,802 | 115.73 | 7,707,625 |
| Standard Chartered Bank, London | GBP | 1,027,860 | 109.91 | 112,975,862 | 352,889 | 115.73 | 40,838,747 |
| Habib American Bank, Zurich | CHF | 29,182 | 104.03 | 3,035,937 | 98,082 | 93.72 | 9,005,217 |
| Standard Chartered Bank, Tokyo | JPY | 24,851,010 | 0.71 | 17,533,647 | 12,947,068 | 0.75 | 9,663,692 |
| Standard Chartered Bank, Germany | EUR | 299,356 | 98.82 | 29,622,830 | 440,578 | 97.38 | 42,904,788 |
| ICICI, Mumbai | EUR | 6,164.41 | 98.82 | 607,940.27 | 6,164 | 97.38 | 600,309 |
| Unicredit, Germany | EUR | 183,590 | 98.82 | 18,105,828 | 140,485 | 97.38 | 13,680,835 |
| Commerz Bank, Germany | EUR | 1,078,520 | 98.82 | 106,364,698 | 1,055,800 | 97.38 | 102,797,452 |
| Punjab Bank of India, Kolkata | EUR | 4,226 | 98.82 | 419,728 | 4,226 | 97.38 | 411,497 |
| Standard Chartered Bank, Mumbai | ACU | 151,000 | 101.85 | 15,379,527 | 128,116 | 85.80 | 10,992,285 |
| Standard Chartered Bank, Kolkata | ACU | 500,482 | 101.85 | 50,974,825 | 500,482 | 85.80 | 42,941,398 |
| Standard Chartered Bank, Pakistan | ACU | 109,115 | 101.85 | 11,113,517 | 323,531 | 85.80 | 27,758,960 |
| Standard Chartered Bank, Colombo | ACU | 85,175 | 101.85 | 8,638,192 | 154,725 | 85.80 | 13,275,444 |
| Sonal Bank, Kolkata | ACU | 178,380 | 101.85 | 18,168,207 | 44,610 | 85.80 | 3,827,504 |
| Habib Metropolitan | ACU | 224,875 | 101.85 | 22,903,837 | 251,315 | 85.80 | 21,562,866 |
| Mashreqbank, Mumbai | ACU | 339,330 | 101.85 | 34,581,263 | 429,510 | 85.80 | 36,851,944 |
| AB Bank, Mumbai | ACU | 802,625 | 101.85 | 81,378,141 | 1,130,783 | 85.80 | 97,021,150 |
| Indusind Bank Mumbai | ACU | 50,000 | 101.85 | 5,092,569 | - | - | - |
| Axis Bank, Mumbai | ACU | 555,856 | 101.85 | 56,814,738 | 534,259 | 85.80 | 45,839,398 |
| ICICI, Mumbai | ACU | 414,433 | 101.85 | 42,210,567 | 838,823 | 85.80 | 71,970,973 |
| Himalayan Bank Ltd., Kathmandu | ACU | 109,490 | 101.85 | 11,151,707 | 109,490 | 85.80 | 9,384,242 |
| Nepal Bangladesh Bank Ltd. | ACU | 131,974 | 101.85 | 13,411,743 | 131,974 | 85.80 | 11,323,378 |
| Punjab Bank, Kolkata | ACU | 86,640 | 101.85 | 8,787,344 | 82,430 | 85.80 | 7,072,522 |
| HDFC Bank, Mumbai | ACU | 447,797 | 101.85 | 45,608,733 | 689,110 | 85.80 | 57,409,664 |
| EMIRATES ISLAMIC BANK | AED | 2,470,381 | 27.72 | 68,485,878 | 431,078 | 23.38 | 10,083,688 |
| MASHREQ BANK, UAE | AED | 7,244,110 | 27.72 | 200,826,984 | 2,220,100 | 23.38 | 51,859,978 |
| Commerz Bank, Germany | AUD | 41,884 | 85.98 | 2,762,858 | 44,448 | 62.20 | 2,784,384 |
| Bank Al Bilad | SAR | 736,484 | 27.04 | 19,911,092 | 397,115 | 22.85 | 9,075,716 |
| Bank Al Rajhi | SAR | 110,000 | 27.04 | 2,973,887 | 220,000 | 22.85 | 5,027,902 |
| Riyadh Bank | SAR | 105,000 | 27.04 | 2,838,710 | 105,000 | 22.85 | 2,399,880 |
| HUZOUGH BANK CHINA | CNY | 50 | 14.15 | 707 | - | - | - |
| ICICI Bank Ltd., Mumbai | | | | 28,032,607 | | | 28,032,607 |
| Total | | 61,202,462 | | 2,957,092,012 | 39,341,497 | | 2,120,406,147 |

Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited



M. K. Masud Raza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Mohammad Mazmul Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited

Mutual Trust Bank Limited
Investment in Shares
As at 30 September 2022

Amount in BDT

| SL. No. | Name of the Company | Face Value | No. of Share Held | Cost Holding | Average Cost | Quoted Rate Per Share 30 September 2022 | Total Market Value as at 30 September 2022 | Unrealised Gain/Loss |
|------------------------|-----------------------------|------------|-------------------|--------------------|--------------|---|--|----------------------|
| A. Quoted Share | | | | | | | | |
| 1 | BRAC BANK LIMITED | 10 | 1,763,034 | 79,421,144 | 45.05 | 38.50 | 67,876,809 | (11,544,335) |
| 2 | GRAMREEN PHONE | 10 | 224,787 | 83,581,458 | 371.83 | 286.60 | 64,423,954 | (19,157,504) |
| 3 | SINGER BANGLADESH | 10 | 185,000 | 35,429,350 | 191.51 | 151.90 | 28,101,500 | (7,327,850) |
| 4 | SQUARE PHARMACEUTICALS | 10 | 617,564 | 139,845,033 | 226.45 | 209.80 | 129,564,927 | (10,280,106) |
| 5 | BERGER PAINTS BANGLADESH | 10 | 24,579 | 44,224,503 | 1,799.28 | 1,740.10 | 42,769,918 | (1,454,585) |
| 7 | MARICO BANGLADESH | 10 | 35,220 | 82,906,085 | 2,353.95 | 2,430.70 | 85,609,254 | 2,703,169 |
| 9 | MEGHNA INSURANCE | 10 | 4,003 | 40,030 | 10.00 | 44.80 | 179,334 | 139,304 |
| 11 | UNITED AIRWAYS | 10 | 338,800 | 7,006,384 | 20.68 | 1.90 | 643,720 | (6,362,664) |
| 13 | BRITISH AMERICAN TOBACCO BD | 10 | 466 | 281,185 | 603.40 | 518.70 | 241,714 | (39,471) |
| 14 | EXIM BANK LIMITED | 10 | 2,709 | 28,272 | 10.44 | 10.50 | 28,445 | 173 |
| 15 | JAMUNA BANK LIMITED | 10 | 1,316 | 28,129 | 21.37 | 21.30 | 28,031 | (98) |
| 16 | LAFARGE HOLCIM BANGLADESH | 10 | 668 | 55,638 | 83.29 | 75.30 | 50,300 | (5,338) |
| 17 | RECKIT BENCKISER (BD) LTD | 10 | 18 | 91,877 | 5,104.26 | 4,830.90 | 86,956 | (4,921) |
| 18 | RENTATA BANGLADESH | 10 | 350 | 417,738 | 1,183.54 | 1,303.20 | 456,120 | 38,382 |
| 19 | SQUARE TEXTILES LIMITED | 10 | 405 | 28,096 | 69.37 | 67.90 | 27,500 | (596) |
| 20 | WALTON HI TECH INDUSTRIES | 10 | 170 | 187,137 | 1,100.81 | 39.70 | 6,749 | (180,388) |
| 21 | ENERGYPAC LIMITED | 10 | 1,192,800 | 50,000,000 | 41.92 | 35.50 | 42,344,400 | (7,655,600) |
| 22 | Free Fund available | | | 3,344,573 | | | | |
| 23 | Unrealised Gain | | | (26,731,172) | | | | |
| | Sub-Total | | 4,391,889 | 500,185,460 | | | 462,439,631 | (61,132,428) |

| SL. No. | Name of the Company | Face Value | No. of Share Held | Cost Holding | Average Cost | Quoted Rate Per Share 30 September 2022 | Total Market Value as at 30 September 2022 |
|---|---------------------|------------|-------------------|------------------------|--------------|---|--|
| B. Quoted Share (Special Fund) as per DOS Circular No-01, Dated 10 February 2020 | | | | | | | |
| 1 | BRACBANK | | 3,325,750 | 156,545,483 | 47.07 | 38.50 | 128,041,375 |
| 2 | BXPBHARMA | | 745,600 | 150,974,368 | 202.49 | 170.10 | 126,826,560 |
| 3 | BSCCL | | 72,000 | 14,897,520 | 206.91 | 226.20 | 16,286,400 |
| 4 | GP | | 130,000 | 43,549,900 | 335.00 | 286.60 | 37,258,000 |
| 5 | OLYMPIC | | 75,000 | 10,594,750 | 141.13 | 129.60 | 9,720,000 |
| 6 | SOURPHARMA | | 512,800 | 109,041,324 | 212.64 | 209.80 | 107,585,440 |
| 7 | BATBC | | 32,000 | 17,191,560 | 537.24 | 518.70 | 16,598,400 |
| 8 | MARICO | | 23,487 | 51,647,113 | 2,198.97 | 2,430.70 | 57,089,851 |
| 9 | RENATA | | 10,139 | 10,139 | 1,090.49 | 1,303.20 | 13,1623 |
| 10 | SINGERBD | | 13,373 | 13,373 | 171.92 | 151.90 | 11,649,059 |
| 11 | BERGERPBL | | 10,700 | 10,700 | 1,790.64 | 1,740.10 | 18,619,070 |
| 12 | ACI | | 9,200 | 9,200 | 210.48 | 274.40 | 2,524,480 |
| 13 | Free Fund available | | | 57,631,613 | | | |
| 14 | Unrealised Loss | | | (15,388,196) | | | |
| | Sub-Total | | 5,013,329 | 845,336,453,603 | | | 532,330,258 |

Mohammad Nazimul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Syed Mahbubur Ranma
Managing Director & CEO
Mutual Trust Bank Limited

Maik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

| C | Mutual Fund (Quoted) | Face Value | No. of Share Held | Cost Holding | Average Cost | Quoted Rate Per Share 30 September 2022 | 85% NAV | Total Value as per 85% of NAV as at 30 September 2022 | Provision Req. as per BB Guideline |
|---|----------------------|------------|-------------------|-------------------|--------------|---|---------|---|------------------------------------|
| 1 | MBL1STMF | 10 | 1,882,134 | 18,821,340 | 10.00 | 6.60 | 8.97 | 16,878,037 | (1,943,303) |
| | Sub-Total | | 1,882,134 | 18,821,340 | | | | 16,878,037 | (1,943,303) |

| D | Unquoted Share | Face Value | No. of Share Held | Cost Holding | Net Assets value as per Last audited Financial Statements | Total No. of Shares of Issuers | NAV | Value as per NAV as at 30 September 2020 | Unrealized Gain/Loss |
|---|--|------------|-------------------|--------------------|---|--------------------------------|------|--|----------------------|
| | BD Venture Limited | 10 | 2,200,000 | 20,000,000 | 239,895,160 | 22,000,000 | 10.9 | 23,989,516 | 3,989,516 |
| | Central Depository (BD) Limited | 10 | 5,711,804 | 15,694,430 | 6,937,427,190 | 200,000,000 | 34.7 | 198,126,122 | 182,431,692 |
| | Industrial & Infrastructure Development Finance Company Ltd. | 10 | 9,586,476 | 71,770,260 | 2,285,944,161 | 103,000,000 | 22.2 | 212,758,727 | 140,988,467 |
| | LIC Bangladesh | 10 | 3,000,000 | 30,000,000 | 660,966,033 | 60,000,000 | 11.0 | 33,048,302 | 3,048,302 |
| | Central Counterparty Bangladesh Limited | 10 | 3,750,000 | 37,500,000 | 300,000,000 | 30,000,000 | 10.0 | 37,500,000 | - |
| | The Bangladesh Rating Agency Limited | 100 | 49,155 | 4,915,500 | 34,378,796 | 1,067,175 | 32.2 | 1,583,517 | (3,331,983) |
| | Sub-Total | | 24,297,435 | 179,880,190 | 10,458,611,340 | 416,067,175 | | 507,006,183 | 327,125,993 |

| E | Open end Mutual Fund (Unquoted) | Face Value | No. of Share Held | Cost Holding | 95% NAV | Value as per NAV as at 30 September 2020 | Unrealized Gain/Loss |
|---|---------------------------------|------------|-------------------|--------------------|---------|--|----------------------|
| 1 | MTB Unit Fund | 10 | 21,692,307 | 217,600,000 | 10.28 | 222,975,224 | 5,375,224 |
| 2 | VIPBNLI1STUF | 10 | 3,726,643 | 37,266,430 | 8.88 | 33,101,906 | (4,164,524) |
| 3 | AIMS 1st Unit Fund | | | 100,000,000 | | 100,000,000 | |
| 4 | Blue Wealth Balanced Fund | | | 30,000,000 | | 30,000,000 | |
| | Sub-Total | | 25,418,950 | 384,866,430 | | 386,077,130 | 1,210,700 |

Islamic Banking Branches

| F | Open end Mutual Fund (Unquoted) | Face Value | No. of Share Held | Cost Holding | 95% NAV | Value as per NAV as at 30 September 2020 |
|---|---------------------------------|------------|-------------------|--------------------|---------|--|
| 1 | UCB Taqwa Growth Fund | 10 | 5,000,000 | 50,000,000 | 9.60 | 47,975,000 |
| 2 | Sharia Amanah Shanah Fund | 10 | 4,111,842 | 50,000,000 | 11.53 | 47,421,875 |
| | Sub-Total | | 9,111,842 | 100,000,000 | | 95,396,875 |

| G | Open end Mutual Fund (Unquoted) (Special Fund) as per DOS Circular No-01, Dated 10 February 2020 | Face Value | No. of Share Held | Cost Holding | 95% NAV | Value as per NAV as at 30 September 2020 |
|---|--|------------|-------------------|-------------------|---------|--|
| 1 | EBLAML1STUF | 10 | 1,711,971 | 17,119,710 | 9.87 | 17,547,548 |
| 2 | EKUSHGROWTHFUND | 10 | 1,018,192 | 10,181,920 | 9.41 | 9,509,596 |
| 3 | UCBAML1FIRST | 10 | 3,000,000 | 30,000,000 | 9.59 | 28,756,500 |
| 4 | VIPBNLI1STUF | 10 | 3,613,930 | 36,139,300 | 8.88 | 32,100,733 |
| | Sub-Total | | 9,401,808 | 96,139,291 | | 87,914,377 |

Mohammad Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Syed Mahabubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

M. K. Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

| H | Subordinated Bonds: | Cost Holding | Value as at 30 September 2020 |
|---|---|----------------------|-------------------------------|
| 1 | One Bank Subordinated Bond | 40,000,000 | 40,000,000 |
| 2 | Trust Bank Subordinated Bond | 40,000,000 | 40,000,000 |
| 3 | UCB 3rd Subordinated Bond | 150,000,000 | 150,000,000 |
| 4 | Jamuna Bank Subordinated Bond | 60,000,000 | 60,000,000 |
| 5 | AIBL Second Mudaraba Bond | 80,000,000 | 80,000,000 |
| 6 | IPDC Subordinated Bond | 120,000,000 | 120,000,000 |
| 7 | NBL Subordinated Bond | 150,000,000 | 150,000,000 |
| | Sub-Total | 640,000,000 | 640,000,000 |
| I | Perpetual Bonds: | | |
| | Jamuna Bank Perpetual Bond | 650,000,000 | 650,000,000 |
| | NCC Bank Perpetual Bond | 400,000,000 | 400,000,000 |
| | Sub-Total | 1,050,000,000 | 1,050,000,000 |
| J | Preference share investment | | |
| | United Professional Limited | 800,000,000 | 800,000,000 |
| | Comfit Composit & Knit | 795,000,000 | 795,000,000 |
| | Fair Electronics Ltd. | 300,000,000 | 300,000,000 |
| | Impress- Newtlex Composite Textile Limited | 150,000,000 | 150,000,000 |
| | Sub Total | 2,045,000,000 | 2,045,000,000 |
| | Total Investment as at 30 September 2022 | 5,671,346,314 | |

| Particular | Provision Required | Provision Maintained | Excess/ (Shortfall) |
|----------------------------|--------------------|----------------------|---------------------|
| Quoted Shares | 61,132,428 | | |
| Un-quoted Shares | 3,331,983 | | |
| Mutual Funds Quoted | 1,943,303 | 66,000,000 | 602,986 |
| Mutual Fund Unquoted | (1,210,700) | | |
| Total Provision | 65,197,014 | 66,000,000 | 802,986 |

Mohammad Razmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Syed Mahbubur Rahmar
Managing Director & CEO
Mutual Trust Bank Limited

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

M. N. Hossain Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



Mutual Trust Bank Limited
Consolidated Fixed Asset Schedule
As at 30 September 2022

| Particulars | Cost | | | Balance as at 30.09.2022 | Rate/Usefull Life | Depreciation | | | Balance as at 30.09.2022 | Written down value as at 30.09.2022 |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------|--------------------------|----------------------|---------------------------------|--------------------------|-------------------------------------|
| | Balance as at 01.01.2022 | Addition during the year | Disposal during the year | | | Balance as at 01.01.2022 | Charged for the year | Adjustment made during the year | | |
| | BDT | BDT | BDT | BDT | | BDT | BDT | BDT | BDT | BDT |
| Land | 104,253,000 | - | - | 104,253,000 | 0% | - | - | - | - | 104,253,000 |
| Immovable Property | 1,502,105,795 | - | - | 1,502,105,795 | 2.5% | - | - | - | - | 1,174,066,166 |
| Furniture & Fixture | 1,710,671,852 | 42,535,113 | 12,538,637 | 1,740,668,329 | 10% | 83,323,369 | 22,948,452 | 8,323,369 | 328,039,629 | 908,960,911 |
| Office Equipments | 1,959,000,386 | 29,826,871 | 8,006,226 | 1,980,821,030 | 20% | 1,378,458,262 | 63,412,859 | 7,013,132 | 1,460,754,768 | 520,066,243 |
| Computers & Peripherals | 870,957,331 | 37,903,567 | 2,476,567 | 906,384,330 | 3-10 years | 413,530,053 | 89,309,658 | 2,175,779 | 529,996,177 | 376,388,153 |
| Motor Vehicles | 214,382,616 | 4,500,000 | 13,336,199 | 205,546,417 | 5 Years | 135,127,224 | 118,641,903 | 7,980,642 | 148,402,767 | 57,143,650 |
| Intangible Asset | 917,681,871 | 33,428,358 | - | 951,110,229 | 3-10 years | 253,758,879 | 62,423,054 | - | 316,181,933 | 634,928,296 |
| As at 30 September 2022 | 7,279,052,850 | 148,193,909 | 36,357,629 | 7,390,889,130 | | 3,339,837,016 | 377,992,109 | 25,492,921 | 3,692,336,204 | 3,698,552,926 |
| Right off use Assets as per IFRS 16 | 1,954,040,956 | 457,202,512 | 48,406,698 | 2,362,836,770 | | 496,776,455 | 226,136,241 | 48,406,698 | 676,505,998 | 1,686,330,772 |
| As at 30 September 2022 | 9,233,093,806 | 605,396,421 | 84,764,327 | 9,753,725,900 | | 3,838,613,471 | 604,128,351 | 73,899,619 | 4,368,642,202 | 5,384,883,698 |
| As at 31 December 2021 | 8,106,824,422 | 1,201,668,105 | 75,387,361 | 9,233,105,166 | | 3,210,517,997 | 691,549,799 | 63,456,365 | 3,838,611,431 | 5,394,493,735 |



Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mark Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
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Mohammad Mazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Mutual Trust Bank Limited
Fixed Asset Schedule
As at 30 September 2022

| Particulars | Cost | | | | Depreciation | | | | Written down value as at 30.09.2022 | |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|------------------|--------------------------|----------------------|---------------------------------|-------------------------------------|--------------------------|
| | Balance as at 01.01.2022 | Addition during the year | Disposal during the year | Balance as at 30.09.2022 | Rate/Useful Life | Balance as at 01.01.2022 | Charged for the year | Adjustment made during the year | | Balance as at 30.09.2022 |
| | BDT | BDT | BDT | BDT | | BDT | BDT | BDT | | BDT |
| Land | 104,253,000 | - | - | 104,253,000 | 0% | - | - | - | 104,253,000 | |
| Immovable Property | 1,455,740,795 | - | - | 1,455,740,795 | 2.5% | 288,139,813 | 21,832,539 | - | 309,972,352 | |
| Furniture & Fixture | 1,652,591,745 | 36,274,051 | 12,538,637 | 1,676,327,160 | 10% | 824,742,451 | 61,107,816 | 8,323,369 | 877,526,898 | |
| Office Equipments | 1,917,328,688 | 25,289,805 | 8,006,226 | 1,934,612,266 | 20% | 1,345,833,022 | 87,857,533 | 7,013,132 | 1,426,777,423 | |
| Computers & Peripherals | 845,362,331 | 37,785,057 | 2,476,587 | 880,670,800 | 3-10 years | 412,221,961 | 115,867,091 | 2,175,779 | 525,913,273 | |
| Motor Vehicles | 214,382,616 | 4,500,000 | 13,336,199 | 205,546,417 | 5 Years | 135,127,224 | 21,256,184 | 7,980,642 | 148,402,767 | |
| Intangible Asset | 915,266,871 | 32,628,358 | - | 947,895,229 | 3-10 years | 253,743,661 | 62,207,796 | - | 315,951,457 | |
| As at 30 September 2022 | 7,104,926,045 | 136,477,281 | 36,357,629 | 7,205,045,697 | | 3,259,808,132 | 370,228,959 | 25,492,921 | 3,604,544,170 | |
| Right off use Assets as per IFRS 16 | 1,826,970,783 | 457,202,512 | 48,406,688 | 2,235,766,588 | | 498,839,976 | 225,212,124 | 48,406,688 | 673,645,402 | |
| Islamic Banking Branches | 30,072,236 | 918,500 | - | 30,990,736 | | 1,459,911 | 3,136,275 | - | 4,596,186 | |
| As at 30 September 2022 | 8,961,969,065 | 594,598,293 | 84,764,327 | 9,471,803,031 | | 3,758,108,019 | 598,577,359 | 73,899,619 | 4,282,785,759 | |
| As at 31 December 2021 | 7,968,539,847 | 1,068,827,938 | 75,387,361 | 8,961,980,425 | | 3,137,771,255 | 683,791,089 | 63,456,365 | 3,758,105,979 | |
| | | | | | | | | | 5,203,874,445 | |



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Muhammad Reza, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Mutual Trust Bank Limited
List of MTB Bond Holders as at 30 September 2022

| A MTB Perpetual Bond | | | September'2022 | 2021 |
|-----------------------------|-------------------------|----------------------|-----------------------|----------------------|
| Sl. | Name of Party | Investment Amount | Investment Amount | Investment Amount |
| 1 | Trust Bank Limited | 650,000,000 | 650,000,000 | 650,000,000 |
| 2 | Bank Asia Limited | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 |
| 3 | Eastern Bank Limited | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 |
| 4 | Ms. Afroza Sultana | 100,000,000 | 100,000,000 | 100,000,000 |
| 5 | Mercantile Bank Limited | 400,000,000 | 400,000,000 | 400,000,000 |
| 6 | Prime Bank Limited | 850,000,000 | 850,000,000 | 850,000,000 |
| Sub-Total (A) | | 4,000,000,000 | 4,000,000,000 | 4,000,000,000 |

| B MTB 2nd Subordinate Bond | | | Investment Amount | Investment Amount |
|-----------------------------------|-----------------------------|--------------------|--------------------------|--------------------------|
| Sl. | Name of Party | Investment Amount | Investment Amount | Investment Amount |
| 1 | Sonali Bank Limited | 200,000,000 | 200,000,000 | 200,000,000 |
| 2 | BRAC Provident Fund | 100,000,000 | 100,000,000 | 100,000,000 |
| 3 | Bank Asia Limited | 80,000,000 | 80,000,000 | 80,000,000 |
| 4 | Uttara Bank Limited | 60,000,000 | 60,000,000 | 60,000,000 |
| 5 | BRAC | 50,000,000 | 50,000,000 | 50,000,000 |
| 6 | BRAC Bank Limited | 50,000,000 | 50,000,000 | 50,000,000 |
| 7 | NRB Commercial Bank Limited | 40,000,000 | 40,000,000 | 40,000,000 |
| 8 | United Finance Limited | 20,000,000 | 20,000,000 | 20,000,000 |
| Sub-Total (B) | | 600,000,000 | 600,000,000 | 600,000,000 |

| C MTB 3rd Subordinate Bond | | | Investment Amount | Investment Amount |
|-----------------------------------|--------------------------------------|----------------------|--------------------------|--------------------------|
| SL | Name of Party | Investment Amount | Investment Amount | Investment Amount |
| 1 | Pubali Bank Limited | 380,000,000 | 570,000,000 | 570,000,000 |
| 2 | Dhaka Bank Limited | 360,000,000 | 540,000,000 | 540,000,000 |
| 3 | Sonali Bank Limited | 300,000,000 | 450,000,000 | 450,000,000 |
| 4 | Southeast Bank Limited | 260,000,000 | 390,000,000 | 390,000,000 |
| 5 | Janata Bank Limited | 200,000,000 | 300,000,000 | 300,000,000 |
| 6 | Agrani Bank Limited | 120,000,000 | 180,000,000 | 180,000,000 |
| 7 | Eastern Bank Limited | 120,000,000 | 180,000,000 | 180,000,000 |
| 8 | Rupali Bank Limited | 80,000,000 | 120,000,000 | 120,000,000 |
| 9 | Delta Life Insurance Company Limited | 80,000,000 | 120,000,000 | 120,000,000 |
| 10 | Standard Bank Limited | 60,000,000 | 90,000,000 | 90,000,000 |
| 11 | United Finance Limited | 40,000,000 | 60,000,000 | 60,000,000 |
| Sub-Total (C) | | 2,000,000,000 | 3,000,000,000 | 3,000,000,000 |

| D MTB 4th Subordinate Bond | | | Investment Amount | Investment Amount |
|-----------------------------------|---------------------------------|----------------------|--------------------------|--------------------------|
| SL | Name of Party | Investment Amount | Investment Amount | Investment Amount |
| 1 | BRAC Bank Limited | 400,000,000 | 400,000,000 | 400,000,000 |
| 2 | Community Bank Limited | 100,000,000 | 100,000,000 | 100,000,000 |
| 3 | Sonali Bank Limited | 500,000,000 | 500,000,000 | 500,000,000 |
| 4 | Shadaran Bima Corporation | 100,000,000 | 100,000,000 | 100,000,000 |
| 5 | Guardian Life Insurance Limited | 100,000,000 | 100,000,000 | 100,000,000 |
| 6 | Agrani Bank Limited | 500,000,000 | 500,000,000 | 500,000,000 |
| 7 | Eastern Bank Limited | 1,000,000,000 | 1,000,000,000 | 1,000,000,000 |
| 8 | Ms. Monisha Anwar Huq | 200,000,000 | 200,000,000 | 200,000,000 |
| 9 | Shimanto Bank Limited | 100,000,000 | 100,000,000 | 100,000,000 |
| 10 | SQUARE Pharmaceuticals Ltd | 2,000,000,000 | 2,000,000,000 | 2,000,000,000 |
| Sub-Total (D) | | 5,000,000,000 | 5,000,000,000 | 5,000,000,000 |

| | | |
|------------------------------|-----------------------|-----------------------|
| Total Bonds (A+B+C+D) | 11,600,000,000 | 12,600,000,000 |
|------------------------------|-----------------------|-----------------------|

Mohammed Nazim Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



Ms. Masrur Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited
Name of Companies in which the Directors of the Bank have Interest
As at 30 September 2022

| SL | Name of Directors of the Bank | Name of Companies in which the Directors have interest |
|----|--|--|
| 1 | Mr. Md. Wakiluddin Chairman | Chairman <ul style="list-style-type: none"> - Baridhara Corporation Ltd. - Baridhara Agro & Food Processing Ltd. Chairman (Fully owned subsidiary of MTB) <ul style="list-style-type: none"> - MTB Securities Limited (MTBSL) - MTB Capital Limited (MTBCL) Managing Director <ul style="list-style-type: none"> - Swadesh Properties Ltd. - Swadesh Global Media Ltd. - HURDCO International School Director <ul style="list-style-type: none"> - Swadesh Land Developers Ltd. |
| 2 | Mr. Md. Abdul Malek Vice Chairman | Proprietor <ul style="list-style-type: none"> - Gardenia |
| 3 | Mr. Syed Manzur Elahi Director (Founding Chairman) | Chairman <ul style="list-style-type: none"> - Apex Tannery Ltd. - Apex Footwear Ltd. - Apex Pharma Ltd. - Blue Ocean Footwear Ltd. - Apex Enterprise Ltd. - Apex Investment Ltd. - Grey Advertising (Bangladesh) Ltd. - Quantum Consumer Solutions Ltd. - Manusher Jonno Foundation - Sunbeams School Ltd. Managing Director <ul style="list-style-type: none"> - International Publications Ltd. Director <ul style="list-style-type: none"> - Credit Rating Agency of Bangladesh Limited (CRAB) - Central Depository Bangladesh Ltd. (CDBL) Chairman of the Board of Trustees <ul style="list-style-type: none"> - East West University Member of the Board of Trustees <ul style="list-style-type: none"> - Centre for Policy Dialogue (CPD) - Diabetic Association of Bangladesh - Bangladesh Freedom Foundation |
| 4 | Mr. Md. Hedayetullah Director | Chairman <ul style="list-style-type: none"> - Hedayetullah Securities Ltd. Managing Director <ul style="list-style-type: none"> - FB Footwear Ltd. - Footbed Footwear Ltd. - Nuovo Shoes (BD) Ltd. Director <ul style="list-style-type: none"> - Apex Tannery Ltd. - Apex Property Development Ltd. |
| 5 | Mr. Rashed Ahmed Chowdhury Director | Chairman <ul style="list-style-type: none"> - ABC Building Products Ltd. - Banga Garments Ltd. Director <ul style="list-style-type: none"> - Associated Builders Corporation Ltd. - ABC Real Estate Ltd. |
| 6 | Dr. Arif Dowla Director (Representing Advanced Chemical Industries Ltd.) | Chairman <ul style="list-style-type: none"> - Tetley ACI (Bangladesh) Ltd. Vice Chairman <ul style="list-style-type: none"> - ACI HealthCare Limited Managing Director <ul style="list-style-type: none"> - Advanced Chemical Industries (ACI) Ltd. - ACI Logistics Limited - Stochastic Logic Limited Director <ul style="list-style-type: none"> - ACI Formulations Ltd. - ACI Motors Limited - ACI Pure Flour Limited - ACI Agrolink Ltd. - Premiatrix Plastics Limited - ACI Foods Limited |
| 7 | Khwaja Nargis Hossain Director | Managing Director <ul style="list-style-type: none"> - SAHCO Securities Ltd. Corporate Director <ul style="list-style-type: none"> - SAHCO International Ltd. |

Mohammad Nazmul Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited

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Mai'k Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Tanzim Alamgir
 Managing Director & CEO
 UCS Investment Limited


Mutual Trust Bank Limited
Name of Companies in which the Directors of the Bank have Interest
As at 30 September 2022

| SL. | Name of Directors of the Bank | Name of Companies in which the Directors have Interest |
|-----|---|---|
| 8 | Mr. Anika Chowdhury Director (Representing ASTRAS Ltd.) | Director - Square Fashions Ltd. Director (Business Development) - Square Pharmaceuticals Ltd. Management Coordinator - Square Group Managing Director - Square Health Limited |
| 9 | Mr. Daniel Donald de Lange Director (Representing NORFUND) | Director - Asiacap Holdings Limited (Consulting) |
| 10 | Ms. Nasreen Sattar Independent Director | Board Member - Consumark Limited-CONSUMARK |
| 11 | Mr. Faruq Ahmad Siddiqi Independent Director | Independent Director - Summit Power Limited Member (Rating Committee) - Credit Rating Agency of Bangladesh Ltd. (CRAB) |
| 12 | Mr. Syed Mahbubur Rahman Managing Director & CEO | Chairman - Industrial & Infrastructure Development Finance Company Limited (IIDFC) Vice Chairman - Primary Dealers Bangladesh Limited (PDBL) Director LIC of Bangladesh Ltd. Vice Chairman (Fully owned subsidiary of MTB) - MTB Securities Limited (MTBSL) - MTB Capital Limited (MTBCL) Trustee Member - HAEFA Bangladesh Member - Prothom Alo Trust Treasurer - CSR Centre |


Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited




Mohammad Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka.


Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited

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Malik Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka.

Mutual Trust Bank Limited
Consolidated Financial Highlights
As at 30 September 2022

Annexure - F
 BDT in Million

| Sl. No. | Items | September'2022 | 2021 and 30 Sep'21 |
|---------|--|----------------|--------------------|
| 1 | Paid up Capital | 8,937.45 | 8,124.96 |
| 2 | Total Capital (Tier-1 & 2) | 32,532.63 | 30,343.20 |
| 3 | Surplus/ (Shortage) Capital | 9,974.83 | 9,279.61 |
| 4 | Total Asset | 335,852.65 | 306,500.93 |
| 5 | Total Deposit | 222,750.38 | 211,782.43 |
| 6 | Total Loans and Advances | 249,934.98 | 226,011.57 |
| 7 | Total Contingent Liabilities | 149,792.50 | 132,011.35 |
| 8 | Lending-Deposit Ratio | 84.86% | 82.42% |
| 9 | Classified Loans as Percentage (%) of Total Loans and Advances | 5.58% | 5.80% |
| 10 | Profit after Provision and Tax | 2,233.20 | 974.47 |
| 11 | Total Classified Loans and Advances | 13,954.78 | 13,107.02 |
| 12 | Total Provision Maintained against Classified Loans | 5,470.42 | 5,956.79 |
| 13 | Surplus/(Deficit) in Provision against Classified Loans | - | - |
| 14 | Cost of Fund | 6.99% | 6.48% |
| 15 | Earning Assets | 285,592.79 | 262,313.68 |
| 16 | Non-Interest Earning Assets | 50,259.87 | 44,187.25 |
| 17 | Return on Investments (ROI) | 6.57% | 8.73% |
| 18 | Return on Asset (ROA) | 0.93% | 1.03% |
| 19 | Income from Investment | 2,341.53 | 2,469.77 |
| 20 | Earnings Per Share (BDT) | 2.50 | 1.09 |
| 21 | Operating Profit Per Share (BDT) | 8.22 | 6.29 |
| 22 | Price-Earning Ratio (Times) | 4.98 | 5.36 |


 Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited



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 Mohammed Mazum Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


 Syed Mahabubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited


 Mark Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka.

Mutual Trust Bank Limited
Financial Highlights
As at 30 September 2022

Annexure - F (I)
BDT in Million

| SL.No. | Items | September 2022 | 2021 and 30 Sep'21 |
|--------|--|----------------|--------------------|
| 1 | Paid up Capital | 8,937.45 | 8,124.96 |
| 2 | Total Capital (Tier-1 & 2) | 32,156.54 | 29,443.04 |
| 3 | Surplus/(shortage) Capital | 9,987.31 | 8,652.05 |
| 4 | Total Assets | 333,446.33 | 304,742.53 |
| 5 | Total Deposits | 223,667.75 | 212,956.94 |
| 6 | Total Loans and Advances | 247,015.27 | 222,924.20 |
| 7 | Total Contingent Liabilities | 149,792.50 | 132,011.35 |
| 8 | Lending-Deposit Ratio | 5.65% | 82.42% |
| 9 | Classified Loans as Percentage (%) of Total Loans and Advances | 5.65% | 5.88% |
| 10 | Profit after Provision and Tax | 2,072.16 | 844.71 |
| 11 | Total Classified Loans and Advances | 13,954.78 | 13,107.02 |
| 12 | Total Provision Maintained against Classified Loans | 5,470.42 | 5,956.79 |
| 13 | Surplus/(Deficit) in Provision against Classified Loans | - | - |
| 14 | Cost of Fund | 6.99% | 6.48% |
| 15 | Earning Assets | 280,262.71 | 257,333.63 |
| 16 | Non-Interest Earning Assets | 53,183.62 | 47,408.90 |
| 17 | Return on Investments (ROI) | 6.53% | 8.36% |
| 18 | Return on Asset (ROA) | 0.87% | 1.02% |
| 19 | Income from Investment | 2,228.84 | 2,281.93 |
| 20 | Earnings Per Share (BDT) | 2.32 | 0.95 |
| 21 | Operating Profit Per Share (BDT) | 7.64 | 5.41 |
| 22 | Price-Earning Ratio (Times) | 5.37 | 5.46 |

Mohammad Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Syed Mahbubur Rahmar
Managing Director & CEO
Mutual Trust Bank Limited



Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mark Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Mutual Trust Bank Limited
Segment Report
Consolidated Balance Sheet
As at 30 September 2022

| Particulars | Bank | | | | | | Subsidiaries | | | | Amount in BDT | |
|---|------------------------|-----------------------|----------------------|----------------------|------------------------|----------------------|--------------------|-------------------|----------------------|-----------------------------|------------------------|--|
| | Main Operation | OBU | IBB | Elimination | Solo | MTBSL | MTBCL | MTS Exchange (UK) | Elimination | September 2022 Consolidated | 2021 Consolidated | |
| PROPERTY AND ASSETS | | | | | | | | | | | | |
| Cash In Hand (With Bangladesh Bank and its agent Bank) | 15,108,032,057 | | 532,342,882 | | 15,640,374,940 | 10,254,162 | 2,507 | 2,326,875 | | 15,652,958,483 | 14,815,134,487 | |
| Balance with other Banks & Financial Institutions | 3,332,285,704 | 15,468,182 | 1,550,000,000 | | 4,897,751,886 | 959,900,275 | 28,488,445 | - | 917,372,053 | 5,008,768,553 | 3,965,379,148 | |
| Money at Call and Short Notice | - | | | | | | | | | | 200,000,000 | |
| Investments | 44,760,368,729 | | 519,980,000 | | 45,280,348,729 | 1,835,790,580 | 463,601,200 | | | 47,579,700,509 | 47,417,389,858 | |
| Loans and Advances | 219,262,761,806 | 25,057,416,776 | 2,685,093,573 | | 247,015,272,155 | 3,218,775,263 | 427,111,527 | | 726,176,877 | 249,934,982,967 | 226,011,574,670 | |
| Fixed Asset including Premises, Furniture & Fixture | 5,162,622,722 | | 25,394,550 | | 5,188,017,272 | 182,730,473 | 13,135,952 | | | 5,384,883,698 | 5,394,493,735 | |
| Other Assets | 21,883,904,371 | 1,188,407,904 | 422,494,921 | 8,091,241,256 | 15,423,565,940 | 397,062,401 | 34,087,700 | | 3,563,357,333 | 12,291,358,707 | 8,096,559,252 | |
| Non-Banking Assets | | | | | | | | | | | | |
| Total Property and Assets | 309,519,975,389 | 26,271,290,862 | 5,746,305,927 | 8,091,241,256 | 333,446,330,921 | 6,644,473,554 | 986,427,331 | 2,326,875 | 5,286,966,263 | 335,852,652,018 | 306,500,925,149 | |
| LIABILITIES AND CAPITAL | | | | | | | | | | | | |
| Borrowing from other Banks, Financial Institutions & Agents | 26,843,313,818 | 25,510,062,570 | | 7,718,607,880 | 44,634,768,507 | 436,489,560 | 289,676,917 | | 726,176,877 | 44,634,768,507 | 35,205,781,006 | |
| Deposits and Other Accounts | 218,108,301,468 | 3,750,518 | 5,555,697,688 | | 223,667,748,675 | | | | 917,372,053 | 222,750,377,622 | 211,762,425,789 | |
| Provision & Other Liabilities | 31,617,234,823 | 757,477,774 | 190,608,238 | 372,633,376 | 32,192,767,459 | 2,633,489,449 | 264,087,716 | 31,952,164 | 34,961,533 | 35,087,375,255 | 27,257,811,801 | |
| Bonds | 11,600,000,000 | | | | 11,600,000,000 | | | | | 11,600,000,000 | 12,800,000,000 | |
| Total Liabilities | 288,168,950,109 | 26,271,290,862 | 5,746,305,927 | 8,091,241,256 | 312,095,305,642 | 3,069,989,009 | 553,774,634 | 31,982,164 | 1,678,510,463 | 314,972,521,285 | 286,946,018,576 | |
| Total Shareholders' Equity | 21,351,025,279 | | | | 21,351,025,279 | 3,574,483,745 | 412,652,687 | | 3,528,395,800 | 21,780,130,633 | 19,654,908,573 | |
| Total Liabilities and Shareholders' Equity | 309,519,975,389 | 26,271,290,862 | 5,746,305,927 | 8,091,241,256 | 333,446,330,921 | 6,644,473,554 | 986,427,331 | 2,326,875 | 5,286,966,263 | 335,852,652,018 | 306,500,925,149 | |

Mohammad Masum Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mark Montasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Mutual Trust Bank Limited
Segment Report
Consolidated Profit and Loss Account (Un Audited)
For the Period ended 30 September 2022

| Particulars | Bank | | | | | | Subsidiaries | | | | Amount in BDT | |
|---|-----------------------|-------------------|-------------------|-------------|-----------------------|--------------------|-------------------|-------------------|-------------|---------------------------------|----------------------|--|
| | Main Operation | OBU | IBB | Elimination | Solo | MTBSL | MTBCL | MTB Exchange (UK) | Elimination | 01 January to 30 September 2022 | Consolidated | |
| | | | | | | | | | | 01 January to 30 September 2021 | Consolidated | |
| Interest income/profit on investments | 10,937,067,436 | 810,743,188 | 130,255,574 | 299,489,613 | 11,568,576,585 | 170,387,044 | 36,242,683 | - | 38,660,680 | 11,736,545,632 | 10,655,996,831 | |
| Interest paid/profit shared on deposits and borrowings etc. | 7,581,043,949 | 730,238,725 | 127,772,954 | 299,489,613 | 8,139,566,015 | 23,049,447 | 15,611,233 | - | 38,660,680 | 8,139,566,015 | 6,698,651,586 | |
| Net Interest Income | 3,356,023,487 | 80,504,463 | (7,517,379) | - | 3,428,010,571 | 147,337,597 | 20,631,450 | - | - | 3,596,979,617 | 3,957,345,245 | |
| Investment Income | 2,209,333,429 | - | 19,508,595 | - | 2,228,842,023 | 90,533,515 | 22,153,944 | - | - | 2,341,529,462 | 2,469,766,467 | |
| Commission, Exchange and Brokerage | 5,685,727,632 | - | 30,074,100 | - | 5,715,801,732 | 211,032,626 | - | - | - | 5,926,834,358 | 1,675,488,034 | |
| Other Operating Income | 645,175,003 | - | 3,537,664 | - | 648,712,668 | 10,962,316 | 10,546,931 | - | - | 670,161,935 | 598,439,554 | |
| Total Operating Income | 11,896,259,551 | 80,504,463 | 45,603,000 | - | 12,022,367,014 | 459,806,054 | 53,332,325 | - | - | 12,535,505,392 | 8,701,037,400 | |
| Salary and Allowances | 3,153,797,085 | - | 130,817 | - | 3,153,797,085 | 72,668,503 | 9,202,383 | - | - | 3,235,667,971 | 2,630,802,507 | |
| Rent, Tax, Insurance and Electricity | 556,481,175 | - | 130,817 | - | 556,611,992 | 18,587,211 | 303,563 | - | - | 575,502,766 | 491,993,257 | |
| Legal Expense | 775,102 | - | - | - | 775,102 | - | - | - | - | 775,102 | 1,456,362 | |
| Postage, Stamps and Telephone | 28,171,817 | - | 590,588 | - | 26,762,406 | 242,830 | 62,810 | - | - | 27,068,046 | 11,440,447 | |
| Printing, Stationery and Advertisement | 96,887,273 | - | 1,328,296 | - | 98,215,569 | 1,870,513 | 184,490 | - | - | 100,270,572 | 77,735,096 | |
| Chief Executive's salary and fees | 20,499,936 | - | - | - | 20,499,936 | - | - | - | - | 20,499,936 | 19,786,145 | |
| Directors' Fee | 1,355,200 | - | 70,400 | - | 1,425,600 | 475,200 | 429,333 | - | - | 2,330,133 | 1,415,200 | |
| Audit Fee | - | - | - | - | - | - | - | - | - | - | 422,553 | |
| Depreciation on and Repair to Bank's Property | 746,486,866 | - | 3,136,275 | - | 749,623,141 | 4,393,552 | 1,438,049 | - | - | 755,455,642 | 581,663,772 | |
| Other Expenditure | 2,276,175,692 | 13,205,483 | 2,469,260 | - | 2,291,850,435 | 14,443,632 | 4,445,583 | - | - | 2,310,739,651 | 1,951,797,937 | |
| Total Operating Expenses | 8,878,630,146 | 13,205,483 | 7,725,637 | - | 8,899,561,266 | 112,681,441 | 16,067,111 | - | - | 9,028,309,818 | 4,888,453,276 | |
| Profit Before Provision | 5,017,629,404 | 67,298,980 | 37,877,363 | - | 5,122,805,746 | 347,124,612 | 37,265,214 | - | - | 5,507,195,574 | 3,802,584,124 | |
| General Provision | - | - | - | - | 1,318,354,109 | - | - | - | - | 1,318,354,109 | 37,794,050 | |
| Special General Provision-COVID-19 | - | - | - | - | - | - | - | - | - | - | - | |
| Specific Provision | - | - | - | - | - | - | - | - | - | - | - | |
| OT Balance Sheet Items | - | - | - | - | 420,418,101 | - | - | - | - | 420,418,101 | 869,648,693 | |
| Margin Loan & Investment in Shares | - | - | - | - | 150,622,565 | - | - | - | - | 150,622,565 | 268,862,169 | |
| Other Asset | - | - | - | - | 45,000,000 | 120,000,000 | 12,000,000 | - | - | 177,000,000 | 286,000,000 | |
| Total Provision | - | - | - | - | 50,000,000 | - | - | - | - | 50,000,000 | 19,000,000 | |
| Profit Before Tax | 1,884,394,775 | 120,000,000 | 120,000,000 | - | 2,124,394,775 | 227,124,612 | 25,265,214 | - | - | 2,116,394,775 | 1,501,134,912 | |
| Income Tax Expenses | 236,410,373 | - | - | - | 236,410,373 | 82,327,333 | 9,025,131 | - | - | 3,390,800,799 | 2,331,449,212 | |
| Net Profit After Tax | 1,647,984,402 | 120,000,000 | 120,000,000 | - | 1,884,394,775 | 144,797,280 | 16,240,082 | - | - | 1,157,602,513 | 1,356,983,460 | |
| | | | | | | | | | | | 974,465,752 | |



Muhammad Nazim Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Syed Mahubur Rahma
Managing Director & CEO
Mutual Trust Bank Limited

Mehnaz Tasnim Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mutual Trust Bank Limited
Off Shore Banking Unit (OBU)
Balance Sheet
As at 30 September 2022

| | Notes | 30 September 2022 | | | | 2021 | | | |
|--|-------|--------------------|-----------------------|-------------------|----------------------|--------------------|-----------------------|------------------|--------------------|
| | | USD | BDT | EURO | BDT | USD | BDT | EURO | BDT |
| Property and Assets | | | | | | | | | |
| Cash | | - | - | - | - | - | - | - | - |
| In hand (including foreign currencies) | | - | - | - | - | - | - | - | - |
| Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies) | | - | - | - | - | - | - | - | - |
| Balance with other banks and financial institutions | 3 | 148,477 | 14,915,547 | 5,583 | 550,638 | 577,345 | 49,536,232 | 407 | 39,594 |
| In Bangladesh | | - | - | - | - | - | - | - | - |
| Outside Bangladesh | | 148,477 | 14,915,547 | 5,583 | 550,638 | 577,345 | 49,536,232 | 407 | 39,594 |
| Loans and advances | 4 | 229,162,430 | 23,329,179,655 | 17,524,027 | 172,827,110 | 265,619,987 | 22,789,336,895 | 2,182,869 | 212,574,332 |
| Loans, cash credits, overdrafts etc. | | 226,784,787 | 23,093,177,366 | 17,524,027 | 172,827,110 | 259,941,668 | 22,303,012,303 | 2,182,869 | 212,574,332 |
| Bills purchased and discounted | | 2,317,643 | 236,002,300 | - | - | 5,668,119 | 486,324,593 | - | - |
| Fixed assets including premises, furniture and fixtures | | - | - | - | - | - | - | - | - |
| Other assets | 5 | 9,714,727 | 989,237,018 | 2,120,957 | 209,170,886 | 1,744,320 | 149,862,620 | - | - |
| Non-banking assets | | - | - | - | - | - | - | - | - |
| Total assets | | 238,963,633 | 24,333,332,231 | 19,650,568 | 1,837,958,631 | 267,931,652 | 22,988,535,748 | 2,183,276 | 212,613,926 |
| Liabilities and Capital | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Borrowings from other banks, financial institutions and a/c | 6 | 233,628,984 | 23,790,112,330 | 17,440,000 | 1719,050,240 | 262,790,063 | 22,547,387,417 | 2,175,681 | 211,874,366 |
| Deposits and other accounts | 7 | 36,832 | 3,750,518 | - | - | 268,406 | 23,029,238 | - | - |
| Current deposits & Other Accounts | | 36,832 | 3,750,518 | - | - | - | - | - | - |
| Bills payable | | - | - | - | - | - | - | - | - |
| Savings bank deposits | | - | - | - | - | - | - | - | - |
| Term deposits | | - | - | - | - | 268,406 | 23,029,238 | - | - |
| Bearer certificate of deposit | | - | - | - | - | - | - | - | - |
| Other liabilities | 8 | 5,297,818 | 539,459,383 | 2,210,568 | 218,004,391 | 4,873,183 | 418,119,093 | 7,594 | 739,560 |
| Total liabilities | | 239,963,633 | 24,333,332,231 | 19,650,568 | 1,837,958,631 | 267,931,652 | 22,988,535,748 | 2,183,276 | 212,613,926 |
| Capital / Shareholders' equity | | | | | | | | | |
| Paid up capital | | - | - | - | - | - | - | - | - |
| Statutory reserve | | - | - | - | - | - | - | - | - |
| Foreign currency translation gain | | - | - | - | - | - | - | - | - |
| Other reserve | | - | - | - | - | - | - | - | - |
| Retained earnings | | - | - | - | - | - | - | - | - |
| Total Shareholders' equity | | - | - | - | - | - | - | - | - |
| Total Liabilities and Shareholders' equity | | 238,963,633 | 24,333,332,231 | 19,650,568 | 1,837,958,631 | 267,931,652 | 22,988,535,748 | 2,183,276 | 212,613,926 |
| Off-Balance Sheet Items | | | | | | | | | |
| Contingent liabilities | | | | | | | | | |
| Acceptances and endorsements | 9 | - | - | - | - | - | - | - | - |
| Letters of guarantee | | - | - | - | - | - | - | - | - |
| Irrevocable letters of credit | | - | - | - | - | - | - | - | - |
| Bills for collection | | - | - | - | - | - | - | - | - |
| Other contingent liabilities | | - | - | - | - | - | - | - | - |
| Other commitments | | | | | | | | | |
| Documentary credits and short term trade-related transactions | | - | - | - | - | - | - | - | - |
| Forward assets purchased and forward deposits placed | | - | - | - | - | - | - | - | - |
| Undrawn note issuance and revolving underwriting facilities | | - | - | - | - | - | - | - | - |
| Undrawn formal standby facilities, credit lines and other commitments | | - | - | - | - | - | - | - | - |
| Liabilities against forward purchase and sale | | - | - | - | - | - | - | - | - |
| Other commitments | | - | - | - | - | - | - | - | - |
| Total Off-Balance Sheet exposures including contingent liabilities | | - | - | - | - | - | - | - | - |

Mohammad Nazmul Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited



Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited

Melik Montasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Mutual Trust Bank Limited
Off Shore Banking Unit (OBU)
Profit and Loss Account
For the Period ended 30 September 2022

| Particulars | Notes | 01 January to 30 September 2022 | | | | 01 January to 30 September 2021 | |
|---|-------|---------------------------------|-------------------|---------------|------------------|---------------------------------|--------------------|
| | | USD | BDT | EUR | BDT | USD | BDT |
| Interest income | 10 | 8,644,746 | 786,314,872 | 254,285 | 24,428,317 | 6,510,526 | 552,935,097 |
| Less: Interest on deposits, borrowings, etc. | 11 | 7,856,124 | 714,582,882 | 162,969 | 15,655,862 | 4,777,568 | 405,755,951 |
| Net Interest Income | | 788,622 | 71,732,009 | 91,316 | 8,772,454 | 1,732,959 | 147,179,147 |
| Commission, exchange, etc. | | - | - | - | - | - | - |
| Other operating income | 12 | - | - | - | - | - | - |
| Total Operating Income (A) | | 788,622 | 71,732,009 | 91,316 | 8,772,454 | 1,732,959 | 147,179,147 |
| Salaries and allowances | | - | - | - | - | - | - |
| 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 | 13 | 142,872 | 12,995,448 | 2,188 | 210,035 | 141,922 | 12,053,340 |
| Total operating expenses (B) | | 142,872 | 12,995,448 | 2,188 | 210,035 | 141,922 | 12,053,340 |
| Profit / (loss) before provision (C=A-B) | | 645,750 | 58,736,561 | 89,130 | 8,562,419 | 1,591,037 | 135,125,807 |
| Provision for loans and advances / Investments | | - | - | - | - | - | - |
| Specific provision | | - | - | - | - | - | - |
| General provision | | - | - | - | - | - | - |
| Provision for diminution in value of investments | | - | - | - | - | - | - |
| Other provision | | - | - | - | - | - | - |
| Total provision (D) | | - | - | - | - | - | - |
| Total profit / (loss) before taxes (C-D) | | 645,750 | 58,736,561 | 89,130 | 8,562,419 | 1,591,037 | 135,125,807 |
| Provision for taxation | | - | - | - | - | - | - |
| Current tax | | - | - | - | - | - | - |
| Deferred tax | | - | - | - | - | - | - |
| Net profit / (loss) after taxation | | 645,750 | 58,736,561 | 89,130 | 8,562,419 | 1,591,037 | 135,125,807 |
| Retained earnings brought forward from previous years | | - | - | - | - | - | - |
| | | 645,750 | 58,736,561 | 89,130 | 8,562,419 | 1,591,037 | 135,125,807 |



Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited



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Syed Mahbubur Rahman
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 Mutual Trust Bank Limited


Md. Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


Md. Muntasir Reza
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Mutual Trust Bank Limited
Off Shore Banking Unit (OBU)
Notes to the Financial Statements
For the Period ended 30 September 2022

1.00 Status of the unit

The Bank obtained the Off-shore Banking Unit ("the Unit") permission vide letter No. BRPD(P-3)/744(135)/2009-4470 dated December 3, 2009. The Bank commenced operation of this unit from December 07, 2009. The Off-shore Banking Unit is governed under the rules and guidelines of the Bangladesh Bank. Its office is located at 26, MTB Centre, Gulshan South Avenue, Gulshan Circle 1, Dhaka 1212.

1.10 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 Off-shore Banking Unit maintains its accounting records in USD from which accounts are prepared according to the Bank Companies Act, 1991, International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs) and other applicable directives issued by The Bangladesh Bank, in particular, Banking regulations and policy department (BRPD) Circular No. 14 dated 25 June 2003.

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 recognised 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 Taka using the ruling exchange rates on the dates of respective transactions as per IAS-21 "The Effects of Changes in Foreign Exchange Rates". The financial statements of the Unit are presented in US Dollar (USD) and Bangladesh Taka where USD is the functional currency and Taka are the Unit's presentation currency. Entity's functional currency is Bangladesh Taka.

Foreign currency transactions are recorded in the presentation currency using the rate of exchange at average rate of inter-bank market as determined by The Bangladesh Bank on the closing date of every month. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange ruling at the balance sheet date.

2.40 Reporting period

These financial statements cover from 01 January 2022 to 30 September 2022.

2.50 Loans and advances / investments

a) Loans and advances of Off-shore 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 recognised 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 IFRS-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, rates 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 101.826 & EURO =Taka 98.6210 (closing rate as at 30 September 2022) and BDT 90.8587 & 96.0666 (average rate which represents at 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.

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 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


 Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited

Annexure-H

| | 30 September 2022 | | | | 2021 | | | |
|---|--------------------|-----------------------|-------------------|----------------------|--------------------|-----------------------|------------------|--------------------|
| | USD | BDT | EURO | BDT | USD | BDT | EURO | BDT |
| 3.00 Balance with other banks and financial institutions | | | | | | | | |
| In Bangladesh | - | - | - | - | - | - | - | - |
| Outside Bangladesh | 146,477 | 14,915,547 | 5,93 | 59,636 | 577,345 | 49,536,232 | 407 | 39,594 |
| | 146,477 | 14,915,547 | 5,93 | 59,636 | 577,345 | 49,536,232 | 407 | 39,594 |
| 4.00 Loans and advances | | | | | | | | |
| I) Loans, cash credits, overdrafts etc. | | | | | | | | |
| Term Loan | 20,658,378 | 2,103,613,878 | - | - | 23,907,558 | 2,651,268,541 | - | - |
| Usance Payable at Sight (UPAS) | 206,126,409 | 20,889,563,687 | 17,524,017 | 1,728,237,110 | 236,934,310 | 20,251,743,762 | 2,182,869 | 212,574,332 |
| | 226,784,787 | 23,093,177,565 | 17,524,017 | 1,728,237,110 | 269,841,868 | 22,303,012,303 | 2,182,869 | 212,574,332 |
| II) Bills purchased and discounted | | | | | | | | |
| Payable Inside Bangladesh | 2,317,643 | 236,002,300 | - | - | 5,668,118 | 486,324,529 | - | - |
| Inland Documentary bills purchased | - | - | - | - | - | 64 | - | - |
| Foreign Documentary bills purchased | - | - | - | - | - | - | - | - |
| | 2,317,643 | 236,002,300 | - | - | 5,668,118 | 486,324,593 | - | - |
| Payable Outside Bangladesh | - | - | - | - | - | - | - | - |
| | 229,102,430 | 23,329,179,865 | 17,524,017 | 1,728,237,110 | 265,609,987 | 22,789,336,896 | 2,182,869 | 212,574,332 |

| | USD | BDT | EURO | BDT | USD | BDT | EURO | BDT |
|---|--------------------|-----------------------|-------------------|----------------------|--------------------|-----------------------|------------------|--------------------|
| 4.01 Loans and Advances to Industries | | | | | | | | |
| Auto Mobile Service Including CNG Conversion Centre | - | - | - | - | 861,586 | 73,924,068 | - | - |
| Light Engineering and Metal-Workshop | 167,474 | 17,053,692 | - | - | 136,410 | 11,701,963 | - | - |
| Residential Hotels (Including 3Star & Above) | 599,828 | 61,079,595 | - | - | 767,772 | 65,874,810 | - | - |
| Satellite Cable Operator | 48,600 | 4,948,870 | - | - | 39,304 | 3,372,309 | - | - |
| Agro-Base Industry | 107,975 | 10,994,896 | 640,663 | 63,182,851 | 570,725 | 48,968,223 | 68,717 | 6,591,843 |
| Battery Manufacturing Industries | 2,807,063 | 285,841,331 | - | - | 2,724,632 | 233,773,449 | - | - |
| Beverage and Soft Drinks Manufacturing Companies | 171,007 | 17,413,358 | - | - | 117,151 | 10,061,559 | - | - |
| Bricks & Sand Factories | - | - | - | - | 585,341 | 58,945,200 | - | - |
| Cement Factories | 8,290,712 | 844,231,806 | 6,125,226 | 604,071,332 | 9,819,659 | 825,366,738 | 267,629 | 26,062,500 |
| Ceramic Industries | 2,821,544 | 287,313,903 | 30,911 | 3,056,048 | 2,640,341 | 226,541,267 | 233,542 | 22,743,052 |
| Chemical & Chemical Products (Other than Fertilizer) | 2,288,904 | 233,075,861 | - | - | 480,591 | 41,234,738 | - | - |
| Construction Companies | 19,478,153 | 1,983,433,090 | - | - | 17,635,089 | 1,530,250,642 | - | - |
| Edible Oil Mills | - | - | 100,738 | 9,934,672 | 1,642,222 | 89,422,647 | - | - |
| Electricity Companies | 2,370,532 | 241,387,980 | 108,398 | 10,690,121 | 2,863,863 | 245,719,453 | - | - |
| Electronic Goods Manufacturing/Assembling Industries (TV, Comp) | 14,358,677 | 1,462,123,985 | 38,765 | 3,821,043 | 19,779,210 | 1,697,056,227 | - | - |
| Exporter | - | - | - | - | 1,085,520 | 93,137,580 | - | - |
| Fertilizer Company | 136,352 | 13,884,515 | - | - | 100,356 | 8,610,573 | - | - |
| Fish Feed and Fish Meal Processing for Poultry and Livestock | 2,870,877 | 292,337,383 | 62,709 | 6,184,401 | 9,173,749 | 787,107,656 | 47,263 | 4,602,656 |
| Food Processing Inds. (Including Agro-Based Inds.) | 1,706,501 | 173,770,616 | 469,109 | 46,264,038 | 15,377,394 | 1,318,380,447 | 392,806 | 38,252,657 |
| Garments Accessories Manufacturing Industries (Zipper, Button Et) | 4,566,527 | 465,003,035 | 612,556 | 60,419,880 | 9,063,567 | 777,655,802 | 22,781 | 2,218,456 |
| Garments Factories | 18,261,679 | 1,855,904,044 | 234,728 | 23,148,062 | 10,324,917 | 885,877,912 | 37,591 | 3,680,713 |
| Glass & Glassware Products Factories | 1,246,076 | 126,886,193 | 1,875,000 | 18,914,375 | 2,244,918 | 192,813,937 | - | - |
| Hospitals & Clinics | 468,602 | 47,737,407 | - | - | 1,063,465 | 91,245,304 | - | - |
| Housing Companies/ Societies | 52,259 | 5,321,473 | - | - | 99,720 | 8,555,992 | - | - |
| Importer | 5,435,894 | 555,366,094 | - | - | 7,232,867 | 620,579,967 | - | - |
| Importer & Exporter | 19,385,228 | 1,971,934,091 | 43,474 | 4,287,817 | 600,131 | 51,491,257 | 37,392 | 3,641,378 |
| Jute Mills | 469,959 | 46,938,832 | - | - | 3,807,596 | 308,531,757 | - | - |
| Leather & Leather Products Manf. Industries | 193,731 | 20,236,490 | - | - | 149,193 | 12,800,783 | - | - |
| LP Gas Companies | 3,148,802 | 320,434,433 | - | - | 1,134,280 | 97,321,206 | - | - |
| Manufacturing of Electrical Equipments & Spares (Cables, Bulbs, Sw) | 8,907,271 | 703,357,751 | 3,525,750 | 307,713,037 | 6,915,302 | 593,332,942 | 784,207 | 78,368,385 |
| Manufacturing of Transport Equipments | - | - | - | - | - | - | - | - |
| Milk Processing Industries | 1,448,856 | 147,534,889 | - | - | 5,826,439 | 499,908,428 | - | - |
| Other Agro Based Industries | 198,450 | 20,207,898 | - | - | 224,034 | 19,222,084 | 50,072 | 4,876,186 |
| Others (Commerce & Trade) | 570,799 | 58,123,848 | - | - | 771,924 | 66,231,069 | - | - |
| Others Factories | 1,350,911 | 137,561,342 | - | - | 1,351,485 | 115,957,440 | - | - |
| Packaging Industries Including Paper Boards | 3,205,355 | 326,396,814 | - | - | 4,701,874 | 403,420,799 | - | - |
| Paper & Paper Products Manf. Industries | - | - | - | - | - | - | - | - |
| Pharmaceuticals Industries | 6,813,608 | 693,820,130 | 719,717 | 70,979,299 | 12,568,361 | 1,078,365,344 | 164,226 | 15,982,867 |
| Polymer and Polythene Industries | 3,876,182 | 374,340,485 | 128,344 | 12,657,394 | 9,291,917 | 797,246,514 | - | - |
| Poultry Farmers | - | - | 137,171 | 13,527,914 | 384,528 | 32,992,544 | - | - |
| Printing & Dyeing Industries | 22,422,840 | 2,283,288,360 | 69,126 | 6,817,549 | 8,287,277 | 711,048,345 | - | - |
| Processing of Bread and Biscuits, Vermicelli, Lachha, Chanachur, M) | - | - | - | - | - | - | - | - |
| Residential Hotels (Including 3star & Above) | - | - | - | - | - | - | - | - |
| Rubber & Plastic Industries | 4,147,326 | 422,316,381 | 11,461 | 1,130,306 | 4,788,999 | 410,896,145 | - | - |
| Satellite Cable Operator | - | - | - | - | - | - | - | - |
| Ship Building Industries | 791,874 | 80,615,088 | - | - | 642,739 | 72,306,930 | - | - |
| Spinning Mills | 946,948 | 96,426,225 | 11,371 | 1,121,380 | 4,737,984 | 406,519,046 | 76,640 | 7,463,410 |
| Steel Engg & Metallic Products Industries | 21,849,094 | 2,224,862,667 | - | - | 28,934,168 | 2,310,950,774 | - | - |
| Sugar Mills | - | - | - | - | 1,542,305 | 132,329,747 | - | - |
| TELEPHONE COMPANIES | 3,087,271 | 314,372,506 | 1,975,684 | 194,843,968 | - | - | - | - |
| Textile Mills | 7,630,396 | 797,358,275 | 579,333 | 57,134,399 | 18,822,151 | 1,443,340,553 | - | - |
| Tobacco Processing Industries | 1,768,665 | 180,100,645 | - | - | 954,396 | 81,887,203 | - | - |
| Weaving Mills | 12,001,499 | 1,222,095,808 | - | - | 14,052,762 | 1,205,726,956 | - | - |
| Whole Sale Traders | 19,747,827 | 2,010,963,775 | - | - | 21,028,209 | 1,804,220,358 | - | - |
| Wood & Wood Products Manf. Industries | 890,185 | 90,646,341 | - | - | 2,161,051 | 185,418,151 | - | - |
| | 229,102,430 | 23,329,179,865 | 17,524,027 | 1,728,237,110 | 265,609,987 | 22,789,336,896 | 2,182,869 | 212,574,332 |

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Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Annexure-H

| | 30 September 2022 | | | | 2021 | | | |
|--|--------------------|-----------------------|-------------------|----------------------|--------------------|-----------------------|------------------|--------------------|
| | USD | BDT | EUR | BDT | USD | BDT | EUR | BDT |
| 4.02 Classification of Loans and Advances including bill discounted | | | | | | | | |
| Unclassified (UC): | | | | | | | | |
| Standard | 228,102,430 | 23,329,179,666 | 17,524,007 | 1,728,237,110 | 265,609,987 | 22,789,336,896 | 2,182,869 | 212,574,332 |
| Special Mention Account (SMA) | - | - | - | - | - | - | - | - |
| Sub total | 228,102,430 | 23,329,179,666 | 17,524,007 | 1,728,237,110 | 265,609,987 | 22,789,336,896 | 2,182,869 | 212,574,332 |
| Classified: | | | | | | | | |
| Substandard | - | - | - | - | - | - | - | - |
| Doubtful | - | - | - | - | - | - | - | - |
| Bad & Loss | - | - | - | - | - | - | - | - |
| Sub total | - | - | - | - | - | - | - | - |
| Total | 228,102,430 | 23,329,179,666 | 17,524,007 | 1,728,237,110 | 265,609,987 | 22,789,336,896 | 2,182,869 | 212,574,332 |
| 4.04 Geographical Location wise Loans and Advances | | | | | | | | |
| Inside Bangladesh | | | | | | | | |
| Urban | | | | | | | | |
| Dhaka Division | 166,866,534 | 16,991,785,495 | 10,021,895 | 988,379,135 | 213,001,866 | 18,275,560,085 | 1,911,736 | 186,170,567 |
| Chittagong Division | 52,236,985 | 5,319,219,037 | 6,371,302 | 628,335,285 | 42,898,622 | 3,660,701,750 | - | - |
| Rajshahi Division | - | - | - | - | - | - | - | - |
| Khulna Division | - | - | - | - | - | - | - | - |
| Sylhet Division | 1,228,436 | 125,089,877 | 1,092,508 | 107,344,217 | 2,737,293 | 234,859,763 | - | - |
| Barisal Division | - | - | - | - | - | - | - | - |
| Rangpur Division | - | - | - | - | 894,307 | 76,731,527 | - | - |
| Mymensingh Division | - | - | - | - | - | - | - | - |
| Total | 220,331,954 | 22,434,004,409 | 17,485,704 | 1,724,458,637 | 268,532,888 | 22,267,853,125 | 1,911,736 | 186,170,567 |
| Rural | | | | | | | | |
| Dhaka Division | 5,408,661 | 550,755,424 | - | - | - | - | - | - |
| Chittagong Division | 1,731,820 | 178,348,812 | - | - | - | - | - | - |
| Rajshahi Division | 902,456 | 51,164,385 | - | - | 4,072,190 | 349,393,939 | - | - |
| Khulna Division | - | - | - | - | 224,034 | 19,222,094 | - | - |
| Sylhet Division | - | - | - | - | 927,722 | 79,598,578 | 107,902 | 10,507,866 |
| Barisal Division | 99,394 | 10,121,152 | - | - | 365,638 | 31,371,721 | 125,640 | 12,235,186 |
| Rangpur Division | 433,694 | 44,152,289 | - | - | 361,333 | 31,002,360 | - | - |
| Mymensingh Division | 594,550 | 60,542,194 | 38,301 | 3,718,473 | 126,982 | 10,895,079 | 37,591 | 3,660,713 |
| Total | 8,726,476 | 893,085,257 | 38,301 | 3,718,473 | 6,077,899 | 521,483,771 | 271,133 | 28,403,764 |
| Total | 229,102,430 | 23,329,179,666 | 17,524,007 | 1,728,237,110 | 265,609,987 | 22,789,336,896 | 2,182,869 | 212,574,332 |
| 5.00 Other Assets | | | | | | | | |
| Adjusting A/C Debit | 672,194 | 68,448,589 | - | - | 244,125 | 26,945,937 | - | - |
| Term Placement | 6,487,622 | 660,625,433 | - | - | 1,000,194 | 85,816,683 | - | - |
| Interest Receivable on Loans and Advances | 2,539,055 | 258,548,452 | 120,917 | 11,908,886 | - | - | - | - |
| Parking Account for Assets | 15,856 | 1,814,544 | 2,000,000 | 197,242,000 | 500,000 | 42,900,000 | - | - |
| Total | 9,714,727 | 989,237,018 | 2,120,917 | 209,119,886 | 1,744,320 | 149,662,620 | - | - |
| 6.00 Borrowings from other banks, financial institutions and agents | | | | | | | | |
| In Bangladesh | | | | | | | | |
| Bangladesh | 97,219,409 | 9,890,716,311 | 3,565,000 | 351,583,865 | 167,616,742 | 13,952,516,464 | 432,540 | 42,122,043 |
| Outside Bangladesh | 138,409,575 | 13,890,396,018 | 13,875,000 | 1,368,368,375 | 100,173,321 | 8,594,870,953 | 1,743,141 | 169,752,323 |
| Total | 233,628,984 | 23,790,112,330 | 17,440,000 | 1,719,952,240 | 267,790,063 | 22,547,387,417 | 2,175,681 | 211,874,366 |
| In Bangladesh: | | | | | | | | |
| Borrowing from Bank: | | | | | | | | |
| Bangladesh Bank | 2,419,409 | 246,365,031 | - | - | 2,668,742 | 228,806,464 | - | - |
| Mutual Trust Bank Limited | 75,800,000 | 7,718,607,880 | 3,565,000 | 351,583,865 | 82,450,000 | 7,874,210,000 | 432,540 | 42,122,043 |
| Other Bank | 19,000,000 | 1,934,743,400 | - | - | 77,500,000 | 6,849,500,000 | - | - |
| Total | 97,219,409 | 9,890,716,311 | 3,565,000 | 351,583,865 | 162,616,742 | 13,932,516,464 | 432,540 | 42,122,043 |
| Outside Bangladesh | | | | | | | | |
| 138,409,575 | 13,890,396,018 | 13,875,000 | 1,368,368,375 | 100,173,321 | 8,594,870,953 | 1,743,141 | 169,752,323 | |
| Total | 233,628,984 | 23,790,112,330 | 17,440,000 | 1,719,952,240 | 267,790,063 | 22,547,387,417 | 2,175,681 | 211,874,366 |
| Outside Bangladesh | | | | | | | | |
| AJMAN BANK | 10,000,000 | 1,018,286,000 | - | - | 5,000,000 | 429,000,000 | - | - |
| ALUBAF ARAB INTERNATIONAL BANK | - | - | - | - | 2,046,153 | 175,559,939 | - | - |
| AXIS BANK LIMITED | - | - | - | - | 2,000,000 | 171,600,000 | - | - |
| BANK MUSCAT SAOG | 13,000,000 | 1,323,771,800 | - | - | 5,000,000 | 429,000,000 | - | - |
| CARA BANK S.A | 3,000,000 | 305,485,800 | 10,875,000 | 1,072,503,375 | 10,000,000 | 858,000,000 | 1,743,141 | 169,752,323 |
| COMMERZBANK AG | 3,000,000 | 305,485,800 | - | - | 4,000,000 | 343,200,000 | - | - |
| CREDIT EUROPE BANK N.V. | 3,000,000 | 305,485,800 | - | - | - | - | - | - |
| DEG-DEUTSCHE INVESTITIONS | - | - | - | - | 2,000,000 | 171,600,000 | - | - |
| HABIB BANK LTD U.A.E | - | - | - | - | 3,500,000 | 300,300,000 | - | - |
| ICICI BANK LIMITED | 5,000,000 | 509,143,000 | - | - | 10,000,000 | 858,000,000 | - | - |
| INDUSIND BANK LTD | 3,500,000 | 356,400,100 | - | - | - | - | - | - |
| MASHREQBANK PSC (UAE) | 35,000,000 | 3,564,001,000 | - | - | - | - | - | - |
| NORFUND | 8,000,000 | 814,628,800 | - | - | 12,000,000 | 1,029,600,000 | - | - |
| SONALI BANK (UK) LTD | 4,909,575 | 499,935,118 | - | - | 11,127,168 | 954,711,014 | - | - |
| STANDARD CHARTERED BANK (HONG KONG) LTD | - | - | - | - | 5,000,000 | 429,000,000 | - | - |
| STANDARD CHARTERED BANK (SINGAPORE) LTD | 8,000,000 | 814,628,800 | - | - | - | - | - | - |
| STANDARD CHARTERED BANK (THAILAND) LTD | 5,000,000 | 509,143,000 | - | - | - | - | - | - |
| THE COMMERCIAL BANK (Q.S.C) | - | - | - | - | 10,000,000 | 858,000,000 | - | - |
| THE NATIONAL BANK OF RAS AL KHAIMAH | 18,000,000 | 1,832,914,800 | 3,000,000 | 295,863,000 | 16,500,000 | 1,415,700,000 | - | - |
| SICAV (LUX) MICRO AND SME FINANCE LEADERS | 2,250,000 | 229,114,350 | - | - | - | - | - | - |
| SICAV (LUX) AGRICULTURE FUND | 2,250,000 | 229,114,350 | - | - | - | - | - | - |
| GLOBAL MICRO AND SME FINANCE FUND | 5,250,000 | 534,800,150 | - | - | - | - | - | - |
| SICAV (LUX) MICRO AND SME FINANCE DEBT FUND | 5,250,000 | 534,800,150 | - | - | - | - | - | - |
| YES BANK LIMITED | 2,000,000 | 203,637,200 | - | - | 2,000,000 | 171,600,000 | - | - |
| Total | 136,409,575 | 13,890,396,018 | 13,875,000 | 1,368,368,375 | 100,173,321 | 8,594,870,953 | 1,743,141 | 169,752,323 |



Mutual Trust Bank Limited
Islamic Banking Branches
Balance Sheet
As at 30 September 2022

Annexure-I

Property and Assets

Cash

In Hand (including foreign currencies)
Balance with Bangladesh Bank and Its Agent Bank (s)
(including foreign currencies)

Balance with Other Banks and Financial Institutions
In Bangladesh
Outside Bangladesh

Placement with Banks and Other Financial Institution

Investments in Shares and Securities

Government
Others

Investments

General Investments etc.
Bills Purchased and Discounted

Fixed Assets Including Premises, Furniture and Fixtures

Other Assets

Non - banking Assets

Total Assets

Liabilities and Capital

Placement from Banks and Other Financial Institutions

Deposits and Other Accounts

Al-wadeeah Current Accounts and Other Deposit Accounts
Bills Payable
Mudaraba Savings Deposits
Mudaraba Term Deposits
Special Notice Deposit
Scheme Deposit product

Other Liabilities

Subordinated Bond

Total Liabilities

Capital / Shareholders' Equity

Paid up Capital
Statutory Reserve
General Reserve
Other Reserve
Retained Earnings

Total Shareholders' Equity

Total Liabilities and Shareholders' Equity

Off-Balance Sheet Items

Contingent Liabilities

Acceptances and Endorsements
Letters of Guarantee
Irrevocable Letters of Credit
Bills for Collection
Other Contingent Liabilities

Other Commitments

Total Off-Balance Sheet Exposures Including Contingent Liabilities

| Notes | 30 September 2022 | 2021 |
|-------|-------------------|---------------|
| | BDT | BDT |
| 3 | 532,342,882 | 134,526,666 |
| | 37,308,780 | 23,799,088 |
| | 495,034,102 | 110,727,578 |
| | - | - |
| | - | - |
| 4 | 1,550,000,000 | 1,090,000,000 |
| 5 | 519,980,000 | 419,980,000 |
| | 419,980,000 | 419,980,000 |
| | 100,000,000 | - |
| 6 | 2,695,093,573 | 344,915,845 |
| | 2,695,093,573 | 344,915,845 |
| | - | - |
| 7 | 26,394,550 | 28,612,325 |
| 8 | 422,494,921 | 309,618,273 |
| | - | - |
| | 5,746,305,927 | 2,327,653,109 |
| | - | - |
| 9 | 5,555,697,688 | 2,317,774,086 |
| | 226,269,189 | 43,011,475 |
| | 105,058 | 197,571 |
| | 556,949,818 | 534,328,487 |
| | 3,871,965,825 | 1,686,159,449 |
| | 596,027,393 | 26,885,671 |
| | 304,380,406 | 27,191,433 |
| 10 | 190,608,238 | 9,879,023 |
| | - | - |
| | 5,746,305,927 | 2,327,653,109 |
| | - | - |
| | - | - |
| | - | - |
| | - | - |
| | - | - |
| | 5,746,305,927 | 2,327,653,109 |
| | - | - |
| 11 | 5,218,478,291 | 524,209,589 |
| | 2,852,542,748 | 418,342,594 |
| | 11,081,020 | - |
| | 2,048,866,832 | 105,866,994 |
| | 305,987,691 | - |
| | - | - |
| | - | - |
| | 5,218,478,291 | 524,209,589 |


Md Nazmul Hossain, FCA
Chief Financial Officer
Mutual Trust Bank Limited
Head Office, Dhaka


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited




Manik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Annexure-I

Mutual Trust Bank Limited
Islamic Banking Branches
Profit and Loss Account
For the Period ended 30 September 2022

| Particulars | Notes | 01 January to | 01 January to |
|--|-------|--------------------|--------------------|
| | | 30 September 2022 | 30 September 2021 |
| | | BDT | BDT |
| Investment Income | 12 | 120,255,574 | 5,215,714 |
| Profit Paid on Deposits | 13 | 127,772,954 | 9,707,279 |
| Net Investment Income | | (7,517,379) | (4,491,566) |
| Income from Investments in Shares/Securities | 14 | 19,508,595 | 3,652,621 |
| Commission, Exchange and Brokerage | 15 | 30,074,100 | 485,418 |
| Other Operating Income | 16 | 3,537,684 | 92,302 |
| Total Other Income | | 53,120,379 | 4,230,340 |
| Total Operating Income (A) | | 45,603,000 | (261,225) |
| Less: Operating Expenses | | | |
| Salary and Allowances | 17 | - | - |
| Rent, Taxes, Insurance, Electricity, etc. | 18 | 130,817 | - |
| Legal Expenses | 19 | - | - |
| Postage, Stamp, Telecommunication, etc. | 20 | 590,588 | 11,500 |
| Stationery, Printing, Advertisements, etc. | 21 | 1,328,296 | 1,591,500 |
| Shariah Supervisory Committee's Fees & Expenses | 22 | 70,400 | - |
| Auditors' Fees | 23 | - | - |
| Depreciation and Repair of Bank's Assets | 24 | 3,136,275 | 27,100 |
| Zakat Expenses | 25 | - | - |
| Other Expenses | 26 | 2,469,260 | 801,373 |
| Total Operating Expenses (B) | | 7,725,637 | 2,431,473 |
| Profit/(Loss) before Provision (C=A-B) | | 37,877,363 | (2,692,698) |
| Provision for Investments | | | |
| Specific provision | | - | - |
| General provision | | - | - |
| Provision for off-balance sheet items | | - | - |
| Provision for Diminution in Value of Investments | | - | - |
| Other Provision | | - | - |
| Total Provision (D) | | - | - |
| Total profit / (loss) before taxes (C-D) | | 37,877,363 | (2,692,698) |

Mehtabul Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka.


 Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited

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 Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited


 Malik Muntasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Mutual Trust Bank Limited

Islamic Banking Branches

Notes to the Financial Statements

For the Period ended 30 September 2022

1.0 Status of the unit

MTB Board of Directors, in its 232th meeting on January 29, 2019, approved the proposal for introducing Islamic Banking Window. Subsequently, MTB applied for Bangladesh Bank's permission on February 11, 2019. The Bank obtained permission for initiating Islamic Banking operations from Bangladesh Bank vide Letter No. BRPD(P-3)745(51)/2019-9842 dated November 25, 2019. MTB Yaqeen Islamic Banking services were officially rolled out on February 22, 2021.

1.01 Principal activities/ Islamic Banking operation:

The operation of our Islamic Banking channel is completely separate from the Bank's conventional operation as the former operates its businesses on the basis of Islamic Shari'ah. Through the Islamic Banking channel, the Bank extends a wide range of Islamic Shari'ah compliant deposit products such as Al-Wadee'ah Current Accounts, Mudarabah Savings Accounts, Mudarabah Monthly Savings Schemes, Mudarabah Term Deposit Accounts (Retail and Institutional) and Investment/Financing products such as Musharakah (OD), Diminishing Musharakah, Bai-Murabahah, Bai Salam, Bai Istisna'a etc. An appropriate accounting system has also been implemented in order to further reinforce our emphasis on Shari'ah compliance. In a nutshell, we follow under noted accounting principles, run through a completely separate Islamic Core Banking System (ICBS) named 'Ababil-NG':

2.00 Significant accounting policies and basis of preparation of financial statements

2.01 Deposit Collection and Income Sharing Ratio (ISR) based Profit Distribution

Islamic Banking operation usually follows Al-Wadee'ah principle and Mudarabah principle for procuring deposit. The current accounts are operated under the 'Al-Wadee'ah Principle'. Under this principle, bank bears the risk of loss and therefore, enjoys the right to get the entire profit.

All other deposit products follow the Mudarabah principle, which refers to a partnership contract, where one party, known as Rab-ul-Maal, provides capital and the other party, known as Mudarib (entrepreneur) provides skill and manages the business, maintaining Shari'ah principles. Rab-ul-Maal cannot take part in the management of the business. Profit is shared as per pre-agreed ratio, while loss is borne by the Rab-ul-Maal on pro-rata basis.

The pre-agreed profit ratio is known as Income Sharing Ratio (ISR), which may vary based on the product type, tenure and amount. The ISR determines the portion of income for each type of depositor and the Bank. For example, the ISR of 75:25 would mean that 75% of distributable income is to be shared with the concerned depositors and the rest 25% to be shared with the Bank. The ISR between each type of Mudarabah depositors and the Bank (Mudarib) are duly disclosed at the time of Account opening and/or beginning of the concerned period. Profit rate is emerged at actual, as derived from the income fetched from deployment of the concerned fund. As such our rate of profit on deposit under Islamic Banking is nothing but a post facto expression of the respective agreed sharing ratios. Our profit rate is an output based on the Bank's earning on investment.

2.02 The ISR declared on Mudarabah deposit products for the year 2022

| Types of Mudarabah Deposit | | Distributable Investment | |
|----------------------------|---|--|-----------|
| | | Income Sharing Ratio (ISR) w.e.f. 01.08.2022 | |
| | | Client | Bank |
| 1 | Yaqeen Regular Savings Account | 10% - 28% | 90% - 72% |
| 2 | Yaqeen Privilege Savings Account | 24% - 35% | 76% - 65% |
| 3 | Yaqeen Banaat General Savings Account | 28% - 35% | 72% - 65% |
| 4 | Yaqeen Banaat Premium Savings Account | 35% | 65% |
| 5 | Yaqeen Short Notice Deposit (SND) Account | 20% - 37% | 80% - 63% |
| 6 | Yaqeen Junior & Student Account | 35% | 65% |
| 7 | Yaqeen Payroll Accounts | 31% - 34% | 69% - 66% |
| 8 | Yaqeen Asriya Scheme (Individual) | 86% - 95% | 14% - 05% |
| 9 | Yaqeen Asriya Scheme (Non-Individual) | 57% - 78% | 43% - 22% |
| 10 | Yaqeen Aghniya Scheme (Individual) | 55% - 90% | 45% - 10% |
| 11 | Yaqeen Mudarabah Term Deposit Account (Retail) | 21% - 82% | 79% - 18% |
| 12 | Yaqeen Mudarabah Term Deposit Account (Corporate Customers) | 17% - 55% | 83% - 45% |
| 13 | Yaqeen Monthly & Quarterly Profit Scheme | 71% - 78% | 29% - 22% |
| 14 | Yaqeen Banaat Term Deposit Account | 21% - 82% | 79% - 18% |
| 15 | Yaqeen Flexible & Monthly Savings Scheme | 71% - 92% | 29% - 08% |
| 16 | Yaqeen Hajj Scheme | 66% - 92% | 34% - 08% |
| 17 | Yaqeen Umrah Scheme | 60% - 90% | 40% - 10% |
| 18 | Yaqeen Sayyidah Savers Scheme | 83% - 92% | 17% - 08% |
| 19 | Yaqeen Marriage Deposit & Mahr Scheme | 85% - 91% | 15% - 09% |

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Mohammad Samiul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



Maik Munasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

| Types of Mudarabah Deposit | | Distributable Investment Income Sharing Ratio (ISR) w.e.f. 01.08.2022 | |
|----------------------------|--|--|-----------|
| | | Client | Bank |
| 20 | Yaqeen Mudarris Savings Scheme | 83% - 92% | 17% - 08% |
| 21 | Yaqeen Farmers Savings Scheme | 85% - 91% | 15% - 09% |
| 22 | Yaqeen Student Savings & Smart Junior Scheme | 83% - 91% | 17% - 09% |
| 23 | Yaqeen Senior Savings Scheme | 83% - 91% | 17% - 09% |

2.03 Investment Operation and Return Thereon

Investments of our Islamic Banking are broadly categorized in the following two types in respect of charging (rate of) return:

- Fixed return based investment
- Variable return based investment

Fixed return based investment system is applicable for our Bai - Murabahah / Muajjal / Salam / Istishna Investment mode. Under this mode, Bank sells the goods to a client at a fixed profit / mark-up on deferred payment including post import basis. Hire Purchase Shirkatul Melk (HPSM) is also a fixed return based investment mode. In this case rate of rent is fixed but amount of rent becomes variable on the basis of diminishing balance method.

Variable return based income is applied for our Musharakah mode of investment. In these cases, only ratio of Income Sharing is stated in the agreement. Bank bags income on the basis of the concerned venture according to the agreed ratio (comparable to our Mudarabah deposit products). Genuine loss, if any, is borne according to capital ratio of the client & the Bank.

2.04 Income/ Revenue Recognition Principles

The bank earns income from various sources such as charges, fees, commission and investment income. To recognize all sorts of income, Bank follows Shari'ah principle strictly. Usually charges, fees & commission etc. are recognized on actual basis. Recognition of income from investment follows principles as under:

For Bai-Murabahah Muajjal Investment

While creating each deal, in case of Bai-Murabahah Muajjal mode of investment, markup/profit is added to the bank's purchase cost with a credit to unearned income A/c. Thereafter time apportionment of profit is recognized out of the unearned income amount at the end of each month on accrual basis. Allowance (rebate) for early repayment, if any, may however be applied at Bank's discretion.

For Hire Purchase Shirkatul Melk (HPSM) Investment

In case of HPSM mode of investment rent is charged and taken into income account at the end of each month on accrual basis.

If the account has a provision of gestation period, generally no income is earned during the period. In this case income starts just after the end of gestation period. However rent is chargeable in spite of gestation, if the delivery of asset is completed in usable condition such as a machine or a set of machinery or building etc. All accrual incomes are subject to prevailing classification and provisioning rules of Bangladesh Bank.

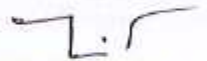
For Musharakah Investment

In recognizing the revenue from Musharakah Investment we follow the actual (cash/ realization) basis instead of accrual i.e. no income is recognized until the result of the venture is arrived at.

2.05 Cost Recognition Principle

Cost in respect of profit paid on deposit is recognized on accrual basis. Monthly accruals in this respect are calculated on the basis of Income Sharing Ratio. Other costs are also recognized on the accrual basis following the matching concept of Accounting.

To ensure and supervise Shari'ah compliance in banking operation, MTB has a formed a knowledgeable Shari'ah Supervisory Committee comprising renowned Fiqh scholars, Islamic bankers and academicians conversant in Islamic Economics & Finance.



Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

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Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



Mohammad Nazim Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



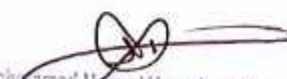
Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Mutual Trust Bank Limited
Islamic Banking Branches
Notes to the Financial Statements
For the Period ended 30 September 2022

| | 30 September 2022 | 2021 |
|--|----------------------|----------------------|
| | BDT | BDT |
| 3.00 Cash | 532,342,882 | 134,526,666 |
| 3.01 Cash in hand (Including foreign currencies) | | |
| Local Currency | 37,308,780 | 23,799,088 |
| Foreign Currency | - | - |
| | 37,308,780 | 23,799,088 |
| 3.02 Balance with Bangladesh Bank and its agent bank(s) | | |
| Local Currency | 495,034,102 | 110,727,578 |
| Foreign Currency | - | - |
| With Sonali Bank (as agent of Bangladesh Bank-Local Currency) | - | - |
| | 495,034,102 | 110,727,578 |
| Balance with other banks and financial institutions | | |
| In Bangladesh | - | - |
| Outside Bangladesh | - | - |
| | - | - |
| 4.00 Placement with Banks and Other Financial Institution | | |
| Mercantile Bank Limited | - | 110,000,000 |
| Bank Alfalah Limited | 400,000,000 | - |
| Exim Bank Limited | 1,150,000,000 | 580,000,000 |
| Premier Bank Limited | - | 400,000,000 |
| | 1,550,000,000 | 1,090,000,000 |
| 5.00 Investments in Shares and Securities | | |
| Government | 419,980,000 | 419,980,000 |
| Others | 100,000,000 | - |
| | 519,980,000 | 419,980,000 |
| 5.01 Government (Investment in Govt. securities) | | |
| Sukuk Islamic Bond | 419,980,000 | 419,980,000 |
| | 419,980,000 | 419,980,000 |
| 6.00 Investments | | |
| i) Investments | | |
| Bai Murabahah | 1,718,328,444 | - |
| Bai Salam | 204,387,788 | - |
| Hire Purchase Shirkatul Melk (HPSM) | 702,181,101 | 344,915,845 |
| MTB YAQEEN QUARD | 38,826,915 | - |
| Islamic Credit Card | 33,369,324 | - |
| | 2,695,093,573 | 344,915,845 |
| ii) Bills purchased and discounted | | |
| Payable Inside Bangladesh | | |
| Inland Documentary bills purchased | - | - |
| Foreign Documentary bills purchased | - | - |
| | - | - |
| Payable Outside Bangladesh | | |
| | 2,695,093,573 | 344,915,845 |
| 6.01 Classification of Loans and Advances including bill discounted | | |
| Unclassified (UC): | | |
| Standard | 2,695,093,573 | 344,915,845 |
| Special Mention Account (SMA) | - | - |
| Sub total | 2,695,093,573 | 344,915,845 |
| Classified: | | |
| Substandard | - | - |
| Doubtful | - | - |
| Bad & Loss | - | - |
| Sub total | - | - |
| Total | 2,695,093,573 | 344,915,845 |
| 7.00 Fixed Assets Including Premises, Furniture and Fixtures | | |
| Furniture & Fixture | 2,028,596 | 2,028,596 |
| Office Equipments | 33,640 | 33,640 |
| Computers & Peripherals | 25,713,500 | 25,595,000 |
| Intangible Asset | 3,215,000 | 2,415,000 |
| | 30,990,736 | 30,072,236 |
| Less: Accumulated Depreciation | 4,596,186 | 1,459,911 |
| | 26,394,550 | 28,612,325 |




Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited


Mohamed Mazum Hossain, FCA
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka.


Malik Montasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka.

| | Annexure-H | |
|---|--|--|
| | 30 September 2022 | 2021 |
| | BDT | BDT |
| 8.00 Other Assets | | |
| Advances | 6,275,000 | 4,600,000 |
| Stock of Stationery | 831,450 | 831,450 |
| Due to Head Office (Retained earnings) | - | 4,516,246 |
| Receivable from MTB Conventional Banking | 200,429,266 | 284,189,408 |
| PROFIT REALIZABLE | 17,321,944 | - |
| MARK-UP OF BAI MURABAHAH INVESTMENT | 134,773,522 | - |
| Charge of Investments | 50,000 | - |
| Position Account | 32,562,717 | - |
| Profit Receivable on Placement with Banks | 20,558,011 | 7,035,438 |
| Profit Receivable on Government Bond | 9,693,011 | 8,445,731 |
| | 422,494,921 | 309,618,273 |
| 9.00 Deposits and other accounts | | |
| Al-wadeeah Current Accounts and Other Deposit Accounts | 226,269,189 | 43,011,475 |
| Bills Payable | 105,058 | 197,571 |
| Mudaraba Savings Deposits | 558,949,818 | 534,328,487 |
| Mudaraba Term Deposits | 3,871,965,825 | 1,686,159,449 |
| Special Notice Deposit | 596,027,393 | 26,885,871 |
| Scheme Deposit product | 304,380,406 | 27,191,433 |
| | 5,555,697,688 | 2,317,774,086 |
| 10.00 Other liabilities | | |
| Profit Payable on Deposits and Other Accounts | 52,454,637 | 6,380,149 |
| VAT payable | 420,161 | 663,990 |
| Source Tax payable | 1,808,683 | 1,138,101 |
| Excise Duty payable | 2,024,300 | 1,608,450 |
| Unearned Income | 99,712,775 | - |
| Card Settlement | 699,966 | 90,333 |
| Due to Head Office | 33,361,116 | - |
| Legal Charge Payable | 126,600 | - |
| | 190,608,238 | 9,879,023 |
| 11.00 Contingent Liabilities | | |
| Acceptances and Endorsements | 2,852,542,748 | 418,342,594 |
| Letters of Guarantee | 11,081,020 | - |
| Irrevocable Letters of Credit | 2,048,866,832 | 105,866,994 |
| Bills for Collection | 305,987,691 | - |
| | 5,218,478,291 | 524,209,589 |
| | 01 January to 30 September 2022 | 01 January to 30 September 2021 |
| | BDT | BDT |
| 12.00 Investment Income | | |
| Income from general investment (12.01) | 75,092,590 | 3,159,837 |
| Other Banks and Financial Institution | 45,162,984 | 2,055,877 |
| | 120,255,574 | 5,215,714 |
| 12.01 Income from general investment | | |
| Bai Murabahah | 49,502,737 | - |
| Bai Salam | 3,333,405 | - |
| Hire Purchase Shirkatul Melk (HPSM) | 22,252,068 | 3,159,837 |
| Bills purchased and discounted | 4,380 | - |
| | 75,092,590 | 3,159,837 |
| 13.00 Profit Paid on Deposits | | |
| Profit paid on deposits | 127,025,731 | 9,707,279 |
| Profit paid on borrowings | 747,222 | - |
| | 127,772,954 | 9,707,279 |
| 14.00 Income from Investments in Shares/Securities | | |
| Profit Received on Sukuk Islamic Bond | 19,508,595 | 3,652,621 |
| | 19,508,595 | 3,652,621 |
| 15.00 Commission, exchange and brokerage | | |
| Commission on Letter of Guarantee | 182,496 | - |
| Commission on Letter of Credit | 8,776,953 | - |
| Commission on Acceptance of Bills | 6,003,057 | 485,418 |
| Commission on LC Advising | 142,800 | - |
| Commission on PO, DD & TT | 4,965 | - |
| Commission on IBC | 400 | - |
| Commission on RTGS | 49,568 | - |
| | 15,160,239 | 485,418 |
| 15.01 Exchange | | |
| Exchange Gain on Foreign Currency | 14,913,861 | - |
| Exchange Loss on Foreign Currency | - | - |
| | 14,913,861 | - |
| | 30,074,160 | 485,418 |



Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Merk Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Annexure-H


| | 01 January to 30 September 2022 BDT | 01 January to 30 September 2021 BDT |
|--|---|---|
| 16.00 Other Operating Income | | |
| Income from Cards | 556,416 | - |
| Service Charges | 596,852 | 92,302 |
| Telephone & SMS Charge Recoveries | 688,830 | - |
| SWIFT Charge Recoveries | 483,000 | - |
| SME Fees and Charges | 66,000 | - |
| Management fees | 1,021,962 | - |
| Recovery of NID verification charges | 2,420 | - |
| Handling Charges | 600 | - |
| Miscellaneous Earnings | 121,605 | - |
| | 3,537,684 | 92,302 |
| 17.00 Salary and Allowances | | |
| | - | - |
| 18.00 Rent, Taxes, Insurance, Electricity, etc. | | |
| Insurance | 130,817 | - |
| | 130,817 | |
| 19.00 Legal Expenses | | |
| Legal Expenses | - | - |
| 20.00 Postage, Stamp, Telecommunication, etc. | | |
| Postage/Courier Service | 590,588 | 11,500 |
| Telephone | - | - |
| | 590,588 | 11,500 |
| 21.00 Stationery, Printing, Advertisements, etc. | | |
| Printing Stationery | 482,549 | 1,009,000 |
| Petty & Table Stationery | 37,928 | - |
| Publicity & Advertisement | 807,819 | 582,500 |
| | 1,328,296 | 1,591,500 |
| 22.00 Shariah Supervisory Committee's Fees & Expenses | | |
| Shariah Supervisory Committee's Fees | 70,400 | - |
| | 70,400 | |
| 23.00 Auditors' Fees | | |
| Auditor's Fees | - | - |
| 24.00 Depreciation and Repair of Bank's Assets | | |
| Depreciation : | | |
| Immovable Property | - | - |
| Furniture & Fixture | 141,835 | - |
| Office Equipments | 2,779,182 | - |
| Motor Vehicles | - | - |
| Intangible Asset | 215,258 | - |
| Right off use Assets | - | - |
| | 3,136,275 | |
| Repairs on Bank's property: | | |
| | - | 27,100 |
| | 3,136,275 | 27,100 |
| 25.00 Zakat Expenses | | |
| Zakat Expenses | - | - |
| 26.00 Other Expenses | | |
| Office Cleaning and Maintenance | 20,320 | 77,573 |
| Car Expense | 172,090 | - |
| Entertainment | 380,014 | - |
| Traveling & Conveyance | 19,774 | - |
| Training Expense | 274,713 | - |
| Professional Fee | 9,200 | - |
| Travelling & Conveyance Expenses | - | 23,800 |
| Subscription & Donation | 700,000 | 700,000 |
| Fees & Registration | 255,000 | - |
| Business Development Expense | 637,149 | - |
| Agent Banking Float Sharing Commission | 1,001 | - |
| | 2,469,260 | 801,373 |




Syed Mahbubur Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited


Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited


Mark Muniasir Reza
 Sr. Executive Vice President &
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


Md. Hossain
 Group Chief Financial Officer
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka

Mutual Trust Bank Limited
Fixed Asset Schedule - Islamic Banking Branches
As at 30 September 2022

| Particulars | Cost | | | | Depreciation | | | | Written down value as at 30.09.2022 | |
|--------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------|--------------------------|----------------------|---------------------------------|-------------------------------------|-------------------|
| | Balance as at 01.01.2022 | Addition during the year | Disposal during the year | Balance as at 30.09.2022 | Rate/ Useful Life | Balance as at 01.01.2022 | Charged for the year | Adjustment made during the year | Balance as at 30.09.2022 | BDT |
| | BDT | BDT | BDT | BDT | | BDT | BDT | BDT | BDT | BDT |
| Furniture & Fixture | 2,028,596 | - | - | 2,028,596 | 10% | 132,174 | 141,835 | - | 274,009 | 1,754,587 |
| Office Equipments | 33,640 | - | - | 33,640 | 20% | 4,427 | 4,370 | - | 8,797 | 24,843 |
| Computers & Penipherals | 25,595,000 | 118,500 | - | 25,713,500 | 3-10 years | 1,308,092 | 2,774,812 | - | 4,082,904 | 21,630,596 |
| Intangible Asset | 2,415,000 | 800,000 | - | 3,215,000 | 3-10 years | 15,218 | 215,258 | - | 230,476 | 2,984,524 |
| As at 30 September 2022 | 30,072,236 | 918,500 | - | 30,990,736 | | 1,459,911 | 3,136,275 | - | 4,596,186 | 26,394,550 |

Mohammad Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

Md. Masudul Haque Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



শাফিক বসাক এন্ড কোম্পানী
SHAFIQ BASAK & CO.


Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Syed Mahbobur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Md. Khatunajon Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Annexure 3: Credit Rating Report of the Issue

**Credit Rating Report of
Non-Convertible Subordinated Bond (Up to BDT 5,000 million) of Mutual
Trust Bank Limited**


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Managing Director & CEO
UCB Investment Limited


Md. Masum Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

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Malik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



June 15, 2022

Mr. Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited (MTB)

MTB Centre
26 Gulshan Avenue
Gulshan 1, Dhaka 1212
Bangladesh.

Subject: Credit Rating of "MTB 5th Subordinated Bond".

Dear Sir,

We are pleased to inform you that Emerging Credit Rating Limited (ECRL) has assigned the following rating to **"MTB 5th Subordinated Bond"**.

| Valid From | Valid Till | Rating Action | Long Term Rating | Outlook |
|---------------|---------------|---------------|--------------------------------|---------|
| June 15, 2022 | June 14, 2023 | Initial | AA ⁻ B ⁺ | Stable |

** B denotes bond*

The long term rating is valid up to June 14, 2023. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the coupon payment structure, operations and/or performance of the bond rated.

We hope the rating will serve the intended purpose of your organization.

Yours Sincerely,


Arifur Rahman, FCCA, ACA
Director & COO

Enclosed: Two copies of credit rating report of **MTB 5th Subordinated Bond**


Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Mark Munasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Credit Rating Report
Of
MTB 5th Subordinated Bond


Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Mark Mustafa Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Md Nazmul Hossain, FCA
Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



EMERGING

Credit Rating Ltd

MTB 5th Subordinated Bond

Credit Rating Report

Subordinated Bond Rating

| Valid From | Valid Till | Rating Action | Long Term Rating | Outlook |
|---------------|---------------|---------------|------------------|---------|
| June 15, 2022 | June 14, 2023 | Initial | AA ^{-B} | Stable |

* B denotes Bond

| | |
|------------------------------------|---|
| Date of Incorporation | : September 29, 1999 |
| Managing Director & CEO | : Mr. Syed Mahbubur Rahman |
| Issue | : MTB 5th Subordinated Bond |
| Program Tenure | : 7 years |
| Issuer | : Mutual Trust Bank Limited |
| Lead Arranger | : RSA Advisory Limited |
| Co-Arranger | : MTB Capital Limited |
| Trustee | : UCB Investment Limited |
| Contact Analysts | : Md. Rajiur Rahman rajiur@emergingrating.com Md. Harun Chowdhury harun@emergingrating.com |

Credit Analysis

Corporate Bond


Arifur Rahman FCCA/ACA
Director & COO
Emerging Credit Rating Ltd.


Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Mark Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office Dhaka.

Emerging Credit Rating Ltd

Corporate Bond

CREDIT ANALYSIS

2022 Initial Review

MTB 5th Subordinated Bond

Major Rating Factors

- Strengths**
- Good capital base.
 - Increase in total asset and loan portfolio.
 - Income diversified through strengthening investment portfolio.
 - Compliant with CRR and SLR.
- Challenge/ Risks**
- Competitive bond market.
 - Non-performing loan growth.
 - Provision deferral facility would undermine future profit.

Rationale Emerging Credit Rating Limited (ECRL) has assigned **AA-B** (Pronounced as 'Double A minus Bond') long term credit rating to MTB 5th Subordinated Bond (hereinafter referred to as "The Subordinated Bond" or "The Bond" or "The Issue") to be issued by Mutual Trust Bank Limited (MTB). The outlook on the rating is **Stable**. The rating is consistent with ECRL's methodology for this type of bond rating.

The rating reflects the strengths of the bank and prospective performance of the bond which are backed by good capital base, growth in total asset base and loan portfolio, income diversification through strengthening investment portfolio, compliance with the CRR and SLR requirement. However, ECRL is concerned that the bond market is competitive with limited subscribers, non-performing loan (NPL) growth of the bank as well as provision deferral facility which would limit the future profit of the bank. **The rating was assigned on the basis of draft information memorandum, draft agreements between the issuer and trustee provided by the entity in discussion and the rating may significantly change if the covenants in those documents are altered.**

The proposed bond will be repayable in seven years with five equal installments starting from the end of year three. Semi-annual coupon payment will be paid starting at the end of 6 months from the date of drawdown. The interest rate for the bond is between 6.00% to 9.00% p.a. Coupon rate of the bond will be determined by the benchmark rate/ reference rate plus 2.00% p.a. Moreover, RSA Advisory Limited will act as the mandated lead arranger, MTB Capital Limited will act as the co-arranger and UCB Investment Limited will act as the trustee for this issue. The fund will be used in regular lending and business activities of the bank which will help to grow the bank's loan and advance portfolio.

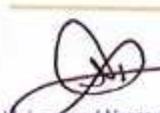
In terms of performance of the issuer, Mutual Trust Bank Limited has improved its capital base recently through issuance of perpetual bond of BDT 4,000 million as well as 10% bonus share in FY2021 (10% in FY2020). A good growth of retained earnings has also facilitated to strengthen the capital base in FY2021 as a result, the capital to risk weighted assets ratio (CRAR) reached to 14.16% (12.75% in FY2020) which was well above the regulatory requirement of 12.50%.

The total loans portfolio of MTB reached to BDT 222,924.20 million in FY2021 from BDT 200,848.10 million a year back with a growth of 10.99% (7.54% in FY2020) as the demand for loan has increased recently. Besides, the investment portfolio of MTB has had fluctuating growth in the recent four financial years with a remarkable 29.38%

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

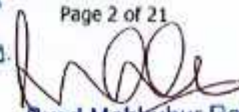
MTB 5th Subordinated Bond

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Credit Rating Ltd


Md. Shamimad Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Mark Mustafa Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Amir Rahman, FCCA, ACA
Director & COO
Emerging Credit Rating Ltd.

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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



growth in FY2021. Since the interest rate cap was established, banks in the country have begun to focus more on diversifying their income streams and asset base by paying close attention to their investment portfolio. MTB has increased its investment in government's treasury bonds by 36.13% in FY2021 to BDT 40,209.43 million from BDT 29,538.19 million in FY2020.

On the other hand, NPL ratio of the bank remained at 5.88% in the latest year in review which was 4.67% in FY2020 and 5.48% in FY2019. Gross NPL has increased by 39.62% and 28.16% in 2021 as compared to FY2020 and FY2019 respectively. It is concerning that the performance of loan may further deteriorate in FY2022 due to the withdrawal of provided relaxation on loan repayment.

The bank rescheduled a total of BDT 759.59 million worth of loan as compared to BDT 403.21 million loans in FY2020 and BDT 4,201.00 million loans in FY2019. The bank wrote off BDT 362.06 million, BDT 924.85 million and BDT 334.96 million bad loans respectively in last three years i.e. 2021, 2020 and 2019. NPL along with reschedule and written off loan altogether comprise 6.38% of loans & advances in FY2021 whereas the rates were 5.34% and 7.90% in the year 2020 and 2019 respectively. The bank's exposure to large loans (funded and non-funded together exceeding 10% of bank's capital) has declined from a year ago. The number of such large loan accounts was 26 individual accounts with total outstanding amounting to BDT 73,336.40 million in FY2021 in contrast to the 28 accounts with total outstanding amount of BDT 91,205.00 million in FY2020.

The deposit composition of the bank has changed recently and nowadays MTB is focusing more on low cost or no cost fund i.e. current account—saving accounts (CASA) thus, the CASA funding has improved to 46.74% of the total deposit in FY2021 as opposed to 38.67% and 38.39% in FY2020 and FY2019 respectively. Loan to deposit ratio of the bank has been always within the regulatory limit (currently 87%) in last four years indicating a good balance between the deposit collection and loan disbursement.

MTB has kept 4.08% CRR and 21.61% SLR at the end of FY2021 with a surplus CRR of BDT 168.36 million and surplus SLR of BDT 18,036.28 million against the requirement in FY2021. The maturity-based asset and liabilities profile of MTB are distributed over different time horizons. The bank had net liquidity gap in 1 – 5 years bracket in FY2021 and shown surplus net liquidity in the other brackets. However, the total net liquidity comprising all maturity periods in FY2021 has surplus liquidity.

From the profitability perspective, MTB has regained its pace in FY2021 after a sharp decline of net interest income in FY2020. Net interest income significantly increased by 43.55% in FY2021 as opposed to a 25.45% decline in FY2020. However, comparing with the FY2019 income, net interest income of the bank only grew by 4.22%. The interest expense of the bank fell by 24.18% as a consequence of increasing low-cost funding (i.e. CASA) in the deposit mix as well as the excess liquidity in the banking sector in FY2021. On the other hand, the bank has continued its growth in non-interest income portion through good growth in commission/fees, exchange and other operating income in FY2021. Consequently, the overall operating income of the bank improved with a rate of 23.22% to BDT 11,849.75 million in FY2021 from BDT 9,616.57 million in FY2020. Operating expense, however, increased by 10.81% which ultimately resulted the pre-provision profit of BDT 4,876.19 million in FY2021 from BDT 3,323.40 million a year ago with a record growth of 46.72% year-on-year.

The bank is under the provision deferral facility and as per Bangladesh Bank letter in April, 2022, the provision of BDT 2,567.34 million has been deferred which is equivalent to the shortfall amount at the end of year 2021. For its classified loan full provision was kept but unclassified loan has provision deficit of BDT 2,567.34 million in FY2021 for which deferral facility has been taken. The deferred provision will be maintained in next three (03) years. In FY2021, the bank had deferred tax income of BDT 883.20 million (specific provision caused huge differed tax income) which underpins the profit in that year. Therefore, post-tax profit had a sudden gain and reached BDT 2,917.83 million in

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Managing Director & CEO
UCB Investment Limited

Shahid Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.

EMERGING CREDIT RATING LTD.
Arifur Rahman FCCA, ACA
Director & COO
Emerging Credit Rating Ltd.
Md. K. M. Reza
Sr. Executive Vice President &
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Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Page 3 of 21

Syed Mahtabur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



FY2021 from BDT 1,263.71 million in FY2019 with 130.89% increase (BDT 899.32 million in FY2020).

ECRL views MTBL's outlook as **Stable** due to the current position of the bank and good capital base.


Exhibit 1: Financial Highlights: Mutual Trust Bank Limited (MTB)

| FY 31 December | 2021 | 2020 | 2019 | 2018 |
|-----------------------------------|------------|------------|------------|------------|
| Total Asset (BDT million) | 304,742.53 | 267,913.21 | 256,056.00 | 221,827.58 |
| Asset Growth (%) | 13.75 | 4.63 | 15.43 | 10.21 |
| Gross Loans (BDT Million) | 222,924.20 | 200,848.10 | 186,768.62 | 163,281.71 |
| Gross Loans Growth (%) | 10.99 | 7.54 | 14.38 | 14.33 |
| Deposits (BDT Million) | 212,956.94 | 189,220.78 | 191,369.29 | 166,700.99 |
| Deposit Growth (%) | 12.54 | (1.12) | 14.80 | 9.50 |
| Gross NPL Ratio (%) | 5.88 | 4.67 | 5.48 | 5.48 |
| Loan to Deposit Ratio (%) | 82.42 | 83.90 | 83.38 | 82.83 |
| Net Interest Income (BDT million) | 5,508.26 | 3,837.11 | 5,285.13 | 5,090.84 |
| Net Interest Income Growth (%) | 43.55 | (27.40) | 3.82 | 19.88 |
| Non-Interest Income (BDT million) | 6,341.50 | 5,779.46 | 5,535.80 | 4,300.03 |
| Non-Interest Income Growth (%) | 9.72 | 4.40 | 28.74 | 12.40 |
| Pre-Tax Profit (BDT million) | 3,294.16 | 1,727.85 | 2,979.75 | 2,368.90 |
| Post-Tax ROAE (%) | 32.66 | 5.54 | 8.73 | 12.81 |
| CRAR (%) | 14.16 | 12.75 | 12.86 | 12.82 |

FY2018-2021 Data Extracted from Audited Financial Statements


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Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Syed Mahabubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited


Mark Masnasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



A. BUSINESS DESCRIPTION

A.1. Company Background

Mutual Trust Bank Limited (MTB), incorporated as a public limited company in Bangladesh on September 29, 1999 under the companies Act 1994. The company was also issued Certificate for Commencement of Business on the same day and was granted license on October 05, 1999 by Bangladesh Bank under the Banking Companies Act 1991 and started its banking operation from October 24, 1999. The bank got listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited in 2003. Mutual Trust Bank's vision is based on the philosophy well known as MTB3V. Its vision is to be a bank of first choice through maximizing value for its clients, shareholders & employees and contributing to the national economy with social commitments and its mission is be the most admired financial institution in the country, recognized as a dynamic, innovative and client focused company that offers an array of products and services in the search for excellence and to create an impressive economic value. The bank offers services for all commercial banking needs of the customers, which include deposit banking, loans & advances, export & import financing, inland & international remittance facility etc. In addition the bank has commenced operation of its offshore banking unit from 2009.

A.2. Group Composition Structure

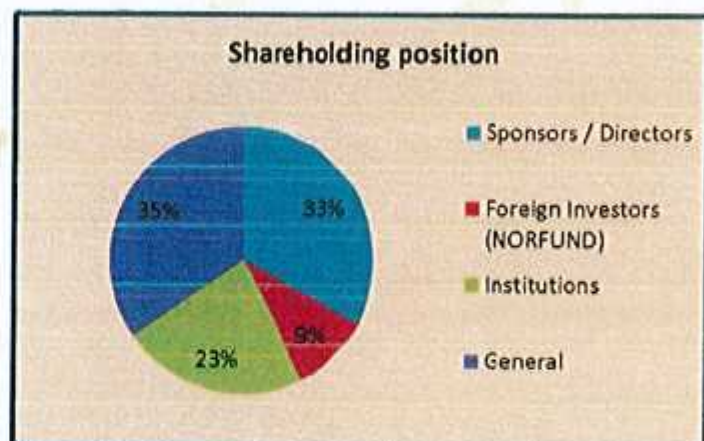
Mutual Trust Bank Limited has three subsidiaries namely 'MTB Securities Ltd', 'MTB Capital Ltd' and 'MTB Exchange (UK) Ltd.'. MTB Securities Ltd was incorporated in Bangladesh as a private limited company on March 01, 2010 under the Companies Act 1994. Initially Mutual Trust Bank Ltd started its Brokerage functions from June 2006 as a division of the bank. Subsequently as per Bangladesh Bank and Securities Exchange Commission's directive the division emerged as a subsidiary company of the Mutual Trust Bank limited in the name of MTB Securities Limited with the objective to carry out the business related to capital market. As a fully owned subsidiary of Mutual Trust Bank Ltd, MTB Securities Limited started its operation as a corporate member of Dhaka Stock Exchange Limited on September 23, 2010.

MTB Capital Ltd a fully owned subsidiary of Mutual Trust Bank Limited is a private limited company by shares was incorporated in Bangladesh on October 08, 2009 and the company obtained a Merchant banking License from Bangladesh Securities & Exchange Commission on December 06, 2010. The company established with an objective to carry out the business as Issue Manager, Underwriter and Portfolio Manager.

MTB Exchange (UK) Ltd. was incorporated on June 14, 2010 under the Companies Act 2006 under the registration number 7282261 as a private company limited by shares and the situation of the registered office is in England and Wales for carrying out remittance and money exchange business.

A.3. Shareholding Structure

Mutual Trust Bank Limited started its journey with paid-up capital of BDT 200.00 million. Presently it has authorized capital of BDT 10,000.00 million and paid-up capital of BDT 8,124.96 million at the end of December 31, 2021. The shareholding position of MTB consists of four types of investors where Sponsors / Directors are holding 32.81% Foreign Investors (NORFUND) are holding 9.53%, Institutions are holding 23.00% and General shareholders holding 34.67% as on December 31, 2021.



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Managing Director & CEO
UCS Investment Limited

Melik Muntasir Reza
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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited
Page 5 of 21



MTB 5th Subordinated Bond

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Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



A.4. Operational Network

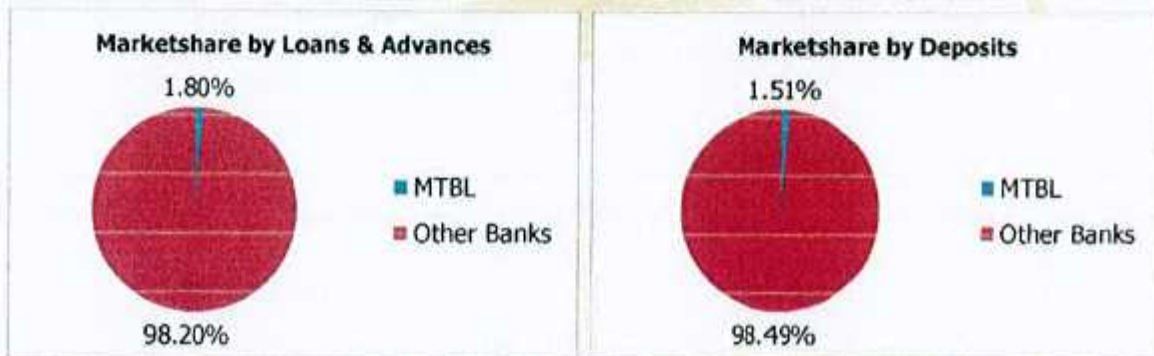
Mutual Trust Bank Limited has a spread network of 119 branches, 33 Sub branches, 310 ATM Booths, 201 Agent Banking outlets across Bangladesh and plans to open more branches to cover the important commercial areas in Dhaka, Chattogram, Sylhet and other areas. During the year, a good number of Branches were relocated to convenient and best locations with the view to ensuring a conducive environment to the customers. Recently, MTB opened 14 (fourteen) new branches at different places in Bangladesh and enhanced coverage of MTB ATM Booths in the major Domestic Airports in Bangladesh (i.e. Dhaka, Chattogram, Cox's Bazar, Sylhet, & Saidpur). The largest concentration of branches is in the Dhaka region (62 branches) and Chattogram region (34 branches).

A.5. Market Share

MTBL's loans & advances and deposit position were BDT 222,924.20 million and BDT 212,956.94 million respectively at the end December, 2021. Considering the banking industry as a whole, aggregated loans & advances and deposit of the industry were BDT 12,360,817.00 million and BDT 14,093,426.00 million respectively at the same period. MTBL contributed 1.80% of market share in terms of loans and advances and 1.51% of market share in terms of deposit at the end of December, 2021.

Figure 1: TBL's market share by loans & advances

Figure 2: TBL's market share by deposits



A.6. Products and Services

To fulfill the commitment at banking industry in an innovative way and do things differently to support the stakeholders is the key factor in being the best in the industry Mutual Trust Bank Limited has been offering a number of services. MTB offers a full range of commercial banking products and services, which includes deposit banking, loans & advances, export import financing, inland and international remittance facility etc. MTB's product-basket encompasses real time online branch banking, MTB Visa Signature credit card, MTB MasterCard World, ATMs, consumer loan, MTB Brick by Brick, MTB Double Saver, MTB Millionaire Plan, MTB Education Plan, MTB Kotipati, SME banking, corporate banking, syndicate loan, monthly savings scheme, fixed deposit, pension saving scheme, SMS banking etc. In addition to traditional credit and foreign trade related products and services. The credit portfolio of MTB is diversified with a blend of corporate lending lease finance, syndication, structured finance, project finance, trade finance, SME Loan, Agricultural credit, commercial/working capital loan, retail banking products etc among others. Moreover auxiliary services such as online banking, off shore banking, cash deposit machine, NRB banking, mobile banking, internet banking, ATM booth services, debit and credit card services, locker services etc. are also provided by MTB in order to make the whole banking experience more effortless for its clients.

MTB has 4 Air Lounges situated in Hazrat Shahjalal International Airport in Dhaka, Shah Amanat International Airport in Chattogram, Osmani International Airport in Sylhet and Cox's Bazar Airport in Cox's Bazar. The establishment of MTB Air Lounges has enabled the bank to extend the banking reach while ensuring greater comfort and convenience for MTB customers when travelling through the airport. The bank's privilege customers and MTB premium credit card holders can access and relax in the lounges as per policy.

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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

EMERALD
Credit Rating Ltd



Mohammad Nazim Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

MTB 5th Subordinated Bond



A.7. MTB 5th Subordinated Bond Issuance Objective


The objective behind issuance of the Subordinated Bond is to further strengthen the capital base as supplementary (Tier-II) capital of the bank and to comply with the capital adequacy requirements as per Basel-III, which will enable the bank to reach sustainable growth in business. The fund raised through issuing the bond will provide the bank additional capital cushion under risk based capital adequacy framework, and will help the bank to grow its loans and advance portfolio.

A.8. Structure of MTB 5th Subordinated Bond and Terms

Exhibit 2: Structure of MTB 5th Subordinated Bond

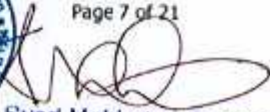
| | |
|---|--|
| Name of the Instrument: | MTB 5 th Subordinated Bond |
| Issuer: | Mutual Trust Bank Limited |
| Purpose: | To raise Tier-2 Capital |
| Lead Arranger: | RSA Advisory Limited |
| Co-Arranger: | MTB Capital Limited |
| Trustee: | UCB Investment Limited |
| Paying Agent, Register, Transfer Agent: | UCB Investment Limited |
| Legal Counsel: | Lex Juris |
| Credit Rating Agency: | Emerging Credit Rating Limited (ECRL) |
| Issue Size: | BDT 5,000,000,000 (Five Billion Taka) |
| Issue Type: | Tier 2 Eligible Subordinated Bond |
| Tenor: | 7 years from the date of issuance |
| Face Value: | BDT 10,000,000 (Ten Million) Per Bond |
| Minimum Subscription: | BDT 10,000,000 (Ten Million Taka) |
| Total Bonds to be issued: | 500 (Five Hundred) no. |
| Investors: | Institutional investors and high net-worth individual investors |
| Mode of Placement: | Private Placement on a best effort basis |
| Yield to Maturity/ Rate of Return | Coupon Rate |
| Coupon Rate: | Reference Rate + Coupon Margin |
| Reference Rate: | Latest average 6-month FDR rate of all private commercial banks excluding banks licensed after 2010 as published by Bangladesh Bank on the quotation day. The Reference Rate will be rounded to 2 (two) decimal places. For example, if the benchmark rate is 5.155, then it should be rounded off to 5.16 and if the benchmark rate is 5.154 then it should be rounded off to 5.15 |
| Quotation Day: | 5 business days before the first day of any period for which a Coupon Rate is to be determined. |
| Coupon Margin: | 2.0% |
| Range of Coupon Rate: | 6.00% to 9.00% at all times |
| Coupon Payment: | Semi-annually starting after 6 months from the drawdown date |
| Transferability/Liquidity: | Transferable in accordance with the provisions of Trust Deed. |
| Prepayment, Call Refunding, Conversion or Exchange Features: | The Bond is non-convertible and not-callable in nature and has no prepayment option. |
| Late Redemption: | The Issuer shall pay a late payment penalty of 2% (two per cent) higher than the Coupon Rate and be payable on the amount not paid on the due date up till the date of actual payment. |

Tanzim Alamgir
Managing Director & CEO


MTB 5th Subordinated Bond
Md. Masrur Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.


EMERGING CREDIT RATING LTD.
Mark Muntasir Hyeza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka.



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Syed Mahbubur Rahmar
Managing Director & CEO
Mutual Trust Bank Limited



| Tax Feature: | According to the laws of Bangladesh | | | | | | | | | | | | |
|--|--|------|------------|----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|----------------------|-------|
| Repayment Schedule: | Face Value (principal) redemptions will be in 5 (five) equal annual tranches commencing at the end of 3 rd year from the date of drawdown in the following manner: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Year</th> <th>Redemption</th> </tr> </thead> <tbody> <tr> <td>3rd Year</td> <td>20.0%</td> </tr> <tr> <td>4th Year</td> <td>20.0%</td> </tr> <tr> <td>5th Year</td> <td>20.0%</td> </tr> <tr> <td>6th Year</td> <td>20.0%</td> </tr> <tr> <td>7th Year</td> <td>20.0%</td> </tr> </tbody> </table> | Year | Redemption | 3 rd Year | 20.0% | 4 th Year | 20.0% | 5 th Year | 20.0% | 6 th Year | 20.0% | 7 th Year | 20.0% |
| Year | Redemption | | | | | | | | | | | | |
| 3 rd Year | 20.0% | | | | | | | | | | | | |
| 4 th Year | 20.0% | | | | | | | | | | | | |
| 5 th Year | 20.0% | | | | | | | | | | | | |
| 6 th Year | 20.0% | | | | | | | | | | | | |
| 7 th Year | 20.0% | | | | | | | | | | | | |
| Call or put option, and premium or discount thereof, if any | Not Applicable | | | | | | | | | | | | |
| Credit enhancement or guarantee, if any | Not Applicable | | | | | | | | | | | | |
| Description of Collateral Security and Type of Charges to be Created Against the Issue: | Unsecured | | | | | | | | | | | | |
| Listing: | Will be listed on Alternative Trading Board (ATB) | | | | | | | | | | | | |
| Governing Law: | Laws of Bangladesh. | | | | | | | | | | | | |

B. FINANCIAL ANALYSIS

B.1. Capital Adequacy

Exhibit 3: Selected indicators of Mutual Trust Bank Limited (MTB)

| FY 31 st December | 2021 | 2020 | 2019 | 2018 |
|---|------------|------------|------------|------------|
| Tier-I Capital (BDT Million) | 19,744.89 | 15,570.50 | 14,221.91 | 11,336.32 |
| Total Capital (BDT Million) | 29,443.04 | 24,552.75 | 23,872.20 | 20,800.01 |
| Risk Weighted Assets (BDT Million) | 207,909.90 | 192,619.72 | 185,612.62 | 162,296.65 |
| Tier-I Ratio (%) | 9.50 | 8.08 | 7.66 | 6.98 |
| CRAR (%) | 14.16 | 12.75 | 12.86 | 12.82 |

FY2018-2021 Data Extracted from Audited Financial Statements

Mutual Trust Bank Limited has improved its capital base recently through issuance of perpetual bond of BDT 4,000 million as well as 10% bonus share in FY2021 (5% in FY2020). A good growth of retained earnings has also facilitated to strengthen the capital base in FY2021. As a result, the tier I capital had a gain of 26.81% in FY2021 as opposed to FY2020. On the other hand, tier II capital of the bank grew by 7.97% as the subordinated debt portion increased by 27.36%. These additions in regulatory capital have ultimately boosted the eligible capital to BDT 29,443.04 million in FY2021 from BDT 24,552.75 million a year back with 19.92% increase in year-on-year.

Besides, the risk weighted assets of the bank which comprise of credit risk, market risk as well as operational risk have soared by 7.94% in FY2021 than a year back as a consequence the capital to risk weighted assets ratio (CRAR) reached to 14.16% (12.75% in FY2020) which was well above the regulatory requirement of 12.50%.

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Managing Director & CEO
UCB Investment Limited

EMERGING
Credit Rating Ltd



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Syed Mahbobur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

MTB 5th Subordinated Bond

Mohammad Nazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



Figure 3: Capital Adequacy Position of MTB



B.2. Asset Composition & Trends

Exhibit 4: Selected Indicators for Mutual Trust Bank Limited (MTB)

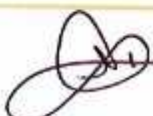
| FY 31 st December | 2021 | 2020 | 2019 | 2018 |
|--|------------|------------|------------|------------|
| Total Asset (BDT Million) | 304,742.53 | 267,913.21 | 256,056.00 | 221,827.58 |
| Asset Growth (%) | 13.75 | 4.63 | 15.43 | 10.21 |
| Gross Loans (BDT Million) | 222,924.20 | 200,848.10 | 186,768.62 | 163,281.71 |
| Gross Loans Growth (%) | 10.99 | 7.54 | 14.38 | 14.33 |
| Investments (BDT Million) | 45,776.42 | 35,381.95 | 33,194.75 | 26,589.50 |
| Investments Growth (%) | 29.38 | 6.59 | 24.84 | 8.18 |
| Gross NPLs (BDT Million) | 13,107.02 | 9,387.73 | 10,227.22 | 8,951.40 |
| NPLs Growth (%) | 39.62 | (8.21) | 14.25 | 42.80 |
| Gross Loans to Total Assets (%) | 73.15 | 74.97 | 72.94 | 73.61 |
| Gross NPL Ratio (%) | 5.88 | 4.67 | 5.48 | 5.48 |
| Net NPL Ratio (%) | (0.19) | (0.75) | 0.73 | 1.48 |
| Loan Loss Reserve Coverage (%) | 62.36 | 78.59 | 66.47 | 58.10 |
| NPLs to Equity & Loan Loss Reserve (%) | 47.95 | 39.20 | 45.02 | 49.10 |

FY2018-2021 Data Extracted from Audited Financial Statements

The banking sector is regaining its pace after a long closure of economic activities caused by the covid-19. In FY2021, total asset base reached to BDT 304,742.53 million from BDT 267,913.21 in FY2020 and BDT 256,056.00 million in FY2019. The total assets growth was aided by the improvement in its major contributors which are gross loan portfolio that grew by 10.99%, cash by 25.83%, other assets by 30.08% and investment portfolio by 29.38% in FY2021.

B.2.1. Asset Quality

The gross loans and advances of the bank showed continuous growth over the FY2018-21 period in review. Total loans portfolio of MTB reached to BDT 222,924.20 million in FY2021 from BDT 200,848.10 million in FY2020. Similar to the loan base, the investment portfolio of MTB has had continuous fluctuating growth in the recent four financial years with a remarkable 29.38% growth in FY2021. Since the interest rate cap was established, banks in the country have begun to focus more on diversifying their income streams and asset base by paying close attention to their investment portfolio. MTB has increased its investment in government's treasury bonds by 36.13% in FY2021 to BDT 40,209.43 million from BDT 29,538.19 million in FY2020.

 MTB Subordinated Bond

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Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Matik Montasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka




Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited


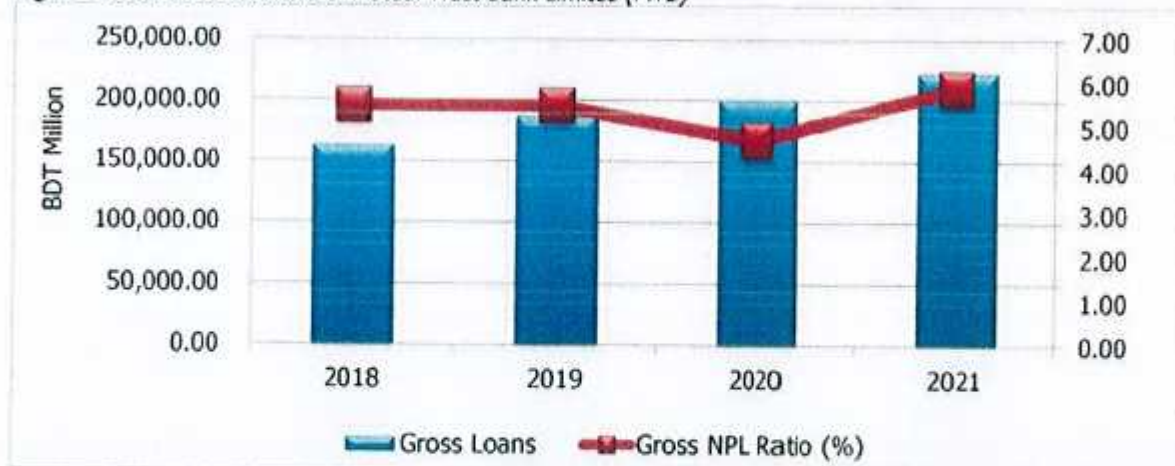

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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

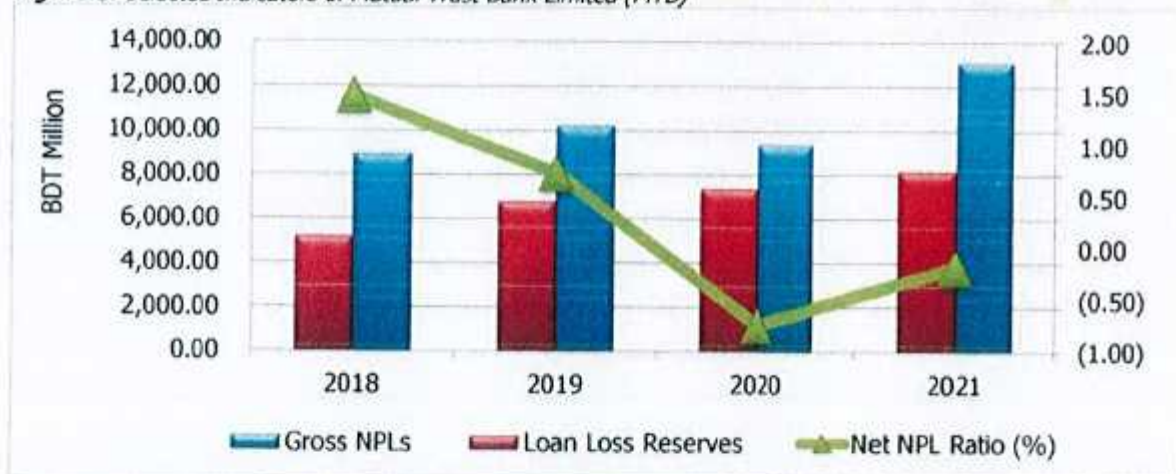


Figure 4: Selected Indicators of Mutual Trust Bank Limited (MTB)



NPL ratio of the bank remained at 5.88% in the latest year in review which was 4.67% in FY2020 and 5.48% in FY2019. Gross NPL has increased by 39.62% and 28.16% in 2021 as compared to FY2020 and FY2019 respectively. The gross NPL had 9.06% sub-standard, 5.05% doubtful and 85.90% bad loss loans in FY2021. In an effort to preserving banks' asset quality while helping the economy in dire needs, the central bank has provided relaxation over non-performing loans and penalties on late payments as well as prohibited downward loan classification in 2020 and 2021 to some extent. It is concerning that the performance of loan may further deteriorate in FY2022 due to the withdrawal of provided relaxation on loan repayment.

Figure 5: Selected Indicators of Mutual Trust Bank Limited (MTB)



Furthermore, the bank is under the provision deferral facility and as per Bangladesh Bank letter in April, 2022, the provision of BDT 2,567.34 million has been deferred which is equivalent to the shortfall amount at the end of year 2021. The deferred provision will be maintained in next three (03) years. For its classified loan full provision was kept but unclassified loan has provision deficit in FY2021 BDT 2,567.34 million for which deferral facility has been taken.

However, loan loss reserve coverage fell remarkably due to the provision shortfall. NPLs with regards to equity and loan loss reserve together were at 47.95% from 39.20% in the previous year which was primarily due to higher NPL in 2021. As mentioned earlier, the NPL has increased significantly by 39.62% in FY2021.

B.2.2. Loan Diversification and Concentration

The bank retains a diversified loan portfolio with concentration in different industries of the economy such as RMG, SME loans, Textile, Trade Service, Consumer credit and many more. Industry wise concentration shows that loans and advances portfolio was dominated by other manufacturing industry (27.43%), followed by RMG (16.62%), SME loans (12.48%), Trade Service (10.77%), and the rest by

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UCB Investment Limited

MTB 5th Subordinated Bond

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EMERGING
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Mark Masudul Reza
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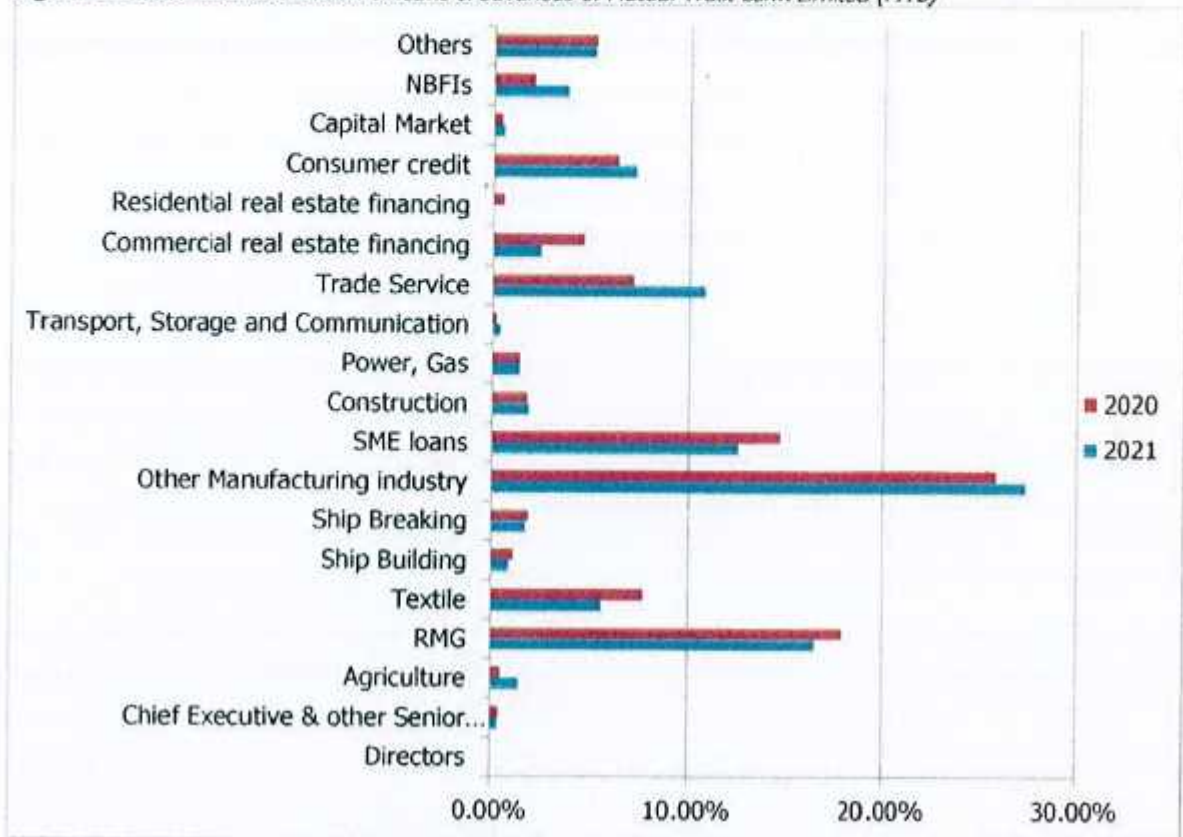


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Syed Mahbubur Ranmar
Managing Director & CEO
Mutual Trust Bank Limited



various other industries by the end of 2021. Notably, the loan portfolio of RMG and SME segment was lowered in FY2021 while other manufacturing industry and trade service increased in FY2021.

Figure 6: Sector-wise distribution of loans & advances of Mutual Trust Bank Limited (MTB)



B.2.3. Rescheduled and Written-Off Loans

The bank rescheduled a total of BDT 759.59 million worth of loan against 62 accounts in FY2021 as compared to BDT 403.21 million loans of 17 accounts in FY2020 and BDT 4,201.00 million loans against 255 accounts in FY2019. The bank wrote off BDT 362.06 million, BDT 924.85 million and BDT 334.96 million bad loans respectively in last three years i.e. 2021, 2020 and 2019. NPL along with reschedule and written off loan altogether comprise 6.38% of loans & advances in FY2021 whereas the rates were 5.34% and 7.90% in the year 2020 and 2019 respectively.

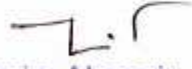
B.2.4. Large Loan Exposure

The bank's exposure to large loans (funded and non-funded together exceeding 10% of bank's capital) has declined from a year ago. The number of such large loan accounts was 26 individual accounts with total outstanding amounting to BDT 73,336.40 million in FY2021 in contrast to the 28 accounts with total outstanding amount of BDT 91,205.00 million in FY2020.


B.2.5. Off-Balance sheet exposure

Total off-balance sheet exposure of the bank has increased to BDT 132,011.35 million in FY2021 from BDT 93,595.97 million in FY2020. The off-balance sheet items were 43.32% in comparison to the total asset in FY2021. The off balance sheet items consist of acceptances and endorsements, letters of guarantee, letters of credit and bills for collection which consisted 33.97%, 30.57%, 27.85%, 7.62% of total off-balance sheet exposure respectively in FY2021.


Mark Montasir Reza
 Sr. Executive Vice President & Secretary
 Group Company Secretary
 Mutual Trust Bank Limited
 Corporate Head Office, Dhaka


Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited




Syed Mahbubur Rahmar
 Managing Director & CEO
 Mutual Trust Bank Limited



B.3. Funding and Liquidity

Exhibit 5: Selected indicators of Mutual Trust Bank Limited (MTB)

| FY 31 st December | 2021 | 2020 | 2019 | 2018 |
|--|------------|------------|------------|------------|
| Deposit (BDT Million) | 212,956.94 | 189,220.78 | 191,369.29 | 166,700.99 |
| Deposit Growth (%) | 12.54 | (1.12) | 14.80 | 9.50 |
| Loan to Deposit (%) | 82.42 | 83.90 | 83.38 | 82.83 |
| Net Loans to Stable Funding Base (%) | 182.82 | 168.86 | 167.57 | 172.15 |
| Net Loans to Customer Deposits (%) | 98.34 | 100.43 | 92.93 | 93.97 |
| Deposits to Total Funding (%) | 69.88 | 70.63 | 74.74 | 75.15 |
| Interbank Liabilities to Total Funding (%) | 11.55 | 11.51 | 8.48 | 8.85 |

FY2018-2021 Data Extracted from Audited Financial Statements

B.3.1. Fund Management

MTB's total deposits account for 69.88% of the total liabilities & equity base at the end of FY2021. The rest of the total funding base is then comprised with 11.55% interbank liabilities, 8.14% other liabilities, 6.29% equity and 4.13% by bonds. The total deposit of the bank is made of 42.98% fixed deposits, 11.09% deposit products, 20.00% savings deposits, 12.64% current deposits & other accounts, 12.37% special notice deposits and 0.93% of bills Payable in FY2021. The deposit composition of the bank has changed recently and recently MTB is focusing more on low cost or no cost fund i.e. current account—saving accounts (CASA) thus, the CASA funding has improved to 32.64% of the total deposit in FY2021 as opposed to 29.30% and 24.16% in FY2020 and FY2019 respectively.

Loan to deposit ratio of the bank has been always within the regulatory limit (currently 87%) in last four years indicating a good balance between the deposit collection and loan disbursement. The net loans to stable funding base ratio stood at 182.82% in FY2021 which was 168.86% in FY2020, since the fixed deposit in FY2021 strategically reduced by 2.08% to keep the funding cost low. Moreover, the interbank liabilities in 2021 has increased to 14.13% but total funding based also grew with almost similar rate (13.75%) as a result interbank liabilities to total funding remained mostly similar in FY2021 and FY2020 as shown in the table above.

Figure 7: Selected indicators of Mutual Trust Bank Limited (MTB)



B.3.2. Liquidity Management

Bangladesh Bank's regulatory requirement states Statutory Liquidity Reserve (SLR) of 13.00% based on weekly Average Total Demand and Time Liabilities (ATDTL) of the base month and Cash Reserve Requirement (CRR) of 4.00% on bi-weekly basis are to be maintained by conventional banks operating in Bangladesh. Bangladesh Bank has recently lowered the CRR from 5.00% to 3.50% on a daily basis, and 5.5% to 4% in bi-weekly basis due to the pandemic.

MTB has kept 4.08% CRR and 21.61% SLR at the end of FY2021 with a surplus CRR of BDT 168.36 million and surplus SLR of BDT 18,036.28 million against the requirement in FY2021.

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Managing Director & CEO
UCB Investment Limited



The maturity-based asset and liabilities profile of MTB are distributed over different time horizons. The bank had net liquidity gap in 1 – 5 years bracket in FY2021 and shown surplus net liquidity in the other brackets. However, the total net liquidity comprising all maturity periods in FY2021 has surplus liquidity.

B.4. Earning Trends and Profitability

Exhibit 6 Selected Indicators of Mutual Trust Bank Limited (MTB)

| FY 31 st December | 2021 | 2020 | 2019 | 2018 |
|---|----------|----------|----------|----------|
| Net Interest Income (BDT Million) | 5,508.26 | 3,837.11 | 5,285.13 | 5,090.84 |
| Net Interest Income Growth (%) | 43.55 | (27.40) | 3.82 | 19.88 |
| Non-Interest Income (BDT Million) | 6,341.50 | 5,779.46 | 5,535.80 | 4,300.03 |
| Non-Interest Income Growth (%) | 9.72 | 4.40 | 28.74 | 12.40 |
| Pre-Provision Profit (BDT Million) | 4,876.19 | 3,323.40 | 5,028.13 | 4,608.36 |
| Pre-Tax Profit (BDT Million) | 3,294.16 | 1,727.85 | 2,979.75 | 2,368.90 |
| Post-Tax Profit (BDT Million) | 2,917.83 | 899.32 | 1,263.71 | 1,582.40 |
| Post - Tax ROAE (%) | 32.66 | 5.54 | 8.73 | 12.81 |
| Average Interest Spread (%) | 3.25 | 3.42 | 4.12 | 4.47 |
| Net Interest Margin (%) | 2.21 | 1.70 | 2.63 | 2.91 |
| Cost to Income Ratio (%) | 58.85 | 65.44 | 53.53 | 50.93 |

FY2018-2021 Data Extracted from Audited Financial Statements

From the profitability perspective, MTB has regained its pace in FY2021 after a sharp decline of net interest income in FY2020. Net interest income increased by 43.55% in FY2021 as opposed to 24.40% decline in FY2020. However, comparing with the FY2019 income, net interest income of the bank only grew by 4.22%. The interest expense of the bank fell by 24.18% as a consequence of increasing low cost funding (i.e. CASA) in the deposit mix as well as the excess liquidity in the banking sector in FY2021. On the other hand, the bank has continued its growth in non-interest income portion through good growth in commission/fees, exchange and other operating income in FY2021. Consequently, the overall operating income of the bank improved with a rate of 23.22% to BDT 11,849.75 million in FY2021 from BDT 9,616.57 million in FY2020. Operating expense, however, increased by 10.81% which ultimately resulted a pre-provision profit of BDT 4,876.19 million in FY2021 from BDT 3,323.40 million a year ago with a record growth of 46.72% year-on-year.

As stated earlier, the bank is under the provision deferral facility and as per Bangladesh Bank letter in April, 2022, the provision of BDT 2,567.34 million has been deferred which is equivalent to the shortfall amount at the end of year 2021. The deferred provision will be maintained in next three (03) years. In FY2021, the bank had deferred tax income of BDT 883.20 million (specific provision caused huge differed tax income) which underpins the profit in that year. Therefore, post-tax profit had a sudden gain and reached BDT 2,917.83 million in FY2021 from BDT 1,263.71 million in FY2019 with 130.89% increase.


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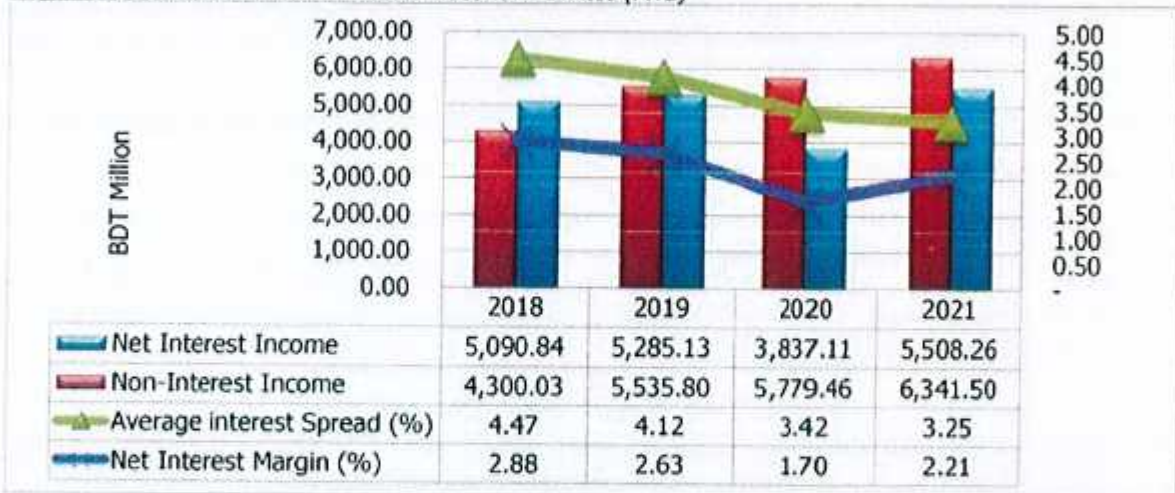

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MTB 5th Subordinated Bond


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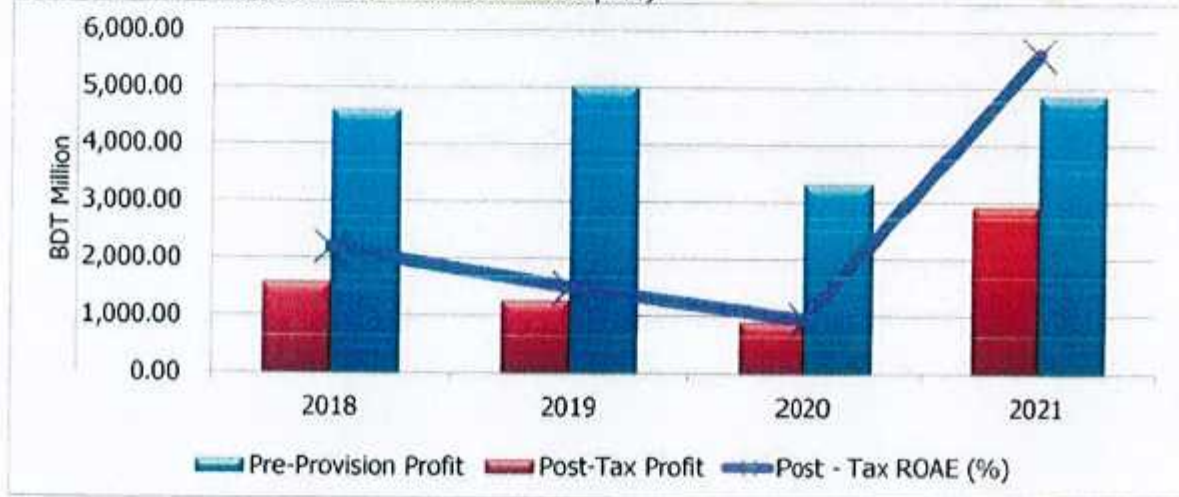


Figure 8: Selected indicators of Mutual Trust Bank Limited (MTB)



Although average interest spread fell slightly but high gain in overall operating income as opposed to operating cost led relatively better cost to income ratio than a year back.

Figure 9: Selected indicators Mutual Trust Bank Limited (MTB)



C. MARKET RISK ANALYSIS

Markets risks of a Subordinated Bond may arise due to uncertainty related to interest rate risk and pricing risk of the bond. Moreover bond by nature are exposed to many sources of risk. The term structure of the interest rate can shift and twist in different ways. Issuers may default due to sector wide problems or individual credit difficulties. However the bond market is still a new concept to the Bangladesh economy as well as the conventional bond market is underdeveloped.

The debt instrument that Mutual Trust Bank Limited has issued is sensitive towards both market and company specific risks. All investments which offer a Balance between risk and potential return are graded to be the higher rated investment. The Balance between risk and return varies by the type of investment (in this case Subordinated Bond), the entity that issues it, the state of the economy and the cycle of the securities markets (this risk is eliminated as it will not be publically traded in secondary market).

The entity in discussion will issue non-convertible Subordinated bond for the purpose of strengthening its Tire II capital base. RSA Advisory Limited is acting as the mandated lead arranger and MTB Capital Limited is acting as the co-arranger whereas UCB Investment Limited is acting as the trustee.

Interest rate risk affects the value of bonds that arises when an investment's value will change due to a change in the absolute level of interest rates. Coupon rate of the bond is determined by the benchmark rate and then a margin of 2.00% p.a. added to the benchmark rate. The coupon rate will be determined

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Syed Mahbubur Rahmar
Managing Director & CEO
Mutual Trust Bank Limited



based on latest average 6-month FDR rate of all private commercial banks excluding banks licensed after 2010 as published by Bangladesh Bank on the quotation day on the quotation day plus 2.00% margin. The published deposit rate will be taken from Bangladesh Bank sources. This will be fixed semi-annually.

D. COMPANY SPECIFIC RISK ANALYSIS

Risk is an integral part of financing business and thus every financial institution is exposed to risk of different type and magnitude. So, the prime responsibility of every financial institution is to manage its risk so that its return from business can be maximized. As a prudent and responsible financial institution, the bank attaches top priority to ensuring safety and security of the finances that are being extended.

D.1. Impact of COVID-19

As conferred earlier, the pandemic would affect the bank in many aspects both in short term and long term. Among various risks, credit risk and liquidity risk likely to shake the bank mostly. The Non-performing Loan (NPL) of the Bank likely to rise in a new level due to this pandemic. In this situation, the credit worthiness of the existing borrower will be deteriorated which would undermine the possibility of repayment of loan.

D.2. Credit Risk

Credit risk is the probability of a borrower or counterparty failing to meet its financial obligations in accordance with agreed terms. To manage these risks, MTB's credit functions are conducted in a compliant manner under strict and rational credit policies, and principles in conformity with Credit Risk Management (CRM) guidelines of Bangladesh Bank (BB). MTB approves credit to the eligible clients through credit processing system. In MTB, renewal and extension of any credit facility require completion of pertinent due diligence processes including, as applicable, stock verification, rigorous need assessment, insurance coverage of the insurable objects, appropriate collateral coverage, cash flow supported repayment capacity etc. MTB's panel lawyers examine the security related documents to reduce the legal risks. Other than these, the mechanisms and tools, through which MTB manages credit risks, are as follows:

Exposure ceilings: MTB has its lending cap for different business sectors, industries, and geographic locations. Lending cap is constantly reviewed, in order to remain reasonably aligned with the business needs. The bank never exceeds the Single Borrower Exposure Limit set by Bangladesh Bank.

Prudent credit sanctioning process: Credit initiation and approvals, in MTB, are done in a segregated manner. Each sanction is done through a very stringent evaluation process, which, in fine, ensures quality of assets and minimizes losses likely to arise from potential bad loans. In order to make credit operations judicious, quality and rewarding, MTB has a strict credit policy in place. The policy, among others, requires:

- Clean and up to date Credit Information Bureau (CIB) report of the client, and their allied concern;
- Verification of the collaterals by the enlisted surveyors, and obtaining legal opinion on acceptability of the collaterals and protecting banks interest;
- Ascertaining credit worthiness, need of the borrower, purpose, and sources of repayment;
- Conducting lending operations complying with the underlying norms, and regulations;
- Emphasizing maintenance of rational loan deposit ratio;
- Avoiding directed and name lending.

Credit monitoring: MTB Credit Monitoring Department (CMD) continuously monitors the asset (loan) portfolio of the Bank. MTB's credit monitoring system provides an early indication/alert about the deterioration in the status of the loans that allows immediate launching of effective management actions, in a rational manner, to prevent them from turning into Non-Performing Loans (NPL). Statements on early alert accounts, delinquent and special mentioned accounts are generated periodically. MTB's credit monitoring tools are effective to keep the overdue, and SMA loans well below the industry average.

Portfolio management: Credit concentration is against the spirit of diversification of portfolio, and enhances credit risks. To avoid concentration, the principle of credit diversification is followed in MTB,

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MTB 5th Subordinated Bond

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Corporate Head Office, Dhaka



keeping in mind the essence of geographic/sector/group concentration. Any exceptions in credit operations are considered for approval at appropriate level.

Review/renewal: All credits approved on revolving basis, are reviewed annually, and renewed if found renewal worthy by the appropriate authority as per credit approval discretion. Credits, continuous or term-based, are reviewed to ascertain the regularity in transaction, and repayments as per covenants of the approvals.

Borrowers' credit rating: Under the Standardized Approach of Risk Based Capital Adequacy (RBCA) guidelines of Basel-III, prescribed by the Bangladesh Bank, rating of the borrowers are an effective and efficient tool to manage credit risks. Good rating (i. e. low risk weight) of the borrowers, which facilitates identification of the borrowers as quality/rewarding one, also requires less capital. For achieving these two fold objectives, and to comply with the requirements under Basel III, management has assigned priority on rating of all the eligible clients, by External Credit Assessment Institutions (ECAIs). In its constant effort to understand the risk intensity of the assets, extent of capital relief and also, in order to be able to make appropriate choice in respect of selection of the borrowers, ECAI rating is considered while sanctioning credit. With laying of adequate importance on ECAI rating, the number of ECAI rated clients has increased significantly.

D.3. Asset Liability Management Risk

Asset Liability Management (ALM) is considered as a key to Balance sheet risk management discipline, which mainly focuses on liquidity risk, interest rate risk, and exchange rate risk of the bank. As per BB guideline, MTB has a fully functional ALCO for prudent Balance sheet risk management. The Committee consists of the Managing Director & CEO, as the Chairman of the Committee, and strategically important divisional heads. In accordance with Bangladesh Bank guidelines on ALM risk management, MTB has developed an Asset Liability Risk Management Manual, which is approved by the Board of Directors of the bank.

D.4. Internal Control and Compliance Risk Management

MTB has an Internal Control and Compliance (ICC) Department, which ensures internal control structure in the Bank with appropriate assignment, accountability of the personnel, and delegation of authorities to functional management to exercise control, and create a compliance culture within the organization, under the active guidance and supervision of the senior management, and the Board of Directors. ICC Department has the following three distinct divisions, headed by senior level executives:

1. Audit and Inspection Division
2. Compliance Division
3. Monitoring Division

As a tool of internal control, the audit and inspection division undertakes periodic and special audits and inspections on the branches and departments/divisions of the head office in order to find out the weaknesses and defects in the control processes. It reports to the Audit Committee of the Board for corrective measures to protect the interest of the bank.

The compliance and monitoring divisions of the ICC Department ensure timely and proper compliance with the relevant laws, regulatory instructions, internal policies, and procedures in the day-to-day operations of the bank, by way of using various control tools. The concerned divisions assess the operational risks and acts appropriately to mitigate the same for smooth operation of the Bank.

Overall, the ICC Department reports on serious noncompliance issues, detected by the internal and external auditors and Bangladesh Bank's inspection teams, with up-to-date compliance position, large financial risk exposures, weaknesses in control mechanism, and other risk areas to the Audit Committee of the Board, for review and taking appropriate remedial measures.


Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

MTB 5th Subordinated Bond


Mohammad Masud Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


Maik Muntasir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

EMERGING
Credit Rating Ltd



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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



D.5. Information and Communication Technology (ICT) Risk Management

MTB pursues growth by ensuring the total security of the customers, and all other stakeholders. In the era of an increased reliance on complex IT systems, and operations in the financial sector, the risk of cyber-attacks and system disruptions is high, and it is increasing alarmingly. In this regard, MTB is constantly deepening its technology risk management capabilities by adopting strong "Information & Communication Technology (ICT) Security Policy." The underlying principles in this regard define responsibilities, and requirements for protecting information assets (e.g. hardware, network, operating system, database, application, storage and related technologies), and their use in providing world class financial services.

E. MANAGEMENT AND OTHER QUALITATIVE FACTORS

E.1. Corporate Governance

Mutual Trust Bank Limited (MTB) believes that its ongoing commitment and efforts in ensuring a strong corporate governance structure and culture across the organization will help it deliver value to all its stakeholders. Hence, the Bank has strived to have good corporate governance practices put in place and the highest standards of business integrity applied to all its activities. The bank focuses on ethics, innovation and transparency for establishing well organized corporate governance within the company. Focus is placed on educating and increasing awareness among directors, executive officers and employees on the bank's codes of conduct, the relevant laws and regulatory requirements as well as disciplinary procedures. The Bank's corporate governance policy, which contains guidelines for directors, executive officers, and employees, has been formulated as per guidelines of regulators. With adherence to this policy in its operations, the Bank aims to build trust and confidence among investors and stakeholders, thereby improve its competitiveness, enhance value and promote stability. The policies are updated time to time in order to comply with the good governance principles and relevant regulatory requirements. The board of directors of MTB consists of twelve members including the Managing director & CEO. It is well structured with a Chairman, one Vice Chairman, seven Directors, two independent directors and Managing Director.

Currently, Mr. Md. Wakiluddin is holding the position as the bank's Chairman and supervising the bank's operation and ensuring compliance. Mr. Md. Abdul Malek is the respective Vice Chairman of the board whereas Mr. Syed Mahbubur Rahman is holding the position of Managing Director & CEO in the bank. All the directors are well-qualified, experienced professionals and carrying tremendous value in their respective management capability.

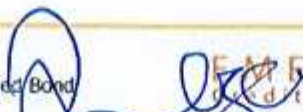
E.2. Board Committees

In order to ensure proper accountability and transparency to highest ethical standards MTB has in place three board committees. In broad terms the duties of these committees involve overseeing and directing the operations, performance and strategic direction of the bank. The corporate governance system of the bank ensures that duties and responsibilities are appropriately segregated between the BoD and management to provide sufficient checks, balance and flexibility for smooth business operation.

The BoD approves the bank's budget and business plan and reviews those time to time so as to give directions as per changing economic and market environment. The BoD reviews the policies and manuals of the various segments of businesses in order to establish effective risk management in credit and other key areas of operations. The BoD also ensures that adequate internal control systems are in place and they are consistently complied with to provide reasonable assurance that financial records are reliable for preparation of financial statements. The BoD further ensures that quality of financial reporting is maintained, assets of the bank are safeguarded against unauthorized use or disposition and accountability for assets and business transactions are maintained. With an objective to assist in screening and scrutinizing specific operations and support the performance of duties of the Board to ensure efficiency and effectiveness and maintain a good corporate governance system, the bank has established three different board committee; the Board Executive Committee, the Board Audit Committee and the Board Risk Management Committee.

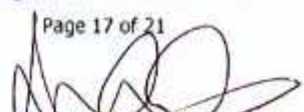

MTB 5th Subordinated Bond

Mohammad Mazmul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


EMERGING
Credit Rating Ltd
Mark Mustafa Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka




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Managing Director & CEO
UCB Investment Limited

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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



E.2.1. Executive Committee (EC)

The executive committee of the bank consists of five board members and is currently convened by Mr. Md. Hedayetullah. The Committee takes all necessary decisions and approves cases within the power delegated by the board. All decisions taken in the Board Executive Committee are approved in the board meeting. The committee oversees the degree of execution of policies and guidelines entrusted with the management.

E.2.2. Board Audit Committee (BAC)

The audit committee of MTB is formed with three members and is chaired by Ms. Nasreen Sattar. The role of the committee is set according to its charter and is bestowed with a wide range of responsibilities ranging from overseeing the bank's financial reporting process, hiring and performance of external auditors, review the adequacy of internal audit function, ensuring sound internal control, analyzing and assisting external auditors and making sure that the bank is compliant with the policies set by the regulatory body.

E.2.3. Board Risk Management Committee (BRMC)

The bank realizes the significance of risk management covering both internal and external risk factors. The committee is entrusted with the responsibility to supervise and oversee risk management processes in the Bank. Other responsibilities of the committee include identifying risks and developing well formulated strategy and ensuring the implementation of policies, complying with instructions issued by the controlling authority from time to time. The committee was also formed to congregate the requirement of section 15 of the Banking Company Act, 1991. The BRMC of MTB is formed with five members and lead by Mr. Rashed Ahmed Chowdhury.

E.3. Senior Management

The strategic management activities and overall business operations of MTB are supervised and directed by the core management team of the bank. In an effective corporate governance structure, the bank management has a collective mandate under the leadership of Managing Director & CEO to carry out daily operations to the best interest of the stakeholders. The management of team of MTB is headed by the Managing Director Mr. Syed Mahbubur Rahman. He has 34 years of experience in banking services and credit related arena. Prior to Joining MTB, he was the Managing Director & CEO of Dhaka Bank Limited and BRAC Bank Limited. Mr. Rahman worked in various renowned financial institutions of Bangladesh such as Prime Bank limited, Citibank NA, Standard Chartered Bank, ANZ Grindlays Bank, IDLC Finance Limited etc. He holds his Master's in Business Administration (MBA) from the Institution of Business Administration (IBA), University of Dhaka. During his career, he attended numerous training, seminars and workshop on different aspects of Banking held in the country and abroad.

To perform the day-to-day tasks smoothly, provide support in decision-making process, and to comply regulatory requirements, the management forms different committees, subcommittees and units/cells comprising executives/staff of different levels. The committees are Core Management Committee, Management Committee (MANCOM), All Risk Committee, Asset Liability Committee (ALCO), Credit Evaluation Committee, Exception Approval Committee, Supervisory Review Process (SRP) Team, IT Steering Committee, IT Security Committee, Group Integrity Committee etc. Managing Director leads the two most important committees which are MANCOM and ALCO.

E.3.1. Management Committee (MANCOM)

MANCOM is considered the highest decision and policy making authority of the bank. MANCOM of MTB consists with thirteen members, which comprises of senior executives of the management headed by the Managing Director of the bank. MANCOM meets on regular basis to discuss relevant agenda and scrutinizes all the cases thoroughly before referring to Executive Committee/Board for due approval decision.

E.3.2. Asset Liability Committee (ALCO)

The bank has set up Asset Liability Committee which is headed by the Managing Director & CEO. The Asset Liability Management Committee (ALCO) consist seven members comprising senior management, which is responsible for the overall Balance sheet (Asset- Liability Management) of the bank. ALCO formulates and reviews strategies, and provides guidance to manage liquidity risk within the framework laid out in the ALM Policy. The committee proactively manages liquidity risk as a part of its ALM

Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

MTB 5th Subordinated Bond
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Group Chief Financial Officer
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Credit Rating Ltd
Mark Mustafa Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



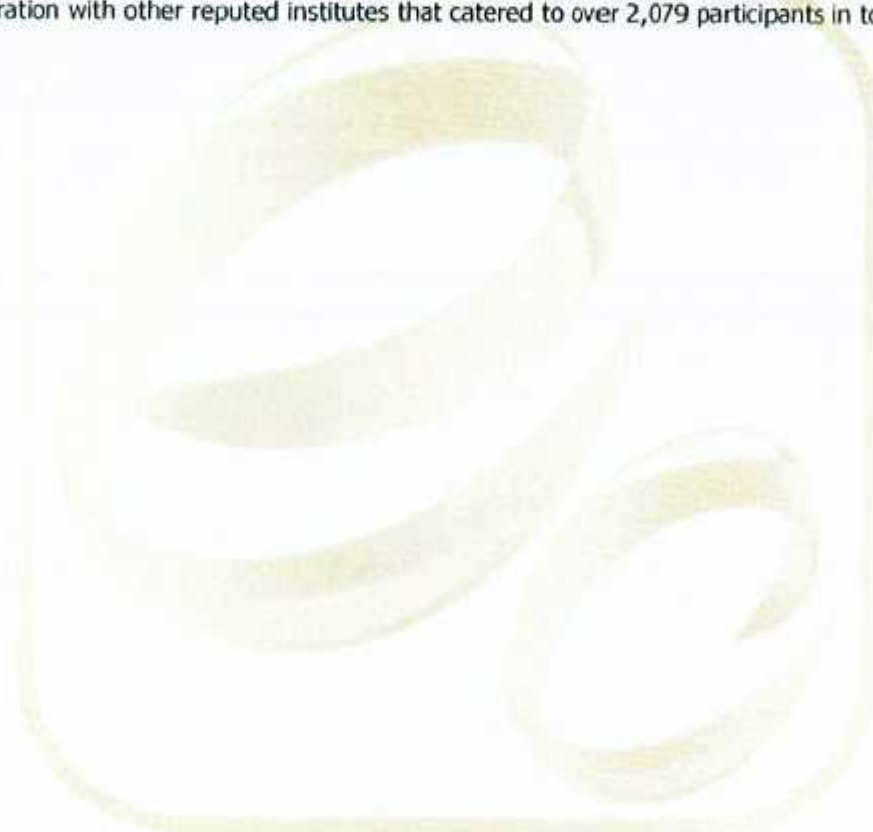
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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



activities. ALM Desk analyses, evaluates and interprets the market scenario on a regular basis to ensure the right Balance between product profiles; cost and risk exposure places recommendations to the ALCO through the Head of Treasury & Financial Institutions. The committee's prime roles and responsibilities are to manage liquidity & profit rate risk of deposit and lending, understanding the market dynamics and risk elements involved within the business, assuming money market activities and last but not least complying bank's statutory obligations with the local Central Bank regulations. As per management correspondence, the committee calls for a meeting once every month to set and review strategies on Asset-Liability Management.

E.4. Human resource

As of 31 December 2021, the total manpower of the Bank was 2,418 of whom 356 work at executive level, 816 work at mid-level officer, 1,221 at junior level officer, 25 work at non officers. As part of the learning and organizational development, even in a year ravished by pandemics & lockdowns, MTB hosted 177 training sessions offline as well as online. It embraced this challenge by moving the training programs to the digital platform. The sessions were conducted by in-house trainers, invited speakers as well as collaboration with other reputed institutes that catered to over 2,079 participants in total.




Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited



MTB 5th Subordinated Bond


Md. Muhammad Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


MIRACLES
Investment Ltd


Mark Mustafa Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka



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Syed Mahbubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited



CORPORATE INFORMATION

Board of Directors

| | |
|----------------------------|--|
| Mr. Md. Wakiluddin | Chairman |
| Mr. Md. Abdul Malek | Vice Chairman |
| Mr. Syed Manzur Elahi | Director (Founding Chairman) & Chairman, MTB Foundation |
| Mr. Md. Hedayetullah | Director & Chairman, MTB Board Executive Committee |
| Mr. Rashed Ahmed Chowdhury | Director & Chairman, MTB Board Risk Management Committee |
| Dr. Arif Dowla | Director |
| Ms. Khwaja Nargis Hossain | Director |
| Ms. Anika Chowdhury | Director |
| Mr. Daniel Donald de Lange | Director |
| Ms. Nasreen Sattar | Independent Director & Chairman, Board Audit Committee |
| Mr. Faruq Ahmad Siddiqi | Independent Director |
| Mr. Syed Mahbubur Rahman | Managing Director & CEO |

Management Committee

| | |
|-----------------------------|--|
| Mr. Syed Mahbubur Rahman | Managing Director & CEO |
| Mr. Chowdhury Akther Asif | Additional Managing Director & GCRO |
| Mr. Goutam Prosad Das | Deputy Managing Director & GHOICC |
| Mr. Md. Khalid Mahmood Khan | Deputy Managing Director, CCB |
| Mr. Rais Uddin Ahmad | Deputy Managing Director & CAMLCO |
| Mr. Md. Bakhteyer Hossain | SEVP & HO Transaction Banking |
| Mr. Md. Shamsul Islam | SEVP & GHOT |
| Mr. Malik Muntasir Reza | SEVP & GCS |
| Mr. Usman Rashed Muyeen | SEVP & HOCRM |
| Mr. Md. Shafquat Hossain | SEVP & Head Of Retail Banking Division |
| Mr. Masud Mushfiq Zaman | Group Head Of Human Resources |
| Mr. Azam Khan | SVP & GCCO |
| Mr. Nazmul Hossain | Group CFO |

Shareholders Structure

(As on December 31, 2021)

Shareholders

Shareholding Percentage

| | |
|-------------------|--------|
| Sponsor/Directors | 32.81% |
| Foreign Investors | 9.53% |
| Institutions | 23.00% |
| General | 34.67% |

Auditor

M.J. Abedin & Co
Chartered Accountants
National Plaza, 3rd Floor 109 Bir Uttam C. R. Datta Road
Dhaka – 1205, Bangladesh

Corporate Head Office

MTB Center 26 Gulshan Avenue, Dhaka 1212, Bangladesh
Phone: 02-58812298, 02-222283966
Fax : 02-222264303
Email : info@mutualtrustbank.com
Website: www.mutualtrustbank.com


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Sr. Executive Vice President &
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Mutual Trust Bank Limited



BOND RATING SYMBOL

LONG-TERM RATINGS

ECRL's Long-Term Ratings are assigned to debt with maturities of more than one year. These debt ratings specifically assess the likelihood of timely repayment of principal and payment of interest over the term to maturity of such debts.

| RATING | |
|--------|---|
| AAA | Indicates that the ability to repay principal and pay interest on a timely basis is extremely high. |
| AA | Indicates a very strong ability to repay principal and pay interest on a timely basis, with limited increment risk compared to issues rated in the highest category. |
| A | Indicates the ability to repay principal and pay interest is strong. These issues could be more vulnerable to adverse developments, both internal and external, than Obligations' with higher ratings. |
| BBB | This grade indicates an adequate capacity to repay principal and pay interest. More vulnerable to adverse developments, both internal and external, than Obligations' with higher ratings. |
| BB | This rating suggests that likelihood of default is considerably less than for lower-rated issues. However, there are significant uncertainties that could affect the ability to adequately service debt Obligations'. |
| B | Indicates a higher degree of uncertainty, and therefore, greater likelihood of default. Adverse developments could negatively affect repayment of principal and payment of interest on a timely basis. |
| C | High likelihood of default, with little capacity to address further adverse changes in financial circumstances. |
| D | Payment in default. |

Notes: Long-Term Ratings from AA to B may be modified by the addition of a plus (+) or minus (-) suffix to show relative standing within the major rating categories. Bank-guaranteed issues will carry a suffix (bg), corporate-guaranteed issues, a (cg), issues guaranteed by a financial guarantee insurer (FGI), an (fg), Bond issues will carry a suffix (B) and all other supports, an (s) when such guarantees or supports give favorable effect to the assigned rating.

Rating Outlook

ECRL's Rating Outlook assesses the potential direction of the Bond Issuers over the intermediate term (typically over a one to two-year period). The Rating Outlook may either be :

| | |
|------------|---|
| POSITIVE | which indicates that a rating may be raised; |
| NEGATIVE | which indicates that a rating may be lowered; |
| STABLE | which indicates that a rating is likely to remain unchanged; or |
| DEVELOPING | Which indicates that a rating may be raised, lowered or remain unchanged. |

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Muhammad Mazmul Hossain
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Muhammad Reza
Sr. Executive Vice President
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Tanzim Alamgir
Managing Director & CEO
UBD Investment Limited



Syed Manubur Rahman
Managing Director & CEO
Mutual Trust Bank Limited

Annexure 4: Declaration about the Responsibility of the Directors



Declaration about the responsibility of the directors, including the CEO of the issuer or originator in respect of the information memorandum

This information memorandum has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity, accuracy and adequacy of the statements made, information given in the prospectus, documents, financial statements, exhibits, annexes, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this public issue and prospectus have been met and that there are no other information or documents, the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative actions against any or all of us as it may deem fit.

We also confirm that full and fair disclosures have been made in this information memorandum to enable the investors to make a well-informed decision for investment.


SYED MAHBUBUR RAHMAN
MANAGING DIRECTOR & CEO

Date: July 31, 2022

Annexure 5: Due Diligence Certificate of the Trustee



DUE DILIGENCE CERTIFICATE OF THE TRUSTEE

The Chairman
Bangladesh Securities and Exchange Commission

SUBJECT: ISSUANCE OF MTB 5TH SUBORDINATED BOND OF MUTUAL TRUST BANK LIMITED

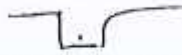
We, the under-noted trustee to the above-mentioned forthcoming issue, state as follows:

1. We, while act as trustee to the above mentioned issue on behalf of the eligible investors, have examined the draft Information Memorandum, legal and other documents and materials as relevant to our decision; and
2. on the basis of such examination and the discussions with the issuer, its directors and officers, and other agencies; independent verification of the statements concerning objects of the issue and the contents of the documents and other materials furnished by the issuer;

WE CONFIRM THAT:

- a) All information and documents as are relevant to the issue have been received and examined by us and the draft IM, draft Deed of Trust and draft Subscription Agreement forwarded to the Commission has been approved by us;
- b) We have also examined all documents of the assets to be charged with the Trust and are satisfied that the assets bear the value, title and charge status as disclosed in the IM;
- c) While examining the above documents, we find that all the requirements of the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 have been complied with;
- d) We shall act as trustee to the issue as mentioned above as per provisions of the Deed of Trust to be executed with the issuer and shall assume the duties and responsibilities as described in the Deed of Trust and in the IM;
- e) We shall also abide by the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 and conditions imposed by the Commission as regards of the issue; and
- f) The above declarations as unequivocal and irrevocable.

For Trustee-

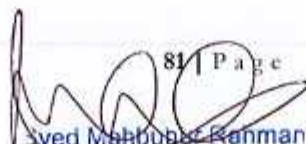

Tanzim Alamgir
Managing Director and CEO
UCB Investment Limited

Date: June 14, 2022
Place: Dhaka


Tanzim Alamgir
Managing Director & CEO
UCB Investment Limited

DAK Center (17th Floor) Plot-CWS-(A)-1 Road No-34, Baitan Avenue, Dhaka-121.
E-mail: support@ucb-investment.com, Web: www.ucb-investment.com


Md. Kamrul Hossain, FCA
Group Chief Financial Officer
Mutual Trust Bank Limited
Corporate Head Office, Dhaka


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Syed Mahbubul Haqman
Managing Director & CEO
Mutual Trust Bank Limited


Malik Muntahir Reza
Sr. Executive Vice President &
Group Company Secretary
Mutual Trust Bank Limited
Corporate Head Office, Dhaka

Annexure 6: Status of Debt Securities issued under trusteeship UCB Investment Limited



Status of Debt Securities issued under trusteeship of UCB Investment Limited

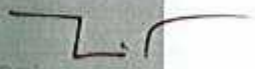
Present status of Debt Securities issued by Bangladesh Securities and Exchange Commission (BSEC) in which UCB Investment Limited is acting as Trustee is as follows -

| Sl | Name of the Issuer | Name of the Issue | Maturity Period | IM Issue Date | Date of Completion of subscription | Issue Amount (BDT Million) | Repayment Amount (BDT Million) | Outstanding as on July 20, 2022 (BDT Million) | Default (if Any) | Remarks |
|----|-----------------------------|---------------------------------------|-----------------|---------------|------------------------------------|----------------------------|--------------------------------|---|------------------|---------|
| 1 | NRB Commercial Bank Limited | NRBC Bank Subordinated Bond-1 | 07 years | Nov 21, 2021 | Dec 26, 2021 | 3,000 | - | 3,000 | Nil | |
| 2 | Bank Asia Limited | Bank Asia Perpetual Bond | Perpetual | Mar 02, 2022 | N/A | 5,000 | - | 5,000 | Nil | |
| 3 | Mercantile Bank Limited | Mercantile Bank Perpetual Bond | Perpetual | May 24, 2022 | N/A | 5,000 | - | 5,000 | Nil | |
| 4 | Mir Akhter Hossain Limited | Mir Akhter Zero Coupon Bond | 04 Years | Apr 04, 2022 | N/A | 2,499 | - | 2,499 | Nil | |
| 5 | Envoy Textile Limited | Envoy Textiles Zero Coupon Bond | 05 Years | May 24, 2022 | N/A | 2,000 | - | 2,000 | Nil | |
| 6 | Eastern Bank Limited | 3 rd Subordinated Bond | 07 years | - | N/A | 5,000 | - | 5,000 | Nil | |
| 7 | Mutual Trust Bank Limited | MTB 5 th Subordinated Bond | 07 years | - | N/A | 5,000 | - | 5,000 | Nil | |

Yours Faithfully,


Tanzim Alamgir
 Managing Director & CEO

Buxa Center (17th Floor) Plot-CWS-(A)-1 Road No-34, Gulshan Avenue Dhaka-1212.
 E-mail: support@ucb-investment.com, Web: www.ucb-investment.com


Tanzim Alamgir
 Managing Director & CEO
 UCB Investment Limited

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 Corporate Head Office, Dhaka


Syed Mahbubur-Rahman
 Managing Director & CEO
 Mutual Trust Bank Limited


Malik Muntasir Reza
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