

Mutual Trust Bank PLC

মিউচুয়াল ট্রাস্ট ব্যাংক পিএলসি

you can bank on us

Financial

Statements 2024

Independent Auditor's Report To the Shareholders of Mutual Trust Bank PLC Report on the Audit of the Consolidated and Separate Financial Statements															
Opinion We have audited the consolidated financial statements of Mutual Trust Bank PLC and its subsidiaries (the "Group") as well as the separate financial statements of Mutual Trust Bank PLC (the "Bank"), which comprise the consolidated and separate Balance Sheets as at 31 December 2024, and consolidated and separate Profit and Loss Accounts, consolidated and separate Statement of Changes in Equity, and consolidated and separate Statement of Cash Flow for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information. In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Bank give a true and fair view of the consolidated Balance Sheet of the Group and the separate Balance Sheet of the Bank as at 31 December 2024, and of its consolidated and separate Profit and Loss Accounts, consolidated and separate Statement of Changes in Equity and its consolidated and separate Statement of Cash Flow for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note #2 and comply with the Banking Companies Act, 1991 (as amended up to date), the Companies Act, 1994 (as amended up to date), the rules and regulations issued by the Bangladesh Bank, the rules and regulations issued by the Bangladesh Securities & Exchange Commission (BSEC) 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 auditor's report on the consolidated and separate financial statements section of our report. We were 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), Bangladesh Securities and Exchange Commission (BSEC), and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and 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 judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. <table> <tr> <th>Description of key audit matters</th><th>Our response to key audit matters</th></tr> <tr> <td>Measurement of provision for loans and advances</td><td> We tested the design and operating effectiveness of key controls focusing on the process for calculating the provision for loans and advances, including the following: - Credit appraisal, loan disbursement procedures, monitoring and provisioning process; - Identification of loss events, including early warning and default warning indicators; - Reviewed the quarterly Classification of Loans (CL) indicators; - Reviewed the appropriateness of the approvals for the transfer of interests to the Income account in accordance with the Bangladesh Bank's guidelines; - Reviewed the adequacy of the general and specific provisions in line with the Bangladesh Bank guidelines. Reviewed the grounds for recommendations for approvals in cases of transfer of interests to Income account; - Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; - Assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines; - Finally, compared the amount of provision requirement as determined by the Bangladesh Bank inspection team to the actual amount of provision maintained. Considering these factors, we have considered measurement of provision for loans and advances as significant risk as well as a key audit matter. At year end, the Group reported total gross loans and advances of BDT 300,780.13 million (2023: BDT 261,023.39 million) and provision for loans and advances of BDT 19,375.29 million (2023: BDT 14,940.75 million). 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As part of our audit, we also evaluated the Bank's control environment concerning system interfaces, configurations, and application-layer controls that were identified as critical to financial reporting accuracy. Given the significance of IT application controls in ensuring the integrity of automated financial processes, we tested key application-based controls, including system-generated reports, automated journal entries, and validation mechanisms that support transaction processing. This involved assessing whether these automated controls were functioning as intended and whether their outputs were reliable for financial reporting purposes. Furthermore, we performed detailed tests on IT general controls to assess the effectiveness of application development processes, database security, and hosting platform management. 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Other information Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditor's 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 consolidated and separate 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Responsibilities of Management and These Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate 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 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 forgery. In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so. These 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, or 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, and 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, or the overstatements, or the omission of internal controls; - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances; - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management; - 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 financial statements of the current period and are therefore the key audit matters. We describe those matters in our auditor's report unless law or regulation prohibits 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. 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 (as amended up to date), the Financial Reporting Act 2015, and the rules and regulations issued by Bangladesh Bank, we also report that: - we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereon; - 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 and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgery as stated under the Management's Responsibility for the financial statements and internal control; - internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate; - nothing has come to our attention regarding material instances of forgery or irregularity or administrative error or exception or anything detrimental committed by officers of the Group and its related entities (other than matters disclosed in these financial statements); - financial statements of Mutual Trust Bank PLC's subsidiaries namely, MTB Securities Limited and MTB Capital Ltd have been audited by PKF AZ Halim Khair Chowdhury, Chartered Accountants and has been properly reflected in the consolidated financial statements; - in our opinion, proper books of account as required by law have been kept by the Group and the Bank as far as it appeared from our examination of those books; - the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements; the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns; - the expenditures incurred were for the purpose of the Bank's business for the year; - the consolidated financial statements of the Group and the separate financial statements of the Bank have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as related guidance issued by Bangladesh Bank; - adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery; - the information and explanations required by us have been received and found satisfactory; - we have reviewed over 80% of the risk weighted assets of the Bank and spent over 6,000 person hours; and - Capital to Risk-weighted Asset Ratio (CAR) as required by Bangladesh Bank has been maintained adequately during the year.															
Dated, Dhaka 28 April 2025 Signed for & on behalf of MABS & J Partners Chartered Accountant Nasir U Ahmed FCA, FCS, CGMA (AICPA), ACMA (UK), FCA (England & Wales) Additional Managing Partner ICAB Enrolment No. 535 DVC No.: 259429053AS674821															

Consolidated Balance Sheet		As at 31 December 2024	
Particulars	Notes	2024	Amount in BDT 2023
PROPERTY AND ASSETS			
Cash	3.0a	23,164,207,033	16,871,379,739
Balance in Hand (including Foreign Currency)		17,819,174,885	12,642,862,594
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)			
Balance with other Banks & Financial Institutions in Bangladesh	4.0a	6,881,623,417	6,262,346,536
Outside Bangladesh		2,478,100,249	3,850,544,080
Outside Bangladesh		4,405,241,323	2,852,368,127
Money at Call on Short Notice	5.a	-	300,000,000
Investments	6.a	107,678,814,887	68,644,845,832
Government		10,565,927,451	5,782,333,763
Others		14,110,887,033	12,852,517,125
Loans and Advances/Investments	7.0a	300,780,130,387	261,023,388,872
Loans, Cash Credits, Overdrafts, etc./Investments		268,057,974,031	208,367,286,854
Fixed Assets	8.0a	2,454,314,323	2,872,108,648
Fixed Asset Including Premises, Furniture and Fixtures		4,605,644,747	4,604,874,880
Other Assets	9.a	14,118,127,877	8,091,494,495
Non-Banking Assets		487,205,884,467	355,026,654,132
LIABILITIES AND CAPITAL			
Borrowing from other Banks, Financial Institutions and Agents	10.a	43,261,221,119	30,758,997,172
Bond	13.a	10,560,000,000	12,500,000,000
Particular Bond		4,500,000,000	4,500,000,000
Subordinated Debt		6,060,000,000	8,000,000,000
Deposits and Other Accounts	11.a	329,205,624,322	283,186,911,565
Current Deposit & Other Accounts		49,899,514,319	38,041,255,765
Savings Deposit		1,998,368,229	2,851,035,385
Fixed Deposit		51,103,428,858	48,402,403,891
Foreign Currency Transnational Fund		176,143,033,568	123,004,008,116
Surplus in Profit and Loss Account/Retained Earnings	18.a	9,329,409,371	27,852,882,786
Total Shareholders' Equity		25,082,975,821	23,589,155,532
Non-Controlling Interest	20.0a	134,441	133,214
Total Liabilities and Shareholders' Equity		487,205,884,467	355,026,654,132
Net Asset Value (NAV) per share	21.0a	35.84	25.92
Off-Balance Sheet Items			
Acceptances and endorsements	22.a	59,001,588,749	67,267,219,508
Letter of guarantee		62,408,808,842	56,164,787,693
Irrevocable letters of credit		52,166,738,858	36,828,172,871
Bill for collection		22,964,970,978	13,437,478,692
Other contingent liabilities		-	-
Total Off-Balance Sheet Items		185,618,899,427	163,397,638,656

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

Chairman (Acting) Director Director Managing Director & CEO

Dated, Dhaka
28 April 2025

Signed as per annexed report on even date

Signed for & on behalf of
MABS & J Partners, Chartered Accountants

Nasir U Ahmed
FCA, FCS, CGMA (AICPA), ACMA (UK),
FCA (England & Wales)
Additional Managing Partner
ICAB Enrolment No. 535
DVC No.: 259429053AS674821

Consolidated Profit and Loss Account		for the year ended 31 December 2024	
Particulars	Notes	2024	Amount in BDT 2023
Interest income/profit on investments	24.0a	25,666,146,951	20,727,535,219
Interest paid/profit shared on deposits and borrowings etc.	25.0a	(19,684,133,511)	(15,004,181,181)
Net Interest Income/profit on Investments		6,982,013,440	5,723,354,038
Investment income	26.0a	10,217,658,728	5,205,314,678
Commission, Exchange and Brokerage	27.0a	4,280,020,023	3,621,588,147
Other Operating Income	28.0a	1,312,647,839	1,406,585,500
Total Other Income		22,598,722,339	10,255,528,325
Total Operating Income		39,580,735,779	15,978,882,363
Less: Operating Expenses			
Salary and Allowance	29.0a	6,034,803,449	4,676,500,038
Rent, Taxes, Insurance, Electricity etc.	30.0a	1,028,008,994	818,178,742
Legal Expenses	31.0a	6,238,760	4,585,110
Postage, Stationery, Telecommunication etc.	32.0a	67,429,854	60,133,483
Stationery, Printing, Advertisements etc.	33.0a	408,241,948	208,232,881
Chief Executive's salary and fees	34.0a	28,553,115	28,898,885
Director's Fee	35.0a	5,214,000	5,252
Auditor's Fees	36.0a	2,678,500	1,863,000
Depreciation and repair of bank's assets	37.0a	1,609,079,402	1,009,117,651
Other Expenses	37.0a	2,111,181,935	2,157,186,420
Total Operating Expenses		10,710,621,033	9,778,845,418
Profit Before Provision		11,788,241,201	6,200,036,945
Less: Provision for Loans, Investment & Other	38.0a		
Provision for Unclassified Loan and Advance		2,872,628,874	1,368,882,287
Provision for Classified Loan and Advance		1,028,020,023	6,034,538,033
Provision for Off-Balance Sheet Items		21,811,514	17,132,871
Provision for Contingent Liabilities		77,358,978	77,358,978
Provision for Other Assets		55,000,000	55,000,000
Total Provision		7,044,255,214	4,644,916,281
Profit Before Tax		4,743,985,987	3,555,120,664
Provision for Taxation		1,617,456,821	709,462,390
Current Tax Expenses	39.0a	2,488,566,000	1,568,479,716
Deferred Tax Expenses/(income)	39.1a	(871,070,202)	115,000,000
Net Profit After Tax		3,165,829,966	2,895,881,118
Shareholder of the Bank			
Minority Interest		3,168,524,441	2,899,977,770
Shareholder of the Bank		3,165,829,966	2,895,881,118
Appropriation:			
Statutory reserve		917,820,878	658,823,080
Start up fund		31,105,839	31,105,839
Coupon/dividend on perpetual bond		401,095,890	403,219,178
Capital reserve by MTBS, during the year		672,496	113,283,023
Retained Surplus, Carried Forward		1,816,639,999	1,781,477,127
Earnings Per Share (EPS)	40.0a	3.22	2.91

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

Chairman (Acting) Director Director Managing Director & CEO

Dated, Dhaka
28 April 2025

Signed as per annexed report on even date

Signed for & on behalf of
MABS & J Partners, Chartered Accountants

Nasir U Ahmed
FCA, FCS, CGMA (AICPA), ACMA (UK),
FCA (England & Wales)
Additional Managing Partner
ICAB Enrolment No. 535
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Consolidated Statement of Cash Flow		for the year ended 31 December 2024	
Particulars	Notes	2024	Amount in BDT 2023
A) Cash Flow From Operating Activities:			
Interest income/investment income receipts in cash		29,201,687,580	24,023,609,483
Interest paid/profit shared on deposits and borrowings, etc.		(19,684,133,511)	(15,004,181,181)
Dividend received		878,191,809	618,000,684
Fee & Commission receipts in cash		4,280,020,023	3,621,588,147
Receivables on loans/investment previously written off		107,049,430	175,387,000
Cash payments to employee		(6,034,803,449)	(4,676,500,038)
Cash payments to suppliers		(67,429,854)	(60,133,483)
Income taxes paid		(67,429,854)	(60,133,483)
Receipts from other operating activities		6,043,789,918	2,511,674,468
Payments for other operating activities	41.0a	(9,483,172,732)	(7,775,098,897)
Cash Flow from Operating Activities before Changes in Net Current Assets		10,818,127,877	6,200,036,945
Increases/Decreases in operating assets and liabilities			
Loans and Advances/Investment to customers		(39,754,732,769)	(7,153,808,379)
Other Assets		(4,341,778,862)	(1,768,392,045)
Loans and Advances/Investment to customers		30,000,000,000	26,102,338,872
Deposits from customers		66,072,430,179	28,672,827,783
Other Liabilities		2,840,027,821	17,132,871
Cash generated from operating assets and liabilities		37,959,958,377	4,839,174,359
B) Cash Flow from Investing Activities:			
Investments in T. Bills, T. Bonds and other		(97,724,680,734)	(13,724,680,734)
Investments in Shares and Bonds		(1,258,889,640)	(2,228,238,349)
Purchase of Fixed Assets (Net)		(6,238,760)	(4,585,110)
Cash Flow from Investing Activities		(98,944,158,134)	(16,345,174,643)
Subordinated debt		(2,000,000,000)	(1,900,000,000)
Dividend Paid		(6,034,803,449)	(4,676,500,038)
C) Net Increase in Cash and Cash Equivalents		(6,136,752,152)	(2,044,862,023)
D) Effect of Change of Balance Rates on Cash and Cash Equivalents		9,411,514,844	(3,474,108,984)
Operating Cash and Cash Equivalents		26,851,763,789	27,503,865,938
Closing Cash and Cash Equivalents (D+E+F)		29,201,687,580	24,023,609,483
The above closing Cash and Cash Equivalents Include:			
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)		17,819,174,885	12,642,862,594
Balance with other Banks & Financial Institutions		6,881,623,417	6,262,346,536
Money at Call and Short Notice		-	300,000,000
Investments		107,678,814,887	68,644,845,832
Loans and Advances/Investments		300,780,130,387	261,023,388,872
Fixed Assets		2,454,314,323	2,872,108,648
Other Assets		14,118,127,877	8,091,494,495
Net Operating Cash Flow Per Share	44.0a	80.38	15.98

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

Chairman (Acting) Director Director Managing Director & CEO

Dated, Dhaka
28 April 2025

Signed as per annexed report on even date

Signed for & on behalf of
MABS & J Partners, Chartered Accountants

Nasir U Ahmed
FCA, FCS, CGMA (AICPA), ACMA (UK),
FCA (England & Wales)
Additional Managing Partner
ICAB Enrolment No. 535
DVC No.: 259429053AS674821

Consolidated Statement of Changes in Equity									
for the year ended 31 December 2024									
									Amount in BDT
Particulars	Paid-up Capital	Reserves	Minority Interest	Reserves on Investment in Subsidiaries	Foreign Currency Translation Reserve	Reserves	Reserve for Equity	Reserve for Equity	Total
Balance at 1 January 2023	8,000,000,000	8,000,000,000	1,000,000,000	779,700,000	5,700,000	799,777,000	1,000,000,000	1,000,000,000	19,576,177,000
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Mutual Trust Bank PLCTM

মিউচুয়াল ট্রাস্ট ব্যাংক পিএলসি

you can bank on us

Financial Statements 2024

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 amount and instruction contained in BRPD Circular # 51, 14,63, 59, 56, 52, 17, 16, 13, 03, 01, 15, 08, 16, 05, 19, 14, 10, 01, 07 & 13 dated 19 December 2022, 22 June 2022, 31 December 2020, 30 December 2020, 10 December 2020, 20 October 2020, 28 September 2020, 21 July 2020, 15 June 2020, 21 April 2019, 20 February 2018, 27 September 2017, 02 August 2015, 18 November 2014, 29 May 2013, 27 December 2012, 23 September 2012, 18 September 2007, 03 January 2018, 21 June 2018, 18 October 2018 respectively.

Interest on loans and advances
Interest is calculated on daily product basis but debited to the party's loan account quarterly. No interest is charged on loans and advances which are classified as bad and loss. Interest is calculated on unclassified loans and advances during the period of their classification. Interest 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 suspended 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 receipt 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 by Bangladesh Bank. The percentage of provision on loans and advance are given below:

Rate of provision		RATE OF PROVISION									
Particulars	Short Term Credit & Microcredit	Consumer Financing					Small & Medium Enterprises Financing			Loans to BSM/BSMs	All other credit
		Other Credit & HP & LP	HF	LP	Only Cards		Micro and Small Credit	Medium Enterprise Financing			
UC	Standard	1%	2%	1%	2%	2%	0.25%	0.25%	2%	1%	1%
Classified	SMA	0%	0%	0%	0%	0%	0.25%	0.25%	2%	1%	1%
	SS	5%	20%	20%	20%	20%	5%	20%	20%	20%	20%
	DF	5%	20%	20%	20%	20%	5%	20%	20%	20%	20%
	BL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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

Security against Loans
a. 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.
b. Working Capital: Goods are taken as security in the form of hypothecation along with land and building management. Listed securities of stock exchange, fixed deposits, assignments of receivables etc. are also taken as security.

Bills Purchased and Discounted
a. Bills purchased and discounted do not include Government Treasury bills and have been classified into two categories:
i. Payable in Bangladesh;
ii. Payable outside Bangladesh.

b. 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 three 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 towards 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 the 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 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.

b) Depreciation
Category of Fixed Assets Method of Depreciation Rate of Depreciation

Category of Fixed Assets	Method of Depreciation	Rate of Depreciation
Land	N/A	N/A
Intangible Property	Reducing balance method	2-50%
Furniture & Fixtures	Reducing balance method	10%
Office Equipment	Reducing balance method	20%
Computer & Peripherals	Reducing balance 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 accounts 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 its original specifications and lives and such cost is recognized as capital expenditure and added to the cost of software. Software is amortized using the straight line method at the rate of 10%.

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

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 has made recognition, measurement and disclosure on IFRS 16: Leases in the financial statements of 31 December 2024 both as Lessee and Lessor as follows:

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 of lease of low value assets. The bank recognizes lease liabilities to make lease payment and asset recognized as right-of-use asset representing the right to use the underlying asset.

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, the Bank, on lease-by-lease basis, elected a cost threshold as the basis of materiality level as per Fixed Assets Policy. The reason behind considering the materiality level is that the bank operates many ATM booths with short tenure (not more than 12 months) and such leases; recording of which as ROU assets would inflate the balance sheet both in assets and liabilities.

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 stated at cost less 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 costs incurred, and lease payments 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 in 2024 and recognized as ROU assets of all leases, except short-term leases and low value assets as per the Bank's own policy set as per IFRS 16 Leases. When leases under IFRS 16 was first time adopted by the bank, the bank followed modified retrospective approach of adoption with the date of initial application of 01 January 2018. However, in 2024, the bank reassessed ROU assets recorded and considered a cut-off date i.e. 01 January 2024.

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 2024, the bank reassessed all lease payments of existing contracts for remaining period considering a cut-off date i.e. 01 January 2024. The lease liabilities are presented in the note 12.2.a of these financial statements.

Bank as a lessor
Where the bank does not transfer substantially all of the risk and benefit of ownership of any asset are classified as operating leases. Rental income is recorded as earned based on the contractual term of the lease. Amount due from lessees under finance leases are recorded as receivables at call, on-demand and short-term deposits lodged for periods more 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, IAS37 and internal policy of the banks. Provisions and accrued expenses are recognized in the financial statements when the bank has a legal or constructive obligation as a result of past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

Provident Fund (Defined Contribution Plan)
The Provident Fund is a defined contribution plan where the Bank makes fixed contributions to a separate fund, with no further legal or constructive obligation beyond these payments. 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, Tax Zone 3, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of section 2(52), read with the provisions of part-B of the First Schedule of Income-tax Ordinance, 1984. The recognition took effect from 30 April 2001. The Fund is operated by a Board of Trustees consisting of 7 (seven) members. All confirmed employees of the Bank contribute 10% of their basic salary as a subscription to the fund. The Bank also contributes equal amount of the employees' contribution. Interest earned from the investment is credited to the members' account on yearly basis.

Gratuity Fund (Defined Benefit Plan)
The Gratuity Fund is a defined benefit plan, where the Bank operates a funded gratuity scheme approved by the National Board of Revenue. The Gratuity Fund is managed separately by 'Mutual Trust Bank PLC 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 or above	2.00 basis for each year of service in MTB
7 years	1.70 basis for each year of service in MTB
6 years	1.35 basis for each year of service in MTB
5 years	1.00 basis for each year of service in MTB

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.

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.

MTB Employees' Hospitalization and Group Life Policy
The Bank, as an addressee 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 & kids) effective from 01 January 2019.

MTB Employees' Death Benefit Plan
The plan has been provided 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.

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

2.3.6 Taxation
a. Current tax
The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other period or are never taxable or deductible. Bank's liability for current tax is calculated using tax rates that have been enacted the reporting period. Tax provision of the Group entities is made on taxable income of subsidiaries at different rates applicable as per the Income Tax Act-2023 and the tax authority of the country where it is incorporated.

b. Deferred tax
The Bank recognizes the current and deferred tax in the financial statements using the provisions of the prevailing tax laws applicable in Bangladesh, as per IAS12 (Income Taxes) and BRPD Circular No. 11 dated 12 December 2011. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which such differences can be utilized. Deferred Tax liabilities are also recognized for taxable temporary differences arising on investments and it is probable that temporary differences will not reverse in the foreseeable future. Deferred tax is calculated at the tax rates, which are expected to apply in the period when the liability is settled or the asset is realized. Details of deferred tax assets or liabilities and amount recognized in profit and loss account for deferred tax income or expense are given in note 9.a.3.1 in the financial statements.

Provision for Nostro Accounts
As per instructions contained in the Circular Letter # FEED (FEMO/01/2005-577, 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. The objective of the capital management process is 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 is utilized in accordance with provisions of section 67 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 (HTF and HTM) in accordance with the DOS Circular # 05 dated 28 May 2008, DOS Circular # 05, dated 28 January 2009 and DOS Circular Letter # 27 dated 04 December 2023.

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

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

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

2.7 Revenue recognition
The Revenue during the period has been recognized according to the provision of IFRS16: Revenue from Contracts with Customers, as well as Bangladesh Bank guidelines.

2.7.1 Interest Income
Interest on investments is recognized on accrual basis. Capital gain on investments in shares is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified.

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 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 interest suspense 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
Dividend income 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, Borrowings, and Others
Interest on deposits, borrowings, and other liabilities is calculated on an actual-day basis using a 360-day year and recognized on an accrual basis. Interest on lease liabilities is accounted for in accordance with IFRS 16: Leases. Netting off of interest cost and interest income on defined benefit plans is handled as per IAS 19, based on the latest actuarial reports.

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

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

2.7.9 Current Service Cost - Gratuity Fund (Bank Only)
The Bank determines the current service cost of its defined benefit plans based on annual actuarial valuations, which rely on assumptions such as discount rates, expected returns on plan assets, future salary growth, mortality, and pension escalation rates. Given the long-term nature of these obligations, the Bank conducts yearly valuations to ensure accuracy, with the latest conducted by Air Consulting Limited as of 31 December 2024.

2.7.10 Re-measurements Gain/(Loss) of Defined Benefit Liability (Assets)
Re-measurements gains or losses arise from actuarial valuations carried out by professional actuaries for MTB Employees' Gratuity Fund. The last actuarial valuation was conducted as of 31 December 2024. Typically, actual gains or losses are recognized in equity as a component of equity, net of any deferred tax impact.

2.8 Earnings per share
Basic earnings per share
Basic earnings per share has 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. Any bonus shares issued during the current period are retrospectively adjusted in the number of shares for the preceding period to ensure the presentation of restated comparative EPS.

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.

2.10 Proposed dividend
Final dividend is recognized when it is approved by the shareholders in AGM. However, the proposed dividend for the year 2024 has not been recognized as a liability in the balance sheet in accordance with IAS 10: Events after the Reporting Period. Dividend payable to the Bank's shareholders is recognized as a liability and deducted from the shareholders' equity in the period in which the shareholders' right to receive payment is established.

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

Segment Name	Description
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, Treasury and Islamic Banking.
DBU (Offshore Banking Unit)	Deals with loans, deposits and other transactions and balances in freely convertible currencies with eligible foreign customers.
MTB Securities Limited	It buys, sells and deals in shares, debentures and other securities on behalf of customers and does margin lending for its customers.
MTB Capital Ltd.	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.

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 results of certain segments.

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

2.13 Write-Off
Write-off describes a reduction in recognized value. It refers to recognition of the reduced or zero value of an asset. Generally, it refers to loan for which a return on the loan is now impossible or unlikely. The item is thus canceled and removed from the balance sheet and is reflected in the 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.

2.14 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.

2.15 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 a close member of the family of any individual referred to in (i) or (iv);
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 (vi); 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.

2.16 Compliance report on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs)
Mutual Trust Bank PLC has applied all the applicable IASs and IFRSs as adopted by the FRC (The Financial Reporting Council of Bangladesh) while preparing the financial statements. Details are given below:

	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.																																																																																																																															
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Mutual Trust Bank PLC™

মিউচুয়াল ট্রাস্ট ব্যাংক প্রাইভেট লিমিটেড

you can bank on us

Financial Statements 2024

(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.

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 PLC (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), BFUI 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 BFUI guideline. Department has been reformed as 'Central Compliance Unit (CCU)' under the direct supervision of the MD & CEO which consists of 8 (eight) members having expertise in the field of general banking and information technology. Every year, the MD & CEO of the bank makes statement of commitment in writing to all employees that clearly sets forth MTB's policy against Money Laundering, Terrorist Financing & Proliferation Financing.

(e) Fraud and Forgeries

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

2.18 Implementation of BASEL-III

Bangladesh Bank issued 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks' (Revised) Regulatory Capital Framework in line with Basel-III) vide its BRPD Circular 18 dated 21 December 2014 that Basel-III reporting start from January 2015. 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 2024, 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 PLC 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 PLC 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.

2.19 Audit Committee

In compliance to Bangladesh Bank's circular, the Board of Directors has formed an Audit Committee comprising of the 4 (Four) Directors of the Board. During the period, 04 (Four) meetings of the audit committee were held.

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

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

2.20 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 (CRISIL) based on the audited financial statements as at and for the year ended 31 December 2022. The following ratings have been awarded:

Particulars	Periods	Date of rating	Validity Date	Long term	Short term
Entity rating	January to December 2023	30 April 2024	15 May 2025	AA+	ST-2
Entity rating	January to December 2022	23 May 2023	22 May 2024	AA+	ST-2
Entity rating	January to December 2021	12 May 2022	11 May 2023	AA	ST-2

2.21 Events after the reporting period

Material events after the reporting period need to be considered and appropriate adjustments/disclosures accordingly are always made in the financial statements as per IAS 10: Events after the Reporting Period. Board's recommendation for dividend distribution is a common item presented in the note no. 52.

2.22 Approval of Financial Statements

The financial statements were approved by the Board of Directors on 28 April 2025, upon review by the Board Audit Committee on the same date.

2.23 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.

Notes to the Financial Statements for the year ended 31 December 2024

	2024 BDT	2023 BDT
3.00 Cash (Consolidated)		
i. Cash in hand (including foreign currency)		
Bank Solo (Note-3.a.1)	5,665,032,348	4,228,527,144
MTB Securities Limited	9,490,559	3,006,005
MTB Capital Limited	28,863	12,880
	5,674,551,769	4,231,546,029
ii. Balance with Bangladesh Bank and its Agent Bank(s) (including foreign currency)		
Bank Solo (Note-3.a.2)	17,519,174,685	12,642,852,594
MTB Securities Limited	-	-
MTB Capital Limited	-	-
	17,519,174,685	12,642,852,594
Total	23,193,726,454	16,874,398,623

3.a. Cash (Solo)		
Cash in Hand (including Foreign Currency)	5,665,032,348	4,228,527,144
Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)	17,519,174,685	12,642,852,594
Total	23,184,207,033	16,871,379,738

3.a.1 Cash in Hand (including Foreign Currency)		
Local Currency	6,357,894,188	4,989,457,865
Foreign Currency	219,249,211	81,407,655
	5,576,943,379	4,159,865,220
MTB Islamic Banking (in local currency)	10,203,959	17,651,824
Total	5,585,032,348	4,226,527,144

3.a.2 Balance with Bangladesh Bank and its agent Bank(s) (including foreign currency)		
With Bangladesh Bank:		
Local Currency	14,064,921,503	10,342,409,118
Foreign Currency	1,579,452,312	1,443,141,218
With Sonali Bank (as agent of Bangladesh Bank-Local Currency)	395,782,323	280,437,384
	16,440,166,138	12,065,987,728
MTB Islamic Banking (with BB in local currency)	1,020,014,547	576,864,866
Total	17,519,174,685	12,642,852,594

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 Banks Companies Act, 1991 (as amended in 2013) and Bangladesh Bank MPD circular no. 03 dated 09 April 2020, DOB circular no. 26 dated 19 August 2019 and BRPD (P-37/44/27/2020-4086 for Offshore Banking Unit.

A. Cash Reserve Requirement (CRR)
As per Bangladesh Bank MPD circular no. 03 dated 09 April 2020, bank has to maintain CRR 3.50% on daily basis and 4.00% on bi-weekly basis based on weekly Average of Total Demand and Time Liabilities (ATDTL) of the base month which is two months prior to reporting month. The reserve maintained by MTB as at 31 December 2024 is presented below.

B. Cash Reserve Requirement (CRR) for Offshore banking Unit
As per Bangladesh Bank Gazette: FE-01/2024-819, issued on 29 February 2024; Scheduled commercial banks are not required to maintain Cash Reserve Requirement (CRR) with Bangladesh Bank for Offshore banking operations.

	Dec-2024	Dec-2023
I. Daily Bank's CRR Maintenance		
Required Reserve for OBO (including Islamic Banking)	11,221,455,182	9,037,652,481
Required Reserve for OBU	11,221,455,182	9,037,652,481
Total	11,221,455,182	9,037,652,481
Actual Reserve Maintained	14,576,674,965	12,080,547,532
Surplus	3,355,219,783	2,871,732,201
II. Bi-weekly Bank's CRR Maintenance*		
Required Reserve for OBO (including Islamic Banking)	12,824,920,208	10,328,745,680
Required Reserve for OBU	12,824,920,208	10,328,745,680
Total	12,824,920,208	10,328,745,680
Actual Reserve Maintained	15,497,715,042	11,028,291,628
Surplus	2,672,794,834	641,550,948
* Last bi-weekly average December 2024	17,195,440	14,125,628

C. Statutory Liquidity Ratio (SLR)
As per Section 33 of the Bank Company Act, 1991 & MPD circular no. 02 dated 10 December 2019 issued by Bangladesh Bank with effect from 1 February 2014, for conventional banking operation, bank is to maintain SLR of minimum 15% based on weekly Average Total Demand and Time Liabilities (ATDTL) of the base month which is two months prior to reporting month. SLR maintained by the bank as at 31 December 2024 is presented below.

	Dec-2024	Dec-2023
Ratio in %	BDT	BDT
Required Reserve for OBO (Conventional)	13%	13%
Required Reserve for OBO (Islamic)	5.5%	5.5%
Required Reserve for OBU	13%	13%
Total	42,148,452,880	34,172,781,288
Actual Reserve Maintained	101,043,220,683	60,851,378,245
Surplus	58,894,767,803	26,678,596,957

I. Components of Statutory Liquidity Ratio (SLR)		
Cash in Hand (excluding MTB Islamic Banking)	5,576,943,379	4,159,865,220
Excess Cash Reserve*	1,688,988,086	141,549,409
Balance with Agent Bank (Sonali Bank Plc)	395,782,323	280,437,384
Held to Maturity (HTM) Securities	38,965,987,895	39,427,210,000
Held for Trading (HFT) Securities	53,431,707,189	15,243,380,000
MTB Islamic Banking (Cash in Hand, Excess Cash Reserve & Bonds)	1,526,919,840	1,333,678,221
Other eligible securities	3,055,620	4,050,000
Total	101,658,912,884	60,851,378,245

*As per Bangladesh Bank DOB 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 Balance with other Banks and Financial Institutions (Consolidated)

Balance with other banks and financial institutions are reported as per the Bank's book balance, following BRPD Circular No. 14 dated June 25, 2003. Reconciliations are conducted periodically to ensure minimal unrecorded balances, with Netto account reconciliations certified by external auditors on a half-yearly basis. Provisions are made for unsettled debit entries older than six months, if necessary.

Inside Bangladesh		
Bank Solo (Note-4.a.1)	4,127,282,035	3,589,951,345
MTB Securities Limited	5,595,886,800	645,741,793
MTB Capital Limited	13,438,039	8,428,028
Less: Inter-company elimination	(28,626,426)	(59,217,587)
	4,278,105,548	3,659,549,489
Outside Bangladesh		
Bank Solo (Note-4.a.2)	2,454,341,807	2,682,395,190
MTB Securities Limited	-	-
MTB Capital Limited	-	-
Total	2,454,341,807	2,682,395,190

4.a. Balance with other Banks and Financial Institutions (Solo)		
In Bangladesh (Note-4.a.1)	4,127,282,035	3,589,951,345
Outside Bangladesh (Note-4.a.2)	2,454,341,807	2,682,395,190
Total	6,581,623,842	6,272,346,535

4.a.1 Balance with other Banks and Financial Institutions (In Bangladesh)

Term Placement		
Union Capital Limited	58,100,000	59,200,000
OSP Finance Company (Bangladesh) Limited	42,400,000	42,400,000
Industrial and Infrastructure Development Finance Company PLC	60,000,000	60,000,000
Islami Bank Bangladesh PLC	500,000,000	-
Global Islami Bank PLC	200,000,000	-
United Commercial Bank PLC	300,000,000	-
National Bank PLC	500,000,000	-
First Security Islami Bank PLC	500,000,000	-
Social Islami Bank PLC	500,000,000	-
National Credit and Commerce Bank PLC	-	780,000,000
Midland Bank PLC	-	200,000,000
DLCL Finance PLC	-	500,000,000
	2,681,600,000	1,714,600,000
Specialized Notice Deposit (SND)		
Bank Solo Limited	2,222,794	2,133,478
Sonali Bank PLC	24,518,543	48,644,236
Agent Bank PLC	2,867,791	7,086
Jarata Bank PLC	166,842	162,840
Eastam Bank PLC	459,304,000	378,704,000
	468,049,910	427,841,767

Current Deposits (CD)		
Southeast Bank PLC	-	641,827
Standard Chartered Bank (SCB)	500,000	(88,455,007)
Sonali Bank PLC	-	-
Jarata Bank PLC	17,128,083	13,300,553
Agent Bank PLC	149,583,357	197,012,582
Islami Bank Bangladesh PLC	-	1,510
	168,303,043	143,215,996

Mobile Wallet (MF)		
Wish Limited	-	37,494,042
	-	37,494,042

Term placement with OBU		
Term placement with Offshore Banking Unit	3,086,000,000	1,615,711,882
Less: Inter-company elimination	(3,086,000,000)	(1,615,711,882)
	-	-

MTB Islamic Banking (Term Placement)		
	798,385,953	1,530,000,000
Total	4,127,282,035	3,589,951,345

4.a.2 Balance with other Banks and Financial Institutions (Outside Bangladesh - NOSTRO Accounts)

In current account		
Mashreqbank, USA	156,804,864	107,658,145
Standard Chartered Bank, USA	298,853,510	818,287,404
Habit American Bank, USA	415,624,014	394,217,184
Commerzbank, Germany	6,294,686	9,907,758
KB Kookmin Bank	16,911,668	2,800,516
JP Morgan, USA	150,550,002	421,703,822
ICICI, Hong Kong	68,182,204	28,045,862
Standard Chartered Bank, Singapore	9,747,708	7,594,001
JP Morgan, London	8,486,074	1,267,680
Standard Chartered Bank, London	32,116,178	4,828,653
Habit American Bank, Zurich	84,265,598	5,012,657
Standard Chartered Bank, Tokyo	13,328,717	9,620,808
Standard Chartered Bank, Germany	10,164,640	131,684,477
ICICI, Mumbai	771,390	753,014
Unicredit, Germany	6,579,238	12,143,547
Commerzbank, Germany	2,892,532	16,122,946
United Bank of India, Kolkata		518,172
Standard Chartered Bank, Mumbai	31,961,630	57,011,287
Standard Chartered Bank, Kolkata		
Standard Chartered Bank, Pakistan	36,403,601	
Standard Chartered Bank, Colombo	37,040	810,791
Sonali Bank, Kolkata	1,467,692	2,458,731
Mashreqbank, Mumbai	2,237,317	
AB Bank, Mumbai	84,029,678	
Asia Bank, Mumbai	71,378,714	164,172,303
ICICI, Mumbai	90,186,480	
Himalayan Bank Ltd., Kathmandu	13,188,800	
Punjab National Bank Kolkata	528,768	
Punjab National Bank Kolkata	52,118,713	3,899,418
HDFC Bank, Mumbai	38,033,607	
EMIRATES ISLAMIC BANK	24,128,808	20,002,416
MASHREQ BANK, UAE	15,008,622	28,194,489
Commerzbank, Germany	33,002,224	3,502,617
Bank Al Etihad	8,462,220	7,899,921
Bank Al Rajhi	3,616,249	3,228,496
Riyadh Bank	3,343,033	3,068,103
Sonali Bank (JK) Ltd. London	28,165,003	14,643,249
Zurich Kantonal Bank		402,737
UFAR, Tokyo		0.28
Bank of Huzhou China		235,532
ASB Bank Ltd.		64,462,992
Habit Metropolitan Bank, Karachi	71,769,735	2,242,834
HDFC bank limited, Mumbai		19,556,860
Himalayan bank, Nepal		12,043,900
ICICI bank, Mumbai		21,738,551
Indus Bank, India		17,346,992
Mashreq Bank, Mumbai		696,639
Nabli Bank, Nepal		14,517,151
Standard Chartered bank, Karachi		1,978,281
Standard Chartered bank, Kolkata		56,053,072
Citi Bank NA	80,557,898	
Zurich Kantonalbank	312,878,900	
Nabli Bank Limited (Former Nepal Bangladesh) Bank Ltd.)	226,849	
Indus Bank, India	15,838,602	
Yes Bank, India	17,764,464	
ICICI Bank Canada	5,300,869	
Bank of Huzhou China CHN	13,944,132	
Yes bank, Mumbai	250,838	
ICICI Bank Ltd. Mumbai - Term Deposit		14,516,192
	3,242,087,187	2,823,856,835
		28,032,007

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14.a.1.2 History of Share Capital				
History of raising of Share Capital of the Bank				
Accounting Year	Declaration	No. of Share	Value of Capital	Cumulative
1999 to 2002	Initial Paid-up capital	20,000,000	200,000,000	200,000,000
2003 - New Issue	PO & Pre-PO	40,000,000	400,000,000	600,000,000
2003-Bonus	20.00%	12,000,000	120,000,000	720,000,000
2004-Bonus	20.00%	14,400,000	144,000,000	864,000,000
2005-Bonus	10.00%	8,800,000	88,000,000	952,000,000
2006-Bonus	5.00%	4,720,000	47,200,000	999,200,000
2007-Bonus	25.00%	24,480,000	244,800,000	1,244,000,000
2008 - Right Issue	20.00%	24,480,000	244,800,000	1,488,800,000
2009-Bonus	18.00%	38,943,840	389,438,400	1,798,238,400
2010-Bonus	20.00%	35,338,360	353,383,600	2,151,622,000
2010-Bonus	20.00%	42,391,640	423,916,400	2,575,538,400
2011-Bonus	10.00%	25,349,840	253,498,400	2,829,036,800
2013-Bonus	10.00%	27,878,400	278,784,000	3,107,820,800
2014-Bonus	20.00%	61,552,861	615,528,610	3,723,349,410
2015-Bonus	20.00%	73,883,193	738,831,930	4,462,181,340
2016-Bonus	15.00%	69,478,874	694,788,740	5,156,970,080
2017-Bonus	12.50%	63,707,004	637,070,040	5,794,040,120
2018-Bonus	10.00%	63,849,404	638,494,040	6,432,534,160
2019 - New Issue	Strategic Investment by NORFUND	63,707,004	637,070,040	7,069,604,200
2019-Bonus	5.00%	35,172,872	351,728,720	7,421,332,920
2020-Bonus	10.00%	73,883,241	738,832,410	8,160,165,360
2021-Bonus	10.00%	81,248,565	812,485,650	8,972,651,010
2022-Bonus	10.00%	89,374,522	893,745,220	9,866,396,230
Total		885,118,748	8,851,187,488	

14.a.1.3 Percentage of shareholdings at the closing date:				
Particulars	No. of shares	Value of shares	31 December 2024	% of holding
Sponsors / Directors	231,501,164	2,315,011,640	25.47%	2.84%
Foreign Investors (NORFUND)	83,972,848	839,728,480	9.38%	1.07%
Institutions	3,050,381,469	30,503,814,690	34.24%	3.94%
General	3,028,855,910	30,288,559,100	34.24%	3.94%
Total	885,118,748	8,851,187,488	100%	

14.a.1.4 Classification of Shareholders by holdings as at 31 December 2024				
Holdings	No. of Shareholders	No. of Shares	Value of shares	Total Holdings %
Less than 499 shares	2085	320,438	3,173,080	0.035%
500 to 5,000 shares	2903	5,788,835	57,888,350	0.654%
5,001 to 10,000 shares	685	5,038,981	50,389,810	0.569%
10,001 to 20,000 shares	407	5,841,484	58,414,840	0.661%
20,001 to 30,000 shares	221	4,910,153	49,101,530	0.555%
30,001 to 40,000 shares	69	3,109,114	31,091,140	0.351%
40,001 to 50,000 shares	65	2,986,608	29,866,080	0.338%
50,001 to 100,000 shares	151	11,008,000	110,080,000	1.245%
100,001 to 1,000,000 shares	175	40,040,564	400,405,640	4.535%
Over 1,000,000 shares	84	895,087,775	8,950,877,750	100.000%
Total	6892	885,118,748	8,851,187,488	

14.a.1.5 Name of Directors and their shareholdings as at 31 December 2024				
Name	Designation	No. of Shares held	31 December 2024	Holding %
Oyed Manzoor Bhat	Founding Chairman	84,529,330	845,293,300	9.55%
Rashed Ahmed Chowdhury	Vice Chairman	27,220,071	272,200,710	3.07%
Md. Abdul Malik	Sponsor Director	19,769,432	197,694,320	2.23%
Md. Arif Dowla	Director	10,821,830	108,218,300	1.23%
Md. Hedayetullah	Sponsor Director	19,970,940	199,709,400	2.26%
Dr. Arif Dowla	(Representing Advanced Chemical Industries Ltd.)	29,843,163	298,431,630	3.37%
Khawaja Nargis Hossain	Director	20,138,830	201,388,300	2.28%
Arif Chowdhury	Sponsor Director	22,238,075	222,380,750	2.51%
(Representing ASTRAS Ltd.)				
Danial Danish De Langa (Representing NORFUND)	Director	63,872,848	638,728,480	7.21%
Hassan Durrani	Independent Director	-	-	0.00%
Dr. Mohammad Tanqueer	Independent Director	-	-	0.00%
Shih Narayan Kaly	Independent Director	-	-	0.00%
Total		286,798,148	2,867,981,480	32.47%

14.a.2.1 Capital to Risk-weighted assets Ratio (CAR) as defined by the Basel Capital Accord (Consolidated)				
Common Equity Tier-1 (Going-Concern Capital)				
	2024	2023		
Paid-up Capital	8,851,197,460	9,831,197,460		
Statutory Reserve	7,855,923,143	6,838,131,498		
Share Premium	1,095,304,778	1,095,304,778		
General Reserve	786,777,324	786,777,324		
Minority Interest	13,644	13,644		
Retained Earnings	5,329,429,211	4,672,584,934		
Total	24,868,736,910	23,235,939,182		
Regulatory Adjustments:				
Goodwill and all other intangible Assets	480,468,307	480,468,307		
Deferred Tax Assets (60% of DTA as per BB Guideline)	3,782,942,288	3,029,968,803		
Reciprocal Crossholdings in the CET-1 Capital of Banking Financial and Insurance Entities	-	-		
Total Common Equity Tier-1 (Going-Concern Capital)	4,223,419,283	3,528,562,448		
Additional Tier-1 Capital (Going-Concern Capital)	20,675,364,227	19,707,386,734		
Total Tier-1 Capital (Going-Concern Capital)	24,898,783,510	23,235,939,182		
Tier-2 Capital (Going-Concern Capital)				
General Provision including Off-Balance Sheet Items	9,848,896,331	7,140,218,357		
Subordinated debt	2,852,876,059	5,111,750,419		
Total	12,701,772,390	12,251,978,776		
Total Tier-2 Capital (Going-Concern Capital)	12,701,772,390	12,251,978,776		
Total Capital (Going-Concern Capital)	37,600,555,900	35,487,917,958		

14.a.2.2 Capital to Risk-weighted assets Ratio (CAR) as defined by the Basel Capital Accord (Solo)				
Common Equity Tier-1 (Going-Concern Capital)				
	2024	2023		
Paid-up Capital	8,851,197,460	9,831,197,460		
Statutory Reserve	7,855,923,143	6,838,131,498		
Share Premium	1,095,304,778	1,095,304,778		
General Reserve	786,777,324	786,777,324		
Retained Earnings	5,329,429,211	4,672,584,934		
Total	24,868,736,910	23,235,939,182		
Regulatory Adjustments:				
Goodwill and all other intangible Assets	480,468,307	480,468,307		
Deferred Tax Assets (60% of DTA as per BB Guideline)	3,782,942,288	3,029,968,803		
Reciprocal Crossholdings in the CET-1 Capital of Banking Financial and Insurance Entities	-	-		
Total Common Equity Tier-1 (Going-Concern Capital)	4,223,419,283	3,528,562,448		
Additional Tier-1 Capital (Going-Concern Capital)	20,675,364,227	19,707,386,734		
Total Tier-1 Capital (Going-Concern Capital)	24,898,783,510	23,235,939,182		
Tier-2 Capital (Going-Concern Capital)				
General Provision including Off-Balance Sheet Items	9,848,896,331	7,140,218,357		
Subordinated debt	2,852,876,059	5,111,750,419		
Total	12,701,772,390	12,251,978,776		
Total Tier-2 Capital (Going-Concern Capital)	12,701,772,390	12,251,978,776		
Total Capital (Going-Concern Capital)	37,600,555,900	35,487,917,958		

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

14.a.2.3 Capital to Risk-weighted assets Ratio (CAR) as defined by the Basel Capital Accord (Solo)				
Common Equity Tier-1 (Going-Concern Capital)				
	2024	2023		
Paid-up Capital	8,851,197,460	9,831,197,460		
Statutory Reserve	7,855,923,143	6,838,131,498		
Share Premium	1,095,304,778	1,095,304,778		
General Reserve	786,777,324	786,777,324		
Retained Earnings	5,329,429,211	4,672,584,934		
Total	24,868,736,910	23,235,939,182		
Regulatory Adjustments:				
Goodwill and all other intangible Assets	480,468,307	480,468,307		
Deferred Tax Assets (60% of DTA as per BB Guideline)	3,782,942,288	3,029,968,803		
Reciprocal Crossholdings in the CET-1 Capital of Banking Financial and Insurance Entities	-	-		
Total Common Equity Tier-1 (Going-Concern Capital)	4,223,419,283	3,528,562,448		
Additional Tier-1 Capital (Going-Concern Capital)	20,675,364,227	19,707,386,734		
Total Tier-1 Capital (Going-Concern Capital)	24,898,783,510	23,235,939,182		
Tier-2 Capital (Going-Concern Capital)				
General Provision including Off-Balance Sheet Items	9,848,896,331	7,140,218,357		
Subordinated debt	2,852,876,059	5,111,750,419		
Total	12,701,772,390	12,251,978,776		
Total Tier-2 Capital (Going-Concern Capital)	12,701,772,390	12,251,978,776		
Total Capital (Going-Concern Capital)	37,600,555,900	35,487,917,958		

14.a.2.4 Capital to Risk-weighted assets Ratio (CAR) as defined by the Basel Capital Accord (Solo)				
Common Equity Tier-1 (Going-Concern Capital)				
	2024	2023		
Paid-up Capital	8,851,197,460	9,831,197,460		
Statutory Reserve	7,855,923,143	6,838,131,498		
Share Premium	1,095,304,778	1,095,304,778		
General Reserve	786,777,324	786,777,324		
Retained Earnings	5,329,429,211	4,672,584,934		
Total	24,868,736,910	23,235,939,182		
Regulatory Adjustments:				
Goodwill and all other intangible Assets	480,468,307	480,468,307		
Deferred Tax Assets (60% of DTA as per BB Guideline)	3,782,942,288	3,029,968,803		
Reciprocal Crossholdings in the CET-1 Capital of Banking Financial and Insurance Entities	-	-		
Total Common Equity Tier-1 (Going-Concern Capital)	4,223,419,283	3,528,562,448		
Additional Tier-1 Capital (Going-Concern Capital)	20,675,364,227	19,707,386,734		
Total Tier-1 Capital (Going-Concern Capital)	24,898,783,510	23,235,939,182		
Tier-2 Capital (Going-Concern Capital)				
General Provision including Off-Balance Sheet Items	9,848,896,331	7,140,218,357		
Subordinated debt	2,852,876,059	5,111,750,419		
Total	12,701,772,390	12,251,978,776		
Total Tier-2 Capital (Going-Concern Capital)	12,701,772,390	12,251,978,776		
Total Capital (Going-Concern Capital)	37,600,555,900	35,487,917,958		

14.a.2.5 Capital to Risk-weighted assets Ratio (CAR) as defined by the Basel Capital Accord (Solo)				
Common Equity Tier-1 (Going-Concern Capital)				
	2024	2023		
Paid-up Capital	8,851,197,460	9,831,197,460		
Statutory Reserve	7,855,923,143	6,838,131,498		
Share Premium	1,095,304,778	1,095,304,778		
General Reserve	786,777,324	786,777,324		
Retained Earnings	5,329,429,211	4,672,584,934		
Total	24,868,736,910	23,235,939,182		
Regulatory Adjustments:				
Goodwill and all other intangible Assets	480,468,307	480,468,307		
Deferred Tax Assets (60% of DTA as per BB Guideline)	3,782,942,288	3,029,968,803		
Reciprocal Crossholdings in the CET-1 Capital of Banking Financial and Insurance Entities	-	-		
Total Common Equity Tier-1 (Going-Concern Capital)	4,223,419,283	3,528,562,448		
Additional Tier-1 Capital (Going-Concern Capital)	20,675,364,227	19,707,386,734		
Total Tier-1 Capital (Going-Concern Capital)	24,898,783,510	23,235,939,182		
Tier-2 Capital (Going-Concern Capital)				
General Provision including Off-Balance Sheet Items	9,848,896,331	7,140,218,357		
Subordinated debt	2,852,876,059	5,111,750,419		
Total	12,701,772,390	12,251,978,776		
Total Tier-2 Capital (Going-Concern Capital)	12,701,772,390	12,251,978,776		
Total Capital (Going-Concern Capital)	37,600,555,900	35,487,917,958		

17.00 Revaluation Reserve on Investment in Securities (Consolidated)			
Bank Solo (Note-17.a)			
MTB Securities Limited	762,643,640		713,736,531
MTB Capital Limited	83,786,842		83,214,178
Total	<u>846,430,282</u>		<u>778,650,707</u>
17.a Revaluation Reserve on Investment in Securities (Solo)			
Opening Balance		713,736,531	342,532,502

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	2024				2023			
	USD	BDT	EUR	BDT	USD	BDT	EUR	BDT
4.01 Classification of Loans and Advances including bill discounted (Unclassified) (UC)	100,464,742	18,065,709,096	7,033,209	880,107,863	103,197,430	11,347,217,286	18,284,139	2,233,498,942
Standard	-	-	-	-	-	-	-	-
Special Mention Account (SMA)	-	-	-	-	-	-	-	-
Sub total	100,464,742	18,065,709,096	7,033,209	880,107,863	103,197,430	11,347,217,286	18,284,139	2,233,498,942
Classified:	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Sub total	-	-	-	-	-	-	-	-
Total	100,464,742	18,065,709,096	7,033,209	880,107,863	103,197,430	11,347,217,286	18,284,139	2,233,498,942

	2024				2023			
	USD	BDT	EUR	BDT	USD	BDT	EUR	BDT
4.02 Geographical Location wise Loans and Advances	-	-	-	-	-	-	-	-
Urban	120,005,254	18,102,750,003	6,984,445	861,402,096	89,998,951	9,896,507,853	17,887,218	2,145,836,874
Subtotal	120,005,254	18,102,750,003	6,984,445	861,402,096	89,998,951	9,896,507,853	17,887,218	2,145,836,874
Chittagong Division	24,324,405	2,415,009,655	149,785	18,615,587	13,081,395	1,438,953,585	714,821	87,583,285
Subtotal	24,324,405	2,415,009,655	149,785	18,615,587	13,081,395	1,438,953,585	714,821	87,583,285
Rural	190,309,886	18,039,819,118	7,033,209	880,107,863	193,849,644	11,331,441,338	18,284,139	2,233,498,942
Subtotal	190,309,886	18,039,819,118	7,033,209	880,107,863	193,849,644	11,331,441,338	18,284,139	2,233,498,942
Dhaka Division	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Barisal Division	-	-	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-	-	-
Total	100,464,742	18,065,709,096	7,033,209	880,107,863	103,197,430	11,347,217,286	18,284,139	2,233,498,942

	2024				2023			
	USD	BDT	EUR	BDT	USD	BDT	EUR	BDT
5.00 Other Assets	-	-	-	-	-	-	-	-
Adjusting A/C Debt	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Subtotal	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Interest Receivable on Loans and Advances	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Subtotal	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Pending Account Assets	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-
Subtotal	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-

	2024				2023			
	USD	BDT	EUR	BDT	USD	BDT	EUR	BDT
6.00 Borrowings from other banks, financial institutions and agents	-	-	-	-	-	-	-	-
In Bangladesh	27,513,831	3,241,669,720	7,000,000	875,962,000	21,310,965	2,344,206,150	10,960,000	1,341,261,800
Subtotal	27,513,831	3,241,669,720	7,000,000	875,962,000	21,310,965	2,344,206,150	10,960,000	1,341,261,800
Outside Bangladesh	128,311,205	15,117,356,805	-	-	52,483,453	9,073,180,875	7,000,000	855,986,000
Subtotal	128,311,205	15,117,356,805	-	-	52,483,453	9,073,180,875	7,000,000	855,986,000
Total	155,825,036	18,359,026,525	7,000,000	875,962,000	73,794,418	11,417,387,025	17,960,000	2,197,247,800

	2024				2023			
	USD	BDT	EUR	BDT	USD	BDT	EUR	BDT
7.00 Other Assets	-	-	-	-	-	-	-	-
Adjusting A/C Debt	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Subtotal	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Interest Receivable on Loans and Advances	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Subtotal	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Pending Account Assets	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-
Subtotal	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-

	2024				2023			
	USD	BDT	EUR	BDT	USD	BDT	EUR	BDT
8.00 Deposits and other accounts	-	-	-	-	-	-	-	-
Al-wadeah Current and Other Deposit Accounts	825,114,248	573,106,628	-	-	825,114,248	573,106,628	-	-
Subtotal	825,114,248	573,106,628	-	-	825,114,248	573,106,628	-	-
Mudaraba Savings Deposits	17,219,492,987	9,815,382,310	-	-	17,219,492,987	9,815,382,310	-	-
Subtotal	17,219,492,987	9,815,382,310	-	-	17,219,492,987	9,815,382,310	-	-
Mudaraba Special Notice Deposits	225,252,447	173,437,442	-	-	225,252,447	173,437,442	-	-
Subtotal	225,252,447	173,437,442	-	-	225,252,447	173,437,442	-	-
Mudaraba Scheme Deposits	2,590,195,363	1,413,340,166	-	-	2,590,195,363	1,413,340,166	-	-
Subtotal	2,590,195,363	1,413,340,166	-	-	2,590,195,363	1,413,340,166	-	-
Total	22,478,016,177	13,605,778,771	-	-	22,478,016,177	13,605,778,771	-	-

	2024				2023			
	USD	BDT	EUR	BDT	USD	BDT	EUR	BDT
9.00 Deposits and other accounts	-	-	-	-	-	-	-	-
Al-wadeah Current and Other Deposit Accounts	825,114,248	573,106,628	-	-	825,114,248	573,106,628	-	-
Subtotal	825,114,248	573,106,628	-	-	825,114,248	573,106,628	-	-
Mudaraba Savings Deposits	17,219,492,987	9,815,382,310	-	-	17,219,492,987	9,815,382,310	-	-
Subtotal	17,219,492,987	9,815,382,310	-	-	17,219,492,987	9,815,382,310	-	-
Mudaraba Special Notice Deposits	225,252,447	173,437,442	-	-	225,252,447	173,437,442	-	-
Subtotal	225,252,447	173,437,442	-	-	225,252,447	173,437,442	-	-
Mudaraba Scheme Deposits	2,590,195,363	1,413,340,166	-	-	2,590,195,363	1,413,340,166	-	-
Subtotal	2,590,195,363	1,413,340,166	-	-	2,590,195,363	1,413,340,166	-	-
Total	22,478,016,177	13,605,778,771	-	-	22,478,016,177	13,605,778,771	-	-

	2024				2023			
	USD	BDT	EUR	BDT	USD	BDT	EUR	BDT
10.00 Other Assets	-	-	-	-	-	-	-	-
Adjusting A/C Debt	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Subtotal	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Interest Receivable on Loans and Advances	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Subtotal	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Pending Account Assets	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-
Subtotal	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-

	2024				2023			
	USD	BDT	EUR	BDT	USD	BDT	EUR	BDT
11.00 Other Assets	-	-	-	-	-	-	-	-
Adjusting A/C Debt	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Subtotal	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Interest Receivable on Loans and Advances	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Subtotal	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Pending Account Assets	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-
Subtotal	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-

	2024				2023			
	USD	BDT	EUR	BDT	USD	BDT	EUR	BDT
12.00 Other Assets	-	-	-	-	-	-	-	-
Adjusting A/C Debt	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Subtotal	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Interest Receivable on Loans and Advances	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Subtotal	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Pending Account Assets	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-
Subtotal	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-

	2024				2023			
	USD	BDT	EUR	BDT	USD	BDT	EUR	BDT
13.00 Other Assets	-	-	-	-	-	-	-	-
Adjusting A/C Debt	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Subtotal	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Interest Receivable on Loans and Advances	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Subtotal	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Pending Account Assets	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-
Subtotal	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-

	2024				2023			
	USD	BDT	EUR	BDT	USD	BDT	EUR	BDT
14.00 Other Assets	-	-	-	-	-	-	-	-
Adjusting A/C Debt	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Subtotal	285,413	34,343,500	-	-	3,041,962	335,746,111	-	-
Interest Receivable on Loans and Advances	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Subtotal	6,739,853	811,256,045	-	-	3,359,119	341,853,449	-	-
Pending Account Assets	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-
Subtotal	16,823,024	1,927,708,875	-	-	3,239,111	477,201,141	-	-

6,100,000	732,000,000	-	-	4,600,000	440,000,000	-	-
-	-	-	-	3,174,880	340,237,600	-	-
2,000,000	240,000,000	-	-	5,500,000	605,000,000	-	-
5,000,000	600,000,000	-	-	2,250,000	247,500,000	-	-
128,311,385	15,517,358,885	-	-	82,483,463	9,873,180,878	3,000,000	388,486,000