

Annual
Report | 2023



 **Trust Bank**
A Bank for Financial Inclusion

ট্রাস্ট ব্যাংক
সবসময়, সবখানে, সবার জন্য

LETTER OF TRANSMITTAL

All Shareholders of Trust Bank Limited
Bangladesh Bank
Bangladesh Securities and Exchange Commission
Dhaka Stock Exchange PLC.
Chittagong Stock Exchange PLC.
Registrar of Joint Stock Companies and Firms

Annual Report for the year ended on 31 December 2023.

Dear Sir (s),

We are pleased to present a copy of the Annual Report-2023 of Trust Bank Limited together with Auditor's Report, Directors' Report and Audited Financial Statements. The report includes consolidated and separate Balance Sheet, Profit and Loss Account, Statement of Cash Flows, Statement of Changes in Equity, Liquidity Statement for the year ended on 31 December 2023 with the notes thereto. Statements are prepared on Trust Bank Limited (TBL), its Subsidiaries-Trust Bank Investment Limited (TBIL), Trust Bank Securities Limited (TBSL) and Trust Axiata Digital Limited (TADL) for your kind information and record.

Yours sincerely,



Md. Mizanur Rahman, FCS
Company Secretary

ABOUT US

Trust Bank Limited (TBL) was established as a scheduled bank in 1999 to ensure useful and affordable banking services with optimum value to the people of Bangladesh. With a successful journey of last two decades, the Bank has now grown to a leading, sound and stable commercial private bank in Bangladesh. Trust Bank, first of its kind in the history of Bangladesh, was initially sponsored by Army Welfare Trust (AWT) of Bangladesh Army. In 2007, the Bank listed itself with the stock exchanges and floated the shares for general public. Now, AWT is the largest shareholder, holding 60% of stake of the Bank. Over the years, the Bank has developed long-term relationship with its customers by being their preferred financial solutions partners, leveraging profound insights and superior services. Considering the business volume and manifold customers demand, the Bank has upgraded the technology with state-of-the-art IT solutions and managed the growth for achieving Public confidence



Credit Rating

Long Term : AA2
Short Term : ST-1

Financial Highlights

BDT in Million

| | |
|---------------------------|------------|
| Total Assets | 458,093.04 |
| Loans and Advances | 333,791.85 |
| Deposits | 366,398.49 |
| Total Shareholders Equity | 23,321.96 |

Financial Ratio

| | |
|--------------------------|--------|
| Return on Average Assets | 0.95% |
| Cost to Income | 34.90% |
| Tier-I Capital Ratio | 9.35% |

Trust Bank- 'A Bank for financial inclusion' extends relentless efforts for bringing the unbanked population into banking network through low cost and technology driven service delivery. To enrich the service delivery standard, the Bank has added alternative delivery channels (i.e. ATM, Cards, i-banking, mobile banking etc.) in its day-to-day banking activities. Moreover, the Bank is always focused on meeting the financial needs of the customers by providing high-quality products and services through regular customer engagements. We believe, our diversified business and robust risk management strategies are significant catalyst to ensure long term sustainable growth of the country. Therefore, we are dedicated to meet up with the ever growing expectations of all the stakeholders including the customers, shareholders, employees and regulators with highest level of accountability.

CORPORATE INFORMATION

REGISTERED NAME OF THE COMPANY
Trust Bank Limited



LEGAL FORM

The Company was incorporated on 17 June 1999 under the Companies Act 1994 as a Public Limited Company for carrying out all kinds of banking activities.



REGISTRATION NUMBER AND DATE
C-37960 (2260)/99, 17 June 1999



SPONSOR SHAREHOLDER
Army Welfare Trust



CHAIRMAN

Gen S M Shafuddin Ahmed, SBP (BAR), OSP, ndu, psc, PhD



MANAGING DIRECTOR (In-Charge)
Mr. Ahsan Zaman Chowdhury



COMPANY SECRETARY
Mr. Md. Mizanur Rahman, FCS



CHIEF FINANCIAL OFFICER
Mr. Md. Mahfuzur Rahman



HEAD OF INTERNAL CONTROL AND COMPLIANCE
Mr. Md. Kamal Uddin Kutubi



REGISTERED OFFICE
Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206.



CORPORATE WEBSITE
www.tbibd.com



E-MAIL
info@tbibd.com



SUBSIDIARIES
Trust Bank Investment Limited (TBIL)
Trust Bank Securities Limited (TBSL)
Trust Axiata Digital Limited (TADL)



PROFESSIONAL PARTNERS

EXTERNAL AUDITORS



MABS & J Partners
Chartered Accountants
SMC Tower (Level 5 & 7)
33, Banani C/A, Road 17, Dhaka-1213.

CORPORATE GOVERNANCE AUDITORS



Jasmin & Associates
Chartered Secretaries
55/B Noakhali Tower (10th Floor)
Suite 11-F, Purana Paltan
Dhaka-1000

RATING AGENCY



Credit Rating Agency of Bangladesh Limited.
DH Tower, Level-15
Suite-1501 & 1502, Plot-06
Panthapath, Tejgaon, Dhaka-1215

TAX CONSULTANTS



M/s. ADN Associates
Rupayan Karim Tower, Flat # A - 11
80, Kakrail, Dhaka - 1000.

INDEPENDENT SCRUTINIZER



Jasmin & Associates
Chartered Secretaries
55/B Noakhali Tower (10th Floor),
Suite: 11-F, Purana Paltan,
Dhaka- 1000

MEMBERSHIPS



KEY MILESTONE



KEY MILESTONE

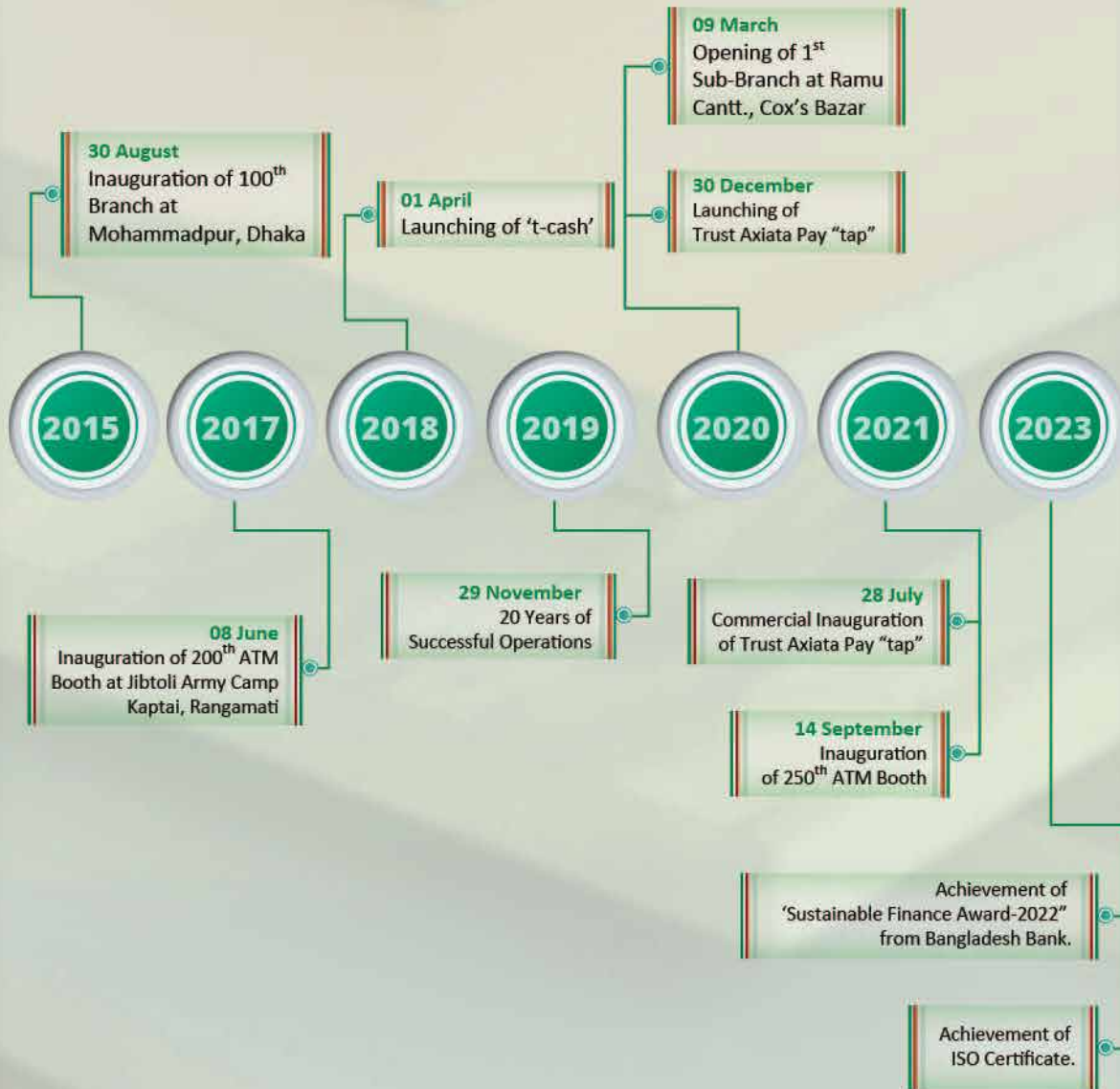


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Integrated payroll service for happy employees

Major Features

- First year debit card is FREE
- No A/C maintenance Fee
- First Cheque Book is FREE
- Benefit your employees with a non-collateral salary loan
- 1% higher interest rate for Provident-Fund (PF) Account

Trust
Payroll
BANKING

STRATEGIC REPORT 2023



PERFORMANCE HIGHLIGHTS OF 2023 (SOLO BASIS)

BDT in Million

TOTAL OPERATING INCOME



TOTAL OPERATING EXPENSE



DEPOSITS



LOANS AND ADVANCES



TOTAL ASSETS



TOTAL LIABILITIES



PERFORMANCE HIGHLIGHTS OF 2023 (SOLO BASIS)

BDT in Million

IMPORT



EXPORT



FOREIGN REMITTANCE



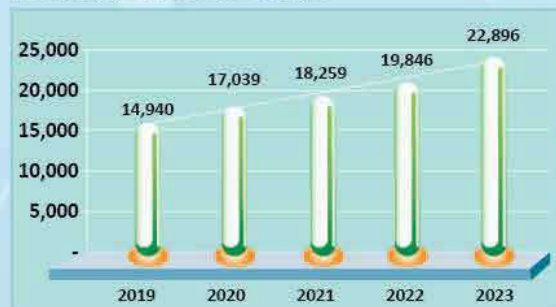
INVESTMENTS



TOTAL CAPITAL



TOTAL SHAREHOLDERS' EQUITY



GOVERNANCE AT A GLANCE

The Board currently has 12 members which includes 09 nominated Directors from AWT, 02 Independent Directors and 01 Managing Director (In-Charge) as an ex-officio member. Biographies of each of the members of the Board are appended in this report.

The Board is bestowed with the responsibilities to formulate policy-guidelines, supervise business activities efficiently and ensure good governance in the bank management. They are also liable to various responsibilities concerning work-planning and strategic management, credit and risk management, internal control management, human resources management and development and financial management. A Directors' Responsibility Statement is enclosed in Directors' Report section.

Chairman

Gen S M Shafiuddin Ahmed, SBP (BAR), OSP, ndu, psc, PhD

Vice Chairman

Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc

Directors

Brig Gen S M Zia-Ul-Azim, ndc, afwc, psc

Brig Gen Md Kaiser Hasan Malik, SGP, ndc, psc

Brig Gen Mohammad Moazzem Hossain, ndc, afwc, psc, G, MPhil

Brig Gen Md Nishatul Islam Khan, ndc, afwc, psc

Brig Gen Md Munirul Islam, SGP, SUP, psc, Ph.D

Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc

Brig Gen Rakibul Karim Chowdhury, ndc, afwc, psc

Independent Directors

Mr. Anisuddin Ahmed Khan

Ms. Nusrat Khan

Managing Director (In-Charge)

Mr. Ahsan Zaman Chowdhury

Board Committees

In order to ensure effective oversight and leadership, the Board has sub-committees with particular responsibilities. The terms of reference for each of these committees are prepared following the statutory guidelines.



An overview of functions of the Board sub-committees are discussed in their individual reports. The full Governance report is appended in this Annual Report.

Sub Committees of Board

Executive Committee

| | | |
|---|----------------|-------------------------------------|
| Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | Chairman | <input checked="" type="checkbox"/> |
| Brig Gen S M Zia-Ul-Azim, ndc, afwc, psc | Member | <input checked="" type="checkbox"/> |
| Brig Gen Mohammad Moazzem Hossain, ndc, afwc, psc, G, MPhil | Member | <input checked="" type="checkbox"/> |
| Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | Member | <input checked="" type="checkbox"/> |
| Mr. Anisuddin Ahmed Khan | Member | <input checked="" type="checkbox"/> |
| Mr. Ahsan Zaman Chowdhury | MD (In-Charge) | <input checked="" type="checkbox"/> |

Audit Committee

| | | |
|--|----------|-------------------------------------|
| Ms. Nusrat Khan | Chairman | <input checked="" type="checkbox"/> |
| Brig Gen Md Kaiser Hasan Malik, SGP, ndc, psc | Member | <input checked="" type="checkbox"/> |
| Brig Gen Rakibul Karim Chowdhury, ndc, afwc, psc | Member | <input checked="" type="checkbox"/> |

Risk Management Committee

| | | |
|---|----------|-------------------------------------|
| Brig Gen Md Nishatul Islam Khan, ndc, afwc, psc | Chairman | <input checked="" type="checkbox"/> |
| Mr. Anisuddin Ahmed Khan | Member | <input checked="" type="checkbox"/> |
| Ms. Nusrat Khan | Member | <input checked="" type="checkbox"/> |

Senior Management

| | | |
|--|---|-------------------------------------|
| Mr. Ahsan Zaman Chowdhury | MD (In-Charge) | <input checked="" type="checkbox"/> |
| Mr. Akhlasur Rahman Bhuiyan | DMD & CRO | <input checked="" type="checkbox"/> |
| Ms. Hasna Hena Chowdhury | DMD & COO | <input checked="" type="checkbox"/> |
| Mr. Md. Kamal Hossain Sarker | SEVP & Head of CRM & CCO | <input checked="" type="checkbox"/> |
| Mr. Md. Kamal Uddin Kutubi | SEVP & Head of IC&CD | <input checked="" type="checkbox"/> |
| Mr. Md. Mahbubur Rahman | SEVP & Head of Operations | <input checked="" type="checkbox"/> |
| Brig Gen Salim Mahmud Chowdhury, BP, SBP, BGBM, ndc (Retd) | SEVP & Head of GSSD | <input checked="" type="checkbox"/> |
| Brig Gen Munshi Mizanur Rahman, ndc, psc (Retd) | SEVP & Head of HRD | <input checked="" type="checkbox"/> |
| Mr. Mohammad Masud Shahjahan | EVP & Head of Treasury and NRB Division | <input checked="" type="checkbox"/> |
| Mr. Shaikh Altaf Mahmood | EVP & Head of CAD | <input checked="" type="checkbox"/> |
| Mr. Mohammad Reyad Hossain | SVP & Head of IBD | <input checked="" type="checkbox"/> |
| Mr. Md. Mahfuzur Rahman | SAVP & Head of FCAD & CFO | <input checked="" type="checkbox"/> |

BOARD OF DIRECTORS



General S M Shafiuddin Ahmed
SBP (BAR), OSP, ndu, psc, PhD
Chairman



Maj Gen Md Jubayer Salehin
BSP, SUP, ndu, psc
Vice Chairman



Brig Gen S M Zia-Ul-Azim
ndc, afwc, psc
Director



Brig Gen Md Kaisar Hasan Malik
SGP, ndc, psc
Director



Brig Gen Mohammad Moazzem Hossain
ndc, afwc, psc, G, MPhil
Director



Brig Gen Md Nishatul Islam Khan
ndc, afwc, psc
Director



Brig Gen Md Munirul Islam
SGP, SUP, psc, Ph.D
Director



Brig Gen Md Sajjad Hossain
SUP, ndc, afwc, psc
Director



Brig Gen Rakibul Karim Chowdhury
ndc, afwc, psc
Director



Mr. Anisuddin Ahmed Khan
Independent Director



Ms. Nusrat Khan
Independent Director



Mr. Ahsan Zaman Chowdhury
Managing Director (In-Charge)

BIOGRAPHY



General S M Shafiuddin Ahmed
SBP (BAR), OSP, ndu, psc, PhD
Chairman

General S M Shafiuddin Ahmed, SBP (BAR), OSP, ndu, psc, PhD has taken over the Command of Bangladesh Army as the 17th Chief of Army Staff on 24 June 2021.

The General was born on 01 December 1963 in a reputed Muslim and Freedom Fighter Family in Khulna. He was commissioned with 9th BMA Long Course in the Corps of Infantry on 23 December 1983 in Bangladesh Army. He has been maintaining a phenomenal military career having the blend of Command, Staff and Instructional experiences at different levels with Bangladesh Armed Forces and Overseas Peacekeeping Mission.

His diversified command credential at Army level includes commanding Army Training and Doctrine Command (ARTDOC); at Division and Brigade level, he commanded the only Logistics Formation of Bangladesh Army, an Infantry Division and an Infantry Brigade. Besides, he also commanded an Infantry Battalion and the 1st Bangladesh Battalion (only one of its kinds) at Bangladesh Military Academy. He also has an iconic

experience of commanding multinational forces in a start-up peacekeeping mission as the pioneer Deputy Force Commander in the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA).

After completion of Commanding Army Training and Doctrine Command, General Shafiuddin assumed the prestigious appointment of Quarter Master General at Army Headquarters. In his long illustrious career, he also has served as the Director General of Bangladesh Institute of International and Strategic Studies (BISS) and Senior Directing Staff (Army) of National Defence College (NDC), Bangladesh. General Shafiuddin has served as Brigade Major of an Infantry Brigade and Grade-1 Staff Officer at the Formation Headquarters. He was also the Adjutant of Barishal Cadet College. The General has also served as the Chief of Doctrine Division in ARTDOC and Director of Military Training Directorate at the Army Headquarters.

Beside Commanding Bangladesh Army, the General is also steering number of welfare, educational and sports institutes and organizations. Presently, he is the President of Bangladesh Olympic Association, Bangladesh Golf Federation and Kurmitola Golf Club. He is also the Chairman of Trust Bank Ltd., Trust Bank Investment Ltd., Sena Hotel Development Ltd., Army Welfare Trust, Sena Kallyan Sangstha, Defence Officers Housing Scheme Committee, Bangladesh Machine Tools Factory Ltd., Bangladesh Diesel Plant Ltd., Trust Axiata Digital Ltd., Council of the college- AFMC, BAIUST and BAUET; Vice Chairman of Military Institute of Science & Technology (MIST), National Defence College and Defence Services Command and Staff College (DSCSC).

General Shafiuddin has attended several military courses both at home and abroad. He is a graduate of DSCSC, Mirpur, Bangladesh. He attended International Symposium Course in National Defence University (NDU), China and Defence and Strategic Studies Course at the same University. In the history of NDU China, he was the first ever Bangladeshi elected President of the Course Participants. The General is also a Near East South Asia (NESA) graduate from NDU, Washington DC. As a recognition of his contribution to NESA Centre for Security Studies and outstanding accomplishment in the career, the General has been presented with prestigious Distinguished Alumni Award and plaque and inducted as the ninth Distinguished Alumnus at NESA Centre Hall of Fame. He is the first NESA Alumni Hall of Fame member from South Asia. Besides, General Shafiuddin led military delegations to number of countries and led bilateral talks with the senior military leaderships on regional security and defence cooperation.

General Shafiuddin attained three Master Degrees on varied disciplines. He was awarded MPhil degree with First Class on Development and Security Studies from Bangladesh University of Professionals (BUP). He obtained Masters in Defence Studies (MDS) from National University, Bangladesh. He has also obtained Masters of Business Administration (MBA) from Dhaka University where he secured 1st position and received MIST Gold Medal. He obtained a Doctor of Philosophy from Bangladesh University of Professionals (BUP) through his research on Development and Security Studies.

In his outstanding Military career the General has been awarded with distinguished laurels for his exemplary service. He has been adorned with the highest award namely "Army Medal" (SBP) twice and Extraordinary Service Medal (OSP) for outstanding contribution to nation and the Army.

General Shafiuddin is a widely travelled person who has visited many countries around the globe. The Sports loving General is a keen Golfer. Happily married to Noorjahan Ahmed, the General is a proud father of two daughters, Dr. Sheikh Rubaiya Ahmed and Sheikh Rufaida Fatima.

BIOGRAPHY



Major General Md Jubayer Salehin
BSP, SUP, ndu, psc
Vice Chairman

Major General Md Jubayer Salehin, BSP, SUP, ndu, psc was born on 1st February 1970. He got commissioned in the Corps of Engineers of Bangladesh Army on 23rd December 1988 with 19th Bangladesh Military Academy (BMA) Long Course. During his training in BMA, he held appointments of Corporal and Company Senior Under Officer. Major General Jubayer Salehin is a graduate of Bangladesh University of Engineering and Technology in Civil Engineering. He is also graduate of Defence Services Command and Staff College (in Masters of Defence Studies), Institute of Business Administration JU (in Masters of Business Administration) and United States National Defence University (in Masters in National Security Strategy).

Major General Jubayer Salehin is a Sapper Officer with diversified knowledge on various fields of the military profession. He has completed a good number of post commission military training both at home and abroad. He participated in Seminars on 'Crisis Action Planning' organized by United States Army, on 'Counter Terrorism'

organized by United Kingdom Army, on 'Laws of Armed Conflict' organized by International Red Cross and Red Crescent and on 'Military and the Media' organized by Bangladesh Army.

Major General Jubayer Salehin has served in different command, staff and instructional appointments in a number of Units, Headquarters and Training Institutions. He was a Platoon Commander in Bangladesh Military Academy. He was a Brigade Major in an Engineer Brigade. He was a faculty member in School of Infantry and Tactics and also in the Defence Services Command and Staff College of Bangladesh. He served as Reconnaissance Officer, Platoon Commander, Adjutant, Planning Officer, Company Commander and Second in Command in Engineer Units. He was a lead member of Bangladesh Engineer Contingent in Kuwait for clearance of explosive ordnance devices after the 1st Gulf War. He commanded Engineer Units twice in Bangladesh and once in United Nations Mission in Sudan. As a Brigadier General, he commanded an Engineer Construction Brigade and an Infantry Brigade. He also served as Chief Engineer of Dhaka North City Corporation. As Major General, he commanded an Infantry Division as General Officer Commanding. He also served in Defence Services Command and Staff College of Bangladesh as its Commandant. Before assuming his present appointment, he served in Engineer in Chief at Army Headquarters. At present, he is serving as the Adjutant General of Bangladesh Army.

Major General Jubayer Salehin has visited many countries of Asia, Europe, North America and Africa. He is happily married and blessed with two daughters.

BIOGRAPHY

Brigadier General S M Zia-Ul-Azim
ndc, afwc, psc
Director

Brigadier General S M Zia-Ul-Azim, ndc, afwc, psc was commissioned in the Corps of Electrical and Mechanical Engineers from Bangladesh Military Academy on 21 December 1990. He belongs to 23rd BMA Long Course. The General completed B.Sc. in Electrical and Electronics Engineering from BUET in 1997. He also completed Masters in Defence Studies, MBA in Finance and M.Sc. Engineering in Electrical Power. He further completed Masters in Security and Development Studies in 2020. He is a graduate of Defence Services Command & Staff College and National Defence College.

In his service career, he is equipped with a balanced composition of command, staff and instructional assignments at different capacities in Bangladesh Army. In his unit service he has served 118, 115 and 137 Field Workshop in different appointments including Officer Commanding. He also served as Commanding Officer Production in 901 Central Workshop, Chief Inspector in Inspectorate of Vehicles and Engineers Equipment (IV&EE) and Inspectorate of Electronics and Instruments (IE&I). He has served in Army Headquarters, Electrical and Mechanical Engineers Directorate as staff officer. He was Instructor in Electrical and Mechanical Engineering Centre and School (EMEC&S) and Attached Directing Staff in School of Infantry & Tactics (SI&T). He was Directing Staff in Armed Forces War Course Wing of National Defence College (NDC). He served as Commandant in Electrical and Mechanical Engineering Centre and School. He also served as Director of Electrical & Mechanical Engineers at Army Headquarters. Presently he is serving at Military Institute of Science & Technology (MIST) as Director Research & Development and Dean Faculty of Science & Engineering.

He has served in different United Nations Peacekeeping Missions. As contingent member he served in Sierra Leone. As Military observer he served in Liberia and Syria both for short durations. And as Staff Officer he served in the Force Headquarters in Mali. He has attended several courses at home and abroad.

He has travelled different countries of the world such as USA, China, France, Germany, Turkey, Iran, Malaysia, Cambodia and United Arab Emirates. He has also performed Hazz and Umrah.

He likes to travel with family and read books. He is married. His wife is a Banker. He is a proud father of one daughter and one son.



BIOGRAPHY



Brigadier General Md Kaiser Hasan Malik
SGP, ndc, psc
Director

Brigadier General Md Kaiser Hasan Malik, SGP, ndc, psc was commissioned in the Corps of Infantry on 20 December 1991. He had the distinction of serving in command, staff and instructional appointments. He commanded reputed 51 Infantry Brigade in Sylhet and BGB North West Region which controlled 40% of Bangladesh Border. He also commanded 27 BIR both in Chittagong Hill Tracts (Bilaichari Zone) and Mymensingh Cantonment. In staff capacity, currently he is the Director of Movement & Quartering Directorate in AHQ and also served as Director of Inspection and Technical Development Directorate in AHQ. He served as the pioneer Colonel Staff of newly raised 10 Infantry Division and contributed significantly for raising of the new division. He was also Brigade Major of 71 Infantry Brigade in Savar. He has the rare opportunity to serve as General Staff Officer Grade 3 in Operations both in 309 Infantry Brigade and 66 Infantry Division. As instructor, he was a Directing Staff in Defence Services Command and Staff College, Mirpur. He also served as a distinguished instructor in the Tactics Wing of the School of Infantry and Tactics. As a Peacekeeper, he served as Military Planning Officer in, DPKO, UN HQ, New York, USA for more than 3 years, where he conducted strategic level planning on current and new missions. He also served in the UN Missions in Sierra Leone (UNAMSIL). Brigadier General Kaiser attended number of courses at home and abroad. He completed his ndc from National Defence College, Mirpur in 2019. He is a graduate from Defence Services Command and Staff College, Bangladesh and Armed Forces Staff College, Malaysia. He obtained Masters in Social Science in Security and Development from Bangladesh University of Professionals. He also earned Master's Degree on Defense and Strategic studies from National University of Bangladesh. Additionally, he obtained diploma in Defence Studies from University of Malaya, Kuala Lumpur, Malaysia. He participated as key note speaker in seminars conducted in DSCSC to speak on Conflict Dynamics and UN planning Process. He also conducted a Joint Warfare Training Package for students in Sri Lanka Staff College in Colombo. He has also participated in Indo-Bangla Joint Exercise SHAMPRII VII conducted in India. He is married to Mrs. Amatun Noor and has a lovely daughter. Brigadier General Kaiser finds interest in playing golf and loves reading books.

BIOGRAPHY

Brigadier General Mohammad Moazzem Hossain
ndc, afwc, psc, G, MPhil
Director



Brigadier General Mohammad Moazzem Hossain, ndc, afwc, psc, G, MPhil was commissioned in the Corps of Artillery on 20 December 1992. During his long illustrious career he served in various important appointments of Bangladesh Army.

He has attended several professional training both at home and abroad. He is a graduate of Defence Services Command and Staff College (DSCSC), Mirpur, Dhaka. He has completed National Defence Course (ndc) and Armed Forces War Course (afwc) from National Defence College, Mirpur, Dhaka. He has attended courses and military exercises in abroad. He is a graduate of Nanging Artillery Academy China and School of Artillery, Pakistan. He has two master degrees: Master of Defence Studies (MDS) and Master in Science (Technical) from National University Bangladesh. He has obtained his MPhil degree from Bangladesh University of Professionals, Mirpur.

Brig Gen Mohammad Moazzem Hossain has served in various command, staff and instructional appointments in Bangladesh Army. He has commanded two artillery brigades and two artillery regiments. He has also served as Platoon commander in Bangladesh Military Academy and Senior Instructor Gunnery in Artillery Center and School. In staff appointment, he has served as Grade-3 Staff Officer (Operation) in HQ 9 Artillery Brigade, Grade-1 Staff Officer in AHQ, Military Training Directorate and Colonel Staff of 17 Infantry Division.

Presently he is serving as Director, Army Headquarters, General Staff Branch, Budget Directorate.

Brigadier General Mohammad Moazzem Hossain served in UN Mission for two times as Staff Officer & Deputy Contingent Commander. He was awarded with "National Suddachar award" in 2019.

He is married with Mahfuza Rahman and the happy couple is blessed with two Daughters Saiyara Nusaiba, Shafia Nusaiba.

BIOGRAPHY

Brigadier General Md Nishatul Islam Khan
ndc, afwc, psc
Director



Brigadier General Md Nishatul Islam Khan, ndc, afwc, psc was commissioned on 18 June 1993, with 28th BMA Long Course. He served in four Infantry Regiments, three Headquarters and two training institutions where he held various command, staff and instructional appointments. He served as General Staff Officer Grade-3 in an Infantry Brigade in CHT, Brigade Major in an Infantry Brigade, Deputy Assistant Military Secretary in Military Secretary Branch, Army Headquarters and General Staff Officer-1 Training in National Defence College. Besides, he served as Assistant Director in Special Security Force, General Staff Officer-1 in the Headquarters, Directorate General of Forces Intelligence and Deputy Commander in President Guard Regiment. He commanded an Infantry Regiment in 19 Infantry Division and an Infantry Brigade in 11 Infantry Division, Bogura.

Brig Gen Nishat attended number of professional courses at home and abroad. He is a graduate of Defence Services Command and Staff College, Mirpur. He attended the Higher Defence Management Course in UK Defence Academy. He is also a graduate of the National Defence College, Mirpur. He completed National Defence Course from NDC, Tanzania and did his Masters in Security and Strategic Studies (MSSS) from Dar-es-Salam University, Tanzania, securing the 'First Class First' position.

In the instructional domain, he served as the Directing Staff of the Armed Forces War Course (AFWC) in the National Defence College.

Brig Gen Nishat participated as a contingent member in United Nations Mission in Sierra Leone (UNAMSIL) and as a Staff Officer at the Force Headquarters of United Nations Assistance Mission in Darfur, Sudan (UNAMID). He visited a total of 32 countries in both official and personal capacity, covering most of the continents of the world.

Brig Gen Nishat is married and blessed with two daughters. Presently he is serving as Director, Internal Affairs Bureau in HQ DGFI.

BIOGRAPHY

Brigadier General Md Munirul Islam
SGP, SUP, psc, Ph.D
Director



Brigadier General Md Munirul Islam, SGP, SUP, psc, Ph.D is commissioned with 28 BMA Long Course in the Corps of Ordnance on 18 June 1993. He Passed both SSC and HSC from Mirzapur Cadet College. In his long 30 years career, he is performing as a Logistician in general but Supply Chain and Procurement Specialist in particular.

Presently he is working as the Director, Personnel Services at Army Headquarters. Previously, he worked as G-2 and G-1 (Procurement) in the Prime Minister's Office, Armed Forces Division, Assistant Director Ordnance Services in Army Headquarters, Assistant Director Purchase in Directorate General Defence Purchase, Director (Planning) in Bangladesh Ordnance Factory. He commanded two logistics units of Bangladesh Army in the capacity of Lieutenant Colonel and Major. In his long career as a logistician he also served in the mother logistics depot; Central Ordnance Depot of Bangladesh Army. He was a trainer in Ordnance Centre and School (A Logistics Institute of Bangladesh Army). He was also a part time faculty member of South-East University, where he used to impart lessons on Strategic Management and International Contract Law in regular MBA Program.

The General has completed his Ph.D from Jahangirnagar University. His research topic was "Public Procurement in Bangladesh-A Study in the Health Sector". In his research, he mainly worked on the prevailing Public Procurement System in Bangladesh and tried to bring out the strength and limitations of Public Procurement ACT (PPA)-2006 and Public Procurement Regulations (PPR)-2008. He also completed his Masters on Explosive Ordnance from Bangladesh University of Professionals, diploma on "Supply Chain Management", training on "L/C procedure for Export Operation" and "Effective Negotiation Skills to Win" from Dhaka Chamber of Commerce and Institute, "Warehouse and Inventory Management" from Bell Helicopter, Singapore, "International Defence Management course" from Naval Post Graduate School, USA, "US Procurement and Financing system" from USA, "Advanced Arbitration Training" from International Law Institute, USA, "Accreditation course on Mediation" and "TOT to the Mediations" from UK. He is also an accredited mediator on Alternative Dispute Resolutions in Bangladesh International Arbitration Centre (BIAC).

He worked as a negotiation committee member in different high value defence procurement with Russia, China, Turkey, Hungary and India. He served as a peace keeper under blue helmet in Ivory Coast, Ethiopia and Eretria.

He is married with Shakh Shamima Akhter and the happy couple is blessed with three sons, Muhammad Farhan Munir, Muhammad Fahmid Munir and Muhammad Faiyaz Munir.

BIOGRAPHY



Brigadier General Md Sajjad Hossain
SUP, ndc, afwc, psc
Director

Brigadier General Sajjad of Bangladesh Army was born on 22 November 1972 in Rangamati district. He is the eldest among the three sons of his parents. He completed his SSC from Rangamati Govt High School and done his HSC from Chittagong Govt College. He was commissioned on 16 December 1993 in Bangladesh Army.

He has completed Masters in National Security Administration from National Defense College of the Philippines, Masters in Strategy and Development Studies from Bangladesh University of Professionals and Masters in Defense Studies from Bangladesh National University. He is also a graduate from Chittagong University, National Defense College of Bangladesh and Defence Services Command and Staff College, Mirpur. He has obtained diploma on Supply Chain Management, Services Management, Operations Management and Modern Human Resources Management from Alison. He has also completed certification program on Project Management Professional (PMP), Environmental Management Systems (EMS), Change Management,

Strategic Management, International and Strategic Human Resource Management, Enterprise Resource Planning and Management under the same platform. He also completed Strategic Leadership Program and Overseas Joint Operation Planning Course conducted by Integrated Training Solution (Global) UK. He has undergone Senior Staff Course on Public Administration from BPATC.

As a regimental officer, he served in 36 Supply and Transport Battalion as Adjutant and Quartermaster, 34 Supply and Transport Battalion as Company Commander and Commanded Army Supply and Transport Battalion. As an instructor, he served in ASC Centre and School, Bangladesh Military Academy as Platoon and Term Commander. He was also Chief Instructor of ASC Centre and School. As a staff officer, he served as ADC to CAS, QMG's Coord and PS to CAS in Army HQs. He was Colonel Administration of Cumilla Area and newly raised 7 Infantry Division in Barishal Area. As a UN Peacekeepers, he served in three different UN Missions as Logistics Operations Officer in Ivory Coast, Deputy Chief of Supply in Sudan and Chief of Training in Liberia. He was also a Director of Bangladesh Machine Tools Factory and presently serving in Army HQs as Director Welfare and Rehabilitations.

He is happily married to Shahela Sajjad. They are blessed with a son Muhammad Sayee.

BIOGRAPHY

Brigadier General Rakibul Karim Chowdhury
ndc, afwc, psc
Director

Brigadier General Rakibul Karim Chowdhury, ndc, afwc, psc was born on 02 November 1973 in a reputed Muslim family in Faridpur. He was commissioned with 30 BMA Long Course on 17 June 1994 in the Corps of Signals. He attended a number of professional courses both at home and abroad. He is a graduate of Computer Science and Engineering (CSE). Brigadier General Rakib is also a graduate of Defence Services Command and Staff College, Mirpur; and got Masters in Information Technology (MICT) from Bangladesh University of Professionals. He completed the Armed Forces War Course from National Defence College, Mirpur and National Defence Course from Egyptian National Defence College, Cairo.

Besides serving in various Signal Regiments, Brigadier General Rakib also served as an instructor at the School of Signals, Platoon Commander at Bangladesh Military Academy, General Staff Officer Grade-2 (Plans and Coordination) in Defence Services Command & Staff College, General Staff Officer Grade-1 (FTEB) at Headquarters Army Training & Doctrine Command (ARTDOC) and Colonel Staff of Staff Duties Directorate in Army Headquarters. He participated in United Nations Peace Keeping Operation as a contingent member in Sierra Leone (UNAMSIL) and as the Chief of the Communication & Information Technology Branch at the Force Headquarters in the Democratic Republic of Congo (MONUSCO).

As a part of the government duties and personal tours, Brigadier General Rakib visited several countries like Australia, Belgium, Egypt, France, Germany, Japan, Kenya, KSA, Malaysia, Myanmar, Singapore, South Korea, Thailand, Turkey, UAE, Uganda, UK, USA etc. He served as the Commanding Officer of the prestigious 1 Signal Battalion. He also served in Border Guard Bangladesh as the Region Commander of the North-West Region, Rangpur. At present, he is posted to Army Headquarters as Director, Information Technology Directorate. In his personal life, Brigadier General Rakib is happily married to Mrs. Farzana Khan and blessed with a son and a daughter.



BIOGRAPHY

Mr. Anisuddin Ahmed Khan Independent Director



Mr. Anisuddin Ahmed Khan, also known as Anis A. Khan, is a Fellow of the Institute of Bankers, Bangladesh and a member of its Council for 2024. He is the former Managing Director & CEO of Mutual Trust Bank PLC (MTB), where he served for about eleven years from April 2009 till his retirement on November 30, 2019. Prior to joining MTB, he headed IDLC Finance PLC for six years. A career banker, he served earlier for 21 years with the then Grindlays Bank and its successor banks - ANZ Grindlays Bank and Standard Chartered Bank (SCB), both in Bangladesh and abroad.

He has sound knowledge in corporate banking, credit appraisals and credit operations, banking operations and systems, trade finance, risk management, syndicated and structured finance, merchant banking and stock brokerage services, leasing, factoring, legal and compliance, mergers and acquisitions, business process re-engineering and transformation and up-gradation of information technology platforms, acquired in Bangladesh, India, UAE, UK, Australia and South Africa. He has presented a paper on “Financing the Transformation of the Bangladesh Garments Industry” at the School

of South Asian Studies, University of Harvard, Cambridge, Massachusetts, USA and ‘Achieving SDGs: Financial Inclusion, Bangladesh Perspective’ at the Bangladesh Development Conference held there in June 2015. Similarly, he presented another paper on ‘Financial Inclusion’ at Kennedy Law School, University of Harvard in June 2017. He presented a paper on investment in Bangladesh at Yale University in March 2019.

Mr. Khan has attended training courses on leadership, corporate governance and strategic management at the University of Cambridge, United Kingdom; INSEAD, Fontainebleau, France; University of California, Berkeley, California, USA and at the London School of Economics, London, United Kingdom.

He has served as the first ever Senior Vice President of the Metropolitan Chamber of Commerce & Industry, Dhaka (MCCI) and continues to be a director of the organization. He is a Life Member of the SAARC Chamber of Commerce and Industry. He serves as Chairman of Valor of Bangladesh, President of the Bangladesh Cancer Aid Trust (BANCAT), Independent Trustee of the CSR Centre, and as a member of the Management Committee of Ispahani Islamia Eye Institute & Hospital (IIEI&H), Dhaka and Chairman of its Nomination & Remuneration Committee. He has served as Chairman of both the Association of Bankers, Bangladesh Limited (ABB) and Primary Dealers Bangladesh Limited (PDBL). While at MTB, he was Vice Chairman of MTB Securities Limited and MTB Capital Limited and Director of MTB Exchange (UK) Limited.

He has served earlier as a director of Eastern Bank Limited, Life Insurance Company of India Bangladesh Limited, Credit Rating Agency of Bangladesh Limited, Chittagong Stock Exchange PLC, Bangladesh Rating Agency Limited (BDRAL) and BD Ventures Limited. He performed the roles of Vice President and member of the Executive Committee of the Bangladesh Association of Publicly Listed Companies (BAPLC), Vice Chairman, Independent Director and Chairman of the Board Audit Committee of Industrial and Infrastructure Development Finance Company Limited (IIDFC) and Independent Director of Berger Paints Bangladesh Limited and Chairman of its Board Audit Committee and Nomination & Remuneration Committee. Internationally, he served a three-year term as a Global Advisory Board member of 360tf, a fin-tech company based in Singapore.

With LL.B. (Honours) and LL.M. (First Class First) degrees from the University of Dhaka and originally enrolled as an Advocate of the Dhaka Bar Association in August 1980, he is now Managing Partner of AAZ & Partners, a full-service legal and financial advisory firm set up in 2023.

He is also an Adjunct Professor at the School of Business and Entrepreneurship of Independent University Bangladesh (IUB), where he teaches Banking & Finance.

He is an Independent Director of Summit Power Limited, Summit Alliance Port Limited (SAPL) and Ananta Apparels Limited and Chairman of all their Audit Committees. A director of ACI Limited, ACI Motors Limited and W&W Grains Corporation, Mr. Khan is also on the board of Central Counterparty Bangladesh Limited (CCBL), a company formed by the Government for the automated clearing operations of the stock exchanges.

BIOGRAPHY

Ms. Nusrat Khan
Independent Director



Ms. Nusrat Khan is a charismatic, hardworking and role model leader in her arena. She not only works to achieve her aim to the fullest but also motivates her peers to go along with her and reach the coveted destination. Nusrat Khan has set exemplary standards in her path of work which are idolized by many. She has always thrived to work harder and harder to meet ends in the most befitting and workable manner.

Nusrat Khan started her career as Lecturer in Business Administration department of East West University. There she served from 2009 to 2010. Then she joined the Department of Finance of University of Dhaka as Lecturer on 2010. She also has working experience as adjunct faculty for North South and Stamford University. At present she is serving as Associate Professor of Department of Finance of University of Dhaka. Nusrat Khan has numerous journals published against her name. She is also working as an independent director of Bangladesh Welding Electrodes Ltd.

Nusrat Khan has an excellent educational background as well. She has brilliant achievement in every certificate exam in her academic career. She completed her Master of Science in Management of Risks with distinction from Peter J Tobin College of Business, St. John's University, New York, USA. She received the most prestigious Fulbright Scholarship which is coordinated by the Bureau of Educational and Cultural Affairs (ECA) of the U.S. Department of State under policy guidelines established by the Fulbright Foreign Scholarship Board (FSB), with the help of 50 bi-national Fulbright commissions, U.S. embassies and cooperating organizations in the U.S. She also received dean's award from Peter J Tobin College of Business, St. John's University, New York, USA for her remarkable achievement during her MSc degree. She was recognized as Beta Gamma Sigma business honor society member due to being among the top 5% of her business school in USA.

Nusrat Khan was born on 13 March 1983 in a respectable Muslim family in Dhaka. In her personal life Nusrat Khan is happily married and is blessed with a boy and a girl. In her 15 years of experience she has led from the front and derived exemplary results in her work.

BIOGRAPHY

Mr. Ahsan Zaman Chowdhury Managing Director (In-Charge)



An adaptable, accomplished and result-oriented commercial banking professional, Mr. Ahsan Zaman Chowdhury brings to the table a wealth of experience spanning nearly four decades. With a keen eye for incisive analysis, strong negotiation skills, and a practical understanding of market dynamics, he has consistently delivered exceptional performances throughout his illustrious career which ultimately turns into the ventures' success with profitability and sustainability.

An eminent banker Mr. Ahsan embarked on his career in 1986 at the then Arab Bangladesh Bank Limited (AB Bank) before joining Eastern Bank Limited (EBL) in 1998 where he served different key Management roles including policy making, strategic thinking and finding way-out. He also served as the area Head of Corporate Banking, Chittagong, area Head of Consumer Banking, Chittagong and Sylhet as well as the Head of SAMD of EBL. On way to his long journey with seasoned banking career, he bagged more than 22 years' experience on Branch Banking since he served different prominent Branches of EBL and AB Bank Limited.

In pursuit of career progression with professional accomplishment, veteran banker Mr. Ahsan made a significant move to Trust Bank Limited on August 21, 2016. Recognizing his invaluable contributions, he was promoted to the rank and capacity as the Deputy Managing Director (DMD) on December 1, 2020, assuming the role of Chief Business Officer (CBO). Being the DMD & CBO of the Bank, he welcomed the ever-changing challenges in banking sector to accelerate the wheel of business dynamics towards the far-sighted prospects which have ultimately been brought into reality and contributed much in the meteoric rise of TBL profitability over the past six years since his joining at TBL. His dedication and exemplary leadership qualities were further acknowledged when he assumed the additional responsibility of Managing Director (In-Charge) on April 13, 2024; prior to that, he shouldered the responsibility of MD & CEO (Acting) of Trust Bank Limited for several instances.

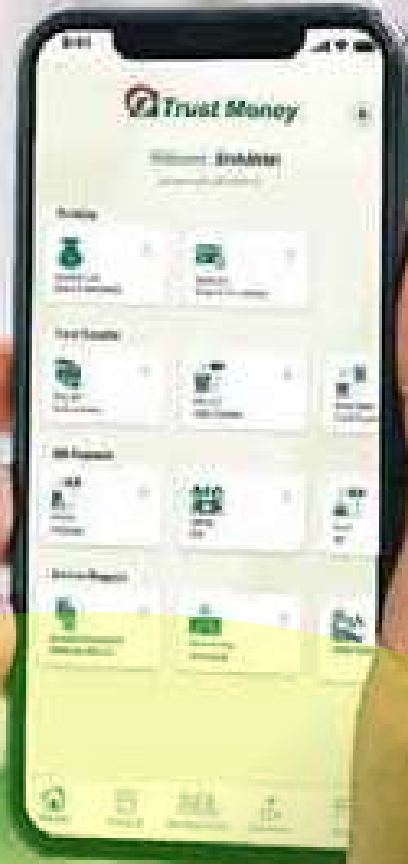
Throughout his prolonged successful career spanning over 38 years in the banking industry, Mr. Ahsan has demonstrated prowess in various facets of commercial banking, including Business Development, Relationship Management, Consumer Banking, Corporate Banking, Trade Solutions and Special Asset Management, SME & Agriculture Business, Syndication and Structured Finance etc. He has been instrumental in fostering a business culture that prioritizes exceptional quality, superior service and sustained profitability. His ability to translate customers' visions into functional business models has been pivotal in driving growth and competitive advantage. His cognizance and extensive involvement in strategic decision-making process underscores his commitment to organizational excellence eventually leads to mark significant improvement in all the major financial parameters of TBL.

Driven by a quest for continuous learning and professional development, Mr. Ahsan has participated in numerous training programs, workshops, and seminars both within the country and across the borders. His travels to countries such as Nepal, Hong Kong, Singapore, Thailand, Indonesia, Malaysia, Turkey, Switzerland, Germany, the United Kingdom, Canada and the United States of America have enriched his perspective and broadened his understanding of global banking practices.

Beyond his banking endeavors, Mr. Ahsan derives immense happiness from his roles as a dedicated spouse and a proud father to two children. A keen golfer, Mr. Ahsan has been nurturing his sporting zeal through maintaining memberships with the prestigious Club entities of the country namely Kurmitola Golf Club, Bhatiary Golf & Country Club, Chittagong Boat Club and Chittagong Club Limited, where he refines his techniques and finds tranquility on the course. Besides, Mr. Ahsan performed the roles of the treasurer of Bhatiary Golf & Country Club for the period of 2008-2015 and as an Executive Committee Member of Chittagong Boat Club during 2010-2013. He is actively associated with the different socio-cultural organizations in the country. Additionally, his enthusiasm for traveling fuels his desire to discover new places and cultures, providing him with both equilibrium and creative inspiration.

Mr. Ahsan attained both his graduation and post-graduation at the Department of Management, University of Chittagong, concentrating major in Management with sound academic track record.

Mr. Ahsan epitomizes the epitome of leadership, professionalism and unwavering commitment to excellence in the banking industry. His visionary leadership and unparalleled dedication continue to steer Trust Bank towards greater heights of success and sustainability.



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CHAIRMAN'S MESSAGE

Dear Shareholders,

Assalamu Alaikum

On behalf of the Board of Directors, I have the privilege to welcome you to the 25th Annual General Meeting (AGM) and at the advent of the **Silver Jubilee** celebrations of Trust Bank Limited (TBL). I am pleased to present you the Audited Financial Statements of the Bank for the year ended on December 31, 2023 together with the Auditors' Report and the Directors Report, therein, highlighting the significant financial performance of the Bank in 2023, during which year we had to undergo countless challenges and hardship due to unfavorable local and global economic scenarios.

I would like to recall that our beloved organization is on the verge of completion of its 25 years' glorious journey having a distinctive mark in all the major financial parameters in the Banking Industry. But this unpredictable journey through ever-changing, unstable and volatile socio-economic environment was not smooth, rather we had to encounter and surmount various challenges to register another successful year keeping in mind our predetermined goals.

Global financial stability risks rose sharply as the resilience of the world financial system was put to the test in a number of ways. The collapse of Silicon Valley Bank and Signature Bank of New York, as well as the decline in confidence in Credit Suisse, provide strong reminders of the difficulties that can arise from the combination between tighter monetary and financial conditions and the accumulation of vulnerabilities from the global financial crisis. Despite recent improvements, market conditions are still unstable, and volatility is still visible in a number of institutions and markets. Smaller and riskier emerging market nations continue to face worsening debt sustainability trends, many of which are already experiencing constraints and funding issues for the foreseeable period.

Bangladesh is navigating multi-faceted economic challenges. Russia's war in Ukraine disrupted the strong economic recovery from the COVID-19 pandemic and threatened macroeconomic stability. Continued global financial tightening, coupled with existing vulnerabilities, has challenged near-term macroeconomic management. On the back of import compression, the current account deficit narrowed considerably. Nevertheless, amid an unprecedented reversal of the financial account, the overall balance of payments has deteriorated, leading to a continuous decline in foreign exchange reserves. Moreover, import restrictions amid foreign currency crisis has hampered production in the private sector, with businesses on the brink of defaulting on bank loans. Banks are already under liquidity stress and the coming recession will intensify the crisis.

Valued Shareholders

Despite a number of external sector related difficulties, Trust Bank generated a consolidated operating profit of BDT 11,707 million in 2023, which was BDT 11,093 million in 2022. This means that the bank has registered an upward growth in profit of 5.54%, while profit after tax reached BDT 4,177 million, which was BDT 2,823 million in 2022. Its deposits reached BDT 366,398 million which is 12.42% higher than that of previous year. Our total assets increased by BDT 36,133 million and loans and advances increased to BDT 333,792 million from BDT 299,666 million in the year 2022 with a positive growth of 11.39%.

The strong and sustainable balance sheet and profit and loss figures have immensely encouraged us to remain persistent in Dividend Payout - 20% Dividend (12% Cash & 8% Stock) for the year 2023. We would reiterate that the satisfactory growth in core operating profit and profit after tax in 2023 reflect the strong underlying performance of the business.

We always put the Shareholders' interest first, as they have reposed their confidence and trust in us, and, accordingly, we act to maximize the value of return over investment. Hence, long-term sustainability and growth is our ultimate goal. Consequently, our commitment is to ensure that we are a bank for financial inclusion through transforming the Bank and offer it as a first choice financial institution in the industry. We also recognize the importance of technology as a core enabler to meet the Bank's strategic objectives. Like in the previous years, for this year, we have identified some areas for improvement and set our strategic priorities on:

- Maintaining strong capital base and sound liquidity management to meet regulatory requirements.
- Adoption of zero tolerance to Non-Performing Loans (NPLs) and booking of quality accounts for a healthy balance sheet.
- Building a compliance culture in the Bank as per best industry practice and corporate governance guidelines.
- Prioritizing need based financial solutions to our customers and clients with a blend of modern technology and overall infrastructural development of Information Technology.
- Establishing a business culture with sound composition of existing human resources and hiring qualified resources to deliver customer satisfaction.
- Committed to create positive impact on society, address the challenges and adopt environmentally ethical practices to 'Go Green'.
- Establishing a business culture that delivers exceptional quality, superior service and profitability.

We are now in the postmodern era, and it is apparent that digitalization has already replaced many old practices and customs in dealing with financial products and services in respect of banking activities. Trust Bank is also committed to provide latest technology based automated banking services to the customers within the shortest possible time in a highly secure manner. We have considered that adoption of new technology in the banking sector for advanced operations and service delivery is the precondition for achieving significant progress in this tech-based modern world. This will help create value for millions of people of the country and give them advanced choices through use and adoption of contemporary technology.

We firmly believe that Corporate Social Responsibility (CSR) works as an instrument for achieving long-term sustainability and growth; our commitment to community development where education, health care, environment, training and development as well as sports and culture shall get priority amongst the CSR activities. Our contributions made in these sectors including environment sustainability have yielded positive results as we came forward and contributed BDT 60.91 million to various organizations including the 'Prime Minister's Relief Fund'.

We consider our employees as our core strength and place their well-being and scope to grow at the apex of our agenda so that our human resources turn into human capital.

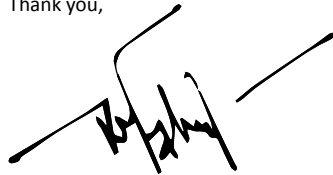
I would like to share that Trust Bank has been recognized as one of the top sustainable banks in the country in the 'Sustainability Ratings' of Bangladesh Bank. This prestigious recognition was conferred to the Bank for maintaining excellence in core banking sustainability, Sustainable Finance, Green Finance (along with green refinance) and CSR activities in 2022.

Once again, I would also extend gratefulness to my colleagues on the Board of Directors for their continuous support and cooperation in a year which was less conducive for the Banking Industry, as it encountered diversified external and internal challenges.

We convey special gratitude to all the regulators including Bangladesh Bank and the Bangladesh Securities and Exchange Commission (BSEC) for their guidance, cooperation and support.

I am thankful to the Management and the entire team of Trust Bank for the way they have striven and rallied together to make the year 2023 a success story, and aspire that your continued support and drive will be sustained to make TBL as one of the best banks in the industry. Since uncertainty and slowdown in global economic activities seems to persist in the coming days, the Bank will remain focused and resilient to tactfully address all the inevitable adverse scenarios to maintain a healthy balance sheet to maximize the yield of the investors.

Thank you,



General S M Shafiuddin Ahmed, SBP (BAR), OSP, ndu, psc, PhD
Chairman
Board of Directors

MD'S MESSAGE

Bismillahir Rahmanir Rahim
Dear Valued Shareholders,

It's an immense pleasure for me to welcome you to the 25th Annual General Meeting (AGM) of Trust Bank Limited on the advent of Silver Jubilee celebration of the Bank. As we entered in 2023, Bangladesh's economy faced a number of challenges in recent years and these challenges continued to persist. In the context of a global economic crisis, Russia-Ukraine war, Forex Reserve, internal capacity of the banking systems to facilitate import and export through opening LCs, timely payment and collection of foreign currencies, down flow of remittance coupled with extreme liquidity crisis hit back on the banking sector throughout the year. Despite having countless challenges, in retaliation Trust Bank enthusiastically addressed all the odds and difficulties and has supplemented another glorious year in its success tale by the grace of Almighty Allah (SWT). On way to completion of another successful year, this unpredicted journey for *Silver Lining* was even harder than we anticipated but which made it easier that is the unwavering support and guidance from the honorable Board of Directors, steady confidence of our valued shareholders and customers, firm belief and trustworthiness of all the stakeholders.

Global and Bangladesh Economy

Bangladesh has a strong track record of growth and development, even in times of elevated global uncertainty. But in 2023, the country's economy has been buffeted by multiple shocks. Spillovers from Russia's war in Ukraine and global monetary tightening have interrupted a strong post-pandemic recovery, with real GDP growth slowing down to 6 percent in FY23 and headline inflation reaching a decade high of 9.9 percent year-on-year in August 2023. Due to strict import compression, the current account deficit narrowed considerably (0.75 percent of GDP in FY23 compared to 4.1 percent of GDP in FY22). However, an unprecedented reversal of financial account, driven by global uncertainties and inadequate policy response, has kept FX reserves and the Taka under pressure since Bangladesh Bank has devalued Taka by almost 20% in 2023.

The real GDP growth is projected to remain at 6 percent in FY24 on the back of relatively resilient exports, despite subdued private demand. Helped by continued monetary policy tightening and neutral fiscal stance, inflation is projected to moderate to 7.25 percent y-o-y by end-FY24, albeit slowly, on account of elevated inflation expectations. The fiscal stance is projected to stay neutral, with fiscal deficit at 4.6 percent of GDP in FY24 remaining broadly unchanged from FY23. The current account deficit is likely to remain compressed at around 0.75 percent of GDP in FY24, while the financial account is expected to improve, including through timely repatriation of export proceeds. FX reserves are expected to increase gradually in the near term and are projected to reach about four months of prospective imports in the medium term. However, uncertainties around the outlook remain high and risks are tilted to the downside.

Financial Performances:

Despite multifarious challenges, we continued our all-out efforts and drives in respect of operational and business flexibility to sustain the desired growth and maximize the value of Shareholders resulting to a satisfactory performance in almost all the prime parameters which worked as the catalyst of Trust Bank's strength to tackle both short-term and long-term challenges in the ever-changing environment where we work for. Glimpses of key financial performances of Trust Bank in 2023 are enumerated as under:

- We have been maintaining formidable position among the top tier banks in all financial indicators. Consolidated assets of the bank stood at BDT 458,093 million in 2023 as against BDT 421,960 million in 2022, registering a growth of 8.56%.
- Total interest income in 2023 was BDT 25,963 million as compared to BDT 20,479 million in 2022 posting 26.78% growth. Although the total interest expense reached at BDT 17,361 million in 2023 as compared to BDT 12,676 million in 2022 with a growth of 36.95%, our operating profit climbed to BDT 11,707 million in 2023 reflecting a growth of 5.54%. This is the highest operating profit made by the bank in its 24 years of operation.
- As a result, Trust Bank generated consolidated net profit after tax of BDT 4,177 million as compared to BDT 2,823 million in 2022 posting a positive growth of 47.97%.
- Despite various external challenges, the Bank's overall businesses grew significantly in 2023. Consolidated Deposits of the Bank increased by 12.42% and stood at BDT 366,398 million at the end of 2023. Consolidated loans and advances increased by 11.39% compared to the year 2022 and stood at BDT 333,792 million at the end of year 2023.
- Trust Bank delivered inspiring results in its import, export and remittance business in 2023. Bank's import business increased by 5.46% and stood at BDT 154,089 million in 2023 against BDT 146,107 million in 2022. Exports steadily increased by 0.77% and stood at BDT 68,311 million in 2023 against BDT 67,790 million in 2022. Foreign remittance in 2023 demonstrated outstanding results and reached at BDT 93,736 million with staggering 40.14% growth which was BDT 66,888 million in 2022.
- We closed the year with consolidated EPS of BDT 4.97 which demonstrate our pledge to maximize shareholder's/sponsors wealth.
- We reiterate that the gradual increase of Non-Performing Loan (NPL) has been a major concern for banking industry which has blurred many of our major achievements. The Bank marked curbing down NPL as one of its core business priorities in 2023 with intense focus on recovery, monitoring and sound portfolio management.
- We acknowledge the paramount importance of caution and cost control considering banking industry's low return. Our continuous efforts to improve process efficiency and productivity helped us to maintain consolidated cost-to-income ratio at 34.90% in 2023 which was 35.71% in 2022.
- We ensured compliance in all the regulatory ratios including liquidity and solvency ones. As of 31st December 2023, bank's CET-1 ratio and CRAR stood at 7.96% and 13.59% (regulatory requirement 12.50%) respectively.

Prospects, Challenges and Commitments

We have a robust demographical dividend and there have immense opportunity to explore horizon of extending Banking activities throughout the country especially in the rural areas where a huge number of people still remain out of banking channel. With a view to bringing unbanked people in the banking platform to mark a dynamic shift in the life style of the people in context to our socio-economic aspects, our endeavor shall be continued in future.

Maintaining a strong liquidity base would be the main challenge for the upcoming days since the world is expected to head for a recession. High inflation rate is likely to torment the lower and lower-middle income population. They are going to lose a big segment of their savings due to less purchasing power.

Again, the volume Non-Performing Loans (NPL) has been on the upward trends over the years and keeping the NPL rate within the minimum level shall be even harder in such prevailing turbulent environment for entire banking industry.

Moreover, due to Remittance down flow and Dollar deficit, most of the banks faced a tremendous shock with negative balance of foreign currency holding and hardly coped with import payment and opening of LCs.

I whole-heartedly believe that only making profit is not our ultimate goal rather to take our beloved organization to the pinnacle of success with sustainability. Consequent upon that, Trust Bank has been recognized as one of the top sustainable Banks in 'Sustainability Rating' Bangladesh Bank. This prestigious recognition was conferred to the Bank for maintaining excellence in core banking sustainability, Sustainable Finance, Green Finance (along with green refinance) and CSR activities in 2022, which has eventually turned the Bank's slogan ("a bank for financial inclusion") into a reality.

Our Strategic Priorities in 2024:

- Strengthening Capital Base to successfully encounter overall risk and challenges.
- Maintaining a strong liquidity position to ensure business continuity plan of the Bank and meet up regulatory requirements.
- One of the core business priorities of the Trust Bank is to curb Non-Performing Loans (NPL).
- All-out efforts and drives shall be continued to enhance recovery from rescheduled and stay order loans as well as Write-off loans.
- Explore the windows to provide need based financial solutions to our values customers within shortest possible time in a secured manner.
- Transforming Trust Bank as one of the best technology driven bank in the industry to ensure safety, security, data privacy and utmost confidentiality in respect of financial transactions.
- Focusing on the Business Automation Process to ensure loan monitoring, documentation management, loan proposal screening and sound credit administration.
- To ensure maximization of Shareholders equity through sustainability.
- Focus on increasing export business and bringing more remittance from overseas.
- Efficient Capital Planning under the purview of risk-return trade-off for smooth business expansion.
- Continuous development of the Alternative Delivery Channel (ADC) to serve the customers with modern and innovative banking product and services.
- Our commitment to corporate social responsibility remains unwavering. We will continue to create positive impact through initiatives that promote education, health care, environmental sustainability and inclusive growth.

Appreciation and Gratitude

To conclude, I would like to take this opportunity to express my whole-hearted gratitude to the Honorable Board of Directors, Shareholders, Stakeholders, Bangladesh Bank, other regulatory authorities and valued clients for their continued support to carry out another difficult year. I would also like to convey my special thanks to my fellow colleagues for their dedication and courage for making 2023 as another successful year and driving our beloved organization to onward marching. I believe you will remain committed to our success and also look forward to adding value to your investment in days to come.

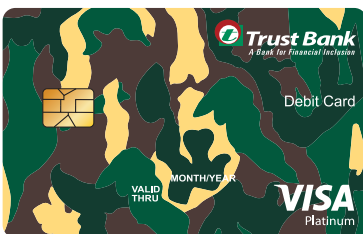
Thank you for your unwavering support and cooperation.



Ahsan Zaman Chowdhury
Managing Director (In-Charge)

Entering a new league of
secure digital payments.

Trust Bank is now a proud principal
member of Visa.



16201

www.tblbd.com

TrustBankLtdBD

VISA

Trust Bank
A Bank for Financial Inclusion

*The image used is for illustrative purposes and the person in the image is a model. All brand names and logos are the property of their respective owners.

FORWARD LOOKING STATEMENT

This report contains forward-looking statements reflecting management’s plans, estimates and beliefs. Actual results could differ materially from those described in these forward-looking statements. Examples of such forward-looking statements include statements of the company’s plans, intentions, positioning, expectations, objectives or goals, including those relating to asset flows, affluent client acquisition strategy, client retention and growth of our client base, retention, recruiting and enrollments, acquisition, integration, general and administrative costs, consolidated tax rate, return of capital to shareholders and excess capital position and financial flexibility to capture additional growth opportunities.

The Bank is not responsible for the forward-looking statements which includes but not limited to the following information:



Assessment of the Bank’s future operating and financial results as well as forecasts of the present Value of future cash flows and related factors.



Economic outlook and industry trends;



The Bank’s anticipated capital expenditures and plans relating to expansion of the Bank’s Network and development of the new services.



The Bank’s Expectations as to its position on the financial Market and plans on development of the market segments within which the bank operates.

Such forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from those expressed or implied by these forward-looking statements. These risks, uncertainties and other factors include:



Risk related to changes in political, economic and social conditions in local as well as changes in global economic conditions;



Risk related to legislation, regulation and taxation;



Risks related to the Bank’s activities, including the achievement of the anticipated results, levels of profitability to create and meet demand for the Bank’s services including their promotion and the ability of the Bank to remain competitive.

Many of these factors are beyond the Bank’s ability to control and predict. Given these and other uncertainties the Bank cautions not to place undue reliance on any of the forward-looking statements contained herein or otherwise.

TOWARDS A SUSTAINABLE BANKING

Trust Bank is committed to conduct its business activities in an eco-friendly manner through endorsing policies in accordance with the statutory laws, guidelines of Bangladesh Bank and other regulatory bodies. Accordingly, the Bank has adopted sustainable approaches (i.e. both environmental and social responsibility) and introduced green banking practices in its banking operations



OUR POLICY GUIDELINES FOR RENDERING SERVICES



OUR FOCUS ON GREEN BANKING



Green Finance

Sustainable Financing for protection and conservation of environment is our greatest priority.

- LEED Certified Industry (Certified Green Industry and Green Building/Green Featured Building).
- Recycling & Recyclable Product (PET Bottle recycling plant).
- Ensuring Work Environment and Security of Factories Workers.
- Energy Efficiency product under Green Transformation Fund.
- Effluent Treatment Plant (ETP).
- Hybrid Hoffman Klin (HHK), Zigzag or equivalent Technology in Brick Kiln.
- Renewable Energy (Bio-Gas Plant, Solar Home System & Solar Irrigation Pumping System).
- A village named Howlipara, Jenaidah, is yet to be named as 'Trust Bank Solar Village'.
 - ✓ Installed 2934 Bio Gas Plants and Disbursed BDT 641.15 million
 - ✓ Financed 4197 Solar Energy Projects and disbursed BDT 113.91 million.



Online Banking

we have online banking for-

- Banking transactions
- Payment of bills
- Statements (e-statements)



Efficient Use of Energy

We are committed to our future generations for a safer world. Therefore, we strive to continue our focus on the efficient use of energy.

- 116 online branches
- 24x7 internet banking facilities
- Call Centre

Apart from financing in green activities, we encourage our employees to ensure in-house green activities.

TOWARDS A SUSTAINABLE BANKING



OUR FOCUS ON CORPORATE SOCIAL RESPONSIBILITY

- The Bank established a special reserve fund named 'Trust Bank Limited Special Reserve Fund (TBL SRF)'.
- The Fund is approved by Finance Ministry and National Board of Revenue. An amount not exceeding 5.00 percent of Bank's operating income is allowed to transfer this Special Reserve Fund.
- The Board approved CSR policies and CSR activities are carried out by dedicated CSR desk of Trust Bank Limited.
- TBL donated in 2023 BDT 8.20 million in Education Sector and BDT 2.23 million in Health Sector.
- TBL contributed BDT 40.17 million to disaster risk reduction and resilience building activities in 2023.
- TBL sponsored BDT 10.00 million to Bangladesh Olympic Association for Sheikh Kamal 2nd Bangladesh Youth Games 2023.
- In 2023, the Bank continued its supports worth BDT 60.91 million to different areas.



OUR FOCUS ON FINANCIAL INCLUSION

- 43 Rural Branches, 06 SME/ Krishi branches, 08 Sub-Branches and 01 SME Service Center for ensuring banking services to underprivileged part of population.
- 264 ATM Booths
- BDT 31,748.00 million SME loans.
- Financing through micro financing institutions.
- Introduction of low cost banking services.
- Mobile Banking.
- School Banking.
- Farmers Account.

OUR VISION



Build a long term sustainable financial institution through financial inclusion and deliver optimum value to all stakeholders with the highest level of compliance.



OUR MISSION



Long term sustainable growth – diversified business with robust risk management.



Financial inclusion – bring unbanked population into banking network through low cost and technology based service delivery.



Accountable to all stakeholders – customers, shareholders, employees and regulators.



Highest level of compliance and transparency at all levels of operation.



OUR VALUES

Fair

Dependable

Reliable

Professional

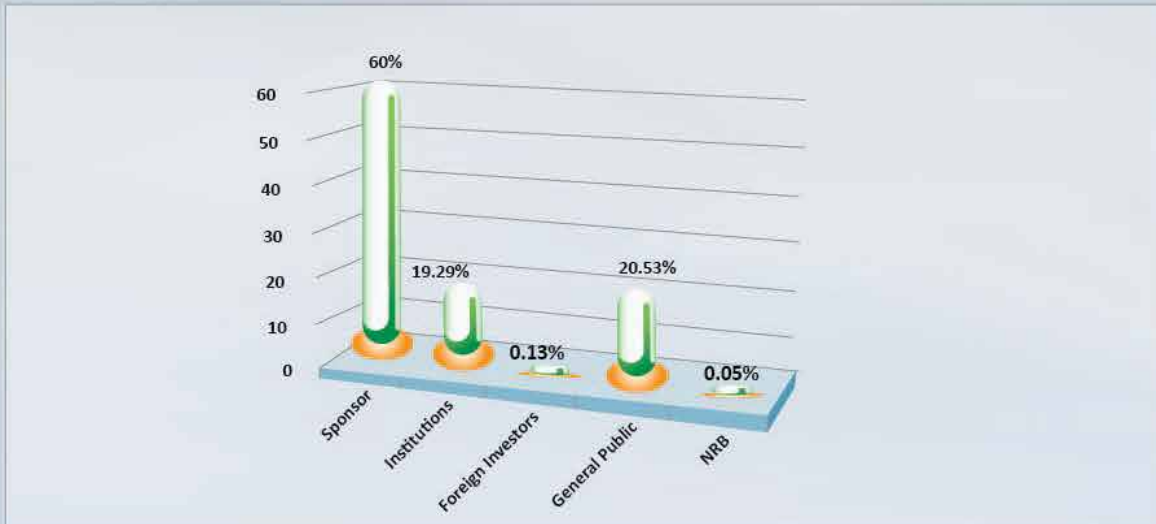
Dynamic

Trustworthy

OUR INVESTORS

We are delighted to have knowledgeable and experienced investors believing and accompanying us in our continuous journey. Our sponsor shareholder is Army Welfare Trust (AWT) holding 60 percent of outstanding shares. Rest 40 percent shares are freely floated in stock exchanges of Bangladesh. General public are holding 20.53 percent shares, while institutions have a stake of 19.29 percent of outstanding shares of the bank. However, Non-Resident Bangladeshis (NRB) 0.05 percent and foreign investors 0.13 percent have also extended their faith in our banking business in Bangladesh.

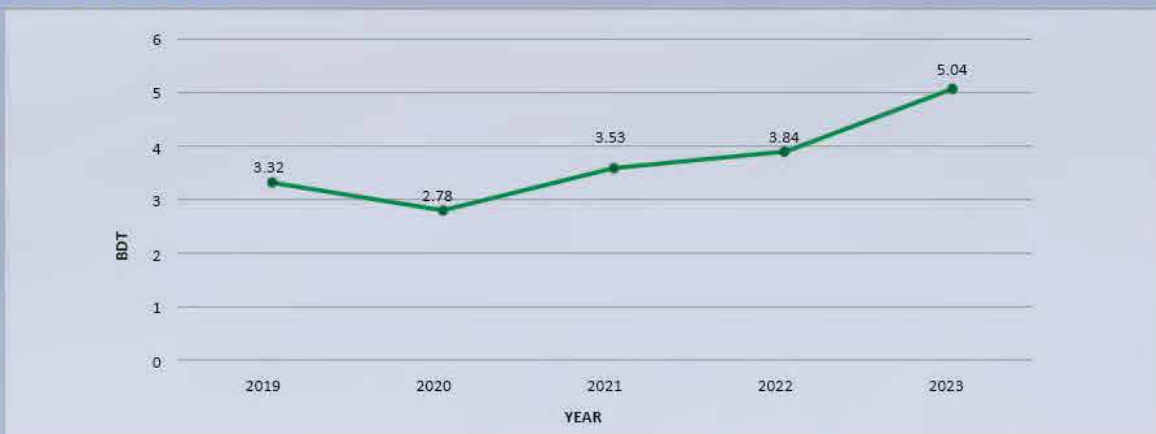
Share Percentage



Five Years Dividend History

| Year | Cash Dividend (%) | Stock Dividend (%) | Total Percentage (%) |
|------|-------------------|--------------------|----------------------|
| 2023 | 12% | 8% | 20% |
| 2022 | 10% | 10% | 20% |
| 2021 | 12.50% | 10% | 22.50% |
| 2020 | 10% | 10% | 20% |
| 2019 | 5% | 5% | 10% |

Earnings Per Share (EPS)



Redressal of INVESTORS' COMPLAINT

Trust Bank Limited (TBL) believes in building a sound relationship through maintaining effective communication with the investors who play a prominent role in erection of a sustainable brand image among all the stakeholders. We put our investors first so that they may carry out the flag of TBL in front line which would help us to accomplish our Mission and Vision. To materialize such commitment to valued investors, we have proper arrangement to address the voice of investors. Investors enjoy free access to communicate with the respective department and can collect all product and service related with published information. Share Department is always prepared to meet the statutory requirement of investors. Any query received from investors is treated efficiently and impartially. Queries from investors are dealt with utmost sincerity and in a timely manner.



Corporate website of TBL (www.tblbd.com) contains a tab namely **Investors' Relations** from where the investors' can easily access to the published information;



TBL has a designated e-mail address (share.dept@tblbd.com) through which investors can communicate in respect of their complaint which is addressed and the feedback is made in due course;



Investors can also make a written complaint which are also taken care with sincerity and after investigation, appropriate actions are taken based on the merit of the complains;



Serious complaints are referred to the competent authority for their disposal.

OUR CODE OF CONDUCT

Trust Bank has always acknowledged the necessity to practice high level of governance and professionalism in attaining highest level of satisfaction while maximizing wealth for its customers, shareholders and other stakeholders. In this pursuit, Trust Bank always pursue adherence to clear set of code of conduct and business ethics through its employees, management and board with all counterparties that are met in its day to day operation.

OUR COMMITMENT TO CUSTOMERS



- Alongside the depositors and borrowers, our shareholders are equally treated by us and the Bank is committed to preserve their lawful benefits and interest.
- Opinions from shareholders are not just merely heard rather recorded for goal setting of the Bank.
- Ensuring complete disclosure of financial statements to enable the shareholders to undertake proper investment decision.
- Sound business and risk management strategy to boost profit for a steady and lucrative dividend payout ratio.

OUR COMMITMENT TO CUSTOMERS



- Irrespective of size of deposit or amount of loan, all depositors and borrowers of the Bank are equally attended with proper respect and adequate time to keep them fully informed with all banking and financial products.
- Focus on creation of long term relationship based on mutual benefit and trust.
- Prior notice is issued with reasonable time to inform the customers regarding any change in policy, charge and/or product feature.
- Fair transaction in accounts with competitive return, service charge and without levying any undeclared cost.
- Ensuring complete secrecy of customer's affairs/account information at all times.

OUR WORKING ENVIRONMENT



- Trust bank believes in diversity in its recruitment and ensures equal employment opportunity while appointing employees from all religion, gender, race, age and work experience.
- Bank is committed to provide a work environment free from harassment and intimidation. A clear cut 'Anti-Harassment Policy' of the Bank protects its employees from harassment based on race, ethnicity, color, religion, age, sex, marital status, disability or any other legally protected characteristics.
- Employees are always encouraged to speak against any irregularity. 'Speak Up Policy' of the Bank provides procedure to report and investigate any suspicion of misconduct or any breach of law that may adversely impact the Bank.
- Congenial work environment is ensured to foster sense of togetherness among employees.

FEW COVENANTS FOR EMPLOYEES



- All employees are required to possess clear knowledge of rules, laws and regulations of the Bank as well of other regulators
- All employees will protect bank's assets and reputation at all times
- Employees are strictly prohibited to
 - i. Engage themselves in buying and selling of securities
 - ii. Work as agent of an insurance company
 - iii. Engage in any other employment without prior permission of bank's authority
 - iv. Receive or give any gift from or to any corner

OUR BUSINESS

ETHICS

Trust Bank identifies business ethics as the process of evaluating decision, either before or after, with respect to moral standards of society. Apart from our six core ethical values, honesty, integrity, responsible citizenship and accountability are also instrumental in our decision making process.



MANAGEMENT ORGANOGRAM

Trust Bank has set up management systems which clearly specify the functions of Board, key management personnel such as the Managing Director, Chief Operating Officer, Chief Risk Officer, Chief Financial Officer, Company Secretary, Head of Division and Departments.

FINANCING DECISION

Trust Bank pays attention to both quantifiable and unquantifiable risk and refrains itself from the industry, services and products where it cannot objectively assess and manage the associated risks.

PRICING AND FAIR RETURN

Trust Bank is committed to ensure fair return to the depositors and safety of the depositors. We are also equitable in fixing spread between cost of fund and ending rates.

HR MISSION

Trust Bank views its human resource as the most valuable asset and invests heavily through constant training, coaching and rewarding professional degrees. Employees are also at liberty to express their opinion/suggestion for improvement.

SAFEGUARDING CUSTOMER INFORMATION AND VALUABLES

Trust Bank is highly sensitive while possessing customer information and valuables. We remain highly vigilant to ensure safety for our customers.

CONSERVATION OF ENVIRONMENT

Trust Bank highly discourages financing projects that are detrimental to environment, aggravate pollution, employ child labour and injure human health. We also develop and promote technologies that are environment friendly and match our going green mission.

PREVENTION OF MONEY LAUNDERING

There is no room for complacency at Trust Bank while issue of Money Laundering is concerned. Bank is highly focused to prevent banks financial services and distribution channels for laundering money or conducting illicit trade by any corner.

FAIR ACCOUNTING DISCLOSURE

Trust Bank is compliant with all laws, rules and regulations promulgated by relevant regulatory authorities and is engaged in transparent and existing accounting practices.

KEY BUSINESS INDICATORS

Trust Bank reported BDT 11,707.26 million operating profit in 2023.



Operating profit of BDT 11,707.26 million in 2023, an increase of BDT 614.19 million as compared with BDT 11,093.07 million of 2022.



Growth in deposit increased by 12.42%, an increase of BDT 40,493.15 million compared to 2022



Loan Growth: Loan growth for Trust Bank in 2023 by 11.39%, an increase of BDT 34,125.46 million compared to 2022.



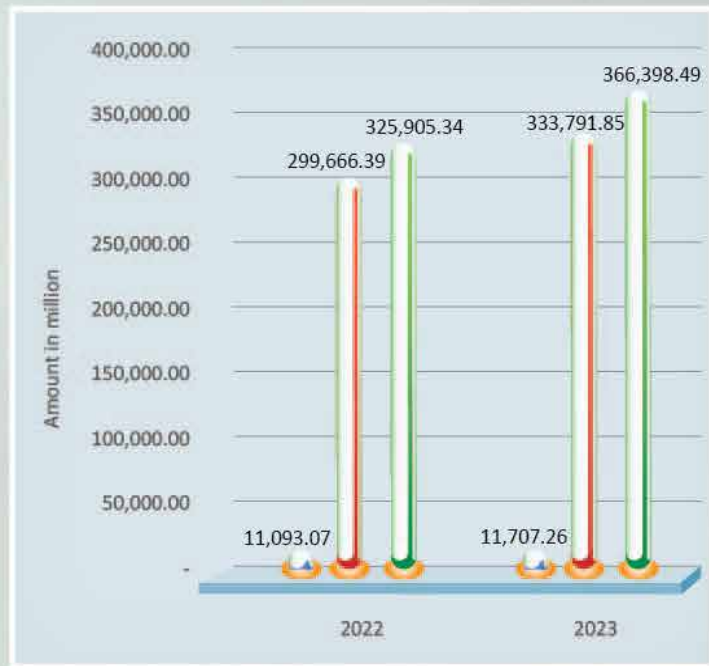
9.67% increase in interest earning assets and stood at BDT 374,917.05 million in 2023.



Operating expense increased to BDT 6,277.05 million from BDT 6,162.97 million of 2022. Due to efficient management, operating expense increased by BDT 114.07 million or 1.85%.

KEY INDICATORS

- Operating profit
- Loans and Advances/Islamic Banking Investments
- Deposits and other accounts



Key Business indicators



Our Continued Effort for Attaining Objectives

Growth of Capital: Total Capital increased by BDT 2,985.96 million or 14.84% compared to 2022. Significant Capital Build throughout 2023: Tier-I Capital increased by BDT 3,042.80 million or 12.90% compared to 2022.

Income Acceleration: Profit before Tax Income decreased by BDT 580.57 million or 8.50% and Profit after Tax Income increased by BDT 1,354 million or 47.97%.

RISK OVERVIEW

Trust Bank believes that effective management of risk is a critical component for survival and long term success of the Bank. Therefore, The Board and management always uphold a sound and responsible approach to risk with a view to ensure that the sustainable performance and standing of the Bank are not threatened while conducting its regular course of business.

The Board is regularly assisted by the Risk Management Committee (RMC) to review and monitor the overall risk management system of the Bank. The risk Management system of the Bank has been described in 'Risk Management Report' of this Annual Report.



FINANCIAL CALENDAR

25th Annual General Meeting (AGM):

| | |
|------------------------------|---------------|
| Price Sensitive Information: | 27 April 2024 |
| Record Date: | 29 May 2024 |
| Date of AGM: | 16 July 2024 |

Highlights of 24th Annual General Meeting (AGM):

| | |
|--|----------------|
| Price Sensitive Information: | 18 April 2023 |
| Record Date: | 29 May 2023 |
| Date of AGM: | 20 July 2023 |
| Credit of Stock/ Bonus Share: | 25 July 2023 |
| Payment of Cash and Fractional Stock Dividend: | 07 August 2023 |

Financial Results of 2023:

| | |
|---|-----------------|
| First Quarter (Un-Audited): | 18 April 2023 |
| Second Quarter (Un-Audited): | 15 July 2023 |
| Third Quarter (Un-Audited): | 21 October 2023 |
| Audited Financial Statements for the Year 2023: | 27 April 2024 |

BANGLADESH ASSOCIATION OF PUBLICLY LISTED COMPANIES

Ref. No: CM-2024/194

BAPLC

Date of issue : March 24, 2024

Renewed Certificate

This is to certify that

TRUST BANK LIMITED

*is an Ordinary Member of Bangladesh Association of Publicly Listed Companies
and is entitled to all the rights and privileges appertaining thereto.*

This certificate remains current until 31st December 2024.




Secretary General

CORPORATE GOVERNANCE



CORPORATE GOVERNANCE REPORT

Board of Directors of the Bank is responsible for a wide range of activities. This report, i.e. corporate governance report, will provide an overview on formation, roles and responsibilities of the Board of Directors of Trust Bank Limited. Moreover, the report will also critically assess the performances and functions of the Board during the year 2023 as per various laws, regulatory guidelines etc.

Corporate Governance Practice in Bangladesh

The corporate governance practice in Bangladesh is guided by the 'Corporate Governance Code' issued by Bangladesh Securities and Exchange Commission (BSEC) (vide notification no. BSEC/ CMRRC/2006-158/207/Admin/80, dated 03 June 2018). The Code has been safeguarding the capital market's potential to boom and promote fairness, accountability, transparency, responsibility, and integrity in business, considering the best practice befitting to the economy.

Corporate Governance Practice in Banking Industries of Bangladesh

Being the Central Bank, Bangladesh Bank is playing a crucial role in putting the Banks on a sound footing on banking practice in Bangladesh. Bangladesh Bank in its Circulars/ Guidelines issued time to time and directed all Banks to demarcate the responsibilities and authorities of the Board of Directors regarding risk management, internal controls, internal audit and compliance for ensuring good corporate governance. Moreover, Bangladesh Bank has adopted 'Corporate Governance Principles for Banks' as per BASEL guidelines. Accordingly, all Banks are following the guidelines of Bangladesh Bank.

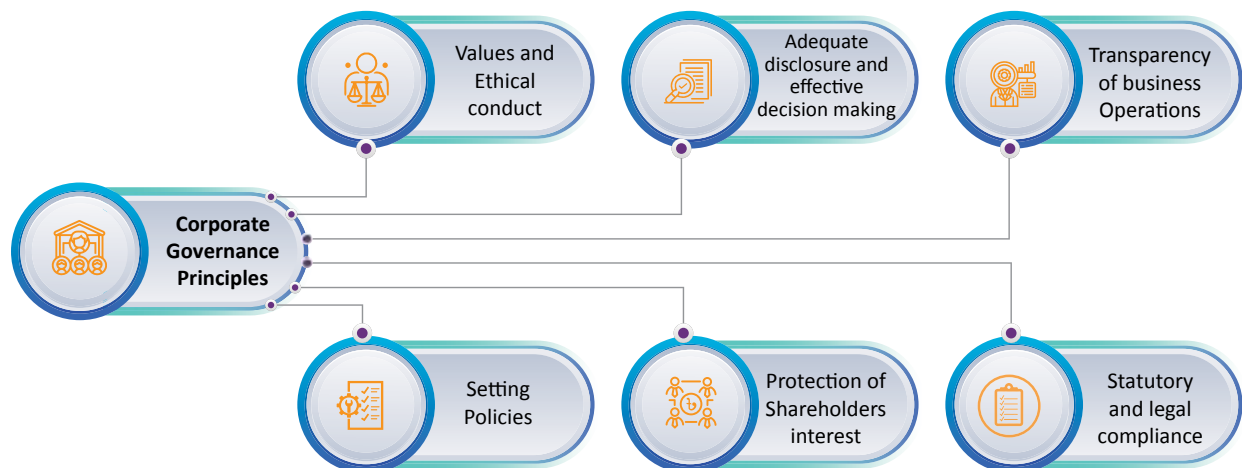
Moreover, being listed with the country's stock exchanges, the Banks are also required to comply with the Corporate Governance Code. The Banks have to comply with the Companies Act, 1994, Bangladesh Accounting Standards (BASs), and Bangladesh Financial Reporting Standards (BFRSS) adopted by the Institute of Chartered Accountant of Bangladesh (ICAB), Listing Regulations, 2015, the Banking Companies Act, 1991 (amended from time to time), etc.

Corporate Governance Practice and Trust Bank

Trust Bank, being a venture of Army Welfare Trust, has adhered to the guidelines imposed by the regulators to ensure governance from time to time. However, the introduction of the corporate governance concept in Bangladesh has widened the scope of corporate governance practice at Trust Bank.

Trust Bank is operated within the legal framework of the Companies Act, 1994 and regulated under the provisions of the Bank Company Act, 1991 (amended from time to time). The Bank has been listed with Chittagong Stock Exchange PLC and Dhaka Stock Exchange PLC since 24 September 2007 and 25 September 2007 respectively. Therefore, the Bank always complies with respective Listing Regulations issued by the stock exchanges for operations. The Bank also complies with the conditions of the Corporate Governance Code for ensuring good corporate governance practice.

The following principles are practiced within the corporate framework of Trust Bank for ensuring Corporate Governance:



Ownership Structure of Trust Bank:

As of 31 December 2023, the Bank's share capital was BDT 856,22,69,450.00 represented by 85,62,26,945 shares, each share with a nominal value of BDT 10.00. Army Welfare Trust (AWT) is the majority shareholder, holding 60% of the outstanding shares (i.e. 51,37,28,781 shares).

Shareholding Pattern

The Pattern of Shareholding along with name wise details of:

I. Parent or Subsidiary or Associated companies and other related parties:

a. Structure of Shareholding as on 31 December 2023:

| SL. | Particulars | 2023 | | 2022 | |
|-----|--------------------------------|---------------------|---------------|---------------------|---------------|
| | | No. of Shares | % | No. of Shares | % |
| 01. | Sponsors (Army Welfare Trust) | 51,37,28,781 | 60.00 | 46,70,26,165 | 60.00 |
| 02. | Institutions | 16,51,68,294 | 19.29 | 13,53,59,374 | 17.39 |
| 03. | Foreign Investors | 10,77,147 | 0.13 | 10,57,341 | 0.14 |
| 04. | Non-Resident Bangladeshi (NRB) | 460,776 | 0.05 | 7,09,931 | 0.09 |
| 05. | General Public | 17,57,91,947 | 20.53 | 17,42,35,321 | 22.38 |
| | Total | 85,62,26,945 | 100.00 | 77,83,88,132 | 100.00 |

b. Subsidiary companies:

| SL. | Name of Companies | Commencement of Operation | Nature |
|-----|-------------------------------|---------------------------|---------------------------|
| 01. | Trust Bank Investment Limited | 14 November 2010 | Merchant Bank |
| 02. | Trust Bank Securities Limited | 26 September 2013 | Stock Brokerage Services |
| 03. | Trust Axiata Digital Limited | 28 July 2021 | Mobile Financial Services |

c. Shareholding Structure of Trust Bank Investment Limited as on 31 December 2023

| SL. | Particulars | No. of shares |
|-----|---|--------------------|
| 01. | Trust Bank Limited | 2,99,99,993 |
| 02. | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | 1 |
| 03. | Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | 1 |
| 04. | Mr. Anisuddin Ahmed Khan | 1 |
| 05. | Mr. Shahedul Islam | 1 |
| 06. | Humaira Azam | 1 |
| 07. | Mr. Ahsan Zaman Chowdhury | 1 |
| 08. | Mr. Mohammad Shahadat Hossain | 1 |
| | Total | 3,00,00,000 |

d. Shareholding Structure of Trust Bank Securities Limited as on 31 December 2023

| SL. | Particulars | No. of shares |
|-----|--------------------|--------------------|
| 01. | Trust Bank Limited | 3,49,99,999 |
| 02. | Humaira Azam | 1 |
| | Total | 3,50,00,000 |

e. Shareholding Structure of Trust Axiata Digital Limited as on 31 December 2023:

| SL. | Particulars | No. of shares |
|-----|--------------------|--------------------|
| 01. | Trust Bank Limited | 4,49,99,990 |
| 02. | Humaira Azam | 10 |
| | Total | 4,50,00,000 |

II. a. Shareholding of Directors and their spouses and minor children as on 31 December 2023:

| SL. | Name of Director | Status | No. of Shares | No. of Shares of Spouse and Minor Children |
|-----|---|------------------------|---------------|--|
| 01. | Gen S M Shafiuddin Ahmed, SBP(BAR), OSP, ndu, psc, PhD | Chairman | -- | -- |
| 02. | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | Vice-Chairman | -- | -- |
| 03. | Brig Gen S M Zia -Ul- Azim, ndc,afwc,psc | Director | -- | -- |
| 04. | Brig Gen Md Kaiser Hasan Malik, SGP, ndc, psc | Director | -- | -- |
| 05. | Brig Gen Mohammad Moazzem Hossain, ndc, afwc, psc, G, Mphil | Director | -- | -- |
| 06. | Brig Gen Md Nishatul Islam Khan, ndc, afwc, psc | Director | -- | -- |
| 07. | Brig Gen Md Munirul Islam, SGP, SUP, psc, Ph.D | Director | -- | -- |
| 08. | Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | Director | -- | -- |
| 09. | Brig Gen Rakibul Karim Chowdhury, ndc, afwc, psc | Director | -- | -- |
| 10. | Mr. Anisuddin Ahmed Khan | (Independent Director) | -- | -- |
| 11. | Ms. Nusrat Khan | (Independent Director) | -- | -- |
| 12. | Humaira Azam | MD & CEO | -- | -- |

b. Shareholding of Chief Executive Officer and Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children as on 31 December 2023:

| SL. | Name of Officials | Status | No. of Shares | No. of Shares of Spouse and Minor Children |
|-----|-----------------------------|---|---------------|--|
| 01. | Humaira Azam | MD & CEO | -- | -- |
| 02. | Mr. Md. Mizanur Rahman, FCS | Company Secretary | -- | -- |
| 03. | Mr. Md. Mahfuzur Rahman | Chief Financial Officer | -- | -- |
| 04. | Mr. Md. Kamal Uddin Kutubi | Head of Internal Control and Compliance | -- | -- |

c. Executives [Top 05 salaried executives other than Managing Director, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance] as on 31 December 2023:

| SL. | Name of Executives | Status | No. of Shares | No. of Shares of Spouse and Minor Children |
|-----|------------------------------|--|---------------|--|
| 01. | Mr. Ahsan Zaman Chowdhury | DMD & CBO | -- | -- |
| 02. | Mr. Akhlasur Rahman Bhuiyan | DMD & CRO | -- | -- |
| 03. | Ms. Hasna Hena Chowdhury | DMD & COO | -- | -- |
| 04. | Mr. Mohammad Masud Shahjahan | EVP, Head of Treasury and Head of NRB Division | -- | -- |
| 05. | Mr. Md. Kamal Hossain Sarker | SEVP, Head of CRM and Chief Credit Officer (CCO) | -- | -- |

d. Shareholders holding 10% or more voting interest in the Bank as on 31 December 2023:

| SL. | Name of shareholders who hold 10% or more shares | Status | No. of shares held | % of total no. of paid-up shares |
|-----|--|---------|--------------------|----------------------------------|
| 01. | Army Welfare Trust | Sponsor | 51,37,28,781 | 60.00 |

The Board of Directors

The Board is committed to achieve superior financial performance and long-term prosperity, while meeting stakeholders' expectations of sound Corporate Governance. As per the Bank Company Act, 1991 (amended from time to time), the Board of Directors of the Bank are responsible for establishment of policies for the Bank, for risk management, internal controls, internal audit and compliance and for ensuring their effective implementation. The Board draws its powers for carrying out the functions from the provision of Bank Company Act, 1991 (amended from time to time) and subsequent circulars issued by Bangladesh Bank from time to time. The Board simultaneously comply with other guidelines/instructions imposed by other regulatory authorities (i.e., Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange PLC., Chittagong Stock Exchange PLC. etc.)

Structure of the Board

The composition of the Board of Directors is determined by the Bank's Articles of Association that complies with the Bank Company Act 1991 (Amended 2023). As of 31 December 2023, the Board had 12 members, including 02 Independent Directors and 01 Managing Director as an ex-officio member.

Composition of the Board of Directors as on 31 December 2023:

| SL. | Name of Director | Status |
|-----|---|--|
| 01. | Gen S M Shafiuddin Ahmed, SBP(BAR), OSP, ndu, psc, PhD | Chairman [Representing Army Welfare Trust (AWT)] |
| 02. | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | Vice Chairman [Nominated Director by AWT] |
| 03. | Brig Gen S M Zia -Ul- Azim, ndc,afwc,psc | Director [Nominated Director by AWT] |
| 04. | Brig Gen Md Kaiser Hasan Malik, SGP, ndc, psc | |
| 05. | Brig Gen Mohammad Moazzem Hossain, ndc, afwc, psc, G, Mphil | |
| 06. | Brig Gen Md Nishatul Islam Khan, ndc, afwc, psc | |
| 07. | Brig Gen Md Munirul Islam, SGP, SUP, psc, Ph.D | |
| 08. | Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | |
| 09. | Brig Gen Rakibul Karim Chowdhury, ndc, afwc, psc | |
| 10. | Mr. Anisuddin Ahmed Khan | Independent Director |
| 11. | Ms. Nusrat Khan | |
| 12. | Humaira Azam | MD & CEO |

Appointment of Board Directors

The decision for appointment of new Director is made in the meeting of Board of Directors. As per section 15 (4) of the Bank Company Act, 1991 (amended from time to time), the Bank takes prior approval from Bangladesh Bank for appointment/reappointment of Directors. While obtaining such permission, the Bank furnishes necessary documents to Bangladesh Bank. Consequently, the Bank files return to the Registrar of Joint Stock Companies and Firms (RJSC&F) and retain the certified copy for future references.

As per the Bank Company Act 1991 (amended from time to time), the Directors are appointed for three years, which can be extended by two terms only subject to approval by the shareholders in the Annual General Meeting (AGM).

The Bank appointed/re-appointed the following Directors in 2023:

| SL. | Name of Director | Date of Appointment/ Re-appointment | Term |
|-----|---|-------------------------------------|-----------------------------|
| 01. | Brig Gen S M Zia -Ul- Azim, ndc, afwc,psc | 20 July 2023 | Re-appointment |
| 02. | Brig Gen Md Kaiser Hasan Malik, SGP, ndc, psc | 20 July 2023 | |
| 03. | Brig Gen Mohammad Moazzem Hossain, ndc, afwc, psc, G, Mphil | 20 July 2023 | |
| 04. | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | 19 Sep 2023 | 1 st Appointment |
| 05. | Brig Gen Rakibul Karim Chowdhury, ndc, afwc, psc | 01 April 2023 | |
| 06. | Ms. Nusrat Khan | 01 April 2023 | |

Brief resume along with expertise of the appointed/re-appointed directors are appended in the Directors' Profile in the Annual Report. The names of the companies in which the above directors also hold the directorship and the membership of committees of the Board in compliance with Notification No. BSEC/ CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of Bangladesh Securities and Exchange Commission (BSEC) are appended below:

| SL. | Name of Director | Status | Names of Companies in which the person holds directorship |
|-----|---|-----------------------------|--|
| 01. | Gen S M Shafiuddin Ahmed, SBP (BAR), OSP, ndu, psc, PhD | Chairman [Representing AWT] | <ol style="list-style-type: none"> Sena Kalyan Sangstha, Chairman, Board of Trustees Sena Hotel Developments Limited, Chairman Bangladesh Machine Tools Factory Limited, Chairman Army Welfare Trust, Chairman Trust Bank Investment Limited, Chairman Council of Military Institute of Science & Technology, Vice Chairman Council of the College, Armed Forces Medical College, Chairman Sena Paribar Kalyan Samiti, Chief Patron Advisory Committee of Proyash, President National Defence College & Defence Services Command and Staff College Governing Body, Vice Chairman Bangladesh Golf Federation, President Kurmitola Golf Club, President Defence Officers Housing Scheme Committee, Chairman BAIUST Cumilla/ BAUET Quadirabad/ BAUST Saidpur/ BAUST Khulna, Chairman, Board of Trustees Bangladesh Diesel Plant Limited, Chairman Jolshiri Abashon Project, Chief Patron Trust Axiata Digital Limited, Chairman Bangladesh Olympic Association, President |

| SL. | Name of Director | Status | Names of Companies in which the person holds directorship |
|-----|---|---------------------------------------|---|
| 02. | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | Vice Chairman (Nominated Director) | 1. Army Housing Scheme, Chairman, Board of Directors 2. Sena Kalyan Sangstha, Vice-Chairman, Board of Trustees 3. Army Welfare Trust, Vice-Chairman 4. Sena Hotel Developments Limited, Vice Chairman 5. Trust Technical Training Institute, Chairman, Board of Directors 6. Governing Bodies of Cadet Colleges, Chairman 7. Trust Bank Investment Ltd., Vice Chairman, Board of Directors 8. Trust Bank Securities Ltd., Chairman, Board of Directors 9. Trust Axiata Digital Ltd., Director |
| 03. | Brig Gen S M Zia -UI- Azim, ndc,afwc,psc | Director (Nominated) | Service, Bangladesh Army |
| 04. | Brig Gen Md Kaiser Hasan Malik, SGP, ndc, psc | | Service, Bangladesh Army |
| 05. | Brig Gen Mohammad Moazzem Hossain, ndc, afwc, psc, G, Mphil | | Service, Bangladesh Army |
| 06. | Brig Gen Md Nishatul Islam Khan, ndc, afwc, psc | | Service, Bangladesh Army |
| 07. | Brig Gen Md Munirul Islam, SGP, SUP, psc, Ph.D | | Service, Bangladesh Army |
| 08. | Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | | 1. Army Welfare Trust, Managing Director 2. Sena Hotel Developments Ltd., Director 3. Trust Technical Training Institute, Director 4. Jolshiri Abason, Director 5. Trust Bank Investment Ltd., Director 6. Trust Bank Securities Ltd., Vice-Chairman 7. Trust Axiata Digital Ltd., Director |
| 09. | Brig Gen Rakibul Karim Chowdhury, ndc, afwc, psc | | Service, Bangladesh Army |
| 10. | Mr. Anisuddin Ahmed Khan | Independent Director | 1. Ananta Apparels Ltd, Independent Director 2. Summit Power Ltd, Independent Director 3. Summit Alliance port Ltd, Independent Director 4. W & W Grains Corporations, Director 5. ACI Ltd., Director 6. ACI Motors Ltd., Director, 7. Trust Bank Investment Ltd., Independent Director 8. Trust Bank Securities Ltd, Independent Director 9. Central Counterparty Bangladesh Ltd., Director |
| 11. | Ms. Nusrat Khan | Independent Director | 1. Bangladesh Welding Electrodes Ltd., Independent Director |

Note: Position as on 31 December 2023.

Rotation and Re-election of Directors

As per Regulation 79 of Schedule-I of the Companies Act 1994 (amended from time to time) and clause 107-109 of Articles of Association of the Bank, at the ordinary general meeting in every subsequent year, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office. Based on this retirement process, each director is required to submit himself/herself for re-election by shareholders at least once in every three years. A retiring director will be put forward for re-election upon his/her eligibility for re-appointment. Accordingly, the respective Directors of TBL will retire at the 25th Annual General Meeting (AGM). Each of the re-elections will be voted at the Annual General Meeting in accordance with the Companies Act, 1994. (amended from time to time).

Roles and Responsibilities of Board of Directors

Trust Bank has a highly competent and professionally skilled Board of Directors. The Board acts to formulate policy-guidelines and supervise the business activities of the bank efficiently as well as ensuring good governance in the bank management. The responsibilities of the board of directors are critical for the Bank's continuous earnings and for maintaining confidence of the depositors as its business is mainly run with the depositors' money. The responsibilities of Board of Directors are appended in the 'Directors' Responsibility Statement' of this Annual Report.

Annual Appraisal of the Board of Directors

The shareholders critically appraise the performance of the Board freely at each Annual General Meeting (AGM) through evaluation of financial position and performance of the bank, the adequacy and effectiveness of internal control system and overall governance mechanisms. During the AGM, the shareholders also raise queries to the Board of Directors and suggest greater insights into the areas for improvement. Issues like shareholders return, share price, return on capital employed, earnings per share etc. are also critically appraised by the shareholders in the AGM. The Board of Directors respond to all the queries placed in the AGM.

Independent Directors

Independent Director means a director who does not hold any share or any managerial position or any other relationship with the company or have any related business and beneficial interest that may affect his/her independent decision. The appointment of the Independent Director is made under the conditions of the Corporate Governance Code issued by the BSEC. The Board appoints Independent Directors after obtaining approval from BSEC and Bangladesh Bank.

In determining an incumbent as 'Independent Director', the Board ensures that the proposed person (i.e. Independent Director) has no substantial relationship, whether monetary or otherwise, with the Bank or its subsidiaries either in person or based on family relationships; and is knowledgeable in the field of financial, regulatory and corporate laws. The Independent Directors enjoy complete freedom to carry out their assigned responsibilities for their meaningful contribution to the Bank's affairs.

As per the Corporate Governance Code, the tenure for an Independent Director is for 03 (three) years, which is extendable for 01(one) tenure only.
Independent Directors of Trust Bank as on 31 December 2023:

| Name of Director | Date of First Appointment | Date of Last Appointment | Qualification and Expertise | Membership |
|--------------------------|---------------------------|--------------------------|--|--|
| Mr. Anisuddin Ahmed Khan | 17-06-2021 | -- | Distinguished Banker & Financial professionals. Area of Expertise: Corporate Governance, Strategic Management, Leadership, Banking & related fields. | Board of Directors, Executive Committee and Risk Management Committee. |
| Ms. Nusrat Khan | 01-04-2023 | -- | Master of Science in Management of Risks, St. John's University, NY, USA. and MBA in Finance, University of Dhaka. Area of Expertise: Leading upfront for more than 15 years in the most befitting and workable Manner in the Corporate Financial Sector. | Board of Directors, Audit Committee and Risk Management Committee. |

The Chairman and the Managing Director

Separate individuals hold the positions of Chairman and the Managing Director. The Chairman is elected from among the members of the Board. Being nominated by Army Welfare Trust, Chief of Army Staff has been elected by the members of the Board to act as Chairman. The Chairman doesn't avail any benefit from the Bank except Meeting attendance fees as determined by the regulators.

The Board appoints Managing Director with the approval of Bangladesh Bank complying with all related circulars/guidelines of the Bangladesh Bank. Managing Director, so appointed by the Board of Directors and subsequent approval from BB, doesn't hold the same position in any other company.

Responsibilities of the Chairman of the Board of Directors

The Chairman and the Vice-Chairman are elected from amongst the members of the Board. The Chairman presides over all the meetings of the Board. The Chairman leads the Board in exercising all regulatory, fiduciary, and other duties. The Chairman acts within the purview of regulatory guidelines and does not participate in or interfere into the administrative or operational and routine affairs of the Bank. The Vice-Chairman presides over all the meetings at which the Chairman is not present. In such case, the reasons for the absence of the regular Chairman are duly recorded in the respective meeting minutes.

The Chairman is empowered to conduct an on-site inspection of any bank-branch or financing activities under the purview of the Board's oversight responsibilities. The Chairman can call for any information relating to the Bank's operation or ask for an investigation into any such affairs; or submit such information or investigation report to the meeting of the Board or the Executive Committee, and if deemed necessary, with the approval of the Board, he can take necessary action thereon under the set rules through the MD.

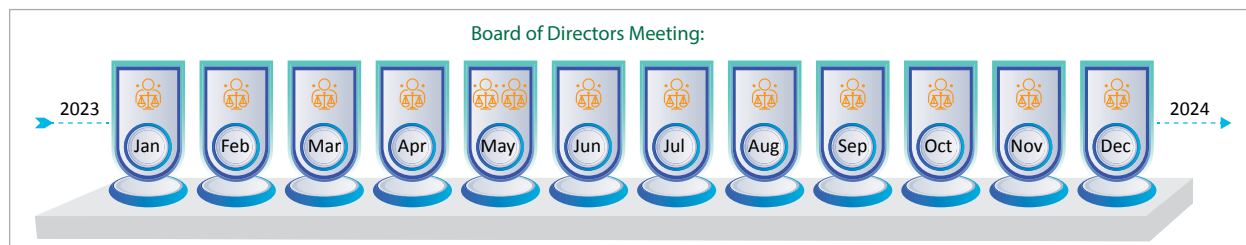
Responsibilities and Authorities of the Managing Director

The Managing Director of the Bank discharges the responsibilities in terms of the financial, business, and administrative authorities vested upon him/her by the Board of Directors. S/he is responsible for the followings:

- In terms of financial, business, and administrative authorities vested upon him/her by the Board, the MD discharges his/her responsibilities. S/he remains accountable for achieving financial and other business targets through the business plan, efficient implementation thereof, and prudent administrative and financial management.
- The MD ensures compliance with the Bank Company Act 1991 (amended from time to time), and other relevant laws and regulations in discharging routine functions of the Bank.
- At the time of presenting any memorandum in the Board meeting or Board committee meeting, the MD points out the issues if there is any deviation from the Bank Company Act 1991 (amended from time to time) and other relevant laws and regulations.
- The MD is responsible for reporting to Bangladesh Bank for any violation of the Bank Company Act 1991(amended from time to time) or other laws/ regulations.
- The recruitment and promotion of all Bank staff except those in the two tiers below him/her rest on the MD S/he acts, in such cases, within the approved service rules and other policies of the Bank.
- The authority relating to transfer of and disciplinary measures against the staff, except those who are two tiers below the MD, rests on him/her, which is done under the approved service rules. Besides, under the purview of the human resources policy as approved by the Board, he nominates officers for training, etc.

Board Meeting

The Board usually meets once a month unless further meetings are not required. All meetings of the Board of Directors are presided over by the Chairman, and in his absence the Vice Chairman presides over the meeting. The notices of the Board meetings are duly convened and circulated among the Directors at least 07 (Seven) days before the meeting. After each of the Board meetings, respective Minutes record the attendance, agenda and decisions taken. Minutes of each meeting is usually circulated to all Directors within 07 (Seven) days. Board of Directors Meeting in 2023



The Bank conducts its Board meetings and records the minutes of the meetings as well as keeps required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB). A separate Disclosure on Corporate Governance under the Secretarial Standards by ICSB is appended with this Corporate Governance Report.

In 2023, the Board was kept persistently and fully informed about the business issues, policies, risk issues, capital issues through different reports, presentations and proposals. During 2023, there were 13 meetings of the Board. The attendance of Directors at the Board meeting held during the year is stated at Annexure-I.

Annexure-I: Attendance in the Meetings of the Board of Directors During 2023:

| Sl | Name of the Directors | Status in Board | Total Meetings held during the year | Total Meetings held during their period | Attended | Leave of Absence | Remarks |
|-----|---|------------------------|-------------------------------------|---|----------|------------------|-------------------------|
| 01. | Gen S M Shafiuddin Ahmed, SBP (BAR), OSP, ndu, psc, PhD | Chairman | 13 | 13 | 12 | 01 | -- |
| 02. | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | Vice-Chairman | 13 | 03 | 03 | -- | Appointed on 19-09-2023 |
| 03. | Brig Gen S M Zia -Ul- Azim, ndc,afwc,psc | Director | 13 | 13 | 13 | -- | -- |
| 04. | Brig Gen Md Kaiser Hasan Malik, SGP, ndc, psc | Director | 13 | 13 | 12 | 01 | -- |
| 05. | Brig Gen Mohammad Moazzem Hossain, ndc, afwc, psc, G, Mphil | Director | 13 | 13 | 13 | -- | -- |
| 06. | Brig Gen Md Nishatul Islam Khan, ndc, afwc, psc | Director | 13 | 13 | 13 | -- | -- |
| 07. | Brig Gen Md Munirul Islam, SGP, SUP, psc, Ph.D | Director | 13 | 13 | 13 | -- | -- |
| 08. | Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | Director | 13 | 13 | 12 | 01 | -- |
| 09. | Brig Gen Rakibul Karim Chowdhury, ndc, afwc, psc | Director | 13 | 09 | 08 | 01 | Appointed on 01-04-2023 |
| 10. | Mr. Anisuddin Ahmed Khan | (Independent Director) | 13 | 13 | 09 | 04 | -- |
| 11. | Ms. Nusrat Khan | (Independent Director) | 13 | 08 | 08 | -- | Appointed on 01-04-2023 |
| 12. | Humaira Azam | MD & CEO | 13 | 13 | 12 | 01 | -- |

Note: Directors who were absent in the meeting were granted leave of absence by the Board.

Past Directors' Attendance During 2023:

| Sl | Name of the Directors | Status in Board | Total Meetings held during the year | Total Meetings held during their period | Attended | Leave of Absence | Remarks |
|-----|--|------------------------|-------------------------------------|---|----------|------------------|--|
| 01. | Maj Gen Md Moshfequr Rahman, BSP, SGP, SUP, ndc, psc | Vice-Chairman | 13 | 0 | 0 | 0 | Resigned on 22-01-2023 |
| 02. | Mr. Arshad Jamal | (Independent Director) | 13 | 02 | 02 | 0 | Vacated on 22-02-2023 |
| 03. | Maj Gen Md Nazrul Islam, SPP, ndu, afwc, psc, G | Vice-Chairman | 13 | 09 | 09 | 0 | Appointed on 23-01-2023 & Resigned on 18-09-2023 |

Governance of Board of Directors of Subsidiary Companies

The subsidiaries, i.e., Trust Bank Investment Limited (TBIL) and Trust Bank Securities Limited (TBSL) are represented by at least 1 (one) Independent Director from TBL. However, the Board of Trust Axiata Digital Limited (TADL) is comprised of with the representatives from Trust Bank Limited. The minutes of the Board meeting of the subsidiaries are duly placed for review at the following Board meeting of Trust Bank. Accordingly, the minutes of the respective Board meeting of the Bank state that they have reviewed the affairs of the subsidiary companies also. The Audit Committee of the Bank also reviews the financial statements, particularly the investments made by the subsidiaries.

i. Trust Bank Investment Limited (TBIL)

Trust Bank Investment Limited is a fully owned subsidiary of Trust Bank Limited and incorporated with the Registrar of Joint Stock Companies & Firms, Bangladesh as a public limited company on 09 September 2010 under Companies Act, 1994. TBIL obtained merchant bank license from the Bangladesh Securities and Exchange Commission on 25 October 2010 and is authorized to undertake the following activities:



TBIL started its operation on 14 November 2010 by taking over the Asset and Liabilities of the Merchant Banking Division of the Bank, except the Own Investment Portfolio of TBL, to comply with the instructions of Bangladesh Bank.

At the end of December 2023, TBIL has the following Directors:

| SL. | Name of Director | Status |
|-----|---|----------------------|
| 01. | Gen S M Shafiuddin Ahmed, SBP (BAR), OSP, ndu, psc, PhD | Chairman |
| 02. | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | Vice Chairman |
| 03. | Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | Director |
| 04. | Mr. Anisuddin Ahmed Khan | Independent Director |
| 05. | Humaira Azam | Director |
| 06. | Mr. Ahsan Zaman Chowdhury | Director |
| 07. | Mr. Mohammad Shahadat Hossain | MD & CEO |

ii. Trust Bank Securities Limited (TBSL)

Trust Bank Securities Limited (TBSL) is a fully owned subsidiary of TBL and one of the fully complied stock brokerage house of Dhaka Stock Exchange PLC (DSE TREC No. 242). The company was incorporated with the Registrar of Joint Stock Companies & Firms (RJSC&F) under Companies Act, 1994 (Act XVIII of 1994) on 07 February 2013 bearing registration no. C-107267/13.

The company acts as a Trading Right Entitlement Certificate (TREC) holder of DSE to carry on the business of brokers or dealers in stocks, shares and securities, bonds, debentures, treasury bills, and/or any financial instruments. TBSL provides all DP (Depository Participant) related services of Central Depository Bangladesh Limited (CDBL). The company is also providing real-time online trading through DSE mobile apps.

At the end of December 2023, TBSL has the following Directors:

| SL. | Name of Director | Status |
|-----|---|----------------------|
| 01. | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | Chairman |
| 02. | Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | Vice Chairman |
| 03. | Mr. Anisuddin Ahmed Khan | Independent Director |
| 04. | Humaira Azam | Director |
| 05. | Mr. Ahsan Zaman Chowdhury | Director |
| 06. | Mr. Md. Mahbubur Rahman | Director |
| 07. | Brig Gen Munshi Mizanur Rahman, ndc, psc (Retd) | Director |
| 08. | Mr. Akhlasur Rahman Bhuiyan | Director & MD |

iii. Trust Axiata Digital Limited (TADL)

TAP is dedicated to revolutionize Mobile Financial Services (MFS) operations in Bangladesh. Since its inception on December 28, 2020, TAP has rapidly become a pioneering force in the industry with around 5 million registered customer base and 1,10,000 agent base throughout the country. In 2023, Trust Bank Limited has acquired 100% ownership of TAP. The company's mission is to conduct MFS in accordance with the regulations outlined in the Bangladesh Mobile Financial Services (MFS) Regulations and other relevant laws, rules, and regulations.

At the end of December 2023, the composition of the Board of Directors was:

| SL. | Name of Director | Status |
|-----|---|----------|
| 01. | Gen S M Shafiuddin Ahmed, SBP (BAR), OSP, ndu, psc, PhD | Chairman |
| 02. | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | Director |
| 03. | Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | Director |
| 04. | Humaira Azam | Director |
| 05. | Mr. Ahsan Zaman Chowdhury | Director |
| 06. | Mr. Akhlasur Rahman Bhuiyan | Director |
| 07. | Ms. Hasna Hena Chowdhury | Director |

Managing Director, Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS) Appointment:

- The Board appoints the MD, the CFO, the CS and the HIAC.
- The positions of the MD, the CFO, the CS and the HIAC are filled by different individuals.
- The MD, the CFO, the CS and the HIAC are not holding any executive position in any other company.
- The Board has clearly defined the respective roles, responsibilities and duties of the CFO, the HIAC and the CS.
- The MD, the CFO, the CS and the HIAC are not being removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).

Attendance of the MD, the CFO, the CS and the HIAC in Board Meeting

The MD, the CFO, the CS and the HIAC of the Bank attend the Board of Directors' meetings. They do not participate in such part of a meeting of the Board that involves consideration of agenda relating to their matters.

Duties of the Managing Director and the Chief Financial Officer

The MD and the CFO have certified to the Board that they have reviewed the financial statements and affirm that:

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
- These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;

The MD and the CFO have certified to the Board that no transactions entered into by the Bank during the year are fraudulent, illegal, or in violation of the Bank's code of conduct to the best of their knowledge and belief.

Board of Directors' Committee

The Board has 03 (Three) sub-committees; 01 (one) Executive Committee, 01 (one) Audit Committee and 01 (one) Risk Management Committee. In compliance with BRPD circular no. 11 of 2013, the Bank formed the sub-committees and delegated specific responsibilities to each of the committees. The sub-committees perform their duties in accordance with the Term of Reference (ToR) as approved by the Board of Directors.

| SL. | Name of the Sub-Committee | Committee Required by | Status of Trust Bank |
|-----|---|---|--|
| 01. | Executive Committee (EC) | Bangladesh Bank | Formed |
| 02. | Audit Committee (AC) | Bangladesh Bank and Bangladesh Securities and Exchange Commission | Formed |
| 03. | Risk Management Committee (RMC) | Bangladesh Bank | Formed |
| 04. | Nomination and Remuneration Committee (NRC) | Bangladesh Securities and Exchange Commission | Bangladesh Bank has restricted the formation of NRC for Banking Companies vide BRPD Letter (R-1) 717/2021-5064 dated June 16, 2021 |

The Executive Committee

The Bank has an influential Executive Committee (EC) to continue the urgent and routine works. The Board of Directors nominates the members of the EC. The committee mainly scrutinizes the proposals sent to the Board of Directors for decision. However, the Board has delegated authority to Executive Committee to approve proposals within a certain limit to accelerate the decision-making process. The decisions taken in the committee are ratified in the subsequent Board meeting.

Composition of Executive Committee

The Executive Committee comprises of 06 (Six) members from the Board including Managing Director. The Vice Chairman of the Bank is the Chairman of the Committee. The Committee often invites Members of the Board and Officials of the Bank in the meeting, if it deems necessary. The Company Secretary is the secretary of the Executive Committee of the Board.

Meeting of Executive Committee

During the year 2023, the committee met 40 times and played an instrumental role in approving strategic plans and policy guidelines. Attendance in EC meeting is given in annexure-II.

Annexure-II: Attendance in the Meetings of the Executive Committee of the Board During 2023:

| SI | Name of the Members | Status | Total Meetings held during the year | Total Meetings held during their period | Attended | Leave of Absence | Remarks |
|-----|---|----------|-------------------------------------|---|----------|------------------|-------------------------|
| 01. | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | Chairman | 40 | 14 | 14 | -- | Appointed on 19-09-2023 |
| 02. | Brig Gen S M Zia -Ul- Azim, ndc,afwc,psc | Member | 40 | 40 | 36 | 04 | -- |
| 03. | Brig Gen Mohammad Moazzem Hossain, ndc, afwc, psc, G, Mphil | Member | 40 | 40 | 40 | -- | -- |
| 04. | Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | Member | 40 | 40 | 38 | 02 | -- |
| 05. | Mr. Anisuddin Ahmed Khan (Independent Director) | Member | 40 | 40 | 33 | 07 | -- |
| 06. | Humaira Azam | MD & CEO | 40 | 40 | 34 | 06 | -- |

Note: Members who were absent in the meeting were granted leave of absence by the Committee.

Past Members' Attendance of Executive Committee During 2023:

| SI | Name of the Directors | Status | Total Meetings held during the year | Total Meetings held during their period | Attended | Leave of Absence | Remarks |
|-----|--|----------|-------------------------------------|---|----------|------------------|------------------------|
| 01. | Maj Gen Md Moshfequr Rahman, BSP, SGP, SUP, ndc, psc | Chairman | 40 | 01 | 01 | -- | Resigned on 23-01-2023 |
| 02. | Maj Gen Md. Nazrul Islam, SPP, ndu,afwc,psc,G | Chairman | 40 | 25 | 25 | -- | Resigned on 18-09-2023 |

The Audit Committee

The Audit Committee has 03 (three) members, including 01 (one) Independent Director. The Committee members frequently meet to review the state of affairs of the Bank. The Committee often invites the Managing Director & CEO; and other Bank officials to its meetings if necessary. The Chairman and other member are knowledgeable in financial management and have experience in Banking Industry. The Company Secretary is the secretary of the Audit Committee of the Board.

Chairman of Audit Committee

Ms. Nusrat Khan, an Independent Director, acted as Chairman of the Audit Committee of Trust Bank Limited in 2023. She has been contributing to the Bank through utilizing her cognizance and expertise in the field of Corporate Financial Sector. She is not involved in the day-to-day operations of the Bank.

Meeting of Audit Committee

As per BSEC notification, the Audit Committee shall conduct at least its four meetings in a financial year. The Audit Committee of TBL had 08 (Eight) meetings during the year 2023. A detail report of the Audit Committee is given in this Annual Report.

Attendance in the Meetings of the Audit Committee of the Board During 2023:

| SI | Name of the Members | Status | Total Meetings held during the year | Total Meetings held during their period | Attended | Leave of Absence | Remarks |
|-----|--|----------|-------------------------------------|---|----------|------------------|-------------------------|
| 01. | Ms. Nusrat Khan | Chairman | 08 | 06 | 06 | -- | Appointed on 01-04-2023 |
| 02. | Brig Gen Md Kaisar Hasan Malik, SGP, ndc, psc | Member | 08 | 08 | 08 | -- | -- |
| 03. | Brig Gen Rakibul Karim Chowdhury, ndc, afwc, psc | Member | 08 | 06 | 06 | -- | Appointed on 01-04-2023 |

Note: Mr. Arshad Jamal, Independent Director, was present at the 110th Meeting of the Audit Committee during his tenure and Mr. Anisuddin Ahmed Khan, Independent Director, was the Chairman at the 111th Meeting of the Audit Committee of the Board.

Roles & Responsibilities of Audit Committee

The Audit Committee also oversees the following activities:

- (i) **Internal Control:** The Audit Committee evaluates the compliance culture, the implementation of internal control strategies, the management of risk within the purview of Bank and management's actions in building computerization and its applications and bank's Management Information System (MIS). The Audit Committee also considers the reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board for further disposal.
- (ii) **Financial Reporting:** The Audit committee oversees the financial reporting process, monitor choice of accounting policies and principles, checks whether the financial statements reflect the complete and concrete information and determines whether the statements are prepared according to existing rules and regulations and standards enforced in the country and as per relevant prescribed accounting standards set by Bangladesh Bank. The Committee also discuss with the Management and the external auditors to review the financial statements before its finalization.
- (iii) **Internal Audit:** The Audit committee monitors whether internal audit working independently from the management. The Committee also reviews the activities, efficiency and effectiveness of the internal audit and the organizational structure and ensure that no unjustified restriction or limitation hinders the internal audit process.
- (iv) **External Audit:** The Audit Committee review the performance of the external auditors and their audit reports; and make recommendations to the board regarding the appointment of the external auditors. The Committee also examines whether the findings and recommendations made by the external auditors are duly considered by the management or not.
- (v) **Compliance with existing Laws and Regulations:** The Audit Committee review whether the laws and regulations framed by the regulatory authorities (central bank and other bodies) and internal regulations approved by the board are being complied with.
- (vi) **Other Responsibilities:** The Audit Committee also oversees the following activities:
 - a. Submit compliance report to the board on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities;
 - b. Solicit assessment report from external and internal auditors, if necessary;
 - c. Perform other oversight functions as desired by the Board of Directors and evaluate the committee's performance regularly.

Risk Management Committee

The Risk Management Committee of the Bank has been formed as per the provisions of the Bank Company Act, 1991 (amended from time to time) and subsequent circulars issued by Bangladesh Bank. The committee formulates and implements strategies for risk assessment and its control. The committee oversees the Bank's risk management functions for identifying, monitoring and measuring the Bank's risk profile in a comprehensive and integrated manner. The committee focuses on six core risk management areas as prescribed by Bangladesh Bank including credit risk management, asset liability risk management, foreign exchange risk management, ICT risk management, internal control and compliance risk management and anti-money laundering risk management.

Composition of Risk Management Committee

The committee is headed by a Director and comprises of two other Independent Directors. Company Secretary is the Secretary of Risk Management Committee.

Meeting of Risk Management Committee

The committee had 04 (Four) meetings of Risk Management Committee in the year 2023.

Attendance in the Meetings of the Risk Management Committee of the Board During 2023:

| Sl | Name of the Members | Status | Total Meetings held during the year | Total Meetings held during their period | Attended | Leave of Absence | Remarks |
|----|---|----------|-------------------------------------|---|----------|------------------|-------------------------|
| 1. | Brig Gen Md Nishatul Islam Khan, ndc, afwc, psc | Chairman | 04 | 04 | 04 | -- | -- |
| 2. | Mr. Anisuddin Ahmed Khan | Member | 04 | 04 | 04 | -- | -- |
| 3. | Ms. Nusrat Khan | Member | 04 | 04 | 04 | -- | Appointed on 01-04-2023 |
| 4. | Humaira Azam | Member | 04 | 04 | 04 | -- | -- |

Note: Members who were absent in the meeting were granted leave of absence by the Committee.

Roles and Responsibilities of Risk Management Committee

The responsibilities of the Risk Management Committee include:

- (i) **Risk Identification and Control Policy:** The responsibilities of Risk Management Committee include formulation and implementation of appropriate strategies for risk assessment and its control, monitor and review the risk management policies, methods and processes to ensure effective prevention and control measures.
- (ii) **Construction of Organizational Structure:** The responsibilities of Risk Management Committee are to ensure an adequate organizational structure for managing risk within the bank, supervise formation of separate management level committees and monitor their activities for the compliance of instructions of lending risk, foreign exchange transaction risk, internal control and compliance risk, money laundering risk, information and communication risk including other risk related guidelines.
- (iii) **Analysis and Approval of Risk Management Policy:** Risk management policies and guidelines of the bank are reviewed annually by the committee. The committee proposes amendments (if necessary) and send it to the Board of Directors for their approval.
- (iv) **Storage of Data and Reporting System:** The Risk Management Committee approves adequate record keeping and reporting system for the Bank management. The committee also ensures proper monitoring and use of the system.
- (v) **Monitoring the Implementation of Overall Risk Management Policy:** Risk Management Committee monitors the proper implementation of overall risk management policies of the Bank. Moreover, the Committee also monitor whether proper steps have been taken to mitigate all risks including lending risk, market risk, and management risk.

Nomination and Remuneration Committee

As per 'Condition 06' of the Corporate Governance Code dated 03 June 2018, each listed company shall have to form a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board to assist the Board of Directors in formulation of nomination criteria or policy for determining qualifications, positive attributes, experience and independence of Directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive. Therefore, the Bank was required to form NRC.

Bangladesh Bank is the primary regulator which governs all activities of the Banks operating in Bangladesh. Trust Bank asked for the guidance of Bangladesh Bank to form NRC as a sub-committee of the Board. Accordingly, Bangladesh Bank advised all Banking Companies not to comply with any rules regulations which are contradictory with the Bank Company Act. As such, formation of NRC is not applicable for the Banking Companies since Bangladesh Bank has restricted the formation of NRC for the Banking Companies vide BRPD Letter (R-1) 717/2021-5064 dated June 16, 2021.

External Auditors

MABS & J Partners, Chartered Accountants, is the statutory auditors of the Bank. The firm doesn't provide any other accounting, taxation or advisory services to the Bank except certification of cash incentives payable to exporters.

In compliance with BRPD Circular Letter No. 12 dated 11 July 2011, regarding appointment of External Auditors of Bank Companies, the Auditors cannot be appointed for more than three consecutive years. Our existing Auditors MABS & J Partners, Chartered Accountants, has successfully completed their 1st year of auditing in 2023. Therefore, they are eligible for re-appointment and accordingly, they have expressed their willingness to be appointed as the External Auditor for the year 2024. Hence, their appointment as the External Auditor of the Bank for the year 2024 will be approved by the shareholders of the Bank in the ensuing Annual General Meeting (AGM) subject to approval from Bangladesh Bank.

Auditor's Report

The Board of Directors reviewed the Auditors Report issued by the Bank's Auditor MABS & J Partners, Chartered Accountants based on their audit of Financial Statements for the year ended 31 December 2023. The Auditor did not mention about any material misstatement or significant disagreement regarding review of the Bank's Financial Statements. The auditor issued an unqualified opinion on the Financial Statements for the year 2023.

Audit and Inspection by Bangladesh Bank

Bangladesh Bank also undertakes audit and inspection at the Bank as per determined intervals. Compliance with observations and recommendations made by Bangladesh Bank help the Bank to improve internal control, risk management, corporate governance and regulatory compliance.

In 2023, Bangladesh Bank conducted a comprehensive inspection on Head Office and several Branches as of 31 December 2023. Subsequently, a tripartite meeting for finalizing annual Financial Statements was held among Bangladesh Bank, External Auditor, and Management of Trust Bank.

Relations with Shareholders and Stakeholders

Trust Bank is fair and well-committed in serving the shareholders of the Bank. The interest of the shareholders is served through the free, fair, legal and regulatory processes. The Bank always strives towards maximization of the value of shareholders. To protect the investors and shareholders' rights, the Bank always adhere to the corporate governance standards of Bangladesh Securities and Exchange Commission. Therefore, the Bank generates investment returns every year for the investors and shareholders' capital and considers shareholders as the important stakeholders of the Bank.

Other than the shares of Army Welfare Trust, 40% of the total shares of the Bank are freely floated in the stock exchanges. The details of the free floated share as on 31 December 2023 are:

| SL. | Particulars | No. of shares | % of Total Share | % of Free floated Share |
|-----|--------------------------------|---------------------|------------------|-------------------------|
| 01. | Institutions | 16,51,68,294 | 19.29 | 48.23 |
| 02. | Foreign Investors | 10,77,147 | 0.13 | 0.31 |
| 03. | Non-Resident Bangladeshi (NRB) | 4,60,776 | 0.05 | 0.13 |
| 04. | General Public | 175,791,947 | 20.53 | 51.33 |
| | Total | 34,24,98,164 | 40.00 | 100.00 |

Trust Bank always treats all the shareholders equitably. The important decisions except those delegated to the Directors and other persons by the Articles of the Bank are taken after considering shareholders' votes in the General Meeting. Moreover, information regarding General Meeting and Price Sensitive Information are appropriately disseminated as and when required.

The Bank develops an interactive communication system, where the Bank incessantly disseminates information to the shareholders with periodic updates of performance. On the contrary, the shareholders are free to communicate with the Bank.




The Bank acknowledges and takes necessary steps to provide shareholders with all relevant and reliable information. All relevant information is placed on the website of the Bank for the convenience of the shareholders. Moreover, as per BSEC guidelines, all the price sensitive information having possible impact on the Bank's share price are communicated to the shareholders by publication in the national dailies and to the DSE, CSE and BSEC through official letters for appearance in their website. Quarterly, Half-yearly and Yearly audited financial statements are published in national dailies as per prevailing guidelines. Finally, the Bank arranges Annual General Meeting as our statutory duty to give the shareholders parliamentary session to communicate their assertions about the Bank. All the suggestions or recommendations made by the shareholders in AGM or any time during the year are taken very seriously for compliance.

To meet various requirements of the investors and shareholders regarding their shareholding, the Bank has a Share Department under Board Division. Shareholders are always encouraged to communicate with the Share Department in person, by e-mail, or post. Investors' requests, complaints, or grievances are addressed immediately by the In-charge of the department. The top level executives always monitor the complaints or grievances.

Member's Meeting

The members of the Bank perform their duties as per Bank's Articles of Association and/or applicable statutory laws. For the purpose of smooth functioning, the Bank arranges meeting of members within the timeframe prescribed by the statutes.

The Bank believes that, the supreme authority in the Bank's affairs, within the limit established by the Articles of Association and statutory laws, rests with legitimate members' meetings. In this regard, the Bank's Annual General Meeting is held within statutorily allowed period every year. Decisions at shareholders' meetings are taken by majority votes unless there are contrary provisions in the Bank's Articles of Association or statutory laws.

| April | July | August | October |
|--|---|---|--|
|  |  |  |  |
| <ul style="list-style-type: none">▶ Financial Statement of 2022▶ Declaration of Dividend For 2022▶ 1st Quarter Financial Statement of 2023 | <ul style="list-style-type: none">▶ 2nd Quarter Financial Statement of 2023▶ 24th Annual General Meeting▶ Distribution of Stock Dividend | <ul style="list-style-type: none">▶ Distribution of Cash Dividend | <ul style="list-style-type: none">▶ 3rd Quarter Financial Statement of 2023 |

Website

Trust Bank has an official website (i.e. www.tblbd.com) linked with the website of stock exchanges of Bangladesh. The Bank always keeps the website functional and updated. All sorts of disclosures (i.e. price sensitive information & material Information, notice, Dividend Distribution Policy, etc. are made available on the website as required under the listing regulations and other statutory obligations.

Compliance of Corporate Governance

The Bank complies the Corporate Governance Code issued by Bangladesh Securities and Exchange Commission (BSEC) vide BSEC/CMRRC/2006-158/207/Admin/80 dated 03 June 2018. As compliance of the notification, the Bank has obtained a certificate from Jasmin & Associates, Chartered Secretaries. The firm is not the statutory auditors; and appointed by the shareholder in the 24th Annual General Meeting of the Bank. The compliance certificate is appended in this Annual Report.

Disclosure on Governance under Bangladesh Secretarial Standards (BSS)

Trust Bank complies with all the Secretarial Standards issued by the Institute of Chartered Secretaries of Bangladesh (ICSB). To ensure good governance, all the necessary requirements and procedures as depicted in the BSS have been thoroughly followed. Status of compliance under the secretarial standards of ICSB are appended below:

BSS 01: Meetings of the Board of Directors

| No. | Standard Particulars | Compliance Status |
|-----|---|-------------------|
| 01. | Convening of a Meeting | Complied |
| 02. | Frequency of Meetings | Complied |
| 03. | Quorum Complied | Complied |
| 04. | Attendance at Meetings Complied | Complied |
| 05. | Chairman | Complied |
| 06. | Passing of Resolution by Circulation | Complied |
| 07. | Minutes | Complied |
| 08. | Attendance in Meetings and their Recording in the Minutes | Complied |
| 09. | Preservation of Minutes and Supporting Papers | Complied |
| 10. | Disclosure | Complied |

BSS 02: General Meetings

| No. | Standard Particulars | Compliance Status |
|-----|---|------------------------|
| 01. | Convening of a Meeting | Complied |
| 02. | Frequency of Meetings | Complied |
| 03. | Quorum | Complied |
| 04. | Presence of Directors and Auditors | Complied |
| 05. | Chairman | Complied |
| 06. | Voting | Complied |
| 07. | Proxies | No such event occurred |
| 08. | Conduct of Poll | No such event occurred |
| 09. | Withdrawal of Resolutions | No such event occurred |
| 10. | Rescinding of Resolutions | No such event occurred |
| 11. | Modifications to Resolutions | No such event occurred |
| 12. | Reading of Report/Certificate | Complied |
| 13. | Distribution of Gifts | Complied |
| 14. | Adjournment of Meetings | No such event occurred |
| 15. | Minutes | Complied |
| 16. | Recording in the Minutes | Complied |
| 17. | Preservation of General Meeting Minutes and Other Records | Complied |
| 18. | Disclosure | Complied |

BSS 03: Minutes

| No. | Standard Particulars | Compliance Status |
|-----|--------------------------|-------------------|
| 01. | Maintenance | Complied |
| 02. | Contents | Complied |
| 03. | Recording | Complied |
| 04. | Alteration/Modification | Complied |
| 05. | Finalization and signing | Complied |
| 06. | Inspection | Complied |
| 07. | Preservation | Complied |

BSS 04: Dividend

| No. | Standard Particulars | Compliance Status |
|-----|--|------------------------|
| 01. | Declaration/Recommendation of Dividend | Complied |
| 02. | Dividend Out of Profits | Complied |
| 03. | Dividend Out of Reserves | No such event occurred |
| 04. | Entitlement to Dividend | Complied |
| 05. | Payment of Dividend | Complied |
| 06. | Unpaid/Unclaimed Dividend | Complied |

BSS 05: Meeting Through Electronic Modes

| No. | Standard Particulars | Compliance Status |
|--|--|-------------------|
| Standards For Board And Committee Meetings | | |
| 01. | Convening a Meeting Through Electronic Modes | Complied |
| 02. | Special Cares to be Taken for Conducting a Meeting Through Electronic Modes | Complied |
| 03. | Conducting a Meeting Through Electronic Modes | Complied |
| 04. | Minutes and Proceedings of a Meeting Through Electronic Modes | Complied |
| Secretarial Standards For Members Meetings | | |
| 05. | Guidance for General Meeting Through Electronic Modes | Complied |
| 06. | Standards for Convening and Conducting of Members Meeting Through Electronic Modes | Complied |

BSS 06: Resolutions by Circulation

| No. | Standard Particulars | Compliance Status |
|-----|----------------------|-------------------|
| 01. | Authority | Complied |
| 02. | Procedure | Complied |
| 03. | Approval | Complied |
| 04. | Recording | Complied |
| 05. | Validity | Complied |

DECLARATION BY CEO & CFO

Date: 22 April 2024

The Board of Directors
Trust Bank Limited

Subject: Declaration on Financial Statements for the year ended 31 December 2023.

Dear Sir(s),

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 dated 03 June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of Trust Bank Limited for the year ended 31 December 2023 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh and any departure therefrom has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concerns basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- I) We have reviewed the financial statements for the year ended 31 December 2023 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- II) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.



Ahsan Zaman Chowdhury
Managing Director (In-Charge)



Md. Mahfuzur Rahman
Chief Financial Officer (CFO)

Corporate Governance COMPLIANCE CERTIFICATE

Jasmin & Associates
Chartered Secretaries

Report to the Shareholders of Trust Bank Limited on Compliance on Corporate Governance Code

We have examined the Compliance status to the Corporate Governance Code by Trust Bank Limited for the year ended on December 31, 2023. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except as stated in the remarks column in Annexure-C;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Place : Dhaka
Dated : May 12, 2024

For: **Jasmin & Associates**
Chartered Secretaries


Jasmin Akter, FCS
Managing Partner

55/B Noakhali Tower (10th Floor), Suite : 11-F, Purana Paltan, Dhaka-1000, www.jasminandassociates.com
E-mail: jasminandassociates@gmail.com, jasminmizan123@yahoo.com, Phone : 02-9574125, 01712644440, 01711-076815

CORPORATE GOVERNANCE

COMPLIANCE STATUS

[As per Condition No.1(5)(xxvii)]
(Report under Condition No.9)

Status of compliance with the conditions imposed by the Commission's Notification No. BSECCMRRCD/2006 -158/207/ Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 and Notification No. BSEC/CMRRCD/2009-193/66/PRD/148, dated 16 October 2023.

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|--|---|--------------|---|
| | | Complied | Not complied | |
| 1 | Board of Directors | | | |
| 1(1) | Size of the Board of Directors: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty). | ✓ | | |
| 1(2) | Independent Directors: All companies shall have effective representation of independent directors on their Boards, so that the Board, as a group, includes core competencies considered relevant in the context of each company; for this purpose, the companies shall comply with the following:- | | | |
| 1(2)(a) | At least 2(two) directors or one-fifth (1/5) of the total number of directors in the company's Board, whichever is higher, shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s); | ✓ | | As per Bank Company Act 1991 (Amended 2023) |
| 1(2)(b) | Without contravention of any provision of any other laws, for the purpose of this clause an "independent director" means a director - | | | |
| 1(2)(b)(i) | who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company. | ✓ | | |
| 1(2)(b)(ii) | who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company. Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members; | ✓ | | |
| 1(2)(b)(iii) | who has not been an executive of the company in immediately preceding 2 (two) financial years; | ✓ | | |
| 1(2)(b)(iv) | who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies; | ✓ | | |
| 1(2)(b)(v) | who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange; | ✓ | | |
| 1(2)(b)(vi) | who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market; | ✓ | | |
| 1(2)(b)(vii) | who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code; | ✓ | | |
| 1(2)(b)(viii) | who is not independent director in more than 5 (five) listed companies; | ✓ | | |
| 1(2)(b)(ix) | who has not been reported as a defaulter in the latest Credit Information Bureau (CIB) report of Bangladesh Bank for nonpayment of any loan or advance or obligation to a bank or a financial institution; and" | ✓ | | |
| 1(2)(b)(x) | who has not been convicted for a criminal offence involving moral turpitude; | ✓ | | |
| 1(2)(c) | The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM): Provided that the Board shall appoint the independent director, subject to prior consent of the Commission, after due consideration of recommendation of the Nomination and Remuneration Committee (NRC) of the company; | ✓ | | |
| 1(2)(d) | The post of independent director(s) cannot remain vacant for more than 90 (ninety) days; and | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|--|---|--------------|-------------------------|
| | | Complied | Not complied | |
| 1(2)(e) | The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 01 (one) tenure only. Provided that a former independent director may be considered for reappointment for another tenure after a time gap of one tenure, i.e., three years from his or her completion of consecutive two tenures [i.e. six years]; Provided further that the independent director shall not be subject to retirement by rotation as per the কোম্পানি আইন, ১৯৯৪ (১৯৯৪ সনের ১৮ নং আইন) (Companies Act 1994). | ✓ | | |
| 1(3) | Qualification of Independent Director | | | |
| 1(3)(a) | Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business; | ✓ | | |
| 1(3)(b) | Independent director shall have following qualification | | | |
| 1(3)(b)(i) | Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk.100.00 million or any listed company or a member of any national or international chamber of commerce or registered business association; or” | | | N/A |
| 1(3)(b)(ii) | Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or | ✓ | | |
| 1(3)(b)(iii) | Former or existing official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law: Provided that in case of appointment of existing official as independent director, it requires clearance from the organization where he or she is in service; or” | | | N/A |
| 1(3)(b)(iv) | University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or | ✓ | | |
| 1(3)(b)(v) | Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification; | | | N/A |
| 1(3)(c) | The independent director shall have at least 10 (ten) years of experiences in any field mentioned in clause (b); | ✓ | | |
| 1(3)(d) | In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission. | | | No such event occurred. |
| 1(4) | Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer | | | |
| 1(4)(a) | The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals; | ✓ | | |
| 1(4)(b) | The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company; | ✓ | | |
| 1(4)(c) | The Chairperson of the Board shall be elected from among the non-executive directors of the company; | ✓ | | |
| 1(4)(d) | The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer; | ✓ | | |
| 1(4)(e) | In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board’s meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | ✓ | | |
| 1(5) | The Directors’ Report to Shareholders: The Board of the company shall include the following additional statements or disclosures in the Directors’ Report prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994):- | | | |
| 1(5)(i) | An industry outlook and possible future developments in the industry; | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|----------------|---|---|--------------|-------------------------|
| | | Complied | Not complied | |
| 1(5)(ii) | The segment-wise or product-wise performance; | ✓ | | |
| 1(5)(iii) | Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any; | ✓ | | |
| 1(5)(iv) | A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable; | ✓ | | |
| 1(5)(v) | A discussion on continuity of any extraordinary activities and their implications (gain or loss); | | | No such event occurred. |
| 1(5)(vi) | A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions; | ✓ | | |
| 1(5)(vii) | A statement of utilization of proceeds raised through public issues, rights issues and/or any other instruments; | | | N/A |
| 1(5)(viii) | An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.; | | | No such event occurred. |
| 1(5)(ix) | An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements; | | | No such event occurred. |
| 1(5)(x) | A statement of remuneration paid to the directors including independent directors; | ✓ | | |
| 1(5)(xi) | A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity; | ✓ | | |
| 1(5)(xii) | A statement that proper books of account of the issuer company have been maintained; | ✓ | | |
| 1(5)(xiii) | A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment; | ✓ | | |
| 1(5)(xiv) | A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed; | ✓ | | |
| 1(5)(xv) | A statement that the system of internal control is sound in design and has been effectively implemented and monitored; | ✓ | | |
| 1(5)(xvi) | A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress; | ✓ | | |
| 1(5)(xvii) | A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed; | ✓ | | |
| 1(5)(xviii) | An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained; | | | No such event occurred. |
| 1(5)(xix) | A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized; | ✓ | | |
| 1(5)(xx) | An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year; | | | N/A |
| 1(5)(xxi) | Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend; | | | N/A |
| 1(5)(xxii) | The total number of Board meetings held during the year and attendance by each director; | ✓ | | |
| 1(5)(xxiii) | A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:- | | | |
| 1(5)(xxiii)(a) | Parent or Subsidiary or Associated Companies and other related parties (name-wise details); | ✓ | | |
| 1(5)(xxiii)(b) | Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children (name-wise details); | ✓ | | |
| 1(5)(xxiii)(c) | Executives; and | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|----------------|--|---|--------------|---|
| | | Complied | Not complied | |
| 1(5)(xxiii)(d) | Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details); | ✓ | | |
| 1(5)(xxiv) | In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:- | | | |
| 1(5)(xxiv)(a) | a brief resume of the director; | ✓ | | |
| 1(5)(xxiv)(b) | nature of his or her expertise in specific functional areas; and | ✓ | | |
| 1(5)(xxiv)(c) | names of companies in which the person also holds the directorship and the membership of committees of the Board; | ✓ | | |
| 1(5)(xxv) | A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on: | | | |
| 1(5)(xxv)(a) | accounting policies and estimation for preparation of financial statements; | ✓ | | |
| 1(5)(xxv)(b) | changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes; | | | N/A |
| 1(5)(xxv)(c) | comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof; | ✓ | | |
| 1(5)(xxv)(d) | compare such financial performance or results and financial position as well as cash flows with the peer industry scenario; | ✓ | | |
| 1(5)(xxv)(e) | briefly explain the financial and economic scenario of the country and the globe; | ✓ | | |
| 1(5)(xxv)(f) | risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and | ✓ | | |
| 1(5)(xxv)(g) | future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM; | ✓ | | |
| 1(5)(xxvi) | Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A | ✓ | | |
| 1(5)(xxvii) | Report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C. | ✓ | | |
| 1(5)(xxviii) | The Directors' report to the shareholders does not require to include the business strategy or technical specification related to products or services, which have business confidentiality. | ✓ | | |
| 1(6) | Meetings of the Board of Directors: The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code. | ✓ | | |
| 1(7) | Code of Conduct for the Chairperson, other Board members and Chief Executive Officer | | | |
| 1(7)(a) | The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company; | | | NRC is not applicable for the Banks [Since Bangladesh Bank has restricted the formation of NRC for Banking Companies vide BRPD Letter (R-1) 717/2021-5064 dated June 16, 2021.] |
| 1(7)(b) | The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency. | | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|---|---|--------------|-------------------------|
| | | Complied | Not complied | |
| 2 | Governance of Board of Directors of Subsidiary Company | | | |
| 2(a) | Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company; | ✓ | | |
| 2(b) | At least 1 (one) independent director on the Board of the holding company shall be a director on the Board of the subsidiary company; | ✓ | | |
| 2(c) | The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company; | ✓ | | |
| 2(d) | The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also; | ✓ | | |
| 2(e) | The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company. | ✓ | | |
| 3 | Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS) | | | |
| 3(1) | Appointment | | | |
| 3(1)(a) | The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC); | ✓ | | |
| 3(1)(b) | The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals; | ✓ | | |
| 3(1)(c) | The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time; Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission: Provided further that the remuneration and perquisites of the said CFO or CS shall be shared by appointing companies proportionately; | ✓ | | |
| 3(1)(d) | The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS; | ✓ | | |
| 3(1)(e) | The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s). | | | No such event occurred. |
| 3(2) | Requirement to attend Board of Directors' Meetings: The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board; Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters. | ✓ | | |
| 3(3) | Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO) | | | |
| 3(3)(a) | The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief: | | | |
| 3(3)(a)(i) | these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and | ✓ | | |
| 3(3)(a)(ii) | these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws; | ✓ | | |
| 3(3)(b) | The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members; | ✓ | | |
| 3(3)(c) | The certification of the MD or CEO and CFO shall be disclosed in the Annual Report. | ✓ | | |
| 4 | Board of Directors' Committee - For ensuring good governance in the company, the Board shall have at least following sub-committees: | | | |
| 4(i) | Audit Committee; and | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|---|---|--------------|---|
| | | Complied | Not complied | |
| 4(ii) | Nomination and Remuneration Committee. | | | NRC is not applicable for the Banks [Since Bangladesh Bank has restricted the formation of NRC for Banking Companies vide BRPD Letter (R-1) 717/2021-5064 dated June 16, 2021.] |
| 5 | Audit Committee | | | |
| 5(1) | Responsibility to the Board of Directors. | | | |
| 5(1)(a) | The company shall have an Audit Committee as a sub-committee of the Board; | ✓ | | |
| 5(1)(b) | The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business; | ✓ | | |
| 5(1)(c) | The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing. | ✓ | | |
| 5(2) | Constitution of the Audit Committee | | | |
| 5(2)(a) | The Audit Committee shall be composed of at least 3 (three) members; | ✓ | | |
| 5(2)(b) | The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director; | ✓ | | |
| 5(2)(c) | All members of the audit committee should be “financially literate” and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience; | ✓ | | |
| 5(2)(d) | When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 60 (sixty) days from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee; | | | No such event occurred. |
| 5(2)(e) | The company secretary shall act as the secretary of the Committee; | ✓ | | |
| 5(2)(f) | The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director. | ✓ | | |
| 5(3) | Chairperson of the Audit Committee | | | |
| 5(3)(a) | The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director; | ✓ | | |
| 5(3)(b) | In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4) (b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes. | | | No such event occurred. |
| 5(3)(c) | Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM); Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM. | ✓ | | |
| 5(4) | Meeting of the Audit Committee | | | |
| 5(4)(a) | The Audit Committee shall conduct at least its four meetings in a financial year; Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee; | ✓ | | |
| 5(4)(b) | The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must. | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|----------------|--|---|--------------|-------------------------|
| | | Complied | Not complied | |
| 5(5) | Role of Audit Committee - The Audit Committee shall: | | | |
| 5(5)(a) | Oversee the financial reporting process; | ✓ | | |
| 5(5)(b) | monitor choice of accounting policies and principles; | ✓ | | |
| 5(5)(c) | monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report; | ✓ | | |
| 5(5)(d) | oversee hiring and performance of external auditors; | ✓ | | |
| 5(5)(e) | hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption; | ✓ | | |
| 5(5)(f) | review along with the management, the annual financial statements before submission to the Board for approval; | ✓ | | |
| 5(5)(g) | review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval; | ✓ | | |
| 5(5)(h) | review the adequacy of internal audit function; | ✓ | | |
| 5(5)(i) | review the Management's Discussion and Analysis before disclosing in the Annual Report; | ✓ | | |
| 5(5)(j) | review statement of all related party transactions submitted by the management; | ✓ | | |
| 5(5)(k) | review Management Letters or Letter of Internal Control weakness issued by statutory auditors; | ✓ | | |
| 5(5)(l) | oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and | ✓ | | |
| 5(5)(m) | oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission; Provided that the management shall disclose to the Audit Committee about the uses or applications of the proceeds by major category (capital expenditure, sales and marketing expenses, working capital, etc.), on a quarterly basis, as a part of their quarterly declaration of financial results. Provided further that on an annual basis, the company shall prepare a statement of the proceeds utilized for the purposes other than those stated in the offer document or prospectus for publication in the Annual Report along with the comments of the Audit Committee. | | | No such event occurred. |
| 5(6) | Reporting of the Audit Committee | | | |
| 5(6)(a) | Reporting to the Board of Directors | | | |
| 5(6)(a)(i) | The Audit Committee shall report on its activities to the Board. | ✓ | | |
| 5(6)(a)(ii) | The Audit Committee shall immediately report to the Board on the following findings, if any:- | | | |
| 5(6)(a)(ii)(a) | report on conflicts of interests; | | | |
| 5(6)(a)(ii)(b) | suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements; | | | |
| 5(6)(a)(ii)(c) | suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and | | | |
| 5(6)(a)(ii)(d) | any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately; | | | No such event occurred. |
| 5(6)(b) | Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier. | | | |
| 5(7) | Reporting to the Shareholders and General Investors: Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company. | ✓ | | |

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|---|---|--------------|------------------|
| | | Complied | Not complied | |
| 6 | Nomination and Remuneration Committee (NRC) | | | |
| 6(1) | Responsibility to the Board of Directors | | | |
| 6(1)(a) | The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board; | | | |
| 6(1)(b) | The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive; | | | |
| 6(1)(c) | The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b). | | | |
| 6(2) | Constitution of the NRC | | | |
| 6(2)(a) | The Committee shall comprise of at least three members including an independent director; | | | |
| 6(2)(b) | At least 02 (two) members of the Committee shall be non-executive directors; | | | |
| 6(2)(c) | Members of the Committee shall be nominated and appointed by the Board; | | | |
| 6(2)(d) | The Board shall have authority to remove and appoint any member of the Committee; | | | |
| 6(2)(e) | In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee; | | | |
| 6(2)(f) | The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee; | | | |
| 6(2)(g) | The company secretary shall act as the secretary of the Committee; | | | |
| 6(2)(h) | The quorum of the NRC meeting shall not constitute without attendance of at least an independent director; | | | |
| 6(2)(i) | No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company. | | | |
| 6(3) | Chairperson of the NRC | | | |
| 6(3)(a) | The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director; | | | |
| 6(3)(b) | In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes; | | | |
| 6(3)(c) | The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders. Provided that in absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM. | | | |
| 6(4) | Meeting of the NRC | | | |
| 6(4)(a) | The NRC shall conduct at least one meeting in a financial year; | | | |
| 6(4)(b) | The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC; | | | |
| 6(4)(c) | The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h); | | | |
| 6(4)(d) | The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC. | | | |
| 6(5) | Role of the NRC | | | |
| 6(5)(a) | NRC shall be independent and responsible or accountable to the Board and to the shareholders; | | | |
| 6(5)(b) | NRC shall oversee, among others, the following matters and make report with recommendation to the Board: | | | |
| 6(5)(b)(i) | formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following: | | | |

NRC is not applicable for the Banks [Since Bangladesh Bank has restricted the formation of NRC for Banking Companies vide BRPD Letter (R-1) 717/2021-5064 dated June 16, 2021.]

| Condition No. | Title | Compliance Status (Put ✓ in the appropriate column) | | Remarks (if any) |
|---------------|---|---|--------------|---|
| | | Complied | Not complied | |
| 6(5)(b)(i)(a) | the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully; | | | NRC is not applicable for the Banks [Since Bangladesh Bank has restricted the formation of NRC for Banking Companies vide BRPD Letter (R-1) 717/2021-5064 dated June 16, 2021.] |
| 6(5)(b)(i)(b) | the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and | | | |
| 6(5)(b)(i)(c) | remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals; | | | |
| 6(5)(b)(ii) | devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality; | | | |
| 6(5)(b)(iii) | identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board; | | | |
| 6(5)(b)(iv) | formulating the criteria for evaluation of performance of independent directors and the Board; | | | |
| 6(5)(b)(v) | identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and | | | |
| 6(5)(b)(vi) | developing, recommending and reviewing annually the company's human resources and training policies; | | | |
| 6(5)(c) | The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report. | | | |
| 7 | External or Statutory Auditors | | | |
| 7(1) | The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:- | | | |
| 7(1)(i) | appraisal or valuation services or fairness opinions; | ✓ | | |
| 7(1)(ii) | financial information systems design and implementation; | ✓ | | |
| 7(1)(iii) | book-keeping or other services related to the accounting records or financial statements; | ✓ | | |
| 7(1)(iv) | broker-dealer services; | ✓ | | |
| 7(1)(v) | actuarial services; | ✓ | | |
| 7(1)(vi) | internal audit services or special audit services; | ✓ | | |
| 7(1)(vii) | any service that the Audit Committee determines; | ✓ | | |
| 7(1)(viii) | audit or certification services on compliance of corporate governance as required under condition No. 9(1); and | ✓ | | |
| 7(1)(ix) | any other service that creates conflict of interest. | ✓ | | |
| 7(2) | No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company. Provided that spouse, son, daughter, father, mother, brother, sister, son-in-law and daughter-in-law shall be considered as family members. | ✓ | | |
| 7(3) | Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders. | ✓ | | |
| 8 | Maintaining a website by the Company | | | |
| 8(1) | The company shall have an official website linked with the website of the stock exchange. | ✓ | | |
| 8(2) | The company shall keep the website functional from the date of listing. | ✓ | | |
| 8(3) | The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s). | ✓ | | |
| 9 | Reporting and Compliance of Corporate Governance | | | |
| 9(1) | The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report. | ✓ | | |
| 9(2) | The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting. | ✓ | | |
| 9(3) | The directors of the company shall state, in accordance with the Annexure-C attached, in the directors' report whether the company has complied with these conditions or not. | ✓ | | |

DIVIDEND

DISTRIBUTION POLICY

Trust Bank Limited (hereinafter referred to as “Bank”) and the Board has formulated this ‘Dividend Distribution Policy of Trust Bank Limited’ (hereinafter referred to as “Policy”) for distributing Dividend each year to all eligible shareholders considering the financial health of the Bank. This policy has been prepared in compliance with the Directives No. BSEC/CMRRCD/2021-386/03 of Bangladesh Securities and Exchange Commission (BSEC) dated 14 January 2021 and other related legislation.

Purpose and Scopes

The purpose of the policy is to adopt a balanced approach for distribution of dividends to protect the interest of the Company, Investors and Capital Market. The frameworks under this policy set out specific criteria and principles to be considered by the Board of Directors while disbursing dividends to the eligible members/shareholders of the Bank. The criteria and principles of this policy are always subject to the provisions of the Banking Companies Act, 1991, the Companies Act, 1994 and other applicable legal provisions and guidelines in force or to be enforced and issued or to be issued from time to time by Regulatory Authorities.

Parameters to consider for declaration of Dividend

To determine dividend payment, the Bank shall take into consideration the followings:

- a. No dividend shall be paid other than out of profits of the year or any other undistributed profits;
- b. No dividend shall be declared out of the capital reserve account or the revaluation reserve account or any unrealized gain or through reducing paid-up capital or through doing anything so that the post-dividend retained earnings become negative or a debit balance;
- c. In case of declaration of stock dividend for the year, the Bank shall explain the reason for declaring stock dividend and utilization of such retained amount as capital (stock dividend) shall be disclosed in the annual report;
- d. The Bank shall, among others, disclose comparative net asset value (NAV) per share, earnings per share (EPS) and net operating cash flows per share (NOCFPS) in respect of the previous year for such NAV per share, EPS and NOCFPS as declared for the current year’s financial statements.

Procedure of declaration/recommendation of Dividend

Dividend is approved by the shareholders at an Annual General Meeting (AGM) on the basis of recommendation of the Board based on the consideration and approval of the financial statements which are being reviewed by the Board Audit Committee prior to approval of the Board.

Forms of dividend

Declared Dividend may be combination of Cash and Stock or only Cash or only Stock considering financial health and complying applicable rules and regulations of concerned regulators i.e. Bangladesh Bank (BB), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange PLC (DSE), Chittagong Stock Exchange PLC (CSE), Central Depository Bangladesh Limited (CDBL) etc.

Separate bank account for cash dividend

As prescribed by BSEC, within 10 (ten) days of Recommendation/Declaration of cash dividend by the Board, an amount equivalent to the declared cash dividend payable for the concerned year shall be kept in a separate bank account to be opened for this purpose.

Time frame for dividend distribution:

Upon approval by the shareholders in the Annual General Meeting, Bank shall take necessary steps to distribute the declared Dividend within shortest possible time but not later than 30 (thirty) days, complying all applicable rules and regulations.

Entitlement to dividend

Only the shareholders of the Bank whose names are appeared in the Register of Members and/or Depository Register of the Bank as on the ‘Record Date’ fixed by the Bank are entitled to the dividend.

Procedures for distribution of Dividend

I. Cash Dividend:

- a. The Bank shall pay off cash dividend directly to the bank account of the entitled shareholder or unit holder as available in the BO account maintained with the depository participant (DP), or the bank account as provided by the shareholder or unit holder in paper form through Bangladesh Electronic Funds Transfer Network (BEFTN) or any electronic payment system as recognized by the Bangladesh Bank;
- b. The Bank, upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, shall pay off such cash dividend to the Consolidated Customers’ Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN;
- c. The Bank, in case of non-availability of required bank account details, returned from BEFTN due to incorrect bank account information, shall issue cash dividend warrant for respective shareholders and send it by post/courier to the registered address available in the Depository Register

- d. The Bank shall pay off cash dividend to non-resident sponsor, director, shareholder, unit holder or foreign portfolio investor (FPI) through the security custodian;
- e. The Bank, immediately after disbursement of cash dividend and issuance of certificate for tax deducted at source, if applicable, shall intimate to the shareholder through a short message service (SMS) to the mobile number or email address available as per Record Date;
- f. The Bank shall also pay off sale proceed of fractional bonus share proportionately (if any) to the shareholders through BEFTN or Dividend Warrant.

II. Stock Dividend:

The Bank shall credit stock dividend directly to the BO account or issue the bonus share certificate (if any) of the entitled shareholder, as applicable, subject to clearance of the Exchange(s) and the Central Depository Bangladesh Limited (CDBL).

Unpaid/unclaimed Dividend

The Bank shall maintain detailed information of unpaid or unclaimed dividend and rationale thereof. Unpaid or unclaimed cash dividend including accrued interest (after adjustment of bank charge, if any) thereon, if remain, shall retain in the respective bank account opened for the particular year. In case of non-credited stock dividend, the shares shall be kept in the Suspense BO Account opened for particular year.

Transfer of unpaid or unclaimed or unsettled dividend

If any dividend (cash or stock) remains unpaid or unclaimed or unsettled for a period of 3 (three) years from the date of declaration or approval or record date, as the case may be, shall be transferred to the fund as directed or prescribed by the Commission.

The Bank shall not forfeit any unclaimed cash or stock dividend till the claim becomes barred by the law of land in force. Unclaimed dividend shall be paid off as per procedure set by the Bangladesh Securities and Exchange Commission and the Stock Exchanges.

Compliance Report on Dividend Distribution

The Bank shall submit a 'Compliance Report' to the Commission and the Exchange(s) in the specified format within 07 (seven) working days of completion of dividend distribution.

Notification regarding Dividend Distribution

The Bank shall take necessary steps to publish notification of Distribution of Dividend as per requirement of regulatory authorities.

Adoption of Regulatory Changes

Any further guideline/direction/policy to be issued from time to time in this regard by any regulatory authorities to be treated as integral part of this policy.

Disclosure

The policy shall be available on the Bank's website and to be disclosed in the Bank's Annual Report.

DIRECTORS' **REPORT**



DIRECTORS' REPORT

Global Economic Outlook

Global economic activity continues to soften, amid the effects of tight monetary policies, restrictive financial conditions, and weak global trade growth. After a sharp slowdown in 2022 and another decline last year, global output growth is set to edge down in 2024, marking the third consecutive year of deceleration. The recent conflict in the Middle East has heightened geopolitical risks and raised uncertainty in commodity markets, with potential adverse implications for global growth. This comes while the world economy is continuing to cope with the lingering effects of the overlapping shocks of the past four years — the COVID-19 pandemic, the Russian Federation's invasion of Ukraine, and the rise in inflation and subsequent sharp tightening of global monetary conditions. Near-term prospects are diverging. Growth in advanced economies as a whole and in China is projected to slow in 2024 to well below its 2010-19 average pace. Meanwhile, aggregate growth is set to improve in the Emerging Market and Developing Economies (EMDEs), with strong credit ratings, and remaining close to pre-pandemic average rates. Although overall growth is also expected to firm somewhat from its 2023 low in EMDEs with weak credit ratings, the outlook for many such countries remains precarious, given elevated debt and financing costs, and idiosyncratic headwinds such as conflicts. Global headline and core inflation have continued to decline from 2022 peaks. Nonetheless, inflation remains above target in most advanced economies and about half of inflation-targeting EMDEs. Global inflation is projected to remain above its 2015-19 average beyond 2024. Monetary tightening in advanced economies is concluding, but real policy interest rates are expected to remain elevated for some more time, as inflation returns to target only gradually. This will keep the stance of advanced-economy monetary policies restrictive in the near-term, following the largest and fastest increase in U.S. real policy rates since the early 1980s.

Long-term yields on advanced-economy government bonds were volatile in 2023, reflecting shifting expectations about the path of future interest rates and sizable movements in term premium. Although yields have retreated from their late-October peaks, they still imply increased fiscal vulnerabilities, given that median global government debt has risen by 20 percentage points of GDP since 2007, when U.S. yields were last at their current levels. The drag on growth from monetary tightening is expected to peak in 2024 in most major economies, assuming an orderly evolution of broader financial conditions. Thus far, headwinds to growth from elevated interest rates have been offset, to some degree, by households and firms spending out of savings buffers, resilient risk appetite, and extended maturities on stocks of low-cost debt, as well as by expansionary fiscal policy in some cases, most notably the United States.

Global trade growth in 2023 was the slowest outside global recessions in the past 50 years, with goods trade contracting amid anemic global industrial production. Services trade has continued to recover from the effects of the pandemic, but at a slower pace than previously expected. Global trade growth is projected to pick up to 2.3 percent in 2024, partly reflecting a recovery of demand for goods and, more broadly, in advanced-economy trade. The recent conflict in the Middle East has so far had only a muted impact on commodity prices. In 2023 as a whole, most commodity prices weakened to varying degrees; however, they remain above pre-pandemic levels. Despite recent volatility triggered mainly by the conflict, and assuming hostilities do not escalate, average oil prices in 2024 are projected to edge down as global growth weakens and oil production increases. Metal prices are set to decline again as the slower growth in China further weighs on metal demand. Food prices are expected to soften further this year amid ample supplies for major crops but remain elevated.

Global Economic Outlook Growth Projections

Global growth is estimated to have weakened last year to 2.6 percent. Although this is 0.5 percentage point higher than last June's forecast, it is mainly due to better than-expected growth in the United States. Global growth is forecast to slow again to 2.4 percent in 2024. This deceleration reflects softening labor markets, reduced savings buffers, waning pent-up demand for services, the lagged effects of monetary tightening, and fiscal consolidation.

Over 2020-24, the forecast entails the weakest start to a decade for global growth since the 1990s—another period characterized by geopolitical strains and a global recession. Global growth is projected to pick up to 2.7 percent in 2025, as inflation continues to slow, interest rates decline, and trade growth firms.

Advanced-economy growth is set to bottom out at 1.2 percent in 2024 as growth in the United States slows, while euro area growth, which was feeble last year, picks up slightly as lower inflation boosts real wages. In 2025, growth in advanced economies is forecast to pick up to 1.6 percent as the euro area continues to recover and U.S. growth edges up toward its long-term trend rate amid declining inflation and more supportive monetary policy.

Growth in EMDEs is forecast to average 3.9 percent a year over 2024-25. China's growth is expected to slow notably this year, as tepid consumer sentiment and a continued downturn in the property sector weigh on demand and activity. Excluding China, EMDE growth is set to firm from 3.2 percent in 2023 to 3.5 percent this year and 3.8 percent in 2025.

| Real GDP (Percent change from previous year unless indicated otherwise) | | | |
|---|-----------|----------|------|
| | Estimated | Forecast | |
| | 2023 | 2024 | 2025 |
| World | 2.6 | 2.4 | 2.7 |
| Advanced economies | 1.5 | 1.2 | 1.6 |
| United States | 2.5 | 1.6 | 1.7 |
| Euro area | 0.4 | 0.7 | 1.6 |
| Japan | 1.8 | 0.9 | 0.8 |

| | Estimated | Forecast | |
|--|-----------|----------|-----|
| Emerging market and developing economies | 4.0 | 3.9 | 4.0 |
| East Asia and Pacific | 5.1 | 4.5 | 4.4 |
| China | 5.2 | 4.5 | 4.3 |
| Indonesia | 5.0 | 4.9 | 4.9 |
| Thailand | 2.5 | 3.2 | 3.1 |
| Europe and Central Asia | 2.7 | 2.4 | 2.7 |
| Russian Federation | 2.6 | 1.3 | 0.9 |
| Türkiye | 4.2 | 3.1 | 3.9 |
| Poland | 0.5 | 2.6 | 3.4 |
| Latin America and the Caribbean | 2.2 | 2.3 | 2.5 |
| Brazil | 3.1 | 1.5 | 2.2 |
| Mexico | 3.6 | 2.6 | 2.1 |
| Argentina | -2.5 | 2.7 | 3.2 |
| Middle East and North Africa | 1.9 | 3.5 | 3.5 |
| Saudi Arabia | -0.5 | 4.1 | 4.2 |
| Iran, Islamic Rep. | 4.2 | 3.7 | 3.2 |
| Egypt, Arab Rep. | 3.8 | 3.5 | 3.9 |
| South Asia | 5.7 | 5.6 | 5.9 |
| India | 6.3 | 6.4 | 6.5 |
| Bangladesh | 6.0 | 5.6 | 5.8 |
| Pakistan | -0.2 | 1.7 | 2.4 |
| Sub-Saharan Africa | 2.9 | 3.8 | 4.1 |
| Nigeria | 2.9 | 3.3 | 3.7 |
| South Africa | 0.7 | 1.3 | 1.5 |
| Angola | 0.5 | 2.8 | 3.1 |

Source: World Bank. GLOBAL ECONOMIC PROSPECTS | JANUARY 2024

Global Inflation Scenario

Global headline consumer price inflation declined substantially in 2023. Moderating energy and food price inflation, along with slowing consumer demand for goods and the recovery of global supply chains, exerted significant downward pressure on goods inflation. Nonetheless, inflation remains above targets in most advanced economies and in about half of inflation-targeting EMDEs. In the major advanced economies, the rotation of demand from goods to services continued. Declining goods inflation amid easing import prices was partly offset, however, by persistent services inflation tied to tight domestic labor markets. As a result, core inflation, which surged less than headline inflation in 2021-22, has also declined less since its 2022 peak.

The decline in core inflation has proceeded under markedly different growth conditions across countries. In the United States, disinflation has occurred alongside resilient activity and low unemployment, thanks partly to increasing labor supply, improving supply chains, and falling oil prices. The decline in the euro area inflation was accompanied by weak growth, reflecting the negative supply shocks from earlier sharp energy price increases. In most EMDEs, headline and core inflation receded last year as growth weakened. Nevertheless, in countries facing financial stress, inflation remained very high, in association with currency depreciation.

In 2024-25, global inflation is expected to decline further, underpinned by the projected weakness in global demand growth and slightly lower commodity prices. Subdued demand reflects the effects of tight monetary and credit conditions and softening labor markets. Thus, global headline inflation, on a year-on-year basis, is forecast to recede to 3.7 percent in 2024 and 3.4 percent in 2025—still above the pre-pandemic (2015-19) average but closer to central bank inflation targets. Surveys of inflation expectations similarly suggest a steady decline in inflation, but to levels in 2024 that are still higher than pre-pandemic averages. In particular, Consensus forecasts indicate lower inflation this year than last in 85 percent of EMDEs.

Review of Bangladesh Economy

The BBS has provisionally estimated a 6.03 percent real GDP growth rate for FY23, which was 7.10 percent in FY22. The sectoral growth compositions are shown in Table.

Agriculture contributed 11.20 percent of GDP in FY23, with slower growth from 3.05 percent in FY22 to 2.61 percent in FY23. During this period, the growth of forest and related services; and animal farming sub-sectors increased slightly compared to the previous year. However, the growth in crops and horticulture; and fishing sub-sectors fell significantly to 2.26 percent and 1.14 percent respectively in FY23 from 2.61 percent and 2.64 percent in FY22.

The industrial sector contributed 37.56 percent of GDP in FY23 and grew by 8.18 percent, lower than 9.86 percent growth in FY22. This growth was supported by the growths of mining and quarrying (5.74 percent in FY23 from -1.12 percent in FY22); and water supply, sewerage, waste management and remediation activities (10.02 percent in FY23 from 9.54 percent in FY22) sub-sectors. On the other hand, manufacturing; electricity, gas, steam, and air conditioning supply; and construction sub-sector recorded lower growth in FY23 as compared to the previous year.

The services sector accounts for the largest share of GDP. This sector contributed 51.24 percent of GDP in FY23, slight lower than 51.48 percent in FY22. Services sector grew by 5.84 percent in FY23, lower than 6.26 percent growth in FY22. Among the components of services sector, wholesale and retail trade, and repair of motor vehicles and motorcycles; financial and insurance activities; education; and human health and social service activities exhibited lower growth in FY23 than those of the previous year. On the contrary, transportation and storage; accommodation and food service activities; information and communication; public administration and defence, compulsory social security; real estate activities; arts, entertainment and recreation; and other service activities showed higher growth in FY23 compared to FY22.

Sectoral GDP Growth in Bangladesh

| | FY17-23 (Average) | FY 22 | FY 23 |
|--|-------------------|-------------|-------------|
| 1. Agriculture | 3.18 | 3.05 | 2.61 |
| a) Crops & horticulture | 2.39 | 2.61 | 2.26 |
| b) Animal farming | 3.02 | 3.10 | 3.23 |
| c) Forest and Related Services | 5.11 | 5.08 | 5.16 |
| d) Fishing | 3.85 | 2.64 | 1.14 |
| 2. Industry | 8.86 | 9.86 | 8.18 |
| a) Mining and Quarrying | 7.49 | -1.12 | 5.74 |
| b) Manufacturing | 9.11 | 11.41 | 9.23 |
| i) Large Industry | 9.09 | 15.68 | 8.46 |
| ii) Small, medium and Micro Industry | 8.99 | 4.84 | 9.73 |
| iii) Cottage Industry | 9.52 | 11.12 | 1.69 |
| c) Electricity, Gas, steam and air conditioning supply | 6.36 | 6.15 | 4.54 |
| d) Water supply; sewerage, waste management and remediation activities | 5.90 | 9.54 | 1.02 |
| e) Constructions | 8.95 | 8.71 | 6.41 |
| 3. Service | 5.94 | 6.26 | 5.84 |
| a) Wholesale and retail trade and repair of motor vehicles, motor-cycles | 7.39 | 8.46 | 6.65 |
| b) Transport and storage | 5.35 | 5.75 | 5.99 |
| c) Accommodation and food service activities | 4.86 | 5.37 | 5.89 |
| d) Information and Communication | 6.62 | 4.79 | 5.42 |
| e) Financial and insurance Activities | 6.10 | 5.87 | 5.76 |
| f) Real Estate activities | 3.58 | 3.70 | 3.87 |
| g) Professional, scientific and technical activities | 4.19 | 4.25 | 4.37 |
| h) Administrative and support service activities | 6.69 | 6.01 | 6.13 |
| i) Public administration and defence, compulsory social security | 7.11 | 4.91 | 6.95 |
| j) Education | 6.40 | 7.78 | 6.88 |
| k) Human Health and social work activities | 10.18 | 9.88 | 8.36 |
| l) Arts, entertainment and recreation | 5.61 | 6.07 | 6.36 |
| m) Other service activities | 3.18 | 3.19 | 3.27 |
| GDP (at constant market price) | 6.47 | 7.10 | 6.03 |

Source: Bangladesh Bureau of Statistics (BBS)

On the demand side of GDP, private consumption grew by 3.63 percent due to the relaxation of the economy from restrictions imposed over the last couple of years to contain the spread of the COVID-19 pandemic. Furthermore, public consumption increased by 10.46 percent during the same period. As a result, total consumption spending grew by 4.19 percent, which contributed 2.99 percentage points to the total growth of GDP. Total investment increased by 2.89 percent and contributed 0.95.

Savings and Investment

According to provisional data, total investment as a percentage of GDP decreased to 31.25 percent in FY23 from 32.05 percent in FY22. However, the ratio of public investment to GDP increased to 7.61 percent from 7.53 percent while private investment to GDP decreased to 23.64 percent from 24.52 percent over the same period.

Gross national savings as a percentage of GDP increased to 30.22 percent in FY23 from 29.35 percent in FY22. Domestic savings as a percentage of GDP also increased to 26.02 percent from 25.22 percent during the same period. At current market prices, investment growth was 9.01 percent and growth of gross domestic savings was 15.31 percent. Therefore, a higher growth in gross domestic savings resulted in the decrease in domestic savings-investment gap as a percentage of GDP to -5.23 percent in FY23 from -6.83 percent in FY22.

GDP based on Expenditure

Looking at the expenditure-based GDP at current market prices, gross domestic product (GDP) surpassed gross domestic expenditure (GDE) by BDT 232.04 billion in FY23. This statistical discrepancy arises mainly due to the differences in data compilation techniques of BBS. In FY22, the amount of statistical discrepancy was BDT 473.68 billion.

Gross domestic expenditure (GDE) reflects the aggregate demand originating from domestic economic activities, measured as the sum of domestic consumption and investment, along with resource balance (exports minus imports). Domestic demand was estimated at BDT 46714.96 billion at current market prices in FY23 which was 10.11 percent higher than that of FY22. Resource balance (net exports) was estimated at BDT (-) 2554.28 billion in FY23. 2.14 Total consumption expenditure and trade deficit accounted for 74.37 percent and 5.78 percent of GDE respectively in FY23. In nominal terms, investment and consumption increased by 9.01 and 10.58 percent respectively during the same period.

Inflation

The CPI based 12-month average headline inflation continued rising and reached to 9.02 percent in FY23, much higher than the revised target of 7.50 percent. The inflation momentum was attributed to both higher food and non-food items, mostly originated from higher import costs and the lag effects of global commodity prices and upward adjustment to the domestic electricity and fuel prices. These adverse circumstances have resulted in a swift devaluation of the exchange rate, thereby contributing to a prolonged period of elevated inflation.

In FY23, the consumer price index (CPI) based annual average headline inflation followed an upward trajectory, surging to 9.02 percent in June 2023 from 6.15 percent in June 2022. This annual average inflation rate exceeded the revised annual target of 7.50 percent by 1.52 percentage points. Similarly, the headline point-to-point inflation rate reached to 9.74 percent in June 2023 which was 7.56 percent in June 2022. The trend of annual average national level CPI and inflation exceeded the revised annual target of 7.50 percent by 1.52 percentage points. Similarly, the headline point-to-point inflation rate reached to 9.74 percent in June 2023 which was 7.56 percent in June 2022. CPI-based inflation in Bangladesh has been rising, especially after the sub sequentially upward adjustment of fuel and energy prices during the first quarter of FY23. Throughout FY23, average inflation continued to rise, reached 9.02 percent in June 2023.

Exports

Amid tepid global demand and economic downturn triggered by the COVID-19 pandemic as well as geopolitical crisis coupled with high inflationary pressures, Bangladesh's export earnings were inspiring in FY23. Export earnings were about 12.24 percent of GDP in FY23. According to Export Promotion Bureau (EPB), total export earnings in FY23 increased by 6.67 percent to USD 55558.77 million from USD 52082.66 million in FY22. However, export earnings fell short of its target by 4.21 percent in FY23 due to the global economic slowdown and the Russia-Ukraine war.

To maintain the export earnings, the Government and Bangladesh Bank have taken various prudential policy measures such as: allowing moratorium facilities and extended time for realizing export receipts and import payments, enhancing the export development fund (EDF) etc. throughout FY23. Notably, the apparel (woven garments and knitwear products) sector occupied a dominant portion (above four-fifths) of the total export earnings in Bangladesh.

Imports

Due to the global business uncertainties and the ongoing depreciating pressure on exchange rate, import growth faced a drastic fall in FY23. Total import (fob) decreased by 15.76 percent to USD 69495.40 million in FY23 from USD 82495.10 million in FY22. Various measures taken by the government as well as Bangladesh Bank ease the import demand of non-essential items which help to mitigate the pressure on foreign exchange reserves in FY23. Import payments for almost all consumer goods (2.20 percent), intermediate goods (19.79 percent), and capital goods (17.36 percent) significantly declined in FY23. On the contrary, import payments for few items such as rice, spices, pulses, and fertilizer increased in FY23.

Banking Sector Performance

The primary focus of Bangladesh Bank (BB) as the supervisor of the banking system is to maintain the stability of the banking system and the economy as a whole. As a result of prudent and planned policy actions by BB, the economy of Bangladesh experienced a resilient recovery from the economic shocks of the COVID-19 pandemic. To support smooth operation of the scheduled banks and non-banking financial institutions (NBFIs) under this critical juncture, BB has emphasized the continuance of the prudential measures taken at the inception of the pandemic, though with some fine-tuning. However, the outbreak of the Russia-Ukraine war posed significant challenges to the effort to accelerate growth. Particularly, the supply-chain shocks in terms of higher fuel and commodity prices and disruptions in the global delivery system has put pressure on the country's external balances, which in turn, in the form of the exchange rate shock, has affected the balance sheet and profit and loss statement of the banking sector. To address the external shocks, BB has decided to move toward a more market-based interest rate and exchange rate regime.

Nonetheless, FY23 saw significant liquidity pressure in the banking sector, especially in the case of several Islamic banks. To mitigate the liquidity shocks and prevent spillover effect of these shocks in other parts of the economy, BB has opened special liquidity support facilities for banks and will continue to provide assistance until the risk subsides. In its effort to strengthen the supervisory framework, BB has introduced several reform programmes with the technical assistance of the IMF and the IFC, namely, the implementation of the risk-based supervisory framework. Also, to improve governance of selected banks with deteriorating financial conditions, BB has initiated a three-year special supervisory programme. Under this programme, selected banks have been given concrete, time-bound targets and are being monitored meticulously as per the terms and conditions of Memorandum of Understandings (MoU). BB, as part of its regular supervisory activities, has continued its offsite supervision and onsite inspections throughout the year.

Depending on the ownership structure, there are four categories of scheduled banks in Bangladesh: state-owned commercial banks (SCBs), specialized banks (SBs), private commercial banks (PCBs) and foreign commercial banks (FCBs). Total number of scheduled banks operating in FY23 was 61. On the other hand, depending on the mode of operations (e.g. conventional and Islamic Shariah-based), there are three types of banks: full-fledged conventional banks, full-fledged Islamic Shariah-based banks and banks with dual operation.

Discussion on Operating Performance-2023 of Trust Bank Limited

Summary

The Bank earned consolidated operating income of BDT 17,984.31 million for the year 2023. After keeping BDT 5,460.12 million as provision against classified and unclassified loans and advances, diminution in the value of investments, off-balance sheet exposures and other assets, the pre-tax profit and net profit after tax stood at BDT 6,247.13 million and BDT 4,177.48 million respectively for the year 2023.

Interest Income

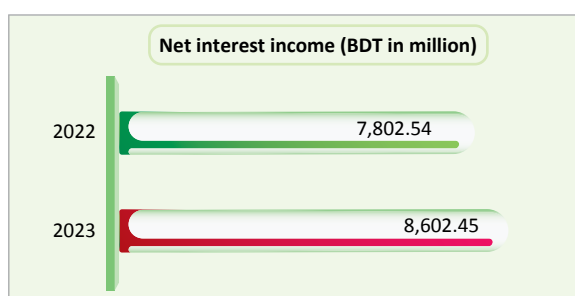
Trust Bank Limited (TBL) earned consolidated interest income from loans and advances and profit from Islamic Banking investment amounting BDT 25,963.11 million during the year 2023 as against BDT 20,479.12 million in 2022 registering a positive growth of 26.78% or BDT 5,483.98 million.

Interest Expenses

Consolidated interest and profit paid on deposits and borrowings measured at BDT 17,360.66 million in 2023 against BDT 12,676.58 million in 2022 showing an increase by 36.95% or BDT 4,684.08 million.

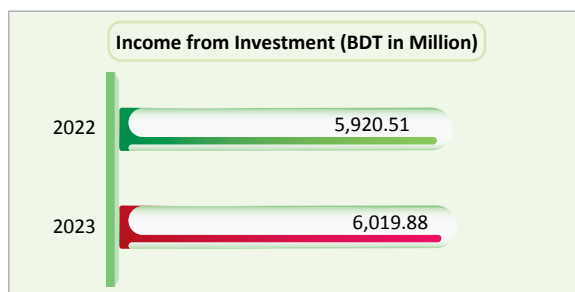
Net Interest Income

The consolidated net interest income amounted BDT 8,602.45 million as against BDT 7,802.54 million in the preceding year. During the year, net interest income increased by BDT 799.90 million representing a positive growth of 10.25%.



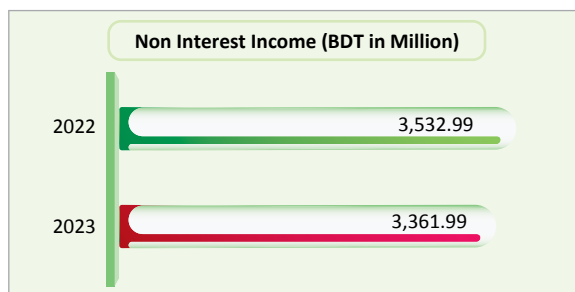
Income from Investment

Consolidated income from investment was BDT 6,019.88 million for the year 2023 whereas it was BDT 5,920.51 million in the year 2022 resulting in an increase of BDT 99 million or 1.68%.



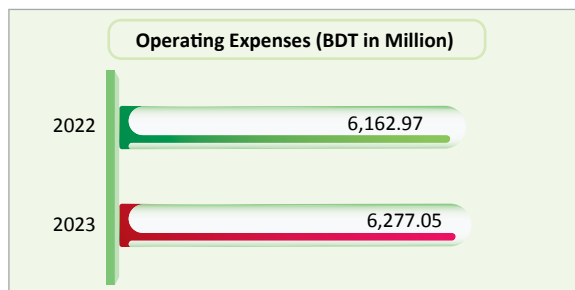
Non-interest Income

The non-interest income consists of the commission, exchange and other operating income of the Bank. Consolidated non-interest income of the Bank was BDT 3,361.99 million in 2023; whereas, it was BDT 3,532.99 million in 2022.



Total Operating Expenses

The consolidated operating expenses shown in Profit and Loss account was amounting to BDT 6,277.05 million in 2023 compared to BDT 6,162.97 million in the previous year. Salary and allowances constituted 54.70% of total operating expenses in 2023 and there was 9.11% increase in salary and allowances in the year 2023 from the year 2022. The total operating expenses of the Bank increased by 1.85% from the previous year.

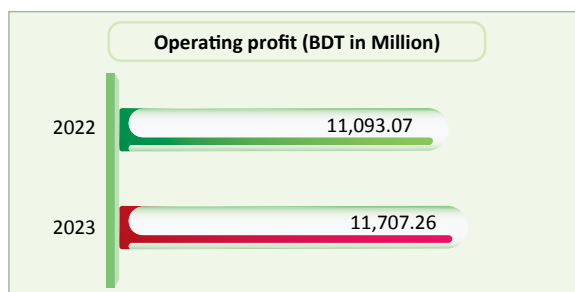


Income Mix and Growth

| Particulars | BDT in Million | | |
|--|----------------|-----------|---------|
| | 2023 | 2022 | Growth |
| Interest income / Profit on investment | 25,963.11 | 20,479.12 | 26.78% |
| Interest / Profit paid on deposits and borrowings etc. | 17,360.66 | 12,676.58 | 36.95% |
| Net interest income | 8,602.45 | 7,802.54 | 10.25% |
| Investment Income | 6,019.88 | 5,920.51 | 1.68% |
| Non-Interest Income | 3,361.99 | 3,532.99 | -4.84% |
| Total operating income | 17,984.31 | 17,256.05 | 4.22% |
| Total operating expenses | 6,277.05 | 6,162.97 | 1.85% |
| Profit before provision | 11,707.26 | 11,093.07 | 5.54% |
| Provision for loans & advances / investments, Diminution in value of investment and Others | 5,460.12 | 4,265.37 | 28.01% |
| Total Profit before Taxes | 6,247.13 | 6,827.70 | -8.50% |
| Provision for Taxation (Current & Deferred) | 2,069.66 | 4,004.47 | -48.32% |
| Net Profit after Taxation | 4,177.48 | 2,823.24 | 47.97% |

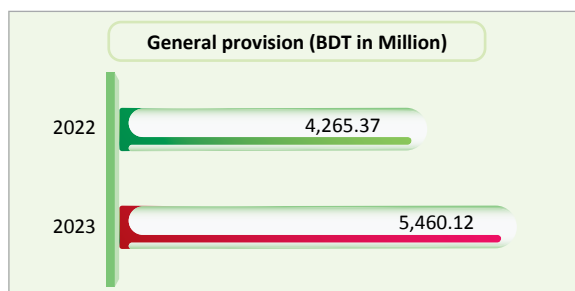
Profit before Provision

Consolidated operating profit before provision was BDT 11,707.26 million in the year 2023; whereas, it was BDT 11,093.07 million in the year 2022 witnessing a positive growth 5.54%.



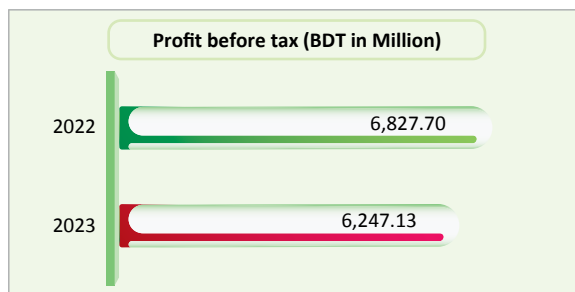
Provision for Loans and Advances, Off-balance Sheet Exposure and Others

During the year 2023, consolidated provision for loans and advances was BDT 5,460.12 million compared to BDT 4,265.37 million in the year 2022 and increased by BDT 1,194.76 million.



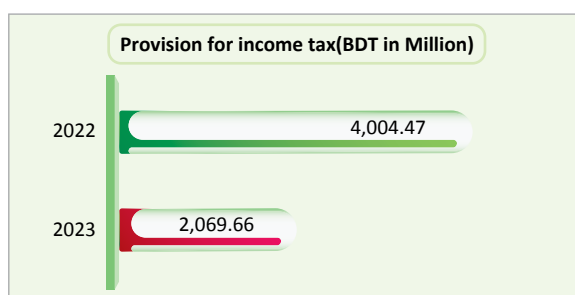
Profit before Taxes

After making the above-mentioned provision, consolidated profit before tax of the Bank stood at BDT 6,247.13 million in 2023 compared to BDT 6,827.70 million in 2022. which was a negative growth of 8.50%.



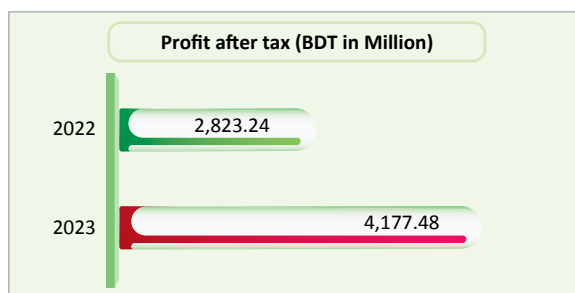
Provision for Income Tax

Consolidated Provision for Income Tax for the year 2023 stood at BDT 2,069.66 million against BDT 4,004.47 million in 2022. However, current income tax was BDT 2,045.34 million and Deferred Tax (liability) was BDT 24.32 million in 2023.



Net Profit after Tax

Consolidated net profit after tax stood at BDT 4,177.48 million in the year 2023 compared to BDT 2,823.24 million in the year 2022 and earnings per share was BDT 4.97 in the year 2023 whereas it was BDT 3.41 in the year 2022.



Dividend

The Board of Directors in its 355 (03/2024) Meeting held on 27 April 2024 recommended 12 % Cash Dividend & 08 % Stock Dividend for the approval of shareholders at the next Annual General Meeting (AGM) to be held on 16 July 2024.

Review of Financial Position of Trust Bank Limited

Summary

Despite various external challenges, the Bank's overall businesses grew significantly in 2023 amid several challenges. Deposits of the Bank stood at BDT 366,398.49 million at the end of the year 2023. Consolidated loans and advances increased by 11.39% compared to year 2022 and stood at BDT 333,791.85 million at the end of 2023.

Total Assets

Consolidated assets of the Bank stood at BDT 458,093.04 million in 2023 as against BDT 421,959.58 million in 2022 registering a growth of 8.56%. Loans and Advances constituted 72.87% of total assets while investment in government and other instruments held 15.94% of the total assets. Balance with other banks and financial institutions held at 3.82% of total assets. Moreover, other assets which are very current in nature made up 2.08% of total assets leaving only 0.61% of total assets tied up in fixed assets including premises, furniture and fixtures. The common size analysis shows that almost 95.31% of total assets of the Bank are utilized in different earning assets along with fixed assets and others leaving 4.69% in liquid form for meeting cash withdrawal demand of customers and maintaining Cash Reserve Ratio (CRR) requirements of Bangladesh Bank.

Summary of Property and Assets

BDT in Million

| Particulars | Amount | | Growth | Asset Mix | |
|--|-------------------|-------------------|--------------|----------------|----------------|
| | 2023 | 2022 | % | 2023 | 2022 |
| Cash in hand & Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | 21,491.55 | 20,027.60 | 7.31% | 4.69% | 4.75% |
| Balance with other Banks & FIs | 17,486.12 | 19,502.68 | -10.34% | 3.82% | 4.62% |
| Money at call and short notice | 0.00 | 7,200.00 | 0.00% | 0.00% | 1.71% |
| Investments | 73,012.33 | 64,286.12 | 13.57% | 15.94% | 15.24% |
| Loans and Advances/Islamic Banking Investments | 333,791.85 | 299,666.39 | 11.39% | 72.87% | 71.02% |
| Fixed assets including premises, furniture and fixtures | 2,801.59 | 2,408.96 | 16.30% | 0.61% | 0.57% |
| Other assets | 9,509.60 | 8,867.83 | 7.24% | 2.08% | 2.11% |
| Total Assets | 458,093.04 | 421,959.58 | 8.56% | 100.00% | 100.00% |

Cash in Hand and Balance with Bangladesh Bank and its Agent Banks Including Foreign Currencies

As on 31 December 2023, consolidated cash in hand and balance with Bangladesh Bank and its agent banks (including foreign currencies) stood at BDT 21,491.55 million as against BDT 20,027.60 million of 2022 registering a positive growth by 7.31%. However, this asset remains 4.69% of the total assets in the year 2023.

Balance with Other Banks and Financial Institutions

Trade Services Division of the Bank has to maintain some Special Notice Deposit (SND) accounts and Current Deposit (CD) accounts with other banks in and outside the country for smooth functioning of the treasury operations and international trade finance. The Bank also places excess fund with other banks and financial institutions as term deposits for optimizing the profit of the Bank. As on 31 December 2023, proper use of the fund, consolidated balance outstanding with other banks and financial institutions was BDT 17,486.12 million as compared to BDT 19,502.68 million at the end of 2022.

Investments

In the year 2023, Bank's investments stood at BDT 73,012.33 million showing a increase by 13.57% as compared to that of 2022. Out of total investments, BDT 51,167.92 million was invested in government securities and the rest of the amount i.e. BDT 21,844.40 million was invested in Preference Shares, Ordinary Shares and Corporate Bonds.

Loans and Advances

Consolidated loans and advances of the Bank as on 31 December 2023 was BDT 333,791.85 million as against BDT 299,666.39 million in the year 2022, showing an increase by 11.39% over the preceding year. The Loans and Advances cover up the areas of corporate (based on both Conventional and Islamic Shariah Mode), SME, Retail and Credit Card. The credit portfolio of the Bank also included mix of scheme loans, namely-Renovation and Reconstruction of Dwelling House Loan (RRDH), Consumers Durable Scheme Loan (CDS), Marriage Loan, Loan against Pension Benefit, Car Loan, HBF Loan and Commercial Loan. Corporate lending is still the core business of the Bank and continues to remain the major segment of the business. While disbursing loans to our customers, the policy of Bangladesh Bank is strictly followed. The portfolio has further been diversified to avoid risk of single industry concentration and remains in line with the Bank's credit norms relating to risk quality. Customer Relationships have been strengthened and frequent visits have been ensured for further cementing and growing existing ties.

Total Liabilities

Total Liabilities of the Bank comprise of broad three items such as Borrowing from other Banks, Financial Institutions and Agents, Deposits and other liabilities. Consolidated balance of liabilities of the Bank stood at BDT 434,771.07 million at the end of year 2023 as against BDT 401,745.92 million in 2022, representing a rise of 8.22%. Deposits constituted 79.98% of total liabilities and Shareholders' Equity of the Bank.

Summary of Liabilities and Capital:

BDT in Million

| Particulars | Amount | | Growth | Liability Mix | |
|--|-------------------|-------------------|---------------|----------------|----------------|
| | 2023 | 2022 | % | 2023 | 2022 |
| Liabilities: | | | | | |
| Borrowings from other banks, financial institutions and agents | 35,414.05 | 40,175.69 | -11.85% | 7.73% | 9.52% |
| Deposits and other accounts | 366,398.49 | 325,905.34 | 12.42% | 79.98% | 77.24% |
| Other liabilities | 32,958.54 | 35,664.89 | -7.59% | 7.19% | 8.45% |
| Total Liabilities/Non Owner's Claims on the Total Assets | 434,771.07 | 401,745.92 | 8.22% | 94.91% | 95.21% |
| Paid-up Capital | 8,562.27 | 7,783.88 | 10.00% | 1.87% | 1.84% |
| Statutory Reserve | 9,779.75 | 8,779.75 | 11.39% | 2.13% | 2.08% |
| Other Reserve & Share Premium | 138.42 | 66.97 | 106.69% | 0.03% | 0.02% |
| Retained Earnings | 4,629.56 | 3,493.45 | 32.52% | 1.01% | 0.83% |
| Trust Bank Shareholders' Equity | 23,110.00 | 20,124.05 | 14.84% | 5.04% | 4.77% |
| Non-Controlling Interest | 211.95 | 89.62 | 136.51% | 0.05% | 0.02% |
| Total Shareholders' Equity/Owner's Claims on the Total Assets | 23,321.96 | 20,213.66 | 15.38% | 5.09% | 4.79% |
| Total Liabilities & Shareholders' Equity | 458,093.04 | 421,959.58 | 8.56% | 100.00% | 100.00% |

Deposit Portfolio

In the year 2023, consolidated deposits of the Bank increased by 12.42% and to BDT 366,398.49 million from BDT 325,905.34 million as recorded in the year 2022. The combination of competitive interest rates, depositor's trust in the Bank and mobilization efforts of the Bank Management resulted in the growth of deposits. Mix of deposits showed that fixed deposits contributed 47.97% of total deposits. The Bank's deposits include deposits from both conventional and the Islamic Banking deposit vehicle.

BDT in Million

| Type of Deposits | Amount | | Growth | Deposit Mix | |
|--|-------------------|-------------------|---------------|----------------|----------------|
| | 2023 | 2022 | % | 2023 | 2022 |
| Current / Al-Wadeeah current accounts and other accounts | 53,515.01 | 40,422.33 | 32.39% | 14.61% | 12.40% |
| Bills payable | 4,804.98 | 4,514.89 | 6.43% | 1.31% | 1.39% |
| Savings bank / Mudaraba savings deposits | 64,437.53 | 62,376.50 | 3.30% | 17.59% | 19.14% |
| Fixed deposits / Mudaraba term deposits | 172,113.00 | 156,719.67 | 9.82% | 46.97% | 48.09% |
| Short Notice Deposits / Mudaraba Short Notice Deposits | 26,715.18 | 23,543.62 | 13.47% | 7.29% | 7.22% |
| Special Deposits Scheme | 44,812.79 | 38,328.33 | 16.92% | 12.23% | 11.76% |
| Total | 366,398.49 | 325,905.34 | 12.42% | 100.00% | 100.00% |

Borrowing from Other Banks, Financial Institutions and Agents

Borrowings from Other Banks, Financial Institutions and Agents decreased by 11.85%. Borrowing represents the Long-Term Borrowings from Unsecured Subordinated Non-Convertible Bond and Bangladesh Bank Refinance, EDF, IPFF, LTFF. The balance stood at BDT 35,414.05 million at the end of year 2023 as against BDT 40,175.69 million in 2022.

Shareholders' Equity

Total Consolidated Shareholders' Equity increased by 19.51% and stood at BDT 23,321.96 million at the end of year 2023 as against BDT 20,213.66 million in the year 2022. Item wise details of Shareholder's equity are given below:

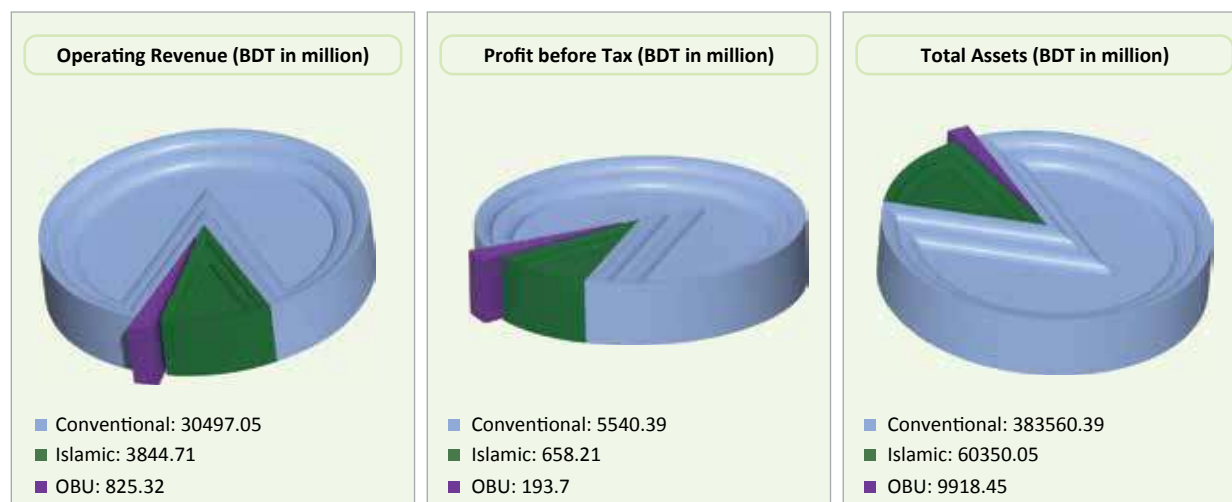
BDT in Million

| Particulars | Amount | | Changes |
|--|------------------|------------------|---------------|
| | 2023 | 2022 | % |
| Paid-up Capital | 8,562.27 | 7,783.88 | 10.00% |
| Statutory Reserve | 9,779.75 | 8,779.75 | 11.39% |
| Other Reserve & Share Premium | 138.42 | 66.97 | 106.69% |
| Retained Earnings | 4,629.56 | 3,493.45 | 32.52% |
| Trust Bank Shareholders' Equity | 23,110.00 | 20,124.05 | 14.84% |
| Non-Controlling Interest | 211.96 | 89.62 | 136.54% |
| Total Shareholders' Equity/Owner's Claims on the Total Assets | 23,321.96 | 20,213.66 | 15.38% |

Statutory Reserve

In accordance with the provision of the Bank Companies Act 1991, minimum 20% of operating profit before tax is required to be transferred to Statutory Reserve. In the year 2023, BDT 1000.00 million was transferred to Statutory Reserve and thus balance of Statutory Reserve stood at BDT 9,779.75 million in the end of year 2023.

Segment Analysis (Solo)



Five Years' Financial Summary

BDT in Million (where applicable)

| Particulars | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|------------|------------|------------|------------|------------|
| Operating Results (SOLO Basis) | | | | | |
| Total Operating Income | 17,779.42 | 16,763.58 | 16,053.17 | 11,728.76 | 11,133.40 |
| Total Operating Expense | 5,960.24 | 5,763.18 | 6,095.90 | 4,443.59 | 4,019.88 |
| Operating Profit | 11,819.18 | 11,000.41 | 9,957.27 | 7,285.17 | 7,113.52 |
| Provision For Loans, Investment and Other | 5,426.88 | 4,018.86 | 4,815.07 | 2,933.16 | 2,407.40 |
| Profit Before Tax | 6,392.30 | 6,981.55 | 5,142.20 | 4,352.02 | 4,706.12 |
| Profit After Tax | 4,318.00 | 2,991.50 | 2,744.12 | 1,788.20 | 2,031.56 |
| Financial Positions (SOLO Basis) | | | | | |
| Authorized Capital | 10,000.00 | 10,000.00 | 10,000.00 | 10,000.00 | 10,000.00 |
| Paid-Up Capital | 8,562.27 | 7,783.88 | 7,076.26 | 6,432.96 | 6,126.63 |
| Total Shareholders' Equity | 22,896.31 | 19,845.63 | 18,258.82 | 17,039.03 | 14,939.70 |
| Deposits | 366,401.73 | 325,930.65 | 284,880.71 | 288,403.90 | 242,024.76 |
| Loans And Advances | 332,703.58 | 298,376.45 | 257,295.38 | 221,063.69 | 210,766.74 |
| Total Liabilities | 430,932.58 | 398,056.82 | 347,248.72 | 337,739.30 | 279,952.43 |
| Investments | 68,831.46 | 60,050.17 | 63,893.72 | 90,944.85 | 41,041.91 |
| Fixed Assets | 2,557.47 | 2,138.37 | 2,190.44 | 1,936.60 | 1,929.69 |
| Earning Assets | 374,917.05 | 341,871.78 | 303,083.20 | 302,608.03 | 245,622.16 |
| Total Assets | 453,828.89 | 417,902.46 | 365,507.54 | 354,778.33 | 294,892.13 |
| Other Business | | | | | |
| Import | 154,089.00 | 146,107.00 | 134,751.59 | 72,201.38 | 66,079.04 |
| Export | 68,311.00 | 67,790.26 | 46,547.89 | 34,680.82 | 37,732.85 |
| Foreign Remittance | 93,736.00 | 66,888.00 | 16,505.75 | 10,291.57 | 48,864.86 |
| Guarantee Issued | 25,986.20 | 19,759.66 | 18,540.30 | 16,663.10 | 21,734.68 |
| Capital Measures (Consolidated Basis) | | | | | |
| Total Risk Weighted Assets | 286,543.22 | 261,528.91 | 238,338.43 | 198,678.15 | 186,163.22 |
| Tier-1 Capital | 26,799.09 | 23,745.34 | 22,443.34 | 17,413.35 | 15,079.62 |
| Tier-2 Capital | 12,135.67 | 11,739.67 | 11,097.70 | 10,485.72 | 9,267.16 |
| Total Capital | 38,934.76 | 35,485.01 | 33,541.04 | 27,899.07 | 24,346.78 |
| Tier-I Capital Ratio | 9.35% | 9.08% | 9.42% | 8.76% | 8.10% |
| Tier-II Capital Ratio | 4.24% | 4.49% | 4.66% | 5.28% | 4.98% |
| Total Capital Ratio | 13.59% | 13.57% | 14.07% | 14.04% | 13.08% |
| Credit Quality (SOLO Basis) | | | | | |
| Non-Performing Loans | 20,215.31 | 14,212.22 | 9,381.99 | 9,966.15 | 11,577.08 |
| % Non-Performing Loans | 6.08% | 4.76% | 3.65% | 4.51% | 5.49% |
| Share Information | | | | | |
| Market Price Per Share | 31.70 | 34.90 | 33.30 | 33.40 | 27.40 |
| Earnings Per Share | 5.04 | 3.84 | 3.53 | 2.78 | 3.32 |
| Price Earnings Ratio | 6.29 | 9.08 | 8.59 | 12.01 | 8.25 |
| Net Asset Per Share | 26.74 | 25.50 | 25.80 | 26.49 | 24.38 |
| Other Information | | | | | |
| Cost-to-Income Ratio | 33.52% | 34.38% | 37.97% | 37.89% | 36.11% |
| Return on Average Assets | 0.99% | 0.76% | 0.76% | 0.55% | 0.73% |
| No of Branches | 109 | 108 | 108 | 107 | 106 |
| No of SME/AGRI Branches | 6 | 6 | 6 | 6 | 6 |
| No. of Foreign Correspondence | 30 | 30 | 30 | 24 | 21 |

Risk and Concerns

Trust Bank believes that effective management of risk is a critical component for the survival and long term success of the Bank. Therefore, the Board and management always upholds a sound and responsible approach to risk to ensure that the sustainable performance and standing of the Bank are not threatened while conducting its regular course of business.

The Board is regularly assisted by the Risk Management Committee (RMC) to review and monitor the overall risk management system of the Bank. The Risk Management system of the Bank has been described in the 'Risk Management Report' of this Annual Report.

Discussion on Continuity of any Extra-Ordinary Gain or Loss

There is no history of any extraordinary gain or loss.

Related Party Transactions

The Bank records business transactions with its directors and subsidiaries, affiliated and associated companies where it has an interest with significant influence. Details of the transactions are given in the notes section to the Financial Statements, as disclosures, and placed separately, as per the guidelines of Bangladesh Bank.

For the purpose of Transactions with Bank-Related Persons, TBL follows the Bank Company Act, 1991 (amended from time to time) and guidelines of Bangladesh Bank, especially the BRPD circular no. 04, dated 23 February 2014.

Utilization of Proceeds from Public Issues, Right Issues and/or through Any Other Instruments

Trust Bank floated its shares through Initial Public Offering (IPO) in 2007. The proceeds of the IPO were utilized in accordance with the disclosures of the then approved Prospectus. However, the Bank also raised capital through Rights Issue in 2008 and 2012.

Trust Bank issued several Subordinated Bonds after obtaining approval from Bangladesh Bank and the Bangladesh Securities and Exchange Commission. The proceeds of these Bonds were utilized to generate liquidity and provide an additional capital cushion in light of the Capital to Risk-Weighted Asset Ratio of the Bank.

Financial Results after the Raising Capital

The Bank has constantly been growing since its inception, then since the IPO, and issuance of Subordinated Bond. No adverse situation has arisen till date.

Significant Variances between Quarterly and Annual Financial Statements

Despite the challenging circumstances of 2023, Trust Bank showed impressive growth compared to the performance of the year 2022. There is no significant deviation of the operating results from that of last year.

Directors Remuneration

As per the Bank Company Act, 1991 (Amended from time to time), the Directors are entitled to regular fees for participation in the meetings of the Board and its sub-committees. Therefore, the non-executive directors (other than the Managing Director) of the Board representing shareholders only take fees for attending meetings. The fee for attending a meeting is regulated as per Bangladesh Bank circulars issued from time to time. A disclosure on the fees given to directors is included in note section to the financial statements.

Other Benefits provided to the Directors and Managing Director: The Directors avail the following facilities from the Bank:

| Incumbent | Bangladesh Bank Guidelines | Practice in Trust Bank |
|-------------------|---|--|
| Chairman | An office-room, a personal secretary/ assistant, one peon/MLSS, one telephone at office, one mobile phone to use inside the country and a vehicle in the business interest of the Bank subject to the approval of the Board [As per Bangladesh Bank circulars issued from time to time] | Only meeting fees. |
| Directors | Fees and other facilities for attending each meeting of the Board or its any Committee [As per Bangladesh Bank circulars issued from time to time] | |
| Managing Director | Salary and allowances as per Service Contract [As per Bangladesh Bank circulars issued from time to time] | Salary and Allowances as per Service Contract. |

Preparation of Financial Statements

The financial statements of the Bank present its state of affairs, the result of its operations, cash flows, and changes in equity fairly. In the preparation of quarterly, half-yearly, and annual financial statements, the Bank complies with the requirements of the Companies Act 1994, Bank Company Act 1991 (amended from time to time), Bangladesh Financial Reporting Standards (BFRSs), and rules and regulations of Bangladesh Bank, Bangladesh Securities and Exchange Commission (BSEC) and Stock Exchanges.

Maintenance of Books of Account

Proper books of account of the Bank have been maintained. The external auditors have reviewed all books of account and they are in our opinion that, proper books of account as required by law have been kept by the Bank so far as it appeared from our examination of those books.

Application of Appropriate Accounting Policies

The Bank has consistently applied appropriate accounting policies to prepare the financial statements, and that the accounting estimates are based on reasonable and prudent judgment.

Accounting policies supported by judgments, estimates, and assumptions in compliance with BAS and BFRS are applied because the Bank will continue as a going concern. Systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures, and adequate segregation of duties.

Application of Reporting Standards

In accordance with Company Law, the Directors are responsible for the preparation of the annual financial statements. The Board acknowledges that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparing the financial statements, and any departure therefrom has been adequately disclosed.

The annual financial statements conform to Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) and fairly present the affairs of the Trust Bank and its subsidiaries.

Based on the information and explanations given by management and the internal auditors, the directors believe that the internal financial controls are adequate and that the financial records may be relied upon for preparing the financial statements. The 2023 annual financial statements were approved by the Board of Directors on 27 April 2024.

Effectiveness of Internal Control System

The internal control system is sound in design and effectively implemented and monitored. The Board regularly reviews the Bank's system of internal control and its effectiveness. The Bank has taken all-out efforts to mitigate all sorts of risk as per guidelines issued by Bangladesh Bank. The Internal Control framework of the Bank encompasses risk control function and compliance function and covers the whole organization, including the activities of all business, support, and control unit. The Risk Management Division is responsible for recommending and monitoring the Bank's risk appetite and policies and following up and reporting on risk-related issues across all risk types. The Internal Control and Compliance Division is working towards mitigation of operational and compliance risk of the Bank and providing assurance and informs strength and potentials of the Internal Control functions.

The Board of Directors of the Bank is responsible for the Bank's system of internal control. It has set appropriate policies on internal control and seeks regular assurance that the system is functioning effectively. Through the establishment of the Audit Committee, the Board of Directors regularly monitors the adequacy and effectiveness of the internal control system of the Bank.

The Senior Management Team (SMT) also reviews the overall effectiveness of the control system of the Bank and provides a certificate on a yearly basis to the Board of Directors on the effectiveness of internal control policies, practices, and procedures.

Protection of Shareholders' Right

In Trust Bank, all members enjoy equal rights and are subject to the same liabilities compared to all other members of the same class. The members are entitled to exercise their fundamental rights on an equitable basis and actively participate in General Meetings and exercise their voting rights to decide important matters. Moreover, the members are regularly apprised by the Board on the success/failure in achieving business and targets set out in Bank's annual work plan, plans, and strategies. The members' have the rights to sell, purchase or transfer of shares, access to information, and share the profitability/income of the Bank, etc.

The Board acknowledges that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have adequate means of redress.

Going Concern

There are no significant doubts about the Bank's ability to continue as a going concern. The Bank has adequate resources to operate for the foreseeable future and is financially sound. For this reason, they continue to adopt the going concern basis in preparing the financial statements. The Directors have a reasonable expectation that the Bank and its subsidiaries will have adequate resources to continue in operational existence and as a going concern for the foreseeable future. A separate statement on the Going Concern Status of the Bank is appended in this report.

Operating Results

There is no significant deviation of the operating results from that of the last year.

Declaration of Dividend

The Bank's policy is to maximize the value of shareholders. The Bank distributes optimum profit to the shareholders for each year after payment of income tax, transfer of the fund to regulatory reserve, provision for loans and advances, etc. To maintain a steady growth of the business, the Bank always tries to invest in profitable and thrust sectors, after scrutinizing industry growth, financial soundness, prospects, etc.

Trust Bank sustained its commitment to the shareholders. In this regard, the Board of Directors, in its 355 (03/2024) meeting held on 27 April 2024, has recommended 20% Dividend (12% Cash and 08% Stock) subject to approval of the shareholders of the Bank at the ensuing Annual General Meeting (AGM) to be held on 16 July 2024.

Declaration of Interim Dividend

The Board of Directors of Trust Bank Limited did not declare any interim dividend during 2023.

Meetings of Board of Directors

The Board of Directors met several times in 2023. The statistics of the meetings are given below:

| Type of Meeting | Number of Meetings |
|---------------------------|--------------------|
| Board of Directors | 13 |
| Executive Committee | 40 |
| Audit Committee | 08 |
| Risk Management Committee | 04 |

A separate statement on the attendance of the Board of Directors and its committees in several meetings is appended in the Corporate Governance Report (under respective types of meeting).

The Pattern of Shareholdings

The Corporate Governance Report contains a detailed discussion on the pattern of shareholdings of Trust Bank Limited.

Brief Resume of the Directors

Brief profile of directors and their representation in other companies have been presented in the Board of Directors' section of this report.

Management's Discussion and Analysis Signed by CEO/ MD

Please see the Message from MD & CEO and Management Discussion and Analysis sections of this Annual Report.

Certification by the CEO and the CFO

The certification of the MD & CEO and the CFO has been presented on this Annual Report.

Compliance of Conditions of Corporate Governance Code by Trust Bank Limited

Trust Bank Limited has complied with the conditions of the Corporate Governance Code as imposed by the Bangladesh Securities and Exchange Commission in line with the rules and regulations of the primary regulator, i.e., Bangladesh Bank.

Certificate on Compliance of Corporate Governance Code

The certificate issued by *Jasmin & Associates* has been presented with the corporate governance report.

State of the Bank's Affairs

A detailed report on the Financial Performance of Trust Bank Limited has been appended in the Management Discussion and Analysis section of the Annual Report.

Changes in Bank's Activities, Subsidiaries' Activities etc.

The Bank and Subsidiaries experienced no significant change in strategy and actions in 2023.

Directors' Responsibility Statement

It is essential to have specific demarcation of responsibilities and authorities among controlling bodies over bank affairs to ensure good governance in the bank management. In the Banking Companies Act, 1991 (amended from time to time), the newly included Section 15 (Kha) and (Ga) give responsibility to the board of directors for establishing policies for the bank company, for risk management, internal controls, internal audit and compliance and for ensuring their implementation.

a) Work-planning and Strategic Management

The Board determines the objectives and goals and, to this end, chalk out strategies and work plans on an annual basis. The Board primarily engages itself in making procedures consistent with the determined objectives and goals and the issues relating to structural change and reformation to enhance institutional efficiency and other relevant policy matters. The Board analyze/monitor, at quarterly rests, the development of the implementation of the work-plans.

The Board sets the Key Performance Indicators (KPIs) for the CEO & the officials immediate two tiers below the CEO and evaluates them from time to time.

b) Credit and Risk Management

The policies, strategies, procedures etc., in respect of appraisal of loan/investment proposal, sanction, disbursement, recovery, reschedule, and write-off thereof are made with the board's approval under the purview of the existing laws, rules and regulations. The board distributes the power of sanction of loan/investment explicitly, and such distribution is desirably made among the CEO and his subordinate executives as much as possible. No director, however, interferes, directly or indirectly, in the process of loan approval.

The board frames policies for risk management and gets them complied with and monitor the compliance at quarterly rests and review the concerned report of the risk management team, and compiles in the minutes of the board meeting. The board monitors compliance with the guidelines of Bangladesh Bank regarding key risk management.

c) Internal Control Management

The Board is vigilant on the bank's internal control system to attain and maintain a satisfactory qualitative standard of its loan/investment portfolio. The board establishes such an internal control system to conduct the internal audit process independent from the management. It reviews the reports submitted by its audit committee at quarterly rests regarding the compliance of recommendations made in internal and external audit reports and the Bangladesh Bank inspection reports.

d) Human Resources Management and Development

Policies relating to recruitment, promotion, transfer, disciplinary and punitive measures, human resources development etc. and service rules are framed and approved by the board. The chairman and the directors in no way involve themselves or interfere in or influence any administrative affairs, including recruitment, promotion, transfer and disciplinary measures as executed under the set service rules. No member of the board of directors is involved in the selection committees for recruitment and promotion to different levels. However, recruitment, promotion, transfer, and punishment of the officers immediately two tiers below the CEO; rest upon the Board. Such recruitment and promotion are carried out complying with the service rules, i.e., policies for recruitment and promotion.

The board focuses its special attention on developing skills of the bank's staff in different fields of its business activities, including a careful appraisal of loan/investment proposals, and the adoption of modern electronic and information technologies and the introduction of effective Management Information System (MIS). The board gets these programs incorporated in its annual work plan. Moreover, the board promotes a healthy code of conducts for developing a compliance culture.

e) Financial Management

The annual budget and the statutory financial statements are finalized with the approval of the Board. The Board, at quarterly rests, reviews/monitors the positions in respect of Bank's income, expenditure, liquidity, non-performing asset, capital base and adequacy, maintenance of loan loss provision and steps taken for recovery of defaulted loans, including legal measures.

The Board frames the policies and procedures for the Bank's purchase and procurement activities and accordingly approves the distribution of power for making such expenditures. The maximum possible delegation of such power of expenditures rests on the CEO and his subordinates. The decision on matters relating to infrastructure development and purchase of land, building, vehicles, etc., for the Bank's business is adopted with the Board's approval. The Board reviews the Asset-Liability Committee (ALCO) and its working according to Bangladesh Bank guidelines.

f) Appointment of Chief Executive Officer (CEO)

In order to strengthen the financial base of the bank and obtain the confidence of the depositors, one of the significant responsibilities of the Board of directors is to appoint an honest, efficient, experienced and suitable CEO or Managing Director. Accordingly, the Board acts with the approval of the Bangladesh Bank.

Thanks and Gratitude

The Bank closed the year 2023, displaying substantial improvement in core business areas in terms of volume of business and net profit. This was possible due to the dedicated efforts of the employees of the Bank and sincere cooperation of all concerned. Above all, a solid liquidity base, prudent fund and credit management, continued guidance and inspiration to the Management by the members of the Board immensely contributed to the overall development. The Board of Directors is indebted to the valued clients, shareholders, business associates, and numerous well-wishers at home and abroad for their continued support, patronage and trust they reposed on the Bank. The Board of Directors expresses gratitude and thanks to the Government of Bangladesh, Ministry of Finance, Bangladesh Bank, Bangladesh Securities and Exchange Commission, Registrar of Joint Stock Companies and Firms, Dhaka Stock Exchange PLC, Chittagong Stock Exchange PLC and other regulatory bodies for their valuable guidance from time to time.

The Board of Directors also likes to record its warm appreciation for the sincere and dedicated services rendered by the executives, officers, and staff that played an instrumental role in sustaining the Bank's growth.

The Bank aspires to do better in future, and with this expectation, we place before the esteemed shareholders the accounts of the Bank for the year 2023 for approval.

Thank you,

On behalf of the Board of Directors,



General S M Shafiuddin Ahmed, SBP (BAR), OSP, ndu, psc, PhD
Chairman

Audit Committee Report

TO THE SHAREHOLDERS AND GENERAL INVESTORS

Audit Committee and its Objectives

Audit Committee is one of the Sub-committees of the Board which is formed by the Board of Directors of Trust Bank Ltd. towards establishing a sound internal control system in the Bank. Main objectives of the Audit Committee are as follows:

- To assist the Board of the Bank in carrying out their overall monitoring responsibilities so that the objectives, strategies, and overall business plans set by the Board can be implemented and achieved successfully.
- To review the financial reporting process, internal control system and internal audit process of the bank.
- To assess the effectiveness of overall processes and procedures for monitoring whether the business activities of the bank are conducted in accordance with relevant laws and regulations of Bangladesh Bank and other regulatory bodies.

Constitution of the Audit Committee

The Audit Committee of Trust Bank Limited (TBL) was firstly constituted on February 5, 2003 as per the decision of 64th meeting of the Board of Directors of the Bank in compliance with BRPD Circular # 12 dated December 23, 2002 of Bangladesh Bank and subsequently, it has been reconstituted for several times consequent upon casual vacancies of members in the committee. In the year 2023, as per BRPD Circular# 11 dated October 27, 2013 of Bangladesh Bank and notification# BSEC/CMRRCD/2006-158/207/Admin/80 dated June 3, 2018 of Bangladesh Securities and Exchange Commission (BSEC), existing Audit Committee of the Board has been reconstituted by the Board of Directors of the Bank in its Meeting# 342 held on 28.03.2023, which is comprised of the following members:

| Sl# | Name | Status in the Board | Status in the committee |
|-----|--|----------------------|-------------------------|
| i | Ms. Nusrat Khan | Independent Director | Chairman |
| ii | Brig Gen Md Kaisar Hasan Malik, SGP, ndc, psc | Director | Member |
| iii | Brig Gen Rakibul Karim Chowdhury, ndc, afwc, psc | Director | Member |
| iv | Mr. Md. Mizanur Rahman, FCS | Company Secretary | Secretary |

Roles and responsibilities of the Audit Committee

Roles and responsibilities of the Audit Committee are defined in Bank Companies Act, 1991 (amended up to 2023), related circulars of Bangladesh Bank and Corporate Governance Code of Bangladesh Securities and Exchange Commission. Some important roles and responsibilities are highlighted below:

Internal control

- Evaluate whether management is setting an appropriate compliance culture by communicating the importance of internal control and the management of risk and ensuring that all employees have clear understanding of their roles and responsibilities.
- Review management's actions in computerization of the Bank and its applications and Management Information System (MIS) of the Bank.
- Consider whether internal control strategies recommended by internal and external auditors have been implemented by the management.
- Consider reports relating to fraud, forgery, deficiencies in internal control or other similar issues detected by internal and external auditors and inspectors of the regulatory authority and place it before the board after reviewing whether necessary corrective measures have been taken by the management.
- With governance & guidance from the Board of Directors the ACB will put in place the policies and procedures to identify, measure, monitor and control risks.

Financial reporting

- Oversee the financial reporting process and monitor the choice of accounting policies and principles.
- Review the annual, half-yearly, and quarterly financial statements before submission to the Board for approval and determine whether they are complete and consistent with applicable accounting and other reporting standards set by regulatory authorities.
- Discuss with management and the external auditors to review the financial statements before its finalization.

Internal audit

- Audit committee will monitor whether internal audit is working independently from Management.
- Review the activities and the organizational structure of the internal audit and ensure that no unjustified restriction or limitation hinders the internal audit process.
- Examine the efficiency and effectiveness of internal audit functions.
- Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report.
- Examine whether the findings and recommendations made by the internal auditors are duly considered by the management or not.

External audit

- Make recommendations to the board regarding the appointment of the external auditors.
- Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors and their audit reports.
- Hold meeting with the external or statutory auditors for a review of the annual financial statements before submission to the Board for approval or adoption.
- Examine whether the findings and recommendations made by the external auditors are duly considered by the management or not.

Compliance with existing laws and regulations

Review whether the laws and regulations framed by the regulatory authorities (Bangladesh Bank, BSEC and other regulatory bodies) and internal circulars, instructions, policies, and regulations approved by the Board and Management have been duly complied with.

Miscellaneous

- Submit compliance report to the Board on quarterly basis on regularization of the omission, fraud and forgeries and other irregularities detected by the internal and external auditors and inspectors of regulatory authorities. If the committee solicits, external and internal auditors will submit their assessment report on the related issues.
- Perform other oversight functions as desired by the Board of Directors and evaluate the committee's own performance on a regular basis.

Reporting to the Board of Directors

The Audit Committee shall report on its activities to the Board. The Audit Committee shall immediately report to the Board on the following findings, if any:

- Report on conflicts of interests.
- Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements.
- Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and
- Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately.

Reporting to the Authorities

If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such findings to the Commission upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.

Meeting of the Audit Committee

Audit Committee must hold at least 04 (four) meetings per year, and it may meet at any time it deems necessary. The committee may invite Chief Executive Officer, Head of Internal Audit or any other Officials to its meetings, if it deems necessary.

Major Activities of the Audit Committee in the year-2023

The Audit Committee:

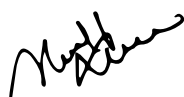
- Reviewed the annual financial statements of the bank for the year ended December 31, 2022, as certified by the external auditors, before submission for consideration to the Board.
- Reviewed the management report of the Bank for the year ended December 31, 2022, submitted by the external auditors along with its compliance.
- Reviewed the unaudited quarterly (Q1, Q2, and Q3) financial statements of the bank for the year 2023 before submission to the Board for consideration.
- Reviewed that the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) were followed in preparation and presentation of Bank's financial statements.
- Reviewed and approved the 'Annual Risk-Based Audit Plan-2023' of IC&C Division, Head Office.
- Reviewed significant audit reports of different branches and divisions/departments of Head Office, & compliance thereof, submitted by the IC&C Division, Head Office and gave necessary suggestions/recommendations.
- Reviewed the internal IT audit reports on various Branches and Divisions of Head Office along with compliance thereof and gave necessary suggestions/recommendations.
- Reviewed the bank's Non-Performing Loans (NPLs) and related issues.
- Reviewed the overall effectiveness of internal control system of Trust Bank Limited.
- Reviewed Annual Health Report of the Bank.
- Reviewed the implementation status of the suggestions/recommendations of the Audit Committee meetings.
- Reviewed that the rules and regulations of regulatory authorities were followed by the Bank.
- In 2023, the Committee met 08 (eight) times, during which it held in-depth discussions and reviews with the Management and External Auditors.

The minutes of the Audit Committee meetings, containing various suggestions and recommendations to management, were duly presented to the Board for ratification.

In 2024, the Audit Committee will continue its relentless efforts towards strengthening internal control system of Trust Bank Ltd.

The Audit Committee would like to thank the Board of Directors, Management, and Auditors for their sincere support and cooperation in fulfilling the Committee's duties and obligations.

On behalf of the Audit Committee,



Nusrat Khan
Independent Director and the Chairman of Audit Committee
Trust Bank Ltd.

AUDIT COMMITTEE AND THE BOARD EVALUATION OF THE QUARTERLY FINANCIALS

In accordance with the requirement of the Bangladesh Securities and Exchange Commission (BSEC), Trust Bank prepares and presents quarter-ended Financial Statements complying with the BAS (Bangladesh Accounting Standards). The financial statements are initially sent to the Audit Committee for review. The financial statements are finally submitted to Bangladesh Securities and Exchange Commission (BSEC) after obtaining approval from the Board. Afterwards, the Quarter-ended Financial Statements are published in several daily newspapers.

The financial statements are also posted on the website of the Bank.

As recommended by Audit Committee, the Board approved the consolidated financial statements in 2023 and disclosed, among others, the followings:

BDT in Million

| Particulars | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 1-Jan | 1-Jan | 1-Jan | 1-Jan | 1-Jan | 1-Jan | 1-Jan | 1-Jan |
| | to | to | to | to | to | to | to | to |
| | 31-Dec | 31-Dec | 30-Sep | 30-Sep | 30-Jun | 30-Jun | 31-Mar | 31-Mar |
| | 4th Qtr. | 4th Qtr. | 3rd Qtr. | 3rd Qtr. | 2nd Qtr. | 2nd Qtr. | 1st Qtr. | 1st Qtr. |
| Balance Sheet | | | | | | | | |
| Cash | 21,491 | 20,028 | 20,746 | 19,135 | 21,080 | 16,917 | 19,518 | 16,917 |
| Balance with other banks and financial institutions | 17,486 | 19,503 | 32,039 | 16,092 | 29,920 | 21,217 | 19,506 | 16,521 |
| Money at call and on short notice | 0 | 7,200 | 2000 | 608 | 11,380 | 6,266 | 3,372 | 4,557 |
| Investment | 73,012 | 64,286 | 73,951 | 70,580 | 76,174 | 75,764 | 68,276 | 66,987 |
| Loans and advances/Islami Banking investments | 333,792 | 299,666 | 320,229 | 293,802 | 311,097 | 283,977 | 303,144 | 271,000 |
| Fixed assets including premises, furniture and fixtures | 2,802 | 2,391 | 2,047 | 2,199 | 2,121 | 2,308 | 2,352 | 2,368 |
| Other assets | 9,510 | 8,854 | 10,640 | 10,289 | 9,662 | 9,123 | 8,724 | 7,787 |
| Total assets | 458,093 | 421,960 | 461,652 | 412,705 | 461,434 | 415,573 | 424,892 | 386,138 |
| Borrowings from other banks, financial institutions and agents | 35,414 | 40,176 | 37,474 | 37,998 | 42,043 | 40,986 | 43,201 | 41,540 |
| Deposits and other accounts | 366,398 | 325,905 | 362,739 | 320,554 | 359,535 | 322,649 | 324,539 | 294,683 |
| Other liabilities | 32,958 | 35,665 | 39,628 | 33,898 | 38,398 | 31,762 | 36,773 | 30,297 |
| Total liabilities | 434,771 | 401,746 | 439,841 | 392,450 | 439,976 | 395,396 | 404,513 | 366,520 |
| Paid-up capital | 8,562 | 7,784 | 8,562 | 7,784 | 7,784 | 7,076 | 7,783 | 7,076 |
| Total shareholders' equity | 23,322 | 20,124 | 21,811 | 20,255 | 21,458 | 20,176 | 20,379 | 19,618 |
| Total liabilities and shareholders' equity | 458,093 | 421,960 | 461,652 | 412,705 | 461,434 | 415,573 | 424,892 | 386,138 |
| Off- Balance Sheet Items | 162,295 | 139,438 | 176,047 | 157,973 | 163,282 | 153,519 | 156,963 | 152,350 |
| Profit And Loss Account | | | | | | | | |
| Net interest income/net profit on investments | 8,602 | 7,803 | 6,168 | 6,051 | 3,912 | 4,042 | 1,892 | 2,036 |
| Total operating income (A) | 17,984 | 17,256 | 12,749 | 13,214 | 8,105 | 8,994 | 3,691 | 4,169 |
| Total operating expenses (B) | 6,277 | 6,163 | 4,465 | 4,494 | 2,899 | 3,061 | 1,368 | 1,324 |
| Profit before provision (C=A-B) | 11,707 | 11,093 | 8,284 | 8,720 | 5,206 | 5,933 | 2,323 | 2,845 |
| Net profit after taxation | 4,177 | 2,823 | 2,516 | 2,632 | 1,337 | 1,572 | 230 | 844.2 |
| Earnings Per Share (EPS) | 4.97 | 3.75 | 3.00 | 3.56 | 1.77 | 2.22 | 0.32 | 1.19 |

MANAGEMENT DISCUSSION AND ANALYSIS



MANAGEMENT DISCUSSION AND ANALYSIS

What we do in Treasury?

The function of Treasury is to optimize liquidity as well as capital of the Bank while administering the financial assets. Treasury is also responsible for making sound financial investments while reducing financial risks. As such, if managed correctly, Treasury can be a flexible and a significant contributor to Banks financial performance. *Headline attention on business performance* does tend towards the income statement side, in terms of revenue growth and profitability since the core purpose of doing Banking business is to provide returns to its shareholders, of which return on equity (ROE) is the standard metric. And If the components of ROE are analyzed, the broader role that treasury plays can be seen clearly.

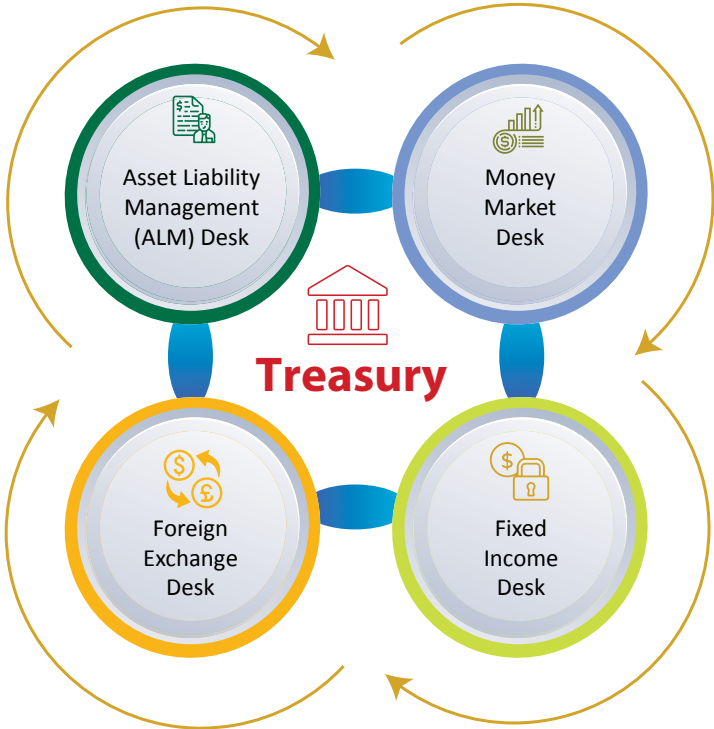
1. Net Profit Margin (Profit/Sales): Searching for cheaper borrowing costs increases contribution margin = **more competitive**
2. Asset Turnover (Sales/Assets): Getting more yield out of assets through ALM and portfolio management = **more revenue**
3. Financial Leverage (Assets/Equity): Managing debt to optimal levels = **more opportunities**

Again nowadays, the Banking industry is constantly facing changes in technology, regulation and compliance, which as a result is ministering Treasury becoming a strategic business partner across all the areas of Banking Business. TBL Treasury is also not an exception. Over the last couple of years TBL Treasury has been performing very well despite the adversaries & economic turmoil globally as well as within the country.

TBL Treasury primarily focuses on the followings:

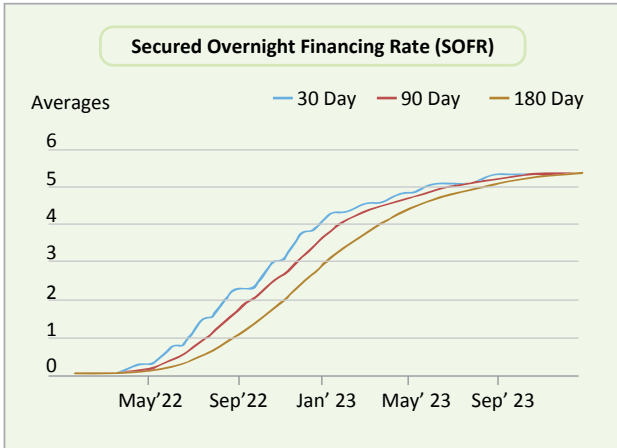
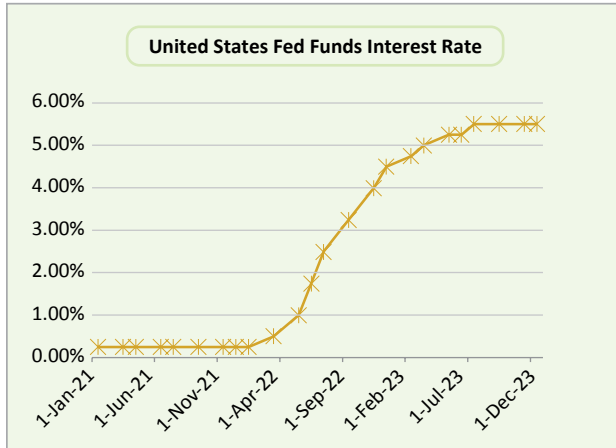
- Expanding transaction volume
- Utilizing different market opportunities within all risk and regulatory limits
- Strengthening ALM operations
- Creating a diversified fund management channel
- Minimizing market, liquidity and interest rate risks
- Enhancing profitability

TBL Treasury has the following desks through which it offers a complete and well diversified package of Treasury solution to its customers both in the interbank and corporate market.

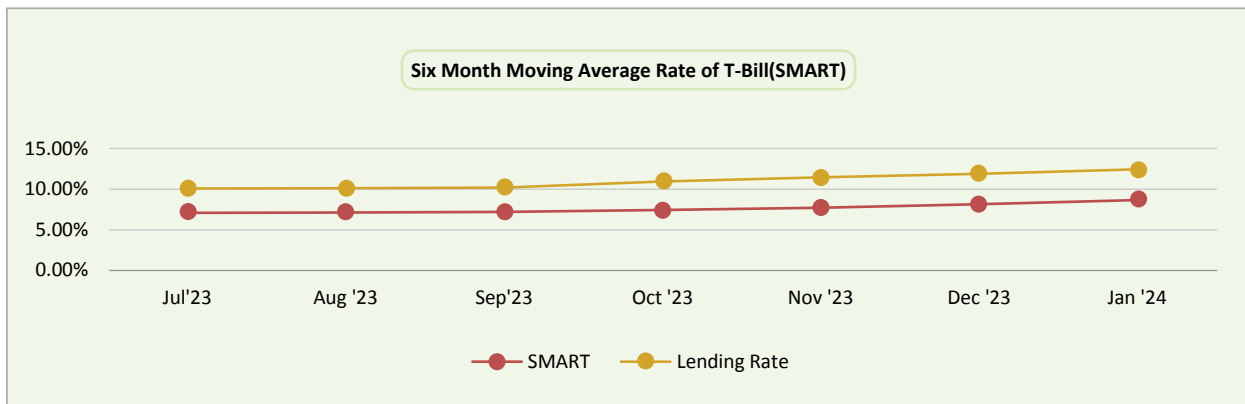
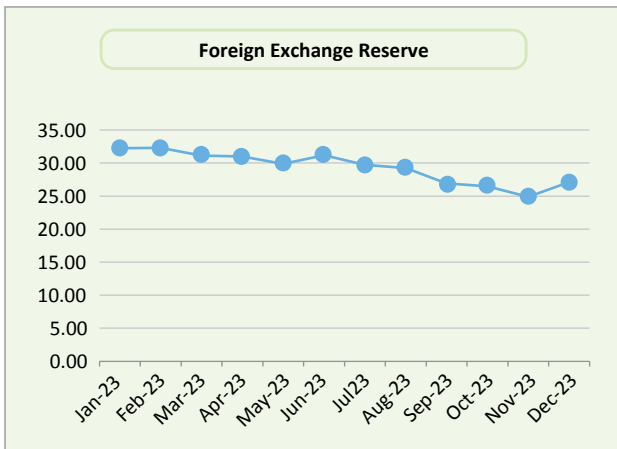
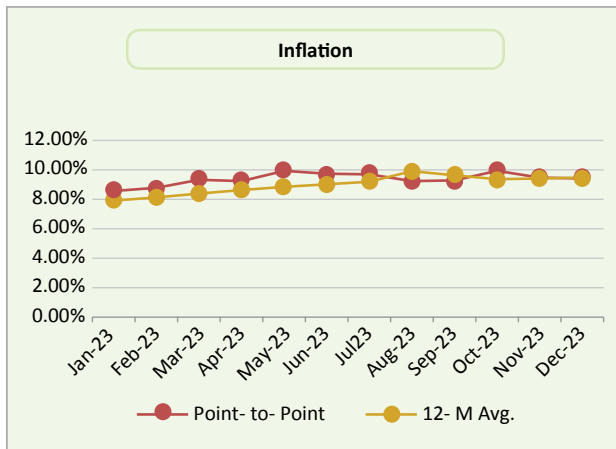


Flashback 2023

The world is facing economic restlessness due to prevailing war in Ukraine and Palestine and engagement of all dominant countries including USA, China, Russia within these wars. Despite the situation, Europe is maintaining their almost stable GDP growth reduced by only 0.1% on third quarter of 2023. In contrary, USA shows 3.30% growth on fourth quarter of 2023, which was 2.60% at the same period of 2022. The Federal Open Market Committee (FOMC) has raised interest rates 11 times in a year and a half, resulting in a key federal funds rate of 5.25%-5.50%, the highest since early 2001. Such a rapid increase hasn't been seen since the 1980s. Similarly, Secured Overnight Financing Rate (SOFR) showed an upward trend over the year 2023.



In Bangladesh, we started the year 2023 with a revised higher policy rate on mid-January, 2023. The Policy Rate was revised for total 4 times in this year and finally settled at 7.75% from 5.75%. Inflation rate in Dec-22 was 8.71% which got as high as to 9.41% in Dec-23 on point to point basis. In July-23, Bangladesh Bank introduced SMART Rate (6-Months Moving Average Rate of 182 Days Treasury Bill) as a reference rate for financial contracts and asset pricing. As per the data of Bangladesh Bank from FY2023, the trade balance showed a negative balance but the amount compensated the negative balance of the FY2022 by \$16,087 Million having a decrease in dollar reserve. Foreign Exchange Reserve, in Dec-23, dropped to \$27.13 Billion which was \$33.75 Billion in Dec-22.

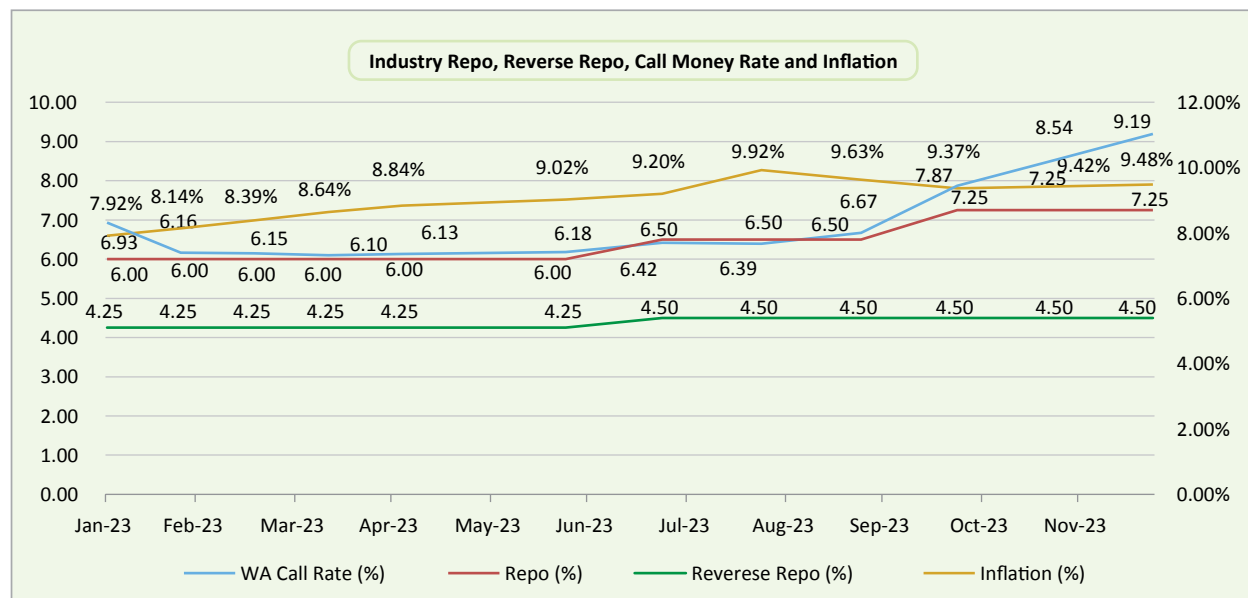


Economic Outlook 2024

IMF has projected Global growth to stay at 3.1% in 2024 and rise to 3.2% in 2025. Elevated central bank rates to fight inflation and a withdrawal of fiscal support amid high debt weigh on economic activity. Inflation is falling faster than expected in most regions, amid unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8% in 2024 and 4.4% in 2025, with the 2025 forecast having been revised down.

World Bank expected global growth is to slow to 2.40% in 2024. Tight monetary policies, restrictive credit conditions and anemic global trade and investment are expected to weigh on growth. The recent conflict in the Middle East has heightened geopolitical risks.

Bangladesh Bank, in its half-yearly monetary policy for H2FY24 issued in Jan-24, addressed a tight monetary policy keeping in mind, to control inflation by hiking policy rate by 25 basis points. Policy rate elevated to 8.00% from 7.75%, SDF moved from 5.75% to 6.50% and SLF to 9.50% with a reduction of 25 basis points. Subsequently, the rates of Govt. Securities are also showing an upward trend which is lucrative for participants in this inflationary market situation. Besides, Bangladesh Bank has also addressed shifting of exchange rate regime by implementing 'Crawling Peg System'.



Treasury Performance in 2023 and Prospect in 2024

TBL Treasury performed up to the mark and beyond its expectation in 2023 as it generated the majority of the profit as a profit center. Despite the adverse market conditions and financial distress, TBL Treasury managed to operate in a profitable and compliant manner. Treasury's ability to make precise and accurate market forecasts allowed the Bank to position itself advantageously in a volatile market.

TBL completed the year 2023 by maintaining AD Ratio 84.87% whereas market maintained 78.51% at the September end of 2023, which indicates that the major portion of bank's asset was occupied in mainstream assets rather than treasury assets. Despite such AD Ratio, Treasury successfully met all regulatory requirements and ensured the best utilization of assets at its disposal and as such ensured the best return out of it.

| Bank groups | Year-on-year growth of deposit,% (excluding interbank)* | | Year-on-year growth of advances,% (excluding interbank) | | Advance Deposit Ratio (ADR) | |
|-------------|---|---------|---|---------|-----------------------------|---------|
| | Sep. 23 | Jun. 23 | Sep. 23 | Jun. 23 | Sep. 23 | Jun. 23 |
| SCBs | 10.19 | 6.49 | 16.09 | 17.26 | 69.02 | 68.86 |
| PCBs | 7.92 | 7.36 | 7.87 | 9.52 | 84.21 | 83.9 |
| FCBs | 22.15 | 21.26 | 16.14 | 20.15 | 46.19 | 54.88 |
| SBs | 8.78 | 6.01 | 8.89 | 8.28 | 64.2 | 72.57 |
| All | 9.12 | 7.69 | 9.76 | 11.34 | 78.08 | 78.51 |

Source: Bangladesh Bank. *Adjusted deposits growth for calculating ADR.

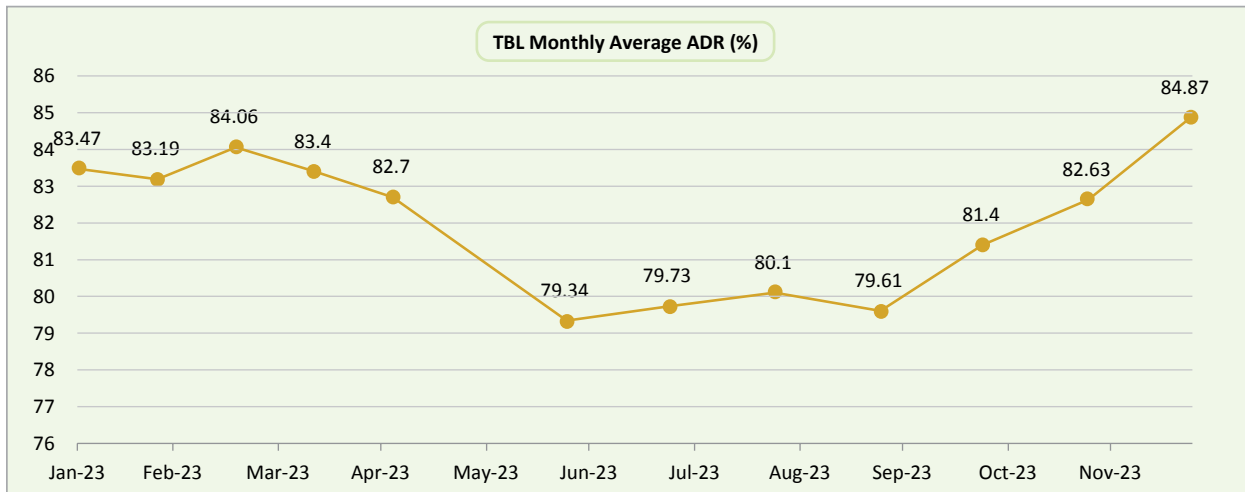
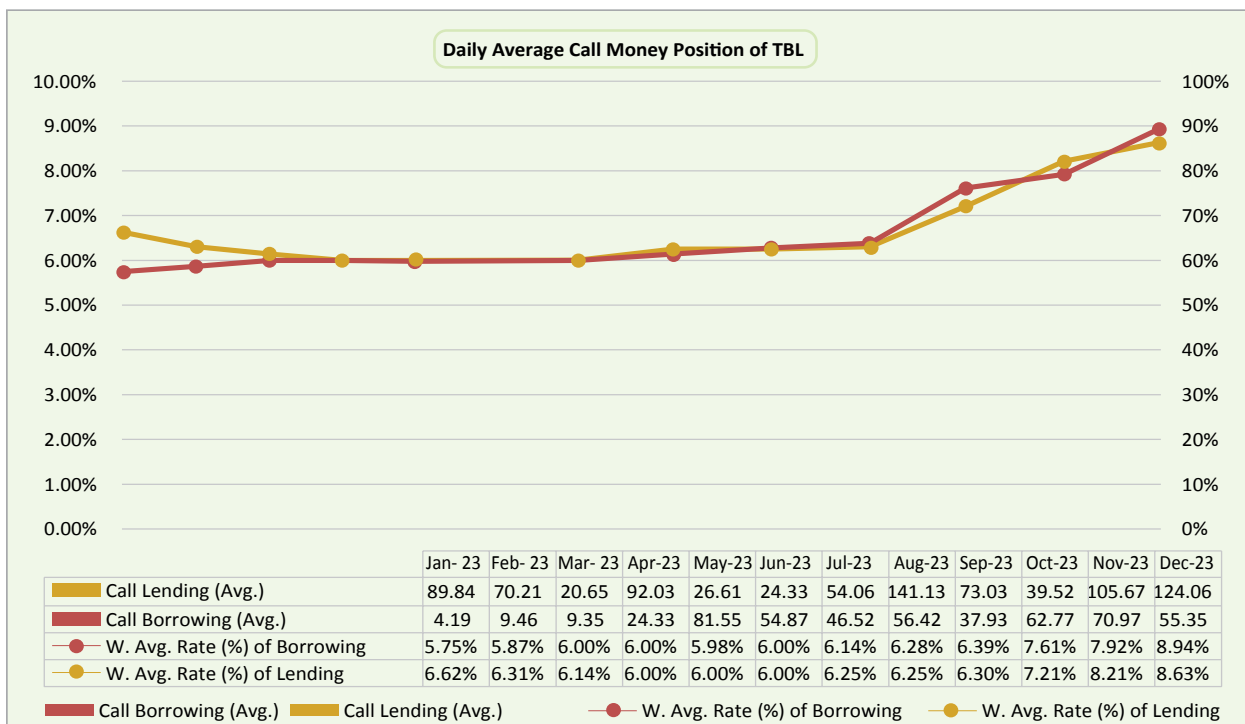
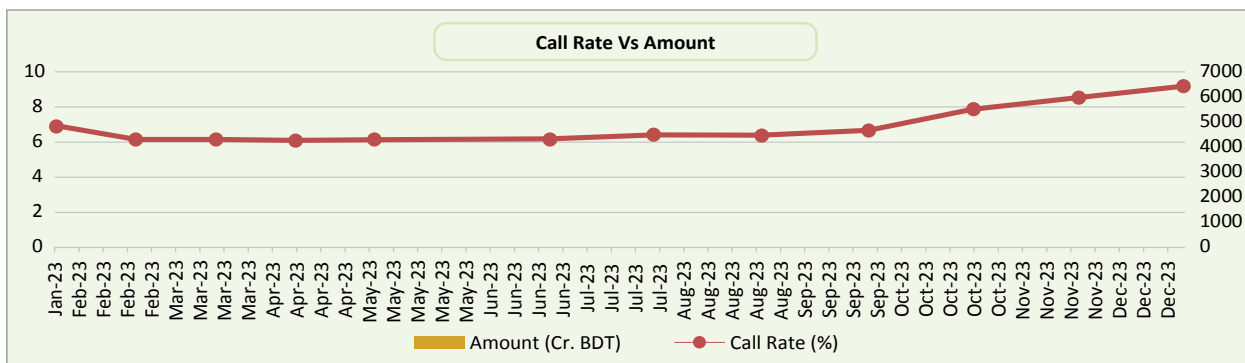


Figure 02: Monthly Average Advance Deposit Ratio

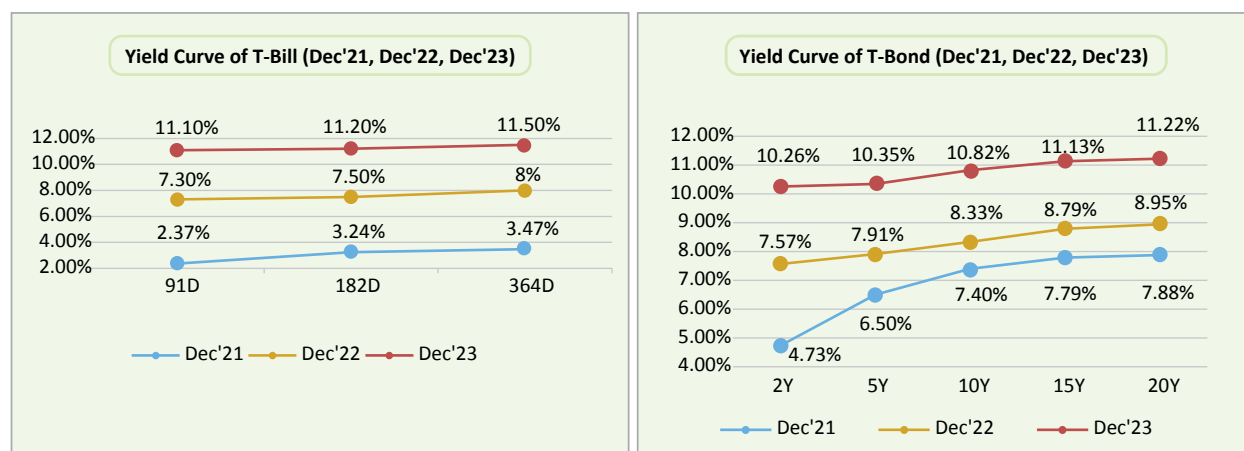
Money Market

Throughout the year 2023, Call rate remained almost stable, except in the last quarter when the rate sharply raised due changes in Policy Rate for several times. At the end December, 2023 Call rate reached an average of 9.19% which at the end of September'23 was 6.67%. In the said period, TBL maintained net lending portfolio and ensured a handsome amount of earnings in such illiquid market by using different Treasury products.



Fixed Income Securities

The Fixed Income Securities Market observed a high yielding curve and lucrative investment rate in 2023.



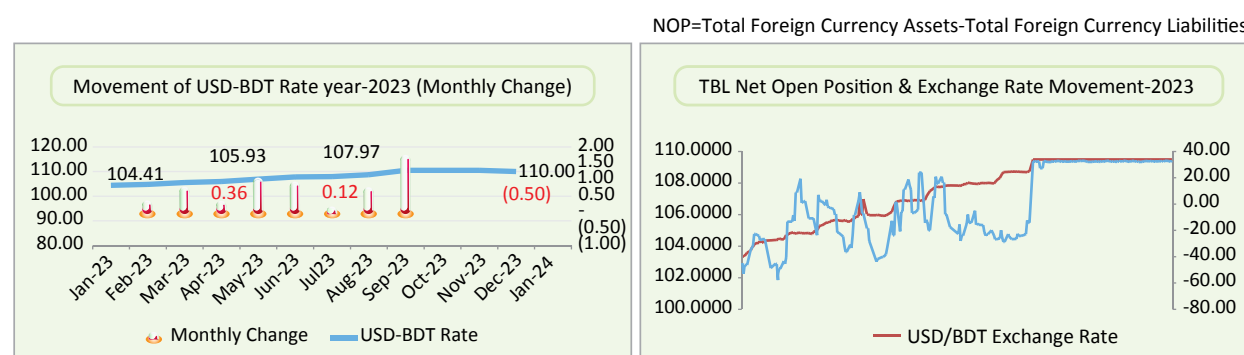
The yield curve of Fixed Income Securities Market was upward-sloping, indicating that longer-term T-Bills and T-Bonds generally had higher yields compared to shorter-term T-Bills and T-Bond. There was an increase in yield rates from December 2021 to December 2023 across all maturity periods, suggesting an overall increase in interest rates over time. The difference in yield rates between different maturities narrowed down as the maturity period increased, indicating a flattening yield curve. However, it's not entirely flat, suggesting some differentiation in yields across different maturities persists.

Foreign Exchange Desk

FX market experienced a critical time and overall Trade Balance showed a deficit of USD 4,595.00 million (USD 4.595 billion) for the period FY23. Since December 31, 2023, Bangladesh Bank has sold USD 12,837.22 million (USD 12.84 billion) to the Banks in order to stabilize the market but that was not enough to match the soaring Demand. As a result, Taka (BDT) depreciated against USD by BDT 5.59 from BDT 104.41/USD to BDT 110.00/USD from January to December 31'2023. The Foreign Exchange Reserve (Gross Reserve) of the country has also dropped to USD 27.13 billion at the end of Dec'23 from USD 33.75 billion in Dec'22.

From Jan-Dec'23 Import decrease by 24.60%, Export & Remittance increased by 2.00% & 3.00% respectively. As a result of combined policy measures by Government & Central Bank, LC opening & settlement decreased by 5.33% & 18.19% respectively in July to Dec'23 compared to same period of previous year revealing that stabilizing the Foreign Exchange market is the utmost priority of the concern stakeholders.

In 2023, FX Desk was able to generated **BDT 1,048.98 million** as **Exchange Gain**. By the end of 2023, Treasury funding to the OBU reached USD **75.56 million**, bolstering the OBU unit significantly.



Asset Liability Management (ALM) Desk

Asset Liability Management (ALM) stands as a pivotal component of effective Bank Management, with the Head of Treasury serving as the member secretary of the Asset Liability Committee (ALCO). ALM plays a crucial role in guiding the bank towards multifaceted objectives.



The ALM desk, armed with meticulous market research and intelligence, presents a comprehensive market outlook throughout the year. It goes a step further by providing forecasts on local and foreign currency rate movements, substantiated by concrete facts and figures. This foresight equips the bank's management with explicit insights into market liquidity, enabling strategic decision-making regarding loans, advances, investments, and alternative fund deployment opportunities.

In the dynamic financial landscape of 2023, the ALM desk played a pivotal role in product pricing, leveraging market movements to secure a competitive advantage. This proactive approach allowed the bank to capitalize on opportunities, contributing to its overall financial health. Additionally, the desk presented the bank's financial position to ALCO members, facilitating the formulation of an effective investment and fund management strategy.

Throughout 2023, the Treasury operated within all regulatory limits, showcasing a commitment to compliance with both internal bank policies and external regulatory requirements. Notably, there were no instances of regulatory limit violations, underscoring TBL Treasury's dedication to operating within the established rules and regulations. This adherence reflects the importance placed on ethical and responsible financial practices, contributing to the bank's credibility and long-term sustainability.

Treasury Income in 2023

Treasury, as a major contributor to bank's revenue line, contributed significantly in 2023. Overall Treasury revenue numbers in **2023** is given below with a comparison of 2022, 2021, 2020 & 2019 to show the growth in its business horizon and revenue line.



Treasury Priorities in 2024

- Maximizing Treasury Portfolio return through retaining existing & exploring new areas of business.
- Emphasizing on developing market research expertise under ALM Desk.
- Establishing Foreign Exchange corporate sales desk.
- Emphasizing on cross currency trading desk.
- Strengthening relationship with all counterparts (both Interbank & Corporate).
- Managing Balance sheet in the most efficient way.
- Special Emphasize for building awareness among corporate customers regarding hedging and its benefits.
- Updating the policies related to treasury in line the changed/modified/amended policies as endorsed by Bangladesh Bank from time to time.
- Organizing knowledge sharing programs e.g. Trainings, Seminars on Treasury and Market Risk Management.

Foreign Remittance

The glorious journey of migrating human capital abroad for procuring Foreign Remittance started from the very early days of independence of Bangladesh. Now foreign remittance has emerged as one of the prime driving force of economic growth and poverty alleviation in Bangladesh. Mobilizing remittance as a source of foreign currency is pivotal for any bank as it contributes in reducing the bank's dependency on inter-bank market for payment of import bills.

Trust Bank Ltd. since inception through its NRB division has been relentlessly exploring the global green fields of Foreign Remittance. At present the bank has established drawing arrangements with 34 (Thirty-Four) Exchange houses, that covers almost 200 countries across the globe.

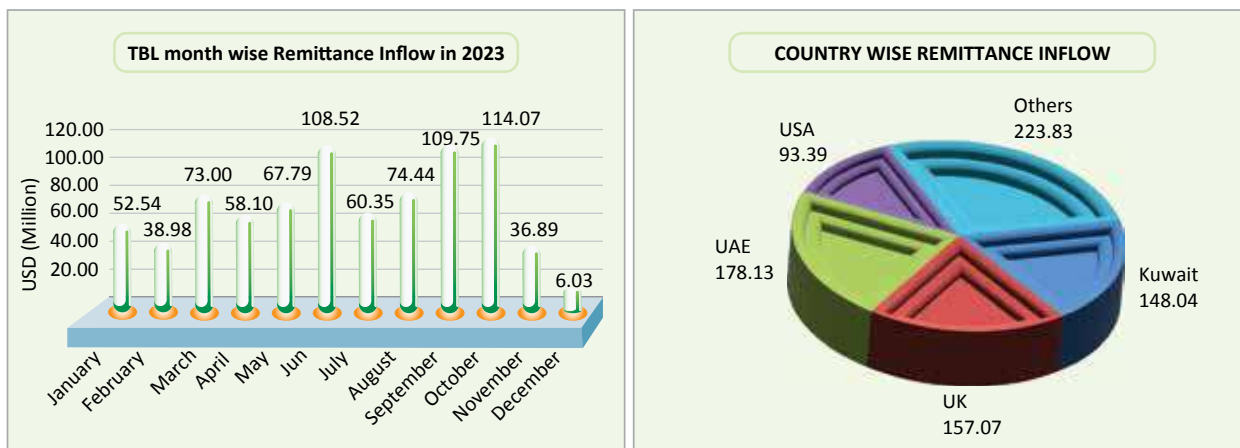
How was 2023 for Foreign Remittance

2023 was a very challenging year for Bangladesh economy. This is because at the beginning of 2022, Bangladesh was all set to get its growth momentum back after recovering from the prolonged Covid-19 pandemic. But, the impact of the Ukraine war, Israel-Palestine conflict and unrest situation in Red Sea slowed the country's joy run significantly, making it an eventful year to remember. In 2023, Bangladesh received remittance of USD 21,917.15 million compared to previous years' remittance of USD 21,286.66 million registering a 2.96 % growth year on year.

Foreign Remittance performance by TBL in 2023

At present Trust Bank Ltd. is working as the principal agent of 34 overseas Exchange Houses. Wage earners remittance is being brought through these Exchange Houses to meet our Banks Foreign Exchange demand for import payment. The year 2023 was a very challenging year for us, since hunting wage earners remittance was a daunting task due to reduced volume of remittance inflow and increased demand for trade based payment. Again, the post COVID impact and the Russia-Ukraine war made the scenario even worst. Due to Fixation of uniform exchange rate by BAFEDA from September, 2022 it was very difficult to book/confirm sizable amount of Foreign Remittance for 3rd Generation commercial Banks

like Trust Bank Ltd. In spite of all these challenges NRB Division managed to channelize USD 800.46 million as Inward Foreign Remittance in 2023 compared to USD 602.50 Million in 2022 registering a remarkable growth rate of 32.85 %.



Market forecast for 2024

Remittance is expected to remain strong, firming up private consumption. Growth in remittances is likely to moderate to 5.0% in 2024 reflecting a high base. The precondition is job placements in destination countries and maintain robust growth.

Trade Services Division

During the healing process of world economy from the effect of COVID-19, it experienced further slowdown from the beginning of 2023 as the massive energy shock triggered by Russia-Ukraine war. The ongoing war has created global crisis by disruption of food supply chain, spurring inflation, erosion of foreign exchange reserves in developing countries and halting overall economic growth.

The crisis ultimately distresses export import business as well as inward remittance of Bangladesh and yields trade deficit, supply crisis and instability in foreign exchange position. As a part of stopping depletion of forex reserve, in 2023, requirement of Cash Margin has been imposed for opening LC for various goods, Regulatory Duty is levied on import of non-essential goods, and approval process from Bangladesh Bank has been introduced for opening LC value USD 3.00 million or above. Exporters also faced difficulties in repatriation of proceeds from EU and USA due to economic meltdown on that areas and hurdles in establishing new export line and continuing existing relationship in Russia/Russian block countries. Despite these hindrances, Trust Bank Ltd. has achieved growth in export, import and remittance.

Trust Bank Ltd. successfully reached to its trade-service benchmark and suppressed all of its previous achievements in terms of export, import and remittance business. To achieve these milestones, amidst the COVID pandemic and Russia-Ukraine war, Trade Services Division (TSD) of TBL played a pivotal role in facilitating trade operation of AD Branches, OBU operations, Centralized Trade Processing Unit (CTPU) and Treasury Back Office functions.

During 2023, TBL experienced 5.46% growth in import business, 0.77% growth in export business and remarkable 49.54% growth in inward remittance compared to 2022.

Functional area of TSD at a glance:



TBL is committed to providing diversified, best fit and pragmatic trade solution to the trade clients. With a view to achieving these objectives, TBL is continuously reengineering its internal business process, developing new products, improving of IT based solution and focusing on-the-job learning and off-the-job training of its human resources. As such, number of certified experts like CDCS, CSDG, CAMS for handling trade transactions of TBL have grown over past few years.

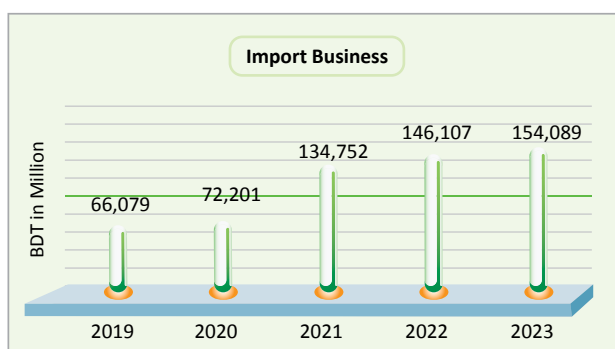
Due to dwindling situation of forex reserve, regulatory compliance has increased significantly in 2023. Trade Based Money Laundering (TBML), Cyber Attacks on SWIFT system creates anxiety in the banking arena. Trade Services Division addresses these issues on right time, disseminating information to the trade partners and foreign trade officials of the bank and arranged different workshop to cope up with the new horizon and challenges of international trade.

Import related services

Trust bank offers a wide variety of import related services to the customers. Some of them are mentioned below:

- Issuance of LC – sight, deferred, BTB, UPAS
- Import under contract – DA & DP basis
- Add confirmation, discounting, acceptance and refinance
- Post import financing both in Conventional and Islamic mode

Commonly used imported items are capital machineries and spares, industrial raw materials, food-grains, petroleum etc.



Export related services

Complete packages for export related services are available at the counter of all AD branches of TBL. Some of the mentionable export related services are as follows:

- Advising and transfer of export LC
- Facilitate export against contract
- Documentary collection
- Export financing like FDBP, IBP, Packing Credit, Discounting of Direct & Deemed export bills
- Issuance of PRC & cash incentive claim handling

Major export items are RMG, shrimp & frozen fish, food items, jute & diversified jute products, finished leathers & leather goods, handicrafts, pharmaceuticals etc.

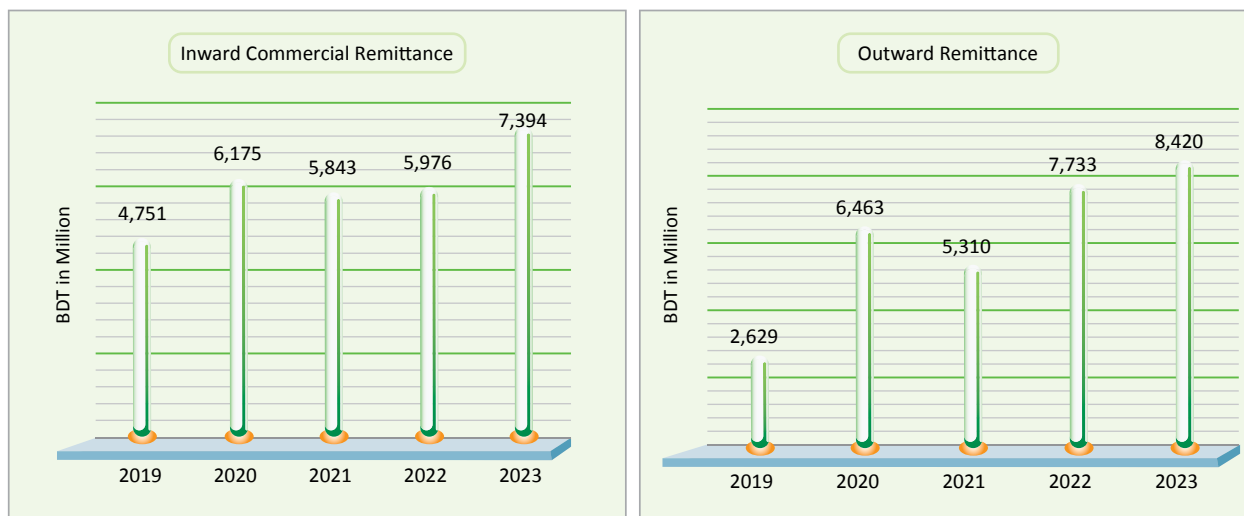


Remittance & FC account related services

Complying existing regulatory requirement, customers can open all sorts of FC accounts at TBL. TBL provides professional services related to FC accounts and remittances – both private and commercial, inward and outward. These include:

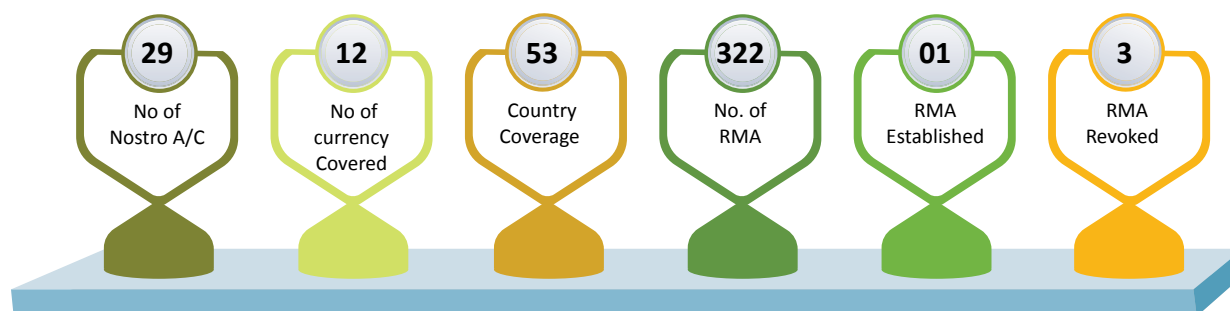
All types of FC accounts:

- Private FC account
- NFCD
- RFCD
- ERQ
- FC accounts under general and special permission
- Foreign Direct Investment and foreign branch office transactions
- Handling of all types of commercial and wage earners remittance
- Private remittance like student file, travel, treatment etc.
- Investment in NRB Bonds i.e. Wage Earners’ Development Bond, US Dollar Investment Bond, US Dollar Premium Bond



Correspondent Banking Service

One of the foremost banking activities of the Trade Services Division is making concerted effort to enhance and expand the horizon of the bank to the global trade and banking industry by strengthening the relationship with the foreign banks for smoothening the progress of International trade business of the Bank. The different endeavors of this department has placed the Bank in a stable position to facilitate the trade flows through our global network by establishing Relationship Management Applications (RMA) with 322 numbers of well-reputed foreign banks & their branches covering 53 countries across the world. To make the operation of the foreign exchange transactions with more ease, our Bank is now operating 29 Nostro Accounts in 12 major currencies with internationally reputed banks across the globe. Besides, we have established 03 new RMA with new banks considering the increased business demand and in the meantime, revoked 03 RMAs after reviewing the KYC of the correspondent Banks.



Swift And Sanction Screening:

Connectivity with SWIFT network enables TBL to exchange messaging in a secured and authenticated manner with thousands of Financial Institutions round the world. Foreign exchange transactions with local and foreign banks, correspondent relationships, transferring cross border payments and placement of funds etc. is not possible without the existence of SWIFT. Relentless effort of SWIFT and Transaction Screening team facilitates TBL and its customers smooth, vibrant and compliant foreign exchange transactions.

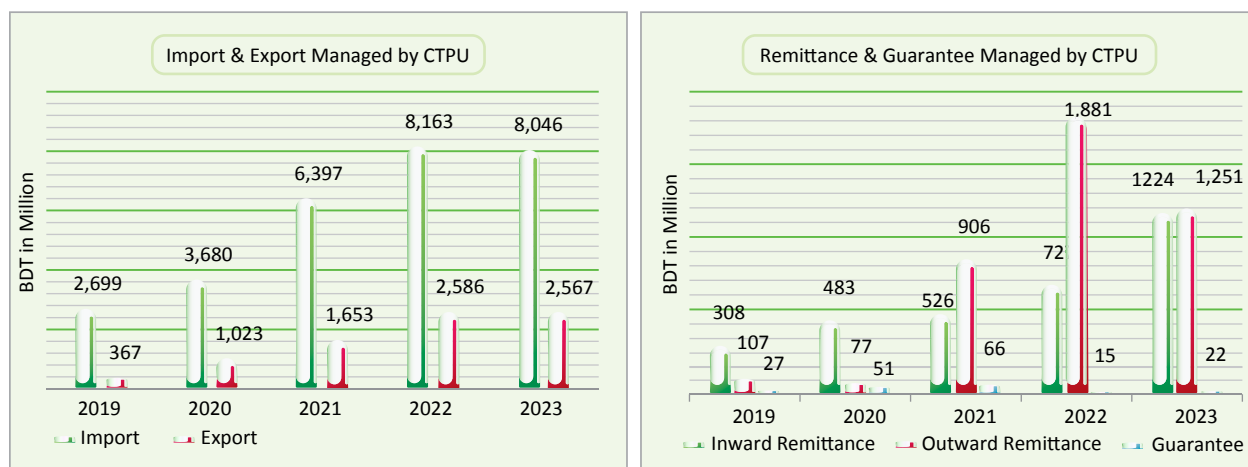
Operating under the constant threat from sophisticated criminal and terrorist financing activities, SWIFT is changing its operating nature and message types and format in a more reliable and secure way such as FinPlus (ISO20022), TBL has also adopted with it to face the increasing challenge of keeping pace with ever changing regulatory requirements designed to combat such activity. Transaction screening tools of SWIFT helps us comply with 36 sanctions lists from all major regulatory bodies including UN, OFAC, EU, HMT etc. We are also CSP compliant and KYC registry compliant.

Centralized Trade Processing Unit (CTPU)

Centralized Trade Processing Unit (CTPU) is operating under Trade Services Division on no profit basis with the goal to process Trade Related Transactions of different branches. It is located at Head Office, Shadhinata Tower, (Level-8) Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206. The unit is operated with a team of dedicated bankers who are well conversant in International Trade & Foreign Exchange Business. CTPU started its journey from 14th March, 2019 by taking over the trade related transactions of 04 Non-AD Branches. Remaining Non-AD branches transactions came under the purview of CTPU with effect from 01st June, 2019. Later on CTPU took over the foreign trade transactions of 'Elephant Road Branch' (AD Branch) with effect from 03rd November, 2019. At present import, export, guarantee and remittance related functions of all 99 Non AD Branches with their sub-branches and 01 AD branch are being done through CTPU.

Business Managed by Centralized Trade Processing Unit (CTPU)

CTPU spreads foreign trade business to the countrywide Non-AD branches and helps achieving robust growth of it. Within five years of launching, CTPU secures 198% growth in import and 601% growth in export.



Future Plan of Centralized Trade Processing Unit (CTPU) is to take over the foreign trade transactions of remaining AD branches in phases.

Offshore Banking Unit

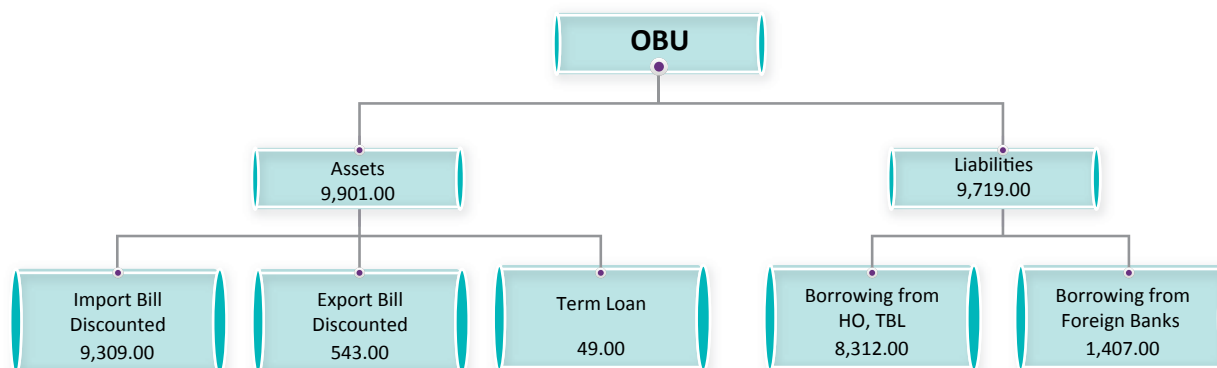
Offshore Banking Unit (OBU) of Trust Bank Ltd. started its operation on 04 December, 2013 as a unit under Dilkusha Corporate Branch, Dhaka -1000. To ensure effective control, efficient fund management, and quick decision making Offshore Banking Unit (OBU) of the bank was relocated to Millennium Corporate Branch, Shadhinata Tower (Level-2), Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206 on 03 October, 2021 as a unit of the Branch.

OBU provides the following products & services to the clients:

- Foreign Currency Deposit Accounts of Non-Residents individual & corporate entities.
- Export-Import services to Type-A industries of EPZ & EZ.
- Discounting of Import Bills (UPAS).
- Refinancing of UPAS LC.
- Export bill discounting both foreign & local.
- FC term loan to eligible industrial units.

Performance of OBU

Book size of OBU as on 31 December, 2023 (Fig. BDT in Million)



Comparative analysis of last five (05) years Performance:

Though there is no significant change in the book size of OBU, profit of OBU in BDT increased by 56.45% in 2023 from 2022.



Way Forward:

OBU is in the process of launching FC Deposit Accounts termed as International Banking (IB) accounts in the name of resident Bangladeshi individuals and corporate entities including Type-A, Type-B and Type-C industrial enterprises operating in EPZs/EZs/HTP having bonafide relations with non-residents.

Islamic Banking

Islam is not only confined with Ibadah but it has complete guidance for human life. It tells us how to manage all activities of life in a sound and ethical way. Its completeness describes in Quranic verse; "This day I have perfected your religion for you, completed my blessing on you and approved Islam as the way of life for you" (Al-Maidah: 3).

It has guided the human being how to deal in financial transactions known as Mu`amalah. This Mu`amalah component defines the conduct of economic activities within the Islamic economic system and lays down the rules for business, commercial, financial, and banking systems.

Islam demands all economic activities including banking should run in accordance with the Islamic Shariah i.e. prohibition of **interest** from all transactions and dealing in businesses that are allowed (**halal**) in **shariah**. **Islamic Banking** has potential for earthly returns (earning profit) as well as reward in the Divine world (benefit in hereafter) by abiding the instructions of the **Almighty Allah**.

To ensure compliance of Shariah guidelines, Islamic banking practices a strong documentary record keeping system eliminating all vagueness regarding business & responsibilities of the parties involved.

TRUST ISLAMIC BANKING

Trust Bank is presently carrying out its Islamic banking operations through 30 (Thirty) Islamic Banking windows with the Brand Name Trust Islamic Banking (TIB).

Besides the 30 (Thirty) windows, all TBL branches can provide both Islamic Banking deposit and investment services through on-line banking system.

Shariah Compliance

Shari'ah is regarded as the foundation of Islamic banks. The distinct feature of Trust Islamic banking is the existence of distinguished Shari'ah Supervisory Committee that comprised of renowned religious scholars. This Committee exerts influence on the operation of Trust Islamic Banking. New products for TIB is introduced with the prior permission and approval from the Shari'ah Supervisory Committee. The Shari'ah experts do have a very significant role in the contemporary practice of Islamic banking, much more than in the context of early days of the Islamic economic system.

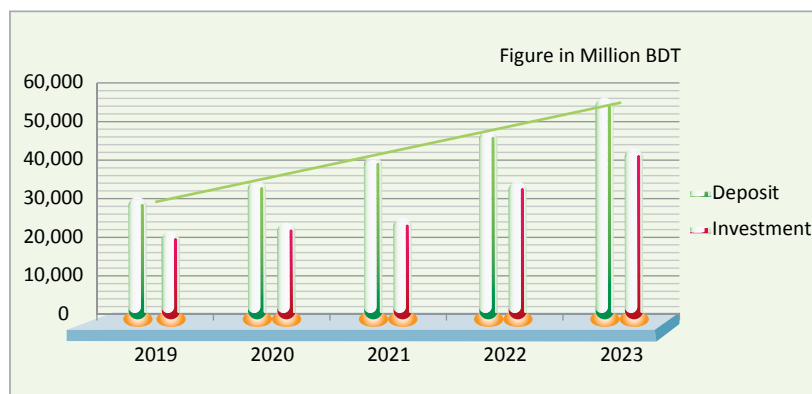
To oversee the Shariah compliance of Islamic Banking operation of Trust Bank, TIB has an Internal Shairah Audit/Review team (Muraqib). Muraqib (Shariah Auditor) who is a qualified CSAA conducts shariah audit/inspection throughout the year to its Islamic Banking Windows as per Shariah Audit Plan (Calendar) approved by the Shariah Supervisory Committee.

In addition to the Shariah guidelines, Trust Islamic Banking (TIB) strictly comply the Bangladesh Bank instructions regarding Islamic banking operations and adheres to the followings:

- Completely Separate Fund management—no mixing of fund with the conventional banking deposits of the Bank. Investments are made from the Islamic banking deposits only.
- Separate book-keeping, Profit & Loss Account by Islamic banking module of Bank's CBS.
- Profit sharing ratio (Depositor: Bank) is 65:35 for the year 2023.
- Profit distributions are executed as per approved weightage table.

Deposit & Investment

The overall business activities of TIB has seen a very positive growth. Both Deposit and Investment of TIB has increased significantly in the year 2023.



Trust Islamic Banking Operations is closely monitored and supervised by a knowledgeable & committed team in Islamic Banking and finance to ensure compliance, development and growth of TIB business. TIB offers the full range deposit & investment products & services for Corporate, Retail & SME sectors.

A separate Balance-sheet, Profits & Loss account and statement of Cash-Flows are shown in the Annexure E,F,G of this report. The figures appear in the Annexure have been incorporated in the related heads of financial statement as recommended by the Bangladesh Bank.

Retail Banking Division

Retail Banking is a way for individual consumers to manage their money, have access to credit, and deposit their funds in a secure manner. Retail Banking plays a vital role in overall portfolio of the Bank. It deals with retail customers and provide wide range of retail banking facilities which includes Home Loan, Personal Loan and Car Loan etc. along with many deposit products. The core objective of TBL Retail Banking is to maintain a robust, resilient and environmentally sustainable banking by delivering superior value propositions to the clients. This will continue through using customer analytics to drive contextual experiences, enhanced customer satisfaction, investment in innovation and services for ultimate customer experience.

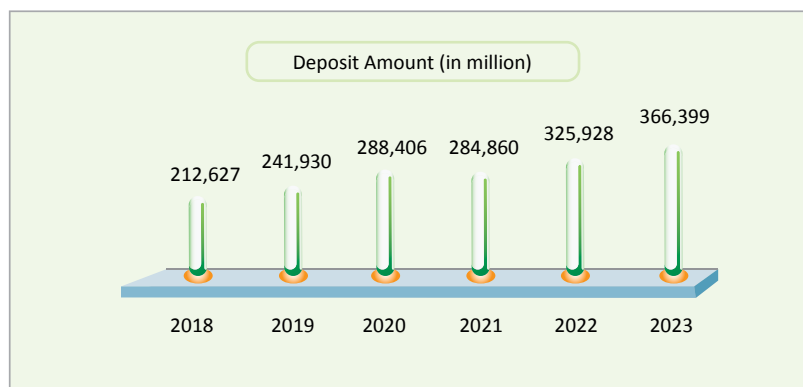
Business Highlights

In the backdrop of broadly competitive and demand variable market, Retail Banking Division of TBL has achieved a notable progress in 2023. During the tenor, both Retail Asset and Liability portfolio has increased in good number.

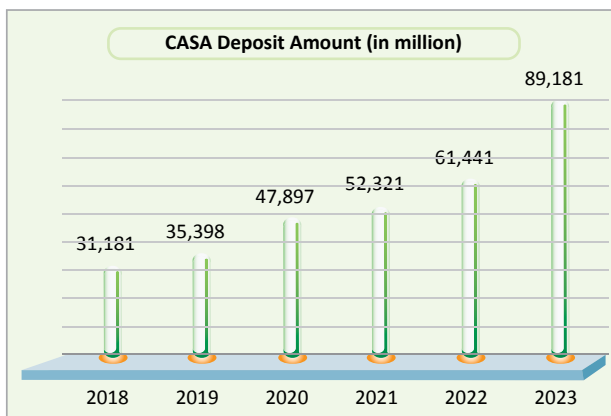
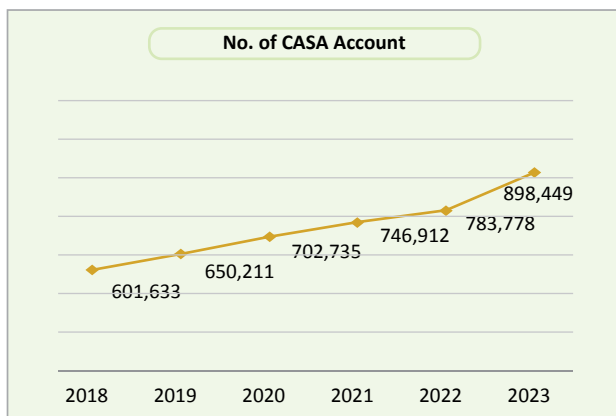
Retail Deposit

We are continuously striving for excellence to give the best possible experience to our customers, treating deposit as the lifeblood of the bank. In order to increase number of accounts and to create new avenue of deposit, a Deposit Campaign “Summer Fest – 2023” was successfully completed which eventually ensured a sound balance sheet.

Our deposit position was tidy with BDT 366,399.15 million, alongside, number of accounts also grows by 5.08 % than previous year with a number of accounts around 10.81 lac. This achievement looks even more impressive that, retail customers avail products suitable for individual needs - deposit products like Savings, Fixed, Current, monthly deposit etc.

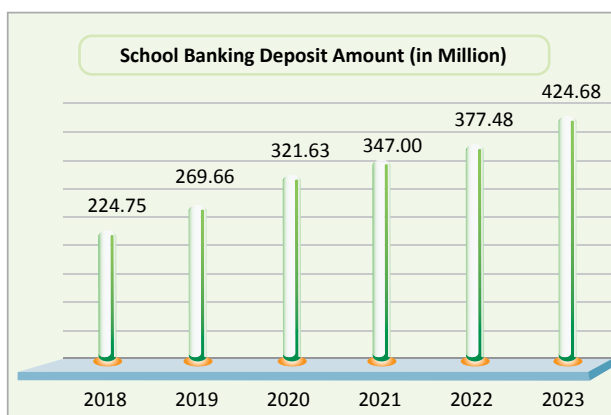
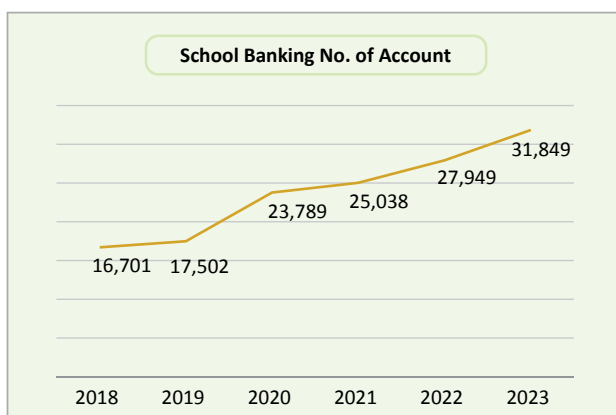


Current Account & Savings Account (CASA) has increased in the year of 2023. CASA is considered as the main gateway to relationship between Customer with bank and it enables bank to maintain sustainable deposit requirement. A continuous growth has been achieved with BDT 89,181 million alongside 898,449 accounts.



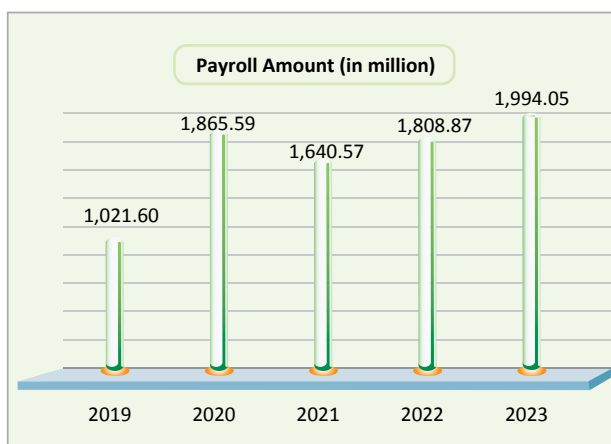
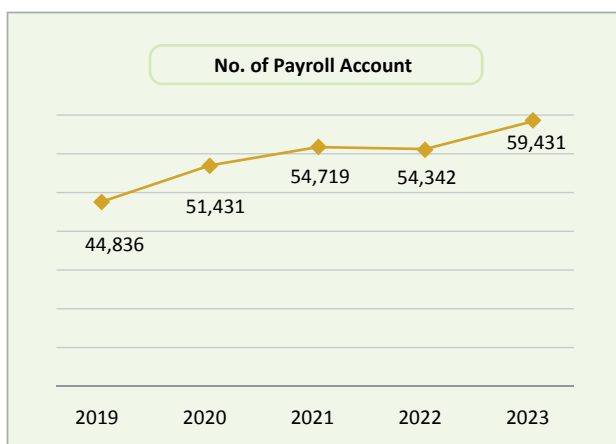
School Banking

To increase the savings habit among school going children and achieve the vision of financial inclusion, TBL provides various product services and organized several school banking campaigns in different educational institutions all over Bangladesh in 2023. Number of accounts and amount of deposit both sees an upward trend in 2023.



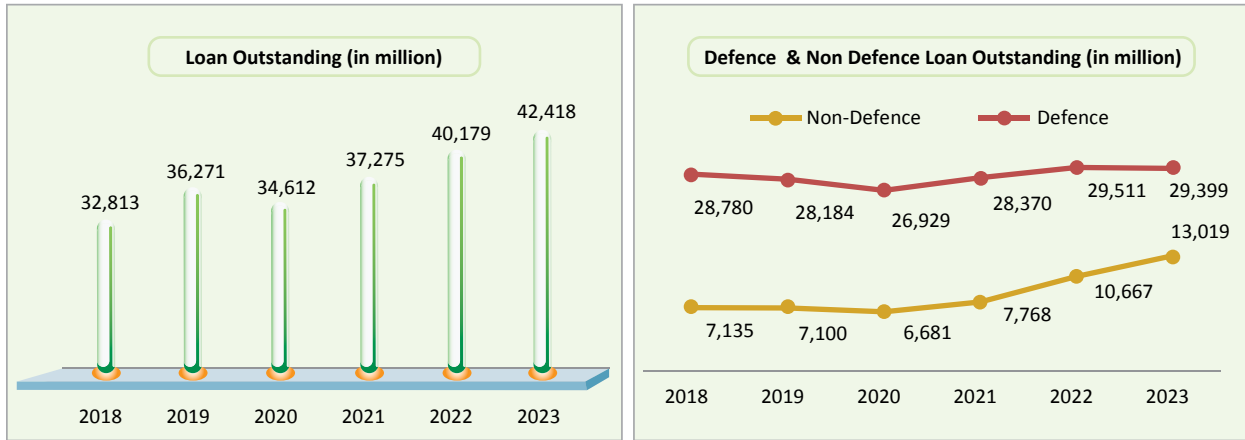
Payroll Banking

Payroll Banking services are targeted towards facilitating employee payroll accounts for companies. These accounts are given special benefits and services so that account holders can carry out their banking transactions conveniently. In 2023, TBL has over 59,000 payroll accounts with balance amounting BDT 1,994.05 million which was 54,342 and BDT 1,808.87 million in 2022 respectively.



Retail Asset

Even though, global unrest situation due to war, fuel price and higher inflation makes an adverse financial condition world-wide, TBL Retail credit registered a steady growth in 2023. Following the trend of industry, TBL also extended their asset business with robust marketing and disbursed BDT 10,140.36 million of Retail loans and the loan outstanding became BDT 42,418.88 million.



Training and workshop

RBD has arranged several training and workshop sessions in 2023 to instill confidence and update knowledge on retail financing. Through these sessions, sales and branch personnel of TBL were versed with the current Asset and Liability products and it’s features, updated regulatory policies, it’s concept and market characteristics.



DSR Training - 2023

Signing Ceremony

Retail loan products entail loans and advances that cater to individual needs such as home loan for financing purchase, construction or renovation of houses, auto loan for buying cars and personal loans for any personal purpose.

To increase home loan, TBL has signed MoU with some leading developers like Edison Real Estate Limited, CA Property Development Limited (CPDL), Fortress Real Estate and Fortress Holdings Limited in 2023. Also a tripartite MoU has been signed between Trust Bank Limited, Bangladesh University of Professionals (BUP) and the Ministry of Finance to initiate House Building Loan for teachers / employees of BUP.



MoU signing between TBL & Edison Real Estate Limited



Signing Ceremony between TBL & CPDL



Tri-Partite Agreement signing with TBL, BUP & MoF

SME Banking

Cottage, Micro, Small and Medium Enterprises (CMSME) are popularly known as Small and Medium Enterprises (SME), is one of the most effective strategies to ensure sustainable economic growth and development of the country. Contribution of SMEs in terms of employment and income generation, poverty alleviation and GDP growth is quite significant and praiseworthy. Trust Bank Limited (TBL) besides its SME lending also plays a vital and effective role in implementation of various SME related schemes of Central Bank. TBL has considered SME financing as one of the best Business Model to achieve its financial inclusion objective. To this end, SME and Agriculture Division was established in 2009 comprising SME Business Unit, Credit Risk Management Unit, Product Development Unit, Monitoring Unit and Women Entrepreneur Development Unit. TBL is efficiently maintaining its sector-wise, area-wise and segment-wise SME loan distribution on a par with Central Bank directives.



Glimpse of 2023 in SME Banking

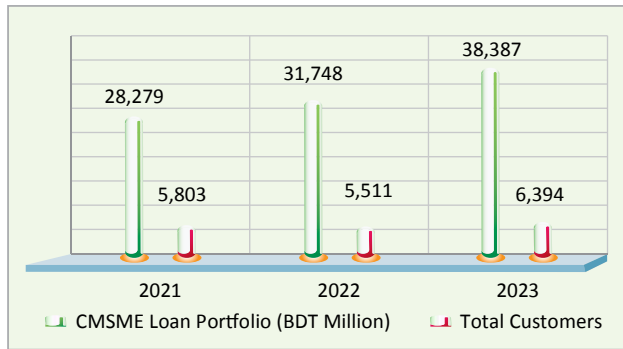


Growth of SME Financing

CMSMEs play a starring role as a backbone in an emerging economy in positions of employment generation, spreading of wealth and sustainable socio-economic progress. SME businesses globally challenged a direct hit in 2023 due to lack of production, market sales, fuel & power, instability in import of raw materials, uncertainty of political issues. Most of the businesses which depend on imported products met higher tip times and often faced absence of supply. Trust Bank connected with SME clients in financing for business expansion, machinery purchase, working capital requirement, construction, etc. even though the economic condition was gloomy. Although Bangladesh as like other countries sufferings due to crisis of reserves and war situation all over the world, Trust Bank continuously financing to the SME customers specially among the businesses under cottage, micro, small and marginal or lower income generating professionals. SME loan portfolio of Trust Bank has been growing consistently over the years. For the last three years, SME loan growth is depicted as below:

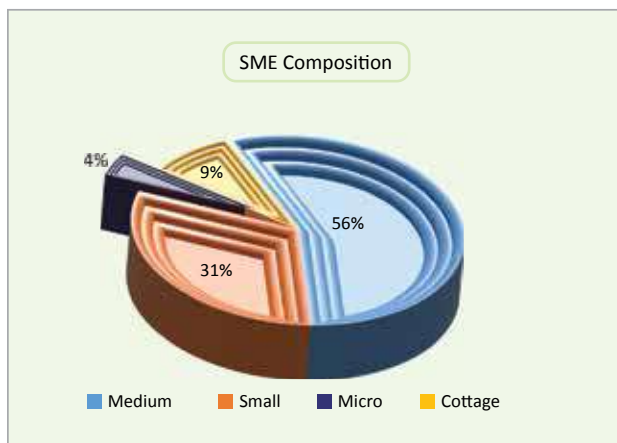


| Metrics | 2023 | 2022 | 2021 |
|------------------------------------|--------|--------|--------|
| CMSME Loan Portfolio (BDT Million) | 38,387 | 31,748 | 28,279 |
| Total Net Growth (BDT Million) | 6,639 | 3,469 | 3,470 |
| Growth Rate of CMSME Loans | 21% | 12% | 14% |
| Total Customers | 6,394 | 5,511 | 5,803 |



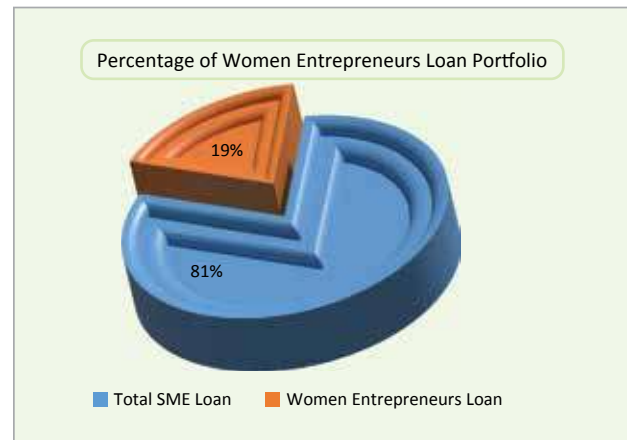
Composition of SME Portfolio

Composition of our total SME finance by Nature of Enterprises (Manufacturing, Service and Trading) and Size of Enterprises (Cottage, Micro, Small and Medium) as of December 31, 2023:



Women Entrepreneurs Loan Portfolio to Total SME Loans

Trust Bank is also well focused on financing to Women Entrepreneurs through its countrywide branch network. All the branches are delivering priority services to the Women Entrepreneurs and established 'Women Entrepreneur Help Desk'. Moreover, the bank focuses on the development of rural economy financing to the cottage and micro enterprises under SME Finance for uplifting the women empowerment through MFI linkage. Share of women entrepreneurs' loans to total SME loans is illustrated here:

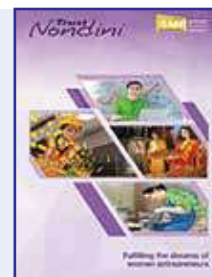


SME Products and Services

TBL has been providing SME financing through its 14 number of tailor-made products. These products are designed to cater the demand of various customer segments covering different geographical areas in the country. Some of the popular products of TBL are highlighted as below:

Trust-Nondini:

- ▶ Loan for Women Entrepreneurs.
- ▶ Term Loan and Working Capital.
- ▶ 60 months' tenor with 06 months' grace period.
- ▶ Special interest rate under Bangladesh Bank Refinance.
- ▶ 02 years' experience of continuous business.
- ▶ 20 to 60 years' age limit.
- ▶ Collateral Free Loan up to Tk. 25.00 Lac.
- ▶ Easy documentation.



Trust-Ekota:

- ▶ Group CMSME area & cluster finance.
- ▶ Credit facility for a group up to Tk.3.00 Lac.
- ▶ Term loan for maximum 30 months.
- ▶ No mortgage is required.
- ▶ Group Guarantee.
- ▶ Easy documentation.



Trust-Muldhon:

- ▶ Loan for any trading business.
- ▶ Term Loan and Working Capital.
- ▶ Loan facility up to Tk.5.00 Crore.
- ▶ 48 months' tenor with 06 months' grace period.
- ▶ 02 years' experience of continuous business.
- ▶ 20 to 60 years' age limit.
- ▶ Easy documentation.



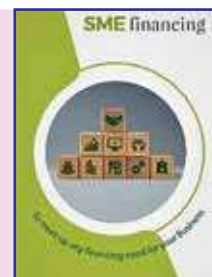
Trust-Shufola Bangladesh:

- ▶ SME loans for rural entrepreneurs.
- ▶ Loan facility for Biogas plant, Solar system, Fisheries, Poultry & Livestock, Agro based product processing.
- ▶ Term Loan and Working Capital Finance.
- ▶ Low interest rate under agricultural credit.
- ▶ Easy documentation.



Trust-Suchana

- ▶ Loan for manufacturing, service, trading, agro-based industry and other banks' priority customers.
- ▶ Term Loan, Time Loan and Single Installment Loan.
- ▶ Only 20% cash margin.
- ▶ 30.00 lac limit for up to 36 months and 50.00 lac for up to 60 months.
- ▶ Minimum 02 years' experience of continuous business.
- ▶ 20 to 60 years' age limit.
- ▶ Easy documentation.



Training Programs

Trust Bank SME & Agriculture Division conducts different training programs to train up the bank's officials and SME entrepreneurs for the awareness of SME finance. Trust Bank recently conducted a month-long training for 25 no. of entrepreneurs at the hill tract area of Rangamati. This program has provided the entrepreneurs about learning of business, how to develop their skill for being a successful entrepreneur and establishment of their businesses. The training program will help them for self-employment and development of their life style at the hill tract area. Trust Bank also provide in-house training session to its officers for the development of their skill and services in SME Banking. This workshop will build up the awareness of SME finance policy, definitions, SME product and services, reporting etc. Officials of the branches, specially SME dedicated desk related officers are mainly entitled for this workshop.



Trust Bank has conducted a month-long-100 hours training to the entrepreneurs on 'Entrepreneurship Development Programme' under SEIP Training Project in February, 2023 at Rangamati.



Arranged 02 (two) days' workshop on SME Financing at Trust Bank Training Academy, Dhaka for SME Credit Officers of different branches.

Loan Disbursement Programmes



Trust Bank disbursed SME loans among potential entrepreneurs participated on the month-long 'Entrepreneurship Development Programme' under SEIP Training Project in February, 2023 at Rangamati District.

Agreement between Trust Bank & SME Foundation



Trust Bank SME & Agriculture Division has signed an agreement with SME Foundation on 04 April 2023 under 'Special Package Credit Wholesaling Revolving Fund' at Sher-e-Bangla Nagar, Dhaka.

Agriculture Financing

Although industrialization has become the main economic pillar, agriculture remains the lifeblood for the economy of Bangladesh. Agriculture has been functioning in Bangladesh since long as a catalyst for sustainable development and growth of the country. However, despite having ample prospects in agriculture sector, some challenges are remaining present in the sector. To this end, a number of collaborative and coordinated approaches are required to be initiated. One of such notable initiative taken by Central Bank is 'Mandatory Agriculture Loan Disbursement Policy' for the Banks. However, Trust Bank is financing to agro sector successfully by its own network and NGO/MFI linkage.



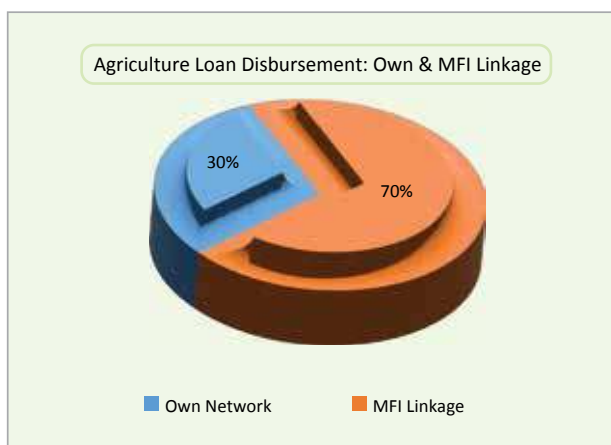
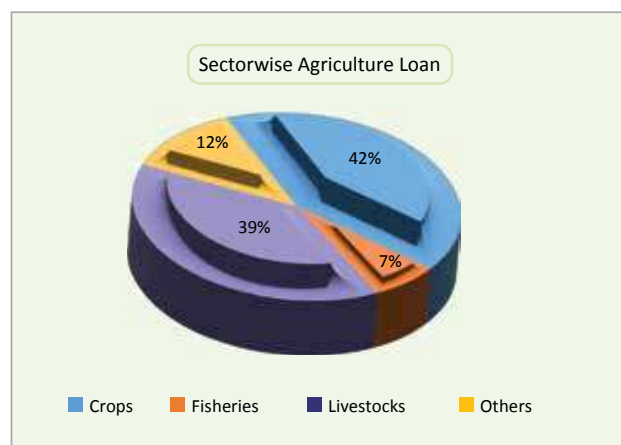
TBL Agriculture Loan Performance

(BDT in Million)

| Financial Year(July-June) | Disbursement Target | Achievement | (%) of Achievement |
|----------------------------|---------------------|-------------|--------------------|
| 2023-2024 (until Dec 2023) | 6520.00 | 4,143.09 | 63% |
| 2022-2023 | 5,020.00 | 5,425.85 | 108% |
| 2021-2022 | 4,090.00 | 4,742.98 | 116 % |
| 2020-2021 | 3,880.00 | 4,176.89 | 107 % |

Composition of Agriculture Loan Portfolio

Trust Bank's financing in agriculture sector (FY: 2022-23) through own and MFI linkage is well-distributed in different sub-sectors which are shown by the following pie charts:



Priorities of SME and Agriculture Finance in 2024

The first and foremost priority for the year 2024 is to grab a sizeable market share in this competitive arena by addressing the diversified financing needs of millions of small scale SMEs and diversification reduces the risk associated with concentration in specific sectors or types of borrowers. New SME Deposit products are being developed to attract low cost deposits for the bank with steady growth which will enhanced our lending capabilities and opportunities. Strong emphasis will be given to sell the most popular products in the market to maximize overall SME loan portfolio. SME & Agriculture Division will also emphasize to finance under Tk.25,000 Crore Refinance Scheme of Bangladesh Bank to SME manufacturing and Service sectors. For the sustainable food security of the country and increase the production of Rice, Potato, Wheat and Maize, we shall pledge our full attention to finance to the Agriculture sector under Tk.5,000 Crore and Tk.1,000 Crore refinance scheme of Bangladesh Bank.

Credit Risk Management

Banks are the largest financial intermediary whose major functions are collecting deposit from surplus economic units and deploying fund in the deficit economic units. The core objective of providing credit is to promote economic development by ensuring quality finance to productive sectors.

To strengthen credit/investment discipline, the risk management practices of banks, Bangladesh Bank issued 'Guidelines on Credit Risk Management (CRM) for Banks'. In order to put the bank on sound footing and to develop sound banking practices, Trust Bank has adopted core guidelines and other credit related circulars and instructions of Bangladesh Bank, Risk Management Guidelines for Banks, and the Risk Based Capital Adequacy Framework in line with Basel III.

In adherence to the regulatory framework and own operational aspects, Trust Bank Ltd. formulated internal Credit Policy Manual which has been reviewed & upgraded on yearly basis. The policy is aligned with core principles of identifying, measuring, managing and controlling credit risk in bank.

During the year 2020-22, business activities all over the world was badly affected by outbreak of COVID-19 pandemic. Besides, since February 2022, the Russia-Ukraine war and other external uncertainties created a great deal of international trade turbulence and a host of problems in the global economy including price hikes of fuel caused by disruptions in the global energy supply chain, potential sanctions affecting trade dynamics, and increased geopolitical tensions impacting investor confidence. The situation's complexity makes it challenging to predict precise outcomes. As a result, borrowers could not achieve targeted sales as well as generate expected revenue due to price hike of imported raw materials and delay in getting receivables.

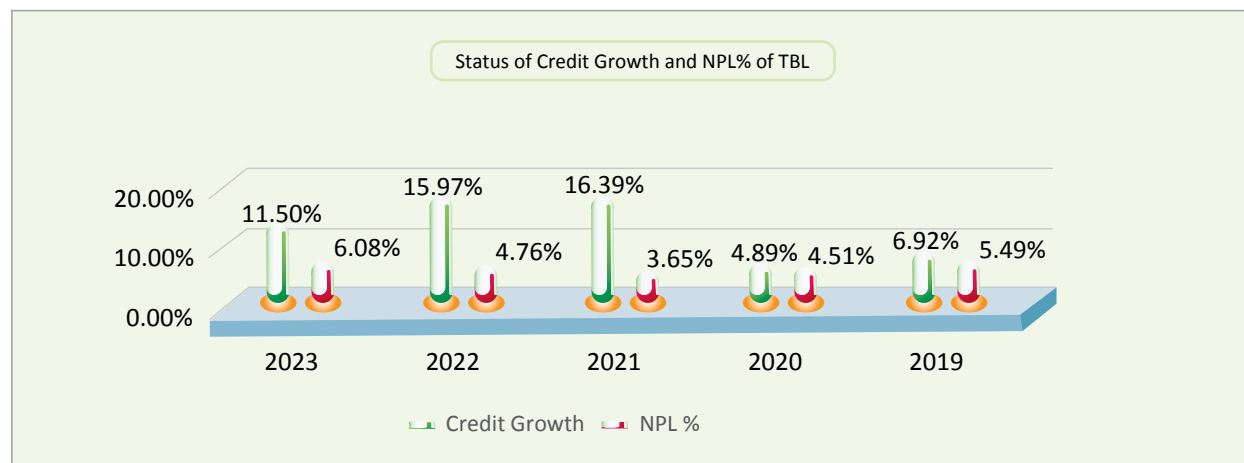
As a consequence, Bangladesh economy is striving to restore the stability of the exchange rate and manage the inflationary pressures. In this regard, Bangladesh Bank is maintaining a tightened monetary policy stance which is intended to control inflation and stabilize funding to productive sectors. Rising interest rate makes difficult for the businesses as their cost of doing business going-up significantly. Presently, Banks are following crawling peg exchange rate system and interest rate based on Six-months Moving Average Rate of Treasury bill (SMART).

In light of the prevailing economic conditions, Trust Bank delineates business strategy to navigate these diverse challenges to make its portfolio resilient to different shock scenarios. Bank is designing inclusive process through risk appetite with an objective to bring trade-off relationship between sustainable credit growth and NPL position.

(Figure in BDT million)

| Particulars | 2023 | 2022 | 2021 | 2020 | 2019 |
|------------------|------------|------------|------------|------------|------------|
| Loans & Advances | 332,703.58 | 298,376.45 | 257,295.38 | 221,063.69 | 210,766.74 |
| Credit Growth | 11.50% | 15.97% | 16.39% | 4.89% | 6.92% |
| NPL Amount | 20,215.31 | 14,212.22 | 9,381.99 | 9,966.15 | 11,577.08 |
| NPL % | 6.08% | 4.76% | 3.65% | 4.51% | 5.49% |

Bank's credit is crucial for promoting growth and employment. The single most potentially devastating risk arises from the loan portfolio of banks i.e. risk of non-payment by the borrowers. So, managing credit portfolio is crucial for a bank in order to trade-off between risk and return. It is pertinent to mention that Trust Bank has been consistently maintaining its loan portfolio over the last five years in terms of business volume and profitability. At the end of 2022, total Loans & advances of the Bank was BDT 298,376 million whereas at the end of 2023 it stood at BDT 332,703.58 million registering a growth of 11.50 percent against private sector credit growth of 10.20 percent.



In the borrower selection process, Bank is focusing financing based on cash flow analysis in addition to obtaining of adequate collateral security. Moreover, Bank is concentrating on implementation of different credit appraisal techniques including ICRRS statement, CIB status, external credit rating report, past performance, application of appropriate credit products depending on repayment capacity of the Borrower, tools for credit monitoring/ supervision and finally early alert system & recovery.

Despite global economic challenges, high inflation and post-pandemic circumstances making it difficult for borrowers to pay back loans, however, under the guidelines of Bangladesh Bank, Trust Bank Ltd. has been able to maintain consistent business performance throughout the year. Bank has employed its best endeavor to handle the present economic situation in an efficient manner to keep bank's credit/investment health in good condition from any major shock.

Syndication & Structured Finance Department

Syndication & Structured Finance Department (SSFD) is engaged in various and divergent functions of the Bank. This Department is one of the most adept structured finance solution providers in the Banking Industry. TBL SSFD also possess institutionalized capabilities to successfully manage the unique and multidimensional process of project finance transactions. We provide services as

- Syndication fund arrangement for different projects.
- Term Loan, Short Term Loan & Working Capital financing.
- Providing Refinancing and financing for capital expansion to existing/new clients' as per their requirements.
- Structuring, documenting, and closing the financing deal.
- Provide specialized funds i.e. IPFF of Bangladesh Bank.
- Bridge Finance.
- Agency Services.
- ECA Financing.
- Advisory Services.

Portfolio

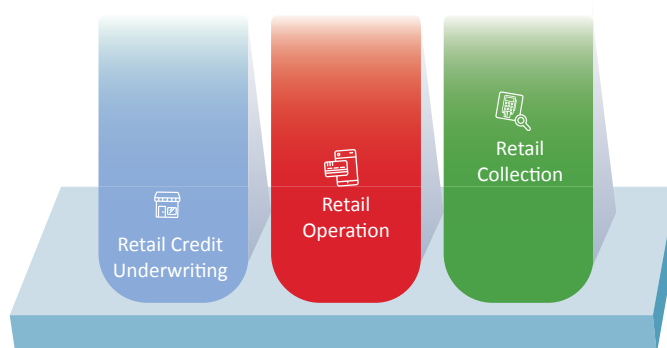
As of December 2023, the SSFD is dealing with 83 accounts with the outstanding of BDT 90,614.91 Million (approx.) including funded and non-funded facilities. SSFD has also significant investment in capital and money market through investment in Bond of BDT 3,157.21 Million and investment in Preference Share of BDT 3,734.00 Million. Besides these, SSFD has been functioning the Agency Services and Advisory Services which they carried out in regular basis.

Major Achievements

- Trust Bank Limited is the highest fund recipient of Investment Promotion and Financing Facility (IPFF) of Bangladesh Bank to help alleviate constraints in infrastructure financing.
- TBL has already set strong foothold in capital and money market investment mechanism.
- TBL arranged fund to set up the largest private sector refinery plant at Chattogram.
- SSFD also acted as the Trustee of Bonds of different Banks and corporate house (e.g. UCB, IFIC, IDLC, City Bank and Impress Newtux etc.)
- The Syndication and Structured Finance Department (SSFD) has introduced venturing new modality of financing i.e.; ECA Financing, LTF etc. for TBL
- We maintain an efficient portfolio management i.e. maintaining significantly low NPL ratio by strict monitoring of existing accounts.

Retail Finance Centre

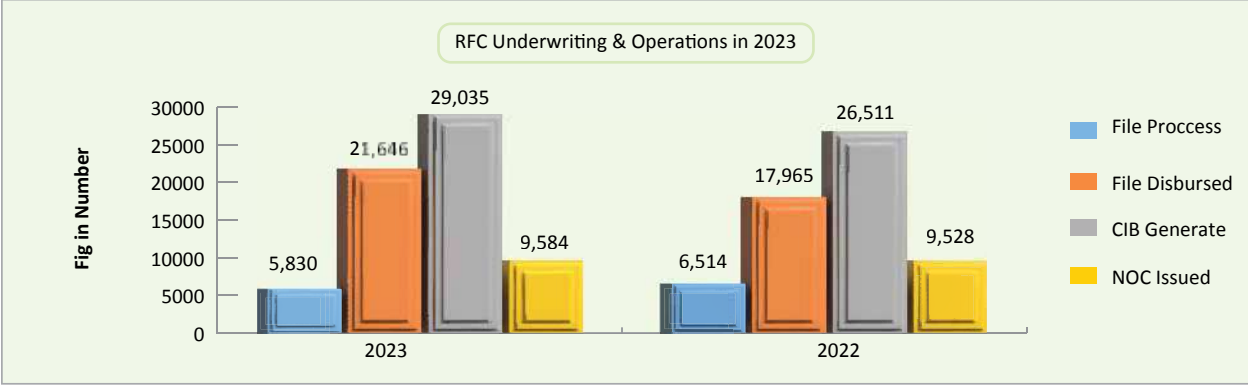
Considering the scope of business opportunities and the competitive market scenario, a specialized division called "Retail Finance Centre (RFC)", a One-Stop-Center for Retail Financing was established in 2018 to provide superior service and Banking experience. As per organization organogram the Head of Retail Finance Centre is reporting to Chief Risk Officer (CRO) of the bank.



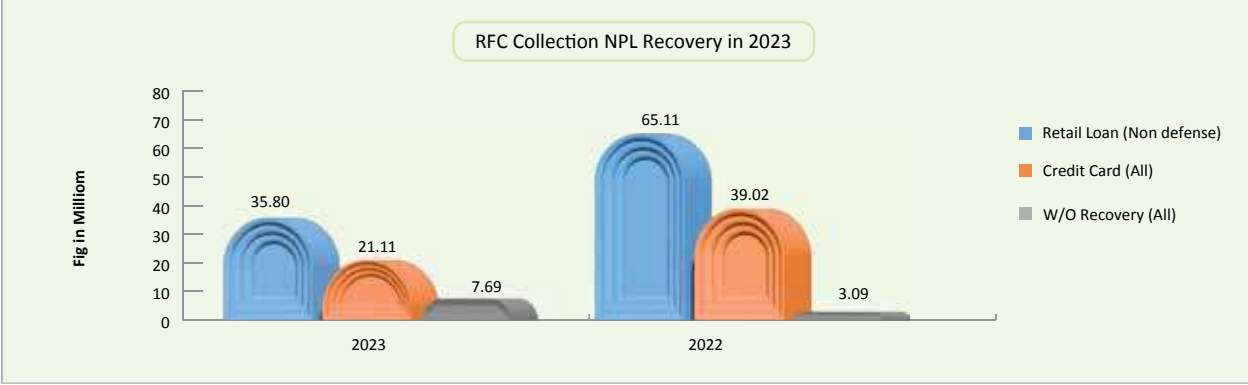
Depending on size and completion of operation TBL, RFC encompasses 03 (three) separate departments, Retail Credit Underwriting, Retail Operation and Retail Collection working simultaneously to serve the retail asset clients:

Retail Credit Underwriting department is responsible for assessment and approval of retail loan proposals and credit cards, cash collateral forwarded from various business groups and MIS reporting. In the year of 2023, the division has received and assessed a total of 5,830 (Five thousand eight hundred & thirty) number of files out of which, a total of 4,695 (Four thousand six hundred & ninety-five) proposals were approved; thus, approval ratio is 80.53% and total approved loan amount stands BDT 5,580.30 million. RFC also started processing of "House Building Loan for Government Employees" in collaboration with Ministry of Finance this year. Moreover, in the year 2023, RFC-NOC team has issued 9,584 (approx.) no. of NOC favoring different level of defense personnel.

Retail Operation is a separate department for retail loan disbursement & CIB generation. In the year 2023, Retail operation has disbursed 21,646 no. of retail loans including cash collateral, where disbursement amount total is BDT. 17,040.11 Million. RFC-CIB Team has generated 29,035 no of CIB reporting in the year 2023.



Retail Collection department is responsible for all activities related to collection & recovery of retail portfolio. In the year 2023, this department has saved 2,327 no of risky borrower which outstanding figure is BDT. 419.38 million to being classified and 816 no's of accounts has been declassified, regularized/closed which outstanding balance is BDT 109.78 million. RFC has successfully recovered BDT 11,653.63 million & BDT 797.73 million from Non-performing retail loan & credit card respectively in 2023. Apart from, this department of RFC has successfully recovered an amount of BDT 7.69 million only from the Write-off loans. In addition, at the end of the December 2023, NPL rate of retail loans & credit cards stands 2.40% & 4.90% respectively.



RFC has also ensured sound practices in overall credit management viz. Credit processing/appraisal, documentation, disbursement, monitoring and collection. The division also regularly implements credit management policy and lending guidelines in line with regulatory guidelines.

While the economy is still under recovery from the pandemic-driven meltdown, the escalated economic crisis and consequent inflationary pressure compelled the banking industry to undergo several instantaneous and rapid changes to remain resilient throughout 2023. However, RFC division witnessed significant growth in retail loan approval, disbursement & recovery in 2023. After all our focus on maintaining sustainable credit quality, emphasis on improving customer experience (onboarding and reducing the loan turnaround time, etc.)

Credit Administration Division

Credit Administration Division (CAD) is the core Division in a Bank or Financial institution that is related with managing the entire credit process. CAD plays an important role for conducting background and documentation checks on the potential customer of a Bank. Credit Administration division acts as a checker point of the documentation with the approval letter given by the Credit Risk Management division along with the regulatory compliance. CAD doesn't give any disbursement approval till the completion of full & final documentation. As such Credit Administration Division of the bank is responsible for managing and ensuring compliance with various credit related process. The division firmly looks after different activities like loan disbursement approval, checking all documentation related to loan such as inspection, valuation, revaluation, insurance and monitoring of assets as well as process related to hypothecation, pledge, mortgage, submitting the returns to the Regulatory Bodies. MIS, Monitoring/Supervision and CIB reporting are also overly associated with this division. In briefly Credit Administration Division plays many roles and activities which helps to retain the sound health of the bank as well as the stakeholder. The duties which are being performed by CAD are given below:

i) Credit Policy Circular and MIS Issue:

A credit policy is a critical document for any Bank or Financial Institution. It provides the guideline how the Bank provides the loan to customer and how it collects delayed payments and overdue accounts. Credit Administration Division and its officer are closely connected with the latest policy & guideline related to Bank and Financial Institutions. According to the latest policy, guidelines and circulars, CAD also develops its own policies & guidelines. Due to submission of different reports to the regulatory bodies & higher management, the division must be updated with the latest regulatory laws in the banking industry. Credit Administration Division (CAD) is compiled and maintained the credit database/MIS for mitigation the credit risk of the Bank. For this, various types of reports such as Loan Classification and Provisioning, SBS, CDLC, ISS, Sector-Wise Loans and Advances in respect of Public & Private components, Directors' Loan etc. prepare by Credit Administration Division (CAD) and submit those to Bangladesh Bank, Board of Directors and other regulatory authorities within stipulated time frame.

ii) Documentation & Disbursement:

Credit Administration and documentation are two of the critical components in managing credit & supporting the credit process. Proper credit administrative and documentation process allow credit analysts to monitor accounts and identify ways to reduce default risk. For these consequences, Credit Administration Division starts its work after getting approval from the CRM Division. As a final checker point of the documentation of the Bank, CAD meticulously checks & verifies all the charge and legal documents related to the particular loan. CAD always ensures the legal validity of the legal documents according to the legal vetting of panel lawyers enlisted by Legal Division. In case of any deviation, the division may ask the Branches to update documentation formalities which are legally valid. Disbursement approval is given by the CAD after protection of Bank's interest through documentation formalities as per approved conditions certified by enlisted lawyers.

Credit Administration Division (CAD) allowed disbursement permission only after getting final satisfaction letter from the enlisted lawyers as well as complete opinion from the legal division of Head Office on case to case basis.

iii) Credit Monitoring and Compliance:

The Credit Administration and Monitoring Department works to maintain the efficiency of credit administration, measurement and monitoring processes and ensure adequate control over credit risk. The major responsibility of Credit Administration Division is to monitor the loan accounts vigilantly soon after disbursement. As the Credit Administration Division in Trust Bank Limited gives the final disbursement approval to the Branches, so the division has a high responsibility to maintain the quality of assets & to sustain profit as well as growths. As a part of monitoring and supervision the division keeps a close eye on the probable risky borrowers & overdue accounts which have a chance to turn into classified. Moreover, any credit related observations which are addressed by the IC&C division and needs to be rectified by the CAD, then CAD takes immediate action to resolve the deviation through communicating with the Branches.

Credit Administration Division closely deals with overall portfolio based on industries/ sector concentration at regular intervals and brought it to the notice of Senior Management periodically for their information and guidance. The Credit Administration (CAD) is also authorized for the enlistment and evaluation of the enlistment of third party service provider as surveyor of the Bank so as to conduct survey on the collateral security that offered to secure different credit facilities of the clients of the Bank.

iv) CIB Issues:

In general, CIB report is needed for decision making in providing loans for the Bank and other Financial Institutions. After approval of the loan from CRM division Credit Administration Division gives the disbursement authority after getting clean CIB report of the borrower. The CIB cell under Credit Administration Division is directly involved in generating the CIB report and providing it to the Branches as per their requirements. Besides, CIB cell is updating and rectifying CIB Database communicating with the Bangladesh Bank as and when required.

Recovery and Monitoring Division (R&MD)

R&MD is dedicated to maintaining the quality of assets in close collaboration with divisions and branches to achieve optimal results. R&MD aggressively pursues willful defaulters and negotiates terms for amicable settlements while demonstrating sensitivity and responsiveness in addressing legitimate challenges.

As part of NPL Management, R&MD plays a pivotal role in releasing classified/written-off funds to the Bank, as well as releasing interest suspense and unapplied interest. R&MD's persistent efforts over the years have enabled the Bank to significantly lower its NPL ratio through ensuring recoveries from classified and written-off accounts.

R&MD's outstanding performance is evident in its total cash recovery of Tk. 3,303.56 million in 2023, marking an impressive growth of 207% over the previous year. This includes recoveries of Tk. 3,240.98 million from classified loans and Tk. 62.58 million from written-offs.

Priority of 2024

Ensuring cash recovery and regularization of Non-Performing Loans (NPL) will continue to be our topmost priority. We are committed to maintain strong supervision, follow-up, and monitoring of classified and NPL accounts. Special emphasis will be placed on the recovery of written-off loans. To intensify our efforts in this regard, we have implemented several key initiatives:

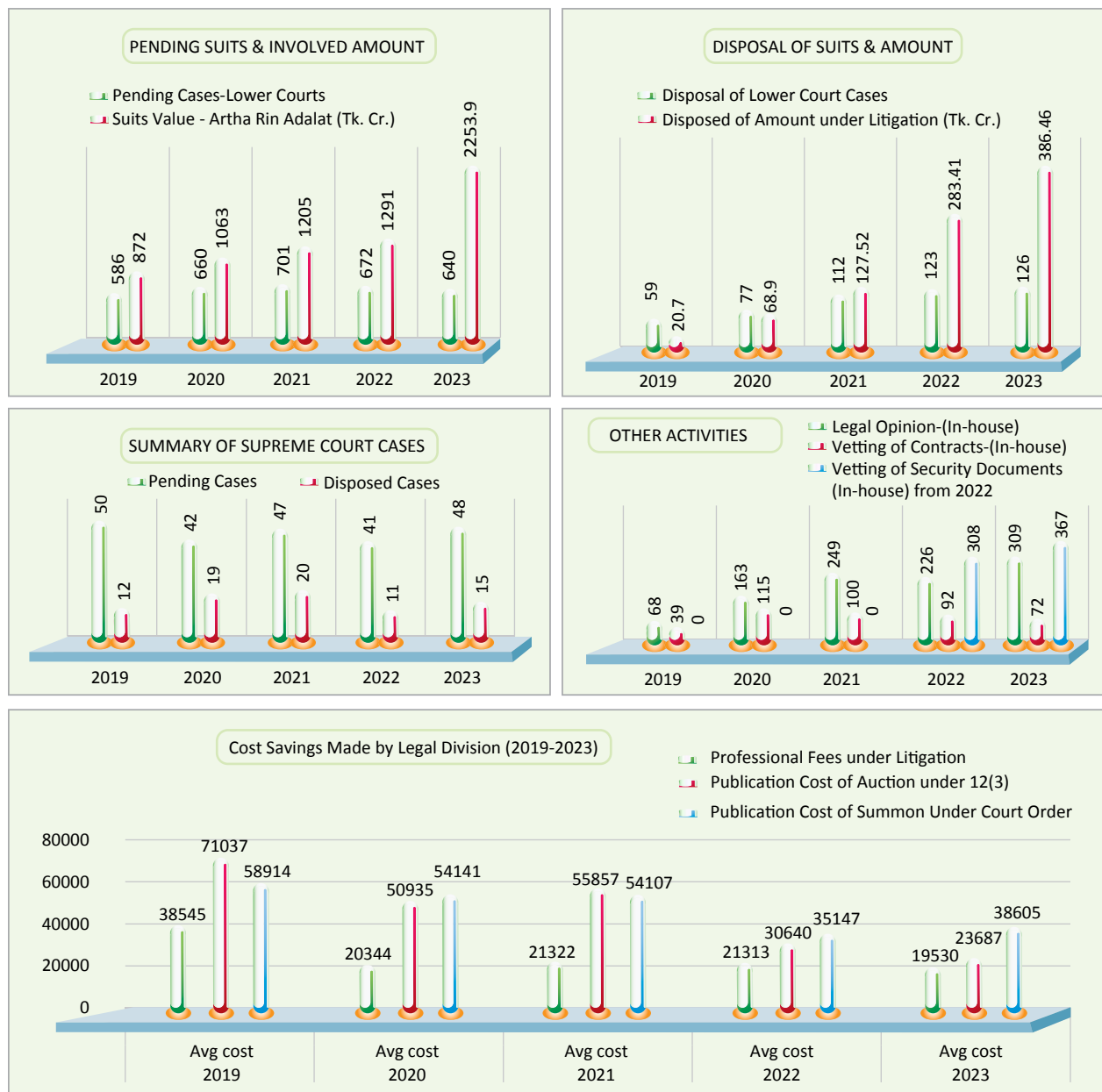
- ✓ Assigning specific targets to branches for recovering funds from NPL and written-off loan accounts.
- ✓ Segregating classified loan accounts based on securities and business status.
- ✓ Conducting extensive visits to defaulting borrowers.
- ✓ Utilizing virtual meetings for efficient time and people management.
- ✓ Implementing customer engagement strategies to encourage timely repayment and negotiation.
- ✓ Strengthening collaboration among departments, divisions, and branches to streamline the recovery process and maximize efficiency.
- ✓ Providing ongoing training and capacity-building programs to employees involved in NPL management.
- ✓ Expedite legal actions against defaulters and ensure compliance with regulatory requirements.

Legal Division

Legal Division continued to discharge their responsibilities through advising on various financial sector laws and regulations within its jurisdictions including Banks' subsidiaries. In the review year, the changes brought in the Bank Company (Amendment) Act, 2023, the Finance Act, 2023 and BB policies had crucial impact on the legal risk management of the Bank. The policy about the management of loans and advances of willful defaulters has created further impacts on Bank's NPL management. Litigation management of Bank has become the greatest challenge now-a-days due to weak enforcement of court procedure, too many hearings, notifications, lengthy execution process, filing writ petition for limited reasons, and appeal etc. Obtaining bank loan through submitting fake documents by fraudsters is also a common phenomenon of the financial sectors. Legal Division safeguards the bank by ensuring legal support through timely delivering accurate legal advice, providing opinion and scrutinizing security documents, contesting litigations etc. to all branches and department/division.

Legal Division disposed 126 lower court cases out of 672 in 2023 which have involved amount Tk. 386.46 crore out of Suits Value Tk. 1,291.00 crore and 15 Supreme Court cases also disposed of out of total pending cases no-41. The Certificate of Possession u/s. 33(5) of the Artha Rin Adalat Ain, 2003 has been obtained against 02 defaulted clients. Legal Division recovered Tk. 4.94 crore (Pay Order) through Court process from Chhattaogram Zone during 2023. Documentation team have delivered a total no of 367 final vetting on security documentation files against disbursement of loan facilities in addition to 309 opinions on referred matters. This division also published various policies and arranged 02 (two) Legal Training Workshops for educating the Credit Officers of branches about litigation and documentation management system in the review year.

In compliance of the BB policies Legal Division obtained Travel Restriction order from the learned Court against the willful defaulter (Modern Steel Mills Ltd.). A "Rapid Recovery Team" was formed to expedite recovery of bad loans. Independent appraiser also appointed for auction & liquidation of mortgaged properties of the defaulted borrowers of the bank.



Forecast Plan of Legal Division for 2024

Legal Division has prepared following consolidated plan for 2024 to achieve the objectives and assigned goals:

- To dispose of at least 135 cases out of 640 number of pending suits/cases before Subordinate Courts of Bangladesh to mitigate NPL.
- To dispose of / vacate stay order of at least 15-20 cases out of 48 pending cases before High Court Division of the Supreme Court of Bangladesh.
- To scrutinize at least 375 files relating to Credit Documentation relating to registered mortgage and deferral matters.
- Integration of a Documentation and Litigation Management Software/Dashboard with up to date functionalities.
- To provide legal opinions on referred matters at least 320 cases and vetting of 100 contracts and service level agreements.
- To obtain 4-5 number of Certificates under section 33(5) and 33(7) of the Artha Rin Adalat Ain, 2003.
- To circulate a number of Guidelines in relation to contemporary legal issues to reduce legal risk.
- To arrange at least 02-03 legal Training Sessions/Workshops for Educating Officers about legal aspect of banking operations, recovery of NPL through legal process and contemporary banking legal issues.

Banking Operations of Trust Bank

Operations Division is entrusted with overall operational risk management of the Bank. The primary objective of operations is to ensure a high level of product and service delivery from all branches within a control culture.

Trust Bank Limited has implemented an operational risk umbrella that encompasses all aspects of potential risks- Bank protection, fraud prevention, business line risk oversight, regulatory compliance, business continuity, contingency plan, loss of physical asset etc.

At Trust Bank Limited, Operation Risks are managed based on the following principals:

- Supporting the Units of the Bank on demand basis.
- Ensuring that the management system for operating risk complies with regulatory norms and legislative standards.
- Developing risk management tools.
- Separating authority and responsibility among Bank employees and establish Dual-Control Culture.
- Clear definition and communication of Policy.
- Periodic Evaluations Based on Internal & External Reports.
- Development of loss databases.

Information Technology

Adoption of digital transformations has huge impact on how Banks lead the digital revolution towards cashless economy. Trust Bank Limited is continuously upgrading its IT infrastructure and enhancing digital platforms capability to align with Honorable Prime Minister Sheikh Hasina's dream of developing "Smart Bangladesh". The Bank has deployed latest technologies and integrated various delivery channels with its infrastructure to provide digital services to the customers by optimizing cost, increasing profitability, improving efficiencies, and ultimately improving the customer service. With its centralized online banking solution and multiple digital channels, the Bank is now capable to serve its customers from anywhere, anytime (24x7x365).

The Bank has recently taken various initiatives on digital transformations to enhance ease of use of different digital platforms for improving customer experience and ensure the highest level of data security for customer's privacy and protect against cyber threats that are continually evolving globally. Through its corporate Governance from Management and Board, the Bank is essentially maintaining its compliance as per Bangladesh Bank guidelines.

Digital Services through continuous transformation

The bank is continuously investing for transforming its digital platforms while ensuring better, fast and secured services. Trust Bank is providing digital services through personal and corporate iBanking, easy and user friendly mobile banking application "TrustMoney", SMS communication system, email notification, Fund transfer through digital channels, Real time Foreign Remittance transfer through NPSB, BEFTN, bKash, Nagad. All utility bills payment through apps and ecommerce, merchant Payment, institutional fees payment through bank's MFS "tap", Customer services through automated call center, Cash-in and Cash-out between bank account and MFS Account. In addition to the above, Information Technology is continuously supporting to adopt state of the art technology for its own Card Management system and Mobile Financial Services.

Periodic Enhancement of IT Infrastructure and System

Aligning with the IT and Cyber security roadmap, the Bank is continuously enhancing its IT infrastructure. By implementing layer 7 security with next-generation firewalls, email security gateways and other state of the art technologies. The Bank ensures data security, confidentiality, availability, and integrity across the bank. Periodical upgradation of IT systems enhances the performance and scalability of the services. Continuous enrichment of Data Center and network is in place to support sustainable, robust and resilient IT infrastructure. Platform upgradation is considered as a process to have a sustainable growth in terms of technology.

In-house Developments

The Bank has developed a unique automated communication system to bring all the employees of the Bank in a single platform through intraweb management system. Employees attendance, file archiving, card processing, circular distribution, TADA bill processing, loan and LC approval system and all other necessary communication is done by this system. It is used for both one to one and one to many communications. The Bank is continuously progressing towards services through various automated and paperless systems. To automate the payment systems for both

foreign remittance and local payment, there is a strong application system developed and maintained by in-house team to transfer the money to the beneficiary account. Currently twenty plus foreign exchange houses are integrated with this payment system, by which money is transferred instantly 24/7 to the destination account using BEFTN, NPSB, bKash and Nagad channels.

Training and Cyber Security Awareness Programs

The Bank arranged various training sessions throughout the year to improve knowledge and skills of the IT personnel regarding new technology and latest cyber threats. The Bank conducts periodic cyber security training for all new and existing employees. In addition, the Bank also took initiative to raise customer security awareness on the risk of using digital technology through email, SMS and displaying banners in branches. The Bank has implemented an e-learning and e-exam system that reduces trip time, expenses, and resource usage. A major accomplishment for the Bank is the training academy's current use of virtual platforms for training and awareness.

High Availability and Disaster Recovery

TBL is committed to ensure the redundancy for high availability of banking services to its valued clients in all layers such Data Centers, Servers, backup solution, Network devices and connectivity, Application, mail communication and all other channels. In order to facilitate expanding business operations with sufficient security, the Bank completed extended work for its Data Center with the state of the art technology. In addition to data and network security, various physical security measures, such as data center access control, environmental security, fire prevention, etc., are appropriately under maintenance agreement. The DR Site has been outfitted in different seismic zone with cutting-edge technology that can be easily accessed in case of any disaster in DC so that client services are not hindered, in addition to watchful monitoring with a 24x7 NOC.

Information & Cyber Security Management

Trust Bank prioritizes information security in all aspects and therefore, set up a dedicated information security department to oversee technology risk throughout the Bank. A five-year cyber security roadmap has been developed to equip the Bank with the skilled manpower, latest security solutions and set up of Security Operations Center (SOC) for real time cyber threat monitoring. The Bank is in the process of assessing its cyber resiliency capability by engaging reputed firm to prepare itself for any cyber threats.

Technological challenges, including data privacy, security, and integrity, are now central to banking policy. The Bank has invested in detection technologies like PAM, Endpoint Security Solution. The control and security of IT assets will be enhanced by the use of Privilege Access Management (PAM) technology, which allows monitoring of system administrators' activities. This has created an extra layer of security for internal system administrators. The Bank enhanced end-user protection and endpoint security solution with encryption technology. Data Loss Prevention (DLP) technology is incorporated into selected system to protect exfiltration of sensitive internal data outside. The Bank has implemented a centralized, automated, layered security system. The Bank also implemented SIEM technology to track malicious behavior, store system event data, interpret logs centrally for analysis, and let IT security staff respond to threats much more efficiently.

ICT Security Governance

The "ICT Security Committee" and "ICT Steering Committee" have been established to guarantee that information security is implemented throughout the Bank in order to reinforce existing ICT security governance and accountability. To address changing ICT environments and regulatory requirements within the bank, TBL also regularly examines its policies. Furthermore, the committees ensure that all units and users are aware of, comprehend, and carry out their tasks and obligations as outlined in the policy.

IT Risk Management, Policy and Compliance

The objective of IT Risk Management is to reduce technology risk to minimum level. IT risk management is integrated with organizational internal control systems, which are employed as a management control for risk management in the organization. IT Risk Management deals with risk management operations, policy documentation, IT risk and security compliance, IT security awareness and training etc. to help create an efficient method for ICT systems to assure data integrity, availability, confidentiality, and consistency with a review to offer the necessary early warning mechanism. Risks can be diminished but not entirely eliminated. IT risk management calls for a disciplined approach that includes ensuring cyber security, IT risk awareness, quantifying business impacts, designing and implementing solutions across people, processes, and technology, and developing an ongoing IT risk management program with performance measurement and a model for continuous improvement.

Trust Bank Limited, with the approval of the Board, has developed an ICT Security Policy which includes a separate chapter of ICT Risk Management. This policy is compliant with ICT security guidelines of Bangladesh Bank covering various aspect of IT risk management. Since IT plays an important role in today's organizations, ICT risk management is a rapidly expanding field. Different Committees are functioning to guarantee the adoption of information security throughout the Bank in order to reinforce existing ICT security governance and accountability. IT risk is properly assessed and categorized by IT risk management, which helps to lower service costs and increase compliance. Additionally, IT risk management enables management to make smart management decisions to guarantee efficient business operations. This Bank follows best practices for version updates, patch deployment, security solution implementation, policy review, and compliance with external and internal audit.

ISO 27001 Certification for Information Security Management System (ISMS)

The Bank has recently obtained ISO 27001 certification on Information Security, demonstrating its commitment to information security management processes and providing assurance to all stakeholder's to adopt best practices.

ISO 27001 a globally recognized standard and best practice for information security management that provide comprehensive guidance and support to systematically reduce information security risks and vulnerabilities and continual improvement. The standard requires the Bank to continually review and improve its information security processes and practices.

SWIFT Customer Security Programme (CSP)

SWIFT CSP security guideline helps financial institutions, to protect their SWIFT payment network from cyberattacks and ensure integrity of transaction. The Bank has engaged an internationally reputed (Big Four) audit firm to conduct independent assessment of its SWIFT infrastructure and successfully complied for annual attestation from SWIFT.

Card Division

Legacy of Progress:

Over the past decade, Trust Bank's Card Division made following significant strides.

- Setting up solid foundation: Launched Visa cards since 2007 and deployed POS and ATM services partnering with a local switching service provider.
- Expanded our portfolio: Introduced Visa Debit, Credit, Prepaid, and Hajj Cards, catering to diverse financial needs.
- Reached a growing audience: Over 595,000 individuals benefit from our debit cards, and we've issued 21,000 credit cards.
- Championed sustainability: Eliminated paper-based credit card statements, adopting eco-friendly practices.
- Simplified Travel experience: Launched the Trust Hajj Card and prepaid cards, offering convenience and security for Bangladeshi travelers.

Embracing the Future: Bold Initiatives for 2024

As we move forward, the Card Division is set to revolutionize customer experiences with:

1. Unmatched Reliability:

- Deploying our new in-house switching system, targeting a robust, high-availability service that facilitates uninterrupted and friction-free transaction experiences.
- Implementing an advanced fraud prevention module to deliver enhanced security.

2. Customer-Centric Transformation:

- Empowering our mobile app with new features for seamless card management.
- Expanding our direct sales team for personalized service across all channels.
- Establishing a dedicated card sales team to drive targeted growth.
- Enhancing visibility and feature development with customer oriented value proposition.

3. Innovative Products & Engaging Campaigns:

- Introducing new card products tailored to specific segments and lifestyles.
- Offering cutting-edge features like contactless payments and digital wallets.
- Executing festival and targeted campaigns to generate excitement and engagement.
- Easy loan payment facility for non-commissioned defense personnel by introducing new credit card named 'TBL Sena Card'.

Setting Ambitious Goals:

Driven by a commitment to excellence, we aim to:

- Triple the number of credit cards issued by 2025.
- Double outstanding credit card balances by 2025.
- Transform customer service by offering mobile app-based delivery for all services by 2024.
- Empower all TBL cardholders with digital QR payment facilities by 2024.

These ambitious targets reflect the management's commitment to relentless pursuit of growth and customer satisfaction, unlocking untapped market potential and seizing new opportunities.

Internal Control and Compliance Risk Management

Internal control refers to the mechanism in place on a permanent basis to control the activities in an organization. In absence of it, risks resulting in unexpected losses caused by faulty internal processes, human errors, frauds & forgeries, technology failure and documentary lapses may surface. The primary objectives of internal control system are to help the bank perform better through the use of its resources, identify its weaknesses, take appropriate measures to overcome the same and ensure compliance with regulatory framework including applicable laws and regulations.

The bank has set up Internal Control & Compliance (IC&C) Division at Head Office to ensure that the Internal Control processes are in place. As per instruction of Bangladesh Bank the Audit Committee of the Board has been constituted to assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the bank. The committee reviews the financial reporting process, the system of internal control & management of financial risks, the audit process, health report of the Bank and the Bank's process for monitoring compliance with laws and regulations and its own code of business conduct. In the year 2023, 08 meetings of the Audit Committee were held. The bank has introduced 'Risk Based Internal Audit (RBIA)' to assess the business risk as well as control risk associated with the branches and determines how much follow up, monitoring & periodicity of internal audit would be required to bring a particular branch back to normalcy. If it is found that the performance of the branch is not satisfactory it is presumed that the branch has some weakness which may pose a potential threat for the Bank.

IC&C Division set out audit plan for the year 2023 which was approved by the Audit Committee of the Board (ACB) of the Bank. In 2023 IC&C Division conducted Comprehensive Audit in 116 branches & 33 divisions/departments at Head Office. In the same year IC&C Division carried out 60 Spot Inspections and 40 IT audits in different branches. In addition, audit was also conducted in 05 TBIL branches & TBIL Head Office.

IC&C Division of the Bank ensures its Internal Control Process through review of Departmental Control Function Checklist (DCFCL), Loan Documentation Checklist (LDCL) and Quarterly Operations Report (QOR) of the branches and other mechanisms.

Money Laundering and Terrorist Financing Risk Management

Presently the access facilities of Financial Institutions are shifting to digital systems which can meet different types of expectations of customers along with unexpected emergencies. Though the digital move is a blessing for the banking industry, this facility is creating an urge in the minds of fraudsters

to commit crimes. Money Launderers and Cyber Criminals are looking to take advantage of the digital inflow. In this situation, as a participant in the financial system, the Banking Institute has to play a significant role in the prevention of Money Laundering and Combating Financing of Terrorism.

The Banking Sector is one of the most vulnerable sectors for Money Laundering (ML) and Terrorist Financing (TF) in the financial industry due to its nature of business, customer base, product type, delivery channel, and external linkage. Banks play a vital role in preventing Money Laundering and Terrorist Financing by ensuring the effective implementation of relevant Acts, Rules & Regulations, and instructions of regulatory bodies. Trust Bank has developed and maintained an effective AML and CFT Compliance Program to ensure the compliance level is up to the mark of the regulatory authority's acceptable level.

To strengthen the prevention of Money Laundering and Combating Financing of Terrorism the major roles maintained by Trust Bank are as follows –

1. Ensure AML and CFT Compliance Program.
2. Issues circulars and instructions to branches on AML & CFT.
3. Arrange and impart training and workshop on AML & CFT for sharing updating knowledge of all officials of TBL.
4. Conduct inspection on AML & CFT System.
5. Evaluating through Self-Assessment.
6. Present compliance status on AML & CFT before Senior Management.

To mitigate the money laundering and terrorist financing risk and comply with an acceptable level to the regulatory authority, the management of the Bank has always been keen to maintain an effective compliance culture and a good relationship with its stakeholders.

Human Resource Management

TBL Human Resource Policy

Trust Bank Limited endorses equal, fair and transparent HR policies. It deals with people, neither paper, nor the rigid application of policies. It interprets the privilege, rights, responsibilities and expected behavior of both the employer and employees.

Employee Statistics

As a third generation Bank, TBL is marching ahead successfully with 116 branches and 7 sub-branches. As on 31st December 2023, a total of 2199 employees are serving in TBL. A glimpse of TBL employment comparison is:

| Offices | 2023 | | 2022 | |
|--------------|-------------|-------------|-------------|-------------|
| | Number | Percentage | Number | Percentage |
| Head Office | 517 | 23.51% | 519 | 23.79% |
| Branches | 1682 | 76.49% | 1663 | 76.21% |
| Total | 2199 | 100% | 2182 | 100% |

The employee group consists of both executives, senior officials and fresh young talents.

| Offices | 2023 | | 2022 | |
|--------------|-------------|-------------|-------------|-------------|
| | Number | Percentage | Number | Percentage |
| Executive | 243 | 11.05% | 192 | 8.80% |
| Officer | 1956 | 88.95% | 1990 | 91.20% |
| Total | 2199 | 100% | 2182 | 100% |

Age Composition

TBL has a relatively young segment in its overall employee group where 66.67% of the employees are below 40 years' age.

| Age Group | Male | Female | Total |
|------------------|-------------|------------|-------------|
| Equal & Below 30 | 263 | 96 | 359 |
| 31-40 | 827 | 280 | 1107 |
| 41-50 | 443 | 210 | 653 |
| 51-60 | 58 | 21 | 79 |
| Above 60 | 1 | - | 1 |
| Total | 1592 | 607 | 2199 |

Recruitment

TBL does not only believe in hiring the best but also to get the best out of the hiring employees. Therefore, our recruitment and selection process aims at finding the best sources, hiring the best talents who are technologically sound to cope up with the fast moving technology driven world and will be adding values for the betterment of the Bank.

Moreover, as one of the leading private commercial banks of Bangladesh, TBL believes in equal and fair recruitment process which is formulated to recruit and retain people having required corporate attitude and positive response. Job circulars are posted through renowned newspapers, job portals and our own career portal. TBL has been receiving job application through its own website since 2020.

In 2023, a total number of 113 regular employees and 48 contractual employees have been recruited. Among the regular employees, 63 have been recruited as fresh entrants including 25 Management Trainee Officer and the rest in different positions as lateral entrants.

HR MIS

HR Management & Information System (HR MIS) maintains, controls and preserves exclusive information of organization's human resources. It delivers on time data for taking smooth decision regarding human resources management and development.

Performance Management

TBL evaluates the job performance of an employee generally in terms of quality, quantity, cost and time through an ongoing conversation between supervisors and employees aiming to clarify what is expected from the employees and how they can achieve that expectation. The Bank conducts a fair and balanced assessment of employee's performance. It determines the process of obtaining, analyzing and recording information about the relative worth of an employee to the organization. It addresses of an employee's recent successes and failures, personal strengths and weakness and recommends for further training and development. It is also the judgment of an employee's performance in a job based on considerations other than productivity alone.

Compensation and Benefit Strategy

TBL offers standard compensation and benefit packages to the employees to meet their standard of living which promotes a high performance culture and boosts up market competitiveness. Salary is disbursed on a monthly basis with a combination of basic salary and other fringe benefits.

| Employee Benefits | End Service Benefits |
|--|--|
| <ul style="list-style-type: none"> Group Term Life Insurance (including Spouse) Staff House Building Loan Executive Car Scheme Staff Any Purpose Loan (APL) Residential Furniture and Appliances Benefit Travelling/ Travelling Allowance Benefit Loan against Provident Fund | <ul style="list-style-type: none"> Provident fund Gratuity Leave Encashment Superannuation |

Leave Facilities

Employees are entitled to Earned Leave, Sick Leave and Casual Leave. However, some other types of leave facilities e.g. quarantine leave, pilgrimage leave, leave without pay etc. are also available for employees which are at the discretion of management. Employees are also granted study leave (without pay) so that they can pursue higher education while keeping the employment intact.

Maternity Leave

A female employee is entitled to 180 (One Hundred Eighty) days maternity leave with full pay. An employee can avail this leave as per Bank's policy which is in compliance with the regulatory law of the country. During 2023, 26 female employees availed maternity leave facility. TBL encouraged pregnant female employees to avail maternity leave along with other applicable leave balances so that they and their expected child can remain safe.

Separation Policy

Employees may quit their job due to their own career development plan. On the contrary, the bank may let its employees off for variety of reasons including disciplinary ground and moral degradation. The bank makes sure a smooth and hassle free exit procedure for the departing employees. Simultaneously, we ensure that all departing employees get their dues in full at the earliest.

In terms of resignation, permanent employees need to serve a notice period of 60 days or surrender 60 days' basic salary in lieu, if agreed by the management. Notice period is 30 days in case of employees on probation.

Employee turnover information of last two years is as follows:

| Year | Number | Employee Turnover Rate |
|------|--------|------------------------|
| 2023 | 92 | 4.02% |
| 2022 | 94 | 4.13% |

Employee Engagement Programs

TBL HRD enlists Employee Engagement Program in high consideration in terms of taking their mind off from work load and motivating them to provide better output to the bank. These programs spread a positive vibe among the employees and lead to employee satisfaction. Therefore, it ensures better work environment, stress management and overall Employee-Management relationship.

Bangla Noboborsho Celebration

One of the biggest festivals of Bangladesh is Bangla noboborsho which is celebrated with massive arrangement from the management with participation of honorable Board of Directors every year. Branches also arrange celebration programs as well as "Meet and Greet" session with clients in respective branches.

Indoor and Outdoor Games

TBL fosters employee engagement in sports. It proudly takes part in different indoor and outdoor games arranged by the banking fraternity.

Following intra-communication platforms are taken to boost up employee engagement:

Colors of HR

It is a platform to celebrate employees' achievement, company milestones etc.

Human Resources Business Lyrics (HRBL)

A platform for individual employees to project fresh business concept & process improvement, risk mitigation, value addition in existing products, customer service and cost efficiency.

Suddhachar

According to Bangladesh Bank guidelines, Shuddhachar activities are taken to create awareness in the form of rhymes to practice integrity in every sphere of corporate environment.

HR-IT Financial News

A platform for all employees so that they can update themselves with the latest financial news.

Awareness Programs

Anti-Harassment Policy

TBL has "Zero Tolerance" principle against any harassments. TBL helps its employees protect from it so that they can serve the bank with dignity, decency and respect. The policy outlines the procedures of raising and investigating any harassment issue and disciplinary measures.

Speak Up Policy

TBL urges employees to raise their voice against any suspicious transaction, misconduct, breach of law or regulation within or outside the organization related to TBL. This practice keeps employees protected from any type of retaliation, as per policy. At the same time, information of employee making disclosure is kept confidential.

Grievance and Dispute Handling Policy

Human resources management enables employees to effectively and efficiently deal with issues concerning work, working conditions, treatment in the bank or relationships with colleagues. The bank has put in place a set of procedures to enable employees to raise any grievance that they may have in appropriate manner, address those issues and, hopefully, resolve them.

Fire and Safety Drill

Firefighting and safety drills are regularly organized at head office and branches to facilitate employees with the knowledge on how to fight against any fire incidents. This awareness program helps employees to be cautious in their day to day office and family life regarding fire issues.

Succession Planning

Succession planning involves recognizing internal employees and training them to assume new roles within the company. It begins with our overall business strategy and ends with a refined people and leadership plan. Bank has implied succession planning for all of its executive management positions in branch and head office. As a part of succession planning, every year Management Trainee Officers are recruited and they are nurtured as future leaders of the bank. They are adequately trained and groomed up so that they can take over responsibilities after necessary knowledge and experience gathering.

Women Empowerment

TBL believes that a financially sound woman is confident and can deliver as good performance as a man because financial independence is a prerequisite for women empowerment. TBL is an equal opportunity employer and therefore, a good number of female employees are recruited every year. In 2023, gender wise recruitment (regular) information is as following:

| Gender | Number | Percentage |
|--------------|------------|-------------|
| Male | 86 | 76.11% |
| Female | 27 | 23.89% |
| Total | 113 | 100% |

Overall gender positioning of employees are as follows:

| Gender | Number | Percentage |
|--------------|-------------|-------------|
| Male | 1592 | 72.40% |
| Female | 607 | 27.60% |
| Total | 2199 | 100% |

A good number of female employees are holding high-level positions in the bank. Out of 243 executive positions of the bank, 63 are women. At present, 23 women are holding various managerial positions in the branches. At the same time female employees are holding important positions in Head Office as well including head of division. Besides providing adequate opportunity, we ensure a good and safe work environment in TBL. Our female colleagues are protected against any sexual, physical or emotional abuse through **TBL Anti-Harassment Policy**.

Training and Development

TBL believes that investment in human resource development is the best investment in long run. As such, training and development programs can help creating a competitive work force. It is an opportunity for an individual to learn and sharpen one's skill. Therefore, TBL gives high priority in raising the quality and quantity of training & development opportunities. It is ensured that all employees have access to proper training/certification courses so that they can develop themselves and contribute for the overall development of the bank. Employees are provided

with different in-house training courses arranged by **Trust Bank Training Academy (TBTA)**. At the same time, employees are sent to different competitive training programs arranged by renowned organizations.

The overall training scenario for the year 2023 is as follows:

| Training & Workshop | 2023 | | 2022 | |
|----------------------|------------------|------------------------|------------------|------------------------|
| | Number of Events | Number of Participants | Number of Events | Number of Participants |
| In-house (TBTA) | 62 | 3710 | 29 | 2673 |
| Local (outside TBTA) | 96 | 282 | 65 | 203 |
| Foreign | - | - | 1 | 1 |
| Total | 158 | 3992 | 95 | 2877 |

In-house training programs comprised of foundation training on banking, training on core banking activities (general banking, credit, foreign trade etc.), AML & CFT, IT etc. Employees are also provided with soft skill trainings arranged by different renowned organizations including BIBM so that they can grow themselves and help others grow around them.

Employee Motivation for Professional Certification

Obtaining a professional degree/certification helps an employee grow his/her knowledge as well as secure a better career progression. Management of the bank always motivates its employees to acquire professional excellence. On completion of different banking related certification courses, different honorarium packages are awarded to employees e.g. CA, CMA, CIMA, CFA, CHRP, CS etc. The bank also reimburses cost incurred by an employee to acquire professional certifications like CDCS, CSA etc.

Internship Program

TBL offers internships opportunity to students from different reputed educational institutes for 2-3 months (8 to 12 weeks). Whilst it is understood that the interns have very little or no experience to contribute to the bank, this is done more to help the students as part of their degree to gather some corporate experience and thus fulfill part of our social obligation as a corporate organization.

Trust Bank Training Academy (TBTA)

Skilled and efficient manpower is the sine-qua-non for any organization. Thus, TBL believes that investment in human resource to galvanize the entire manpower into a strong and efficient workforce through training. The training activities of the Trust Bank Training Academy (TBTA) are focused on transforming human capital to achieve excellence by increasing their efficiency. It helps the employees to improve their general skills besides others like leadership, teamwork and collaboration, professionalism and strong work ethic, communication skills etc. It is ensured that all employees have access to proper training/certification courses so that they can develop themselves and contribute to the overall development of the bank.

Training & Workshop Scenario of 2023 and 2022

| Programs | 2023 | | 2022 | |
|----------|--------------------|--------------|--------------------|--------------|
| | Number of Programs | Participants | Number of Programs | Participants |
| Training | 30 | 1128 | 19 | 594 |
| Workshop | 32 | 2582 | 10 | 2079 |

Review of Business Operations of Subsidiaries

Trust Bank Investment Limited

Trust Bank Investment Limited (TBIL), a fully owned subsidiary of Trust Bank Limited (TBL), was formed and incorporated on 09 September 2010 as a public limited company under the COMPANIES ACT, 1994 in Bangladesh to handle the capital market operations. The company obtained permission from the Bangladesh Securities and Exchange Commission (BSEC) on 25 October 2010 to operate as a full-fledged Merchant Bank and started its operation on 14 November 2010 by taking over the assets and liabilities of the Merchant Banking Division of TBL. As a full-fledged merchant bank, TBIL is entitled to undertake all merchant banking activities viz, portfolio management, underwriting, issue management & corporate advisory services.

Despite facing various challenges, the economy of Bangladesh has consistently achieved double-digit nominal growth. Bangladesh economy has been growing consistently high over a decade crossing 7.0% milestone in FY 2015-2016 and 8.0% in FY 2018-2019. However, the COVID-19 pandemic reduced the growth rate to 3.45% in FY 2019-2020. But under the prudent leadership of the Government, Bangladesh successfully managed COVID-19 pandemic and returned to its high growth trajectory. The economy grew by 6.94% in FY 2020-2021 and 7.10% in FY 2021-2022. Unfortunately, the global political turmoil has caused a slowdown in Bangladesh's economic growth in 2023. Global commodities inflation, supply-side constraints, and a surge in fuel prices have led to reduced economic activities, financial sector challenges, and a liquidity shortfall. These factors have exerted pressure on the country's growth engine, resulting in a stressed Balance of Payments (BoP) and taka devaluation owing to volatility on the foreign exchange market; rising external debit and increased inflation. Apart from these economic issues, weak financial statements, poor initial public offering, continuous foreign selling pressure etc. have negatively impacted the capital market throughout the year.

The benchmarked index, DSEX, of Dhaka Stock Exchange PLC gained a modest 0.64% in 2023 closing at 6,246.49 points on the last trading days, compared to 6,206.81 points at the beginning of the year. The large-cap stocks suffered the maximum selloff as the blue chip index DS30 dropped by 4.60% to 2,093 index points. The market capitalization to GDP ratio declined to 17.59, down from 19.14 in 2022. The overall price-earnings (P/E) ratio stood at 13.12 at the end of 2023. Average daily turnover in the premier bourse slipped down to BDT 5,781 Million in the outgoing year, from BDT 9,600 Million in 2022. Around 10% of the DSE turnover was in the block market in 2023 compared to 6% in 2022. Imposing floor price squeezed DSE turnover by 40% in 2023. Food, general insurance, pharmaceuticals, life insurance, and IT collectively contributed to 50% of

the DSE's annual turnover among the sectors. The stocks with the highest trading volumes for the year encompass Sea Pearl Beach Resort Ltd., Bangladesh Shipping Corporation Ltd., Genex Infosys Ltd, Gemini Sea Food Ltd., Rupali Life Insurance, Eastern Housing Ltd., Intraco Refueling Station Limited, Orion Infusion Ltd., and Aamra Network Ltd.

In 2023, the jute sector demonstrated remarkable performance on the DSE, experiencing an impressive 11% increase in its market value. In contrast, the travel and leisure sector had the poorest performance, witnessing a significant drop of 25%. Out of the 20 sectors represented on the stock market, 12 saw price increases of up to 11%, five saw price corrections of up to 25%, and three remained in around unchanged condition. The Jute sector was followed by General Insurance, Cement, Tannery, Miscellaneous, Mutual Funds, Life Insurance, Food, Bank etc. The ceramic and pharmaceuticals sectors managed to gain 1% each. The worst hit sector travel and leisure (-25%) was followed by IT Sector and the Paper & Printing sector, losing 3% each during the year.

Small-cap stocks also dominated the gainers' table, with Khan Brother PP Woven Bag Industries (KBPPWBIL) being the top gainer with a 676% surge, followed by Trust Islami Life Insurance (451%), Khulna Printing & Packaging Limited (236%), RN Spinning Mills (161%) and Fine Foods (124%). On the other hand, Sear Pearl Beach Resorts alone saw a decline of 46% as a single issue in 2023. Sea Pearl Beach Resort was followed by Metro Spinning Ltd (-42.2%), Rahim Textile (-33.1%), Monno Agro & General Machinery Ltd (-32.5%), Orion Infusions Ltd (-31.5%).

The number of initial public offering at DSE has declined significantly compare to year 2022. Two new companies (Midland Bank Limited and Trust Islami Life Insurance Limited), One Mutual fund (Capitec Grameen Bank Growth Fund) and five perpetual bonds got listed in DSE main board with offer size of BDT 3,660 Million where Nine companies floated IPOs worth of BDT 11,092.00 Million 2022, which shows a negative growth in the IPO market in terms of numbers and amount of capital raised. Trust Islami Life Insurance Limited (TILIL) was the best performing IPO in 2023, registering a 451% return, followed by Midland Bank Limited with a return of 44%, and Capitec Grameen Bank Growth Fund with a return of around 28%. On the SME platform, 3 companies raised fund worth of BDT 200 Million in 2023. The MK Footwear PLC raised BDT 100 Million, followed by Al-Madinah Pharmaceuticals by BDT 50 Million, Agro Organica PLC by BDT 50 Million. MK Footwear PLC was the best performer in the SME market in 2023.

Mutual fund industry has registered a growth of 3.8% in 2023 compared to 2022. Close end funds has registered a portfolio gain of 1.72% whereas DSEX escalated to 0.64%. Phoenix Finance 1st Mutual fund is the best performer in 2023 with a return of more than 4%, followed by ICB AMCL CMSF Golden Jubilee Mutual Fund with a return of around 4% and Vanguard AML Rupali Bank Balanced Fun with a return of around 3%.

Foreign investment in DSE faced challenges throughout the year, turning positive for only three months. Political uncertainties in the election year, the depreciation of Taka against the US dollar, and issues in the banking sector contributed to the lack of confidence among overseas investors. The market observed unusual trends in the stock prices of specific companies, particularly those with weak fundamentals and a history of losses. Stocks with poor performance records, such as Khan Brothers PP Woven Bags and others, saw significant increases in share prices, contrary to market expectations. On the other hand, stocks with strong fundamentals remained stagnant at the floor price, posing a risk to market stability.

As Bangladesh approaches the 2024 national election, investors are exercising caution due to various challenges. These challenges include a rise in non-performing loans, financial sector liquidity shortages, and discouraging data regarding key macroeconomic indicators. Despite regulatory interventions, the capital market of Bangladesh navigated a challenging landscape in 2023, marked by internal constraints and difficult external factors.

Amid these circumstances, the performance of TBIL, as of any other merchant bank, was heavily affected in 2023. However, TBIL managed to generate operating profit amounting to BDT 44.91 Million at the end of year 2023. Dividend and Capital Gain from proprietary investment portfolio have become the major source of revenue for TBIL. In the year 2023, TBIL has realized a profit of BDT 82.50 Million from its own portfolio investments, including both capital gain and dividend income.

Portfolio management services are the other major sources of earnings of TBIL. TBIL is providing "Portfolio Management Services" to its client through IDA, BDA and NIDA accounts. TBIL manages investors' portfolio of its clients worth BDT 4,090.28 Million against margin lending of BDT 3,032 Million as on 31 December 2023. Revenue generating from Portfolio Management Services include Interest on Margin Loan, Portfolio Transaction Fee, Portfolio Management Fee and Annual Charges for CDBL account maintenance fee.

Business Position of TBIL:

Amount in Million (BDT)

| SL | Particulars | As on 31 December 2023 |
|----|--|------------------------|
| 1. | No. of Accounts | 2,372 |
| 2. | Total Margin Loan against Securities | 3,032.07 |
| 3. | Total Portfolio Value at Market Price | 4,090.28 |
| 4. | Average Daily Trade Volume | 10.33 |
| 5. | Average Daily Trade Volume as % of that of DSE | 0.18% |
| 6. | Operating Profit | 44.91 |

Trust Bank Securities Limited:

Trust Bank Securities Limited (TBSL) is a fully owned subsidiary of Trust Bank Limited (TBL) a fully compliant stock brokerage house of Dhaka Stock Exchange PLC. The principal activities of the company are to act as a Trading Right Entitlement Certificate (TREC) holder of DSE to carry on the business of brokers and dealers in stocks, shares and securities, bonds, debentures, treasury bills and/or any financial instruments. TBSL provides all DP (Depository Participant) related services of Central Depository Bangladesh Ltd (CDBL). Clients can enjoy real time online trading facility through DSE mobile apps. TBSL is providing fund transfer through BEFTN and online fund deposit. Margin loan facility is also available at TBSL.

The global economic growth in 2023 remains highly uncertain due to the impact of the COVID-19 pandemic over the past three years and the growing adverse effects of the ongoing Russia's war in Ukraine. Globally, geopolitical tensions and trade uncertainties continue to roil commodity markets, exacerbated by growing rivalries among vital global powers. This international turmoil impacts Bangladesh's economy through disrupted supply chains and altered trade dynamics. Bangladesh's economy has recovered from the economic damage caused by the impact of COVID-19 and the ongoing Russia-Ukraine war.

Bangladesh's capital market underwent notable fluctuations mainly due to economic challenges, including high inflation, exchange rate pressure and economic uncertainties at home and abroad. The year 2023 was a complete mess for the stock business and a year of disappointment for the stock market as the average turnover and foreign investment reached rock bottom. Equity based securities worth 60% of the total stock market value have remain trapped on the floor price this year. The lowest stock prices set in July 2022 to avert free fall of index made the market suffer in the end. The market on the other hand could not draw in new investment.

The benchmark index of Dhaka Stock Exchange Ltd (DSE), DSEX experienced a slight increase of 0.64% settling 6,246.50 points on the last trading day of 2023 compared to 6,206.81 points at the end of December 2022. The crucial indicator of capital market liquidity, the daily average turnover, notably dropped by 44.80% down to BDT 543 crore by the end of December 2023 from BDT 983 crore in December 2022. Notably, the insurance sector dominated with the highest turnover share at 25.4% up to October 2023. Additionally, the DSE market capitalization marginally increased, reaching BDT 7,80,849 crore by the end of December 2023 compared to BDT 7,70,232 crore as of June 2022. The overall price earnings ratio (P/E) rose to 15.77 at the end of 2023. In 2023, the volume of transactions in foreign portfolios was BDT 21.67 billion, the lowest since 2015.

TBSL has started its Chattogram branch operation. The company opened a digital booth at Sylhet. One more branch will be opened At Khulna soon. TBSL will also open main office extensions at Gulshan, Karwan Bazar and Uttara soon.

The capital market faced a challenging environment characterized by internal constraints and external difficulties. It was a tumultuous year for the stock business market by unprecedented lows in average turnover and foreign investments. Therefore, trade volume of DSE as well as TBSL decreased significantly. With all those hurdles, TBSL was able to achieve a moderate profit in the year 2023. During the year, the company earned total revenue of BDT 65.29 million where operational income was BDT 61.80 million and non-operational income was BDT 3.49 million. On the other hand, total operating expenditure was BDT 26.74 million. Therefore, net profit before tax stood at BDT 38.55 million. After deducting income taxes and provision for margin loan of BDT (19.68) million and other comprehensive income of BDT 4.68 million, total comprehensive income for the year 2023 stood at BDT 14.19 million which was BDT 30.55 million in the year 2022.

The overall performance of TBSL between the year 2022 and 2023 is shown in the following table:

Amount in million taka

| Sl no | Particulars | 2022 | 2023 | Increase/decrease (%) |
|-------|-------------------------------------|---------|---------|-----------------------|
| 1. | Total No. of Active BO A/C | 1502 | 1590 | 5.86 |
| 2. | Total No. of Employees | 13 | 15 | 15.38 |
| 3. | Total Revenue Income | 71.37 | 65.29 | (8.51) |
| 4. | Total Expenditure | 18.25 | 26.74 | 46.52 |
| 5. | Profit Before Tax | 53.12 | 38.55 | (27.45) |
| 6. | Provision for Income Taxes & Others | (17.90) | (19.68) | 9.94 |
| 7. | Profit after tax | 35.22 | 18.87 | (46.42) |
| 8. | Other comprehensive income | (4.67) | (4.68) | 186.30 |
| 9. | Net Profit/(Loss) after Tax | 30.55 | 14.19 | (53.55) |

Trust Axiata Digital Limited (TADL)

TAP has commenced its operations with a clear goal of establishing payment as a seamless service. By utilizing advanced technology and understanding consumer preferences, TAP has streamlined transactions to be faster, simpler, more secure, and more beneficial for both consumers and merchants.

On July 28, 2021, TAP was commercially launched as Bangladesh's latest mobile financial and payment service by Gen S M Shafiuddin Ahmed, SBP (BAR), OSP, hdu, psc, PhD, Chairman of TAP and Chief of Army Staff. The company operates under the Bangladesh Mobile Financial Services Regulations, 2018. TAP has been completely acquired by Trust Bank Limited in the year 2023.

TAP's strategic goal is to focus on digital financial inclusion and payment innovation through partnership development. The company aims to expand its reach to underserved communities, introduce innovative services, and forge strategic alliances with key stakeholders to drive growth and sustainability. TAP's market expansions have been instrumental in reaching diverse customer segments across Bangladesh. By establishing a vast network of agents in both urban and rural areas, TAP has facilitated access to financial services for millions of individuals, contributing to its rapid customer base growth.

The below section serves as a comprehensive overview of TAP's achievements, milestones, and strategic initiatives over the past year, reflecting our unwavering dedication to excellence and innovation in the ever-evolving realm of digital financial services.

Accomplishments of 2023



Tap has established partnerships with significant entities throughout Bangladesh, which includes bigger names like Bangladesh Army, Bangladesh Rural Electrification Board, among others, to provide an extensive range of payment services. Additionally, it has expanded its banking services by collaborating with major banks and introducing add money from American Express Card Fund Transfer, enhancing the convenience of mobile banking for users. Through alliances with a diverse array of merchants like Agora, Amana Big Bazar, Asia Trade, Net Satellite, and numerous others, TAP has demonstrated its commitment to delivering seamless and comprehensive payment solutions to customers.



TAP celebrated another year of reliable and hassle-free transactions with Trust Axiata Pay! We appreciate our customers' confidence in our services and we eagerly anticipate future development.

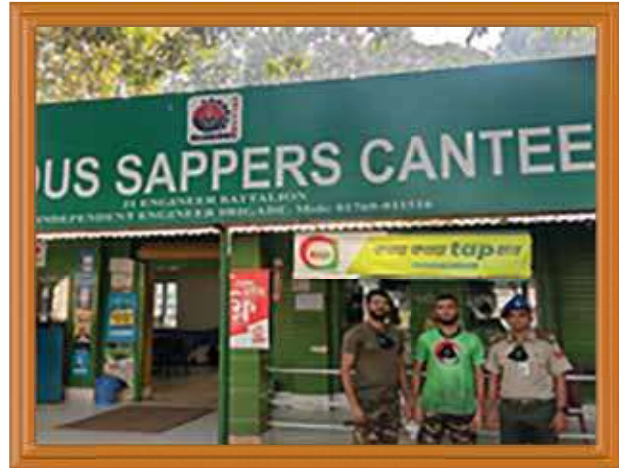


In the year 2023, TAP has started business with several leading organizations of the country such as Agora, Jubilant, CSD, e-Courier, Akbar & brothers etc, making a more reliable and secured collection service.



To ensure strong distribution network in all Cantonments, TAP has on-boarded agents in 260+ unit canteens and CSD Exclusive stores around the country.

Distribution Network in Cantonments across the Country



Efficient Training Sessions and Workshops

Efficient Training Sessions and Workshops



To ensure efficient operations, training and workshop programs are being conducted

Promotional Activities

Promotional Activities

Campaign for CSD



Campaign for Armed Forces Medical College



Campaign for Captain's World



Throughout the year TAP has worked on numerous campaigns and projects to fulfill its aim on ensuring an ultimate financial solution to Bangladesh Army. TAP teamed up with Inter Formation of Bus Management System (IFBMS) making the payment of bus tickets easier. Besides, TAP has introduced easy and hassle-free payment services for Bangladesh Army. The number of agents at cantonments has been increased significantly across the country. Several trainings and workshops have also been conducted to ensure efficient operation. Tap's Overall performance in 2023 reflects its growth trajectory and commitment to financial stability. With robust revenue growth, TAP is reaching its aim of bringing innovation to digital payment systems.

Accounting Policies

The consolidated financial statements of Trust Bank Limited and its subsidiaries for the year ended 31 December 2023 has been prepared in accordance with IFRSs, IASs and the "First Schedule" (section 38) of the Banking Companies Act 1991 as amended, BRPD Circular number 14 dated 25 June 2003 and other Bangladesh Bank Circulars.

- I. The Bank adopted following requirements to be complied with laws and regulations from various Government bodies:
- II. The Banking Companies Act 1991;
- III. The Companies Act 1994;
- IV. Rules and Regulations Issued by Bangladesh Bank;
- V. Bangladesh Securities and Exchange Rules 1987, Bangladesh Securities and Exchange Ordinance 1969, Bangladesh Securities and Exchange Act 1993, Bangladesh Securities and Exchange Commission IPO Rules 2006 and notifications thereon;
- VI. The Income Tax Ordinance 1984 and amendment thereon;
- VII. The Value Added Tax Act 1991 and amendment thereon;
- VIII. Dhaka Stock Exchange PLC (DSE), Chittagong Stock Exchange PLC (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations;

If any requirement of the Banking Companies Act 1991 and provisions and circulars issued by Bangladesh Bank deviate with those of IFRSs and IASs, the requirement of the Banking Companies Act 1991 and provisions and circulars issued by Bangladesh Bank shall prevail.

As such the Bank has departed from those contradictory requirements of IASs and IFRSs in order to comply with the rules and regulations of Bangladesh Bank which are disclosed

Use of estimates and judgments

The financial statements of the Bank in conformity with IFRSs requires management to make necessary judgments, estimates and assumptions that affect the application of accounting policies and the measurement of assets, liabilities, income and expenses. Accordingly, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described below:

- a. Provision for loans, advances and investments
- b. Revaluation of land & buildings
- c. Deferred tax assets/liabilities
- d. Useful life of depreciable assets
- e. Measurement of defined benefit obligation (Provision for gratuity)
- f. Provision / accruals for expenses
- g. Provision for current taxation
- h. Contingent Liability (Letter of Guarantee)

Changes in Accounting Estimates

Changes are reflected in the assumptions when they occur in accordance with IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors. During the year, the bank has not adopted any change of accounting estimates and consistency applies in same accounting estimates of the previous period.



Ahasan Zaman Chowdhury
Managing Director (In-Charge)

HORIZONTAL ANALYSIS (SOLO)

Horizontal Analysis on Income Statement refers to the analysis of growth of each component of income statement items from the base period. Here base period is considered the year 2019 giving value 100% and after that period any value above 100% means positive growth and below 100% means negative growth compared to base year.

Profit and Loss Account for the last five years

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|----------|----------|----------|----------|---------|
| OPERATING INCOME | | | | | |
| Interest income | 131.84% | 103.55% | 89.71% | 90.37% | 100.00% |
| Interest/profit paid on deposits and borrowings, etc. | 129.05% | 94.10% | 84.17% | 101.52% | 100.00% |
| Net interest income | 137.86% | 123.93% | 101.66% | 66.32% | 100.00% |
| Income from investment | 204.29% | 194.99% | 260.13% | 201.19% | 100.00% |
| Commission, exchange and brokerage | 168.21% | 187.23% | 115.19% | 88.83% | 100.00% |
| Other operating income | 154.29% | 122.41% | 98.94% | 93.42% | 100.00% |
| Total operating income | 159.86% | 150.72% | 144.34% | 105.45% | 100.00% |
| Salaries and allowances | 152.58% | 137.35% | 117.09% | 108.36% | 100.00% |
| Rent, taxes, insurance, electricity, etc. | 162.82% | 146.33% | 146.26% | 105.61% | 100.00% |
| Legal expenses | 229.84% | 33.73% | 61.45% | 40.50% | 100.00% |
| Postage, stamp, telecommunication, etc. | 127.56% | 144.31% | 114.72% | 107.61% | 100.00% |
| Stationery, printing, advertisements, etc. | 151.30% | 126.86% | 102.99% | 81.76% | 100.00% |
| Managing Director's salary and benefits | 99.08% | 99.08% | 85.64% | 99.96% | 100.00% |
| Directors' fees | 101.60% | 75.42% | 81.47% | 107.08% | 100.00% |
| Auditors' fees | 100.00% | 160.00% | 100.87% | 160.00% | 100.00% |
| Depreciation and repairs of Bank's assets | 119.56% | 106.39% | 101.04% | 104.04% | 100.00% |
| Other expenses | 153.40% | 187.52% | 292.15% | 127.55% | 100.00% |
| Total operating expenses | 148.69% | 143.77% | 152.07% | 110.85% | 100.00% |
| Profit before provision | 166.15% | 154.64% | 139.98% | 102.41% | 100.00% |
| Provision for loans and advances/investments | 213.69% | 160.94% | 179.33% | 117.51% | 100.00% |
| Provision for diminution in value of investments | 101.99% | 52.81% | -95.84% | 1.79% | 100.00% |
| Other provisions | -348.13% | -143.10% | -837.17% | -114.38% | 100.00% |
| Total provision | 225.42% | 166.94% | 200.01% | 121.84% | 100.00% |
| Total profit before Taxes | 135.83% | 148.35% | 109.27% | 92.48% | 100.00% |
| Current tax | 74.18% | 148.00% | 89.02% | 95.26% | 100.00% |
| Deferred Tax | -346.45% | -0.22% | 8.95% | 20.33% | 100.00% |
| Net profit after tax | 212.55% | 147.25% | 135.07% | 88.02% | 100.00% |

The above table shows that total operating income, operating Profit and net profit after Tax of Trust Bank Ltd. are growing consistently over the periods. Operating income shows higher growth in 2023 due to growth of loans and advances and adoption of smart lending rate.

HORIZONTAL ANALYSIS (SOLO)

Horizontal Analysis on Balance Sheet refers to the analysis of growth of each component of balance sheet items from the base period. Here the base period is considered the year 2019 giving a value of 100% and after that period value above 100% means positive growth and below 100% means negative growth compared to the base year.

Balance Sheet for the last five years

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|---------|---------|---------|----------|---------|
| PROPERTY AND ASSETS | | | | | |
| Cash | 110.47% | 102.94% | 94.78% | 90.03% | 100.00% |
| In hand (including foreign currencies) | 107.92% | 112.61% | 105.57% | 108.54% | 100.00% |
| Balance with Bangladesh Bank and its agent bank (including foreign currencies) | 111.17% | 100.30% | 91.83% | 84.96% | 100.00% |
| Balance with other banks and financial institutions | 130.70% | 148.83% | 115.68% | 108.00% | 100.00% |
| In Bangladesh | 135.01% | 157.72% | 122.34% | 109.26% | 100.00% |
| Outside Bangladesh | 99.03% | 83.52% | 66.73% | 98.78% | 100.00% |
| Money at call and short notice | | | | | |
| Investments | 167.71% | 146.31% | 155.68% | 221.59% | 100.00% |
| Government | 139.95% | 114.08% | 135.19% | 233.68% | 100.00% |
| Others | 394.17% | 409.29% | 322.85% | 122.95% | 100.00% |
| Loans and advances/investments | 157.85% | 141.57% | 122.08% | 104.89% | 100.00% |
| Loans, cash credits, overdrafts, etc/investments | 154.41% | 138.46% | 113.74% | 103.02% | 100.00% |
| Bills purchased and discounted | 364.99% | 328.89% | 623.91% | 217.21% | 100.00% |
| Fixed assets including premises, furniture and fixtures | 132.53% | 110.81% | 113.51% | 100.36% | 100.00% |
| Other assets | 172.43% | 166.71% | 133.69% | 132.34% | 100.00% |
| Total assets | 153.90% | 141.71% | 123.95% | 120.31% | 100.00% |
| LIABILITIES AND CAPITAL | | | | | |
| Liabilities | | | | | |
| Borrowings from other banks, financial institutions and agents | 181.06% | 204.51% | 190.49% | 133.66% | 100.00% |
| Deposits and other accounts | 151.39% | 134.67% | 117.71% | 119.16% | 100.00% |
| Current/Al-wadeeah current accounts and other accounts | 151.38% | 114.41% | 96.50% | 90.18% | 100.00% |
| Bills payable | 144.88% | 136.14% | 151.83% | 173.58% | 100.00% |
| Savings bank/Mudaraba savings bank deposits | 178.57% | 172.86% | 147.18% | 135.53% | 100.00% |
| Fixed deposits/Mudaraba fixed deposits | 145.66% | 130.68% | 115.15% | 120.68% | 100.00% |
| Other liabilities | 158.25% | 174.55% | 136.07% | 126.18% | 100.00% |
| Total liabilities | 153.93% | 142.19% | 124.04% | 120.64% | 100.00% |
| Total shareholders' equity | 153.26% | 132.84% | 122.22% | 114.05% | 100.00% |
| Paid-up capital | 139.75% | 127.05% | 115.50% | 105.00% | 100.00% |
| Share Premium Account | | | | | |
| Foreign Currency Translation reserve | 911.64% | 638.79% | 124.08% | 98.55% | 100.00% |
| Statutory reserve | 148.63% | 133.44% | 119.00% | 106.08% | 100.00% |
| Other reserve | 513.67% | 208.05% | 142.92% | 2949.32% | 100.00% |
| Retained earnings | 200.08% | 145.84% | 150.23% | 134.30% | 100.00% |
| Total liabilities and shareholders' equity | 153.90% | 141.71% | 123.95% | 120.31% | 100.00% |

The above table indicates that total assets, liabilities, shareholders' equity, investment and loans and advances are showing a consistent growth over the last five years, which indicate a sustainable balance sheet growth of the Bank as a whole.

VERTICAL ANALYSIS (SOLO)

Vertical Analysis on Income Statement refers to the components of income statement items as a % of total income over the periods which would be termed as common sizing of income statement.

Profit and Loss Account for the last five years

| | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|--------|--------|--------|--------|--------|
| OPERATING INCOME | | | | | |
| Interest income | 73.94% | 69.36% | 64.59% | 70.15% | 80.15% |
| Interest paid on deposits and borrowings, etc. | 49.44% | 43.06% | 41.40% | 53.84% | 54.76% |
| Net interest income | 24.49% | 26.30% | 23.19% | 16.31% | 25.39% |
| Investment income | 16.71% | 19.05% | 27.31% | 22.78% | 11.70% |
| Commission, exchange and brokerage | 7.13% | 9.48% | 6.27% | 5.21% | 6.06% |
| Other operating income | 2.22% | 2.11% | 1.83% | 1.86% | 2.06% |
| Total operating income | 50.56% | 56.94% | 58.60% | 46.16% | 45.22% |
| Salaries and allowances | 9.24% | 9.94% | 9.10% | 9.08% | 8.66% |
| Rent, taxes, insurance, electricity, etc. | 1.82% | 1.95% | 2.10% | 1.63% | 1.60% |
| Legal expenses | 0.03% | 0.00% | 0.01% | 0.01% | 0.02% |
| Postage, stamp, telecommunication, etc. | 0.30% | 0.40% | 0.34% | 0.35% | 0.33% |
| Stationery, printing, advertisements, etc. | 0.23% | 0.23% | 0.20% | 0.17% | 0.22% |
| Managing Director's salary and benefits | 0.03% | 0.04% | 0.04% | 0.04% | 0.05% |
| Directors' fees | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% |
| Auditors' fees | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Depreciation and repairs of Bank's assets | 1.82% | 1.94% | 1.98% | 2.20% | 2.18% |
| Other expenses | 3.46% | 5.06% | 8.47% | 3.99% | 3.23% |
| Total operating expenses | 16.95% | 19.57% | 22.25% | 17.49% | 16.30% |
| Profit before provision | 33.61% | 37.36% | 36.35% | 28.67% | 28.91% |
| Provision for loans and advances/investments | 14.85% | 13.36% | 15.99% | 11.30% | 9.93% |
| Provision for diminution in value of investments | 0.05% | 0.03% | -0.06% | 0.00% | 0.07% |
| Other provisions | 0.53% | 0.26% | 1.64% | 0.24% | -0.22% |
| Total provision | 15.43% | 13.65% | 17.58% | 11.54% | 9.78% |
| Total profit before Taxes | 18.18% | 23.71% | 18.77% | 17.13% | 19.12% |
| Current tax | 5.69% | 13.55% | 8.76% | 10.11% | 10.96% |
| Deferred Tax | 0.21% | 0.00% | -0.01% | -0.02% | -0.09% |
| Net profit after tax | 12.28% | 10.16% | 10.02% | 7.04% | 8.26% |

In income side, interest income (73.94%), investment income (16.71%) and income from commission, exchange and brokerage (7.13%) hold major portion.

VERTICAL ANALYSIS (SOLO)

Vertical Analysis on Balance Sheet refers to the components of balance sheet items as a % of total Assets over the periods which would be termed as common sizing of balance sheet.

Balance Sheet for the last five years

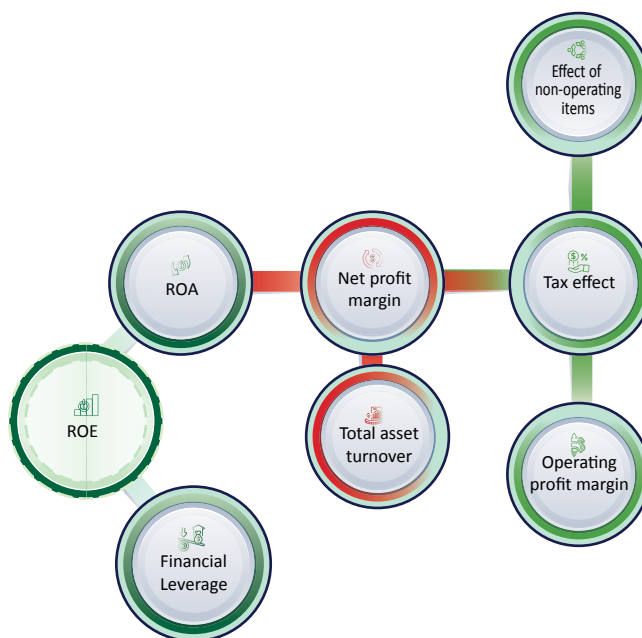
| | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|----------------|---------|---------|---------|---------|
| PROPERTY AND ASSETS | | | | | |
| Cash | 4.74% | 4.79% | 5.05% | 4.94% | 6.60% |
| In hand (including foreign currencies) | 0.99% | 1.13% | 1.21% | 1.28% | 1.42% |
| Balance with Bangladesh Bank and its agent bank (including foreign currencies) | 3.74% | 3.67% | 3.84% | 3.66% | 5.18% |
| Balance with other banks and financial institutions | 3.59% | 4.44% | 3.95% | 3.80% | 4.23% |
| In Bangladesh | 3.27% | 4.14% | 3.67% | 3.38% | 3.72% |
| Outside Bangladesh | 0.33% | 0.30% | 0.27% | 0.42% | 0.51% |
| Money at call and short notice | 0.00% | 1.72% | 0.00% | 0.19% | 0.78% |
| Investments | 15.17% | 14.37% | 17.48% | 25.63% | 13.92% |
| Government | 11.27% | 9.98% | 13.52% | 24.08% | 12.40% |
| Others | 3.89% | 4.39% | 3.96% | 1.55% | 1.52% |
| Loans and advances | 73.31% | 71.40% | 70.39% | 62.31% | 71.47% |
| Loans, cash credits, overdrafts, etc/investments | 70.54% | 68.69% | 64.52% | 60.20% | 70.30% |
| Bills purchased and discounted | 2.77% | 2.71% | 5.88% | 2.11% | 1.17% |
| Fixed assets including premises, furniture and fixtures | 0.56% | 0.51% | 0.60% | 0.55% | 0.65% |
| Other assets | 2.63% | 2.76% | 2.53% | 2.58% | 2.35% |
| Total assets | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| LIABILITIES AND CAPITAL | | | | | |
| Liabilities | | | | | |
| Borrowings from other banks, financial institutions and agents | 7.89% | 9.68% | 10.31% | 7.45% | 6.71% |
| Deposits and other accounts | 80.74% | 77.99% | 77.94% | 81.29% | 82.07% |
| Current/Al-wadeeah current accounts and other accounts | 11.79% | 9.68% | 9.33% | 8.99% | 11.99% |
| Bills payable | 1.06% | 1.08% | 1.38% | 1.62% | 1.12% |
| Savings bank/Mudaraba savings bank deposits | 14.20% | 14.93% | 14.53% | 13.78% | 12.24% |
| Fixed deposits/Mudaraba fixed deposits | 53.69% | 52.31% | 52.70% | 56.90% | 56.72% |
| Other liabilities | 6.33% | 7.58% | 6.76% | 6.46% | 6.16% |
| Total liabilities | 94.95% | 95.25% | 95.00% | 95.20% | 94.93% |
| Total shareholders' equity | 5.05% | 4.75% | 5.00% | 4.80% | 5.07% |
| Paid-up capital | 1.89% | 1.86% | 1.94% | 1.81% | 2.08% |
| Share Premium Account | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Foreign Currency Translation reserve | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Statutory reserve | 2.15% | 2.10% | 2.14% | 1.97% | 2.23% |
| Other reserve | 0.03% | 0.01% | 0.01% | 0.19% | 0.01% |
| Retained earnings | 0.97% | 0.77% | 0.91% | 0.84% | 0.75% |
| Total liabilities and shareholders' equity | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

In asset side, Loans and advances (73.31%) and investments (15.17%) holds major portion. In liability side, deposits holds major portion (80.74%) and shows an increasing trend over the last five years.

DuPont ANALYSIS

5 Factors Model

DuPont analysis (also known as the “DuPont identity”) is a framework for analyzing fundamental performance popularized by the DuPont Corporation. DuPont analysis is a useful technique used to decompose the different drivers of return on equity (ROE). Decomposition of ROE allows investors to focus on the key metrics of financial performance individually to identify strengths and weaknesses. DuPont analysis covers net profit margin, total asset turnover and financial leverage. Net profit margin is further broken down to operating profit margin, effect of non-operating items and tax effects.



| Particulars | 2023 | 2022 | 2021 |
|-------------------------------|---------|---------|---------|
| ROE | 20.20% | 15.70% | 15.55% |
| Net Profit Margin | 12.28% | 10.16% | 10.02% |
| Total Asset Turnover | 0.0807 | 0.0752 | 0.0761 |
| Financial Leverage | 20.3952 | 20.5595 | 20.4059 |
| Operating Profit Margin | 33.61% | 37.36% | 36.35% |
| Effect of Non-Operating items | 0.5408 | 0.6347 | 0.5164 |
| Tax Effect | 0.6755 | 0.4285 | 0.5336 |

The higher the value of all components of DuPont analysis, the higher the positive impact on return on equity. Operating Profit Margin of 2023 stood at 33.61% whereas it was at 37.36% in 2022.

Effect of non-operating items decreased from previous year. The combined effects of these three components resulted in an increase of net profit margin to 12.28% in 2023 compared to 10.16% of last year.

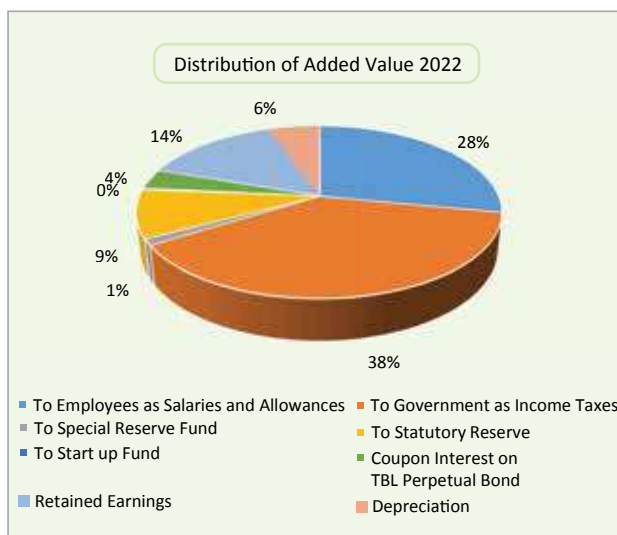
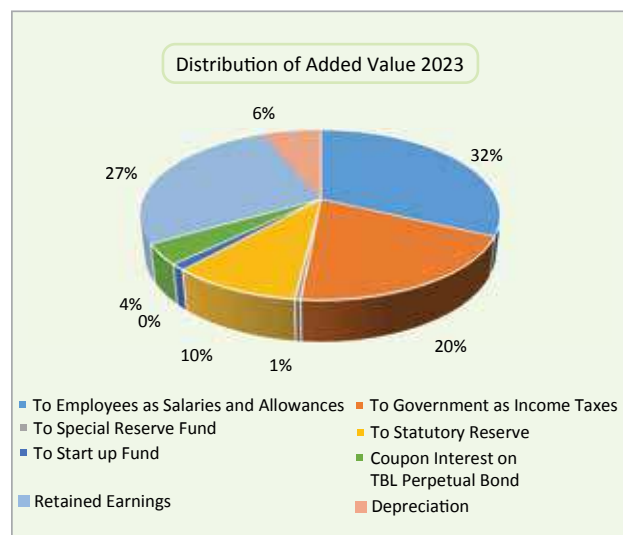
Efficiency of utilization of assets as implied by average total assets turnover was higher than previous year. Financial leverage decreased a little bit to 20.40 from last year’s 20.56 mainly for the issuance of bonus share which increased the share holders’ equity to absorb any uncertain risk.

Value Added Statement

Value addition is the wealth created by Trust Bank Ltd. through its different banking operations during the tenure under consideration. The value-added statement of the Bank shows how the value was created and distributed to meet certain obligations, rewards those responsible for its creation and the portion retained for the continued operation and expansion of the Bank.

BDT in Million (where applicable)

| Particulars | 2023 | | 2022 | | Growth |
|--|------------------|-------------|------------------|-------------|-------------|
| | Taka | % | Taka | % | % |
| Income from Banking Services | 35,167.08 | | 29,442.26 | | 19% |
| Less: Cost of Services and Supplies | 19,444.80 | | 14,933.76 | | 30% |
| Add: Deferred Tax Income | (74.29) | | (0.05) | | 148488% |
| Value added by banking services | 15,647.99 | | 14,508.45 | | 8% |
| Less: Provision for Loan Loss and other Provisions | 5,426.88 | | 4,018.86 | | 35% |
| Total Value Added | 10,221.11 | | 10,489.59 | | -3% |
| Distribution of added value | | | | | |
| To Employees as Salaries and Allowances | 3,261.46 | 32% | 2,937.14 | 28% | 3% |
| To Government as Income Taxes | 2,000.00 | 20% | 3,990.00 | 38% | -50% |
| To Special Reserve Fund | 120.00 | 1% | 120.00 | 1% | 00% |
| To Statutory Reserve | 1,000.00 | 10% | 950.00 | 9% | 5% |
| To Start up Fund | 43.18 | 0% | 29.92 | 0% | 44% |
| Coupon Interest on TBL Perpetual Bond | 400.00 | 4% | 396.26 | 4% | |
| Total | 6,824.64 | 67% | 8,423.32 | 80% | -19% |
| Retained Earnings | 2,754.82 | 27% | 1,495.33 | 14% | 84% |
| Depreciation | 641.64 | 6% | 570.96 | 5% | 12% |
| To Expansion and Growth | 3,396.46 | 33% | 2,066.29 | 20% | 64% |
| Total Distribution of Added Value | 10,221.11 | 100% | 10,489.61 | 100% | -3% |



REPORT ON THE GOING CONCERN STATUS OF TRUST BANK LTD.

Definition of Going Concern:

Under the going concern basis of accounting, an entity is viewed as continuing in business for the foreseeable future. The financial statements are prepared on a going concern basis, unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. It includes bringing together the requirements of Company law, Accounting Standards and Listing Rules on going concern. The management of Trust Bank Limited has made this assessment based on the accounting period ended on or after December 31, 2023. The assessment considers appropriate inquiries including review of budgets and future outcome of inherent risks involved in the business while assessing whether we are going concern basis.

The Directors confirm that the Bank has adequate resources to continue to operate for the foreseeable future and is financially sound. For this reason, they continue to adopt the going concern basis in preparing the financial statements:



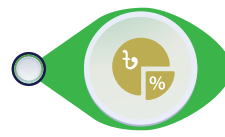
Financial Results

The financial results which can easily be seen from the financial highlights at the front of this book shows that we are able to preserve our positioning as a going concern.



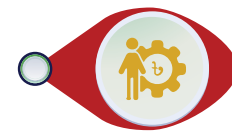
Financial Support from Lenders/Depositors

TBL has a good track record in the settlement of its obligation with its lenders/depositors.



Dividend Payment

TBL is paying healthy returns to its shareholders over the years.



Sincerity in Payment of Obligations

TBL is sincere in payments of its obligations to lenders. We have always been credible in the terms of loan and other agreements and have never defaulted.



Growing Business Portfolio

Our portfolio of good clients is increasing which shows our intensity of doing ethical business. At the same time, we are de-risking our portfolio.



Human Capital

TBL has invested significantly to train its human resources. We are also hiring the best people in the industry so that a momentum can be achieved to become the best bank.



Corporate Environment and Employee Satisfaction

Our employees are our core asset. And ensuring a healthy work life balance is our responsibility. Our office environment is also kept corporate to increase efficiency and satisfaction. This is reflected in our Human Capital section.



Changes in Government Policy

The management of TBL anticipates no significant changes in legislation or government policy, which may materially affect the business of the Company.

REPORT ON SUSTAINABLE FINANCE ACTIVITIES SUSTAINABLE FINANCE & GREEN FINANCE

SUSTAINABLE FINANCE

Bangladesh is one of the promising countries towards attaining SDGs on action to end the poverty, protect the planet and ensure peace and prosperity for all people by 2030. To attain the goal, sustainable finance plays a significant role. Sustainable Finance covers Green Finance including Agriculture, CMSME and Socially Responsible Finance linked to sustainability.

Socially Responsible Finance is financing that supports actions mitigating or addressing a specific social issue and seeking to achieve positive social outcomes. The project categories include but are not limited to, providing or promoting basic infrastructure, access to essential services, affordable housing, employment generation, food security, socioeconomic advancement and empowerment. Our mission is to reach the wider section of people towards inclusive, sustainable and quality growth. As such our motto is “A Bank for Financial Inclusion”.

Trust Bank Limited is always concerned for social and environmental impact of its investments. The bank is doing business with an objective of reducing greenhouse gas emissions by any manner. In-house green policies and practices are another part of becoming environment friendly bank.

GOVERNANCE, SUSTAINABILITY AND COMPLIANCE

Our commitment is to sustainable investment which has strengthened Green Financing strategy in line with the United Nations’ Sustainable Development Goals on affordable and clean energy, economic growth and climate action. We verify it through a mandatory social and environmental screening process in our project financing activities. During the year, we disbursed BDT 4,398.03 million in green finance and BDT 88,925.15 million in sustainable finance with a goal of low-carbon economy.

In the year 2023, **Trust Bank Ltd. has been recognized as one of the Seven Banks in the “Sustainability Rating 2022”**. This rating has been declared by Bangladesh Bank based on the Bank’s performance on four indicators which are Sustainable Finance, Green Refinance, Corporate Social Responsibility and Core Banking Sustainability.

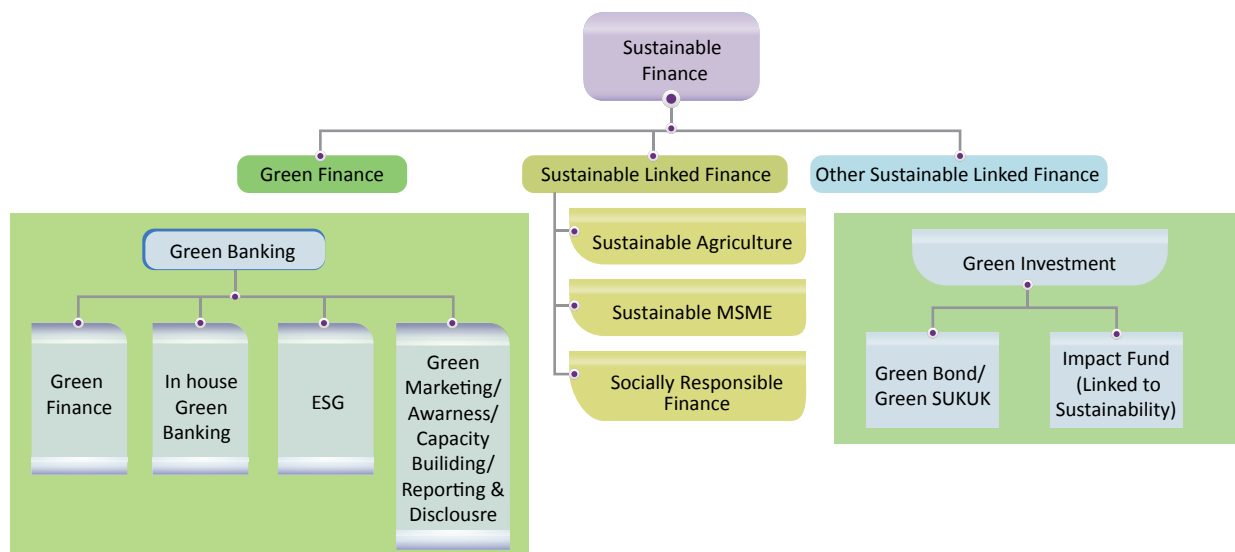
Companies are realizing three equally important and interrelated bottom lines, each need to be maximized to achieve true long-term sustainability. The triple bottom line captures the idea that a sustainable business considers the need of all stakeholders instead of solely maximizing profit for shareholders. Here’s how all the various terminology relates:

| Three Ps | Triple E | What is it? |
|----------|-------------|-------------------|
| People | Equity | Human capital |
| Planet | Environment | Natural capital |
| Profit | Economics | Financial capital |

Sustainability has been turned a mainstream consideration in the financial sector over the last decade. As directed by the bank’s 3P, the bank is a pioneer in adopting Bangladesh Bank’s guidelines on Green Banking. It has established its position as one of the market leaders in promoting green and sustainable finance activities across the industry.

CLASSIFICATION OF SUSTAINABLE FINANCE

The graphical representation is portraying our strategic vision on sustainable finance:

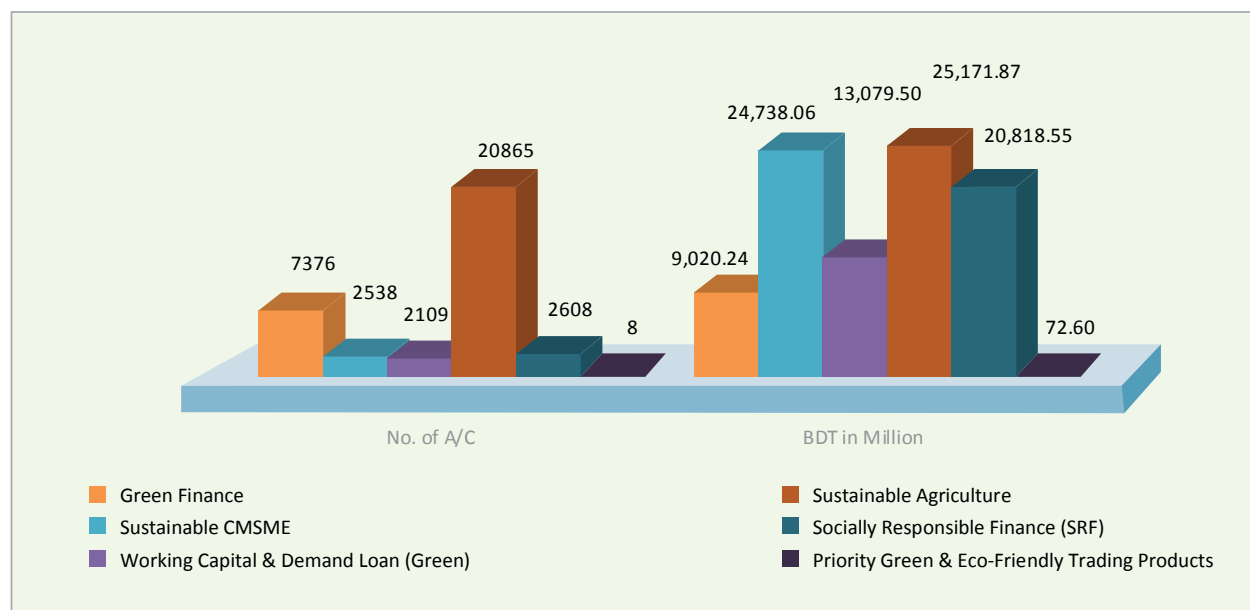


CONTRIBUTING TO SDGs THROUGH SUSTAINABLE BANKING

Contributing to SDGs through Sustainable Banking as on 31.12.2023

| Disbursement segment | Disbursed amount (BDT in million) | Client segment |
|------------------------------------|-----------------------------------|--|
| Green Finance | 28,704.73 | • LEED Certified Green Project |
| | | • Renewable Energy |
| | | • Effluent Treatment Plant |
| | | • Energy & Resource Efficiency |
| | | • Recycling & Recyclable Goods |
| Sustainable Agriculture | 24,738.06 | • Crops |
| | | • Livestock & Poultry firm |
| | | • Pisciculture |
| | | • Irrigation Equipment |
| | | • Fisheries |
| | | • Poverty Alleviation |
| Sustainable CMSME | 9,598.72 | • Herbal Cosmetic Manufacturing Industries |
| | | • Handicraft, Handloom & Alike |
| | | • Agro feed manufacturing Industry |
| | | • Unani/Ayurvedic/Homeopathic Industries |
| | | • Rice Processing Industries |
| Socially Responsible finance (SRF) | 25,171.87 | • Financing/investment through MFI/NGO (Linkage Model for capacity building, employment generation) |
| Other Sustainable Linked Finance | 48,755.84 | • Low Risk Rated Projects/Initiatives using ESDD checklist (other than Green Finance, Sustainable Agriculture, Sustainable MSME, SRF and Working capital and demand loan of Green Products). |
| | | • Working capital and demand loan of Green Products/ projects/ initiatives |

Sustainable financing position as of December 31, 2023





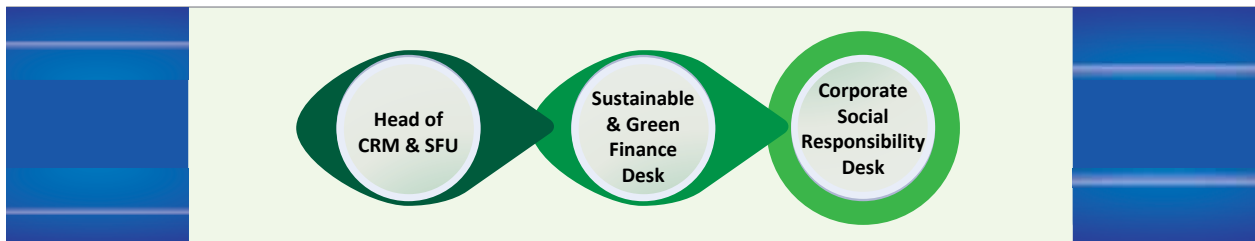
Major achievement-2022: Sustainable Banking

One of the top 7 Sustainable Banks of the country, as declared by Bangladesh Bank.



SUSTAINABLE FINANCE UNIT

The Sustainable Finance Unit (SFU) of the bank ensures that funds are properly administered and disbursed in accordance with the bank's vision, objectives, and areas of focus. We have a well-defined structure for reviewing and monitoring our CSR initiatives. The SFU of the bank has created policy guidelines on Corporate Social Responsibility and processes to monitor and evaluate our CSR programs. This not only helps in designing the target group but also in monitoring and evaluating the program in a structured way.



ENVIRONMENT RELATED INITIATIVES

ENVIRONMENTAL & SOCIAL OBLIGATIONS

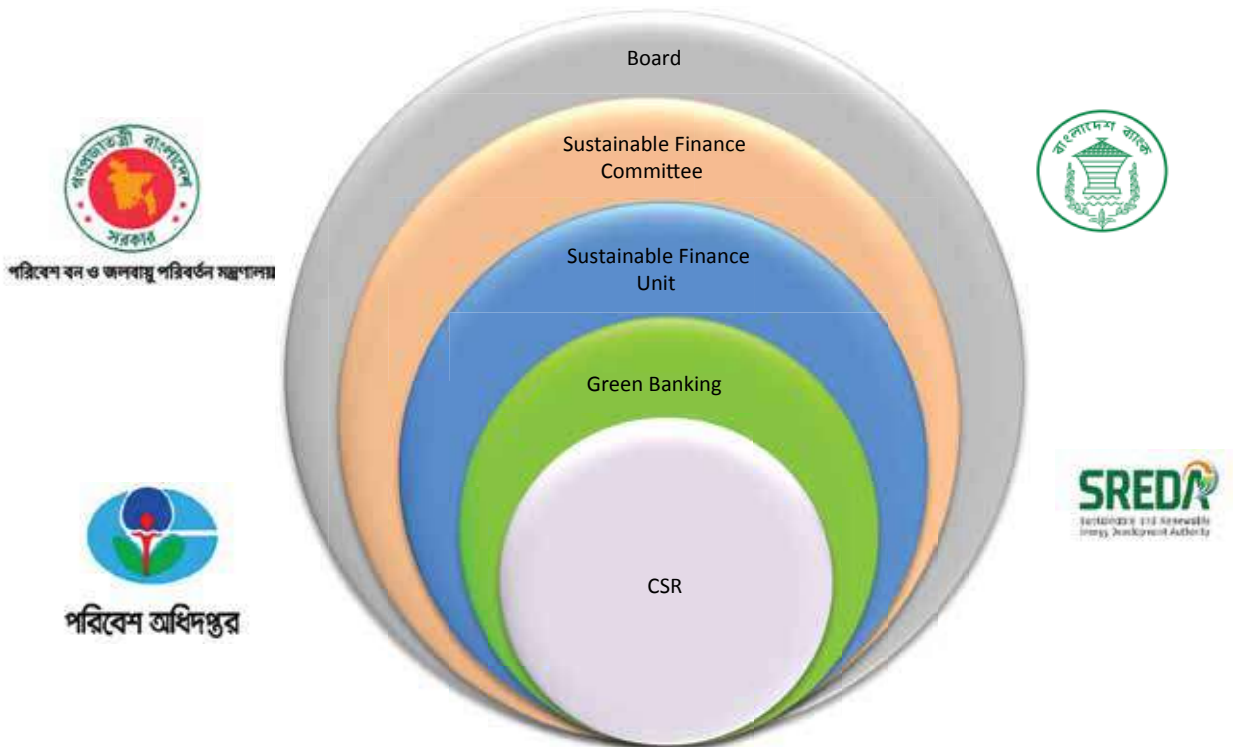
Trust Bank Limited as one of the leading commercial banks in the country always conducts in house banking activities with a view to use its resources avoiding waste and reducing energy consumption at maximum level. To help our clients reaching the highest environmental and social standards Trust Bank Limited already adopted updated Environmental & Social Risk Management (ESRM) Policy of Bangladesh Bank. Under this policy we carefully assess the extent of Environmental and Social impacts before making any financing decision and selecting any project.

To Trust Bank, sustainable banking means banking beyond just profits. It is about banking for profitability while keeping the economic, social and environmental considerations at the front and center of what we do. Today, sustainable banking is one of the core pillars of bank's values-based strategy.

Governance structure adhering to the terms of reference outlined by Bangladesh Bank through guidelines and circulars, formation of Sustainable Finance Unit is done under Credit Risk Management Division. And the Sustainable Finance Committee is formed with the senior management of the bank who serve as the head authority for supervising all the bank's sustainability activities under the guidance of the Board. The bank's sustainability activities are performed through sustainable banking and corporate social responsibility with the vision of making a value based banking for a greener and sustainable future.

Sustainable finance refers to the process of taking Environmental, Social and Governance (ESG) considerations into account when making investment decisions leading to sustainable economic activities and projects.

E&S Safeguard Policy of TBL



GREEN FINANCE

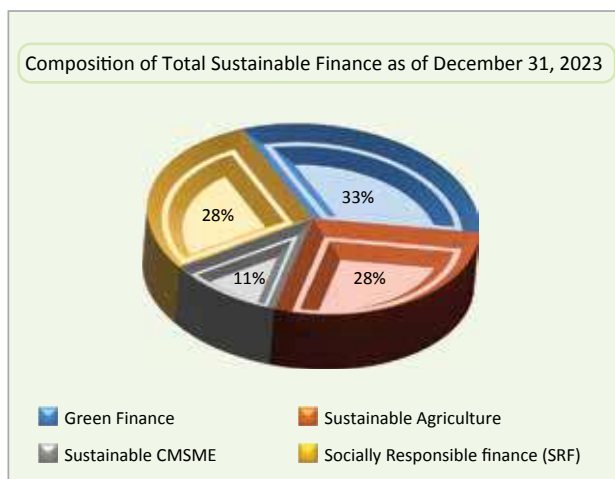
Green Finance is a term which refers to those projects that support sustainable development which includes investment in biodiversity protection, water sanitation, industrial pollution control, energy efficiency, climate change adaptation, renewable energy etc. It refers to financing in “eco-friendly” projects which will support for making healthy environment, not only for the present but also for the future generation.

Trust Bank is committed to finance in environment friendly and energy efficient projects. We believe that growth should be sustainable. The green growth cannot be achieved without green investment. It is mentionable that Trust Bank has started contributing in the renewable energy sector through financing in Bio-gas plant and Solar-home system.

Trust Bank is also committed to practice digital, nearly paperless, green banking operations by making best use of the information technology and related professional skills. We widely practice mobile banking and internet banking with an advanced technology and platform.

Trust Bank organized a “Green Event” followed by a Seminar on “Renewable Energy: an eco-friendly investment for green living” for creation of awareness among the mass people.

Trust Bank has developed various green products for financing in green sector which is directly or indirectly contributing to the reduction of carbon emissions and increasing the net of financial inclusion.



TRAINING AND DEVELOPMENT

The concept of green banking has been integral part in various activities of Trust Bank. With the constant guidance of our Sustainable Finance Committee (SFC) and Sustainable Finance Unit (SFU), now we are able to use innovative techniques and solution for all the stakeholders. We want to increase investments in clean technology and contribute for the social welfare. We have introduced Green Office Guide, and we are promoting and building awareness about green products through various training programs and initiatives for the key stakeholders. The bank has also formulated a mandatory training program about green banking and practices for all its employees.

Direct Green Financing

Green finance is one of the main stream of Sustainable development or Sustainable Finance. The key green energy projects/green finance in Bangladesh include the Solar Home System (SHS), solar mini grids, solar irrigation pumping systems and biogas plants etc. Trust Bank has started contributing in the renewable energy sector through financing on Bio gas plants and Solar-home system. We are said to be the pioneer in the financing of Biogas plants among the Banking financial institutions.

Composition of total green finance up to December 31, 2023

| Green Projects / Products | Number of project | Disbursed Amount |
|---|-------------------|------------------|
| (Fig. in BDT million) | | |
| Renewable Energy (Biogas plant) | 2,934 | 641.15 |
| Renewable Energy (Solar Energy) | 4,197 | 113.91 |
| LEED Certified Green Projects (Industry & building) | 02 | 5,321.04 |
| PET Bottle Recycling plant | 01 | 1,679.12 |
| Energy Efficiency product | 08 | 2,921.43 |
| LED Bulb/Tube Manufacture/Assemble Ind. | 05 | 1,843.77 |
| Improved/Environment Friendly Brick Kiln | 26 | 12,235.89 |
| Plastic waste Recycling plant | 18 | 2,290.93 |
| Paper Recycling Plant | 09 | 1,591.51 |
| Ensuring Work Environment and Security of Workers Factories | 04 | 28.69 |
| Effluent Treatment Plant (ETP) | 02 | 13.97 |
| Vermicomposting | 20 | 0.20 |
| Green CMSME | 25 | 23.11 |
| Grand Total | | 28,704.73 |

Corporate Social Responsibility (CSR):

Bangladesh Bank (BB) initiated the mainstreaming of CSR activities in the financial sector in 2008. These initiatives have inspired banks and financial institutions directly and indirectly to promote various activities, e.g. relief and supportive programs for disaster management, working in areas like health and education, environmental decay-resistant 'greening' programs etc. These initiatives have also inspired increasing the depth and diversity of CSR engagements of banks and FIs, both in direct budgetary expenditure and in financial inclusion drives, in greening of their internal practices and processes and lending to environmentally benign projects. On the other hand, these increasing levels of financial involvement in CSR activities have raised concerns about the proper allocation of CSR budgets, insider interests and proper monitoring of fund usage. Considering all these issues, indicative guidelines on CSR programs of banks and FIs were issued by BB on 22 December, 2014.

According to regulatory requirement, Trust Bank Limited (TBL) has introduced its own CSR policy in line with the BB's policy on CSR. TBL is committed to provide high quality services to its constituents through different financial products helping Industrialization, Boosting Export, Creating Employment Opportunities for the educated youth and encouraging Agriculture and Micro-credit leading to poverty alleviation and improving the quality of life of the people and thereby contributing to the overall socio-economic development of the country.

In this context, TBL being involved in their CSR activities is also aligned in maximizing their values through better Risk Management, employee loyalty and reputation. In line with BB, TBL sets areas or initiatives in CSR activities directly/indirectly linked to the development priorities in national and international plans adopted by the Government of Bangladesh; such as Perspective Plan of Bangladesh (2021-2041), Government 8th Five Year Plan, National Sustainable Development Strategy, National Social Security Strategy (NSSS) of Bangladesh, Bangladesh Climate Change Strategy and Action Plan, National Agricultural Policy, Intended Nationally Determined Contributions (INDC), National Disaster Management Policy 2015, National Financial Inclusion Strategy, UN declared Sustainable Development Goals (SDGs).

Considering recent financial developments and changes in the global economy, it is high time to generalize, emphasize and organize CSR activities for the environmental, social, equitable and sustainable development of the country. International guidelines/principles (Equator principles, UNGC, ISO-26000, ILO, SDGs-2030 and GRI), existing CSR strategies, policies, and procedures have been taken into due consideration in preparing this new guideline for the smooth functioning of their CSR activities in a structured and effective manner.

CSR activities for the year 2023

According to BB's Policy Guidelines on Corporate Social Responsibilities vide SFD Circular 01 dated 09 January 2022, Sustainable CSR programs need to be structured in such a manner where sustainability is the key factor to address both project and event. TBL will execute its CSR programs through social sustainable events and projects. The focus should be more on projects on long term rather than short term events.

TBL's CSR expenditure covers sectors like education, health, environment, climate change mitigation and adaptation, income-generating activities for the underprivileged population, disaster management, infrastructure development, sports, culture and others. Tk. 120.00 million was transferred to the CSR Fund Account in 2023 for conducting CSR activities and Tk. 60.91 million was provided as financial assistance in the year 2023.

TBL made financial contribution of Tk. 60 (sixty) lac only equivalent to 5% of CSR budget for the year 2023 to Prime Minister's Education Assistance Trust (PMEAT) Fund.

As a part of Disaster management, we donated blankets worth Tk. 33.51 million to Prime Minister's Relief & Welfare Fund to relieve the distress of winter-stricken people in the country. We also donated 16,000 pcs of blankets of Tk. 4.72 million to Army Welfare Trust and 2,500 pieces of blankets two cantonment areas for winter affected people. On request of Bangladesh Bank, we donated 703 pcs of blankets of Tk. 0.74 million to Autistic & Social Organization. 3,600 pieces of blankets worth Tk. 1.00 million was provided to Thengamara Mohila Sabuj Sangha (TMSS).

TBL has been providing financial assistance to the victims of martyred families of Surajdi & Shohagpur villages of Nalitabari Upazilla in Sherpur since 2010. The widows of the two 'Bidhoba Palli' have been receiving lifelong subsistence allowances on monthly basis. During the year 2023, we provided Tk 1.00 million of monthly subsistence allowance.

CSR donations of Trust Bank Limited in 2023

| Sector | Taka in million | Percentage |
|---------------------|-----------------|----------------|
| Education | 8.20 | 13.46% |
| Health | 2.23 | 3.66% |
| Others | 22.81 | 37.45% |
| Disaster Management | 27.66 | 45.42% |
| Total | 60.91 | 100.00% |

TRUST BANK SHARIAH SUPERVISORY COMMITTEE SPEECH OF THE CHAIRMAN

Bismillahir Rahmanir Raheem

All praise is for Allah subhanahu-wa-ta'ala Who created us and Who is the One and the Unique, the Beneficent, the Merciful. Peace and Salam be upon the Prophet (pbuh) who is a mercy for the whole World.

Islamic Banking activities in Trust Bank Limited started in the year 2008 and running successfully from there on by the grace of almighty Allah with positive growth. All the formalities of financial year 2023 of Trust Islamic Banking has been completed complying with the Shariah Principles. In this regard, we take the opportunity to express our appreciation to the Board of Directors, the Management of the Bank and the officials of Trust Islamic Banking.

The honorable members of the Trust Bank Shariah Supervisory Committee is expressing their opinion independently regarding all issues presented by the Management. The Shariah Supervisory Committee acknowledges the overall support received from the Board of Directors and the Management of the Bank regarding Shariah Compliance and business performance of Trust Islamic Banking.

We wish Trust Islamic Banking will continue its efforts to enhance customer service quality, growth and gain client confidence in the coming days Insha Allah.

We pray to the Almighty Allah (SWT) to give us enough strength to implement Shariah Principles in every sphere of our life. We pray for His unbound blessings on TBL and its stakeholders.

Ma-assalam



Dr. Mohammad Monzur E Elahi
Chairman, Shariah Supervisory Committee

ANNUAL REPORT OF THE SHARIAH SUPERVISORY COMMITTEE

Bismillahir Rahmanir Raheem
Honorable Shareholders

Assalamu Alaikum Wa-rahmatullah

Al-hamdulillah! By the infinite Mercy of Almighty Allah, Trust Islamic Banking has completed all activities by facing global and local economic adversity in the financial year 2023 as like previous years. For this we express our sincere gratitude to the Almighty Allah. We express our appreciation to the Board of Directors, the Bank Management and the Officials of Trust Islamic Banking for their full support, guidance and trust in Islamic banking activities.

The responsibility of the Shariah Supervisory Committee is to provide guidelines and instructions in accordance with the Shariah in all operations of Islamic Banking and to verify whether the Management of the bank is conducting all activities based on that, to prepare independent opinion and present it to you. Basically, the responsibility of the Management of the bank is to conduct the overall banking activities according to the principles of Islamic Shariah.

In the year 2023 Trust Bank Shariah Supervisory Committee met in 3(three) meetings. The Committee reviewed the principles and the contracts relating to the transactions and applications. Upon scrutinizing, the Shariah Supervisory Committee presents the following matters for your kind consideration:

- a. All agreements, contracts and transactions executed by Trust Islamic Banking that we have reviewed are in compliance with the Islamic Shariah principles and regulations.
- b. Final profit among the Mudaraba depositors of the Bank were distributed by complying Shariah principles. The additional profit was credited to those accounts which provisional profit rate was lower than the final profit rate. But no deduction is made to those accounts whose provisional profit rate was higher than the final profit rate by way of sacrificing from Mudarib portion.
- c. Some Compensation was realized by the different window branches on the ground of Shariah ruling on expired and rescheduled investment. However, the amount has been separated from the actual income and kept for CSR purpose.
- d. Transactions with the conventional part of the Bank have been made complying Shari'ah principles. And
- e. Since Bank doesn't pay the Zakat on A/C balance of depositors and shareholders earnings and assets, it is the sole responsibility of the concerned parties to pay Zakat.

Suggestions of the Shariah Supervisory Committee

1. To create Shariah awareness among the client and employees of the Bank, the Management of the bank is advised to arrange regular program in different zones of the country.
2. To comply with the Shariah principles, Shariah Knowledge is required. In this regard, the number of both online and offline training for the officials of Islamic Banking should be increased.
3. Updated technology and innovative banking system should be introduced to provide fast service.
4. In case of investing in Bai-Sell mode (i.e. Bai-Murabaha, Bai-Muajjal & Bai-Salam) the Bank should ensure proper buying and selling. In case of appointing buying agent, importance should be given in the Shariah compliance.
5. Mudaraba and Musharaka partnership business may be introduced with selected customers in limited scale as a pilot program.
6. Investment focus should be given for the socio-economic development of the poor people of the rural area of the country besides corporate, SME & retail clients.

May Allah (SWT) forgive our all errors, accept our good deeds and give more awareness to follow taqwa and welfare deeds. Ameen.



Dr. Mohammad Monzur E Elahi
Chairman, Shariah Supervisory Committee

RISK MANAGEMENT REPORT



Risk Management Report

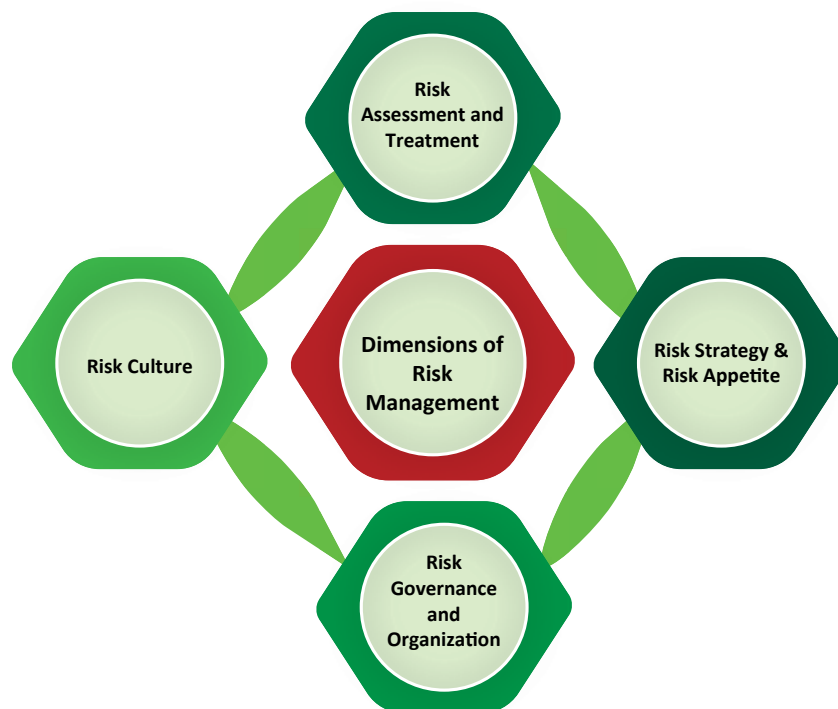
Robust risk management framework of the bank plays the pivotal role in navigating the risk universe relentlessly as risks are correlated in its normal course of business. The Bank takes a holistic and forward-looking approach in assessing both current and emerging risks in the operating environment to ensure that risk and opportunity are responded appropriately. Risk management structure is designed to ensure that risks accepted are in line with the Bank's risk appetite and strategic priorities. Bank is committed to continuous upgradation of risk management activities to remain resilient in the ever changing market environment and thus create sustainable value for the stakeholders.

Risk Management Processes



Dimensions of Risk Management

The bank's risk management dimension is underpinned by a sound and robust Risk Management Framework. The framework is designed in line with the global risk management, regulatory standards and industry best practices. The overall structure of the Framework is highlighted in Figure-



Risk Governance

Effective risk governance sets a solid foundation for comprehensive risk management discipline. Our risk governance structure is based on a “three lines of defense” governance model, where each line has a specific role with defined responsibilities and works in close collaboration to identify, assess and mitigate risks.



Risk Governance Structure of the Bank

There is a clear, effective and robust governance structure with well-defined, transparent and consistent lines of responsibility.

Board Risk Management Committee

The Board Risk Management Committee oversees risk management functions for identifying, monitoring and measuring the Bank’s risk profile in a comprehensive and integrated manner.

The Committee approves policies related to risks and reviews various aspects of risks arising from the business undertaken by the bank, monitor effective execution of core risk management policy and principles and makes recommendations relating to the risk appetite and particular risks or risk management practices.

Bangladesh Bank instructed to hold at least 4 (four) BRMC meetings in a year. In compliance with that, during the year 2023 BRMC held 4 meetings. Meeting dates of the Committee were as follows:

| SI No. | Meeting No. | Date of Meeting |
|--------|-----------------------|------------------|
| 01 | 45 th BRMC | 15 February 2023 |
| 02 | 46 th BRMC | 19 May 2023 |
| 03 | 47 th BRMC | 14 November 2023 |
| 04 | 48 th BRMC | 27 December 2023 |

Executive Risk Management Committee

Executive Risk Management Committee of the bank is comprising of Head of all core risk areas of the bank and Head of any other departments/ division related to risk, if deemed necessary to monitor and review all risk exposures, risk related policies, procedures affecting credit, market and operational areas in line with the directives from the BRMC.

The committee is chaired by the Chief Risk Officer (CRO), who holds meeting at least once in a month based on the findings of risk reports and takes appropriate decisions to minimize, control and mitigate risks.

Three Layer Structure to Mitigate Risk

Several layers of management provide cohesive risk governance



Risk Management Division

The Bank has an independent full-fledged Risk Management Division assigned with the responsibility to carry out the overall risk management function of the Bank. The risk management division is headed by the Head of Risk Management Division (HoRMD) who reports to the Chief Risk Officer (CRO).

RMD consists of separate desks, which are devised for managing Credit Risk, Market Risk, Liquidity Risk, Stress Test, Operational Risk, Basel Pillar I, Basel Pillar II & III and Risk Research & Policy Development.

Credit Risk Desk

Credit Risk desk under Risk Management Division of the Bank is responsible for identifying various credit risks, monitoring the overall loan portfolio and reporting of various credit risk related issues to regulatory bodies, Board and senior management.

Market Risk Desk

Responsibility of Market Risk desk is to identify, measure, monitor and report risks arise from interest rate risk, foreign exchange and equity risk.

Liquidity Risk Desk

Liquidity Risk desk is responsible for regular monitoring of liquidity ratios, liability concentration, growth of asset and liability including off-balance sheet items, Asset-liability of off-shore banking unit and reporting various liquidity indicators to regulatory bodies, Board and management.

Stress Test Desk

Stress Test desk is responsible for conducting stress testing on a number of single factor sensitivity covering credit risk, market risk and liquidity risk to assess the resiliency of the Bank to different extreme but plausible shock scenarios.

Operational Risk Desk

Operational Risk desk is responsible for identifying, mitigating and monitoring the vulnerable areas related to operational risk resulting from people, process and system monitoring.

Basel Pillar I Desk

Basel Pillar I desk is responsible for assessing minimum capital requirement of the Bank in line with the regularity directives. The desk dedicatedly monitoring the credit rating of the corporate and SME clients for decreasing the capital requirement of the bank. Strategies for capital raising, increasing capital and decreasing capital requirement to cope with the projected scenario is also formulated by the desk.

Basel Pillar II & III Desk

The desk is responsible for measuring the additional capital requirement in relation to risk profile through preparing ICAAP report and Market disclosure through Disclosures on Risk Based Capital (Basel III).

Risk Research and Policy Development Desk

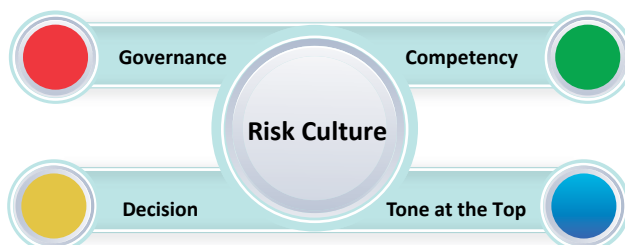
The desk is responsible for conducting research on identified risk, projecting emerging risk, assisting senior management in formulating strategic planning considering bank's risk exposures, developing the KRI reporting format and mitigating measures to the concerns.

Risk Assessment and Treatment

A rigorous risk assessment processes are in place to actively identify, measure, analyze, evaluate and reporting risks inherent in all products and activities undertaken by the bank. Adequate risk control mechanism are there to eliminate or mitigate the impact of risk.

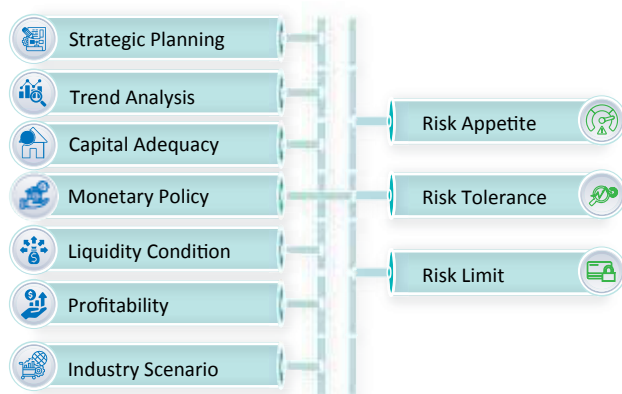
Risk Culture

Risk culture is a vital component in strengthening risk governance, and forms a fundamental principle of strong risk management. Bank fosters a strong risk cultures, where employees are encouraged to take accountability for identifying risks and for challenging inappropriate actions. The businesses are held accountable for managing all of the risks they generate, including those relating to employee behaviour and conduct, in line with the risk appetite. Expectations on risk culture are regularly communicated by senior management and reinforced through policies and trainings.



Risk Appetite

The Bank has set in place a Risk Appetite statement (RAS) which clearly defines the aggregate quantum of risk the Bank is willing to assume in different aspects of business in achieving its strategic objectives. Regulatory requirements, strategic goals, capital adequacy and other prudential factors are incorporated into the RAS to facilitate sustainable value creation to stakeholders whilst ensuring compliance in an efficient manner. The RAS is reviewed and approved by the Board annually.



Risk Reporting

| Name of the Report | Frequency | Purpose |
|--|-------------|--|
| Monthly Risk Management Report (MRMR) | Monthly | Providing comprehensive overview of the Bank's risk profile. |
| Comprehensive Risk Management Report (MRMR) | Half Yearly | Providing comprehensive overview of the Bank's risk profile with specific findings and recommendations to manage risk. |
| Minimum Capital Requirement (MCR) | Quarterly | Measuring the capital adequacy of the bank against Credit, Market and Operational Risks in accordance with the risk based capital adequacy guidelines of Bangladesh Bank. |
| Internal Capital Adequacy Assessment Report (ICAAP) | Annually | Determining capital adequacy against the Bank's overall risk profile under Pillar II of Basel III. |
| Market Discipline | Annually | Disclosing key information of Bank's assets, risk exposures, risk assessment processes, and capital adequacy to meet the risks so that stakeholders can assess the position of the bank. |
| Stress Testing | Quarterly | Conducting scenario analysis under a set of exceptional, but plausible assumptions to assess the impact of capital base under different shock level. |
| Risk Appetite Statement | Annually | Determining the level and type of risk the Bank is able and willing to assume in its exposures and business activities, given its business objectives and obligations to stakeholders |
| Recovery Plan | Annually | Developing Recovery Plan for preparing responses to the potential shocks in advance so that Bank can act promptly and effectively in the event of a stress situation. |
| Review Report of Risk Management Policies & Effectiveness of Risk Management Functions | Annually | Review of how well the risk management policies implemented and evaluation of overall risk management functions. |

Credit Risk

Credit risk is the risk of loss resulting from the failure of a borrower or counterparty to honor its financial or contractual obligations to the Bank. Generally, credits are the largest and most obvious source of credit risk. Credit risk could stem from both on-balance sheet and off-balance sheet activities.

Governance and management

The credit risk governance establishes the responsibility and approach through which the Board of Directors and Senior Management govern its business and the related credit risk management issues. It is the overall responsibility of a Bank's Board of Directors to approve credit risk

management strategies and significant policies relating to credit risk and its management which should be based on the overall business strategy. The responsibility of senior management is to transform strategic directions set by the Board in the shape of policies and procedures. Senior Management ensures that the policies are embedded in the culture of the Bank. Senior Management is responsible for implementing the Bank's credit risk management strategies and policies and ensuring that procedures are put in place to manage and control credit risk and the quality of credit portfolio in accordance with these policies. Credit Risk Management Committee (CRMC), which is headed by Chief Risk Officer (CRO) has been delegated the responsibility to oversee the credit risk taking activities and overall credit risk management functions. Credit risk management function is independent from the business divisions.

Bank's Credit Policy, Credit Risk Appetite and the Credit Risk framework set out reasonable expectations for the conduct of the credit risk management activities and behavior throughout the organization. This ensures:

- A consistent and effective execution of credit risk management activities across the Bank
- A strong credit risk management culture.
- A performance that is in line with strategic objectives.
- Compliance with legal and regulatory requirements in relation to credit risk.

Credit risk management cycle

The credit risk management cycle of the Bank ensures that loans are granted within borrowers' financial capacity and that distressed and non-performing loans are identified at an early stage and managed proactively. Each of the phases of the cycle/process is associated with specific decision models established for decision-making in line with the business objectives and credit policies defined by the Bank.

Planning on credit risk is done at the start of the cycle that allows business targets and specific action plans are defined, within the risk appetite established by the bank. These targets to be met by assigning the necessary means (models, resources, systems). A thorough credit risk assessment is done before granting loans. The Credit Risk Assessment includes borrower risk analysis, industry risk analysis, historical financial analysis, projected financial performance, conduct of account, and security against the proposed loan.

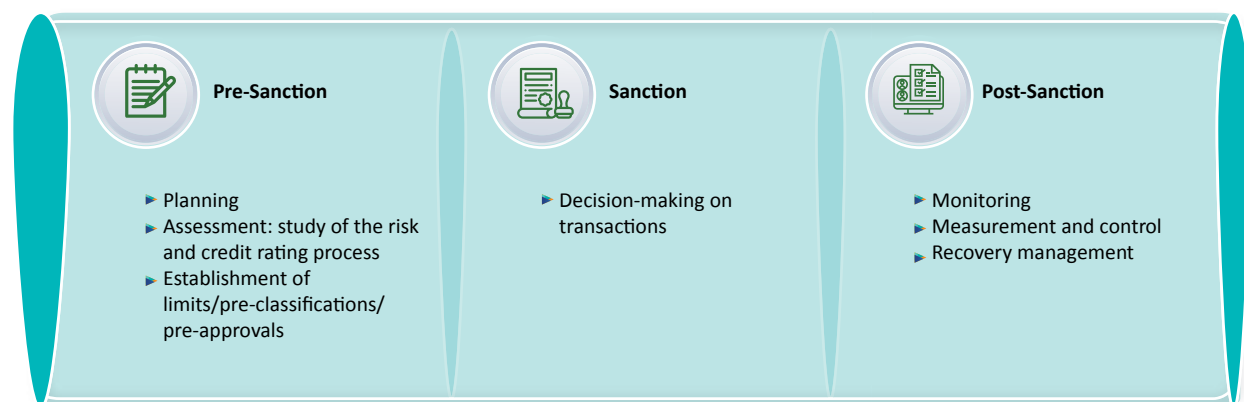
Bank adopted the Internal Credit Risk Rating System (ICRR) model introduced by Bangladesh Bank that extensively analyze a borrower's repayment ability based on information about a customer's financial condition including their liquidity, cash flow, profitability, debt profile, market indicators, industry and operational background, management capabilities, and other relevant indicators. The model consists of twenty different sub-sectors under the broad category of four main sectors. Different yardsticks are used for assessing the borrowers of corresponding sectors. The assessment criteria for each of these sectors are unique.

The establishment of limits, pre-classifications and pre-approvals phase establishes the risk that each customer is able to assume. These limits are set considering both the business and risks areas and have to be approved by the committees delegated for and reflect the expected risk-return by the business. All decisions regarding risks consider the risk appetite, limits and management policies defined in the planning stage, in addition to other factors relevant to the risk and profitability equilibrium.

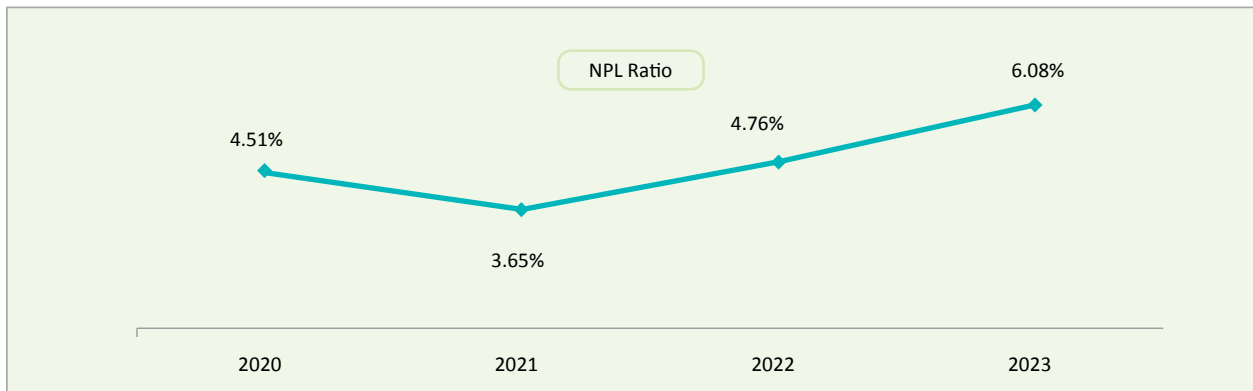
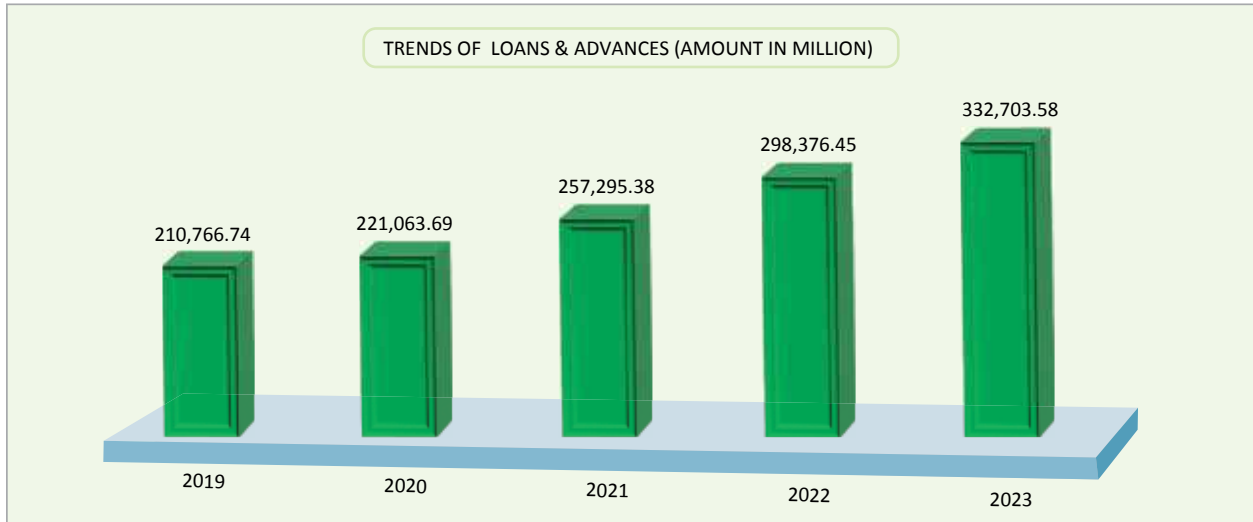
All borrowers are monitored in an ongoing and holistic manner that enables the earliest detection possible of any incidents that may arise in relation to risk impacting the customer's credit rating, so that specific measures (predefined or ad-hoc) can be implemented to correct any deviations that could have a negative impact for the entity.

Effective recovery policies and action plans are in place for improved credit collection. A number of measures are used to mitigate credit risk, including collateral, guarantees and covenants along with effective comprehensive guideline for valuation and management of collateral security.

The stages of credit risk management cycle are illustrated below:



Loans and Advances

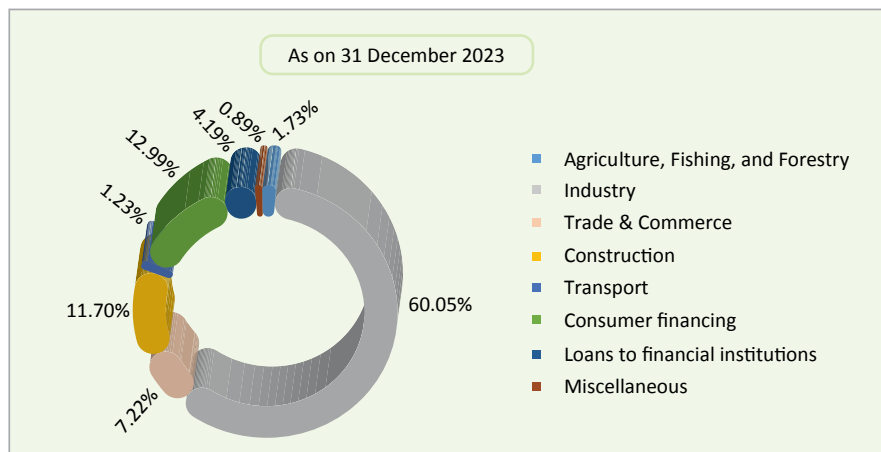


Concentration Risk

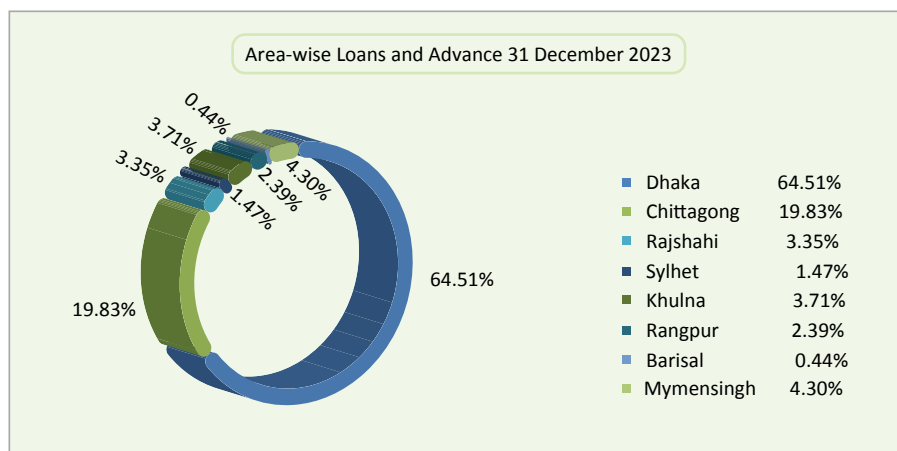
Concentration risk is the probability of loss arising from significantly imbalanced credit exposure to a particular individual, group, industry sector or geographical area. The Bank manages concentration risk by means of appropriate structural limits and borrower-wise limits based on credit-worthiness. Bank's appetite for credit exposures is predefined for:

- Group of related borrowers
- Top 20 (twenty) borrower's concentration
- Major economic sectors
- Geographical areas

Concentration by Sector-2023



Concentration by Geographical Location-2023



Concentration risk is monitored closely, and the relevant limits are reviewed and changed periodically to suit the changes in economic and environmental outlook, bank's policies and regulatory requirements.

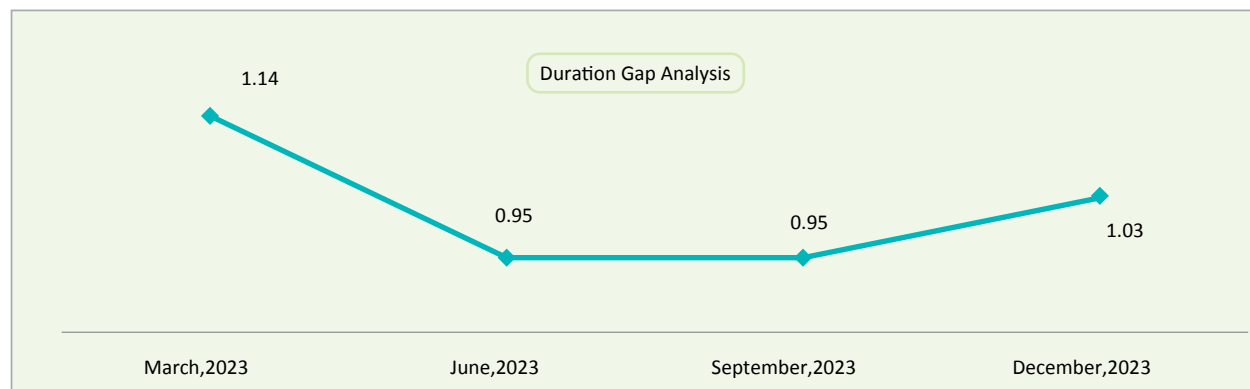
Market Risk

Market risk encompasses the risk of financial losses due to adverse movements in market prices. The most common types of market risks include interest rate risk, foreign exchange risk and equity risk. Market risk of a bank mainly arises from money market, capital market and foreign exchange portfolio.

Trust Bank has policies, approved by the Board to mitigate and monitor its market risk. Asset Liability Management Committee(ALCO) is entrusted with the responsibility for managing market risk of the Bank from a strategic risk management perspective in accordance with the existing regulatory framework.

Interest Rate Risk

Interest rate risk is the possibility that the value of an investment will decline as the result of an unexpected change in interest rates. Changes in interest rates affect a bank's earnings by changing its net interest income and the level of other interest sensitive income and expenses. Changes in interest rate also affect the underlying value of the bank's assets, liabilities and off-balance sheet exposure. ALCO decides optimum strategies for managing interest rate risk. Duration gap analysis, Earning At Risk (EAR) and sensitivity analysis are used to quantify interest rate risk.



Foreign Exchange Risk

Foreign-exchange risk is the risk that an asset or investment denominated in a foreign currency will lose value as a result of unfavourable exchange rate fluctuations between the foreign currency and the presentation currency. Net open position, stop loss limits, dealers limits and counter party limits are exercised based on prescribed limits approved by Board of Directors in line with the requirements of Bangladesh Bank. Stress testing and Value at Risk (VaR) are used to quantify bank's risk in foreign exchange exposure. Triggers are raised to draw attention to any specific event. Furthermore, the Bank has been able to manage its open positions for the better interest of the bank as a whole.

Equity Risk

Equity price risk is the probabilities of losses caused by changes in equity prices. Both systematic and unsystematic risk might be associated with equity risk. The former refers to sensitivity of portfolio value to change in overall level of equity prices whereas later is associated with volatility of firm specific factors. Bank uses a range of techniques including marking to market, stress testing and VaR to assess equity risk for its equity investment. Exposure limits for equity portfolio is guided by Bangladesh Bank time to time.

Liquidity Risk

Liquidity Risk is the current and prospective loss on the earnings or capital of the financial institution resulting from the inability to meet current payment obligations in a timely and cost-efficient manner. The goal of liquidity risk management is to meet all commitments on the due date and raising sufficient funds under normal and adverse conditions. These objectives are ensured by setting up effective policies, operational level committees, risk measurement tools and techniques along with monitoring and reporting mechanism. Liquidity risk is managed within approved policies and framework by Board of Directors. ALCO provides senior management oversight of liquidity risk and meets at least monthly to discuss the Bank's liquidity profile.

The Bank manages its liquidity on static and dynamic basis using various tools such as gap analysis, ratio analysis, dynamic liquidity statements, scenario analysis and structural liquidity profile (SLP). The liquidity profile of the bank is analyzed on a static basis by tracking all cash inflows and outflows in the maturity ladder based on the actual maturity and expected occurrence of cash flows. The liquidity profile of the bank is also estimated on a dynamic basis by considering the growth in deposits and loans, undrawn commitments etc. The concentration on large deposits is monitored on a periodic basis.

The bank's ability to meet its obligations and fund itself in a crisis scenario is critical and accordingly, liquidity stress tests are conducted under different scenarios at periodical intervals to assess the impact on liquidity to withstand stressed conditions. Basel III framework on liquidity standards as prescribed by Bangladesh Bank is adopted and put in place requisite systems and processes to enable periodical computation and reporting of the Liquidity Coverage Ratio(LCR). The Bank has in place a contingency funding plan to ensure that decisive actions are taken in liquidity crisis situation. The Bank have appropriate counter party limits based on the credit risk policies in line with its credit risk appetite as well as target market of the Bank.

Liquidity Risk Indicators:

| Particulars | Liquidity Ratio as on 31, December 2023 |
|---------------------------------------|---|
| Cash Reserve Requirement (CRR) | 4.06% |
| Statutory Liquidity Requirement (SLR) | 16.43% |
| Liquidity Coverage Ratio (LCR) | 119.50% |
| Net Stable Funding Ratio (NSFR) | 113.49% |

Internal Control and Compliance Risk Management

Internal control is a process, effected by a bank's Board of Directors, Management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance. It is a dynamic, continuing series of activities planned, implemented and monitored by the Board of Directors and Management at all levels within an organization. An effective internal control system continually recognizes and assesses all of the material risks that could adversely affect the achievement of the bank's goals. The bank has Risk Based Internal Auditing (RBIA) model, approved by the Board, under which branches are rated taking into consideration of the "Business Risk" as well as "Control Risk" associated with their operation. The risk assessment by Internal Audit focuses more on compliance with regulatory requirements; controls over implementation of management policies, procedures and decisions related to the risks which were communicated and asked to enforce along with all other risks at branch level. The Audit Committee of the Board periodically assesses the performance of internal audit of the bank.

Internal Control and Compliance Process of Trust Bank:


- Departmental Control Function Check List (DCFCL), at the frequencies, i.e., daily, weekly, monthly, quarterly;
- Loan Documentation check List;
- Quarterly Operation report (QOR) is needed to be prepared, maintained and reviewed.


In 2023 IC&C Division conducted following number of Audit:

| Summary | No. of Audit |
|--|--------------|
| Number of Comprehensive Audit on Branches | 114 |
| Number of Comprehensive Audit at Head Office (Divisions/ Departments) | 33 |

Money Laundering and Terrorist Financing Risk Management

With the evolving trends in money laundering and terrorist financing as well as heightened regulatory expectations, the bank has continuously worked to emplace adequate and effective Anti-Money Laundering (AML)/ Countering Financing of Terrorism (CFT) controls and practices to proactively manage these risks. Due to modern technology prevention of money-laundering & combating financing of terrorism is more difficult and challenging than ever for the banks worldwide. The COVID-19 pandemic is also impacting government and private sectors'abilities to implement Anti-Money Laundering and Counter Terrorist Financing (AML/CFT) obligations for supervision, regulation and policy reform. The Bank meet the challenge of AML/CFT issues through following means of defense:

 **1. Knowing Our Customer:** During establishing the relationship with customer, banker has to be very cautious to verify the identity of a new customer and guard the gateway of banking system as this system allows access to the global financial platform. As per BFIU instruction new KYC format introduced this year, to be followed by all officials meticulously and prudently. All accounts are opened with accurate and complete documentation as per AML & CFT policy.

 **2. Sanction Screening:** Sanction Screening is followed before as per the instruction of AML & CFT Policy Guideline. This process is followed in case of both local and cross border transactions.



3. Monitoring Transactions & STR/SAR Detection: As the pandemic continues to affect societies and economies across the world, banks and financial institutions have to adjust to the new compliance climate to accommodate legitimate behavior from customers while identifying criminal behavior from money launderers and fraudsters. To comply with this following taks are done:

- I. More vigilant in monitoring transactions.
- II. Identify STR/SAR and forward to proper authority.
- III. Use of digital identity to identify customers while onboarding and when making transactions.
- IV. Make use of due diligence approach based on risk as per Risk Management Guideline of TBL.



4. Training of our Employees: Due to Pandemic situation training on different related issues are being arranged through Zoom online by TBL Training Academy. Training and awareness program makes sure that TBL, employees can meet their responsibilities.



5. Prevention of Trade Based Money Laundering: Trade Based Money Laundering Guideline has already been developed and currently awaiting for vetting clearance from BFIU. All the due diligence is meticulously followed in case of Foreign Trade Business.



6. Correspondence Banking Relationship: To protect the bank from any non-compliance offence all concerned officials are instructed not to establish relationship with Shell Bank for performing foreign trade. The concerned officials have to take prior approval and complete proper documentation before establishing any correspondence relationship with foreign bank.

TBL as a responsible and compliant institution, practices the 'zero tolerance' approach in compliance of TBL AML & CFT Risk Management Guidelines in it's business approach and practices. In the light of changing environmeit, TBL continuously evaluate the strength and relevance of its existing AML/CFT policies, procedures and training programs to remain updated.

Operational Risk

Operational risk is the risk of losses stemming from inadequate or failed internal processes, people and systems, or from external events such as natural disasters, social or political events. It is inherent in all banking products and processes and our objective is to control it in a cost effective manner. Operational risk includes legal risk but excludes strategic and reputational risk.





Information and Communication Technology (ICT) risk

Information and Communication Technology (ICT) risk comprise of the loss due to breach of confidentiality, failure of integrity of systems and data, inappropriateness or unavailability of systems and data or inability to change information technology (IT) within a reasonable time and with reasonable costs when the environment or business requirements change. ICT risk is inherent not only in the IT assets, but also in the people and processes that interact with them including through dependency on third-party suppliers and the worldwide telecommunications infrastructure. The bank manages ICT risk in a systematic and consistent manner thus data integrity, availability, confidentiality and consistency are ensured with a view to provide the relevant early warning mechanism. There are well defined policies which set out key risk management framework, function, process, risk identification, governance, evaluation and response.

The Bank has in place an internal governance and control framework that ensures an effective and prudent management of ICT risk, in accordance with the policy guidelines, in order to achieve the highest level of digital operational resilience. The following measures are in place to ensure robust ICT and cyber-risks management:

- Adequate internal governance and internal control framework with clear roles and responsibilities are in place for ICT risks management, for ICT functions, information security risk management
- Different levels of committees like; ICT Risk Management Committee, ICT Steering Committee, ICT Security Committee for governing the ICT operations of the bank
- Business Continuity and Disaster Recovery plan to recover as quickly and effectively as possible from an unforeseen disaster or emergency situations
- Constant enhancement of IT infrastructure (ecosystem) and security tools to minimise risk of disruptions and to mitigate risk at any single point of failure.
- Rigorous software development life cycle and enforcement of change management.
- Effective governance framework with different levels of committees like; ICT Risk Management Committee, ICT Steering Committee, ICT Security Committee for governing the ICT operations of the bank
- Continuous cyber awareness campaigns and assessment of internal readiness.
- Established a cyber defence roadmap focusing on technology capabilities.
- Continuous review and monitoring of IT operations to ensure it complies with regulatory requirements.

Other Risks

Reputational risk

Reputational risk is the current or prospective risk to earnings and capital arising from adverse perception of the image of the bank on the part of customers, counterparties, shareholders, investors or regulators. Reputational risk is multidimensional and reflects the perception of other market participants. The risks that arise are incorporated into the bank's risk management processes and appropriately addressed in its ICAAP and liquidity contingency plans.

Environmental & Social risk

Environmental and social risk is the risk of financial loss or damage to reputation associated with environmental issues including related social issues, whether arising from the bank's credit and investment activities or related to its own operations. The Bank has policies and procedures in place and conduct appropriate due diligence for assessment of E&S risks associated with a proposed transaction.

Strategic risk

Strategic risk means the current or prospective risk to earnings and capital arising from imperfection in business strategy formulation, inefficiencies in implementing business strategy, non-adaptability/less adaptability with the changes in the business environment and adverse business decisions. Strategic risk induces operational loss that consequentially hampers the capital base. Bank seeks to manage strategic risk with annual strategic plan and retain capital against the identified risks.

Annual Risk Conference 2023

Bank organizes Risk Conference every year with the purpose of sharing prevailing risk issues to create awareness among the employees on the risks arise from overall banking operations and plausible ways to manage them efficiently. In compliance with that, day long Annual Risk Conference for the 2023 was held on 17th December 2023 on a digital platform at Trust Bank Head office, with the presence of Managing Director & CEO and Deputy Managing Directors. All Head of Division/Department of Head Office, all Branch Managers, all Manager Operations, Credit & Forex, and nominated Officers participated the conference.

Disclosures on Risk Based Capital under Pillar – III of Basel III

Basel III was introduced by Basel Committee on Banking Supervision (BCBS) to strengthen the stability of the banking system. By applying stringent capital and liquidity standards, it intended to improve the banking sector's shock absorption capacity arising from financial and economic stress and reduce the risk of contagion from the financial sector to the real economy. The Disclosure on Risk Based Capital under Basel III aims to establish a transparent and disciplined financial market so that stakeholders can assess the position of the bank regarding holding of assets and to identify the risks relating to the assets and capital adequacy of the Bank.

The Basel III framework consists of three-mutually reinforcing pillars:



Trust Bank Limited (TBL) has implemented Basel III framework as part of its capital management strategy in line with the BRPD circular no.18 'Guidelines on Risk Based Capital Adequacy' dated December 21, 2014. Market discipline disclosures under Basel III are made following the same guidelines in order to complement the minimum capital requirement and the supervisory review process. This disclosure is a rigorous effort of the bank in establishing a transparent and well-structured financial market by providing accurate and timely information related to liquidity, solvency, performance and risk profile of the bank. The new capital and liquidity standards have greater business implications for banks.

1. Scope of Application

Qualitative Disclosures:

(a) The name of the top corporate entity in the group to which this guideline applies:

The framework applies to Trust Bank Limited (TBL) on 'Consolidated Basis' as there are three subsidiaries of the Bank as on the reporting date i.e. 31 December, 2023. However, 'Solo Basis' information has been presented beside those of 'Consolidated Basis' to facilitate comparison.

(b) An outline of differences in the basis of consolidation for accounting and regulatory purposes, with a brief description of the entities within the group (i) that are fully consolidated; (ii) that are given a deduction treatment; and (iii) that are neither consolidated nor deducted (e.g. where the investment is risk-weighted):

Trust Bank Limited has 3 (Three) subsidiaries i.e.

- Trust Bank Investment Limited
- Trust Bank Securities Limited
- Trust Axiata Digital Limited

A brief description of the Bank and its subsidiary are given below:

• Trust Bank Limited:

The bank was established as a Public Limited Company (Banking Company) on 17th June 1999 under the Companies Act, 1994 for carrying out all kinds of banking activities and commenced its operation on 17th June, 1999 with the permission of Bangladesh Bank. It is listed with Dhaka Stock Exchange PLC. and Chittagong Stock Exchange PLC.

As on 31st December 2023, the Bank is operating its business through Head Office having 116 branches, 8 Sub-branches, 1 SME Service Center, 12 Collection Booth, and 264 ATMs all over Bangladesh.

Off-shore Banking Unit (OBU): Off-shore Banking Unit is a separate business unit governed by the applicable rules & regulations and guidelines of Bangladesh Bank vide letter no. BRPD(P-3)744(116)/2010-2462 dated 2nd June, 2010. The number of OBU was 1 (One) as on reporting date 31st December, 2023 located at Head Office. Investments in OBUs are risk-weighted with the exposure of the Bank.

• **Trust Bank Investment Limited:**

Trust Bank Investment Limited (TBIL) is a fully owned subsidiary of Trust Bank Limited and incorporated with the Registrar of Joint Stock Companies & Firms, Bangladesh as a public limited company on September 09, 2010 under the Companies Act, 1994. TBIL obtained merchant bank license from the Bangladesh Security and Exchange Commission on October 25, 2010 and is authorized to undertake Portfolio Management, Underwriting, Issue Management and Corporate counseling

TBIL started its operation on 14th November 2010 by taking over the Asset and Liabilities of the Merchant Banking Division of the Bank, except the Own Investment Portfolio of TBL, to comply with the instructions of Bangladesh Bank.

• **Trust Bank Securities Limited:**

Trust Bank Securities Limited (TBSL) was incorporated on 7th February, 2013 as a Private Limited Company bearing registration No: C-107267/13 under the companies Act, 1994. The registered office of TBSL is located at level-01, Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206.

The main objective of the company is to carry out business of stock broker/dealers in relation to shares and securities dealings and other services as mentioned in the Memorandum and Articles of Association of the Company.

• **Trust Axiata Digital Limited:**

Trust Axiata Digital Limited (TADL) is a subsidiary of Trust Bank Limited. It is formed to carry out the business of Mobile Financial Services (MFS) operations and Payment Service Provider (PSP) operations as defined in Bangladesh Mobile Financial Services (MFS) Regulations, 2018 and Bangladesh Payment and Settlement Systems Regulations, 2014, including any amendments thereof and/or any other applicable laws, rules and regulations.

With the underlying objective of ensuring a wide range of MFS for banked and unbanked population of Bangladesh, TADL has executed the launch of its MFS product on 30th December 2020 with the brand name “**tap**”. TADL offers the most convenient, flexible, secured and affordable services and its purpose is to gain financial inclusion of a wide range of people from all level of income.

(c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group:

Not applicable

Quantitative Disclosures:

(d) The aggregate amount of surplus capital of insurance subsidiaries (whether deducted or subjected to an alternative method) included in the capital of the consolidated group.

Not Applicable

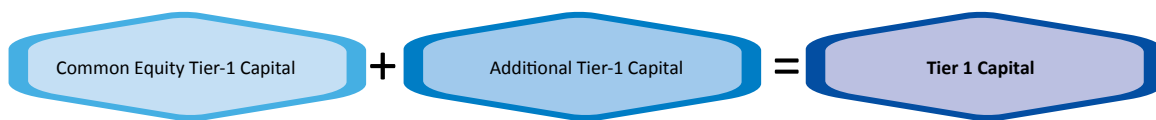
2. Capital Structure

Qualitative Disclosures:

(a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in CET 1, Additional Tier 1 or in Tier 2.

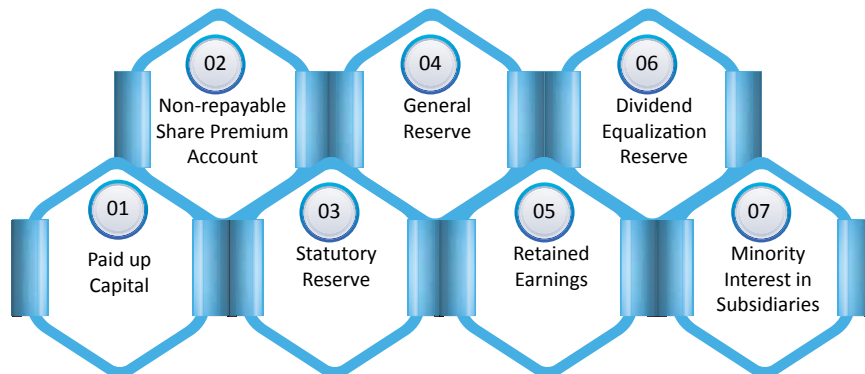
For the purpose of calculating capital under capital adequacy framework, the capital of banks has been classified into two tiers. The total regulatory capital consists of sum of the following categories:

I. Tier 1 Capital (going-concern capital): This form of capital can absorb losses without triggering bankruptcy of the bank. Hence, it is the core measure of a bank’s financial strength from regulator’s point of view. The components of Tier-1 capital are:



a) Common Equity Tier 1 Capital

It comprises of highest quality of capital elements.



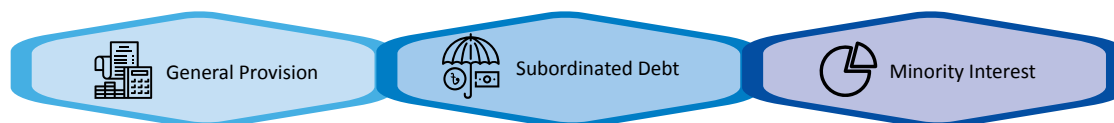
Less: Regulatory adjustments applicable on CET1

b) Additional Tier 1:

- Non-cumulative irredeemable preference share
- Instruments issued by the banks that meet the qualifying criteria for AT1
- Minority Interest i.e. AT1 issued by consolidated subsidiaries to third parties as specified in Annex-4 of Basel III Guidelines (For Consolidated Reporting)

Less: Regulatory adjustments applicable on AT1

II. Tier-2 Capital: It is called 'gone-concern capital' and represents elements which fall short of some of the characteristics of the core capital.



Capital Requirement as per RBCA Guidelines of Bangladesh Bank for the year 2023:

| Capital Requirement as per RBCA Guidelines | Status of Compliance |
|--|----------------------|
| Common Equity Tier 1 of at least 4.5% of the total RWA | Complied |
| Tier-1 capital will be at least 6.0% of the total RWA | Complied |
| Minimum CRAR of 10% of the total RWA | Complied |
| Additional Tier I capital can be admitted maximum up to the Sum of 1.5% of the total RWA and 33.33% of excess CET 1* | Complied |
| Tier 2 capital can be admitted maximum up to the sum of 4.0% of the total RWA and 88.89% of Excess CET1* | Complied |
| In addition to minimum CRAR, Capital Conservation Buffer of 2.50% of the total RWA is being introduced which is maintained in the form of CET1 | Complied |

*As Per Paragraph 3.2, footnote 9 of RBCA Guidelines, BRPD circular-18, dated December 21, 2014

Quantitative Disclosures:

(b) The amount of Regulatory capital of Trust Bank Limited under Basel-III as on 31.12.2023 is as below:

| Particulars | BDT in Million | |
|--|------------------|------------------|
| | Solo | Consolidated |
| A. Tier-1 Capital (Going-Concern Capital) | | |
| 1. Common Equity Tier-1 | | |
| Fully Paid-up Capital | 8,562.27 | 8,562.27 |
| Statutory Reserve | 9,779.75 | 9,779.75 |
| Retained Earnings | 4,419.39 | 4,629.56 |
| Minority interest in Subsidiaries | - | 211.96 |
| Sub-total | 22,761.41 | 23,183.54 |
| Less, Regulatory Adjustments | | |
| Goodwill and all other Intangible Assets | 25.92 | 25.92 |
| Deferred Tax Assets (DTA) | 104.02 | 358.54 |
| Total Common Equity Tier-1 Capital | 22,631.47 | 22,799.09 |
| 2. Additional Tier-1 Capital | 4,000.00 | 4,000.00 |
| Total Tier-1 Capital (1+2) | 26,631.47 | 26,799.09 |
| B. Tier-2 Capital (Gone-Concern Capital) | | |
| General Provision | 4,835.67 | 4,835.67 |
| Subordinated debt | 7,300.00 | 7,300.00 |
| 3. Total Available Tier -2 Capital | 12,135.67 | 12,135.67 |
| 4. Total Admissible Tier-2 Capital | 12,135.67 | 12,135.67 |
| Total Regulatory Capital (A+B) | 38,767.14 | 38,934.76 |

3. Capital Adequacy

Qualitative Disclosures:

(a) A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities:

Trust Bank Limited has implemented The Standardized Approach (TSA) to calculate the RWA for Credit Risk and capital charge for Market Risk while Basic Indicator Approach (BIA) is adopted to calculate the capital charge for Operational Risk. The Bank has been successfully maintaining Capital to Risk Weighted Assets Ratio (CRAR) above the regulatory requirements. Besides meeting regulatory capital requirement, the Bank maintains adequate capital to absorb material risks foreseen. Therefore, the Bank's CRAR consistently remained above the regulatory limit during 2023 (Solo 13.75% & Consolidated 13.59%).

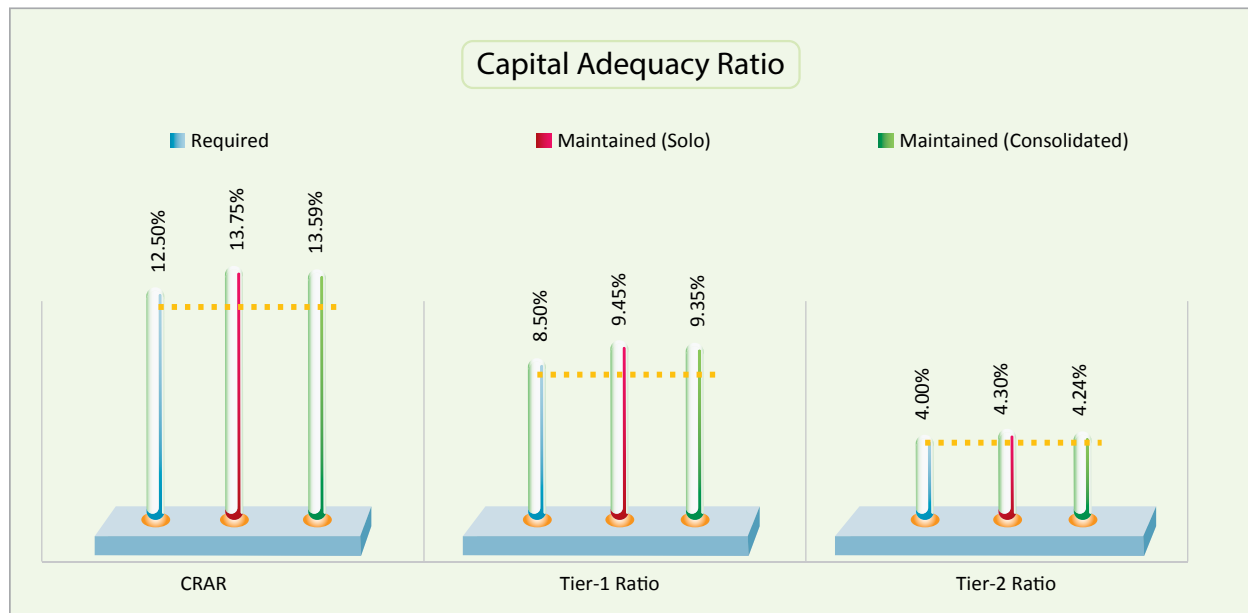
The Bank has a Board approved policy on Internal Capital Adequacy Assessment Process (ICAAP) as stipulated by Bangladesh Bank. The ICAAP also details the Risk Appetite of the Bank, assessment of material risks, the process for capital adequacy assessment to support business projections, adequacy of risk control framework, capital raising plans and Bank-wide stress testing.

The bank meticulously assesses capital requirements periodically considering future business growth to safeguard capital for supporting future activities. Risk Management Division (RMD) under guidance of the SRP team/ ERM (Executive Risk Management Committee), is taking active measures to identify, quantify, manage and monitor all risks to which the Bank is exposed to. The periodic assessment of bank's performance against the Risk Appetite defined under ICAAP and results of stress testing are reported to the Board of Directors for their review.

Quantitative Disclosures:

| Particulars | BDT in Million | |
|---|-------------------|-------------------|
| | Solo | Consolidated |
| b) Capital requirement for Credit Risk | 25,288.65 | 25,136.32 |
| c) Capital requirement for Market Risk | 263.72 | 801.94 |
| d) Capital requirement for Operational Risk | 2,640.82 | 2,716.06 |
| Total Capital Requirement (b+c+d) | 28,193.19 | 28,654.32 |
| Total Risk Weighted Asset (RWA) | 281,931.94 | 286,543.22 |
| Minimum Capital Requirement (MCR) @ 10% of RWA | 28,193.19 | 28,654.32 |
| MCR (10%) plus CCB (2.50%) @12.50% | 35,241.49 | 35,817.90 |
| Total Capital Maintained | 38,767.14 | 38,934.76 |
| e) (i) Capital to Risk weighted Asset Ratio (CRAR) | 13.75% | 13.59% |
| (ii) Common Equity Tier 1 (CET 1) Ratio | 8.03% | 7.96% |
| (iii) Tier 1 Capital Adequacy Ratio | 9.45% | 9.35% |
| (iv) Tier 2 Capital Adequacy Ratio | 4.30% | 4.24% |
| Requirement for Capital Conservation Buffer (CCB) | 2.50% | 2.50% |
| f) Capital Conservation Buffer (CCB) Maintained | 3.45% | 3.35% |
| g) Available Capital under Pillar 2 Requirement* | 3,525.65 | 3,116.86 |

*Total Capital Maintained less MCR with Capital Conservation Buffer (CCB)



4. Credit Risk

Qualitative Disclosures:

(a) The general qualitative disclosure requirement with respect to credit risk:

Credit risk is the potential for loss due to failure of a counterparty to meet its obligations to pay the Bank in accordance with agreed terms. Credit risk also arises with deterioration of borrower's credit rating. Effective credit risk management is a vital component of a comprehensive risk management strategy and is critical to any bank's long term sustainability. The likelihood of the borrower defaulting and financial impact on the Bank in the case of failure are both considered when assessing credit risk.

- ✓ Active monitoring of account level activity and limit utilization trends help to inform the early alert and risk trigger mechanisms. Potential problem accounts are investigated, monitored and appropriate action is taken.
- ✓ The bank rigorously emphasizes and takes all-out efforts to maintain the credit rating percentage and to increase the rated number of Corporate and SME borrowers. Throughout the year 2023, TBL has maintained over 90 percent credit rating for both on-balance sheet & off-balance sheet exposure against total eligible clients for rating.
- ✓ Standing Committees dedicated to account and portfolio monitoring supported by portfolio information reports are a well-established discipline. The portfolio is monitored from the point of view of industry concentrations, risk grade distribution and tenor and security profiles amongst other parameters.

(i) Definitions of past due and impaired: All the loans and advances are grouped into four categories for the purpose of classification, which are; (i) Continuous Loan (ii) Demand Loan (iii) Fixed Term Loan and (iv) Short-term Agricultural and Micro-Credit.

- Any Continuous Loan if not repaid/renewed within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date.
- Any Demand Loan if not repaid within the fixed expiry date for repayment or after the demand by the bank will be treated as past due/overdue from the following day of the expiry date.
- In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry date, the amount of unpaid installment(s) will be treated as past due/overdue after six month's of the expiry date.
- The Short-term Agricultural and Micro-Credit if not repaid within the fixed expiry date for repayment will be considered past due/overdue after six months of the expiry date.

Continuous, Demand Loans & Term Loans (other than CMSME) are classified as:

- i. Sub-standard - if past due for 3 months or more, but less than 9 months;
- ii. Doubtful - if past due for 9 months or more, but less than 12 months;
- iii. Bad/Loss - if past due for 12 months or more.

Continuous, Demand Loans & Term Loans are classified as (CMSME):

- i. Sub-standard - if past due for 6 months or more, but less than 18 months;
- ii. Doubtful - if past due for 18 months or more, but less than 30 months;
- iii. Bad/Loss - if past due for 30 months or more.

Short-term Agricultural are classified as:

- i. Sub-standard - if the irregular status continues after a period of 12 (twelve) months;
- ii. Doubtful - if the irregular status continues after a period of 36 (thirty-six) months;
- iii. Bad/Loss - if the irregular status continues after a period of 60 (sixty) months.

(ii) Description of approaches followed for specific and general allowances and statistical methods:

General Provision requirement for Unclassified Loans and advances:

| Type of Loan | Rate of Provision | |
|---|-------------------|-------|
| | Standard | SMA* |
| Small & Medium Enterprise Financing (SMEF) | 0.25% | 0.25% |
| Consumer Financing (Other than HF & LP) | 2% | 2% |
| Consumer Financing (House Financing HF) | 1% | 1% |
| Consumer Financing (Loans for Professional to setup business) | 2% | 2% |
| Loans to BHs/ MBs/ Sds against Shares etc. | 2% | 2% |
| All Other Credit | 1% | 1% |
| Short Term Agricultural Credit & Micro Credit | 1% | 1% |

*SMA=Special Mentioned Account

Specific Provision requirement for Classified Loans and advances

| Classification Status | Type of Loan | Rate of Provision |
|-----------------------|--|-------------------|
| Substandard | Short Term Agri Credit & Micro Credit (STAC & MC) | 5% |
| | Cottage, Micro & Small Credit (CMS) | 5% |
| | Other than Short Term Agri Credit & Micro Credit and CMS | 20% |
| Doubtful | Short Term Agri Credit & Micro Credit (STAC & MC) | 5% |
| | Cottage, Micro & Small Credit (CMS) | 20% |
| | Other than Short Term Agri Credit & Micro Credit and CMS | 50% |
| Bad/Loss | All types of credit facilities | 100% |

(iii) Discussion of the Bank's Credit Risk Management Policy:

Credit risk management is a robust process that enables banks to proactively manage loan portfolio in order to minimize losses and earn an acceptable level of return for Shareholders. The credit risk management policy of the bank aims at a sustainable growth of healthy loan portfolio. It articulates while evolving a well-defined system to identify measure, monitor and control various risks attached to credit portfolio of the Bank. This entails reducing exposures in high risk areas, concentrating more on the promising industries / sectors / segments, striking balance between risk and return on assets and ensuring optimization of stake holder's value.

The policy also seeks to achieve prudent credit growth –both qualitative and quantitative- while adhering to the prudential norms with balanced sectoral deployment of credit to control credit concentration across industries, sectors, segments and at the same time to increase the market share. The policy also aims at consistency and standardization of credit practices. There is a defined credit appraisal & credit approval authority, reporting cum monitoring / follow-up system and loan review mechanism/ credit audit system in place at the Bank as spelt out in board approved Credit Risk Management Policy.

The Bank has developed careful, well-organized and systematic strategies to manage its credit risk which include the following:

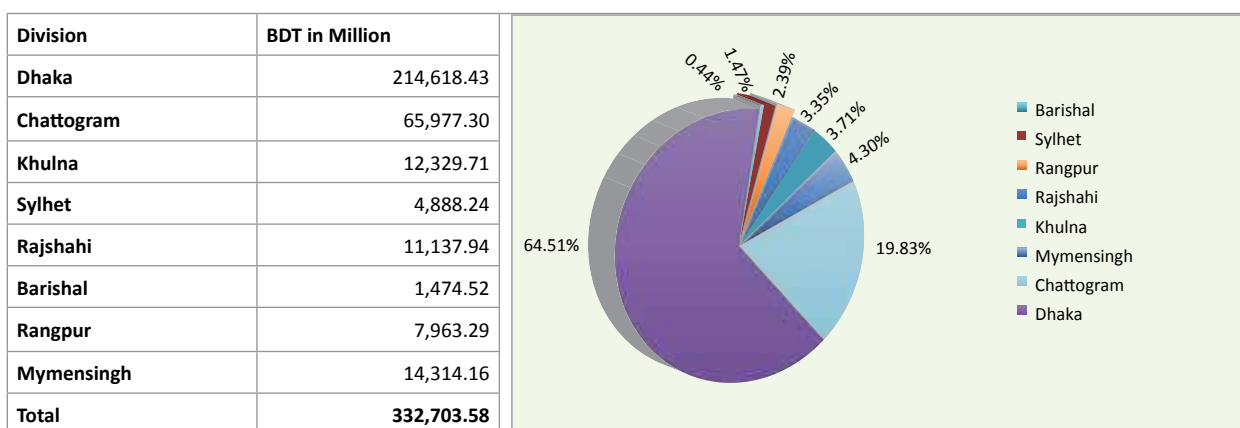
- ⇒ Creating credit risk awareness culture
- ⇒ Approved Credit Policy by the Board of Directors
- ⇒ Separate Credit Risk Management Division
- ⇒ Separate Credit Administration Division
- ⇒ Segregation of Duties and Responsibilities
- ⇒ Formation of Recovery & Monitoring Division
- ⇒ Independent internal audit and direct access to Board/Audit committee
- ⇒ Credit quality and portfolio diversification
- ⇒ Early warning system
- ⇒ Provision and suspension of interest
- ⇒ Scientific lending and credit approval process
- ⇒ Counterparty credit rating
- ⇒ Strong NPL management system
- ⇒ Environmental and Social Risk Grading

(b) Total Gross Credit Risk Exposure Broken down by Major Types of Credit Exposure:

| Particulars | BDT in Million |
|-------------------------------------|------------------|
| Continuous loan (CL-2) | |
| Consumer Finance | 2,467.00 |
| Small & Medium Enterprise (SME) | 12,837.54 |
| Loans to BHs/MBs/SDs against Shares | 2,645.61 |
| Other Corporate Loans | 42,560.56 |
| Sub-total | 60,510.71 |
| Demand loan (CL-3) | |
| Small & Medium Enterprise | 12,976.61 |
| Consumer Finance | 11.68 |

| Particulars | BDT in Million |
|--|-------------------|
| Corporate Loans | 76,967.35 |
| Sub-total | 89,955.33 |
| Term loan (CL-4) | |
| Consumer Finance (including staff, other than HF) | 4,849.22 |
| Housing Finance (HF) | 5,650.64 |
| Small & Medium Enterprise (SME) | 12,572.64 |
| Loans to BHs/MBs/SDs against Shares | 1,478.81 |
| Loans for Professionals to setup business(LP) | - |
| Corporate Loans | 145,322.55 |
| Sub-total | 169,873.86 |
| Short term Agri-credit and microcredit (CL-5) | |
| Short term Agri-credit | 641.44 |
| Total | 641.44 |
| Staff loan | 1,820.84 |
| Offshore Banking | 9,901.40 |
| Total Exposure of Trust Bank Limited | 332,703.58 |

(c) Geographical Distribution, Broken down in Significant Areas by Major Types of Credit Exposures of TBL



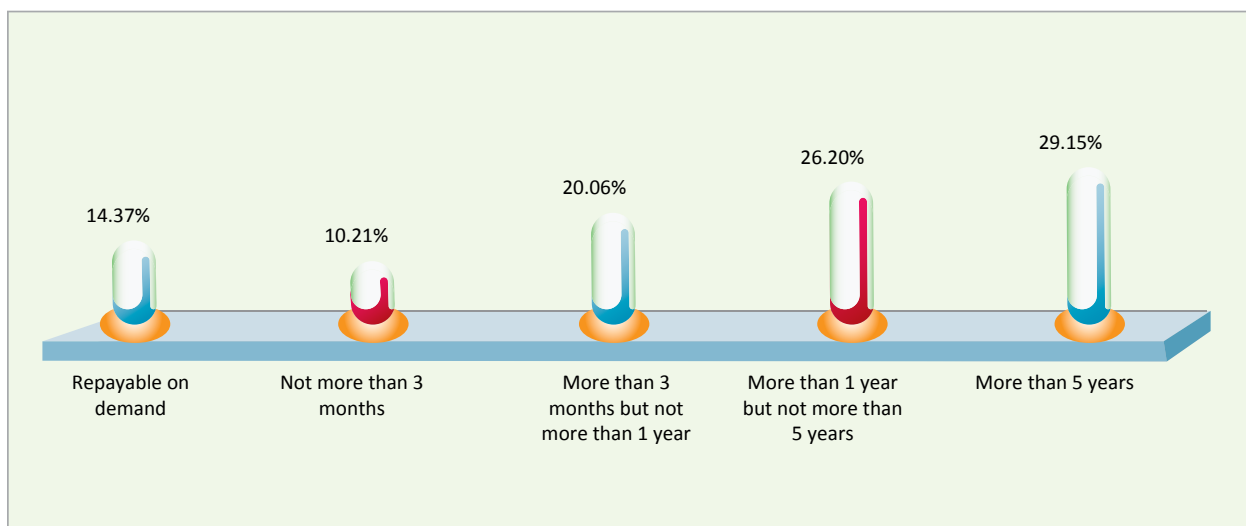
(d) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure of TBL:

| Industry Type | BDT in Million |
|--|----------------|
| Agriculture, Fishing, and Forestry | 5,742.82 |
| RMG | 25,660.39 |
| Textile | 25,651.28 |
| Food and allied industries | 27,822.94 |
| Pharmaceutical industries | 5,035.10 |
| Chemical, fertilizer, etc. | 9,907.28 |
| Cement and ceramic industries | 7,451.61 |
| Ship building industries | 2,684.23 |
| Ship breaking industries | 142.95 |
| Power and gas | 21,744.93 |
| Other manufacturing or extractive industries | 45,755.87 |
| Service Industries | 26,843.05 |
| Other Industry | 1,076.20 |
| Trade & Commerce | 24,013.78 |
| Construction (commercial real estate, construction and land development loans) | 38,935.88 |

| Industry Type | BDT in Million |
|---------------------------------|-------------------|
| Transport | 4,106.28 |
| Consumer Financing | 41,389.97 |
| Loans to Financial Institutions | 13,949.37 |
| Miscellaneous | 2,968.81 |
| Staff Loans | 1,820.84 |
| Total Exposure | 332,703.58 |

(e) Residual Contractual Maturity Breakdown of the Whole Portfolio, Broken down by Major Types of Credit Exposure of TBL:

| Particulars | BDT in Million |
|---|-------------------|
| Repayable on demand | 47,819.66 |
| Not more than 3 months | 33,968.52 |
| More than three months but not more than one year | 66,749.34 |
| More than one year but not more than five years | 87,178.39 |
| More than five years | 96,987.67 |
| Total | 332,703.58 |



f) By major industry or counterparty type of TBL:

- Amount of impaired loans and if available, past due loans, provided separately:

| Industry | BDT in Million | |
|---|------------------|------------------|
| | *Impaired | Past due |
| Small & Medium Enterprise Financing | 2,866.10 | 7,231.80 |
| Consumer Financing | 168.45 | 227.85 |
| Housing Finance | 66.74 | 393.62 |
| Loans for Professionals to setup business | - | - |
| Loans to BHS/MBs/SDs against Shares etc. | 28.60 | 55.04 |
| Other Corporate Credit | 11,182.73 | 21,214.02 |
| Short Term Agri Credit & Micro Credit | 3.56 | 13.00 |
| Staff Loan | - | - |
| Total | 14,316.18 | 29,135.33 |

* Impaired Loan is determined from Gross NPL after deducting the value of eligible security.

• **Specific and general provision (Required):**

BDT in Million

| Sector | General Provision | Specific Provision |
|---|-------------------|--------------------|
| Small & Medium Enterprise Financing | 81.77 | 1,683.08 |
| Consumer Financing | 143.19 | 118.91 |
| Housing Finance | 51.87 | 97.85 |
| Loans for Professionals to setup business | - | |
| Loans to BHs/MBs/SDs against Shares etc. | 40.68 | 28.60 |
| Other Corporate Credit | 2,436.93 | 8,212.17 |
| Short Term Agri Credit & Micro Credit | 6.37 | 1.12 |
| Against Off-Balance Sheet | 1,489.50 | - |
| TBL Total | 4,250.31 | 10,141.73 |
| Off-shore Banking Unit | 99.01 | - |
| "Special General Provision for COVID-19" | 486.34 | - |
| Grand Total | 4,835.66 | 10,141.73 |

• **Charges for specific allowances and charge-offs during the period:**

BDT in Million

| | |
|--|----------|
| Against Unclassified Loans & Advances | |
| Provision held on 1 January | 3,165.65 |
| Provisions made during the year | (453.04) |
| Provision held at end of year | 2,712.61 |
| Against Special Mention Accounts | |
| Provision held on 1 January | 33.35 |
| Provisions made during the year | 14.85 |
| Provision held at end of year | 48.20 |
| General Provision for Off Balance Sheet Exposures | |
| Provision held on 1 January | 1,302.12 |
| Provisions made during the year | 187.38 |
| Provision held at end of year | 1,489.50 |

| | |
|--|-------|
| Provision for Off-shore Banking Units | |
| Provision held on 1 January | 93.72 |
| Provisions made during the year | 5.29 |
| Provision held at end of year | 99.01 |

(g) **Gross Non-Performing Assets (NPAs):**

BDT in Million

| | |
|--|------------------|
| Gross Non-Performing Assets (NPAs) | 20,215.31 |
| Non-Performing Assets (NPAs) to outstanding loans & advances | 6.08% |
| Movement of Non-Performing Assets for NPAs | |
| Opening balance | 14,212.22 |
| Additions | 18,200.48 |
| Reductions | 12,197.39 |
| Closing Balance | 20,215.31 |
| Movements of specific provisions for NPAs | |
| Opening balance | 12,823.53 |
| Provision made during the period | 4,571.43 |
| Recovery from previously written off debts | 52.57 |
| Write-off | (7,902.16) |
| Write back of excess provisions | 596.36 |
| Closing Balance | 10,141.73 |

5. Equities: Disclosures for Banking Book Positions

Qualitative Disclosures

- (a) **The general qualitative disclosure requirement with respect to equity risk, including:**
- (i) **Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons:**
- Equity risk is the risk that one's investments will depreciate because of stock market dynamics causing one to lose money. The capital charge for equities would apply on their current market value in bank's trading book. This capital charge for both specific risk and the general market risk will be at the rate of the required minimum capital adequacy ratio.
- This is applied to all instruments that exhibit market behavior similar to equities. The instruments covered include equity shares, whether voting or non-voting, convertible securities that behave like equities, for example: units of mutual funds and commitments to buy or sell equity.
- Investment in equity securities by TBL is broadly categorized into two parts:
- Quoted Securities: These instruments are quoted in active markets. These securities include common shares, mutual funds listed with Stock Exchanges. These instruments are categorized as trading book assets. Investments in trading book include securities holding for capital gains, dividend income and securities holding for strategic reasons.
- Unquoted Securities: Unquoted Securities have no active market for price quotation. These instruments are categorized as banking book assets. Once unquoted securities get listed in secondary market, they are reclassified as quoted and trading book assets.
- (ii) **Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices.**
- The primary aim to investment in these equity securities is capital gain by selling them in future or held for dividend income. Dividends received from these equity securities are accounted for as and when received. Both Quoted and Un-Quoted equity securities are valued at cost and necessary provisions are maintained, if the prices fall below the cost price.
- As per Bangladesh Bank guidelines, the HFT equity securities are revalued once in each week using marking to market concept and HTM equity securities are amortized once a year.

Quantitative Disclosures:

- (b) Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.

Solo

| Particulars | BDT in Million |
|----------------------------|----------------|
| Investment in Quoted Share | Cost Price |
| | Market Price |

- (c) The cumulative realized gains (losses) arising from sales and liquidations in the reporting period

| |
|---|
| - |
|---|

- (d)
- | | | |
|-------|---|---------|
| (i) | Total unrealized gains (losses) | (34.95) |
| (ii) | Total latent revaluation gains (losses) | Nil |
| (iii) | Any amounts of the above included in Tier 2 capital | Nil |

- (e) Required Capital Charge on Equities

| | | |
|--|---------------------|-------|
| Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements. | General Market Risk | 18.93 |
| | Specific Risk | 18.93 |

6. Interest Rate Risk in the Banking Book

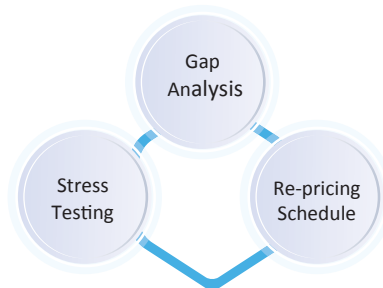
Qualitative Disclosure:

(a) The general qualitative disclosure requirement including the nature of IRRBB and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits, and frequency of IRRBB measurement:

IRRBB refers to the current or prospective risk to the bank's capital and earnings arising from adverse movements in interest rates that affect the bank's banking book positions. When interest rates change, the present value and timing of future cash flows change. This in turn changes the underlying value of a bank's assets, liabilities and off-balance sheet items and hence its economic value. Changes in interest rates also affect a bank's earnings by altering interest rate-sensitive income and expenses, affecting its net interest income (NII). Excessive IRRBB can pose a significant threat to a bank's current capital base and/or future earnings if not managed appropriately.

The responsibility of interest rate risk management rests with the bank's Assets Liability Management Committee (ALCO). The bank periodically computes the interest rate risks in the banking book that arises due to re-pricing mismatches in interest rate sensitive assets and liabilities. Interest rate risk is assessed and managed by GAP analysis as well as Duration Gap Analysis under stress testing.

Interest rate risk in banking book is measured through the following approaches:



(b) The increase (decline) in earnings or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method of measuring IRRBB, broken down by currency

| Particulars | BDT in Million |
|--|---------------------|
| Market Value of Assets | 444,300.10 |
| Market Value of Liabilities | 430,320.60 |
| Particulars | Duration (in years) |
| Weighted Average of Duration of Assets (DA) | 2.03 |
| Weighted Average of Duration of Liabilities (DL) | 1.04 |
| Duration GAP | 1.03 |

Changes in Market value of Equity due to an increase in interest rate as on December 31, 2023

| Duration GAP Analysis | BDT in Million | | |
|----------------------------------|----------------|------------|-------------|
| | Minor | Moderate | Major |
| | 1% | 2% | 3% |
| Market value of equity | (4,214.54) | (8,429.07) | (12,643.61) |
| Regulatory capital (after shock) | 34,552.60 | 30,338.10 | 26,123.50 |
| RWA (after shock) | 273,015.10 | 273,015.10 | 273,015.10 |
| CRAR (after shock) | 12.66% | 11.11% | 9.57% |

7. Market Risk

Qualitative Disclosures:

Market risk is the risk to the Bank's earnings and capital due to changes in the market level of interest rates or prices of securities, foreign exchange and equities, as well as the volatilities of those changes. The primary categories of market risk for the bank are:

- o *Interest Rate Risk*: Interest rate risk is the risk where changes in market interest rates might adversely affect a bank's financial condition.
- o *Equity Position Risk*: It is risk that results from adverse changes in the value of equity related portfolios.
- o *Foreign Exchange Risk*: It is the risk that a bank may suffer losses as a result of adverse exchange rate movements in an individual foreign currency.
- o *Commodity Risk*: Commodity price risk arises from changes in commodity prices and implied volatilities in commodity options.

(a) Views of Board of Directors (BOD) on trading/investment activities:

The Board approves all policies related to market risk, sets limits and reviews compliance on a regular basis. The objective is to provide cost effective funding to finance asset growth and trade related transactions. The Board regularly reviews trading and investment activities, and makes necessary advices and recommendations. Various internal limits have been set to monitor market risk and capital requirement is assessed as per standardized approach of Basel III.

(b) Methods used to Measure Market risk:

Standardized approach has been used to measure the market risk. The total capital requirement in respect of market risk is the aggregate capital requirement calculated for each of the risk sub-categories. For each risk category, minimum capital requirement is measured in terms of two separately calculated capital charges for 'specific risk' and 'general market risk'.

(c) Market Risk Management System:

The Asset Liability Management Policy of the Bank as approved by the Board ensures effective management of the Market Risk through a well-structured Treasury function which includes a Front Office, Mid Office and Back Office and an ALCO body. The aim of the Market Risk Management System is to minimize the impact of losses on earnings due to market fluctuations.

To ensure holistic market risk management systems, the Bank diligently adheres to the risk management guidelines for Banks, FX guidelines, and other Bangladesh Bank directives. The Treasury Division of TBL manages market risk covering liquidity, interest rate, and foreign exchange risks, with oversight from Asset Liability Management Committee (ALCO), which comprises of the Bank's senior management.

(d) Policies and Processes for mitigating market risk:

Market risk policies set various risk limits for effective management of Market Risk and ensure that the operations are in line with Bank's expectation of return to market risk through proper Asset Liability Management. Major methodologies employed to measure market risk are interest rate sensitivity gap analysis, duration gap analysis, FX VaR, and equity VaR computations.

Disciplined presentation and monitoring of these methods and control of loss from trading assets are ensured by putting in place Risk Appetite Statement, Management Action Triggers (MAT) and stop-loss limit. Notional limit and exposure limits are set for trading portfolios and foreign exchange open position. Foreign exchange risk is computed on the sum of net short positions or net long positions, whichever is higher, of the foreign currency positions held by the bank.

Quantitative Disclosures:

The Capital requirements for specified risk are as follows:

BDT in Million

| Market Risk | Solo | Consolidated |
|-----------------------------------|---------------|---------------|
| Interest Rate Related instruments | 21.67 | 21.67 |
| Equities | 37.86 | 576.08 |
| Foreign Exchange Position | 204.19 | 204.19 |
| Commodities | - | - |
| Total | 263.72 | 801.94 |

8. Operational Risk

Qualitative Disclosures:

Operational Risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputational risk.

(a) Views of BOD on system to reduce Operational Risk:

The policy for measuring and managing operational risks is approved by the Board in line with the relevant guidelines of Bangladesh Bank. Audit Committee of the Board directly oversees the activities of Internal Control and Compliance Division to protect against all operational risks. As a part of continued surveillance, the management committee, Executive Risk Management Committee and Risk Management Division regularly review different aspects of operational risks and escalate the findings to appropriate authority while internal audit suggests formulating appropriate policies, tools & techniques for mitigation of operational risk of the bank.

The Board is relentlessly promoting an organizational culture prioritizing effective risk management and adherence to sound operating controls. The Board has approved a structured operational risk management framework to ensure operational risk exposures are managed within acceptable tolerance limits using dynamic tools and techniques following international best practices.

(b) Performance Gap of Executive and Staff:

Trust Bank recognizes the importance of having the right people at the right positions to achieve organizational goals. Our recruitment and selection is governed by the philosophy of fairness, transparency and diversity. Understanding what is working well and what requires further improvement is essential to our performance management system. The performance management process aims to clarify what is expected from employees as well as how it is to be achieved.

TBL has a policy to provide competitive package and best working environment to attract and retain the most talented people available in the industry. Bank's strong brand image plays an important role in employee motivation. Furthermore, step by step meticulous and user-friendly

manuals, policies and processes addressing clear responsibilities and accountabilities towards individual's job mitigate performance gaps and enable users to operate more efficiently with least chances of failure.

(c) Potential external events:

Considering the increasing complexity of banking operation resulted from various trending macro-economic scenario and excessive competitive environment, it is unlikely to completely avoid potential external vulnerable events. Trust Bank remains vigilant and through effective risk management operation, the impact from potential external vulnerable events are quite minimum. The bank has developed different policies and processes to diversify risk, also train and aware the employees about business continuity Risk, information security risk, regulatory compliance risk, money laundering, cybercrime, vendor risk, emergency situation, fraud, forgery etc. which are contributing towards managing operational risk.

(d) Policies and processes for mitigating operational risk:

Operational risk is inherent in every business organization and covers a wide spectrum of issues. Risk management division consistently works for managing and mitigating operational risk in conjunction with other business lines and support functions. Moreover, the Internal Control & Compliance Department (ICCD) conducts risk-based internal audits on the branches periodically.

In 2023 IC&C Division conducted the following No. of audit:

| | |
|---|---------------------------|
| No. of Comprehensive Audit at Branches | 114 |
| No. of Comprehensive Audit at Head Office | 33 |
| No. of Spot audits | 40 on IT risk |
| No. of Spot Inspection | 60 Spot Inspection Report |

Bank's risk governance structure, which includes the risk management committee at the board level; executive risk management committee at the senior management level, ensures inclusive risk management culture. The bank has board-approved risk management and internal control & compliance policies to ensure effective processes and adequate systems are in place for operational risk management.

TBL strongly follows the KYC norms for its customer dealings and other banking operations. Banks Anti- Money laundering activities are headed by CAMLCO in the rank of Deputy Managing Director and their activities are devoted to protect against all money laundering and terrorist financing related activities.

Central Customer Service & Complaint Management Cell was also engaged in mitigating the operation risks of the Bank. Apart from that, there is adequate check and balance at every stage of operation, authorities are properly segregated and there is at least dual control on every transaction to protect against operational risk.

(e) Approach for Calculating Capital Charges for Operational Risk:

Trust Bank has adopted Basic Indicator Approach (BIA) to assess the capital charge for operational risk as of the reporting date. Accordingly, bank's operational risk capital charge has been assessed at 15% of positive annual average gross income over the previous three years as defined by the guideline of Risk Based Capital Adequacy (RBCA).

The capital charge for operational risk is enumerated by applying the following formula:

$$K = [(GI 1 + GI 2 + GI 3) \alpha] / n$$

Where-

K = the capital charge under the Basic Indicator Approach

GI = only positive annual gross income over the previous three years (i.e., negative or zero gross income if any shall be excluded)

α = 15 percent

n = number of the previous three years for which gross income is positive.

Quantitative Disclosures:

The capital requirements for operational risk:

BDT in Million

| Particulars | Solo | Consolidated |
|--|----------|--------------|
| Minimum Capital Requirement for Operational Risk | 2,640.82 | 2,716.06 |

9. Liquidity Ratio

Qualitative Disclosures:

Liquidity Risk is the risk of bank's inability to repay its obligations as they fall due or incurring excessive cost while mobilizing fund due to scarcity of cash fund at a certain period of time. The risk arises from mismatch in the expected level of cash flows from maturing assets and liabilities.

Liquidity risk can be of two types:

- **Funding liquidity risk:** the risk that a firm will be unable to fulfill its current and future cash flow and collateral needs without affecting its daily operations or its financial condition
- **Market liquidity risk:** the risk that a firm cannot easily offset or sell a position without incurring a loss because of inadequate depth in the market.

(a) Views of Board of Directors on system to reduce Liquidity Risk:

The intensity and sophistication of liquidity risk management system depends on the nature, size and complexity of a bank's activities. Sound methods in measuring, monitoring and controlling liquidity risk is critical to sustainability of the bank. Therefore, The Board of Directors of the bank sets policy, different liquidity ratio limits, and risk appetite for liquidity risk management.

To ensure an appropriate liquidity risk management process, the Board of Directors delegates certain competences and responsibilities in connection with the Bank-wide liquidity risk strategy to the Risk and Treasury functions. Asset and Liability Management Committee is responsible for both statutory and prudential liquidity management.

(b) Methods used to measure Liquidity risk:

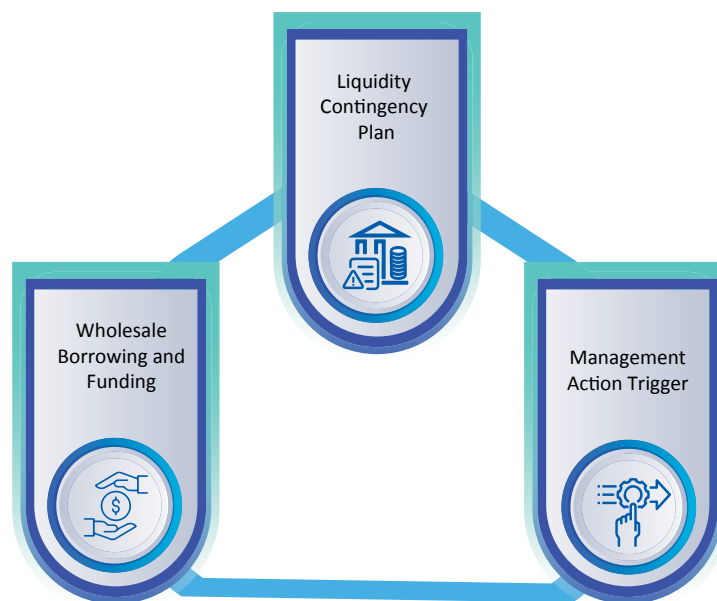
TBL follows Bangladesh Bank's Risk Based Capital Adequacy guideline in line with Basel III for proper assessment and management of liquidity risk of the bank. TBL follows DOS circular no. 1, dated 1st January, 2015, on Implementation of Basel III liquidity ratio.

In the perspective of Bangladesh, identifying and monitoring the driving factors of liquidity risk is viewed from the following aspects:

i. Regulatory liquidity Indicators (RLIs):



ii. Bank's own liquidity monitoring tools:



(c) Liquidity Risk Management System:

Asset Liability Committee (ALCO) of the bank is responsible for managing liquidity risk which meets at least once in every month. Asset and Liability Management (ALM) desk closely monitors and controls liquidity requirements on a daily basis by proper coordination of funding activities. A monthly projection of fund flows is reviewed in ALCO meeting regularly. As per Bangladesh Bank guideline, management maintains sufficient CRR and SLR. Besides, Banks have to maintain LCR and NSFR at a minimum of 100%.

(d) Policies and processes for mitigating liquidity risk:

At Trust Bank Limited, Asset-Liability Management Committee (ALCO) has responsibility for monitoring liquidity measures and limits. ALCO reviews the policy at least annually or as and when required by taking into consideration of any changes in the market dynamics and appropriateness and put recommendation for changes in policy to the Board for approval. Board Risk Management Committee set policies and process to mitigate all risks including Liquidity risk.

Quantitative Disclosures:

Liquidity Coverage Ratio and Net Stable Funding Ratio as on 31st December, 2023 are given below:

| Particulars | BDT in million |
|--|----------------|
| Stock of High quality liquid assets | 73,334.52 |
| Total net cash outflows over the next 30 calendar days | 61,365.49 |
| Liquidity Coverage Ratio (%) | 119.50% |
| | |
| Particulars | BDT in million |
| Available amount of stable funding | 373,723.52 |
| Required amount of stable funding | 329,302.92 |
| Net Stable Funding Ratio (%) | 113.49% |

10. Leverage Ratio

Qualitative Disclosures:

(a) Views of BOD on system to reduce excessive leverage:

Basel III established the leverage ratio as a non-risk-sensitive measure to limit excessive growth of the balance sheet relative to available capital. It indicates banks financial position regarding its debt and capital or assets.

Trust Bank has embraced this ratio along with Basel III guideline as it acts as a credible supplementary measure to risk-based capital requirement and assesses the ratio periodically in order to properly address the issue.

The Board of Directors of TBL always puts special emphasis on the bank's capital strength and asset quality so that the core capital has the capacity to withstand the excessive shock arising out of leverage. For that matter the bank's BoD always remains cautious in maintaining sufficient level of core capital (Tier 1) and focused on growing On-and Off Balance Sheet Exposures at desired level.

The Board also believes that the Bank should maintain its leverage ratio on and above the regulatory requirements, which will eventually increase the public confidence in the organization.

(b) Policies and processes for managing excessive on and off-balance sheet leverage:

TBL follows the approach mentioned in the Revised guideline of RBCA for calculating exposure of the bank. The exposure measure for the leverage ratio generally follows the accounting measure of exposure. In order to measure the exposure consistently with financial accounts, the following are applied by the bank:

- On balance sheet exposures will be net of specific provisions
- Off-balance-sheet exposures weighted by the conversion factors of the standardized approach to credit risk

(c) Approach for calculating exposure:

The bank calculates the exposure under standardized approach as per Basel III guidelines. The capital measure for the leverage ratio is based on Tier 1 capital with relevant deductions of items, which do not contribute to leverage. The leverage ratio will generally follow the accounting measure of exposure. In order to measure the exposure consistently with financial accounts, the following are applied by the bank:

- On balance sheet, non-derivative exposures will be net off of specific provisions & valuation adjustments (e.g. surplus/deficit on HFT positions)
- Items deducted from Tier 1 capital also applies here (e.g. DTA)
- Physical or financial collateral, guarantee or credit risk mitigation purchased is not allowed to reduce on-balance sheet exposure
- Netting off of loans & deposits is not allowed
- OBS items are converted into credit exposure equivalents through credit conversion factors (CCFs). Depending on the risk category of the exposure a CCF of 20%, 50% or 100% is applied.

(d) Calculation of Leverage Ratio:

A minimum leverage ratio of 3.25% for the year 2023 is being prescribed both at solo and consolidated level.

Leverage Ratio = Tier 1 Capital (after related deductions)/ Total Exposure (after related deductions)

Quantitative Disclosures:

BDT in Million

| Particulars | Solo | Consolidated |
|-----------------------------|---------------|---------------|
| Tier-1 Capital | 26,631.47 | 26,799.09 |
| On balance sheet exposure | 443,687.17 | 447,951.32 |
| Off-balance sheet exposure | 83,064.01 | 83,064.01 |
| Regulatory Adjustments | 129.94 | 384.46 |
| Total exposure | 526,621.24 | 530,630.87 |
| Leverage Ratio (Required) | Minimum 3.25% | Minimum 3.25% |
| Leverage Ratio (Maintained) | 5.06% | 5.05% |

11. Remuneration

Qualitative Disclosures

| | |
|--|---|
| <p>(a) Information relating to the bodies that oversee remuneration</p> | <p>Remuneration Committee provides assistance to the Board of Directors to approve the policies regarding remuneration. The Committee consists of the following members as on Dec 31, 2023:</p> <ul style="list-style-type: none"> • Mr. Ahsan Zaman Chowdhury, DMD & CBO • Mr. Md. Mahbubur Rahman, SEVP & Head of Operation Division • Brig Gen Munshi Mizanur Rahman, SEVP & Head of HRD • Mr. Mohammad Masud Shahjahan, EVP & Head of Treasury & NRB Division • Mr. Md. Mahfuzur Rahman, SAVP & CFO • Mr. Mohammad Shahadat Hossain, AVP, MD & CEO, TBIL • Mr. S.G.A. Alif-ul-Huq Akash, AVP, Manager, HR Planning and Resourcing, Compensation & Benefits HRD <p>The committee is responsible for:</p> <ul style="list-style-type: none"> • Any change in remuneration policy and structure by outlining the detailed procedure for exercising them • Offering competitive remuneration packages for employees in each job grade commensurate with their job responsibilities • Providing basis on which performance based remuneration will be provided to the employee <p>The Bank has no permanent external consultant for managing remuneration, but expert opinion may be sought by the Management, in case to case basis, regarding taxation, legal and other issues.</p> <p>The Bank has no foreign subsidiaries; rather it has branches in different regions of the country. The remuneration policy follows same rule and does not change due to the employees working in different regions of the country.</p> <p>Including MD & CEO the Bank has Forty Three (43) “Senior managers (SVP & above)”, at the end of the reporting period.</p> |
| <p>(b) Information relating to the design and structure of remuneration process</p> | <p>The objective of the Bank’s remuneration policy is-</p> <ul style="list-style-type: none"> • To ensure fair reward management system for the employees in line with the Bank’s core values and strategic business goals • To provide a competitive pay package compared to the best practices in the industry • To ensure effective governance of compensation <p>The structure of remuneration packages for employees of the Bank consists of following components:</p> <ul style="list-style-type: none"> • Fixed Remuneration; • Variable Pay & • Employee Benefits <p>The fixed remuneration is made up of base remuneration including salary and other fixed allowances paid in cash. Fixed remuneration differs from grade to grade and generally changes with promotion/demotion to the higher/lower grades and increment.</p> <p>Variable pay consists of incentive bonuses paid on the basis of the individual performance subject to annual profit of the Bank. Therefore, individual performance is measured and reviewed against set goals, which include financial and non-financial metrics.</p> <p>Gratuity Fund, Provident Fund and Superannuation Funds are maintained by the Bank for employees as a future/long term benefit. Such remunerations differ based on the grade, basic pay and length of service of an employee. In addition, TBL has Employees’ Hospitalization Benefit Scheme to cover employees’ hospitalization expenses.</p> <p>Moreover, the employees having job responsibilities involving risk factors are allowed risk allowances as prescribed in the policy. In addition, employees with supervisory responsibilities are also provided additional benefits besides their regular pay.</p> |

| | |
|--|--|
| <p>(c) Description of the ways in which current and future risks are taken into account in the remuneration process</p> | <p>Banking sector of Bangladesh being very competitive, remuneration system is basically driven by market dynamics. Due to huge competition in a crowded market with substantial number of participants, restructuring of compensation package is more frequent than other industries. Trust Bank always strives to ensure internal equity and fair treatment in its remuneration system to be competitive in such industry. It takes into account the following key risks when managing and determining remuneration processes:</p> <ul style="list-style-type: none"> • Financial Risks • Compliance Risks <p>To make the compensation package fair, market survey is conducted from time to time when felt required so that</p> <ul style="list-style-type: none"> • The package logically compensates employees for their expertise, time, mental and social engagement with the organization. • The package ensures internal & external equity <p>Moreover, the bank manages key risks through its strategic and business unit plans, risk management framework, policies and procedures.</p> |
| <p>(d) Description of the ways in which the bank seeks to link performance</p> | <p>Employees' performance is appraised annually in line with the achieved objectives, which have a positive and direct impact in their pay package. Incentive Bonus is directly linked with the employees' individual rating during their performance evaluation process. These ratings are also key parameters for employees to be considered for promotion.</p> |
| <p>(e) Description of the ways in which the bank seeks to adjust remuneration to take account of longer-term performance</p> | <p>The Bank's remuneration system is designed to reward long-term as well as short-term performance, encourage retention and recognize special performance in the organization. The Bank provides remuneration considering the long-term performance of the employees (i.e. provident fund, gratuity, superannuation etc.).</p> <p>In case of following situation remuneration can be adjusted before vesting:</p> <ul style="list-style-type: none"> • Disciplinary action (at the discretion of management) • Resignation of the employee prior to the payment date. |
| <p>(f) Description of the different forms of variable remuneration that the bank utilizes and the rationale for using those different forms</p> | <p>The main forms of such variable remuneration includes:</p> <ul style="list-style-type: none"> • Monthly Cash benefits (Manager's Charge Allowance, Cash Handling Allowance, Key Holding Allowance etc.) • Incentive plan for the employees to be paid annually (Incentive Bonus) <p>The form of variable remuneration depends on the job level of individual, risk involved, the time horizon for review of quality of the assignments performed.</p> |
| <p><u>Quantitative Disclosures</u></p> | |
| <p>(g) Number of Meeting held by the Remuneration Committee during the financial year and remuneration paid to its member</p> | <p>The committee held 04 (Four) meetings during the financial year.</p> <p>No fees are paid to remuneration committee member or for attending such meeting.</p> |
| <p>(h) Number of employees having received a variable remuneration award during the financial year</p> <p>Number and total amount of guaranteed bonuses awarded during the financial year</p> <p>Number and total amount of sign-on award made during the financial year</p> <p>Number and total amount of severance payments made during the financial year</p> | <p>Incentive Bonuses: 43 Senior Managers</p> <p>Festival bonuses: On an average 44 nos. of employees received 3 number of festival bonuses amounted BDT 1.56 Crore</p> <p>Nil</p> <p>Nil</p> |

| | |
|--|---|
| <p><i>(i) Total amount of outstanding deferred remuneration, split into cash, shares and share-lined instruments and other forms.</i></p> <p><i>Total amount of deferred remuneration paid out in the financial year</i></p> | <p>Nil</p> <p>Nil</p> |
| <p><i>(j) Breakdown of amount of remuneration awards for the financial year to show</i></p> | <p>Fixed Remuneration: BDT 17.44 Crore</p> <p>Variable Remuneration: BDT 0.06 Crore</p> <p>Incentive Bonus: BDT 1.59 Crore</p> <p>All Non-deferred and cash based</p> |
| <p><i>(k) Quantitative Information about employees' exposure to implicit (e.g. fluctuations in the value of shares or performance units) and explicit adjustments (e.g. drawbacks or similar reversals or downward revaluation of awards) of deferred remuneration and retained remuneration</i></p> | <p>Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and/or implicit adjustments:</p> <p>Nil</p> <p>Total amount of reductions during the financial year due to ex post explicit adjustments:</p> <p>Nil</p> <p>Total amount of reduction during the financial year due to ex post implicit adjustments:</p> <p>Nil</p> |

FINANCIAL STATEMENTS TRUST BANK LTD.



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Trust Bank Limited.

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Trust Bank Ltd. and its subsidiaries (the "Group") as well as the separate financial statements of Trust Bank Ltd. (the "Bank"), which comprise the consolidated and separate Balance Sheets as at 31 December 2023, and consolidated and separate Profit and Loss Accounts, consolidated and separate statement of Changes in Equity, and consolidated and separate Cash Flow Statements for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated 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 2023, and of its consolidated and separate Profit and Loss Accounts and its consolidated and separate cash flows 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, 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 responsibilities for the audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), 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 for the financial year 2023. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and informing auditor opinion thereon, and we do not provide a separate opinion on these matters. For each matter described below our description of how our audit addressed the matter is provided in that context.

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

| Description of key audit matters | Our response to key audit matters |
|---|--|
| Measurement of provision for loans and advances | |
| <p>With reference to Note 12.1 to the financial statements, the process for calculating the provision for loans and advances/ investments portfolio associated with credit risk is significant and complex. The Bank calculates provision for loans and advances/ investments by considering various factors such as rate of provision, loan category, expiry date, outstanding balance, interest suspense amount, value of eligible collateral as per BRPD circular no. 14 dated 23 September 2012 and its subsequent amendments.</p> <p>To minimize COVID 19 impact, Bangladesh Bank issued BRPD Circular Letter No.56 dated 10 December 2020 related to BRPD Circular No. 17 dated 28 September 2020; BRPD circular No.52 dated 29 December 2021 related to BRPD Circular No. 19 dated 26 August 2021 and BRPD Circular No.53 dated 22 December 2022 related to BRPD Circular No.-14 dated 22 June 2022 for “Special General Provision-COVID-19”.</p> <p>According to the circular, commercial banks must keep an extra provision for those borrowers who have availed of payment by deferral (PBD) facilities. The calculation of the new provisioning rule will have to be implemented based on the outstanding loans (deferral payment) as of 31 December 2020, 31 December 2021 and 31 December 2022.</p> <p>As per BRPD Circular No. 53 dated 22 December 2022, bank may transfer special general provision to income for fully recovered loans and specific provision for non-performing loans. The Bank has kept this “Special General Provision-COVID-19” as of 31 December 2023 BDT 486.34 million as per the circular.</p> <p>In Bangladesh, non-performing loans have been increasing day by day. Banks need to maintain provisions for additional non-performing loans in line with the central bank’s guidelines. The Bank identifies impaired loan accounts and calculates required provisions manually. Furthermore, management has incentive to maintain lower provisions for loans and advances to overstate profit. Considering these factors, we have considered measurement of provision for loans and advances/investments as significant risk as well as a key audit matter.</p> <p>At the year end of 2023 the Group reported total gross loans and advances of BDT 333.79 billion (2022: BDT 299.67 billion) and in 2023 the Bank reported total gross loans and advances of BDT 332.70 billion (2022: BDT 298.38 billion) whereas at the year end of 2023 the Group reported total provision for loans and advances of BDT 15.59 billion (2022: BDT 18.00 billion) and the Bank reported total provision for loans and advances of BDT 14.98 billion (2022: BDT 17.42 billion).</p> | <p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> • Credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Review of quarterly Classification of Loans (CL). <p>Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following:</p> <p>For confirming the classification of rescheduled lease, loans and advances. we performed the following procedures:</p> <ul style="list-style-type: none"> • We checked the no. of instalments outstanding and compliance with BRPD Circular No. 16 dated 18 July 2022; • 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 related Bangladesh Bank guidelines. Reviewed the grounds for recommendations for approvals in cases of transfer of interests to Income account; • Tested the inputs in computation of provision in terms of testing the accuracy of underlying information; • Assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Checked the adequacy of the Bank’s general and specific provisions; • Evaluated the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines. |
| See note nos. 7, 7.a and 12.01 to the financial statements | |
| Recognition of interest income on loans and advances | |
| <p>Recognition of interest income has significant and wide influence on financial statements. Recognition and measurement of interest income has involvement of complex IT environments.</p> <p>We identify recognition of interest income from loans, advances and leases as a key audit matter because this is one of the key performance indicators of the Bank and therefore there is an inherent risk of fraud and error in recognition of interest by management to meet specific targets or expectations.</p> | <p>We tested the design and operating effectiveness of key controls over recognition and measurement of interest on loans, advances and leases.</p> <p>We performed test of operating effectiveness on automated control in place to measure and recognise interest income.</p> <p>We have also performed substantive procedures to check whether interest income is recognised completely and accurately.</p> <p>We assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines.</p> |
| See note no. 20 and 20.01 to the financial statements | |

| Valuation of treasury bill and treasury bond | |
|--|---|
| <p>The classification and measurement of T-Bill and T-Bond require judgment and complex estimates.</p> <p>In the absence of a quoted price in an active market, the fair value of T-Bills and T-Bonds is determined using complex valuation techniques which may take into consideration direct or indirect unobservable market data and complex pricing models which require an elevated level of judgment.</p> | <p>We assessed the processes and controls put in place by the Bank to identify and confirm the existence of treasury bills and bonds.</p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of the key controls over the treasury bills and bonds valuation processes, including controls over market data inputs into valuation models, model governance and valuation adjustments.</p> <p>We tested a sample of the valuation models and the inputs used in those models, using a variety of techniques, including comparing inputs to available market data.</p> <p>Finally assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p> |
| See note nos. 6 and 6.01 to the financial statements | |
| Impairment assessment of unquoted investments | |
| <p>In the absence of a quoted price in an active market, the fair value of unquoted shares and bonds, especially any impairment is calculated using valuation techniques that may take into consideration direct or indirect unobservable market data and hence require an elevated level of judgment.</p> | <p>We have assessed the processes and controls put in place by the Bank to ensure all major investment decisions are undertaken through a proper due diligence process We tested a sample of investments valuation as at 31 December 2023 and compared our results to the recorded value.</p> <p>Finally, we assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.</p> |
| See note nos. 6 and 6.2.1 & 6.2.2 to the financial statements | |
| Measurement of Deferred Tax | |
| <p>We identified the measurement of deferred tax assets/liabilities as a key audit matter due to the recognition of these assets/liabilities involving judgement by management as to the likelihood of the realization of these deferred tax assets/liabilities, which is based on a number of factors including whether there will be sufficient taxable profits in future periods to support recognition.</p> <p>The Bank disclosed deferred tax assets and deferred tax liabilities of BDT 104 million (2022: BDT 178 million) and BDT 00 million (2022: BDT 00 million) respectively as of 31 December 2023. The Bank disclosed net deferred tax assets of BDT 104 million (2022: BDT 178 million) as of 31 December 2023.</p> | <p>Our procedures in relation to management's assessment about the measurement of deferred tax assets/liabilities included:</p> <ul style="list-style-type: none"> Evaluating management's assessment on the sufficiency of future taxable profits in support of the recognition of deferred tax by comparing management's forecasts of future profits to historical results and evaluating the assumptions used in those forecasts; Obtaining the communications between the Bank and taxation authorities regarding tax positions; and Assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax. |
| See note no.9.5.1 and 9.5.1.2 to the financial statements | |
| IT systems and controls | |
| <p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring IT dependent and application-based controls are operating effectively.</p> | <p>We tested the design and operating effectiveness of the Bank's IT access controls over the information systems that are critical to financial reporting.</p> <p>We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.</p> <p>We tested the Bank's periodic review of access rights and reviewed requests of changes to systems for appropriate approval and authorization.</p> <p>We considered the control environment relating to various interfaces, configurations and other application layer controls identified as key to our audit.</p> <p>We performed the Tests of IT General Controls to evaluate the Application Development and Database, Hosting Platforms and segregation of incompatible duties relevant to application and database change management.</p> |

| Legal and regulatory matters | |
|--|--|
| <p>We focused on this area because the Bank and its subsidiaries (the “Group”) operate in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict.</p> <p>These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established as other contingent liabilities.</p> <p>Overall, the legal provision represents the Group’s and the Bank’s best estimate for existing legal matters that have a probable and estimable impact on the Group’s financial statement.</p> | <p>We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank’s key controls over the legal provision and contingencies process.</p> <p>We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.</p> <p>We enquired of the Bank’s internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports.</p> <p>We assessed the methodologies on which the provision amounts are based, recalculated the provisions and tested the completeness and accuracy of the underlying information.</p> <p>We also assessed the Bank’s provisions and contingent liabilities disclosure.</p> |

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 Those 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 forgeries.

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

Those charged with governance are responsible for overseeing the Group’s and the Bank’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

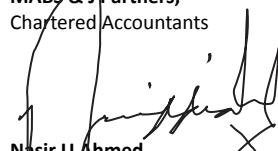
In accordance with the Companies Act 1994, the Securities and Exchange Rules 2020, the Bank Company Act 1991 (as amended up to date), the Financial Reporting Act 2015, and the rules and regulations issued by Bangladesh Bank, we also report that:

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) to the extent noted during the course of our audit work performed on the basis stated under the Auditor's Responsibility section in forming the above opinion on the consolidated financial statements and considering the reports of the Management to Bangladesh Bank on anti-fraud internal controls and instances of fraud and forgeries as stated under the Management's Responsibility for the financial statements and internal control:
 - (a) internal audit, internal control and risk management arrangements of the Group as disclosed in the financial statements appeared to be materially adequate;
 - (b) nothing has come to our attention regarding material instances of forgery or irregularity or administrative error and exception or anything detrimental committed by employees of the Group and its related entities (other than matters disclosed in these financial statements);
- (iii) the consolidated financial statements of the Bank include three subsidiaries, namely Trust Bank Securities Limited, Trust Bank Investment Limited and Trust Axiata Digital Limited. The results of these subsidiaries, as per their financial statements (audited in the case of first two subsidiaries and unaudited in the case of the last one) made available to us by the Bank, have been reflected in the Group's consolidated financial statements from the financial statements of these subsidiaries as have been made available to us by the management of the Bank;
- (iv) in our opinion, proper books of account as required by law have been kept by the Group and the Bank so far as it appeared from our examination of those books;
- (v) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;
- (vi) 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;
- (vii) the expenditures incurred were for the purpose of the Bank's business for the year;
- (viii) 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;
- (ix) adequate provisions have been made for advance and other assets which are in our opinion, doubtful of recovery;
- (x) the information and explanations required by us have been received and found satisfactory;
- (xi) we have reviewed over 80% of the risk weighted assets of the Bank and spent over 6,500 person hours; and
- (xii) Capital to Risk-weighted Asset Ratio (CRAR) as required by Bangladesh Bank has been maintained adequately during the year.

Place: Dhaka, Bangladesh

Dated: April 27, 2024

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



Nasir U Ahmed
FCA, FCS, CGMA, ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 535
DVC: 2404290535AS305294

TRUST BANK LIMITED
and its subsidiaries
Consolidated Balance Sheet
As at 31 December 2023

| | Notes | 31.12.2023 Taka | 31.12.2022 Taka |
|---|--------|------------------------|------------------------|
| PROPERTY AND ASSETS | | | |
| Cash | | | |
| Cash in hand (including foreign currencies) | 3 (a) | 4,514,047,537 | 4,710,126,917 |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | | 16,977,503,573 | 15,317,472,261 |
| | | 21,491,551,110 | 20,027,599,178 |
| Balance with other banks and financial institutions | | | |
| In Bangladesh | 4 (a) | 16,006,834,948 | 18,254,952,594 |
| Outside Bangladesh | | 1,479,289,549 | 1,247,730,310 |
| | | 17,486,124,497 | 19,502,682,904 |
| Money at call and short notice | | | |
| | 5 | - | 7,200,000,000 |
| Investments | | | |
| Government | 6 (a) | 51,167,921,684 | 41,805,252,588 |
| Others | | 21,844,404,724 | 22,480,863,107 |
| | | 73,012,326,408 | 64,286,115,695 |
| Loans and Advances/Islami Banking Investments | | | |
| Loans, Cash Credit, Overdrafts etc./ Investment | 7 (a) | 321,223,497,939 | 288,341,121,756 |
| Bills purchased and discounted | | 12,568,356,377 | 11,325,268,681 |
| | | 333,791,854,316 | 299,666,390,437 |
| Fixed assets including premises, furniture and fixtures | | | |
| | 8 (a) | 2,801,594,500 | 2,408,961,220 |
| Other assets | | | |
| | 9 (a) | 9,509,584,836 | 8,867,828,618 |
| Non-banking assets | | | |
| | | - | - |
| Total Assets | | 458,093,035,667 | 421,959,578,052 |
| LIABILITIES AND CAPITAL | | | |
| Liabilities | | | |
| Borrowings from other banks, financial institutions and agents | 10 (a) | 35,414,047,707 | 40,175,687,105 |
| Deposits and other accounts | | | |
| Current / Al-wadeeah Current Accounts and other Accounts | 11 (a) | 53,515,005,778 | 40,422,330,105 |
| Bills Payable | | 4,804,983,055 | 4,514,894,360 |
| Savings Bank / Mudaraba Savings Deposits | | 64,437,532,540 | 62,376,495,108 |
| Fixed Deposits / Mudaraba Term Deposits | | 243,640,966,750 | 218,591,619,869 |
| Bearer Certificates of Deposit | | - | - |
| Other Deposits | | - | - |
| | | 366,398,488,123 | 325,905,339,442 |
| Other liabilities | | | |
| | 12 (a) | 32,958,536,709 | 35,664,889,449 |
| Total Liabilities | | 434,771,072,539 | 401,745,915,996 |
| Capital/Shareholders' Equity | | | |
| Paid up Capital | 13.2 | 8,562,269,450 | 7,783,881,320 |
| Share Premium Account | | - | - |
| Foreign Currency Translation Reserve | | 20,351,557 | 14,260,457 |
| Statutory Reserve | 14 | 9,779,751,092 | 8,779,751,092 |
| Capital Reserve | 15 | 3,521,946 | 6,302,868 |
| Other Reserve | 16 | 114,545,718 | 46,394,756 |
| Retained Earnings | 17 (a) | 4,629,564,222 | 3,493,450,838 |
| Trust Bank Shareholders' Equity | | 23,110,003,985 | 20,124,041,331 |
| Non-Controlling Interest | 13 (a) | 211,959,143 | 89,620,725 |
| Total Shareholders' Equity | | 23,321,963,128 | 20,213,662,056 |
| Total Liabilities and Shareholders' Equity | | 458,093,035,667 | 421,959,578,052 |

| Notes | 31.12.2023 Taka | 31.12.2022 Taka |
|---|------------------------|------------------------|
| OFF-BALANCE SHEET ITEMS | | |
| Contingent Liabilities | | |
| 18 (a) | | |
| Acceptances and endorsements | 50,489,266,886 | 43,662,524,184 |
| Letter of Guarantees | 42,405,298,594 | 34,310,117,955 |
| Irrevocable Letter of Credits | 36,281,594,386 | 47,281,635,221 |
| Bills for collection | 8,324,545,958 | 7,182,428,830 |
| | 137,500,705,825 | 132,436,706,190 |
| Other Contingent Liabilities | | |
| Value of travelers' cheques in hand | - | - |
| Total: | 137,500,705,825 | 132,436,706,190 |
| Other commitments | | |
| Documentary Credit and short term trade -related transactions | - | - |
| Forward assets purchased and forward deposits placed | 24,794,509,747 | 7,001,445,716 |
| Undrawn note issuance and revolving facilities | - | - |
| Undrawn formal standby facilities, credit lines and other commitments | - | - |
| | 24,794,509,747 | 7,001,445,716 |
| Total Off-Balance Sheet items including contingent liabilities | 162,295,215,572 | 139,438,151,906 |

The annexed notes 1-52 form an integral part of the Financial Statements



Vice Chairman



Director



Director



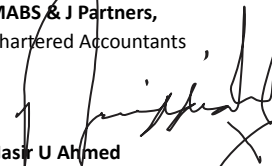
Managing Director (In-Charge)

Signed as per annexed report of same date

Place: Dhaka, Bangladesh

Dated: April 27, 2024

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



Nasir U Ahmed

FCA, FCS, CGMA, ACMA (UK), FCA (England & Wales)

Deputy Managing Partner

ICAB Enrollment No: 535

DVC: 2404290535AS305294

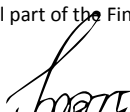
TRUST BANK LIMITED
and its subsidiaries
Consolidated Profit and Loss Account
For the year ended 31 December 2023

| | Notes | 31.12.2023 Taka | 31.12.2022 Taka |
|--|----------|-----------------------|-----------------------|
| Interest income / Profit on Investment | 20 (a) | 25,963,106,629 | 20,479,124,441 |
| Interest / Profit paid on deposits and borrowings etc. | 21 (a) | 17,360,661,199 | 12,676,579,695 |
| Net interest income | | 8,602,445,430 | 7,802,544,746 |
| Income from investments | 22(a) | 6,019,876,417 | 5,920,511,699 |
| Commission, exchange and brokerage | 23 (a) | 2,538,526,808 | 2,838,240,402 |
| Other operating income | 24 (a) | 823,458,669 | 694,750,071 |
| | | 9,381,861,894 | 9,453,502,172 |
| Total operating income | | 17,984,307,324 | 17,256,046,918 |
| Salaries and allowances | 25 (a) | 3,419,796,667 | 3,134,300,495 |
| Rent, taxes, insurance, electricity, etc. | 26 (a) | 645,093,884 | 579,086,174 |
| Legal expenses | | 17,902,576 | 9,894,709 |
| Postage, stamps, telecommunications, etc. | 27 (a) | 116,823,160 | 130,431,455 |
| Stationery, printing, advertisement etc. | 28 (a) | 86,908,187 | 69,232,846 |
| Managing Director's salary and benefits | | 13,632,122 | 13,188,230 |
| Directors' fees | 29 (a) | 3,246,205 | 2,234,000 |
| Auditors' fee | 30 (a) | 747,500 | 1,115,500 |
| Depreciation and repair of bank's assets | 31 (a) | 675,007,228 | 615,828,105 |
| Other expenses | 32 (a) | 1,297,891,141 | 1,607,663,040 |
| Total operating expenses | | 6,277,048,670 | 6,162,974,554 |
| Profit before provision | | 11,707,258,654 | 11,093,072,364 |
| Provision for loans & advances / Investments | 33 (a) | 5,249,279,291 | 4,050,461,071 |
| Provision for Diminution in value of Investment | 34 (a) | 23,456,076 | 137,880,909 |
| Other provision | 35 (a) | 187,389,500 | 77,027,500 |
| | | 5,460,124,867 | 4,265,369,480 |
| Total Profit before Taxes | | 6,247,133,787 | 6,827,702,884 |
| Provision for Taxation | | | |
| Current tax | 12.8 (a) | 2,045,336,426 | 4,112,869,550 |
| Deferred tax | | 24,320,184 | (108,401,947) |
| | | 2,069,656,610 | 4,004,467,603 |
| Net Profit after Taxation | | 4,177,477,177 | 2,823,235,281 |
| Net Profit after Taxation attributable to: | | | |
| Equity Holders of the Bank | | 4,253,288,759 | 2,920,656,582 |
| Non-controlling Interest | | (75,811,582) | (97,421,301) |
| | | 4,177,477,177 | 2,823,235,281 |
| Appropriations | | | |
| Statutory Reserve | 14.1 | 1,000,000,000 | 950,000,000 |
| Capital Reserve | 15 | 2,780,922 | 6,302,868 |
| Special Reserve Fund | 12.4 | 120,000,000 | 120,000,000 |
| Start up Fund | 12.5 | 43,180,035 | 29,915,013 |
| Coupon/Dividend on TBL Perpetual Bond | | 400,000,000 | 396,258,250 |
| | | 1,565,960,957 | 1,502,476,131 |
| Retained surplus | | 2,611,516,220 | 1,320,759,150 |
| Consolidated Earning per share (EPS) | 38 (a) | 4.97 | 3.41 |

The annexed notes 1-52 form an integral part of the Financial Statements


Vice Chairman

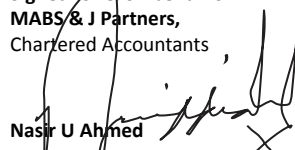

Director


Director


Managing Director (In-Charge)

Signed as per annexed report of same date

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


Nasir U Ahmed
FCA, FCS, CGMA, ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 535
DVC: 2404290535AS305294

Place: Dhaka, Bangladesh
Dated: April 27, 2024

TRUST BANK LIMITED
and its subsidiaries
Consolidated Cash Flow Statement
For the year ended 31 December 2023

| | Notes | 31.12.2023 Taka | 31.12.2022 Taka |
|--|--------|------------------------|-----------------------|
| A. Cash flow from operating activities | | | |
| Interest received in cash | | 25,839,785,531 | 20,383,072,013 |
| Interest payments | | (17,021,271,445) | (12,126,761,970) |
| Dividend receipts | | 309,640,138 | 171,593,140 |
| Fees and commission receipts in cash | | 2,420,681,142 | 2,639,927,623 |
| Recoveries of loans previously written off | | 52,565,629 | 53,930,997 |
| Cash paid to employees | | (3,554,618,175) | (3,101,861,734) |
| Cash paid to suppliers | | (67,914,167) | (62,999,448) |
| Income Taxes paid | | (3,647,302,178) | (3,093,391,838) |
| Received from other operating activities (item-wise) | 41 (a) | 7,126,103,475 | 6,066,373,976 |
| Payments for other operating activities (item-wise) | 42 (a) | (2,479,984,066) | (2,320,009,044) |
| Operating profit before changes in operating Assets and Liabilities | | 8,977,685,884 | 8,609,873,715 |
| Increase/(Decrease) in operating assets & liabilities | | | |
| Statutory Deposits | | - | - |
| Net Investment in trading securities | | 636,458,383 | (4,313,776,058) |
| Loan & advance to other banks | | - | - |
| Loan & advance to customers | | (41,358,091,722) | (38,166,992,648) |
| Other assets (item-wise) | 43 (a) | (92,400,702) | (1,689,207,702) |
| Deposits from other banks | | (3,764,719,125) | 4,521,020,517 |
| Deposits from customers | | 43,820,159,422 | 35,502,698,603 |
| Other liabilities account of customers | | - | - |
| Trading liabilities | | - | - |
| Other liabilities (item-wise) | 44 (a) | 894,500,644 | (32,183,907) |
| Net cash from operating activities (A) | | 9,113,592,784 | 4,431,432,520 |
| B. Cash flow from investing activities | | | |
| Proceeds from sale of securities | | (9,596,074,715) | 7,493,892,561 |
| Payment for purchase of government securities | | - | - |
| Purchase of property, plant & equipment | | (241,451,732) | (277,487,941) |
| Purchase of intangible assets | | (29,451,696) | (16,857,189) |
| Sale of property, plant & equipment | | 2,972,013 | 12,410,827 |
| Purchase/ Sale of Subsidiary | | - | - |
| Net cash from investing activities (B) | | (9,864,006,130) | 7,211,958,258 |
| C. Cash flow from financing activities | | | |
| Increase/(Decrease) in Borrowing: | | | |
| Call loan | | - | - |
| Other borrowings | | (6,324,638,910) | 1,813,874,674 |
| Received from TBL- (Inter-company) | | - | - |
| Dividend paid in cash | | (778,388,132) | (884,531,969) |
| Net cash from financing activities (C) | | (7,103,027,042) | 929,342,705 |
| D. Net increase in Cash and Cash Equivalent (A+B+C) | | (7,853,440,388) | 12,572,733,483 |
| E. Effects of exchange rate changes on cash and cash equivalents | | | |
| | | 100,658,371 | 218,236,919 |
| F. Opening Cash and Cash Equivalent | | 46,735,590,724 | 33,944,620,322 |
| G. Cash and cash equivalents at end of year (D+E+F) | 45 (a) | 38,982,808,707 | 46,735,590,724 |
| Consolidated Cash and Cash Equivalents at the end of the year | | | |
| Cash in hand (including foreign currencies) | 3.1 | 4,514,047,537 | 4,710,068,459 |
| Balance with Bangladesh Bank & Sonali Bank (Incl. FCs) | 3.2 | 16,977,503,573 | 15,317,472,261 |
| Balance with Other Bank and Financial Institutions | 4 (a) | 17,486,124,497 | 19,502,682,904 |
| Money at call and short notice | 5 | - | 7,200,000,000 |
| Prize Bond | 6.1 | 5,133,100 | 5,367,100 |
| Total | | 38,982,808,707 | 46,735,590,724 |

TRUST BANK LIMITED
and its subsidiaries
Consolidated Statement of Changes in Equity
For the year ended 31 December 2023

| Particulars | Paid up Capital | Share Premium Account | Foreign Currency Translation Reserve | Statutory Reserve | Capital Reserve | Other Reserve | Retained Earnings | Trust Bank Shareholders' Equity | Non-Controlling Interest | Total |
|---|-----------------|-----------------------|--------------------------------------|-------------------|-----------------|---------------|-------------------|---------------------------------|--------------------------|----------------|
| | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka |
| Balance as at 01 January 2023 | 7,783,881,320 | - | 14,260,457 | 8,779,751,092 | 6,302,868 | 46,394,756 | 3,493,450,838 | 20,124,041,331 | 89,620,725 | 20,213,662,056 |
| Changes in accounting policy | - | - | - | - | - | - | - | - | - | - |
| Restated Balance | 7,783,881,320 | - | 14,260,457 | 8,779,751,092 | 6,302,868 | 46,394,756 | 3,493,450,838 | 20,124,041,331 | 89,620,725 | 20,213,662,056 |
| Surplus/Deficit on revaluation of properties | - | - | - | - | - | - | - | - | - | - |
| Surplus/Deficit on revaluation of investment | - | - | - | - | - | 68,150,962 | - | 68,150,962 | - | 68,150,962 |
| Currency translation difference | - | - | 6,091,100 | - | - | - | - | 6,091,100 | - | 6,091,100 |
| Net gain and losses not recognized in the income statement | 7,783,881,320 | - | 20,351,557 | 8,779,751,092 | 6,302,868 | 114,545,718 | 3,493,450,838 | 20,198,283,393 | 89,620,725 | 20,287,904,118 |
| Net profit/(loss) for the year after tax | - | - | - | 1,000,000,000 | (2,780,922) | - | 4,253,288,759 | 4,253,288,759 | (75,811,582) | 4,177,477,177 |
| Statutory reserve | - | - | - | - | - | - | (1,000,000,000) | - | - | - |
| Capital Reserve | - | - | - | - | - | - | 2,780,922 | - | - | - |
| Share Money Deposit | - | - | - | - | - | - | - | - | 198,150,000 | 198,150,000 |
| Start up Fund | - | - | - | - | - | - | (43,180,035) | (43,180,035) | - | (43,180,035) |
| Special Reserve Fund | - | - | - | - | - | - | (120,000,000) | (120,000,000) | - | (120,000,000) |
| Coupon/Dividend on TBL Perpetual Bond | - | - | - | - | - | - | (400,000,000) | (400,000,000) | - | (400,000,000) |
| Dividends (Bonus Share) | 778,388,130 | - | - | - | - | - | (778,388,130) | - | - | - |
| Dividends (Cash) | - | - | - | - | - | - | (778,388,132) | (778,388,132) | - | (778,388,132) |
| Issue of Share Capital | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31 December 2023 | 8,562,269,450 | - | 20,351,557 | 9,779,751,092 | 3,521,946 | 114,545,718 | 4,629,564,222 | 23,110,003,985 | 211,959,143 | 23,321,963,128 |

TRUST BANK LIMITED
and its subsidiaries
Consolidated Statement of changes in Equity
For the year ended 31 December 2022

| Particulars | Paid up Capital | Share Premium Account | Foreign Currency Translation Reserve | Statutory Reserve | Capital Reserve | Other Reserve | Retained Earnings | Trust Bank Shareholders' Equity | Non-Controlling Interest | Total |
|---|-----------------|-----------------------|--------------------------------------|-------------------|-----------------|---------------|-------------------|---------------------------------|--------------------------|----------------|
| | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka |
| Balance as at 01 January 2022 | 7,076,255,750 | - | 2,774,882 | 7,829,751,092 | - | 31,866,084 | 3,667,427,926 | 18,608,075,734 | 152,094,046 | 18,760,169,780 |
| Changes in accounting policy | - | - | - | - | - | - | - | - | - | - |
| Restated Balance | 7,076,255,750 | - | 2,774,882 | 7,829,751,092 | - | 31,866,084 | 3,667,427,926 | 18,608,075,734 | 152,094,046 | 18,760,169,780 |
| Surplus/Deficit on revaluation of properties | - | - | - | - | - | - | - | - | - | - |
| Surplus/Deficit on revaluation of investment | - | - | - | - | - | 14,528,672 | - | 14,528,672 | - | 14,528,672 |
| Currency translation difference | - | - | 11,485,575 | - | - | - | - | 11,485,575 | - | 11,485,575 |
| Net gain and losses not recognized in the income statement | 7,076,255,750 | - | 14,260,457 | 7,829,751,092 | - | 46,394,756 | 3,667,427,926 | 18,634,089,981 | 152,094,046 | 18,786,184,027 |
| Net profit/(loss) for the year after tax | - | - | - | 950,000,000 | 6,302,868 | - | 2,920,656,582 | 2,920,656,582 | (97,421,301) | 2,823,235,281 |
| Statutory reserve | - | - | - | - | - | - | (950,000,000) | - | - | - |
| Capital Reserve | - | - | - | - | - | - | (6,302,868) | - | - | - |
| Share Money Deposit | - | - | - | - | - | - | - | - | 34,947,980 | 34,947,980 |
| Start up Fund | - | - | - | - | - | - | (29,915,013) | (29,915,013) | - | (29,915,013) |
| Special Reserve Fund | - | - | - | - | - | - | (120,000,000) | (120,000,000) | - | (120,000,000) |
| Coupon/Dividend on TBL Perpetual Bond | - | - | - | - | - | - | (396,258,250) | (396,258,250) | - | (396,258,250) |
| Dividends (Bonus Share) | 707,625,570 | - | - | - | - | - | (707,625,570) | - | - | - |
| Dividends (Cash) | - | - | - | - | - | - | (884,531,969) | (884,531,969) | - | (884,531,969) |
| Issue of Share Capital | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31 December 2022 | 7,783,881,320 | - | 14,260,457 | 8,779,751,092 | 6,302,868 | 46,394,756 | 3,493,450,838 | 20,124,041,331 | 89,620,725 | 20,213,662,056 |

TRUST BANK LIMITED
Balance Sheet
As at 31 December 2023

| | Notes | 31.12.2023 Taka | 31.12.2022 Taka |
|--|-------|------------------------|------------------------|
| PROPERTY AND ASSETS | | | |
| Cash | 3 | | |
| Cash in hand (including foreign currencies) | | 4,514,047,537 | 4,710,068,459 |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | | 16,977,503,573 | 15,317,472,261 |
| | | 21,491,551,110 | 20,027,540,720 |
| Balance with other banks and financial institutions | 4 | | |
| In Bangladesh | | 14,819,796,906 | 17,312,466,482 |
| Outside Bangladesh | | 1,479,289,549 | 1,247,730,310 |
| | | 16,299,086,455 | 18,560,196,792 |
| Money at call and short notice | 5 | - | 7,200,000,000 |
| Investments | 6 | | |
| Government | | 51,167,921,684 | 41,709,029,264 |
| Others | | 17,663,535,602 | 18,341,141,385 |
| | | 68,831,457,286 | 60,050,170,649 |
| Loans and Advances/Islami Banking Investments | 7 | | |
| Loans, Cash Credit, Overdrafts etc./ Investment | | 320,135,223,486 | 287,051,179,429 |
| Bills purchased and discounted | | 12,568,356,377 | 11,325,268,681 |
| | | 332,703,579,863 | 298,376,448,110 |
| Fixed assets including premises, furniture and fixtures | 8 | 2,557,466,399 | 2,156,359,954 |
| Other assets | 9 | 11,945,747,845 | 11,531,738,946 |
| Non-banking assets | | - | - |
| Total Assets | | 453,828,888,958 | 417,902,455,171 |
| LIABILITIES AND CAPITAL | | | |
| Liabilities | | | |
| Borrowings from other banks, financial institutions and agents | 10 | 35,804,312,294 | 40,440,328,628 |
| Deposits and other accounts | 11 | | |
| Current / Al-wadeeah Current Accounts and other Accounts | | 53,518,249,499 | 40,447,637,232 |
| Bills Payable | | 4,804,983,055 | 4,514,894,360 |
| Savings Bank / Mudaraba Savings Deposits | | 64,437,532,540 | 62,376,495,108 |
| Fixed Deposits / Mudaraba Term Deposits | | 243,640,966,750 | 218,591,619,869 |
| Bearer Certificates of Deposit | | - | - |
| Other Deposits | | - | - |
| | | 366,401,731,844 | 325,930,646,569 |
| Other liabilities | 12 | 28,726,535,985 | 31,685,848,543 |
| Total Liabilities | | 430,932,580,123 | 398,056,823,740 |
| Capital/Shareholders' Equity | | | |
| Paid up Capital | 13.2 | 8,562,269,450 | 7,783,881,320 |
| Share Premium Account | | - | - |
| Foreign Currency Translation Reserve | | 20,351,557 | 14,260,457 |
| Statutory Reserve | 14 | 9,779,751,092 | 8,779,751,092 |
| Other Reserve | 16 | 114,545,718 | 46,394,756 |
| Retained Earnings | 17 | 4,419,391,018 | 3,221,343,806 |
| Total Shareholders' Equity | | 22,896,308,835 | 19,845,631,431 |
| Total Liabilities and Shareholders' Equity | | 453,828,888,958 | 417,902,455,171 |

| Notes | 31.12.2023 Taka | 31.12.2022 Taka |
|---|------------------------|------------------------|
| OFF-BALANCE SHEET ITEMS | | |
| Contingent Liabilities | 18 | |
| Acceptances and Endorsements | 50,489,266,886 | 43,662,524,184 |
| Letter of Guarantees | 42,405,298,594 | 34,310,117,955 |
| Irrevocable Letter of Credits | 36,281,594,386 | 47,281,635,221 |
| Bills for collection | 8,324,545,958 | 7,182,428,830 |
| | 137,500,705,824 | 132,436,706,190 |
| Other Contingent Liabilities | | |
| Value of travelers' cheques in hand | - | - |
| Total: | 137,500,705,824 | 132,436,706,190 |
| Other commitments | | |
| Documentary Credit and short term trade -related transactions | - | - |
| Forward assets purchased and forward deposits placed | 24,794,509,747 | 7,001,445,716 |
| Undrawn note issuance and revolving facilities | - | - |
| Undrawn formal standby facilities, credit lines and other commitments | - | - |
| | 24,794,509,747 | 7,001,445,716 |
| Total Off-Balance Sheet items including contingent liabilities | 162,295,215,571 | 139,438,151,906 |

The annexed notes 1-52 form an integral part of the Financial Statements




Vice Chairman



Director



Director



Managing Director (In-Charge)

Signed as per annexed report of same date

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



Nasir U Ahmed
FCA, FCS, CGMA, ACMA (UK), FCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 535
DVC: 2404290535AS305294

Place: Dhaka, Bangladesh
Dated: April 27, 2024

TRUST BANK LIMITED
Profit and Loss Account
For the year ended 31 December 2023

| Notes | 31.12.2023 Taka | 31.12.2022 Taka | |
|--|-----------------------|-----------------------|----------------|
| Interest income / Profit on Investment | 20 | 26,001,237,535 | 20,421,912,032 |
| Interest / Profit paid on deposits and borrowings etc. | 21 | 17,387,662,197 | 12,678,676,719 |
| Net interest income | 8,613,575,338 | 7,743,235,313 | |
| Income from investments | 22 | 5,876,467,247 | 5,609,070,489 |
| Commission, exchange and brokerage | 23 | 2,507,460,313 | 2,790,894,165 |
| Other operating income | 24 | 781,917,540 | 620,383,708 |
| | | 9,165,845,100 | 9,020,348,362 |
| Total operating income | 17,779,420,438 | 16,763,583,675 | |
| Salaries and allowances | 25 | 3,250,183,485 | 2,925,854,731 |
| Rent, taxes, insurance, electricity, etc. | 26 | 639,687,300 | 574,903,704 |
| Legal expenses | | 9,874,273 | 1,448,975 |
| Postage, stamps, telecommunications, etc. | 27 | 104,390,684 | 118,093,778 |
| Stationery, printing, advertisement etc. | 28 | 81,400,705 | 68,252,571 |
| Managing Director's salary and benefits | | 11,280,000 | 11,280,640 |
| Directors' fees | 29 | 2,856,000 | 2,120,000 |
| Auditors' fee | 30 | 575,000 | 920,000 |
| Charges on loan losses | | - | - |
| Depreciation and repair of bank's assets | 31 | 641,639,473 | 577,034,424 |
| Other expenses | 32 | 1,218,356,968 | 1,483,267,854 |
| Total operating expenses | 5,960,243,888 | 5,763,176,677 | |
| Profit before provision | 11,819,176,550 | 11,000,406,998 | |
| Provision for loans & advances / Investments | 33 | 5,221,229,218 | 3,932,375,906 |
| Provision for Diminution in value of Investment | 34 | 18,260,289 | 9,454,450 |
| Other provision | 35 | 187,389,500 | 77,027,500 |
| | | 5,426,879,007 | 4,018,857,856 |
| Total Profit before Taxes | 6,392,297,543 | 6,981,549,142 | |
| Provision for Taxation | | | |
| Current tax | 12.8 | 2,000,000,000 | 3,990,000,000 |
| Deferred tax | | 74,294,034 | 47,891 |
| | | 2,074,294,034 | 3,990,047,891 |
| Net Profit after Taxation | 4,318,003,509 | 2,991,501,251 | |
| Appropriations | | | |
| Statutory Reserve | 14.1 | 1,000,000,000 | 950,000,000 |
| Provision for CSR Fund | 12.4 | 120,000,000 | 120,000,000 |
| Start up Fund | 12.5 | 43,180,035 | 29,915,013 |
| Coupon/Dividend on TBL Perpetual Bond | | 400,000,000 | 396,258,250 |
| | | 1,563,180,035 | 1,496,173,263 |
| Retained surplus | 2,754,823,474 | 1,495,327,988 | |
| Earning per share (EPS) | 38 | 5.04 | 3.49 |

The annexed notes 1-52 form an integral part of the Financial Statements


Vice Chairman


Director


Director


Managing Director (In-Charge)

Signed as per annexed report of same date

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


Nasir U Ahmed
FCA, FCS, CGMA, ACMA (UK), PCA (England & Wales)
Deputy Managing Partner
ICAB Enrollment No: 535
DVC: 2404290535AS305294

Place: Dhaka, Bangladesh
Dated: April 27, 2024

TRUST BANK LIMITED
Cash Flow Statement
For the year ended 31 December 2023

| | Notes | 31.12.2023 Taka | 31.12.2022 Taka |
|--|-------|------------------------|-----------------------|
| A. Cash flow from operating activities | | | |
| Interest received in cash | | 25,877,916,437 | 20,279,779,945 |
| Interest payments | | (17,048,272,443) | (12,128,858,994) |
| Dividend receipts | | 300,349,428 | 165,166,988 |
| Fees and commission receipts in cash | | 2,420,679,699 | 2,639,878,748 |
| Recoveries of loans previously written off | | 52,565,629 | 53,930,997 |
| Cash paid to employees | | (3,337,280,666) | (2,852,516,332) |
| Cash paid to suppliers | | (67,753,684) | (62,859,251) |
| Income Taxes paid | | (3,593,876,744) | (2,973,354,952) |
| Received from other operating activities (item-wise) | 41 | 6,814,990,347 | 5,689,703,784 |
| Payments for other operating activities (item-wise) | 42 | (2,410,652,493) | (2,279,382,263) |
| Operating profit before changes in operating Assets and Liabilities | | 9,008,665,510 | 8,531,488,670 |
| Increase/(Decrease) in operating assets & liabilities | | | |
| Statutory Deposits | | - | - |
| Net Investment in trading securities | | 677,605,783 | (3,873,561,640) |
| Loan & advance to other banks | | - | - |
| Loan & advance to customers | | (43,294,804,805) | (39,608,619,130) |
| Other assets (item-wise) | 43 | (75,506,412) | (1,791,624,784) |
| Deposits from other banks | | (3,764,719,125) | 4,521,020,517 |
| Deposits from customers | | 43,701,814,234 | 35,647,885,953 |
| Other liabilities account of customers | | - | - |
| Trading liabilities | | - | - |
| Other liabilities (item-wise) | 44 | 917,261,514 | 72,616,238 |
| Net cash from operating activities (A) | | 7,170,316,699 | 3,499,205,824 |
| B. Cash flow from investing activities | | | |
| Proceeds from sale of securities | | (9,596,074,715) | 7,493,892,561 |
| Payments for purchase of government securities | | - | - |
| Purchase of property, plant & equipment | | (240,840,475) | (172,187,839) |
| Purchase of intangible assets | | (19,950,400) | (16,857,189) |
| Sale of property, plant & equipment | | 2,961,039 | 11,894,598 |
| Purchase/ Sale of Subsidiary | | - | - |
| Net cash from investing activities (B) | | (9,853,904,551) | 7,316,742,131 |
| C. Cash flow from financing activities | | | |
| Increase/(Decrease) in Borrowing: | | | |
| Call loan | | - | - |
| Re-Purchase agreement (REPO) | | - | - |
| Other borrowings | | (4,636,016,334) | 2,772,286,850 |
| Dividend paid in cash | | (778,388,132) | (884,531,969) |
| Net cash from financing activities (C) | | (5,414,404,466) | 1,887,754,881 |
| D. Net increase in Cash and Cash Equivalent (A+B+C) | | (8,097,992,318) | 12,703,702,836 |
| E. Effects of exchange rate changes on cash and cash equivalents | | | |
| | | 100,658,371 | 218,236,919 |
| F. Opening Cash and Cash Equivalent | | 45,793,104,612 | 32,871,164,857 |
| G. Cash and cash equivalents at end of year (D+E+F) | 45 | 37,795,770,665 | 45,793,104,612 |
| Cash and Cash Equivalents at the end of the year | | | |
| Cash in hand (including foreign currencies) | 3.1 | 4,514,047,537 | 4,710,068,459 |
| Balance with Bangladesh Bank & Sonali Bank (Incl. FCs) | 3.2 | 16,977,503,573 | 15,317,472,261 |
| Balance with Other Bank and Financial Institutions | 4 | 16,299,086,455 | 18,560,196,792 |
| Money at call and short notice | 5 | - | 7,200,000,000 |
| Prize Bond | 6.1 | 5,133,100 | 5,367,100 |
| Total | | 37,795,770,665 | 45,793,104,612 |

TRUST BANK LIMITED
Statement of Changes in Equity
For the year ended 31 December 2023

| Particulars | Paid up Capital | Share Premium Account | Foreign Currency Translation Reserve | Statutory Reserve | Other Reserve | Retained Earnings | Total |
|---|----------------------|-----------------------|--------------------------------------|----------------------|--------------------|----------------------|-----------------------|
| | Taka | Taka | Taka | Taka | Taka | Taka | Taka |
| Balance as at 01 January 2023 | 7,783,881,320 | - | 14,260,457 | 8,779,751,092 | 46,394,756 | 3,221,343,806 | 19,845,631,431 |
| Changes in accounting policy | - | - | - | - | - | - | - |
| Restated Balance | 7,783,881,320 | - | 14,260,457 | 8,779,751,092 | 46,394,756 | 3,221,343,806 | 19,845,631,431 |
| Surplus/Deficit on revaluation of properties | - | - | - | - | - | - | - |
| Surplus/Deficit on revaluation of investment | - | - | - | - | 68,150,962 | - | 68,150,962 |
| Currency translation difference | - | - | 6,091,100 | - | - | - | 6,091,100 |
| Net gain and losses not recognized in the income statement | 7,783,881,320 | - | 20,351,557 | 8,779,751,092 | 114,545,718 | 3,221,343,806 | 19,919,873,493 |
| Net profit/(loss) for the year after tax | - | - | - | - | - | 4,318,003,509 | 4,318,003,509 |
| Statutory reserve | - | - | - | 1,000,000,000 | - | (1,000,000,000) | - |
| Transfer to Start up Fund | - | - | - | - | - | (43,180,035) | (43,180,035) |
| Transfer to CSR Fund | - | - | - | - | - | (120,000,000) | (120,000,000) |
| Coupon/Dividend on TBL Perpetual Bond | - | - | - | - | - | (400,000,000) | (400,000,000) |
| Dividends (Bonus Share) | 778,388,130 | - | - | - | - | (778,388,130) | - |
| Dividends (Cash) | - | - | - | - | - | (778,388,132) | (778,388,132) |
| Issue of Share Capital (Rights Share) | - | - | - | - | - | - | - |
| Balance as at 31 December 2023 | 8,562,269,450 | - | 20,351,557 | 9,779,751,092 | 114,545,718 | 4,419,391,018 | 22,896,308,835 |

TRUST BANK LIMITED
Statement of Changes in Equity
For the year ended 31 December 2022

| Particulars | Paid up Capital | Share Premium Account | Foreign Currency Translation Reserve | Statutory Reserve | Other Reserve | Retained Earnings | Total |
|---|----------------------|-----------------------|--------------------------------------|----------------------|-------------------|----------------------|-----------------------|
| | Taka | Taka | Taka | Taka | Taka | Taka | Taka |
| Balance as at 01 January 2022 | 7,076,255,750 | - | 2,774,882 | 7,829,751,092 | 31,866,084 | 3,318,173,357 | 18,258,821,165 |
| Changes in accounting policy | - | - | - | - | - | - | - |
| Restated Balance | 7,076,255,750 | - | 2,774,882 | 7,829,751,092 | 31,866,084 | 3,318,173,357 | 18,258,821,165 |
| Surplus/Deficit on revaluation of properties | - | - | - | - | - | - | - |
| Surplus/Deficit on revaluation of investment | - | - | - | - | 14,528,672 | - | 14,528,672 |
| Currency translation difference | - | - | 11,485,575 | - | - | - | 11,485,575 |
| Net gain and losses not recognized in the income statement | 7,076,255,750 | - | 14,260,457 | 7,829,751,092 | 46,394,756 | 3,318,173,357 | 18,284,835,412 |
| Net profit/(loss) for the year after tax | - | - | - | - | - | 2,991,501,251 | 2,991,501,251 |
| Statutory reserve | - | - | - | 950,000,000 | - | (950,000,000) | - |
| Transfer to Start up Fund | - | - | - | - | - | (29,915,013) | (29,915,013) |
| Transfer to Special Reserve Fund | - | - | - | - | - | (120,000,000) | (120,000,000) |
| Coupon/Dividend on TBL Perpetual Bond | - | - | - | - | - | (396,258,250) | (396,258,250) |
| Dividends (Bonus Share) | 707,625,570 | - | - | - | - | (707,625,570) | - |
| Dividends (Cash) | - | - | - | - | - | (884,531,969) | (884,531,969) |
| Issue of Share Capital (Rights Share) | - | - | - | - | - | - | - |
| Balance as at 31 December 2022 | 7,783,881,320 | - | 14,260,457 | 8,779,751,092 | 46,394,756 | 3,221,343,806 | 19,845,631,431 |

TRUST BANK LIMITED
Liquidity Statement
 (Asset and Liability Maturity Analysis)
 As at 31 December 2023

Amount in Taka

| Particulars | Up to 01 Month | 1- 3 Months | 3-12 Months | 1- 5 Years | More than 5 Years | Total |
|--|-------------------------|-------------------------|-------------------------|------------------------|------------------------|------------------------|
| Assets: | | | | | | |
| Cash in Hand | 4,514,047,537 | - | - | - | - | 4,514,047,537 |
| Balance with Bangladesh Bank and Sonali Bank | 2,085,555,573 | - | - | - | 14,891,948,000 | 16,977,503,573 |
| Balance with other banks and financial institutions | 10,499,086,455 | 4,450,000,000 | 1,350,000,000 | - | - | 16,299,086,455 |
| Money at call and short notice | - | - | - | - | - | - |
| Investments | 2,553,718,330 | 1,537,893,309 | 17,082,033,824 | 27,453,122,053 | 20,204,689,770 | 68,831,457,286 |
| Loans and Advances | 47,819,655,578 | 33,968,529,650 | 66,749,333,724 | 87,178,385,750 | 96,987,675,161 | 332,703,579,863 |
| Fixed Assets including premises, furniture and fixtures | - | - | - | - | 2,557,466,399 | 2,557,466,399 |
| Other assets | 3,970,364,909 | 1,542,888,957 | 1,760,806,628 | 653,707,490 | 4,017,979,861 | 11,945,747,845 |
| Non-banking assets | - | - | - | - | - | - |
| Total Assets | 71,442,428,382 | 41,499,311,916 | 86,942,174,176 | 115,285,215,293 | 138,659,759,191 | 453,828,888,958 |
| Liabilities: | | | | | | |
| Borrowing from Bangladesh Bank, other banks, financial institutions and agents | 5,475,550,698 | 3,246,631,159 | 10,643,437,672 | 8,834,514,665 | 7,604,178,100 | 35,804,312,294 |
| Deposits | 84,560,569,304 | 60,983,887,185 | 151,578,581,026 | 29,151,224,520 | 16,227,941,459 | 342,502,203,494 |
| Other accounts | 23,899,528,350 | - | - | - | - | 23,899,528,350 |
| Provision and other liabilities | 4,606,315,614 | 2,557,661,089 | 7,896,706,503 | 6,081,490,626 | 7,584,362,153 | 28,726,535,985 |
| Total Liabilities | 118,541,963,966 | 66,788,179,433 | 170,118,725,201 | 44,067,229,811 | 31,416,481,712 | 430,932,580,123 |
| Net Liquidity Gap | (47,099,535,584) | (25,288,867,517) | (83,176,551,025) | 71,217,985,482 | 107,243,277,479 | 22,896,308,835 |

Net result of the Liquidity Statement represents the "Shareholders' Equity" of the Bank

TRUST BANK LIMITED

Notes to the Financial Statements

For the year ended 31 December 2023

1 THE BANK & ITS ACTIVITIES

Trust Bank Limited (the Bank) is a scheduled commercial bank established under the Banking Companies Act, 1991 and incorporated as a Public Limited Company under the Companies Act, 1994 in Bangladesh on 17 June 1999 with the primary objective to carry on all kinds of banking business in and outside Bangladesh. The Bank has One Hundred Nine (109) branches, Eight (08) Sub-Branches and Six (06) SME Service Centers/Krishi Branches which are operating in Bangladesh as at 31 December 2023. The Bank has no overseas branches as at 31 December 2023. The Bank is listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited as a publicly traded company for its general class of shares.

The registered office of the Bank is located at Shadhinata Tower, Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206.

Initially, the Bank had started its operation in the name of "The Trust Bank Limited" but later on 12 November 2006 it was renamed to "Trust Bank Limited" by the Registrar of Joint Stock Companies. The new name of the Bank was approved by Bangladesh Bank on 03 December 2006.

Principal Activities of the Bank

The Principal activities of the Bank are to provide full range of banking services that include deposit banking, loans & advances, export-import financing and national & international remittance facilities, issuing debit and credit cards, SMS banking, internet banking, call center, dealing in government securities etc. The Bank offers commercial banking, consumer banking, trade services, cash management, treasury, SME, retail, custodial and clearing services to its customers. Trust Money is a convenient way to access account, transfer funds, pay bills and more such exciting features on the go. The Bank also provides off-shore banking services through its Off-Shore Banking Units (OBU) and islami banking services through its Islamic Banking Windows.

1.1 Off-shore Banking Unit (OBU)

The Bank obtained Off-shore Banking Unit permission vide letter no. BRPB(P-3)744(116)/2010-2462 dated 02 June 2010. The Bank commenced its Off-shore banking operations from 24 October 2013 through its Dilkusha Corporate Branch, Gulshan Corporate Branch & CDA Avenue Branch. The Off-shore Banking Units are governed under the rules and guidelines of Bangladesh Bank.

1.2 Subsidiaries of the Bank

The Bank has three Subsidiaries, the details of which are given below:

1.2.1 Trust Bank Investment Limited

Trust Bank Investment Limited, a fully owned subsidiary of Trust Bank Limited, was incorporated on 09 September 2010 with an initial paid up capital of Taka 3,000 million upon receiving consent from SEC on 25 October 2010 having registered office located at 36 Dilkusha Commercial Area, Dhaka-1000.

Trust Bank Investment Limited offers full range of merchant banking services that include Issue Management, Underwriting, Portfolio Management etc.

1.2.2 Trust Bank Securities Limited

Trust Bank Securities Limited, a fully owned subsidiary of Trust Bank Limited, was incorporated on 07 February 2013 with an initial paid up capital of Taka 350 million having registered office located at Shadhinata Tower (Level-1), Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206.

Trust Bank Securities Limited offers full range of business of brokers or dealers in stocks that includes buying and selling of Shares & Securities, Commercial Papers, Bonds, Debentures, Debenture Stocks etc.

1.2.3 Trust Axiata Digital Limited

Trust Axiata Digital Limited, a subsidiary of Trust Bank Limited, was incorporated on 04 October 2020 with an initial paid up capital of Taka 450 million having its registered office located at Shadhinata Tower (Level-11), Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206.

Trust Axiata Digital Limited offers full range of Mobile Financial Services (MFS) and Payment Service Provider (PSP) that include Money Remittance, Payment System, Settlement System, Payment Service, Point of Sale Transfer, Online Recharge, Online Payment, Payment Gateway etc.

1.2.4 Accounting Policies of Subsidiaries

The Financial Statements of three subsidiaries have been prepared and all assets, liabilities, income and expenses are measured and regularised under Group accounting policies as Parent Company follows.

1.3 Islamic Banking activities

Islam is not only confined with Ibadah but also a complete guidance for human life. It tells us how to manage all activities of life in a sound and ethical way. It's completeness describe in Quranic verse; "This day I have perfected your religion for you, completed my blessing on you and approved Islam as the way of life for you" (Al-Maidah: 3).

It has guided the human being how to deal in financial transactions known as Mu`amalah. This Mu`amalah component defines the conduct of economic activities within the Islamic economic system and lay down the rules for business, commercial, financial and banking systems.

Islam demands all economic activities including banking should run in accordance with the Islamic Shariah i.e. prohibition of interest from all transactions and dealing in businesses that are allowed (halal) in shariah. Islamic Banking has potential for earthly returns (earning profit) as well as reward in the Divine world (benefit in hereafter) by abiding the instructions of the Almighty Allah.

To ensure compliance of shariah guidelines, Islamic banking practices a strong documentary record keeping system eliminating all vagueness regarding business & responsibilities of the parties involved.

Trust Islamic Banking

Trust Bank is presently carrying out its Islamic banking operations through 30 (thirty) Islamic banking windows with the Brand name Trust Islamic Banking (TIB). Besides the 30 (thirty) windows, all TBL branches can provide both Islamic Banking deposit and investment services through on-line banking system.

Shariah Compliance

To oversee the Shariah compliance of Islamic Banking operation of Trust Bank, TIB has an Internal Shairah Audit/Review team (Muraqib). Muraqib (Shariah Auditor) of Trust Bank (Islamic Banking) conducts shariah audit/inspection throughout the year to its Islamic Banking Windows as per Shariah Audit Plan (Calendar) approved by the Shariah Supervisory Committee.

In addition to the Shariah guidelines, Trust Islamic banking (TIB) strictly comply the Bangladesh Bank instructions regarding Islamic banking operations and adheres to the followings:

- Completely Separate Fund management—no mixing of fund with the conventional banking deposits of the Bank. Investments are made from the Islamic banking deposits only.
- Separate book-keeping, Profit & Loss Account by Islamic banking module of Bank's CBS.
- Profit sharing ratio (Depositor: Bank) is 65:35 for the year 2023.
- Profit distributions are executed as per approved weightage table.

Deposit & Investment

The overall business activities of TIB has seen a very positive growth. Both Deposit and Investment of TIB has increased significantly in the year 2023.

Trust Islamic Banking Operations is closely monitored and supervised by a knowledgeable & committed team in Islamic Banking and Finance to ensure compliance, development and growth of TIB business. TIB offers the full range deposit & investment products & services for corporate, retail & SME sectors.

A separate Balance-sheet, Profits & Loss account and statement of Cash-Flows are shown in the Annexure E, F & G of this report. The figures appear in the Annexure have been incorporated in the related heads of financial statement as recommended by the Bangladesh Bank.

1.4 Retail Banking Division:

Retail banking sector is one of the main sources for generating flow of funds from disposable income held in the hands of the mass. Retail Banking has grown to its capacity and potential in terms of technology, human resources, product quality and business process. Considering its scope of growth and continuous success in tapping into new market segments TBL Retail Banking segment offers comprehensive and diverse range of retail products across deposits, loans, payments and is committed to provide enhanced and everlasting customer relationship. In this connection, Retail Banking has been successful in deposit acquisition that helped the bank to meet regulatory requirements keeping sufficient fund for investment. In addition, TBL Retail banking segment has great influence in financial inclusion and financial literacy of Bangladesh.

1.5 SME and Green Banking Activities

SME Financing:

Cottage, Micro, Small and Medium Enterprises (CMSMEs) play a crucial role for economic development of any country. The contribution of SMEs is indispensable particularly for the developing countries like Bangladesh. SMEs help increasing national income, creating rapid employment thereby contributing towards eradication of extreme poverty and hunger, gender equality and women empowerment. Recognizing the fact, SMEs are termed as the engine of economic growth.

In pursuance of Central Bank's policy initiatives, TBL formulated its SME banking policies in 2009 targeting the 'missing middle' (CMSMEs) with a view to bringing them into the formal financial folder through its 116 branch networks including 07 SME/Krishi Branch/Service Centers and 08 no. of sub-branches located in different parts of the country. TBL is now among the forefront SME favored bank list. Trust Bank is reaching the SME customer segments through its tailored products to meet their credit demand. The Bank's SME exposure is well diversified covering the sectors like Power-loom, Handloom, Light Engineering, Handicrafts, Nakshi Kantha, Garments Accessories, Bio-Gas, Bio-Fertilizer, Irrigation, Fisheries, Poultry, Dairy, Service & Trading Businesses and other Agri-businesses.

Trust Bank has introduced as many as 14 different SME products in commensurate with BB Policy Guidelines with special emphasis on cluster/area approach. 'Trust-Akota' is a group based product designed to target the people involved in cluster sectors located all over the country, while 'Trust Bunoon' is instrumental in financing on Spinning and handloom sector at Narsingdi, Sirajgonj and Naryangonj. 'Trust-Nondini' is a specialized product for women entrepreneurs. 'Trust-Muldhon' is a product designed to facilitate the SME trading businesses. TBL being a SME favored Bank has equally increased its focus on the farmers, small, and marginalized people by designing a special product named 'Trust-Prantik'. 'Trust-Uddyog' has been designed for the start-up businesses under Bank's start-up fund. 'Trust-Suchona' is a newly introduced partially secured SME product, designed for the potential SME clients.

These expansionary SME financing initiatives of TBL has increasingly been contributing to employment creation directly or indirectly in the country. Trust Bank, SME Division is relentlessly working for maximizing overall SME loan portfolio. We are emphasizing for finance under Tk.25,000 Crore Pre-Finance Scheme and Credit Guarantee Scheme of Bangladesh Bank to facilitate small enterprises. As well as, we are focusing on Women Entrepreneurs for increasing access to finance in Manufacturing and Service sector of SMEs.

Green Financing

Green finance is one of the main stream of Sustainable development or Sustainable Finance. The key green energy projects/green finance in Bangladesh include the Solar Home System (SHS), solar mini grids, solar irrigation pumping systems and biogas plants etc. Trust Bank has started contributing in the renewable energy sector through financing on Bio gas plants and Solar-home system. We are said to be the pioneer in the financing of Biogas plants among the Banking financial institutions.

Composition of total green finance upto 31 December 2023:

(BDT in million)

| Green Projects / Products | Number of Project | Disbursed Amount |
|---|-------------------|------------------|
| Renewable Energy (Biogas plant) | 2,934 | 641.15 |
| Renewable Energy (Solar Energy) | 4,197 | 113.91 |
| LEED Certified Green Projects (Industry & building) | 2 | 5,321.04 |
| PET Bottle Recycling plant | 1 | 1,679.12 |
| Energy Efficiency product | 8 | 2,921.43 |
| LED Bulb/Tube Manufacture/Assemble Ind. | 5 | 1,843.77 |
| Improved/Environment Friendly Brick Kiln | 26 | 12,235.89 |
| Plastic waste Recycling plant | 18 | 2,290.93 |
| Paper Recycling Plant | 9 | 1,591.51 |
| Ensuring Work Environment and Security of Workers Factories | 4 | 28.69 |
| Effluent Treatment Plant (ETP) | 2 | 13.97 |
| Vermicomposting | 20 | 0.20 |
| Green CMSME | 25 | 23.11 |
| Total | | 28,704.72 |

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

The Financial Reporting Act 2015 (FRA) was enacted in 2015. Under the FRA, the Financial Reporting Council (FRC) was formed in 2017 and has since then adopted International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) as the applicable Financial Reporting Standards for public interest entities such as banks with effect from 02 November 2020.

Accordingly, the consolidated and separate financial statements of the Group and the Bank, respectively, have been prepared in accordance with IFRSs (including IASs). In addition to this, the Bank also complied with the requirements of the following laws and regulations from various Government bodies:

- i) The Banking Companies Act, 1991, and amendment thereon;
- ii) The Companies Act, 1994;
- iii) Circulars, Rules and Regulations issued by Bangladesh Bank (BB) from time to time;
- iv) Bangladesh Securities and Exchange Rules, 1987; Bangladesh Securities and Exchange Ordinance, 1969; Bangladesh Securities and Exchange Act, 1993 and Bangladesh Securities and Exchange Commission (Public Issue) Rules 2015 and amendments thereon;
- v) The Income Tax Ordinance, 1984, and amendments thereon;
- vi) The Value Added Tax Act, 2012, The Value Added Tax Rules, 2016 and amendments thereon;
- vii) Dhaka Stock Exchange Limited (DSE), Chittagong Stock Exchange Limited (CSE) and Central Depository Bangladesh Limited (CDBL) rules and regulations; and
- viii) Financial Reporting Act, 2015.

In case of any requirement of the Banking Companies Act, 1991 and provisions and circulars issued by Bangladesh Bank (BB) differ with those of IFRSs, the requirements of the Banking Companies Act, 1991, and provisions and circulars issued by BB shall prevail. Material departures from the requirements of IFRSs are as follows:

i) Presentation of financial statements

IFRS: As per IAS 1: Presentation of financial statements, financial statements shall comprise a statement of financial position as at the end of the period, a statement of profit or loss and other comprehensive income for the period, a statement of changes in equity for the period, a statement of cash flows for the period, notes - comprising significant accounting policies and other explanatory information. As per IAS 1, the entity shall also present current and non-current assets and liabilities as separate classifications in its statement of financial position.

Bangladesh Bank: The presentation of the financial statements in prescribed format (i.e. balance sheet, profit and loss account, cash flow statement, statement of changes in equity, liquidity statement) and certain disclosures therein are guided by the First Schedule (section 38) of the Banking Companies Act 1991 (as amendment up to date) and BRPD circular no. 14 dated 25 June 2003 and subsequent guidelines of Bangladesh Bank. In the prescribed format there is no option to present assets and liabilities under current and non-current classifications.

ii) Investment in shares and securities

IFRS: As per requirements of IFRS 9: Financial instruments, financial assets generally falls under at amortized cost, or fair value through profit and loss account or fair value through other comprehensive income, where any change in the fair value at the year-end is taken to profit or loss account or other comprehensive income/revaluation reserve respectively.

Bangladesh Bank: As per Banking Regulation & Policy Department (BRPD) circular no. 14 dated 25 June 2003, investments in quoted shares and unquoted shares are revalued at the year end at market price and Net Assets Value (NAV) of last audited balance sheet, respectively. In addition to that Department of Off-site Supervision (DOS) of Bangladesh Bank vide its circular letter no. 03 dated 12 March 2015 directed that investment in mutual fund (closed end) will be revalued at lower of cost and (higher of market value and 85% of NAV). Provision should be made for any loss arising from diminution in value of investment; otherwise investments are recognized at cost.

iii) Revaluation gains/losses on government securities

IFRS: As per requirement of IFRS 9: Financial instruments, an entity shall classify financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- a) the entity's business model for managing the financial assets; and
- b) the contractual cash flow characteristics of the financial asset.

Bangladesh Bank: According to DOS Circular 05 dated 26 May 2008 and subsequently clarification in DOS Circular 05 dated 28 January 2009, HFT securities are revalued on the basis of mark to market and at the year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognized in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortization of discount are recognized in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortized at the year end and gains or losses on amortization are recognized in other reserves as a part of equity.

iv) Provision on loans and advances/investments

IFRS: As per IFRS 9, an entity shall recognize a loss allowance for expected credit losses on a financial asset through amortized cost or fair value through other comprehensive income to which impairment requirements apply.

Bangladesh Bank: As per BRPD Circular 14 dated 23 September 2012, BRPD Circular no. 19 dated 27 December 2012, BRPD Circular no. 05 dated 29 May 2013, BRPD circular no. 16 dated 18 November 2014, BRPD Circular no. 16 dated 21 July 2020 and BRPD Circular no. 52 dated 20 October 2020, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad & losses loans has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular No. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IFRS 9.

v) **Recognition of interest in suspense**

IFRS: Loans and advances to customers are generally classified as non-derivative financial assets measured at amortised cost as per IFRS 9 and interest income is recognised through effective interest rate method over the term of the loan. Once a loan is impaired, interest income is to be recognised in profit and loss account on the same basis on revised carrying amount.

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012 and BRPD Circular no. 03 dated 21 April 2019, once a loan is classified, interest on such loans are not allowed to be recognized as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

vi) **Other comprehensive income**

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

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

vii) **REPO and Reverse REPO Transaction**

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

Bangladesh Bank: As per DOS Circular Letter no. 06 dated 15 July 2010 and subsequent clarification in DOS Circular No. 02 dated 23 January 2013, when a Bank sells a financial asset and simultaneously enters into an agreement to repurchase the asset (or a similar asset) at a fixed price on a future date (REPO or stock lending), the arrangement is accounted for as a normal sale transaction and the financial asset should be derecognized in the seller's book and recognized in the buyer's book.

viii) **Financial instruments – Presentation and disclosure**

In several cases Bangladesh Bank guidelines categorise, recognize, measure and present financial instruments differently from those prescribed in IFRS 7: Financial instruments - disclosure and IFRS 9 Financial instruments. As such full disclosure and presentation requirements of IFRS 7 cannot be made in the financial statements.

ix) **Financial guarantees**

IFRS: As per IFRS 9: Financial instruments, financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognized initially at their fair value minus the cost that are directly attributable to issue of the financial guarantee. After initial recognition, an issuer of such a guarantee shall subsequently measure it at higher of:

- i. the amount of the loss allowance and
- ii. the amount initially recognized less, when appropriate, the cumulative amount of the income recognized.

Bangladesh Bank: As per BRPD 14 dated 25 June 2003, financial guarantees such as letter of credit, letter of guarantee will be treated as off-balance sheet items. No liability is recognized for the guarantee except the cash margin. 1% provision is maintained on such off-balance sheet items as per guidelines of Bangladesh Bank.

x) **Cash and cash equivalents**

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7: Statements of cash flows.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bond are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

xi) **Non-banking assets**

IFRS: No indication of Non-banking asset is found in any IFRS.

Bangladesh Bank: As per Banking Regulation and Policy Department (BRPD) of Bangladesh Bank circular no. 14 dated 25 June 2003, there must exist a face item named Non-banking assets.

xii) **Cash Flow Statement**

IFRS: As per IAS 7, the cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank: As per BRPD 14, cash flow is the mixture of direct and indirect methods.

xiii) Balance with Bangladesh Bank (Cash Reserve Requirement)

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

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xiv) Presentation of intangible asset

IFRS: An intangible asset must be identified and recognized, and the disclosure must be given as per IAS 38.

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

xv) Off-balance sheet items

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

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of credit, Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

xvi) Loans and advances/Investments net of provision

IFRS: As per IFRS 9, Loans and advances/Investments should be presented net of provision.

Bangladesh Bank: As per BRPD 14 dated 25 June 2003, provision on loans and advances/investments are presented separately as liability and can not be netted off against loans and advances.

2.2 Basis of Consolidation

The consolidated financial statements include the financial statements of Trust Bank Limited and its subsidiary Trust Bank Investment Limited made up to the end of the financial year. The consolidated financial statements have been prepared in accordance with IFRS 10.

2.3 Subsidiary

Subsidiary is that enterprise which is controlled by the Bank. Control exists when the Bank has the power, directly or indirectly, to govern the financial and operating policies of an enterprise from the date that control commences until the date that control ceases. The financial statements of subsidiary are included in the consolidated financial statements from the date that control effectively commences until the date that the control effectively ceases. Subsidiary companies are consolidated using the purchase method of accounting.

2.4 Use of estimates and judgments

The preparation of consolidated financial statements of the Bank requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.5 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the entities.

2.6 Transactions eliminated on consolidation

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Profit and loss resulting from transactions between Group are also eliminated on consolidation.

2.7 Foreign currency transaction

a) Foreign currency

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

b) Foreign currencies translation

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

Assets & liabilities and income and expenses of Off-shore Banking Units have been converted into BDT currency @ US\$1 = Taka 110.00 (closing rate as at 31 December 2023) and @ US\$1 = Tk. 106.6464 (average rate as at 31 December 2023).

c) Commitments

Commitments for outstanding forward foreign exchange contracts disclosed in these financial statements are translated at rates mentioned in contracts. Contingent liabilities/commitments for letters of credit and letters of guarantee denominated in foreign currencies are expressed in BDT terms at the rates of exchange prevailing on the balance sheet date.

d) Translation gains and losses

The resulting exchange transaction gains and losses are included in the profit and loss account, except those arising on the translation of net investment in foreign subsidiary.

e) Foreign operations

The results and financial position of the Group's operations whose functional currency is not Bangladeshi Taka are translated into Bangladeshi Taka as follows:

- i) Assets and liabilities are translated at the exchange rate prevailing at the balance sheet date.
- ii) Income and expenses in the income statement are translated at an average rate approximating the exchange rates at the year end;
- iii) Resulting exchange differences are recognized as a separate component of equity.
- iv) As per IAS 21, 'Foreign Currency Transactions' i.e. foreign currency denominated both monetary and non-monetary items of the OBUs are translated at historical rate because the OBUs are considered as an integral part of the Bank's operation not a foreign operation due to specific regulations governing the OBU and its unique nature.

f) Consolidation of Financial Statements of foreign operations

In Consolidation, foreign exchange differences arising from the translation of net investments in foreign entities, as well as any borrowings are taken into capital reserve. When a foreign operation is disposed of, such currency translation differences are recognized in the income statement as part of the gain or loss on disposal.

2.8 Reporting Period

These financial statements of the Bank and its subsidiaries cover the financial year from 01 January to 31 December 2023.

2.9 Events after the reporting period

While the overall effect of COVID 19 global pandemic on Bank's business in the post years is still evolving at this point, there has been limited impact assessed on the business since the outbreak. The board and management are regularly monitoring the potential impact of the pandemic on the Bank as the situation continues to deteriorate but are assured that any foreseeable adverse impact can be reasonably managed.

All material events after the reporting period have been considered and appropriate adjustments/disclosures have been made in the financial statements as per IAS 10 Events after the reporting period. Board's recommendation for dividend distribution is a common item.

2.10 Cash Flow Statement

Cash Flow Statements has been prepared in accordance with International Accounting Standard (IAS) 7 "Cash Flow Statements" and under the guideline of Bangladesh Bank BRPD Circular no.14 dated 25 June 2003. The Statement shows the structure of changes in cash and cash equivalents during the financial year.

2.11 Statement of Changes in equity

The statement of changes in equity reflects information about the increase or decrease in net assets or wealth. Statement of changes in equity has been prepared in accordance with Bangladesh Accounting Standard (IAS) 1 "Presentation of Financial Statements" and relevant guidelines of Bangladesh Bank.

2.12 Statement of Liquidity

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following bases:

- a) Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- b) Investments are on the basis of their maturity.
- c) Loans and advances and lease receivables are on the basis of their repayment / maturity schedule.
- d) Fixed assets are on the basis of their useful life.
- e) Other assets are on the basis of their realization/adjustment.
- f) Borrowing from other banks, financial institutions and agents as per their maturity /repayment term.
- g) Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- h) Other long term liabilities on the basis of their maturity term.
- i) Provisions and other liabilities are on the basis of their payment /adjustment schedule.

2.13 Taxation

The expense comprises current and deferred tax. Current tax and deferred tax is recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity.

2.13.1 Current Tax

In compliance with IAS-12 "Income Taxes", provision for current income tax has been made @ 37.50% on business income, @ 20% on dividend income and @ 10% on capital gain on sale of shares, after considering some of the add backs to income and disallowances of expenditure as per The Income Tax Act, 2023 (Formerly known as the Income Tax Ordinance 1984 and time to time amendment to issue different S.R.O and circular issued by the NBR.

2.13.2 Deferred taxation

Deferred tax liabilities are the amount of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amount of income taxes recoverable in future periods in respect of deductible temporary differences. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences arising between the carrying values of assets, liabilities, income and

expenditure and their respective tax bases. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. The impact on the account of changes in the deferred tax assets and liabilities has also been recognized in the profit and loss account as per IAS-12 "Income Taxes".

2.14 Provision and accrued expenses

In compliance with IAS-37, 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.

2.15 Provision for off-balance sheet exposures

As per BRPD circular no. 14 dated 23 September 2012 and BRPD circular no. 07, dated 21 June 2018, a general provision at 1% is required to be provided for all off-balance exposures except on 'bills for collection' and 'guarantees' where the counter guarantees have been issued by multilateral development bank (MDB)/ international bank having BB rating grade '1' equivalent outlined in the Guidelines on Risk Based Capital Adequacy (Revised Capital Framework for banks, in line with Basel-III).

2.16 Provision for Nostro accounts

The Bank is not required to maintain provision for Nostro accounts for the year 2023 in accordance with the guideline of Banking Regulation and Policy Department of Bangladesh Bank, BRPD Circular no. 04 dated 12 April 2022.

2.17 Assets and Basis of their valuation

2.17.1 Cash and cash equivalents

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

2.17.2 Loans and advances / Investments

Loans and advances comprise of non-derivative financial assets with fixed or determinable payments in the upcoming days. It is also the main elements of financial statements of the Bank and Income of the Bank is mainly depending on the earnings from its loan portfolio. As the Banking industry deals with different individuals and businesses, beside safekeeping of depositor's money it allows loans and advances to different sectors i.e. individual, enterprise and corporate bodies. From the inception to till date Trust Bank Limited is maintaining the principles of lending along with an uptrend of Loans and advances in its financial statement. Although the economy has been facing prolonged pressure due to Russia-Ukraine war, high inflation rate and depleting of foreign currency reserve etc.

The bank secured consolidated position of Loans and Advances stands at BDT 332,703.58 million representing a growth of 11.50 % against BDT 298,376.45 million from the last year.

The bank is financing in CMSME and Agricultural credit, Corporate Credit, Large Loans and Syndication finance, Export-Import Finance as well as Retail Finance both in conventional banking and investments through its Islamic banking windows. Trust Bank Limited is providing Loans and Advances to the clients in Power, Manufacturing Concern, Pharmaceutical, RMG & Textiles, Cement, Refinery, Ceramics, Pulp & Paper, Telecom, Steel, NGO-MFI and Construction Sectors etc. The bank is also financing in IPFF for infrastructure projects especially in Economic Zone by providing Term Loan & other facilities in BMRE Projects maintaining the highest level of accuracy and completeness of documentation along with compliance of Laws and Regulations.

2.17.2.1 Initiatives against Recovery of Classified Loans

R&MD is dedicated to maintain the quality of assets in close collaboration with divisions and branches to achieve optimal results. R&MD aggressively pursues willful defaulters and negotiates terms for amicable settlements while demonstrating sensitivity and responsiveness in addressing legitimate challenges. As part of NPL management, R&MD plays a pivotal role in releasing classified/written-off funds to the bank, as well as releasing interest suspense and unapplied interest. R&MD's outstanding performance is evident in its total cash recovery of Tk. 3,303.56 million in 2023, marking an impressive growth of 207% over the previous year. This includes recoveries of Tk. 3,240.98 million from classified loans and Tk. 62.58 million from written-off loans and advances.

2.17.3 Loan Classification and Provisioning

Trust Bank Limited always practicing appropriate marking of classification of its loan portfolio. Besides the bank maintains adequate provisions in a professional way in accordance with the rules and regulations of Bangladesh Bank from time to time. The management of the bank always remains vigilant to pursue new loans from being classified. Apart from this, Credit Administration Division of the bank have paid their utmost attention to reduce overdue loans and required provision through exercising prudent decision from post sanction stage and trying to minimize the existing overdue liabilities by means of strong monitoring and compliance.

At the end of 2023, the classified loans of the bank have stood at BDT 17,126.77 million and the bank kept total provision against Loans and Advances from BDT 14,136.60 million including Off Balance Sheet and Offshore Banking business. The bank also been able to keep the specific provision required by Bangladesh Bank successfully from time to time.

| General provision on | Provision Rate |
|--|----------------|
| a. Consumer Financing (House Financing) | 1% |
| b. Consumer Financing (Loans to Professional) | 2% |
| c. Consumer Financing (Other than a & b) | 2% |
| d. Cottage, Micro & Small Credit & Medium Enterprise Financing | 0.25% |
| e. Short Term Agriculture & Micro Credit | 1% |
| f. Loans to BHs/ MBs/ SDs against Shares etc. | 1% |
| g. All other Credit | 1% |
| h. Special Mention Account | 1% |
| Specific provision on | |
| a. Substandard Loans and Advances | |
| i. Short Term Agri Credit & Micro Credit | 5% |
| ii. Cottage, Micro & Small Credit | 5% |
| iii. All Other Credit | 20% |
| b. Doubtful Loans and Advances | |
| i. Short Term Agri Credit & Micro Credit | 5% |
| ii. Cottage, Micro & Small Credit | 20% |
| iii. All Other Credit | 50% |
| c. Bad/Loss Loans and Advances | 100% |

2.17.4 Provision for off balance sheet exposures

General provision for off balance sheet exposures has been made @ 1% on period end balance as per BRPD circular No.06 dated 25 April 2023. In case of letter of credit, the general provision will be 0.5%. Bank shall also maintain additional provision over the general provision in the following way:

| OBS exposures remaining overdue for | Additional provisioning requirement (%) |
|---|---|
| 03 (three) months or beyond but less than 12 (twelve) months. | 1% |
| 12 (twelve) or beyond but less than 24 (twenty-four) months. | 2% |
| 24 (twenty-four) months or beyond. | 500% |

In case of OBS exposure under litigation, banks have to maintain additional 5% provision over the provision requirement

2.18 Investment in Government Securities

Bank shall decide the category of the investment at the time of acquisition of Govt. Securities. Head of Treasury will take the decision of categorizing the securities under HTM & HFT portfolio. And investment committee will determine the securities to be held under other investment portfolio. The decision of categorizing the Govt. securities under HTM & HFT portfolio is mainly derived by DOS Circulars 01 & 05 dated January 19, 2014 & May 26, 2008 along with DOS Circular Letter No.42 dated October 07,2021.

The valuation methods of investment used are:

2.18.1 Held to Maturity (HTM):

- The SLR securities (securities eligible for maintaining Statutory Liquidity Reserve) acquired by the banks with the intention to hold them up to maturity will be classified under 'Held to Maturity (HTM)'.
- Generally, government Treasury Bonds and non-marketable securities but eligible for SLR will be placed into HTM category.
- Decision regarding acquisition of HTM securities will be taken by Head of Treasury.
- Investment in HTM securities shall not exceed 120% of SLR requirement of the bank, since the Bank is a non PD Bank.
- 15% of HTM securities may be reclassified into HFT only once in a calendar year with approval of the management.
- HTM securities are usually not saleable. However, 15% of HTM securities may be sold outright only within first two months of a calendar year with prior approval of the Board of Directors.
- Gain or loss resulting from sale or reclassification of HTM will be transferred to profit and loss account.
- HTM securities will be amortized once at the end of year and resulting amortized gain will be transferred to change in equity. But the amortized loss will be booked in profit and loss account.

2.18.2 Held for Trading (HFT):

- The Govt. securities acquired by the banks with the intention to trade by taking advantage of the short-term price/interest rate movements will be classified under 'Held for Trading (HFT)'.
- Generally, Bangladesh Bank Bills, Treasury Bills and Treasury Bonds having maturity less than one year are acquired for HFT portfolio.
- HFT securities may be reclassified into HTM category provided that they remain unsold for two years from date of acquisition.
- HFT securities will be marked to market on weekly basis and resulting gain will be transferred to revaluation reserve account. But the revaluation loss (if any) will be booked in profit and loss account.

As on December 31, 2023 the amount of investment in Govt. Treasury Bonds under HTM category was BDT 42,698.12 million and under HFT Category it was BDT 2,54.58 million. On the contrary, investment in Govt. Treasury Bill under HTM & HFT Category was Zero as of the same date.

Investment in listed securities

These securities are bought and held primarily for the purpose of selling them in future, or held for dividend income. These are reported at cost. Unrealized gains are not recognized in the profit and loss account. But provision for diminution in value of investment is provided in the financial statements where market price is below the cost price of investments as per Bangladesh Bank guideline. **(note-6.4.1)**

Investment in unquoted securities

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

Investments in subsidiary

Investment in subsidiaries is accounted for under the cost method of accounting in the Bank's financial statements in accordance with the IFRS-10. Accordingly, investments in subsidiaries are stated in the Bank's balance sheet at cost, less impairment losses (if any).

2.19 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation as per IAS-16 "Property, Plant and Equipment".

Depreciation is charged at the following rates per annum using reducing balance method on all fixed assets other than motor vehicles and office equipment, which are depreciated on straight-line method and no depreciation on land is charged.

| Category of fixed assets | Rate |
|--------------------------|-----------|
| Land | Nil |
| Building | 2.5% p.a. |
| Furniture & Fixtures | 10% p.a. |
| Office Equipment | 20% p.a. |
| Motor Vehicles | 20% p.a. |

Depreciation at the applicable rates is charged proportionately on additions made during the year from the date of their use and in case of sale up to the earlier of the date that asset is classified as held for sale in accordance with IFRS 5 and the date that the asset is derecognized.

Repairs and maintenance costs of fixed assets are charged to profit & loss account, when incurred.

2.20 Intangible assets

Intangible asset is an identifiable non-monetary asset without physical substance. An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the assets will flow to the entity and the cost of the asset can be measured reliably in accordance with IAS 38: "Intangible Assets".

Subsequent expenditure on intangible asset is capitalized only when it increases the future economic benefits embodied in the specific assets to which it relates. All other expenditure is expensed as incurred.

The software used by TBL represents the value of computer application software licensed for the use of the bank. Software is carried at cost less accumulated amortization and any impairment losses. Initial cost comprises license fees paid at the time of purchase and other directly attributable expenditure that are carried in customizing the software for its intended use. Software is amortized using the straight line method over the estimated useful life of 5 (five) years commencing from the month at which the application software is made available for use.

2.21 Impairment of Assets:

The policy for all assets or cash-generating units for the purpose of assessing such assets for impairment is as follows:

The Bank assesses at the end of each reporting period or more frequently if events or changes in circumstances indicate that the carrying value of an asset may be impaired, whether there is any indication that an asset may be impaired. If any such indication exists, or when an annual impairment testing for an asset is required, the bank makes an estimate of the asset's recoverable amount. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered as impaired and is written down to its recoverable amount by debiting to profit & loss account.

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may be impaired.

2.22 Other assets

Other assets include all balance sheet accounts 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.

2.23 Non-Banking Assets

As on balance sheet date TBL has not arisen any Non-Banking Assets failure from borrower to repay the loan/Investments.

2.24 Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. Advance tax paid and provision for tax of the bank is presented on net basis as a liability item if the liability is higher than asset and as an asset item if the asset is higher than liability.

2.25 Receivables

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

2.26 Inventories

Inventories measured at the lower of cost and net realizable value.

2.27 Leases

IFRS 16 Leases, defines a lease as "A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration." In order to assess whether a contract conveys the right to control the use of an identified asset, an entity shall assess whether, throughout the period of use, the customer has both of the following:

- (a) the right to obtain substantially all of the economic benefits from use of the identified asset; and
- (b) the right to direct the use of the identified asset.

To apply the definition of a lease, the Bank assesses whether the contract meets two key evaluations:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Bank
- the Bank has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use. The Bank can obtain economic benefits from use of an asset directly or indirectly in many ways, such as by using, holding or sub-leasing the asset. The Bank also considers whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

Recognition:

At the commencement date, the Bank recognizes a right-of-use (ROU) asset and a lease liability.

Measurement:

Initially, the right-of-use asset is measured at cost, which is comprised of the following:

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the Bank; and
- (d) an estimate of costs to be incurred by the Bank in dismantling and removing the underlying asset, restoring the site on which it is located.

After the commencement date, the Bank measures the right-of-use asset applying a cost model, unless other models are appropriate. To apply a cost model, the Bank measures the right-of-use asset at cost:

- (a) less any accumulated depreciation and any accumulated impairment losses; and
- (b) adjusted for any remeasurement of the lease liability.

At the commencement date, the Bank measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments is discounted using the interest rate implicit in the lease, if that rate can be readily determined or the Bank's incremental borrowing rate.

At the commencement date, the lease payments included in the measurement of the lease liability comprises the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- (a) fixed payments less any lease incentives receivable;
- (b) variable lease payments;
- (c) amounts expected to be payable by the Bank under residual value guarantees;
- (d) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and

After the commencement date, the Bank measures the lease liability by:

- (a) increasing the carrying amount to reflect interest on the lease liability;
- (b) reducing the carrying amount to reflect the lease payments made; and
- (c) remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments

The Bank has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as rent expense in profit or loss.

Presentation:

- On the Balance Sheet, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included other liabilities.
- On the Profit and Loss Account, Interest expense on lease liability is included with Interest paid on borrowings and depreciation on right of use assets is included with depreciation and repair of bank's assets.

2.28 Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets.

2.28.1 Authorized Capital

Authorized capital is the maximum amount of share capital that the Bank is authorized by its Memorandum and Articles of Association. Details are shown in note 13.1.

2.28.2 Paid up Capital

Paid up capital represents total amount of shareholders' 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 Bank, ordinary shareholders are ranked after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation. Details are shown in note 13.2.

2.29 Statutory reserve

As per Banking Companies Act, the Bank requires to transfer 20% of its current year's profit before tax to statutory reserve until such reserve equals to its paid up capital. The Bank does comply with this requirement of law every year.

2.30 Liabilities and Provisions

2.30.1 Retirement benefits to the employees

i) Provident fund

Provident fund benefits are given to the confirmed staffs of the Bank in accordance with the locally registered Provident Fund Rules. The Commissioner of Income Tax, Taxes Zone - 6, Dhaka has approved the Provident Fund as a recognized provident fund within the meaning of part-3 of the 2nd schedule of Income Tax Act, 2023 w.e.f. 27 February 2003. The Fund is operated by a Board of Trustees consisting seven members from the employees of the Bank. All confirmed employees of the Bank are contributing 10% of their basic salary as subscription to the Fund. The Bank also contributes equal amount. Interest earned from the investments is credited to the members' account on yearly basis.

ii) Gratuity fund

The Bank has started making provision for liabilities of its employees' gratuity as per gratuity scheme of the Bank from the year 2004. Subsequently National Board of Revenue has approved the fund as recognized within the meaning of part-2 of the 2nd schedule of Income Tax Act, 2023 w.e.f. 20 November 2006. The Bank contributes to the Fund as per Gratuity Fund Rules as well as Service Rule of the bank.

iii) Superannuation fund

The Bank has also introduced a "Superannuation Fund" instead of group life insurance policy for the employees. Those employees, who will be able to fulfil the specific criteria mentioned in the policy of the fund, will be entitled to get the benefit of "Superannuation Fund". National Board of Revenue has approved the fund as recognized within the meaning of part-1 of the 2nd schedule of Income Tax Act, 2023 w.e.f. 22 December 2004.

2.30.2 Non-controlling interest in subsidiaries

Non-Controlling Interest (NCI) in business is an accounting concept that refers to the portion of a subsidiary corporation's stock that is not owned by the parent corporation. The magnitude of the non-controlling interest in the subsidiary company is always less than 50% of outstanding shares, else the corporation would cease to be a subsidiary of the parent. Non-controlling interest belongs to other investors and is reported on the consolidated balance sheet of the owning company to reflect the claim on assets belonging to other, non-controlling shareholders. Also, non-controlling interest is reported on the consolidated income statement as a share of profit belonging to non-controlling shareholders.

2.31 Revenue recognition

i) Interest income/Profit on TIB Investment

In terms of the provisions of the IFRS-15 "Revenue from Contracts with Customers", the interest income is recognized on accrual basis. Interest on loans and advances ceases to be taken into income when such advances are classified. It is then kept in interest suspense in a memorandum account. Interest on classified advances is accounted for on a cash receipt basis.

ii) Investment income/TIB Investment Income

Income on investments is recognized on accrual basis except from Government Securities which are recognized on the basis of BRPD Circular 15 Dated 31 October 2005 issued by Bangladesh Bank.

iii) Fees and commission income

Fees and commission income arises on services provided by the Bank are recognized on a cash receipt basis. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

iv) Dividend income

Dividend income from investments is recognized at the time when it is declared, ascertained and right to receive the payment is established.

v) Interest paid on borrowings and deposits

Interest paid on borrowings and deposits are calculated on 360 days in a year and recognized on accrual basis.

vi) Dividend payments

Interim dividend is recognized when they are paid to shareholders. Final dividend is recognized when it is approved by the shareholders.

The proposed dividend for the year 2023 has not been recognized as a liability in the balance sheet in accordance with the 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.

vii) Management and other expenses

Expenses incurred by the Bank are recognized on actual and accrual basis.

2.32 Reconciliation of inter-bank and 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 case of inter-branch transactions as on the reporting date are not material.

2.33 Risk Management

Risk management policy or process of Trust Bank encompasses risk appreciation based on the risk appetite for the particular sector/segment of the customers and subsequent risk identification, measurement and controlling of risk components to safeguard the interest of the bank and to keep the business portfolio performing to the maximum extent.

We always prioritize to ensure risk–return trade-off on all business transactions. The focus group as constituted by Bangladesh Bank has selected 06 core risks namely (a) Credit Risk (b) Asset liability/Balance sheet Risk (c) Foreign Exchange Risk (d) Internal control and compliance Risk (e) Money laundering Risk and (f) IT risk management in order to impart internationally accepted best practices in the Banking and Financial system. Banks as a financial intermediary(ies) are exposed to multidimensional risks but those risks are to be examined and quantified for acceptance in line with the risk appetite and credit policy of our bank.

2.33.1 Credit Risk Management

Banks are the largest financial intermediary whose major functions are collecting deposit from surplus economic units and deploying fund in the deficit economic units. The core objective of providing credit is to promote economic development by ensuring quality finance to productive sectors.

To strengthen credit/investment discipline, the risk management practices of banks, Bangladesh Bank issued 'Guidelines on Credit Risk Management (CRM) for Banks'. In order to put the bank on sound footing and to develop sound banking practices, Trust Bank has adopted core guidelines and other credit related circulars and instructions of Bangladesh Bank, Risk Management Guidelines for Banks, and the Risk Based Capital Adequacy Framework in line with Basel III.

In adherence to the regulatory framework and own operational aspects, Trust Bank Ltd. formulated internal Credit Policy Manual which has been reviewed & upgraded on yearly basis. The policy is aligned with core principles of identifying, measuring, managing and controlling credit risk in bank.

During the year 2020-22, business activities all over the world was badly affected by outbreak of COVID-19 pandemic. Besides, since February 2022, the Russia-Ukraine war and other external uncertainties created a great deal of international trade turbulence and a host of problems in the global economy including price hikes of fuel caused by disruptions in the global energy supply chain, potential sanctions affecting trade dynamics, and increased geopolitical tensions impacting investor confidence. The situation's complexity makes it challenging to predict precise outcomes. As a result, borrowers could not achieve targeted sales as well as generate expected revenue due to price hike of imported raw materials and delay in getting receivables.

As a consequence, Bangladesh economy is striving to restore the stability of the exchange rate and manage the inflationary pressures. In this regard, Bangladesh Bank is maintaining a tightened monetary policy stance which is intended to control inflation and stabilize funding to productive sectors. Rising interest rate makes difficult for the businesses as their cost of doing business going-up significantly. Presently, Banks are following crawling peg exchange rate system and interest rate based on Six-months Moving Average Rate of Treasury bill (SMART).

In light of the prevailing economic conditions, Trust Bank delineates business strategy to navigate these diverse challenges to make its portfolio resilient to different shock scenarios. Bank is designing inclusive process through risk appetite with an objective to bring trade-off relationship between sustainable credit growth and NPL position.

Bank's credit is crucial for promoting growth and employment. The single most potentially devastating risk arises from the loan portfolio of banks i.e. risk of non-payment by the borrowers. So, managing credit portfolio is crucial for a bank in order to trade-off between risk and return. It is pertinent to mention that Trust Bank has been consistently maintaining its loan portfolio over the last five years in terms of business volume and profitability. At the end of 2022, total Loans & advances of the Bank was **BDT 298,376** million whereas at the end of 2023 it stood at **BDT 332,703.58** million registering a growth of **11.50 percent** against private sector credit growth of **10.20 percent**.

In the borrower selection process, bank is focusing financing based on cash flow analysis in addition to obtaining of adequate collateral security. Moreover, Bank is concentrating on implementation of different credit appraisal techniques including ICRRS statement, CIB status, external credit rating report, past performance, application of appropriate credit products depending on repayment capacity of the Borrower, tools for credit monitoring/ supervision and finally early alert system & recovery.

Despite global economic challenges, high inflation and post-pandemic circumstances making it difficult for borrowers to pay back loans, however, under the guidelines of Bangladesh Bank, Trust Bank Ltd. has been able to maintain consistent business performance throughout the year. Bank has employed its best endeavor to handle the present economic situation in an efficient manner to keep bank's credit/investment health in good condition from any major shock.

2.33.2 Asset liability risk management

Asset Liability Management (ALM) is an integral part of Bank Management. The responsibility of Asset Liability Management primarily lies with the Treasury Division (Treasury Front Office) of the bank who co-ordinates balance sheet (asset liability) risk management. However, Bank must have a committee comprising of the senior management of the Bank to make important decisions related to the Balance sheet of the Bank. This team of senior management is typically called the Asset Liability Management Committee (ALCO). ALCO should meet at least once every month to analyze, review and formulate strategy to manage the Balance Sheet. Head of Treasury is the member secretary of ALCO. Through ALM our Bank mainly aims to achieve the following objectives:

- Managing the Balance Sheet
- Growth in assets & liabilities
- Containment of risk in a coherent manner
- Stability and consistency in earnings and
- Profitability

ALCO holds the most important responsibility of a bank as it runs the risks for not only the bank, but also the thousands of depositors who put money into it. Specifically, the Asset Liability Management (ALM) desk under Treasury Division will manage the balance sheet. The results of balance sheet analysis along with recommendations will be placed in each ALCO meeting by the Treasurer (Head of Treasury) where important decisions will be made to minimize risk and maximize returns. ALM desk, through its own market research and market intelligence presented the market outlook throughout the year, that gives an explicit idea about the market liquidity for availing market opportunities for loans and advances, investments as well as for fund deployment in alternative forms. The desk helps in pricing the products of both assets and liabilities to gain the competitive advantage from the market movement. It also presented the bank's overall financial position in front of the ALCO members to formulate an effective investment and fund management strategy for the bank.

2.33.3 Foreign exchange risk management

Managing foreign exchange (FX) risk constitutes a crucial aspect of decision-making for banks when it comes to handling exposure to foreign currencies. Typically, the Treasury Division of a bank is responsible for addressing the challenges associated with exchange risk management. Additionally, the Risk Management Committee plays a supervisory role in overseeing the Treasury's approach to mitigating exchange rate risk. This underscores the significance that banks attribute to issues and methodologies related to FX risk management.

FX risk, in essence, refers to a bank's vulnerability to the potential consequences of fluctuations in foreign exchange rates. It is specifically characterized as the potential direct or indirect loss in the bank's cash flows, assets, liabilities, net profit, and overall financial health stemming from adverse movements in exchange rates, particularly in instances where exposure is not adequately hedged. This risk emanates from activities such as trading in foreign currencies, extending foreign currency loans, and engaging in transactions involving foreign-issued securities for sourcing or utilizing funds.

The emergence of foreign exchange risk can be traced back to two primary factors. Firstly, it arises from currency mismatches in a bank's assets and liabilities, both on and off the balance sheet, which are not tied to a fixed exchange rate. Secondly, currency cash flow mismatches contribute to this risk until the foreign exchange position is effectively covered. The sources of such risk are diverse and encompass activities like foreign currency retail accounts, retail cash transactions and services, foreign exchange trading, investments denominated in foreign currencies, and investments in foreign companies.

Types of Exchange Rate Risk:

Transaction risk:

This risk primarily involves cash flow exposure and focuses on the impact of exchange rate fluctuations on the transactional accounts linked to receivables (export contracts), payables (import contracts), or repatriation of dividends. Any change in the exchange rate of the currency associated with such contracts directly exposes the bank to transactional exchange rate risk.

Translation risk:

Translation risk pertains to balance sheet exchange rate risk and connects exchange rate movements to the valuation of a foreign subsidiary, influencing its consolidation into the parent company's balance sheet. The exposure of a foreign subsidiary's net assets (assets minus liabilities) to potential exchange rate fluctuations typically measures translation risk. In the process of consolidating financial statements, the translation can occur at either the end-of-the-period exchange rate or the average exchange rate of the period, depending on the accounting regulations governing the parent company. While income statements are commonly translated at the average exchange rate over the period, balance sheet exposures of foreign subsidiaries are often translated at the prevailing current exchange rate during consolidation.

Economic risk:

Economic risk essentially reflects the risk to the bank's present value of future operating cash flows resulting from exchange rate movements. It primarily concerns the impact of exchange rate changes on revenues (domestic sales and exports) and operating expenses (cost of domestic inputs and imports). Economic risk is typically applied to the present value of future cash flow operations of a bank and its foreign subsidiaries.

Sources of foreign exchange risk:

Foreign exchange risk for a bank can arise from a number of sources, including:

- a) Business related to import payment or export encashment
- b) Foreign currency denominated capital expenditure
- c) Remittance received in foreign currency
- d) Revenue received in foreign currency
- e) Other income, such as royalties, interest, dividends etc, is received in foreign currency
- f) Bank's deposits or loans denominated in foreign currency
- g) Bank having offshore assets, operations or subsidiaries that are valued in a foreign currency, or foreign currency deposits

The management of foreign exchange risk becomes crucial when fluctuations in exchange rates have an impact on the profitability of a bank. In order to effectively handle the inherent exchange rate risk within its operations, a bank must identify the particular type of current risk exposure, formulate a hedging strategy, and assess the available instruments to address these currency risks.

2.33.4 Internal control and compliance risk management

Internal control refers to the mechanism in place on a permanent basis to control the activities in an organization. In absence of it, risks resulting in unexpected losses caused by faulty internal processes, human errors, frauds & forgeries, technology failure and documentary lapses may surface. The primary objectives of internal control system are to help the bank perform better through the use of its resources, identify its weaknesses, take appropriate measures to overcome the same and ensure compliance with regulatory framework including applicable laws and regulations.

The bank has set up Internal Control & Compliance (IC&C) Division at Head Office to ensure that the Internal Control processes are in place. As per instruction of Bangladesh Bank the Audit Committee of the Board has been constituted to assist the Board in fulfilling its oversight responsibilities including implementation of the objectives, strategies and overall business plans set by the Board for effective functioning of the bank. The committee reviews the financial reporting process, the system of internal control & management of financial risks, the audit process, health report of the bank and the bank's process for monitoring compliance with laws and regulations and its own code of business conduct. In the year 2023, 08 meetings of the Audit Committee were held. The bank has introduced 'Risk Based Internal Audit (RBIA)' to assess the business risk as well as control risk associated with the branches and determines how much follow up, monitoring & periodicity of internal audit would be required to bring a particular branch back to normalcy. If it is found that the performance of the branch is not satisfactory it is presumed that the branch has some weakness which may pose a potential threat for the bank.

IC&C Division set out audit plan for the year 2023 which was approved by the Audit Committee of the Board (ACB) of the Bank. In 2023 IC&C Division conducted Comprehensive Audit in 114 branches & 33 divisions/departments at Head Office. In the same year IC&C Division carried out 60 Spot Inspections and 40 IT audits in different branches. In addition, audit was also conducted in 05 TBIL branches & TBIL Head Office.

IC&C Division of the bank ensures its Internal Control Process through review of Departmental Control Function Checklist (DCFCL), Loan Documentation Checklist (LDCL) and Quarterly Operations Report (QOR) of the branches and other mechanisms.

2.33.5 Money Laundering & Terrorist Financing Risk Management

Presently the access facilities of Financial Institutions are shifting to digital systems which can meet different types of expectations of customers along with unexpected emergencies. Though the digital move is a blessing for the banking industry, this facility is creating an urge in the minds of fraudsters to commit crimes. Money Launderers and Cyber Criminals are looking to take advantage of the digital inflow. In this situation, as a participant in the financial system, the banking institute has to play a significant role in the prevention of Money Laundering and Combating Financing of Terrorism.

The Banking Sector is one of the most vulnerable sectors for Money Laundering (ML) and Terrorist Financing (TF) in the financial industry due to its nature of business, customer base, product type, delivery channel, and external linkage. Banks play a vital role in preventing Money Laundering and Terrorist Financing by ensuring the effective implementation of relevant Acts, Rules & Regulations, and instructions of regulatory bodies. Trust Bank has developed and maintained an effective AML and CFT Compliance Program to ensure the compliance level is up to the mark of the regulatory authority's acceptable level.

To strengthen the prevention of Money Laundering and Combating Financing of Terrorism the major roles maintained by Trust Bank are as follows –

1. Ensure AML and CFT Compliance Program.
2. Issues circulars and instructions to branches on AML & CFT.
3. Arrange and impart training and workshop on AML & CFT for sharing updating knowledge of all officials of TBL.
4. Conduct inspection on AML & CFT System Check.
5. Evaluating through Self-Assessment.
6. Present compliance status on AML & CFT before Senior Management.

To mitigate the money laundering and terrorist financing risk and comply with an acceptable level to the regulatory authority, the management of the Bank has always been keen to maintain an effective compliance culture and a good relationship with the regulatory authority and its stakeholders.

2.33.6 IT risk management

The advancement of information and communicative technology (ICT) is given credit for the evolution of banking services, in particular, online banking. Information Technology (IT) Risk is a growing component of total operational Risk. As business increasingly depend on IT to automate processes and store information, IT Risk Management is emerging as a separate practice. IT includes security, availability, performance and compliance elements. IT Risk Management helps to reduce service costs and achieve greater compliance by effectively assessing classifying IT risk.

IT Risk management requires a disciplined approach that includes IT Risk awareness, quantification of business impacts, solution design and implementation across people, process, and technology, and creation of a sustained IT Risk Management program complete with performance measurement and a model for continuous improvement.

Compliance definitions

a) Data Protection

- Privacy & data security
- Growth of unstructured data
- Business continually and disaster recovery

b) Data Retention

- New model of data storage, software as service & disaster recovery
- Access by legitimate user

c) Strategic Governance Risk

- Alignment of IT risk control framework with business strategy
- Public disclosures accurately reflect corporate performance

d) National Security - Assuring IT system & network support legal infrastructure through electronic signatures, data movements and IT resources

e) Civil & Criminal legal Framework

- Protecting individual & corporate intellectual properly
- Availability keeping existing process running & recovering from interruption
- Access ensuring that people have right access
- Providing accurate , timely and complete information
- Implementing new strategic initiatives

f) Regulatory Compliance - Protecting citizens and from terrorism or national disaster.

2.33.7 Liquidity risk management

Liquidity means the ability to sell an asset at or near its value. It is a measure of the ability and ease with which assets can be converted to cash. Assets that can be easily bought or sold, are known as liquid assets. Examples of liquid assets generally include cash, central bank reserves, and government debt. A bank is considered to be liquid if it has ready access to immediately spendable funds at reasonable cost.

Liquidity risk is the risk that arises from Banks inability to meet its financial obligations as they fall due. This usually occurs from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Broadly it indicates bank's inability to make repayments, withdrawals and other commitments in time and inability to explore investment opportunities. Due to liquidity risk, Banks traditionally use their highly liquid stocks in securities and cash and their borrowing capacity in the volatile interbank money market as the source of liquidity. But a conscious approach to measure and monitor the liquidity is somewhat lacking in our market. We can learn and draw immense benefit by sharing the best practices, tools and techniques of liquidity management.

Liquidity risks can be classified into four categories:

- a) Term liquidity risk (due to discrepancies between maturities);
- b) Withdrawal/call risk (mass disinvestment before maturity);
- c) Structural liquidity risk (when the necessary funding transactions cannot be carried out or only on less favorable terms), and
- d) Market liquidity risk.

Liquidity risk management is of paramount importance because a liquidity shortfall at a single institution can have system-wide repercussions. A bank should establish a robust liquidity risk management framework that ensures it maintains sufficient liquidity, including a cushion of unencumbered, high quality liquid assets, to withstand a range of stress events, including those involving the loss or impairment of both unsecured and secured funding sources. ALCO should assess the adequacy of both the bank's liquidity risk management framework and its liquidity position and should take prompt action if the bank is deficient in either area in order to protect depositors and to limit potential losses.

To have an effective liquidity risk management few ratios are particularly important. On that light, central Bank has issued separate Guidance note on LCR and NSFR under Basel III. These ratios represent the way forward in ALM through liquidity measurement and management. These ratios along with the liquidity gap should be central to liquidity measurement and management.

2.34 Interest rate risk management

Interest Rate Risk refers to the vulnerability of a bank's financial standing to unfavorable shifts in interest rates. Embracing this risk is a standard aspect of banking and can serve as a vital contributor to profitability and shareholder value. Nevertheless, an undue exposure to Interest Rate Risk can present a substantial menace to a bank's earnings and capital foundation. Fluctuations in interest rates impact a bank's earnings by altering its Net Interest Income (NII) and the magnitude of other interest-sensitive income and operational expenses.

Changes in interest rates additionally influence the intrinsic worth of the Bank's assets, liabilities, and off-balance sheet instruments. This occurs because the present value of future cash flows, and in some instances, the cash flows themselves, undergo changes with fluctuations in interest rates. Consequently, establishing an efficient risk management process to keep Interest Rate Risk within prudent bounds is crucial for ensuring the safety and stability of the bank.

A robust set of procedures and information systems must be in place to effectively manage and control interest rate risk in alignment with established interest rate risk policies. These procedures are meticulously crafted in accordance with the scale and intricacy of the bank's activities involving interest rate risk.

Effectively managing interest rate risk demands a precise comprehension of the exposure amount and the repercussions of interest rate fluctuations on this risk position. To ascertain these factors, ample information must be easily accessible, enabling timely and appropriate actions to be taken within often constrained time frames. Ideally, a bank's interest rate risk measurement system should consider the distinctive features of each individual interest-sensitive position, capturing in-depth details regarding the entire spectrum of potential interest rate movements.

Re-pricing schedules and simulation approaches stand out as the prevalent techniques for measuring interest rate risk. It is advisable for a bank to employ a blend of these techniques to effectively manage its exposure to interest rate risk. Each method offers a unique viewpoint on interest rate risk, presenting specific strengths and weaknesses. The synergy of using these techniques in combination enhances their effectiveness in assessing and addressing the complexities of interest rate risk.

2.35 Operation risk management

Operational Risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's involvement with financial instruments, including processes, personnel, technology and infrastructure and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

Operational Risk Management is a continuous process that includes risk assessment, risk decision making, and implementation of risk controls, which results in acceptance, mitigation, or avoidance of risk. The Bank's operational risk management focuses on proactive measures in order to ensure business continuity as well as the accuracy of information used internally and reported externally, competent and well-informed staff and its adherence to established rules and procedures as well as on security arrangements to protect the physical and ICT infrastructure of the Bank.

2.36 Basel-III Activities

"Basel III: A global regulatory framework for more resilient banks and banking systems" was introduced in Bangladesh in 2015 to improve the banking sector's ability to absorb shocks arising from financial and economic stress. As such, Bangladesh Bank issued 'Guidelines on Risk Based Capital Adequacy (RBCA) for banks with effect 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 2021, the Bank is required to maintain minimum Common Equity Tier-1 (CET-1) capital ratio of 4.50%, capital conservation buffer 2.50%, minimum CET-1 plus conservation buffer of 7.00%, minimum Tier-1 capital ratio of 6.00%, minimum total capital ratio 10.00% and minimum total capital plus capital conservation buffer 12.50%.

Pillar-I: Minimum Capital Requirement

In order to calculate Minimum Capital Requirement and Capital to Risk-weighted Asset Ratio (CRAR), bank is required to calculate its Risk Weighted Assets (RWA) on the basis of credit, market, and operational risks of bank. Trust Bank Ltd. has adopted the following measurement approaches for computing its Minimum Capital Requirement:

- 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) 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, Trust Bank Ltd. has formulated its own Internal Capital Adequacy Assessment Process (ICAAP) Policy to assess various risks that it is exposed to. The assessment of adequate capital would be the outcome of the dialogue to be held between the SRP team of Bank and SREP team of Bangladesh Bank.

Following risks are assessed for Adequate Capital Requirement under Pillar II as per ICAAP Policy of the Bank:

- 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 which is available in the official website and Annual Report of the bank.

2.37 Impact of COVID-19

It is visible that many of the financial and non-financial organizations have closed down their operation from different part of the world. But in our country Government has taken some effective initiatives immediately like declaration different stimulus packages for different sectors. Hence, our overall economy has stood in a steady position. Moreover, the Management of the Bank has cautiously formulated business strategies in consideration with COVID-19 induced challenges and implemented the same for building the Bank more resilient. Therefore, any material uncertainty has not been posed due to the impacts of the COVID-19 that may cast significant doubt on Bank's ability to continue as a going concern.

2.38 Going concern

As discussed in note 2.37, the COVID-19 pandemic has not significantly impacted the Bank's income. The Bank has adequate resources to continue in operation and to meet financial commitments as they fall due for the foreseeable future. For this reason, the management continues to adopt going concern basis in preparing the financial statements.

2.39 Earning per share (EPS)

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 the profit and loss account. This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

Diluted earnings per share is not required to be calculated for the year as there was no scope for dilution during the year under review.

2.40 Non controlling interest

Non controlling interest is that portion of the profit or loss and net assets of the subsidiary (Trust Bank Investment Limited) attributable to equity interests that are not owned, directly or indirectly through subsidiary, by the Parent (Trust Bank Limited).

2.41 Compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of Bangladesh Accounting Standards (IAS) and Bangladesh Financial Reporting Standards (IFRS) in context of Bangladesh from the standards adopted by International Federation of Accountants Committee (IFAC) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, Trust Bank Limited applied most of the IAS and IFRS, details of which are given below:

| Name of IAS | IAS No. | Status |
|--|----------|----------|
| Presentation of Financial Statements | 1 | *Applied |
| Inventories | 2 | N/A |
| Cash Flow Statement | 7 | Applied |
| Accounting Policies, Changes in Accounting Estimates and Errors | 8 | Applied |
| Events after the Reporting Period | 10 | Applied |
| Construction Contracts | 11 | N/A |
| Income Taxes | 12 | Applied |
| Name of IAS | IAS No. | Status |
| Property, Plant and Equipment | 16 | Applied |
| Employee Benefits | 19 | Applied |
| Accounting for Government Grants and Disclosure of Government Assistance | 20 | N/A |
| The effects of Changes in Foreign Exchange Rate | 21 | Applied |
| Borrowing Cost | 23 | Applied |
| Related Party Disclosures | 24 | Applied |
| Accounting and Reporting by Retirement Benefit Plans | 26 | N/A |
| Separate Financial Statements | 27 | Applied |
| Investment in Associates | 28 | Applied |
| Interest in Joint Ventures | 31 | N/A |
| Financial Instruments: Presentation | 32 | *Applied |
| Earnings per Share | 33 | Applied |
| Interim Financial Reporting | 34 | Applied |
| Impairment of Assets | 36 | Applied |
| Provisions, Contingent Liabilities and Contingent Assets | 37 | *Applied |
| Intangible Assets | 38 | Applied |
| Investment Property | 40 | Applied |
| Agriculture | 41 | N/A |
| Name of IFRS | IFRS No. | Status |
| First-time Adoption of Bangladesh Financial Reporting Standards | 1 | N/A |
| Share-Based Payment | 2 | N/A |
| Business Combinations | 3 | Applied |
| Insurance Contracts | 4 | N/A |
| Non-current assets Held for Sale and Discontinued Operations | 5 | N/A |
| Exploration for and Evaluation of Mineral Resources | 6 | N/A |
| Financial Instruments: Disclosures | 7 | *Applied |
| Operating Segments | 8 | Applied |
| Financial Instruments: Recognition and Measurement | 9 | Applied |
| Consolidated Financial Statements | 10 | Applied |
| Joint Arrangements | 11 | N/A |
| Disclosure of Interest in Other Entities | 12 | N/A |
| Fair Value Measurement | 13 | *Applied |
| Revenue from contracts with customers | 15 | Applied |
| Leases | 16 | Applied |
| * Subject to departure described in note 2.1 | | |
| N/A= Not Applicable | | |

2.42 The financial statements for the year ended 31 December 2023 were approved by the board of Directors on 27 April 2024.

2.43 Auditors' work-hour

The external auditors, MABS & J Partners, Chartered Accountants, in associated with Nexia International, one of the leading accounting conglomerates of the World, of the Bank worked about in excess 6,500 work-hours at the Bank's Head Office and different branches. During their audit, they audited above 80% of the Bank's risk weighted assets as of the reporting date.

2.44 General

- i) Figures have been rounded off to the nearest taka;
- ii) Prior year's figures shown for comparison purpose, have been rearranged, whenever necessary, to conform to current year's presentation.

| | | | 31.12.2023 | 31.12.2022 |
|--------------|--|---------------------|-----------------------|-----------------------|
| | | | Taka | Taka |
| 3 | CASH | | | |
| 3.1 | Cash in hand | | | |
| | In Local Currency | | 4,468,215,497 | 4,655,856,685 |
| | In Foreign Currency | Note-3.1.1 | 45,832,040 | 54,211,774 |
| | | | 4,514,047,537 | 4,710,068,459 |
| 3.1.1 | In Foreign Currency | | | |
| | <u>Foreign Currency</u> | <u>Amount in FC</u> | <u>Exchange Rate</u> | |
| | US Dollar | 235,471.00 | 110.0000 | 25,901,810 |
| | Great Britain Pound | 76,742.00 | 140.8880 | 10,812,027 |
| | EURO | 73,483.50 | 122.2650 | 8,984,460 |
| | Singapore Dollar | 275.00 | 83.4345 | 22,944 |
| | United Arab Emirates Dirham | 3,570.00 | 29.9458 | 106,907 |
| | Japanese Yen | 5,000.00 | 0.7784 | 3,892 |
| | | | 45,832,040 | 54,211,774 |
| 3.2 | Balance with Bangladesh Bank and its agent bank(s) | | | |
| | Balance with Bangladesh Bank | | | |
| | In Local Currency | | 15,758,774,474 | 14,477,176,955 |
| | In Foreign Currency | | 1,155,378,152 | 678,683,024 |
| | | | 16,914,152,626 | 15,155,859,979 |
| | Balance with Sonali Bank in Local Currency (as agent of Bangladesh Bank) | | 63,350,947 | 161,612,282 |
| | | | 16,977,503,573 | 15,317,472,261 |

3.3 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)

Cash Reserve Requirement (CRR) and Statutory Liquidity Ratio (SLR) have been calculated and maintained in accordance with the Section 33 of the Banking Companies Act 1991 (as amended up to 2023), DOS circular nos. 01 dated 19 January 2014, DOS Circular Letter No. 26 dated August 19, 2019, BRPD Circular 31 dated June 18, 2020 and MPD circular no. 03 dated 09 April 2020.

All scheduled banks in Bangladesh (including Shariah based banks) are required to maintain 4.00 (four) percent CRR with Bangladesh Bank on bi-weekly average basis with a provision of minimum 3.50 (three and a half) percent on daily basis of their average total demand and time liabilities (ATDTL) of the month earlier of the previous month and Statutory Liquidity Ratio (SLR) required to be maintained by the conventional banks on daily basis shall not be less than 13.00 (thirteen) percent including the excess amount of Cash Reserve Requirement (CRR) of their average total time and demand liabilities in Bangladesh, and for Shariah-based Islamic Banks this amount shall not be less than 5.50 (five and a half) percent. Both reserves maintained during the year by the Bank are in excess of the statutory requirements.

The position of CRR and SLR as on 31 December 2023 is shown below:

3.3.1 Cash Reserve Ratio (CRR)

3.3.1.1 Conventional (Including Offshore) Banking

As per Bangladesh Bank DOS Circular No. 01 dated January 19, 2014, DOS Circular Letter No. 26 dated August 19, 2019 and MPD Circular No. 03 dated April 09, 2020 Bank has to maintain CRR @ 4.0% of fortnightly cumulative average basis and minimum @ 3.5% of daily basis for its Conventional banking. For off shore banking operation as per Bangladesh Bank BRPD Circular 31 dated June 18, 2020 Bank has to maintain minimum 2.0 (two) percent Cash Reserve Ratio (CRR) with Bangladesh Bank on bi-weekly average basis with a provision of minimum 1.5 (one and half) percent on daily basis of the average total demand and time liabilities (ATDTL) of Off Shore Banking Operation.

Daily Cash Reserve Ratio

Required reserve

Domestic Banking Operation (3.5% of Demand and Time Liabilities)

Offshore Banking Operation (1.5 % of Demand and Time Liabilities)

Actual Reserve held (4.31% of Average Demand and Time Liabilities)

Surplus

| | | |
|--|----------------------|----------------------|
| | 11,337,924,000 | 9,867,005,000 |
| | 47,366,000 | 47,360,000 |
| | 11,385,290,000 | 9,914,365,000 |
| | 14,096,475,209 | 12,457,524,782 |
| | 2,711,185,209 | 2,543,159,782 |

| | 31.12.2023 | 31.12.2022 |
|---|-----------------------|-----------------------|
| | Taka | Taka |
| Bi-weekly Cash Reserve Ratio | | |
| Required reserve | | |
| Domestic Banking Operation (4% of Demand and Time Liabilities) | 12,957,627,000 | 11,276,577,000 |
| Offshore Banking Operation (2 % of Demand and Time Liabilities) | 63,155,000 | 63,146,000 |
| | 13,020,782,000 | 11,339,723,000 |
| Actual Reserve held (4.06% of Average Demand and Time Liabilities) | 13,288,457,374 | 11,615,234,580 |
| Surplus | 267,675,374 | 275,511,580 |
| 3.3.1.2 Islamic Banking | | |
| Daily Cash Reserve Ratio | | |
| Required reserve (3.5% of Demand and Time Liabilities) | 1,871,166,000 | 1,705,853,000 |
| Actual Reserve held (4.15% of Average Demand and Time Liabilities) | 2,217,209,297 | 2,013,977,190 |
| Surplus | 346,043,297 | 308,124,190 |
| Bi-weekly Cash Reserve Ratio | | |
| Required reserve (4% of Demand and Time Liabilities) | 2,138,475,000 | 1,949,546,000 |
| Actual Reserve held (4.13% of Average Demand and Time Liabilities) | 2,209,951,232 | 1,983,158,511 |
| Surplus | 71,476,232 | 33,612,511 |
| 3.3.2 Statutory Liquidity Ratio (SLR) | | |
| 3.3.2.1 Conventional Banking | | |
| Required reserve (13% of Average Demand and Time Liabilities) | 42,522,793,000 | 37,059,327,000 |
| Actual Reserve held (16.43% of Average Demand and Time Liabilities) | 53,746,880,267 | 44,971,588,703 |
| Surplus | 11,224,087,267 | 7,912,261,703 |
| 3.3.2.2 Islamic Banking | | |
| Required reserve (5.5% of Average Demand and Time Liabilities) | 2,940,403,000 | 2,680,626,000 |
| Actual Reserve held (5.9% of Average Demand and Time Liabilities) | 3,152,867,410 | 2,791,370,070 |
| Surplus | 212,464,410 | 110,744,070 |
| 3.3.3 Held for Statutory Liquidity Ratio (SLR) | | |
| 3.3.3.1 Conventional Banking | | |
| Cash in Hand | 4,464,754,427 | 4,667,969,579 |
| Balance with Agent Bank(s) | 63,350,947 | 161,628,081 |
| Excess Reserve | 1,075,693,210 | 1,117,801,780 |
| Government Bills | 4,752,343,098 | 1,867,346,074 |
| Government Bonds | 43,385,605,485 | 37,151,476,089 |
| Other Approved Securities (Prize Bond) | 5,133,100 | 5,367,100 |
| | 53,746,880,267 | 44,971,588,703 |
| 3.3.3.2 Islamic Banking | | |
| Cash in Hand | 49,293,110 | 42,098,880 |
| Excess Reserve | 78,734,300 | 64,431,190 |
| Government Islamic Investment Bonds | 3,024,840,000 | 2,684,840,000 |
| | 3,152,867,410 | 2,791,370,070 |

| | | 31.12.2023 | 31.12.2022 | |
|--------------|--|------------|-----------------------|-----------------------|
| | | Taka | Taka | |
| 3 (a) | CONSOLIDATED CASH BALANCE | | | |
| | Cash in hand (including foreign currencies) | | | |
| | Trust Bank Limited | Note-3.1 | 4,514,047,537 | 4,710,068,459 |
| | Trust Bank Securities Limited | | - | 1,000 |
| | Trust Bank Investment Limited | | - | - |
| | Trust Axiata Digital Limited | | - | 57,458 |
| | | | 4,514,047,537 | 4,710,126,917 |
| | Balance with Bangladesh Bank and its agent bank(s) | | | |
| | Trust Bank Limited | Note-3.2 | 16,977,503,573 | 15,317,472,261 |
| | Trust Bank Securities Limited | | 157,500 | - |
| | Trust Bank Investment Limited | | - | - |
| | Trust Axiata Digital Limited | | 6,955 | - |
| | | | 16,977,668,028 | 15,317,472,261 |
| | | | 21,491,715,565 | 20,027,599,178 |
| 4 | BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS | | | |
| | In Bangladesh | Note-4.1 | 14,819,796,906 | 17,312,466,482 |
| | Outside Bangladesh | Note-4.2 | 1,479,289,549 | 1,247,730,310 |
| | | | 16,299,086,455 | 18,560,196,792 |
| 4.1 | Balance with other banks and financial institutions (In Bangladesh) | | | |
| | Current Deposits | | | |
| | Sonali Bank Limited | | 26,968,455 | 57,344,840 |
| | Agrani Bank Limited | | 20,232 | 20,922 |
| | Mutual Trust Bank-UPI Settlement A/C | | 6,204,344 | 3,841,246 |
| | Commercial Bank of Ceylon (CBCL) PLC | | 50,797 | 1,001,763,415 |
| | Eastern Bank Limited | | 1,955,000 | 1,955,000 |
| | | | 35,198,828 | 1,064,925,423 |
| | Short Term Deposits | | | |
| | Sonali Bank Limited | | 100,571,582 | 125,275,350 |
| | AB Bank Limited | | 4,549,454 | 4,409,880 |
| | Rupali Bank Limited | | 15,763,394 | 2,406,314 |
| | Janata Bank Limited | | 71,284 | 25,434 |
| | Prime Bank Limited | | 30,426 | 2,531,221 |
| | Standard Chartered Bank | | 246,894 | 5,313,529 |
| | Bank Asia Limited | | 412,066 | 406,114 |
| | Standard Bank Limited | | 3,401,843 | 3,351,558 |
| | Al Arafah Islami Bank Limited | | 29,519 | 21,578 |
| | NCC Bank Limited | | 48,013 | 47,366 |
| | Eastern Bank Limited | | 133,328,000 | 76,128,000 |
| | Offshore Banking Unit - USD | | 8,312,011,060 | 6,457,197,510 |
| | | | 8,570,463,535 | 6,677,113,854 |
| | Mudaraba Short Notice Deposit | | | |
| | The City Bank Limited | | 77,561 | 17,809,894 |
| | EXIM Bank Limited | | 222,083 | 32,071,160 |
| | Bank Asia Limited | | 611,612 | 604,092 |
| | Union Bank Limited | | 3,579 | 1,211,082 |
| | Social Islami Bank Limited | | 23,164 | 2,871,193 |
| | Bank Al-Falah | | 213,149,905 | 606,244,646 |
| | Prime Bank Limited | | 46,639 | 2,602,388 |
| | | | 214,134,543 | 663,414,455 |

| | 31.12.2023 | 31.12.2022 |
|---|-----------------------|-----------------------|
| | Taka | Taka |
| Fixed Deposits in local Currency | | |
| Fixed Deposits with Bank | | |
| EXIM Bank Limited | - | 450,000,000 |
| National Bank of Pakistan | 200,000,000 | - |
| Modhumoti Bank Limited | - | 450,000,000 |
| | 200,000,000 | 900,000,000 |
| Fixed Deposits with NBFi | | |
| Lanka Bangla Finance Limited | 1,200,000,000 | - |
| | 1,200,000,000 | - |
| Mudaraba Term Deposits | | |
| Standard Bank Limited | 1,500,000,000 | 500,000,000 |
| Islamic Finance & Investment Limited | - | 50,000,000 |
| Hajj Finance Co. Limited | 100,000,000 | 100,000,000 |
| Social Islami Bank Limited | 1,000,000,000 | 1,000,000,000 |
| EXIM Bank Limited | 2,000,000,000 | 3,000,000,000 |
| | 4,600,000,000 | 4,650,000,000 |
| | 6,000,000,000 | 5,550,000,000 |
| Fixed Deposits in Foreign Currency | | |
| Midland Bank Limited | - | 413,170,800 |
| Jamuna Bank Limited | - | 206,585,400 |
| Dhaka Bank Limited | - | 413,170,800 |
| Southeast Bank Limited | - | 981,280,650 |
| Eastern Bank Limited | - | 309,878,100 |
| Islami Bank Bangladesh Limited | - | 1,032,927,000 |
| | - | 3,357,012,750 |
| | 14,819,796,906 | 17,312,466,482 |
| 4.2 Balance with other banks and financial institutions (Outside Bangladesh) | | |
| On-Shore Balance | | |
| <u>Current Account</u> | | |
| <u>Dollar Account</u> | | |
| Standard Chartered Bank, USA | 377,237,113 | 653,544,203 |
| Mashreq Bank psc, USA | 195,124,618 | 13,065,722 |
| ICICI Bank Ltd., Hongkong | 49,740,921 | 17,377,956 |
| Commerz Bank, AG Germany | 188,416,597 | 49,685,530 |
| Habib American Bank, NY | 89,245,671 | 68,729,083 |
| Zhejiang Chouzhou Commercial Bank, China | 23,724,546 | 15,408,898 |
| <u>EURO Account</u> | | |
| Standard Chartered Bank, UK | 42,763,128 | 15,775,556 |
| Commerz Bank, AG Germany | - | 3,125,409 |
| ICICI Bank Ltd., Mumbai, India | 2,134,281 | 1,915,250 |
| <u>GBP Account</u> | | |
| Standard Chartered Bank, UK | 12,796,258 | 9,116,713 |
| <u>Japanese Yen Account</u> | | |
| Standard Chartered Bank, Japan | 6,922,835 | 1,930,995 |
| Commerzbank Ag, Frankfurt, Germany | 3,027,715 | 426,542 |

| | 31.12.2023 | 31.12.2022 |
|---|----------------------|----------------------|
| | Taka | Taka |
| <u>ACU Dollar Account</u> | | |
| Standard Chartered Bank, Mumbai, India | 122,423,794 | 12,378,536 |
| Mashreq Bank, Mumbai, India | 43,279,602 | 3,705,930 |
| ICICI Bank Ltd., Mumbai, India | 41,447,044 | 119,507,085 |
| AB Bank, Mumbai, India | 68,231,919 | 46,290,713 |
| United Bank of India | 37,040,836 | 24,693,475 |
| Axis Bank, India | 97,041,277 | 76,358,279 |
| <u>CHF Account</u> | | |
| Habib Bank, Zurich, Switzerland | 33,439,466 | 2,850,755 |
| <u>AUD Account</u> | | |
| Commerzbank Ag, Frankfurt, Germany | 1,086,495 | 5,222,657 |
| <u>SAR Accounts</u> | | |
| Bank Al Bilad - SAR | 1,047,603 | 917,979 |
| <u>CAD Accounts</u> | | |
| Commerz Bank AG; Germany-CAD | 6,407,026 | 4,831,521 |
| <u>CNY Accounts</u> | | |
| Standard Chartered Bank (China), CNY | 5,579,543 | 4,079,534 |
| Zhejiang Chouzhou Commercial Bank, CNY | 6,990,374 | 13,079,910 |
| <u>AED Accounts</u> | | |
| Mashreq Bank, AED | 7,091,527 | 990,102 |
| | 1,462,240,189 | 1,165,008,333 |
| <u>Balance with Offshore Banking Unit (OBU)</u> | | |
| Mashreq Bank PSC, USA | 7,066,666 | 80,964,001 |
| Standard Chartered Bank, New York, USA | 1,538,638 | 1,195,317 |
| United Bank, India | 1,191,966 | 352,149 |
| Axis Bank, India | 7,252,090 | 210,510 |
| | 17,049,360 | 82,721,977 |
| | 1,479,289,549 | 1,247,730,310 |

For details please refer to Annexure - A

4.3 Remaining maturity grouping of balance with other banks and financial institutions

| | | |
|---|-----------------------|-----------------------|
| On demand | 1,514,488,377 | 2,312,655,733 |
| Up to 1 month | 8,984,598,078 | 11,597,541,059 |
| Over 1 month but not more than 3 months | 4,450,000,000 | 3,550,000,000 |
| Over 3 months but not more than 1 Year | 1,350,000,000 | 1,100,000,000 |
| Over 1 Year but not more than 5 Years | - | - |
| Over 5 Years | - | - |
| | 16,299,086,455 | 18,560,196,792 |

4 (a) CONSOLIDATED BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS

In Bangladesh

| | | | |
|----------------------------------|----------|-----------------------|-----------------------|
| Trust Bank Limited | Note-4.1 | 14,819,796,906 | 17,312,466,482 |
| Trust Bank Securities Limited | | 882,110,114 | 868,042,087 |
| Trust Bank Investment Limited | | 7,796,877 | 1,811,668 |
| Trust Axiata Digital Limited | | 385,243,380 | 169,313,105 |
| | | 16,094,947,277 | 18,351,633,342 |
| Less : Inter Company Transaction | | 88,112,329 | 96,680,748 |
| | | 16,006,834,948 | 18,254,952,594 |

Outside Bangladesh

| | | | |
|--|----------|-----------------------|-----------------------|
| | Note-4.2 | 1,479,289,549 | 1,247,730,310 |
| | | 17,486,124,497 | 19,502,682,904 |

| | | 31.12.2023 | 31.12.2022 | | |
|------------|--|---------------------|-----------------------|-----------------------|----------------------|
| | | Taka | Taka | | |
| 5 | MONEY AT CALL AND SHORT NOTICE | | | | |
| | In Local Currency | | | | |
| | With Banking companies | | | | |
| | Modhumoti Bank Limited | - | 1,700,000,000 | | |
| | The City Bank Limited | - | 1,000,000,000 | | |
| | One Bank Limited | - | 1,000,000,000 | | |
| | NCC Bank Limited | - | 1,500,000,000 | | |
| | | - | 5,200,000,000 | | |
| | With Non-Banking Financial Institutions | | | | |
| | IDLC Finance Limited | - | 1,400,000,000 | | |
| | Delta Brac Housing Limited | - | 600,000,000 | | |
| | | - | 2,000,000,000 | | |
| | | - | 7,200,000,000 | | |
| | In Foreign Currency | - | - | | |
| | | - | 7,200,000,000 | | |
| 6 | INVESTMENTS | | | | |
| | Government Securities | Note-6.1 | 51,167,921,684 | 41,709,029,264 | |
| | Other Investment | Note-6.2 | 17,663,535,602 | 18,341,141,385 | |
| | | | 68,831,457,286 | 60,050,170,649 | |
| 6.1 | Government Securities | | | | |
| | Treasury Bills | Note-6.1.1 | | | |
| | Treasury Bills -HTM | | 2,872,205,098 | - | |
| | Treasury Bills-HFT | | 1,880,138,000 | 1,867,346,074 | |
| | | | 4,752,343,098 | 1,867,346,074 | |
| | Treasury Bonds | Note-6.1.2 | | | |
| | Treasury Bond - HFT | | 687,487,207 | 1,616,471,113 | |
| | Treasury Bond - HTM | | 42,698,118,279 | 35,535,004,977 | |
| | | | 43,385,605,486 | 37,151,476,090 | |
| | Government Islamic Investment Bonds | | | | |
| | Govt. Islamic Investment Bond - HFT | | 560,000,000 | 220,000,000 | |
| | Bangladesh Government Investment Sukuk (BGIS) | | 2,464,840,000 | 2,464,840,000 | |
| | | | 3,024,840,000 | 2,684,840,000 | |
| | Prize Bond | | 5,133,100 | 5,367,100 | |
| | | | 5,133,100 | 5,367,100 | |
| | | | 51,167,921,684 | 41,709,029,264 | |
| 6.2 | Other Investment | | | | |
| | Preference Share | No. of Share | Face Value | | |
| | Sheltech Chemicals Ltd. | 50,000,000 | 10.00 | 500,000,000 | - |
| | H. Ali Akber & Co. Ltd. | 15,000,000 | 10.00 | 150,000,000 | 200,000,000 |
| | City Sugar Industries Ltd. | 15,000,000 | 10.00 | 150,000,000 | 200,000,000 |
| | Epyllion Style Ltd. | 37,500,000 | 10.00 | 375,000,000 | 500,000,000 |
| | Envoy Textiles Ltd. | 60,900,000 | 10.00 | 609,000,000 | 783,000,000 |
| | Paramount Textiles Ltd. | 40,000,000 | 10.00 | 400,000,000 | 500,000,000 |
| | City Seed Crushing Industries Ltd. | 125,000,000 | 10.00 | 1,250,000,000 | 1,250,000,000 |
| | Impress Newtex Composite Textiles Ltd. | 30,000,000 | 10.00 | 300,000,000 | 300,000,000 |
| | | | | 3,734,000,000 | 3,733,000,000 |

| | | 31.12.2023 | 31.12.2022 |
|--|------------|-----------------------|-----------------------|
| | | Taka | Taka |
| Ordinary Shares | | | |
| Quoted | Note-6.2.1 | 224,261,379 | 224,261,379 |
| Unquoted | Note-6.2.2 | 168,062,657 | 18,062,657 |
| | | 392,324,036 | 242,324,036 |
| Investment in Corporate Bonds | | | |
| | Note-6.2.3 | 13,537,211,566 | 14,365,817,349 |
| | | 17,663,535,602 | 18,341,141,385 |
| | | 68,831,457,286 | 60,050,170,649 |
| 6.1.1 Treasury Bills-at Present Value | | | |
| 14 days Treasury Bills | | - | - |
| 28 days Treasury Bills | | - | - |
| 91 days Treasury Bills | | - | - |
| 182 days Treasury Bills | | - | 1,867,346,074 |
| 364 days Treasury Bills | | 4,752,343,098 | - |
| | | 4,752,343,098 | 1,867,346,074 |
| 6.1.2 Treasury Bonds-at Present Value | | | |
| 02 years Treasury Bonds | | 7,996,715,455 | 97,441,100 |
| 05 years Treasury Bonds | | 3,968,058,705 | 4,496,264,929 |
| 10 years Treasury Bonds | | 18,749,333,801 | 19,668,715,872 |
| 15 years Treasury Bonds | | 7,738,504,505 | 8,042,590,465 |
| 20 years Treasury Bonds | | 4,932,993,020 | 4,846,463,724 |
| | | 43,385,605,486 | 37,151,476,090 |

6.1.3 Repo & Reverse Repo Transactions during the period ended on 31 December 2023

Disclosure required as per Bangladesh Bank DOS Circular No.-06 Dated: 15 July 2010 regarding of Repo and Reverse Repo during the year ended on 31 December 2023.

a. (i) Disclosure Regarding Outstanding Repo as on 31 December 2023:

| Sl No. | Counter Party | Agreement Date | Reversal Date | Amount (1st Leg Cash Consideration) |
|--|---------------|----------------|---------------|-------------------------------------|
| There is no outstanding balance as on 31 December 2023 | | | | |

(ii) Disclosure Regarding Outstanding Reverse Repo as on 31 December 2023:

| Sl No. | Counter Party | Agreement Date | Reversal Date | Amount (1st Leg Cash Consideration) |
|--|---------------|----------------|---------------|-------------------------------------|
| There is no outstanding balance as on 31 December 2023 | | | | |

b. Disclosure Regarding Overall Transaction of Repo and Reverse Repo as on 31 December 2023:

| | Minimum Outstanding during the year (ALS) | Maximum Outstanding during the year (ALS) | Daily Average Outstanding during the year |
|--|---|---|---|
| Securities sold under repo: | | | |
| (i) With Bangladesh Bank | 1,009,130,235 | 2,368,545,600 | 1,677,398,168 |
| (ii) With other banks & FIs | 442,863,450 | 2,949,818,000 | 1,302,269,598 |
| Securities purchased under reverse repo: | | | |
| (i) from Bangladesh Bank | - | - | - |
| (ii) from other banks & FIs | 252,247,280 | 7,997,557,820 | 2,621,095,656 |

31.12.2023

Taka

31.12.2022

Taka

6.2 Other Investment

This represents investment made by the company both in listed and unlisted securities. The investment is made up as under:

| Particulars | 31.12.2023 | | | 31.12.2022 | | |
|---------------------|-------------------|-----------------------|-----------------------|-------------------|-----------------------|-----------------------|
| | No. of Securities | At Cost | Market Value | No. of Securities | At Cost | Market Value |
| Listed Securities | 14 | 224,261,379 | 189,305,982 | 14 | 224,261,379 | 182,839,213 |
| Unlisted Securities | 4 | 168,062,657 | 168,062,657 | 3 | 18,062,657 | 18,062,657 |
| Preference Shares | 8 | 3,734,000,000 | 3,734,000,000 | 7 | 3,733,000,000 | 3,733,000,000 |
| Corporate Bonds | 22 | 13,537,211,566 | 13,537,211,566 | 23 | 14,365,817,349 | 14,365,817,349 |
| TOTAL | 48 | 17,663,535,602 | 17,628,580,205 | 47 | 18,341,141,385 | 18,299,719,219 |

6.2.1 Investment in Ordinary Shares - Quoted

Investment has been recorded at cost and adequate provision for probable future losses as per Bangladesh Bank guideline has been made. Market value of securities has been determined on the basis of the value of securities at the last trading date of the year (Last trading date for the period was 28 December 2023).

6.2.1.1 Sector wise investment in listed securities at cost

| | | |
|------------------------------------|--------------------|--------------------|
| Banking Companies | 4,989,223 | 4,989,223 |
| Manufacturing Companies and others | 49,740,207 | 49,740,207 |
| Power Sector | 14,375,320 | 14,375,319 |
| IBBL Bond | 54,408,254 | 54,408,255 |
| Mutual Fund | 100,748,375 | 100,748,375 |
| | 224,261,379 | 224,261,379 |

6.2.1.2 Investment in Ordinary Share - Quoted

| | | |
|----------------------|--------------------|--------------------|
| Conventional Banking | 151,849,875 | 151,849,875 |
| Islamic Banking | 72,411,504 | 72,411,504 |
| | 224,261,379 | 224,261,379 |

Security wise Investment in Quoted Shares is given below:

| SL | Name of Security | No of Share | | | Average cost rate | 31-Dec-23 | 31-Dec-22 |
|----|-------------------------------------|--------------|---------|-----------|-------------------|--------------------|--------------------|
| | | Conventional | Islamic | Total | | | |
| 1 | IBBL Mudaraba Perpetual Bond | - | 56,280 | 56,280 | 966.74 | 54,408,254 | 54,408,254 |
| 2 | Popular Life First Mutual Fund | 1,089,298 | - | 1,089,298 | 6.69 | 7,284,124 | 7,284,124 |
| 3 | Olympic Industries Ltd. | 100,000 | 90,170 | 190,170 | 240.24 | 45,687,250 | 45,687,250 |
| 4 | Prime Bank Ltd. | 67,760 | - | 67,760 | 29.71 | 2,012,905 | 2,012,905 |
| 5 | Pubali Bank Ltd. | 27,593 | - | 27,593 | 36.16 | 997,688 | 997,688 |
| 6 | Summit Power Ltd. | 314,637 | - | 314,637 | 45.69 | 14,375,320 | 14,375,320 |
| 7 | Padma Oil Co. Ltd. | - | 3000 | 3,000 | 350.65 | 1,051,956 | 1,051,956 |
| 8 | IT Consultants Ltd. (ITCL) | 323,568 | - | 323,568 | 6.77 | 2,189,115 | 2,189,115 |
| 9 | LR Global Bangladesh Mutual Fund 1 | 6,554,016 | - | 6,554,016 | 9.64 | 63,205,696 | 63,205,696 |
| 10 | Trust Bank 1st Mutual Fund | 4,593,045 | - | 4,593,045 | 6.59 | 30,258,555 | 30,258,555 |
| 11 | Golden Harvest Agro Industries Ltd. | - | 4215 | 4,215 | 42.42 | 178,800 | 178,800 |
| 12 | The ACME Laboratories Ltd. | 5,000 | - | 5,000 | 119.48 | 597,406 | 597,406 |
| 13 | BD THAI FOOD | 3,568 | - | 3,568 | 10.00 | 35,680 | 35,680 |
| 14 | Union Bank Ltd. | 207,756 | - | 207,756 | 9.52 | 1,978,630 | 1,978,630 |
| | | | | | | 224,261,379 | 224,261,379 |

Provision for Investment and Securities has been shown separately in note no. "12 - Other Liabilities"

| | | 31.12.2023 | 31.12.2022 |
|--------------|---|-----------------------------------|-----------------------|
| | | Taka | Taka |
| 6.2.2 | Unlisted Securities | | |
| | Ordinary Share | No. of Share | |
| | CAPM Unit Fund | 100,000 | 10,000,000 |
| | UCB Income Plus Fund | 14,491,913 | - |
| | Central Depository Bangladesh Limited (CDBL) | 1,731,541 | 4,708,330 |
| | SWIFT Group | 11 | 3,354,327 |
| | | 168,062,657 | 18,062,657 |
| 6.2.3 | Investment in Corporate Bonds | | |
| | Conventional Banking | Rate of Interest | |
| | Subordinated Bond | | |
| | One Bank Limited Subordinated Bond | 7.00% | 80,000,000 |
| | Exim Bank Ltd. Subordinated Bond | 9.00% | 200,000,000 |
| | UCBL 3rd Subordinated Bond | 8.75% | 200,000,000 |
| | UCBL 4th Subordinated Bond | 8.07% | 1,000,000,000 |
| | UCBL 5th Subordinated Bond | 8.08% | 500,000,000 |
| | Pubali Bank Ltd. Subordinated Bond | 8.86% | 1,500,000,000 |
| | Bank Asia Ltd. Non-Convertible Subordinated Bond | 9.38% | 400,000,000 |
| | North-West Power Generation Company Ltd. Non-Convertible Bond | 9.00% | 1,000,000,000 |
| | Best Holdings Ltd. Subordinated Bond | 10.00% | 1,000,000,000 |
| | | 5,200,000,000 | 5,880,000,000 |
| | Perpetual Bond | | |
| | Mutual Trust Bank Ltd. Perpetual Bond | 10.00% | 650,000,000 |
| | Pubali Bank Ltd. Perpetual Bond * | 10.00% | 1,000,000,000 |
| | NCC Bank Ltd. Perpetual Bond | 10.00% | 500,000,000 |
| | AB Bank Ltd. Perpetual Bond | 10.00% | 890,000,000 |
| | Bank Asia Ltd. Perpetual Bond | 10.00% | 110,000,000 |
| | One Bank Ltd. Perpetual Bond | 10.00% | 850,000,000 |
| | | 4,000,000,000 | 4,000,000,000 |
| | Zero Coupon Bond | | |
| | Thengamara Mohila Sabuj Sangha Zero Coupon Bond | | 85,817,349 |
| | SIBL Non-Convertible Zero Coupon Bond | | 100,000,000 |
| | | 57,211,566 | 185,817,349 |
| | | 9,257,211,566 | 10,065,817,349 |
| | Islamic Banking | Provisional Rate of Profit | |
| | Mudaraba Subordinated Bond | | |
| | Al-Arafah Islami Bank Ltd. | 8.35% | 250,000,000 |
| | | 200,000,000 | 250,000,000 |
| | Mudaraba Perpetual Bond | | |
| | Shahjalal Islami Bank Ltd. | 8.22% | 1,000,000,000 |
| | EXIM Bank Ltd. | 8.22% | 1,000,000,000 |
| | Al-Arafah Islami Bank Ltd. | 8.22% | 1,000,000,000 |
| | Islami Bank Bangladesh Ltd. | 8.22% | 1,000,000,000 |
| | | 4,000,000,000 | 4,000,000,000 |
| | Investment in Shariah based Mutual Fund | | |
| | UCB Taqwa Mutual Fund | | 50,000,000 |
| | CWT Asset Management | | - |
| | | 80,000,000 | 50,000,000 |
| | | 4,280,000,000 | 4,300,000,000 |
| | | 13,537,211,566 | 14,365,817,349 |

| | | 31.12.2023 | 31.12.2022 | |
|----------------|---|-----------------------|------------------------|------------------------|
| | | Taka | Taka | |
| 6.2.3.1 | Profit rate would be determined considering the average rates of 6 months Mudaraba Term Deposit Rates of Full-fledged Shariah based banks collected from latest available in "Announced Profit Rate Chart of those Banks (Deposit Rate)" published by Bangladesh Bank in its website at the beginning of any Profit Payment Period with an additional profit rate of 2.00% per annum. | | | |
| 6.3 | Remaining maturity grouping of Investments | | | |
| | On demand | 5,133,100 | 5,170,462 | |
| | Up to 1 month | 2,548,585,230 | 2,223,611,093 | |
| | Over 1 month but not more than 3 months | 1,537,893,309 | 1,341,794,099 | |
| | Over 3 months but not more than 1 Year | 17,082,033,824 | 14,903,876,654 | |
| | Over 1 Year but not more than 5 Years | 27,453,122,052 | 23,952,531,006 | |
| | Over 5 Years | 20,204,689,770 | 17,623,187,335 | |
| | | 68,831,457,285 | 60,050,170,649 | |
| 6 (a) | Consolidated Investments | | | |
| | Government Securities | | | |
| | Trust Bank Limited | Note-6.1 | 51,167,921,684 | 41,709,029,264 |
| | Trust Bank Securities Limited | | - | - |
| | Trust Bank Investment Limited | | - | - |
| | Trust Axiata Digital Limited | | 47,364,000 | 96,223,324 |
| | | | 51,167,921,684 | 41,805,252,588 |
| | Other Investment | | | |
| | Trust Bank Limited | Note-6.2 | 17,663,535,602 | 18,341,141,385 |
| | Trust Bank Securities Limited | | - | - |
| | Trust Bank Investment Limited | | 4,180,869,122 | 4,139,721,722 |
| | Trust Axiata Digital Limited | | - | - |
| | | | 21,844,404,724 | 22,480,863,107 |
| | Less : Inter Company Transaction | | - | - |
| | | | 73,012,326,408 | 64,286,115,695 |
| 7 | LOANS AND ADVANCES/ISLAMI BANKING INVESTMENTS | | | |
| | Loans, cash credit, overdrafts etc./investments | Note-7.1 | 320,135,223,486 | 287,051,179,429 |
| | Bills Purchased and Discounted | Note-7.7 | 12,568,356,377 | 11,325,268,681 |
| | | | 332,703,579,863 | 298,376,448,110 |
| 7.1 | Loans, cash credit, overdrafts etc./investments | | | |
| | In Bangladesh | | | |
| | Conventional Banking | | | |
| | Repair & Recon. of Dwelling House (RRDH) | | 143,628,639 | 243,906,439 |
| | Consumer Durable Scheme Loans (CDS) | | - | 32,587 |
| | Marriage Loans (ML) | | 165,787,375 | 143,563,333 |
| | Car Loans (CL) | | 50,983,168 | 52,532,356 |
| | House Building Loans (HBL) | | 9,872,151,397 | 9,347,102,864 |
| | Term Loans | | 119,164,234,486 | 104,631,544,366 |
| | Retail Banking Loans | | 1,670,898,564 | 1,435,584,755 |
| | Time Loan | | 62,566,313,568 | 57,913,396,468 |
| | Cash Credit | | 673,832,469 | 936,308,001 |
| | Cash Collateral | | 3,103,304,125 | 2,709,109,375 |
| | Overdraft | | 27,244,462,770 | 24,023,938,250 |

| | 31.12.2023 | 31.12.2022 |
|--|------------------------|------------------------|
| | Taka | Taka |
| Secured Overdrafts | 1,525,119,831 | 1,502,403,365 |
| Other Loans | 35,475,284,163 | 32,054,347,740 |
| Staff Loans | 1,686,414,277 | 1,485,048,842 |
| Loans against Credit Card | 971,035,542 | 768,313,011 |
| Loan agt. Trust Receipt (LTR) | 7,761,035,255 | 9,420,086,902 |
| Payment Against Documents (PAD) | 4,728,909,147 | 5,971,080,196 |
| Packing Credit (Loan agt. Packing Credit) | 280,283,366 | 245,212,616 |
| | 277,083,678,142 | 252,883,511,466 |
| Islamic Banking | | |
| Bai-Muajjal | 1,873,160,595 | 7,231,449,340 |
| Hire Purchase under Shirkatul Melk | 4,233,702,762 | 3,352,634,661 |
| IHSAN Apartment Purchase Scheme | 466,614,612 | 331,286,633 |
| BARAKAT Home Construction Scheme | 166,513,103 | 204,833,912 |
| BARAKAT Car Scheme | 2,101,890 | 4,023,218 |
| HPSM-Real Estate | 1,253,698,816 | 2,002,700,625 |
| Murabaha TR | 966,656,856 | 1,618,956,212 |
| Bai-Salam | 215,606,531 | 4,257,040 |
| Household Durable & others scheme | 558,881 | 562,384 |
| TIB House Building Scheme-HBL (RM) | 3,011,009 | 7,573,869 |
| TIB Household Durable Scheme(Household Durable) | 218,693 | 462,578 |
| Staff Loans | 135,716,011 | 122,702,279 |
| Defence Personnel Special Investment (other than Off) [DPSI] | 41,225,217 | 1,346,384 |
| HPSM General | 6,873,551,600 | 5,814,233,680 |
| HPSM under Stimulus Package (RMG) | - | 5,271,338 |
| Barkat Doctors Scheme | 1,336,845 | 474,050 |
| Murabaha (RM) | 24,886,377,987 | 9,451,429,457 |
| MIB- EDF - TIB | 1,717,956,466 | 2,621,535,271 |
| Trust Nibash | 1,746,950 | 1,868,589 |
| Trust Power | 20,042,997 | 20,067,349 |
| Bai Muajjal under Stimulus Package | - | 519,000,000 |
| Bai-Muajjal under Stimulus Package (SME) | 25,281,250 | 57,830,308 |
| Withdrawal against MTDR and Scheme Deposit | 29,771,221 | - |
| Refinance Scheme under Bai-Murabaha (SME) | 4,367,501 | - |
| Refinance Scheme under HPSM (SME) | 5,646,354 | - |
| Baim WES/Doc Bills | 126,681,197 | 793,168,786 |
| | 43,051,545,344 | 34,167,667,963 |
| | 320,135,223,486 | 287,051,179,429 |
| Outside Bangladesh | - | - |
| | 320,135,223,486 | 287,051,179,429 |
| 7.2 Residual maturity grouping of Loans and Advances including Bills Purchased and Discounted | | |
| Repayable on demand | 47,819,655,578 | 42,885,799,387 |
| Up to 1 month | - | - |
| Not more than 3 months | 33,968,529,650 | 30,463,781,690 |
| More than 3 months but not more than 1 Year | 66,749,333,724 | 59,862,382,961 |
| More than 1 Year but not more than 5 Years | 87,178,385,750 | 78,183,640,533 |
| More than 5 Years | 96,987,675,161 | 86,980,843,539 |
| | 332,703,579,863 | 298,376,448,110 |

7.3 Loans and Advances including Bills Purchased and Discounted

Inside Bangladesh

| | 31.12.2023 Taka | 31.12.2022 Taka |
|--------------------------------|------------------------|------------------------|
| Loans | 287,588,504,291 | 257,879,420,438 |
| Cash Credit | 3,777,136,594 | 3,645,417,376 |
| Overdraft | 28,769,582,601 | 25,526,341,615 |
| Bills purchased and discounted | 12,568,356,377 | 11,325,268,681 |
| | 332,703,579,863 | 298,376,448,110 |

Outside Bangladesh

| | | |
|--|------------------------|------------------------|
| | - | - |
| | 332,703,579,863 | 298,376,448,110 |

7.4 Loans and Advances on the basis of significant concentration

7.4.1 Advances to Directors and Others

| | | |
|--|------------------------|------------------------|
| Advance to Directors and their allied concerns | 2,269,379 | 1,772,145 |
| Advances to CEO and Senior Executives | 198,840,307 | 188,063,613 |
| Advances to Customers (Group wise) | 178,791,930,324 | 147,047,506,118 |
| Industrial Advances (Project finance) | 51,955,443,410 | 41,937,121,826 |
| Other Staff Loan | 1,623,289,982 | 1,418,718,665 |
| Other Customers | 100,131,806,462 | 107,783,265,743 |
| | 332,703,579,863 | 298,376,448,110 |

7.4.2 Disclosure of Large Loan

As per BRPD Circular No. 5 dated 9 April 2005 issued by Bangladesh Bank, disclosure on large loan i.e. loan sanctioned to any individual or enterprise or any organization of a group amounting to 10% or more of the Bank's total capital and classified amount therein and measures taken for recovery of such loan have been furnished as under:

| | | |
|---------------------------------|-----------------|-----------------|
| Total Capital [Note-13.3.1 (H)] | 38,767,144,160 | 35,289,330,189 |
| Total Loans and Advances | 140,514,776,308 | 109,720,040,444 |
| No. of Customers | 22 | 21 |
| Classified amount thereon | Nil | Nil |

N/A

Single Borrower Exposure Limit has been calculated on the basis of total eligible capital as on 31 December 2023 according to BRPD Circular 02, dated 16 January 2014.

Details of Large Loans:

| SL | Name of the Client | CL Status | Outstanding Loan | | Total 31.12.2023 | Total 31.12.2022 |
|----|--|-----------|------------------|---------------|---------------------|---------------------|
| | | | Funded | Non-Funded | | |
| 1 | Bangladesh Machine Tools Factory Limited (BMTF), Army Pharma Limited | STD | 5,839,760,013 | 2,825,910,707 | 8,665,670,720 | 6,168,053,223 |
| 2 | Anwar Ispat Ltd., Anwar Cement Ltd., A One Polymer Ltd., Anwar Cement Sheet, A One Trading Co. | STD | 5,463,707,373 | 719,855,772 | 6,183,563,145 | 4,961,223,930 |
| 3 | Biswas Tradning & Construction, Biswas Builders Limited and JV | STD | 3,427,753,295 | 3,275,133,593 | 6,702,886,888 | 4,978,417,957 |
| 4 | Sena Kalyan Sangstha & allied | STD | 3,750,785,844 | 2,274,024,084 | 6,024,809,928 | 5,194,860,634 |
| 5 | Castle Construction Company Ltd., Charka SPC Poles Limited, Gemcon Marine Engineering Ltd., Gemcon Ltd., Gemcon City Limited & Pathar Ltd. | STD | 3,025,757,626 | 1,946,697,560 | 4,972,455,186 | - |
| 6 | Durable Plastic Ltd., Mymensingh Agro Ltd., Advance Personal Care Ltd., Property Development Ltd., Rangpur Metal Industries Ltd. | STD | - | - | - | 5,102,571,601 |
| 7 | Dhaka Northern Power Generations Ltd., Pacific Dredging Ltd., Doreen Power, Eastern Cement Industries Ltd., Doreen Shipping Line, Doreen Maritime Management Ltd | STD | 5,288,047,705 | 2,661,563,807 | 7,949,611,511 | 8,423,929,646 |
| 8 | Saad Textile Ltd., Yasmin Spinning Mills Ltd., Nice Denim Ltd., Isa Washing Ltd., Nice Spun Mills Ltd. | STD | 4,201,752,962 | 2,805,024,883 | 7,006,777,845 | 5,740,506,538 |
| 9 | Shah Cement Industries Limited, Abul Khair Strip Processing Ltd., Abul Khair Steel Melting Ltd., Abul Khair Ltd & Smile Food Products Ltd. | STD | 4,233,876,598 | 2,901,455,446 | 7,135,332,043 | |

| | | | | 31.12.2023 | 31.12.2022 | |
|----|---|---------|-----------------------|-----------------------|------------------------|------------------------|
| | | | | Taka | Taka | |
| 10 | Western Engineering (Pvt.) Ltd. | STD | 4,686,575,753 | 307,587,096 | 4,994,162,849 | 4,825,796,039 |
| 11 | Delta LPG Ltd, Delta Agrofood Industries Ltd, Rupsha Edible Oil Refinery Ltd, National Cement Mills Ltd. | STD | 2,740,325,861 | 2,042,854,250 | 4,783,180,111 | |
| 12 | GPH Ispat Ltd. | STD | 3,020,042,050 | 3,691,884,295 | 6,711,926,345 | 5,043,806,749 |
| 13 | Pretty Sweater Ltd., Kuliarchar Fashions Ltd, S.Suhi Industrial Park Ltd. | STD | 4,250,248,194 | 952,227,525 | 5,202,475,719 | 5,607,621,605 |
| 14 | Desh Cambridge Kumargaon Power Company Ltd., Jadoo Media Limited Desh, Energy Chandpur Power Company Ltd., Desh Energy Limited | STD | 6,947,797,979 | 98,465,917 | 7,046,263,896 | 8,382,118,699 |
| 15 | Nasir Glass Industries Ltd., Nasir Float Glass Industries Ltd., Nasir Quality Glass Industries Ltd., Nasir Glass Wear & Tube Industries Limited, Nasir Leaf Tobacco Industries Ltd. | STD | 2,791,884,343 | 2,640,287,619 | 5,432,171,962 | 5,285,220,154 |
| 16 | Kabir Steel Ltd, KSRM Steel Plant Ltd, KSRM Billet Ind. Ltd, KSRM Power Plant Ltd., MAA SHIPPING PVT LTD | STD | 2,276,905,363 | 5,706,468,415 | 7,983,373,778 | 3,684,490,966 |
| 17 | Partex Petro Ltd. & Partex Beverage Ltd. | STD | 5,039,517,396 | 6,490,038,973 | 11,529,556,369 | 6,818,727,895 |
| 18 | Shabab Fabrics Ltd. & F. M. Yarn Dyeing Ltd. | STD, SS | 4,399,577,675 | 331,639,750 | 4,731,217,424 | 4,278,107,520 |
| 19 | Premier Cement Mills Ltd. | STD | 1,511,311,559 | 4,588,067,974 | 6,099,379,533 | - |
| 20 | Baraka Power Limited, Baraka Patenga Power Ltd., BARAKA SHIKALBAHA POWER LIMITED, KARNAPHULI POWER LIMITED, QUEENS HEALTHCARE LTD. | STD | 4,101,676,727 | 1,193,548,476 | 5,295,225,203 | 6,139,314,250 |
| 21 | VIRGO TOBACCO LIMITED, VIRGO FASHION LIMITED, VIRGO M H LIMITED, VIRGO GASES LIMITED | STD | 4,383,998,892 | 160,136,013 | 4,544,134,906 | 4,288,443,267 |
| 22 | S. S. Steel Limited, Al-Falah Steel & Re-rolling Mills Limited, GENERATION NEXT FASHIONS LIMITED & GENNEXT TECHNOLOGIES LIMITED | STD | 3,471,393,719 | 3,483,333,583 | 6,954,727,301 | 4,020,523,457 |
| 23 | Acorn Infrastructure Services Unit-2 Ltd. | STD | - | - | - | 3,588,886,515 |
| 24 | Humaira Composite Textile Mills Ltd, Suraiya Spinning Mills Limited & Dabiruddin Spinning Mills Limited | STD | 3,268,581,949 | 1,297,291,698 | 4,565,873,646 | 3,566,120,597 |
| 25 | Dockyard & Engineering Works Ltd. | STD | - | - | - | 3,621,299,203 |
| | Total | | 88,121,278,874 | 52,393,497,435 | 140,514,776,308 | 109,720,040,444 |

7.4.3 Restructured Loans & Advances

According to Bangladesh Bank Circular no. 04 dated 29 January 2015 relating to Large Loan Restructuring, the bank has no outstanding balances of such type Restructured Loans & Advances as on 31 December 2023.

7.4.4 Geographical location-wise concentration of Loans and Advances

Inside Bangladesh

| | | |
|---------------------|------------------------|------------------------|
| Dhaka Division | 214,618,429,957 | 203,362,722,549 |
| Chittagong Division | 65,977,296,594 | 53,371,514,629 |
| Khulna Division | 12,329,710,000 | 11,072,175,630 |
| Sylhet Division | 4,888,235,296 | 4,637,909,025 |
| Rangpur Division | 7,963,289,752 | 7,849,504,921 |
| Barisal Division | 1,474,523,135 | 1,019,471,249 |
| Rajshahi Division | 11,137,938,349 | 6,142,550,792 |
| Mymensingh Division | 14,314,156,781 | 10,920,599,315 |
| | 332,703,579,863 | 298,376,448,110 |

Outside Bangladesh

| | | |
|--|------------------------|------------------------|
| | - | - |
| | 332,703,579,863 | 298,376,448,110 |

7.4.5 Industry-wise concentration of Loans and Advances

| | | |
|--|----------------|----------------|
| Agro & Fisheries | 5,742,823,401 | 4,284,302,376 |
| RMG | 25,660,387,270 | 31,950,478,246 |
| Textile | 25,651,278,538 | 20,150,756,736 |
| Food and allied industries (Edible Oil included) | 27,822,944,713 | 22,466,795,278 |
| Pharmaceutical industries | 5,035,102,904 | 4,116,612,489 |
| Chemical, fertilizer, etc. | 9,907,281,330 | 8,574,296,665 |
| Cement and ceramic industries | 7,451,606,306 | 7,099,323,484 |
| Ship building industries | 2,684,231,356 | 1,831,145,256 |
| Power and gas | 21,744,927,353 | 19,137,705,730 |

| | 31.12.2023 | 31.12.2022 |
|---|------------------------|------------------------|
| | Taka | Taka |
| Other manufacturing or extractive industries (Rubber & Plastic, Paper, Steel Engineering & Metal Products included) | 45,755,865,289 | 37,928,329,633 |
| Service Industries (Telecom & ICT, Medical Service included) | 26,843,045,448 | 23,318,813,593 |
| Other Industry | 1,219,147,087 | 313,672,656 |
| Trade & Commerce | 24,013,776,566 | 25,457,458,701 |
| Residential Real Estate | 7,550,615,337 | 5,506,084,539 |
| Commercial Real Estate | 16,669,522,191 | 14,690,385,237 |
| Infrastructure Development | 14,488,324,637 | 13,263,310,581 |
| Construction & Housing | 227,420,095 | 515,916,780 |
| Transport | 4,106,279,936 | 1,412,313,953 |
| Consumer Financing (Personal Services) | 43,210,814,510 | 41,112,809,465 |
| Loans to Financial Institution (NBFI & NGO included) | 13,949,371,727 | 12,327,813,103 |
| Miscellaneous (Others) | 2,968,813,870 | 2,918,123,608 |
| | 332,703,579,863 | 298,376,448,110 |

7.4.6 Nature wise Loans and Advances

| | | |
|--|------------------------|------------------------|
| Continuous | 60,510,710,304 | 48,791,390,190 |
| Demand Loan | 99,807,916,162 | 95,413,980,795 |
| Term Loans | 169,922,670,640 | 152,485,514,920 |
| Short Term Agri. Credit & Micro Credit | 641,439,023 | 78,779,928 |
| Staff Loan | 1,820,843,734 | 1,606,782,278 |
| | 332,703,579,863 | 298,376,448,110 |

7.5 Classification of Loans and Advances including Bills Purchased and Discounted

Unclassified Loans and Advances

Standard Loans and Advances

| | | |
|---|------------------------|------------------------|
| Consumer Financing (House Financing, HF) | 5,123,836,699 | 4,714,341,135 |
| Consumer Financing (Loans for Professional, LP) | - | 474,050 |
| Consumer Financing (Other than HF & LP) | 7,135,731,111 | 6,000,917,858 |
| Small & Medium Enterprise Financing (SMEF) | 31,596,156,735 | 25,812,692,610 |
| Loans to BHs/ MBs/ SD's against Shares etc. | 4,067,769,327 | 3,193,130,115 |
| All Other Credit | 256,477,856,805 | 239,105,951,920 |
| Short Term Agri Credit | 637,103,185 | 75,553,390 |
| Staff Loan | 1,820,843,734 | 1,606,782,278 |
| | 306,859,297,596 | 280,509,843,356 |

Special Mentioned Accounts

| | | |
|--|------------------------|------------------------|
| | 5,628,975,473 | 3,654,386,441 |
| | 312,488,273,069 | 284,164,229,797 |

Classified Loans and Advances

| | | |
|---------------------------------|------------------------|------------------------|
| Sub-Standard Loans and Advances | 5,167,192,867 | 1,450,219,363 |
| Doubtful Loans and Advances | 995,886,571 | 595,850,861 |
| Bad /Loss Loans and Advances | 14,052,227,357 | 12,166,148,089 |
| | 20,215,306,794 | 14,212,218,313 |
| | 332,703,579,863 | 298,376,448,110 |

7.6 Particulars of Loans and Advances

| | | |
|--|-----------------|-----------------|
| (i) Loans considered good in respect of which the bank is fully secured. | 235,667,940,554 | 215,936,477,415 |
|--|-----------------|-----------------|

| | 31.12.2023 | 31.12.2022 |
|--|-----------------------|-----------------------|
| | Taka | Taka |
| (ii) Loans considered good for which the bank holds no other security than the debtor's personal security. | 2,761,733,678 | 2,580,690,559 |
| (iii) Loans considered good and secured by personal undertaking of one or more parties in addition to the personal guarantee of the debtors. | 68,429,623,364 | 61,992,675,382 |
| (iv) Loans considered doubtful or bad not provided for | - | - |
| (v) Loans due by directors or officers of the bank or any of them either severally or jointly with any other person. | 1,824,399,667 | 1,608,554,423 |
| (vi) Loans due by companies or firms in which the directors of the bank are interested as directors, partners or managing agents or, in the case of private companies as members. | - | - |
| (vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons. | 1,824,399,667 | 1,608,554,423 |
| (viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private company. | - | - |
| (ix) Due from Banking Companies. | - | - |
| (x) Amount of classified loan on which no interest has been charged | 14,052,227,357 | 12,166,148,089 |
| a.i) Increase/(Decrease) in specific provision | (2,681,819,500) | 3,272,542,000 |
| a.ii) Amount of loan written off during the year | 7,902,158,847 | 485,828,903 |
| a.iii) Amount realized against loan previously written off | 52,565,629 | 53,930,997 |
| b) Provision kept against loans classified as bad debts | 9,175,781,500 | 12,481,519,500 |
| c) Interest credited to interest Suspense Account | 1,512,870,821 | 2,761,949,565 |
| (xi) Cumulative amount of written off loans | | |
| Opening Balance | 5,341,773,841 | 4,909,875,935 |
| Amount written off during the year | 7,902,158,847 | 485,828,903 |
| Amount (recovery) during the year | (52,565,629) | (53,930,997) |
| | 13,191,367,059 | 5,341,773,841 |
| The amount of written off loans for which law suit has been filed | 13,191,367,059 | 5,341,773,841 |
| 7.7 Bills purchased and discounted | | |
| Conventional Banking | | |
| Payable in Bangladesh | 12,002,101,127 | 11,202,404,011 |
| Payable outside Bangladesh | 543,697,249 | 80,910,429 |
| | 12,545,798,376 | 11,283,314,440 |
| Islamic Banking | | |
| Payable in Bangladesh | 16,815,673 | 32,003,622 |
| Payable outside Bangladesh | 5,742,328 | 9,950,619 |
| | 22,558,001 | 41,954,241 |
| | 12,568,356,377 | 11,325,268,681 |

| | | 31.12.2023 | 31.12.2022 |
|--|-----------|------------------------|------------------------|
| | | Taka | Taka |
| 7.8 Remaining maturity grouping of bills purchased and discounted | | | |
| Payable within one month | | 752,655,500 | 341,388,323 |
| Over one month but less than three months | | 557,985,206 | 563,621,396 |
| Over three months but less than 01 year | | 11,257,715,671 | 10,420,258,962 |
| More than 01 year | | - | - |
| | | 12,568,356,377 | 11,325,268,681 |
| 7.9 Net Loans and Advances | | | |
| Gross Loans and Advances | | 332,703,579,863 | 298,376,448,110 |
| Less: Interest Suspense | Note-12.7 | 6,218,476,427 | 7,283,990,632 |
| Less: Provision for Loans and Advances | Note-12.1 | 13,487,884,000 | 16,116,248,000 |
| | | 312,997,219,436 | 274,976,209,478 |

7.10 Disclosure of Document Verification System (DVS)

As per letter no. 178/FRC/APR/2021/27(45) dated 09 December 2021 issued by the Financial Reporting Council (FRC) regarding the compliance of BRPD Circular Letter no. 04 dated 04 January 2021 and BRPD Circular letter no. 35, dated 06 July 2021, the current status of the Bank is as follows:

| Particulars | Compliance of BRPD Circular No. 04 * | | Compliance of BRPD Circular No. 35 ** | |
|---------------|--------------------------------------|-----|---------------------------------------|-----|
| | Number | % | Number | % |
| Complied File | 377 | 92% | 285 | 70% |
| Total File | 409 | | 409 | |

* BRPD Circular Letter no.04: Regarding the collection of audited Financial Statements and statutory audit report for sanctioned/ renewed investments.

** BRPD Circular Letter no.35: Regarding the verification of audited financial statements through Document Verification System (DVS) developed by ICAB.

7.11 Litigation filed by the Bank

As of the responding date, the Bank filed lawsuit against recovery of its defaulted loans and advances as under:

Name of the Branch

| | | |
|---------------------------|---------------|---------------|
| Agrabad Branch | 1,142,274,432 | - |
| Ashugonj Branch | 56,773,632 | 56,773,632 |
| Bagerhat Branch | 281,443 | 285,383 |
| Bangabandhu Cantt. Branch | 21,737,000 | - |
| Barisal Branch | 22,659,073 | 5,934,455 |
| Bashundhara Branch | - | 21,737,000 |
| Beani Bazar Branch | 40,707,355 | 40,707,355 |
| Bogura Cantonment Branch | 12,969,095 | 13,332,554 |
| BUSM Cantonment Branch | 7,247,892 | 985,953 |
| CDA Avenue Branch | 6,256,049,688 | 4,124,744,586 |
| Centennial Branch | 5,034,256 | 6,556,157 |
| Chapainawabgonj Branch | 3,100,495 | 3,100,495 |
| Chowmohoni Branch | 18,311,094 | 11,732,198 |
| Companygonj Branch | 7,672,891 | 7,672,891 |
| Cox's Bazar branch | 4,269,778 | 4,269,778 |
| Cumilla Branch | 3,709,517 | 14,162,592 |
| Cumilla Cantonment Branch | 25,135,215 | 24,185,529 |
| Daulatpur Branch | 4,813,005 | 1,613,094 |
| Dayarampur Branch | 1,539,423 | 1,539,423 |

| | 31.12.2023 | 31.12.2022 |
|-------------------------------|---------------|---------------|
| | Taka | Taka |
| Dholaikhal SME Service Centre | 11,017,009 | 10,936,164 |
| Dilkusha Corporate Branch | 1,775,375,984 | 1,343,114,697 |
| Dinajpur Branch | 157,276 | 188,906 |
| Elephant Road Branch | 707,665,127 | 713,031,627 |
| Faridpur Branch | 3,571,089 | 2,048,182 |
| Feni Branch | 8,313,387 | 8,926,956 |
| Goala Bazar Branch | 3,187,439 | 3,187,439 |
| Gopalgonj Branch | 163,796 | - |
| Gulshan Corporate Branch | 5,817,132,384 | 2,493,957,596 |
| Habiganj Branch | 1,481,466 | - |
| Halishahar Branch | 8,470,474 | 12,493,058 |
| Jahanabad Cantt Branch | 1,418,013 | 1,324,828 |
| Jalalabad Branch | 2,141,474 | 2,141,474 |
| Jessore Cantonment Branch | 9,061,077 | 8,986,792 |
| Joydevpur Branch | 9,100,342 | 8,819,768 |
| Joypara Branch | 311,504,666 | 14,163,619 |
| Jubilee Road Branch | 168,538,702 | 173,022,151 |
| Kadamtali Branch | 404,314 | - |
| Kafrul Branch | 1,302,936 | 1,302,936 |
| Kakrail Branch | 1,302,936 | 543,042 |
| Kanchpur Branch | 5,908,258 | 5,394,595 |
| Karwan Bazar Branch | 1,196,488,245 | 702,764,660 |
| Keraniganj Branch | 23,550,118 | 66,971 |
| Khatunganj Branch | 171,232,619 | 53,448,715 |
| Khulna Branch | 403,216,646 | 404,723,776 |
| Kishoreganj Branch | 3,292,158 | 6,292,158 |
| Kushtia Branch | 3,853,825 | - |
| KYAMCH Branch | 49,599,510 | 24,090,249 |
| Lalmonirhat Branch | 82,917,304 | 83,599,226 |
| Madhobdi SME Branch | 100,341,280 | 97,865,697 |
| Madina Market Branch | 3,716,155 | 3,716,155 |
| Manikganj SME/Krishi Branch | 210,391,250 | 179,209,840 |
| Matuail Branch | 369,045 | 369,045 |
| Millennium Corporate Branch | 398,115,445 | 403,124,346 |
| Mirerbazar SME/Krishi Branch | 9,809,873 | 11,816,363 |
| Mirpur Branch | 62,177,200 | 62,177,200 |
| Mohakhali Branch | 75,564,100 | 75,564,100 |
| Mongla Branch | 1,345,731 | 784,620 |
| Moulvibazar Branch | 26,883,078 | 27,158,470 |
| Munshiganj Branch | 25,025,586 | 25,558,955 |
| Mymensingh Cantonment Branch | 2,038,239 | 2,038,239 |
| Narayanganj Branch | 15,846,056 | 15,846,056 |
| Narsingdi Branch | 177,768,910 | 180,401,727 |
| Natore SME/ Krishi Branch | 20,242,042 | 20,557,954 |
| Pangsha Branch | 8,881,090 | 19,034,985 |
| Principal Branch | 40,574,137 | 33,848,990 |
| Rajshahi Branch | 29,767,758 | 27,700,829 |
| Ramu Branch | 2,614,812 | 1,896,916 |
| Rangpur Cantonment Branch | 11,164,909 | 11,775,278 |
| RWGH Branch | 3,577,437 | 2,810,339 |
| Saidpur Branch | 26,295,635 | 29,636,354 |

| | | 31.12.2023 | 31.12.2022 | |
|--------------|---|-----------------------|------------------------|------------------------|
| | | Taka | Taka | |
| | Savar Cantt. Branch | 3,652,023 | 3,350,058 | |
| | Sena Kalyan Bhaban Branch | 237,390,564 | 237,391,064 | |
| | Shahjalal Upashohor Branch | 3,605,297 | 2,361,440 | |
| | Shambugonj Branch | 13,723,923 | 13,438,913 | |
| | Shatibari Branch | 4,463,994 | 3,746,135 | |
| | SS Cantt. Branch | 7,000 | 150,000 | |
| | Sylhet Corp. Branch | 16,227,000 | 11,174,106 | |
| | Taranagar Branch | 508,900 | 508,900 | |
| | Takerhat Branch | 430,818 | - | |
| | Titas Branch | 348,802 | 2,106,130 | |
| | Tongi Branch | 1,307,632 | 3,073,487 | |
| | Uttara Corporate Branch | 2,014,041,591 | 1,871,469,764 | |
| | | 21,963,871,170 | 13,799,565,115 | |
| 7 (a) | Consolidated Loans and Advances/Islami Banking Investments | | | |
| | Loans And Advances | | | |
| | Trust Bank Limited | Note-7.1 | 320,135,223,486 | 287,051,179,429 |
| | Trust Bank Securities Limited | | - | - |
| | Trust Bank Investment Limited | | 3,032,070,432 | 3,175,231,392 |
| | Trust Axiata Digital Limited | | - | - |
| | | | 323,167,293,918 | 290,226,410,821 |
| | Less : Inter Company Transaction | | 1,943,795,979 | 1,885,289,065 |
| | | | 321,223,497,939 | 288,341,121,756 |
| | Bills purchased and discounted | | | |
| | Trust Bank Limited | Note-7.7 | 12,568,356,377 | 11,325,268,681 |
| | Trust Bank Securities Limited | | - | - |
| | Trust Bank Investment Limited | | - | - |
| | Trust Axiata Digital Limited | | - | - |
| | | | 12,568,356,377 | 11,325,268,681 |
| | | | 333,791,854,316 | 299,666,390,437 |
| 8 | FIXED ASSETS INCLUDING PREMISES, FURNITURE AND FIXTURES | | | |
| | Cost | | | |
| | Land | | 327,276,677 | 327,276,677 |
| | Office Building | | 29,045,910 | 29,045,910 |
| | Furniture and Fixtures | | 704,880,183 | 701,452,425 |
| | Office Equipment | | 1,360,114,136 | 1,157,294,936 |
| | Motor Vehicles | | 114,989,862 | 114,989,862 |
| | Right of Use Assets | Note-8.1 | 2,226,782,339 | 2,442,455,709 |
| | Intangible Assets | | 31,943,846 | 17,990,169 |
| | | | 4,795,032,953 | 4,790,505,688 |
| | Less: Accumulated depreciation | | | |
| | Office Building | | 5,175,056 | 4,562,972 |
| | Furniture and Fixtures | | 441,532,400 | 422,280,814 |
| | Office Equipment | | 1,026,325,064 | 970,075,698 |
| | Motor Vehicles | | 100,840,032 | 95,878,599 |
| | Right of Use Assets | | 657,670,982 | 1,141,347,651 |
| | Intangible Assets | | 6,023,020 | - |
| | | | 2,237,566,554 | 2,634,145,734 |
| | | | 2,557,466,399 | 2,156,359,954 |

For details please refer to Annexure - B

The recognition and measurement policy of fixed assets including Right of use (RoU) assets are described in note 2.19 and note 2.27.

| | | 31.12.2023 | 31.12.2022 | |
|--------------|--|------------|-----------------------|-----------------------|
| | | Taka | Taka | |
| 8.1 | Right-of-use assets: | | | |
| | The Bank has leased assets mainly for Head Office/Branch Office Buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Bank classifies its right-of-use assets in a consistent manner to its property, plant and equipment. | | | |
| 8 (a) | Consolidated Fixed assets including premises, furniture and fixtures | | | |
| | Trust Bank Limited | Note-8 | 2,557,466,399 | 2,156,359,954 |
| | Trust Bank Securities Limited | | 3,608,524 | 2,434,280 |
| | Trust Bank Investment Limited | | 14,933,695 | 3,440,942 |
| | Trust Axiata Digital Limited | | 225,585,882 | 246,726,044 |
| | | | 2,801,594,500 | 2,408,961,220 |
| 9 | OTHER ASSETS | | | |
| i) | Investment in shares of Subsidiary Companies | | | |
| | In Bangladesh | Note-9.1 | 3,579,499,290 | 3,579,499,290 |
| | Outside Bangladesh | | - | - |
| ii) | Stationery, stamps, printing materials in stock etc.; | | 72,024,239 | 44,910,607 |
| iii) | Advance Rent and Advertisement | | 127,300,310 | 135,653,916 |
| iv) | Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable; | Note-9.2 | 2,557,102,895 | 2,107,673,644 |
| v) | Security Deposits | | 6,191,334 | 10,705,909 |
| vi) | Preliminary, formation and organization expenses, renovation/development expenses and prepaid expenses; | Note-9.3 | 190,160,590 | 185,458,190 |
| vii) | Branch Adjusting Accounts (net) | Note-9.4 | 263,191,910 | - |
| viii) | Suspense Account | | 413,762,852 | 303,853,785 |
| ix) | Silver | | - | - |
| x) | Others | Note-9.5 | 4,736,514,425 | 5,163,983,605 |
| | | | 11,945,747,845 | 11,531,738,946 |
| 9.1 | Investment in shares of Subsidiary Companies in Bangladesh | | | |
| | Trust Bank Investment Limited | | 2,999,999,300 | 2,999,999,300 |
| | Trust Bank Securities Limited | | 349,999,990 | 349,999,990 |
| | Trust Axiata Digital Limited | | 229,500,000 | 229,500,000 |
| | | | 3,579,499,290 | 3,579,499,290 |
| 9.2 | Interest/Profit accrued on investment but not collected, commission and brokerage receivable on shares and debentures and other income receivable; | | | |
| | Interest accrued on investments and deposits | Note-9.2.1 | 2,338,404,845 | 1,891,166,770 |
| | Interest accrued on Loans & advances | Note-9.2.2 | 176,628,313 | 160,559,380 |
| | Commission Receivable on SP, WEDB & Mobile Banking Activities | | 42,069,737 | 55,947,494 |
| | | | 2,557,102,895 | 2,107,673,644 |
| 9.2.1 | Interest accrued on investments and deposits | | | |
| | Interest accrued on Government Treasury Bond | | 1,065,326,546 | 790,874,259 |
| | Dividend Receivable from Non-Listed Companies | | 118,866,751 | 104,706,051 |
| | Dividend Receivable from Listed Companies | | 940,068 | 4,145,582 |

| | | 31.12.2023 | 31.12.2022 |
|--|----------------|----------------------|----------------------|
| | | Taka | Taka |
| Income Receivable on Corporate Bonds | | 491,293,674 | 447,252,144 |
| Interest/Profit accrued on Other Banks & Fls - FDR/MTDR | Note - 9.2.1.1 | 187,095,551 | 98,870,858 |
| Income Receivable on Money At Call & Short Notice | | - | 5,246,250 |
| Interest on Reverse REPO | | - | 1,590,591 |
| Income receivable from BO Account | | 30,000,000 | - |
| Income Receivable on Bangladesh Government Investment Sukuk (BGIS) | | 43,364,261 | 16,422,668 |
| Profit Receivable on BGIIB | | 947,350 | 929,616 |
| Interest Receivable on Swap/ Forward Deal | | 11,388,173 | 1,840,794 |
| Income Receivable on Investment in Perpetual Bond | | 63,084,937 | 107,075,354 |
| Income Receivable on Investment in Mudaraba Perpetual Bond | | 326,097,534 | 312,212,603 |
| | | 2,338,404,845 | 1,891,166,770 |
| 9.2.1.1 Interest/Profit accrued on Fixed Deposits/MTDR | | | |
| Interest accrued on Fixed Deposits | | 49,443,648 | 468,509 |
| Profit accrued on MTDR | | 137,651,903 | 95,249,306 |
| Interest Receivable on FDR with other Banks- USD | | - | 3,153,043 |
| | | 187,095,551 | 98,870,858 |

9.2.2 Interest accrued on Loans & advances

Interest/profit receivable from borrowers for COVID-19 and interest/profit receivable from Bangladesh Bank for COVID-19 as subsidy to the Borrowers are included with the interest accrued on loans and advances according to BRPD Circular# 11 dated 03 May 2020, BRPD Circular#12 dated 10 June 2020 and BRPD Circular Letter#23 dated 04 May 2020.

9.3 Preliminary, formation and organization expenses, renovation/ development expenses and prepaid expenses;

| | | |
|-------------------|--------------------|--------------------|
| Office Renovation | 96,065,233 | 94,957,873 |
| Prepaid Expenses | 94,095,357 | 90,500,317 |
| | 190,160,590 | 185,458,190 |

9.4 Branch Adjusting Accounts

This represents outstanding inter-branch and head office transactions (net) which are originated but not responded by the counter transaction at the balance sheet date. The unresponded entries of 31 December 2023 are given below:

| Periods of Reconciliation | Number of responded entries (Debit) | Amount of responded entries (Taka) | Number of responded entries (Credit) | Amount of responded entries (Taka) | Balance |
|----------------------------------|-------------------------------------|------------------------------------|--------------------------------------|------------------------------------|---------------------|
| In Bangladesh | | | | | |
| Less than 03 months | 667 | 308,344,524 | 83 | 27,619,274 | 280,725,250 |
| 03 months to less than 06 months | | | | | |
| 06 months to less than 09 months | | | | | |
| 09 months to less than 12 months | | | | | |
| 12 months and more | | | | | |
| Total | 667 | 308,344,524 | 83 | 27,619,274 | 280,725,250 |
| Outside Bangladesh | | | | | |
| Less than 03 months | | | 12 | 17,533,340 | (17,533,340) |
| 03 months to less than 06 months | | | | | |
| 06 months to less than 09 months | | | | | |
| 09 months to less than 12 months | | | | | |
| 12 months and more | | | | | |
| Total | | - | 12.00 | 17,533,340 | (17,533,340) |
| Grand-Total | 667 | 308,344,524 | 95 | 45,152,614 | 263,191,910 |

| | | 31.12.2023 | 31.12.2022 |
|--------------|---|----------------------|----------------------|
| | | Taka | Taka |
| 9.5 | Others | | |
| | Deferred Tax Asset | 104,019,074 | 178,313,108 |
| | Encashment of Sanchaya patra awaiting reimbursement-Principal | 599,649,217 | 942,244,922 |
| | Encashment of Sanchaya patra awaiting reimbursement-Interest | 47,795,068 | 98,377,818 |
| | Encashment of WEDB awaiting reimbursement-Principal | 979,660,975 | 1,740,640,225 |
| | Encashment of WEDB awaiting reimbursement-Interest | 660,538,656 | 1,171,557,477 |
| | US\$ Premium Bond - Principal | - | 5,683,717 |
| | US\$ Premium Bond - Interest | - | 435,338 |
| | US\$ Investment Bond - Principal | - | 39,165,974 |
| | US\$ Investment Bond - Interest | 215,475 | 4,901,172 |
| | Advance against Capital Expenditure | 34,729,637 | 19,305,695 |
| | Advance for Investment in Capital Market | 800,000,000 | 800,000,000 |
| | Clearing Adjustment Account | 9,473,530 | 8,717,294 |
| | Coupon Interest Adjustment Account | - | 20,813,317 |
| | MFS Remittance Settlement Account | 13,238,046 | - |
| | Receivable from Exchange House | 957,593 | 14,728,670 |
| | Receivable on Death Risk Benefit-WEDB | 30,240 | 30,240 |
| | Bangladesh Bank Subsidy Receivables Account | 56,627,261 | 116,722,417 |
| | Credit Card Adjustment - Debit | - | 2,346,221 |
| | Imprest Fund for Cash-Incentive against Remittance | 1,428,838,213 | - |
| | VISA Receivable Fast Fund | 741,440 | - |
| | | 4,736,514,425 | 5,163,983,605 |
| 9.5.1 | Deferred Tax Asset | | |
| | Balance as on 1 January | 178,313,108 | 178,360,999 |
| | Addition during the year | (74,294,034) | (47,891) |
| | Closing Balance | 104,019,074 | 178,313,108 |

9.5.1.1 As per BRPD Circular # 11 Dated: 12 December 2011, the accounting for Deferred Tax policies are as follows:

| Particulars | Book Value | Tax Base | (Deductible)/Taxable Temporary Differences | Deferred Tax (Assets)/Liability 31.12.2023 |
|---------------------|----------------------|----------------------|--|--|
| Fixed Assets | 988,355,042 | 1,207,164,746 | (218,809,704) | (82,053,639) |
| Right-of-Use Assets | 2,180,855,402 | 2,239,429,895 | (58,574,493) | (21,965,435) |
| | 3,169,210,444 | 3,446,594,641 | (277,384,198) | (104,019,074) |

9.5.1.2 Position of Deferred Tax as at 31 December 2023

| | | |
|--|--------------------|--------------------|
| Deferred Tax Asset | 178,313,108 | 178,360,999 |
| Deferred Tax Liability | - | - |
| Net Deferred Tax Assets | 178,313,108 | 178,360,999 |
| Increase of deferred Tax Assets recognized in to the P&L Account | (74,294,034) | (47,891) |
| Decreased of deferred Tax Liability recognized in to the P&L Account | - | - |
| Total Deferred tax Income recognized into P&L Account during the period | 104,019,074 | 178,313,108 |

Trust Bank Limited recognize deferred tax asset/liability where it has identified a taxable temporary difference between an asset's or liability's carrying amount for accounting purposes and its value for tax purposes. A deferred tax liability arises where the carrying amount of an assets/(Liability) for accounting purposes is greater (less) than its tax value as per IAS -12 of 12.15 A deferred tax assets arises where the carrying amount of an assets/(Liability) for accounting purposes is less(greater) than its tax value.

31.12.2023 **31.12.2022**
Taka **Taka**

9.5.1.3 To maintain the deferred tax Asset of Tk.104,019,074 as on 31 December 2023, a deferred tax Income of Tk.-74,294,034 has been made for the period ended 31 December 2023 as per IAS-12 - Income Taxes.

9.5.1 (a) Consolidated Deferred Tax Asset

| | | | |
|-------------------------------|--------------|--------------------|--------------------|
| Trust Bank Limited | Note - 9.5.1 | 104,019,074 | 178,313,108 |
| Trust Bank Securities Limited | | 680,378 | 539,559 |
| Trust Bank Investment Limited | | 1,365,959 | 1,495,933 |
| Trust Axiata Digital Limited | | 252,471,279 | 203,027,852 |
| | | 358,536,690 | 383,376,452 |

9.6 Break-up of Other Assets

| | | |
|------------------------------------|-----------------------|-----------------------|
| Income generating other assets | 3,579,499,290 | 3,579,499,290 |
| Non income generating other assets | 8,366,248,555 | 7,949,893,435 |
| | 11,945,747,845 | 11,529,392,725 |

9.7 Provision for other asset has been made as per BRPD Circular No. 14 dated 25 June 2001 issued by Bangladesh Bank and shown in Note-12.3 under Other Liabilities.

9 (a) Consolidated other assets

| | | | |
|--|----------|----------------------|----------------------|
| Trust Bank Limited | Note - 9 | 11,945,747,845 | 11,531,738,946 |
| Trust Bank Securities Limited | | 912,953,720 | 760,323,294 |
| Trust Bank Investment Limited | | 60,187,383 | 43,428,653 |
| Trust Axiata Digital Limited | | 308,272,466 | 241,897,009 |
| | | 13,227,161,414 | 12,577,387,902 |
| Less: Investment/Advance in Subsidiaries Company | | 3,716,071,727 | 3,708,054,433 |
| | | 9,511,089,687 | 8,869,333,469 |
| Less: Inter company Transaction | | 1,504,851 | 1,504,851 |
| | | 9,509,584,836 | 8,867,828,618 |

10 BORROWINGS FROM OTHER BANKS, FINANCIAL INSTITUTIONS AND AGENTS

In Bangladesh

REPO

Call Borrowings

Call Loan from Banks

Short Notice Borrowings

Other Borrowings

| | | |
|---|-----------------------|-----------------------|
| Borrowing from Bangladesh Bank - EDF | 4,041,487,900 | 7,377,962,253 |
| Borrowing from SME Foundation | 5,800,000 | - |
| Bangladesh Bank Refinance | 7,252,452 | 73,242,337 |
| Bangladesh Bank SME - Refinance | 1,408,749,167 | 507,747,805 |
| Bangladesh Bank Green-Refinance | 690,012,500 | 2,400,000 |
| Bangladesh Bank Refinance - WC (30,000 Cr) | - | 1,095,734,964 |
| Borrowing from Bangladesh Bank - IPFF (BDT) | 3,589,256,301 | 3,463,173,478 |
| Borrowing from Bangladesh Bank - IPFF (USD) | 3,123,666,837 | 4,548,237,181 |
| Borrowing from Bangladesh Bank - LTFF (USD) | 112,934,622 | 200,349,918 |
| Borrowing from Offshore Unit | - | 52,353,593 |
| | 12,979,159,779 | 17,321,201,529 |

| | | | 31.12.2023 | 31.12.2022 |
|--|-------------|---------------|-----------------------|-----------------------|
| | | | Taka | Taka |
| Issuance of Bonds | | Interest Rate | | |
| Subordinated Bonds | Note - 10.1 | | | |
| Trust Bank Limited Subordinated Bond III | | 8.28% | - | 800,000,000 |
| Trust Bank Limited Subordinated Bond IV | | 8.55% | 2,000,000,000 | 3,000,000,000 |
| Trust Bank Limited Subordinated Bond V | | 9.00% | 3,200,000,000 | 4,000,000,000 |
| Trust Bank Limited Subordinated Bond VI | | 8.83% | 3,900,000,000 | 2,000,000,000 |
| | | | 9,100,000,000 | 9,800,000,000 |
| Perpetual Bonds | Note - 10.2 | | | |
| Trust Bank Limited Perpetual Bond | | 10.00% | 4,000,000,000 | 4,000,000,000 |
| | | | 13,100,000,000 | 13,800,000,000 |
| | | | 26,079,159,779 | 31,121,201,529 |
| Outside Bangladesh | | | | |
| Commerz Bank, AG Germany | | | 6,495,370 | - |
| Borrowed by Offshore Banking Unit | | | | |
| Standard Chartered Bank | | | - | 276,557,134 |
| The National Bank of RAS Al-Khaimah | | | 951,374,417 | 2,112,537,279 |
| Ajman Bank PJSC | | | - | 526,448,031 |
| Habib Bank Limited UAE | | | 455,271,667 | - |
| Borrowing from DBU | | | 8,312,011,061 | 6,403,584,655 |
| | | | 9,718,657,145 | 9,319,127,099 |
| | | | 9,725,152,515 | 9,319,127,099 |
| | | | 35,804,312,294 | 40,440,328,628 |

10.1 As per Bangladesh Bank letter ref # BRPD (BIC)661/14B(P)/2011-264 dated: May 31, 2011 & Guidelines on Risk Based Capital Adequacy (December 2010){ Annex A}: Unsecured Subordinated Non-Convertible Bonds are shown as long term borrowings. Trust Bank Limited has issued the subordinated bonds for six times out of which Bond - I, II and III have already been adjusted. The features of other bonds are stated below:

10.1.1 Trust Bank Limited Subordinated Bond III

Trust Bank Limited issued an Unsecured Subordinated Non-Convertible Bond of Taka 4,000,000,000 for a term of Seven (7) years to strengthen the capital base of the Bank. The Bond was issued on October 2016 on the consent of BSEC vide Letter Ref# BSEC/CI/DS-44/2016/343 dated 16 June 2016 and Bangladesh Bank permission Letter Ref# BRPD (BFIC)661/14B(P)I2016-5594 dated 18 August 2016. The Bond was issued at floating rate of interest. 100% repayment of the Bond has been made on 24 October 2019, 25 October 2020, 26 October 2021, 26 October 2022 and 26 October 2023 @ 20% per year to the respective Bond holders. The details of the Bond as on 31 December 2023 are as follows:

| | | |
|---------------------------|---|--------------------|
| Sonali Bank Limited | - | 120,000,000 |
| Rupali Bank Limited | - | 180,000,000 |
| Janata Bank Limited | - | 100,000,000 |
| South East Bank Limited | - | 100,000,000 |
| Pubali Bank Limited | - | 200,000,000 |
| Uttara Bank Limited | - | 60,000,000 |
| Mercantile Bank Limited | - | 20,000,000 |
| Mutual Trust Bank Limited | - | 20,000,000 |
| | - | 800,000,000 |

10.1.2 Trust Bank Limited Subordinated Bond IV

Trust Bank Limited issued an Unsecured Subordinated Non-Convertible Bond of Taka 5,000,000,000 for a term of Seven (7) years to strengthen the capital base of the Bank. The Bond was issued on December 2018 on the consent of BSEC vide Letter Ref# BSEC/CI/DS-111/2014/694 dated 11 October 2018 and Bangladesh Bank permission Letter Ref# BRPD (BFIC)661/14B(P)I2018-8228 dated 28 October 2018. The Bond was issued at floating rate of interest. 60% repayment of the Bond has already been made on 15 December 2021, 18 December 2022 and 17 December 2023 @ 20% to the respective Bond holders. The details of the Bond as on 31 December 2023 are as follows:

| | 31.12.2023 | 31.12.2022 |
|---------------------|----------------------|----------------------|
| | Taka | Taka |
| Janata Bank Limited | 600,000,000 | 900,000,000 |
| Sonali Bank Limited | 100,000,000 | 150,000,000 |
| Agrani Bank Limited | 800,000,000 | 1,200,000,000 |
| Rupali Bank Limited | 300,000,000 | 450,000,000 |
| Dhaka Bank Limited | 200,000,000 | 300,000,000 |
| | 2,000,000,000 | 3,000,000,000 |

10.1.3 Trust Bank Limited Subordinated Bond V

Trust Bank Limited issued an Unsecured Subordinated Non-Convertible Bond of Taka 4,000,000,000 for a term of Seven (7) years to strengthen the capital base of the Bank. The Bond was issued on December 2020 on the consent of BSEC vide Letter Ref#BSEC/CI/DS-125/2020/297 dated December 23, 2020 and Bangladesh Bank permission Letter Ref# BRPD(BFIS)661/14B(P)I2020-10358 dated December 01, 2020. The Bond was issued at floating rate of interest. 20% repayment of the Bond has already been made on 28 December 2023 @ 20% to the respective Bond holders. The details of the Bond as on 31 December 2023 are as follows:

| | | |
|--------------------------------|----------------------|----------------------|
| Agrani Bank Limited | 1,600,000,000 | 2,000,000,000 |
| Eastern Bank Limited | 800,000,000 | 1,000,000,000 |
| Pubali Bank Limited | 400,000,000 | 500,000,000 |
| Square Pharmaceuticals Limited | 400,000,000 | 500,000,000 |
| | 3,200,000,000 | 4,000,000,000 |

10.1.4 Trust Bank Limited Subordinated Bond VI

Trust Bank Limited issued an Unsecured Subordinated Non-Convertible Bond of Taka 4,000,000,000 for a term of Seven (7) years to strengthen the capital base of the Bank. The Bond was issued on December 2022 on the consent of BSEC vide Letter Ref#BSEC/CI/DS-200/2022/1115 dated December 29, 2022 and Bangladesh Bank permission Letter Ref# BRPD(BS)661/14B(P)I2022-9860 dated September 27, 2022. The Bond was issued at floating rate of interest. The repayment of the Bond will start after three years from the date of issue of the Bond. The details of the Bond as on 31 December 2023 are as follows:

| | | |
|--------------------------|----------------------|----------------------|
| Premier Bank Ltd | 1,000,000,000 | 1,000,000,000 |
| NRBC Bank Ltd | 1,000,000,000 | 1,000,000,000 |
| GPH Ispat Ltd | 500,000,000 | - |
| BSRM Steels Ltd | 100,000,000 | - |
| Smile Food Products | 1,000,000,000 | - |
| S.S Steel Ltd | 50,000,000 | - |
| Tanvir Constructions Ltd | 100,000,000 | - |
| Oimex Electrode Ltd | 50,000,000 | - |
| Farhana Monem | 50,000,000 | - |
| Abdul Monem Ltd | 50,000,000 | - |
| | 3,900,000,000 | 2,000,000,000 |

10.2 Trust Bank Limited Perpetual Bond

Trust Bank Limited has been permitted to issue an unsecured, contingent-convertible, floating rate Perpetual Bond of Taka 4,000,000,000 to strengthen the capital base of the Bank on the consent of BSEC/CI/DS-125/2020/290 dated December 09, 2020 and Bangladesh Bank permission letter ref # BRPD(BFIS)661/14B(P)I2020/7904 dated September 24, 2020. The coupon rate of the Bond will be limited to minimum 6.00% and maximum 10.00%. The details of the Bond as on 31 December 2023 are as follows:

| | | |
|-----------------------------------|----------------------|----------------------|
| Jamuna Bank Limited | 650,000,000 | 650,000,000 |
| Community Bank Bangladesh Limited | 150,000,000 | 150,000,000 |
| Eastern Bank Limited | 1,200,000,000 | 1,200,000,000 |
| Mercantile Bank Limited | 400,000,000 | 400,000,000 |
| Dhaka Bank Limited | 1,000,000,000 | 1,000,000,000 |
| Midland Bank Limited | 60,000,000 | 60,000,000 |
| IPDC Finance Limited | 250,000,000 | 250,000,000 |
| Ms Shahana Hanif | 250,000,000 | 250,000,000 |
| President Guard Regiment | 40,000,000 | 40,000,000 |
| | 4,000,000,000 | 4,000,000,000 |

| | | 31.12.2023 | 31.12.2022 |
|---------------|--|------------------------|------------------------|
| | | Taka | Taka |
| 10.3 | Security-wise borrowings | | |
| | Secured Borrowings | - | - |
| | Unsecured Borrowings | 35,804,312,294 | 40,440,328,628 |
| | | 35,804,312,294 | 40,440,328,628 |
| 10.4 | Repayment nature wise borrowings | | |
| | Repayment on Demand | - | - |
| | Others | 35,804,312,294 | 40,440,328,628 |
| | | 35,804,312,294 | 40,440,328,628 |
| 10.5 | Remaining maturity grouping of Borrowings from other banks, financial institutions and agents | | |
| | Payable | | |
| | On demand | - | - |
| | Up to 1 month | 5,475,550,698 | 6,184,536,316 |
| | Over 1 month but within 3 months | 3,246,631,159 | 3,667,011,670 |
| | Over 3 months but within 1 Year | 10,643,437,672 | 12,021,571,973 |
| | Over 1 Year but within 5 Years | 8,834,514,665 | 9,978,425,877 |
| | Over 5 Years | 7,604,178,100 | 8,588,782,792 |
| | | 35,804,312,294 | 40,440,328,628 |
| 10 (a) | Consolidated borrowings from other Banks, financial institutions and agents | | |
| | Trust Bank Limited | 35,804,312,294 | 40,440,328,628 |
| | Trust Bank Securities Limited | - | - |
| | Trust Bank Investment Limited | 1,553,531,392 | 1,620,647,542 |
| | Trust Axiata Digital Limited | - | - |
| | | 37,357,843,686 | 42,060,976,170 |
| | Less: Inter company transaction | 1,943,795,979 | 1,885,289,065 |
| | | 35,414,047,707 | 40,175,687,105 |
| 11 | DEPOSITS AND OTHER ACCOUNTS | | |
| | Current/Al-wadeeah Current Accounts and other Accounts | 53,518,249,499 | 40,447,637,232 |
| | Bills Payable | 4,804,983,055 | 4,514,894,360 |
| | Savings Bank Deposits/Mudaraba Savings Deposits | 64,437,532,540 | 62,376,495,108 |
| | Fixed Deposits/Mudaraba Term Deposits | 243,640,966,750 | 218,591,619,869 |
| | | 366,401,731,844 | 325,930,646,569 |

11.1 Remaining maturity grouping of Deposits and other accounts

| Inside Bangladesh Payable | Banks | Other than Banks | 31.12.2023 Taka | 31.12.2022 Taka |
|----------------------------------|--------------------|------------------------|------------------------|------------------------|
| Repayable on Demand | 416,297,089 | 52,978,118,353 | 53,394,415,442 | 44,962,531,592 |
| Repayable within 1 month | 113,104,665 | 54,952,577,547 | 55,065,682,212 | 52,675,373,054 |
| Over 1 month but within 6 months | 226,899,638 | 93,594,465,262 | 93,821,364,900 | 83,127,411,655 |
| Over 6 months but within 1 Year | - | 115,926,462,364 | 115,926,462,364 | 102,299,747,669 |
| Over 1 Year but within 5 Years | - | 34,075,022,890 | 34,075,022,890 | 29,188,135,085 |
| Over 5 Years | - | 14,111,253,444 | 14,111,253,443 | 13,677,447,514 |
| | 756,301,392 | 365,637,899,860 | 366,394,201,251 | 325,930,646,569 |
| Outside Bangladesh | | - | | |
| | 756,301,392 | 365,637,899,860 | 366,394,201,251 | 325,930,646,569 |

| | | 31.12.2023 | 31.12.2022 | |
|---------------|--|-------------|-----------------------|-----------------------|
| | | Taka | Taka | |
| 11.2 | Current/Al-wadeeah Current Accounts and other Accounts | | | |
| | Conventional Banking | Note-11.2.1 | 49,978,431,559 | 38,298,668,866 |
| | Islamic Banking | Note-11.2.2 | 3,539,817,940 | 2,148,968,366 |
| | | | 53,518,249,499 | 40,447,637,232 |
| 11.2.1 | Conventional Banking | | | |
| | Current Account | | 26,045,618,691 | 22,688,742,934 |
| | Unclaimed Dividend | Note-11.2.3 | 33,284,518 | 30,147,803 |
| | Other Accounts | Note-11.2.4 | 23,899,528,350 | 15,579,778,129 |
| | | | 49,978,431,559 | 38,298,668,866 |
| 11.2.2 | Islamic Banking | | | |
| | Al-wadeeah Current Accounts | | 1,817,397,468 | 1,103,987,381 |
| | Foreign Currency Deposits | | 84,916,742 | 61,127,535 |
| | Sundry Deposits | | 1,192,553,541 | 595,668,845 |
| | Profit payable on Deposits | | 444,950,189 | 388,184,605 |
| | | | 3,539,817,940 | 2,148,968,366 |
| 11.2.3 | Unclaimed Dividend | | | |
| | As per Bangladesh Securities and Exchange Commission directive no. BSEC/CMRRCD/2021-386/03 dated 14 January 2021, year wise unclaimed dividend information is given below: | | | |
| | 2022 | | 3,536,753 | - |
| | 2021 | | 4,652,095 | 4,884,537 |
| | 2020 | | 3,230,483 | 3,280,152 |
| | 2019 | | 1,802,093 | 1,851,330 |
| | 2018 | | 48,950 | 48,961 |
| | 2017 | | 3,342,446 | 3,342,446 |
| | 2016 | | 2,863,807 | 2,867,996 |
| | 2015 | | 2,258,218 | 2,297,154 |
| | 2014 | | 2,788,138 | 2,812,610 |
| | 2013 | | 41,685 | 41,685 |
| | 2012 | | 30,994 | 30,994 |
| | 2011 | | 2,312,388 | 2,313,468 |
| | 2010 | | 2,432,617 | 2,432,617 |
| | 2009 | | 3,033,259 | 3,033,259 |
| | 2007 & 2008 | | 910,594 | 910,594 |
| | | | 33,284,518 | 30,147,803 |
| 11.2.4 | Other Accounts | | | |
| | Foreign Currency Deposits | | 15,627,985,653 | 9,951,708,760 |
| | Interest Payable on Deposits | | 2,624,946,523 | 2,147,721,941 |
| | Sundry Deposits | | 5,646,596,174 | 3,480,347,428 |
| | | | 23,899,528,350 | 15,579,778,129 |
| 11.3 | Bills Payable | | | |
| | Conventional Banking | | | |
| | Demand Draft payable | | 1,108,593 | 1,131,392 |
| | Pay Order payable | | 4,296,543,280 | 4,451,692,018 |
| | | | 4,297,651,873 | 4,452,823,410 |

| | | 31.12.2023 | 31.12.2022 | | |
|------------------------|--|------------------------|-------------------------|------------------------|------------------------|
| | | Taka | Taka | | |
| Islamic Banking | | | | | |
| | Demand Draft payable | - | - | | |
| | Pay Order payable | 507,331,182 | 62,070,950 | | |
| | | 507,331,182 | 62,070,950 | | |
| | | 4,804,983,055 | 4,514,894,360 | | |
| 11.4 | Savings Bank Deposits/Mudaraba Savings Deposits | | | | |
| | Conventional Banking | 56,372,097,320 | 55,300,930,036 | | |
| | Islamic Banking | 8,065,435,220 | 7,075,565,072 | | |
| | | 64,437,532,540 | 62,376,495,108 | | |
| 11.5 | Fixed Deposits/Mudaraba Term Deposits | | | | |
| 11.5.1 | Conventional Banking | | | | |
| | Fixed Deposits | 136,291,925,551 | 126,087,324,722 | | |
| | Special Notice Deposits | 25,831,133,218 | 22,773,726,329 | | |
| | Scheme Deposits | 37,402,573,237 | 31,286,952,517 | | |
| | | 199,525,632,006 | 180,148,003,568 | | |
| 11.5.2 | Islamic Banking | | | | |
| | Mudaraba Term Deposits | 35,821,073,732 | 30,632,346,954 | | |
| | Mudaraba Special Notice Deposits | 884,047,300 | 769,892,484 | | |
| | Mudaraba Scheme Deposits | 7,410,213,712 | 7,041,376,863 | | |
| | | 44,115,334,744 | 38,443,616,301 | | |
| | | 243,640,966,750 | 218,591,619,869 | | |
| 11.5.3 | Fixed Deposits | | | | |
| | Inside Bangladesh Payable | Banks | Other than Banks | 31.12.2023 | 31.12.2022 |
| | | | | Taka | Taka |
| | One month | - | 5,049,543,182 | 5,049,543,182 | 1,188,876,247 |
| | Three months | - | 65,177,155,769 | 65,177,155,769 | 52,789,331,894 |
| | Six months | - | 18,059,688,854 | 18,059,688,854 | 21,768,229,921 |
| | One year | - | 47,839,752,290 | 47,839,752,290 | 50,138,076,315 |
| | Two years | - | 5,444,347 | 5,444,347 | 7,083,121 |
| | Three years | - | 141,075,453 | 141,075,453 | 176,480,935 |
| | Four years | - | 53,251 | 53,251 | 50,541 |
| | Five Years | - | 13,166,979 | 13,166,979 | 13,057,835 |
| | More than five years | - | 6,045,426 | 6,045,426 | 6,137,913 |
| | | | 136,291,925,551 | 136,291,925,551 | 126,087,324,722 |
| 11.5.4 | Mudaraba Term Deposits | | | | |
| | Inside Bangladesh Payable | Banks | Other than Banks | 31.12.2023 | 31.12.2022 |
| | | | | Taka | Taka |
| | One month | - | 16,139,031 | 16,139,031 | 15,904,470 |
| | Three months | - | 25,409,218,183 | 25,409,218,183 | 20,282,344,783 |
| | Six months | - | 4,117,115,571 | 4,117,115,571 | 4,616,226,637 |
| | One year | - | 6,265,080,240 | 6,265,080,240 | 5,704,865,808 |
| | Two years | - | - | - | - |
| | Three years | - | 13,520,707 | 13,520,707 | 13,005,256 |
| | Five Years | - | - | - | - |
| | More than five years | - | - | - | - |
| | | | 35,821,073,732 | 35,821,073,732 | 30,632,346,954 |

| | 31.12.2023 | 31.12.2022 |
|---|------------------------|------------------------|
| | Taka | Taka |
| 11.6 Payable on demand and time deposits | | |
| Demand deposits | | |
| Current/Al-wadeeah Current Accounts and other Accounts | 32,158,750,930 | 26,954,453,509 |
| Savings Bank Deposits/Mudaraba Savings Deposits | 5,799,377,929 | 5,613,884,560 |
| Foreign currency deposits | 14,553,933,075 | 9,505,406,715 |
| Sundry Deposits | 5,646,596,174 | 3,480,347,428 |
| Bills Payable | 4,804,983,055 | 4,514,894,360 |
| | 62,963,641,163 | 50,068,986,572 |
| Time deposits | | |
| Savings Bank Deposits/Mudaraba Savings Deposits | 58,638,154,611 | 56,762,610,548 |
| Fixed Deposits/Mudaraba Term Deposits | 172,112,999,283 | 156,719,671,676 |
| Foreign currency deposits | 1,158,969,320 | 507,429,580 |
| Special Notice Deposits/Mudaraba Special Notice Deposits | 26,715,180,518 | 23,543,618,813 |
| Scheme Deposits/Mudaraba Scheme Deposits | 44,812,786,949 | 38,328,329,380 |
| | 303,438,090,681 | 275,861,659,997 |
| | 366,401,731,844 | 325,930,646,569 |
| 11.7 Geographical location-wise concentration of Deposits & Other Accounts | | |
| Inside Bangladesh | | |
| Dhaka Division | 255,910,357,507 | 228,486,971,142 |
| Chittagong Division | 65,611,171,118 | 56,256,353,168 |
| Khulna Division | 13,679,048,439 | 11,873,408,015 |
| Sylhet Division | 11,169,283,066 | 9,955,121,287 |
| Rangpur Division | 5,990,987,294 | 5,019,035,911 |
| Barisal Division | 1,557,477,011 | 1,925,086,800 |
| Rajshahi Division | 10,777,147,560 | 10,762,186,121 |
| Mymensingh Division | 1,706,259,849 | 1,652,484,125 |
| | 366,401,731,844 | 325,930,646,569 |
| Outside Bangladesh | - | - |
| | 366,401,731,844 | 325,930,646,569 |
| 11.8 Sector-wise Deposits | | |
| Government | 38,930,251,534 | 32,815,924,563 |
| Deposit money banks | 756,301,392 | 727,668,619 |
| Other public | 13,141,305,928 | 13,649,533,931 |
| Private | 294,784,195,718 | 266,188,776,615 |
| Foreign Currency Deposits | 15,712,902,395 | 10,012,836,295 |
| Interest Payable on Deposits | 3,069,896,712 | 2,535,906,546 |
| | 366,394,853,679 | 325,930,646,569 |
| 11 (a) CONSOLIDATED DEPOSITS AND OTHER ACCOUNTS | | |
| Current / Al-wadeeah Current Accounts and other Accounts | | |
| Trust Bank Limited | 53,518,249,499 | 40,447,637,232 |
| Trust Bank Securities Limited | - | - |
| Trust Bank Investment Limited | 84,868,608 | 71,373,621 |
| Trust Axiata Digital Limited | - | - |
| | 53,603,118,107 | 40,519,010,853 |
| Less : Inter Company Transaction | 88,112,329 | 96,680,748 |
| | 53,515,005,778 | 40,422,330,105 |
| Bills Payable | 4,804,983,055 | 4,514,894,360 |
| Savings Bank Deposits/Mudaraba Savings Deposits | 64,437,532,540 | 62,376,495,108 |
| Fixed Deposits/Mudaraba Term Deposits | 243,640,966,750 | 218,591,619,869 |
| | 366,398,488,123 | 325,905,339,442 |

| | | 31.12.2023 | 31.12.2022 | |
|-----------|---|---------------|-----------------------|-----------------------|
| | | Taka | Taka | |
| 12 | OTHER LIABILITIES | | | |
| | Provision for Loans & Advances | Note - 12.1 | 13,487,884,000 | 16,116,248,000 |
| | General Provision for Off Balance Sheet Exposures | Note - 12.1 | 1,489,505,500 | 1,302,116,000 |
| | Provision for Investment | Note - 12.2 | 38,168,146 | 19,907,857 |
| | Provision for other asset | Note - 12.3 | 250,000,000 | 250,000,000 |
| | Provision for CSR Fund | Note - 12.4 | 190,792,315 | 120,000,000 |
| | Start Up Fund | Note - 12.5 | 118,418,222 | 75,238,187 |
| | Rebate of Interest payable to Good Borrowers | Note - 12.6 | 19,502,477 | 19,502,477 |
| | Unearned profit on TIB Investment | | 1,855,092,216 | 976,495,726 |
| | Interest Suspense Account | Note - 12.7 | 6,218,476,427 | 7,283,990,632 |
| | Provision for Income Tax Less Advance Income Tax | Note - 12.8 | 941,101,570 | 2,534,978,314 |
| | Interest Payable on Borrowings | | 227,189,347 | 92,026,252 |
| | Accrued Expenses | | 404,464,809 | 498,247,220 |
| | Audit Fees Payable | | 575,000 | 575,000 |
| | Sundry Creditors | | 2,033,817,370 | 1,078,337,945 |
| | Compensation Fund Account | Note - 12.8.2 | 44,270,477 | 20,892,467 |
| | Branch Adjusting Accounts (net) | | - | 79,492,888 |
| | Lease Liability | Note-12.9 | 1,370,586,060 | 1,199,004,496 |
| | Others | Note-12.10 | 36,692,049 | 18,795,082 |
| | | | 28,726,535,985 | 31,685,848,543 |

12.1 Provision for Loans and Advances/Islami Banking Investments and Off Balance Sheet Exposure

Specific Provision

| | | | |
|--|-------------|-----------------------|-----------------------|
| Against Classified Loans & Advances | Note-12.1.1 | 10,141,717,000 | 12,823,536,500 |
| General Provision | | | |
| Against Unclassified Loans & Advances | Note-12.1.2 | 2,811,624,500 | 2,603,765,500 |
| Special General Provision for COVID-19 | Note-12.1.3 | 486,340,000 | 655,600,000 |
| Against Special Mention Accounts | Note-12.1.4 | 48,202,500 | 33,346,000 |
| | | 3,346,167,000 | 3,292,711,500 |
| | | 13,487,884,000 | 16,116,248,000 |
| Against Off Balance Sheet Exposures | Note-12.1.5 | 1,489,505,500 | 1,302,116,000 |
| | | 14,977,389,500 | 17,418,364,000 |

12.1.1 Specific Provision for Classified Loans & Advances

| | | | |
|--|--|------------------------|-----------------------|
| Provision held on 1 January | | 12,823,536,500 | 9,550,994,500 |
| Fully provided debts written off | | (7,902,158,847) | (485,828,903) |
| Recoveries from previously written off debts | | 52,565,629 | 53,930,997 |
| Specific provision for the year | | 5,167,773,718 | 3,704,439,906 |
| Recoveries and provisions no longer required | | - | - |
| Net Charge to the Profit Loss Account | | (2,681,819,500) | 3,272,542,000 |
| Provision held at end of year | | 10,141,717,000 | 12,823,536,500 |

12.1.2 General Provision for Unclassified Loans & Advances

| | | | |
|---------------------------------|--|----------------------|----------------------|
| Provision held on 1 January | | 2,603,765,500 | 2,270,367,000 |
| Provisions made during the year | | 207,859,000 | 333,398,500 |
| Provision held at end of year | | 2,811,624,500 | 2,603,765,500 |

| | 31.12.2023 Taka | 31.12.2022 Taka |
|---|-----------------------|-----------------------|
| 12.1.3 Special General Provision for COVID-19 | | |
| Special General Provision for COVID-19 is maintained as per Bangladesh Bank's BRPD Circular Letter No.-56, dated 10 December 2020 which is shown below. | | |
| Balance on 1 January | 655,600,000 | 746,100,000 |
| Provisions made during the year | (169,260,000) | (90,500,000) |
| | 486,340,000 | 655,600,000 |
| 12.1.4 General Provision for Special Mention Accounts | | |
| Provision held on 1 January | 33,346,000 | 48,308,500 |
| Provisions made during the year | 14,856,500 | (14,962,500) |
| Provision held at end of year | 48,202,500 | 33,346,000 |
| 12.1.5 General Provision for Off Balance Sheet Exposures | | |
| Provision held on 1 January | 1,302,116,000 | 1,325,088,500 |
| Provisions made during the year | 187,389,500 | (22,972,500) |
| | 1,489,505,500 | 1,302,116,000 |
| 12.1.6 Required Provision against Loans and Advances | | |
| Required General Provision | | |
| Unclassified Loans & Advances | 2,811,624,500 | 2,513,265,500 |
| Special General Provision for COVID-19 | 486,340,000 | 746,100,000 |
| Special Mention Account | 48,202,500 | 33,346,000 |
| Off Balance Sheet Items | 1,489,505,500 | 1,302,116,000 |
| | 4,835,672,500 | 4,594,827,500 |
| Required Specific Provision | | |
| Sub Standard | 672,171,000 | 190,046,000 |
| Doubtful | 293,764,500 | 151,971,000 |
| Bad | 9,175,781,500 | 12,481,519,500 |
| | 10,141,717,000 | 12,823,536,500 |
| | 14,977,389,500 | 17,418,364,000 |
| 12.1 (a) Consolidated General Provision for Loans and Advances | | |
| Trust Bank Limited | 4,835,672,500 | 4,594,827,500 |
| Trust Bank Securities Limited | - | - |
| Trust Bank Investment Limited | 615,016,309 | 586,343,799 |
| Trust Axiata Digital Limited | - | - |
| | 5,450,688,809 | 5,181,171,299 |
| 12.1.5 (a) Consolidated General Provision for Off Balance Sheet Exposures | | |
| Trust Bank Limited | 1,489,505,500 | 1,302,116,000 |
| Trust Bank Securities Limited | - | - |
| Trust Bank Investment Limited | - | - |
| Trust Axiata Digital Limited | - | - |
| | 1,489,505,500 | 1,302,116,000 |

31.12.2023

Taka

31.12.2022

Taka

12.2 Provision for Investment

Cost price of holding of quoted shares and mutual funds (both close end and open end) as on 31 December 2023 is Tk. 161,849,875.00 whereas the market of these securities is Tk. 125,635,940.00 showing a loss on fall of market price Tk. 36,213,936.00.

Details workings relating to provision on Investment is given below:

| SL | Name of the Company | No. of shares | Average cost rate | Total Investment Cost Price | Market Rate as on 31 Dec 2023 | Total Market Price | Aggregate Net off (Loss) / Gain | Value of MF / Share for Provision | Required Provision Excess / (Shortage) |
|--|----------------------------|---------------|-------------------|-----------------------------|-------------------------------|--------------------|---------------------------------|-----------------------------------|--|
| 1 | Popular Life Mutual Fund-1 | 1,089,298 | 6.69 | 7,284,124 | 5.10 | 5,555,420 | (1,728,704) | 5,555,420 | (1,728,704) |
| 2 | TBL 1st Mutual Fund | 4,593,045 | 6.59 | 30,258,555 | 5.60 | 25,721,052 | (4,537,503) | 25,721,052 | (4,537,503) |
| 3 | LRGLOBMF-1 | 6,554,016 | 9.64 | 63,205,696 | 6.40 | 41,945,702 | (21,259,994) | 41,945,702 | (21,259,994) |
| 4 | CAPM Unit Fund | 100,000 | 100.00 | 10,000,000 | 100.00 | 10,000,000 | - | 10,000,000 | - |
| Provision Required for Mutual Funds | | | | | | | | | (27,526,201) |
| 5 | Prime Bank Ltd. | 67,760 | 29.71 | 2,012,905 | 21.00 | 1,422,960 | (589,945) | 1,422,960 | (589,945) |
| 6 | Pubali Bank Ltd. | 27,593 | 36.16 | 997,688 | 26.20 | 722,937 | (274,751) | 722,937 | (274,751) |
| 7 | Summit Power Ltd. | 314,637 | 45.69 | 14,375,320 | 34.00 | 10,697,658 | (3,677,662) | 10,697,658 | (3,677,662) |
| 8 | Olympic Industries Ltd. | 100,000 | 289.15 | 28,914,757 | 152.00 | 15,200,000 | (13,714,757) | 15,200,000 | (13,714,757) |
| 9 | IT Consultants Ltd. | 323,568 | 6.77 | 2,189,115 | 37.00 | 11,972,016 | 9,782,901 | 11,972,016 | 9,782,901 |
| 10 | ACMELAB | 5,000 | 119.48 | 597,406 | 85.00 | 425,000 | (172,406) | 425,000 | (172,406) |
| 11 | BD Thai Food Ltd. | 3,568 | 10.00 | 35,680 | 34.80 | 124,166 | 88,486 | 124,166 | 88,486 |
| 12 | Union Bank Ltd. | 207,756 | 9.52 | 1,978,630 | 8.90 | 1,849,028 | (129,602) | 1,849,028 | (129,602) |
| Provision Required for Shares | | | | | | | | | (8,687,735) |
| TOTAL | | | | 161,849,875 | | 125,635,940 | (36,213,936) | 125,635,940 | (36,213,936) |

12.2.1 Provision for Diminution in value of Investment

Balance on 1 January

19,907,857

10,453,407

Provisions made for Investment in Shares during the year

18,260,289

9,454,450

38,168,146**19,907,857****12.3 Provision for other asset**

Balance on 1 January

250,000,000

150,000,000

Provisions made during the year

-

100,000,000

250,000,000**250,000,000****12.3.1 Provision for other asset**

Prepaid Legal Expense

72,098,694

67,658,255

Advance against Capital Expenditure

3,803,000

4,292,500

Protested Bill

95,906,602

95,906,602

Accrued Income

25,319,762

49,018,555

Security Deposits

5,801,091

8,183,638

Suspense Account

25,091,303

16,826,306

Prepaid Expenses

4,369,946

-

Stationery & Stamps

6,889,330

-

Clearing Adjustment Account

8,199,208

-

Provision for Others

2,521,064

8,114,144

250,000,000**250,000,000**

Provision for other assets has been kept as per BRPD Circular No.-04, dated 12 April 2022.

| | 31.12.2023 | 31.12.2022 |
|------------------------------------|--------------------|--------------------|
| | Taka | Taka |
| 12.4 Provision for CSR Fund | | |
| Balance on 1 January | 120,000,000 | 193,187,200 |
| Provisions made during the year | 120,000,000 | 120,000,000 |
| Amount spent during the year | (49,207,685) | (193,187,200) |
| | 190,792,315 | 120,000,000 |

Provision has been maintained for Corporate Social Responsibility (CSR) activities. CSR activities include humanitarian relief, disaster management, health care, education, training, green initiatives and environmental degradation. As per Bangladesh Bank SFD Circular no. 03, dated 16 June 2020, at the beginning of the year, the fund has been allocated for education, health care and climate risk @ 30%, 60% & 10% respectively and expended over the year accordingly.

12.5 Provision for Start Up Fund

According to SMESPD Circular no. 04 dated 29 March 2021 as well as SMESPD Circular Letter no. 05 dated 26 April 2021, 1% of Net Profit has been transferred to Start Up Fund Account under Other Liabilities at the time of finalization of Financial Statements for the year ended as on 31 December 2023.

| | | |
|--------------------------------|--------------------|-------------------|
| Balance on 1 January | 75,238,187 | 45,323,174 |
| Provision made during the year | 43,180,035 | 29,915,013 |
| | 118,418,222 | 75,238,187 |

12.6 Rebate of interest payable to good borrowers

According to BRPD Circular no. 06 dated 19 March 2015, BRPD Circular no. 16 Dated 30 December 2015 and BRPD Circular Letter no. 03 dated 04 February 2016, the Bank has to keep provision for incentive of Good Borrowers in every year. As Bank's existing provision in this issue is more than requirement, so the Bank has not been accounted for any additional provision for incentive of Good Borrowers during the year 2023.

12.7 Interest Suspense Account

| | | |
|---|----------------------|----------------------|
| Balance on 1 January | 7,283,990,632 | 5,325,717,104 |
| Amount transferred during the year | 1,512,870,821 | 2,761,949,565 |
| Amount recovered during the year | (10,018,420) | (698,588,888) |
| Amount written off / waived during the year | (2,568,366,606) | (105,087,149) |
| Balance at the end of the year | 6,218,476,427 | 7,283,990,632 |

12.8 Provision for Income Tax Less Advance Income Tax

Provision for Income Tax

| | | |
|--|-----------------------|-----------------------|
| Balance on 1 January | 20,080,247,634 | 16,088,823,270 |
| Provisions made during the year | 2,000,000,000 | 3,990,000,000 |
| Provision for Doubtful Income of Islamic Banking | 14,649,606 | 1,424,364 |
| Settlement for previous year(s) | - | - |
| | 22,094,897,240 | 20,080,247,634 |

Less: Advance Income Tax

| | | |
|---------------------------------|-----------------------|-----------------------|
| Balance on 1 January | 17,545,269,320 | 14,570,490,004 |
| Paid during the year | 3,608,526,350 | 2,974,779,316 |
| Settlement for previous year(s) | - | - |
| | 21,153,795,670 | 17,545,269,320 |
| Net Closing Balance | 941,101,570 | 2,534,978,314 |

12.8.1 Provision for current tax of Tk. 2,000,000,000.00 has been made @ 37.50% on Business Income, @ 20% on Dividend Income, 15% of Capital gain from sale of Govt. Securities as well as @ 10% of Capital gain from sale of Shares made by the Bank during the year after considering some of the add backs to income and disallowances of expenditure as per Income Tax Act and Rules, 2023 (For 2022, applicable laws were Income Tax Ordinance and Rules, 1984).

The Bank has challenged some disputed income tax assessments which are pending at various appeal stages (i.e. Appellate Tribunal, High Court Division). The Bank is confident that once these appeals are finally disposed off, there should not be any additional tax demand against the Bank and hence no further provision is required.

| | 31.12.2023 | 31.12.2022 |
|---|-------------------|-------------------|
| | Taka | Taka |
| 12.8.2 Compensation Fund Account | | |
| Opening Balance | 20,892,467 | 18,843,527 |
| Amount credited during the year | | |
| Compensation Realized during the year | 39,065,616 | 3,798,303 |
| Income Tax Provision @ 37.50% | 14,649,606 | 1,424,364 |
| Amount credited during the year | 24,416,010 | 2,373,940 |
| Total | 45,308,477 | 21,217,467 |
| Amount distributed during the period | 1,038,000 | 325,000 |
| Closing Balance | 44,270,477 | 20,892,467 |

Islamic Banking is a trade-based mode of banking where compliance of Sharia guidelines is the precondition for its legitimacy. In addition to the prohibition of interest and classification of business activities between lawful (halal) and un-lawful (haram), Sharia also provides guidelines of business process and transaction. Any income generated from trading or investments without confirming to these Sharia instructions are considered un-lawful and termed as "doubtful Income" in the terminology of Islamic Banking.

However, since the "Doubtful Income" is not an "income" - as such the nomenclature has been already been changed as "Compensation" instead of "Doubtful Income".

12.8 (a) Consolidated Current Tax Expenses

| | | | |
|-------------------------------|-----------|----------------------|----------------------|
| Trust Bank Limited | Note-12.5 | 2,000,000,000 | 3,990,000,000 |
| Trust Bank Securities Limited | | 20,441,335 | 14,568,236 |
| Trust Bank Investment Limited | | 16,106,462 | 107,252,421 |
| Trust Axiata Digital Limited | | 8,788,629 | 1,048,893 |
| | | 2,045,336,426 | 4,112,869,550 |

12.9 Lease Liability

| | | |
|--------------------------------------|----------------------|----------------------|
| Balance as at 1 January | 1,199,004,496 | 1,307,020,333 |
| Add: Addition during the year | 549,842,364 | 226,920,136 |
| Add: Interest charge during the year | 70,236,493 | 65,971,702 |
| Less: Payment made during the year | (448,497,293) | (400,907,675) |
| Balance as at 31 December | 1,370,586,060 | 1,199,004,496 |

12.10 Others

| | | |
|--|-------------------|-------------------|
| ITCL A/c - Fees payable | 11,336,753 | 9,622,395 |
| CGS Registration Fees Payable | 55,000 | - |
| Accumulated Gain on Delayed Export Proceed Realization | 2,252,730 | - |
| ATM Risk Fund | 2,000,000 | - |
| Unearned Revenue A/C | 84,525 | - |
| Trust Money Fees Received- Credit Card | 3,276,560 | 1,371,956 |
| TADL Settlement Account | 17,386,072 | 7,501,090 |
| Miscellaneous | 300,409 | 299,641 |
| | 36,692,049 | 18,795,082 |

12 (a) Consolidated other liabilities

| | | | |
|---------------------------------|---------|-----------------------|-----------------------|
| Trust Bank Limited | Note-12 | 28,726,535,985 | 31,685,848,543 |
| Trust Bank Securities Limited | | 1,320,364,952 | 1,166,684,438 |
| Trust Bank Investment Limited | | 2,320,567,212 | 2,334,722,917 |
| Trust Axiata Digital Limited | | 592,573,411 | 479,138,402 |
| | | 32,960,041,560 | 35,666,394,300 |
| Less: Inter company transaction | | 1,504,851 | 1,504,851 |
| | | 32,958,536,709 | 35,664,889,449 |

13 CAPITAL

13.1 Authorized Capital

1,000,000,000 Ordinary shares of Tk. 10 each

| 31.12.2023 | 31.12.2022 |
|----------------|----------------|
| Taka | Taka |
| 10,000,000,000 | 10,000,000,000 |

13.2 Issued, Subscribed and Paid Up Capital

| | | | |
|-------------|--|----------------------|----------------------|
| 116,667,000 | Ordinary shares of Tk. 10 each issued for cash | 1,166,670,000 | 1,166,670,000 |
| 11,666,700 | Ordinary shares of Tk. 10 each issued bonus shares | 116,667,000 | 116,667,000 |
| 25,666,740 | Ordinary shares of Tk. 10 each issued for right 1R:5 | 256,667,400 | 256,667,400 |
| 30,800,080 | Ordinary shares of Tk. 10 each issued bonus shares | 308,000,800 | 308,000,800 |
| 36,960,100 | Ordinary shares of Tk. 10 each issued bonus shares | 369,601,000 | 369,601,000 |
| 44,352,120 | Ordinary shares of Tk. 10 each issued bonus shares | 443,521,200 | 443,521,200 |
| 26,611,274 | Ordinary shares of Tk. 10 each issued bonus shares | 266,112,740 | 266,112,740 |
| 53,222,550 | Ordinary shares of Tk. 10 each issued for right 1R:5 | 532,225,500 | 532,225,500 |
| 34,594,656 | Ordinary shares of Tk. 10 each issued bonus shares | 345,946,560 | 345,946,560 |
| 45,664,946 | Ordinary shares of Tk. 10 each issued bonus shares | 456,649,460 | 456,649,460 |
| 42,620,616 | Ordinary shares of Tk. 10 each issued bonus shares | 426,206,160 | 426,206,160 |
| 37,506,142 | Ordinary shares of Tk. 10 each issued bonus shares | 375,061,420 | 375,061,420 |
| 50,633,292 | Ordinary shares of Tk. 10 each issued bonus shares | 506,332,920 | 506,332,920 |
| 55,696,621 | Ordinary shares of Tk. 10 each issued bonus shares | 556,966,210 | 556,966,210 |
| 30,633,141 | Ordinary shares of Tk. 10 each issued bonus shares | 306,331,410 | 306,331,410 |
| 64,329,597 | Ordinary shares of Tk. 10 each issued bonus shares | 643,295,970 | 643,295,970 |
| 70,762,557 | Ordinary shares of Tk. 10 each issued bonus shares | 707,625,570 | 707,625,570 |
| 77,838,813 | Ordinary shares of Tk. 10 each issued bonus shares | 778,388,130 | - |
| | | 8,562,269,450 | 7,783,881,320 |

13.3 Capital to Risk-weighted Asset Ratio (CRAR)

In terms of section 13 (2) of the Banking Companies Act, 1991 and Bangladesh Bank BRPD circulars no. 18 dated 21 December 2014 relating to implementation of Basel III in Bangladesh, risk weighted assets (RWA), required capital, available common equity tier 1 capital, additional tier 1 capital and tier 2 capital of the Bank as on 31 December 2023 are shown below:

13.3.1 Capital to Risk-weighted Asset Ratio (CRAR) under SOLO basis

A. Total Risk Weighted Assets (RWA)

| | | |
|----------------------------------|------------------------|------------------------|
| Credit Risk Weighted Assets | 252,886,500,721 | 229,793,919,224 |
| Market Risk Weighted Assets | 2,637,215,269 | 2,789,097,884 |
| Operational Risk Weighted Assets | 26,408,227,723 | 24,435,123,094 |
| | 281,931,943,713 | 257,018,140,202 |

B. Minimum Capital Requirement (MCR) with Capital Conservation Buffer (12.50% of RWA)

35,241,492,964 **32,127,267,525**

C. Common Equity Tier 1 (CET1) Capital (Going-concern capital)

| | | |
|-----------------------|-----------------------|-----------------------|
| Paid up share capital | 8,562,269,450 | 7,783,881,320 |
| Share premium | - | - |
| Statutory reserve | 9,779,751,092 | 8,779,751,092 |
| Retained earnings | 4,419,391,018 | 3,221,343,806 |
| | 22,761,411,560 | 19,784,976,218 |

Less : Regulatory Adjustments

| | | |
|---------------------|--------------------|--------------------|
| Deferred tax assets | 104,019,074 | 178,313,108 |
| Intangible assets | 25,920,826 | 17,990,169 |
| | 129,939,900 | 196,303,277 |

Common Equity Tier 1 (CET1) Capital

| | | |
|--|----------------|----------------|
| Required Common Equity Tier 1 (CET1) Capital [7.00% of risk weighted assets] | 19,735,236,060 | 17,991,269,814 |
|--|----------------|----------------|

D. Excess Common Equity Tier 1 Capital (C - 7% of RWA)

2,896,235,600 **1,597,403,127**

| | 31.12.2023 Taka | 31.12.2022 Taka |
|---|-----------------------|-----------------------|
| E. Additional Tier 1 (AT1) Capital | | |
| Non-cumulative Irredeemable Preference Shares | - | - |
| Trust Bank Limited Perpetual Bond | 4,000,000,000 | 4,000,000,000 |
| Others (if any item approved by Bangladesh Bank) | - | - |
| | 4,000,000,000 | 4,000,000,000 |
| Less : Regulatory Adjustments | - | - |
| Total Additional Tier 1 (AT1) Capital | 4,000,000,000 | 4,000,000,000 |
| Maximum Limit of Additional Tier 1 Capital [1.5% of RWA + 33.33% of Excess CET1] | 5,194,294,481 | 4,387,686,565 |
| Total Admissible Additional Tier-1 Capital | 4,000,000,000 | 4,000,000,000 |
| Excess Amount over Maximum Limit / (Unoccupied Limit) of Tier-1 Capital | (1,194,294,481) | (387,686,565) |
| F. Total Tier- 1 Capital (C+E) | 26,631,471,660 | 23,588,672,941 |
| G. Tier 2 Capital (Gone-Concern Capital) | | |
| General Provision | 4,835,672,500 | 4,594,827,500 |
| Trust Bank Limited Subordinated Bond | 7,300,000,000 | 7,200,000,000 |
| Revaluation reserves | - | - |
| | 12,135,672,500 | 11,794,827,500 |
| Less : Regulatory Adjustments | | |
| Revaluation Reserves (according to Phase-in deductions as per Basel III Guideline) | - | - |
| Total Tier 2 Capital | 12,135,672,500 | 11,794,827,500 |
| Maximum Limit of Tier 2 Capital [4.00% of total RWA plus 88.89% of Excess CET 1] | 13,851,741,573 | 11,700,657,248 |
| Total Admissible Tier-2 Capital | 12,135,672,500 | 11,700,657,248 |
| Excess Amount over Maximum Limit/ (Unoccupied Limit) of Tier-2 Capital | (1,716,069,073) | 94,170,252 |
| H. Total Eligible Regulatory Capital (Tier 1 & 2) (F+G) | 38,767,144,160 | 35,289,330,189 |
| Surplus Capital as per Bank weighted Assets (H - B) | 3,525,651,196 | 3,162,062,664 |
| Capital to Risk-weighted Asset Ratio (CRAR) (H/A)*100 | 13.75% | 13.73% |

Note-13.3.1.1

13.3.1.1 Capital Adequacy Ratio (CAR)

| Capital Requirement | 2023 | | 2022 | |
|---------------------------------------|---------------|---------------|---------------|---------------|
| | Required | Held | Required | Held |
| Common Equity Tier-1 to RWA (C/A)*100 | 7.00% | 8.03% | 7.00% | 7.62% |
| Tier-1 Capital to RWA (F/A)*100 | 8.50% | 9.45% | 8.50% | 9.18% |
| Tier-2 Capital to RWA (G/A)*100 | 4.00% | 4.30% | 4.00% | 4.55% |
| Total | 12.50% | 13.75% | 12.50% | 13.73% |

13.3 (a) Capital Adequacy Ratio under Consolidated basis

A. Total Risk Weighted Assets (RWA)

| | | |
|----------------------------------|------------------------|------------------------|
| Credit Risk Weighted Assets | 251,363,198,556 | 228,256,521,684 |
| Market Risk Weighted Assets | 8,019,417,899 | 8,036,442,170 |
| Operational Risk Weighted Assets | 27,160,601,614 | 25,235,950,886 |
| | 286,543,218,069 | 261,528,914,740 |

B. Minimum Capital Requirement (MCR) with Capital Conservation Buffer (CCB) [12.50% of risk weighted assets]

| | | |
|--|-----------------------|-----------------------|
| | 35,817,902,259 | 32,691,114,343 |
|--|-----------------------|-----------------------|

| | 31.12.2023 | 31.12.2022 |
|---|-----------------------|-----------------------|
| | Taka | Taka |
| C. Common Equity Tier 1 (CET1) Capital (Going-concern capital) | | |
| Paid up capital | 8,562,269,450 | 7,783,881,320 |
| Non-controlling interest | 211,959,143 | 89,620,725 |
| Share premium | - | - |
| Statutory reserve | 9,779,751,092 | 8,779,751,092 |
| Retained earnings | 4,629,564,222 | 3,493,450,838 |
| | 23,183,543,907 | 20,146,703,975 |
| Less: Regulatory Adjustments | | |
| Deferred Tax-Assets | 358,536,690 | 383,376,452 |
| Intangible assets | 25,920,826 | 17,990,169 |
| | 384,457,516 | 401,366,621 |
| Common Equity Tier 1 (CET1) Capital | 22,799,086,391 | 19,745,337,354 |
| Required Common Equity Tier 1 (CET1) Capital [7.00% of risk weighted assets] | 20,058,025,265 | 18,307,024,032 |
| D. Excess Common Equity Tier 1 Capital (C - 7% of RWA) | 2,741,061,126 | 1,438,313,322 |
| E. Additional Tier 1 (AT1) Capital | | |
| Non-cumulative irredeemable preference shares | - | - |
| Trust Bank Limited Perpetual Bond | 4,000,000,000 | 4,000,000,000 |
| Others (if any item approved by Bangladesh Bank) | - | - |
| | 4,000,000,000 | 4,000,000,000 |
| Less : Regulatory Adjustments | - | - |
| | 4,000,000,000 | 4,000,000,000 |
| Maximum Limit of Additional Tier 1 Capital [1.5% of RWA + 33.33% of Excess CET1] | 5,211,743,944 | 4,402,323,551 |
| Total Admissible Additional Tier-1 Capital | 4,000,000,000 | 4,000,000,000 |
| Excess Amount over Maximum Limit/ (Unoccupied Limit) of Tier-1 Capital | (1,211,743,944) | (402,323,551) |
| F. Total Tier- 1 Capital (C+E) | 26,799,086,391 | 23,745,337,354 |
| G. Tier 2 Capital (Gone-Concern Capital) | | |
| General Provision | 4,835,672,500 | 4,594,827,500 |
| Trust Bank Limited Subordinated Bond | 7,300,000,000 | 7,200,000,000 |
| Revaluation Reserves | - | - |
| | 12,135,672,500 | 11,794,827,500 |
| Less : Regulatory Adjustments | | |
| Revaluation Reserves (according to Phase-in deductions as per Basel III Guideline) | - | - |
| | 12,135,672,500 | 11,794,827,500 |
| Maximum Limit of Tier 2 Capital [4.00% of total RWA plus 88.89% of Excess CET 1] | 13,898,257,958 | 11,739,673,302 |
| Total Admissible Tier-2 Capital | 12,135,672,500 | 11,739,673,302 |
| Excess Amount over Maximum Limit/ (Unoccupied Limit) of Tier-2 Capital | (1,762,585,458) | 55,154,198 |
| H. Total Eligible Regulatory Capital (Tier 1 & 2) (F+G) | 38,934,758,891 | 35,485,010,656 |
| Surplus Capital as per Bank Weighted Assets (H-B) | 3,116,856,632 | 2,793,896,314 |
| Capital to Risk-weighted Asset Ratio (CRAR) (H/A)*100 | 13.59% | 13.57% |

Note-13.3(a).1

31.12.2023

Taka

31.12.2022

Taka

13.3(a).1 Capital Adequacy Ratio (CAR)

| Capital Requirement | 2023 | | 2022 | |
|---------------------------------------|---------------|---------------|---------------|---------------|
| | Required | Held | Required | Held |
| Common Equity Tier-1 to RWA (C/A)*100 | 7.00% | 7.96% | 7.00% | 7.55% |
| Tier-1 Capital to RWA (F/A)*100 | 8.50% | 9.35% | 8.50% | 9.08% |
| Tier-2 Capital to RWA (G/A)*100 | 4.00% | 4.24% | 4.00% | 4.49% |
| Total | 12.50% | 13.59% | 12.50% | 13.57% |

13.4 Leverage Ratio under SOLO basis

A. Tier-1 Capital - considering all regulatory adjustments

26,631,471,660**23,588,672,941**

B. On- Balance Sheet Exposure

443,687,171,958

405,078,918,671

C. Off-Balance Sheet Exposure

83,064,012,372

71,264,142,303

D. Total Deduction from On and Off-Balance Sheet Exposure/

Regulatory adjustments made to Tier 1 capital

129,939,900

196,303,277

E. Total Exposure (B+C-D)**526,621,244,430****476,146,757,697**

Leverage Ratio (A/E)*100

5.06%**4.95%****13.4 (a) Leverage Ratio under Consolidated basis**

A. Tier-1 Capital - considering all regulatory adjustments

26,799,086,391**23,745,337,354**

B. On- Balance Sheet Exposure

447,951,318,667

409,136,041,551

C. Off-Balance Sheet Exposure

83,064,012,372

71,264,142,303

D. Total Deduction from On and Off-Balance Sheet Exposure/

Regulatory adjustments made to Tier 1 capital

384,457,516

401,366,621

E. Total Exposure (B+C-D)**530,630,873,523****479,998,817,233**

Leverage Ratio (A/E)*100

5.05%**4.95%****13.5 Percentage of shareholdings at the closing date**

| | Amount (in Taka) | | Percentage (%) | |
|--------------------------|----------------------|----------------------|----------------|----------------|
| | 31.12.2023 | 31.12.2022 | 31.12.2023 | 31.12.2022 |
| Sponsors | 5,137,287,810 | 4,670,261,650 | 60.00% | 60.00% |
| Financial Institutions | 1,651,682,940 | 1,353,593,740 | 19.29% | 17.39% |
| Foreign Investors | 10,771,470 | 10,573,410 | 0.13% | 0.14% |
| General Public | 1,757,919,470 | 1,742,353,210 | 20.53% | 22.38% |
| Non-Resident Bangladeshi | 4,607,760 | 7,099,310 | 0.05% | 0.09% |
| Total | 8,562,269,450 | 7,783,881,320 | 100.00% | 100.00% |

31.12.2023

31.12.2022

Taka

Taka

13.6 Shareholding Range on the basis of shareholdings as on 31 December 2023

| Shareholding Range | | No. of Shareholders | Number of Shares | % |
|--------------------|--------------|---------------------|--------------------|----------------|
| 1 | to 500 | 4,503 | 712,498 | 0.08% |
| 501 | to 5,000 | 5,510 | 12,049,429 | 1.41% |
| 5,001 | to 10,000 | 519 | 3,651,911 | 0.43% |
| 10,001 | to 20,000 | 264 | 3,815,248 | 0.45% |
| 20,001 | to 30,000 | 61 | 1,486,121 | 0.17% |
| 30,001 | to 40,000 | 44 | 1,530,910 | 0.18% |
| 40,001 | to 50,000 | 21 | 945,931 | 0.11% |
| 50,001 | to 100,000 | 41 | 2,711,740 | 0.32% |
| 100,001 | to 1,000,000 | 53 | 13,894,217 | 1.62% |
| 1,000,001 | and More | 31 | 815,428,940 | 95.24% |
| Total | | 11,047 | 856,226,945 | 100.00% |

13 (a) Non-Controlling Interest**Share Capital**

07 nos. shares of Trust Bank Investment Limited @ Tk. 100 each

01 no Share of Trust Bank Securities Limited @ Tk. 10 each

22,050,000 nos Shares of Trust Axiata Digital Limited @ Tk. 10 each

| | |
|--------------------|--------------------|
| 700 | 700 |
| 10 | 10 |
| 220,500,000 | 220,500,000 |
| 220,500,710 | 220,500,710 |

Share Money Deposit

Trust Bank Securities Limited

Trust Bank Investment Limited

Trust Axiata Digital Limited

| | |
|--------------------|-------------------|
| - | - |
| - | - |
| 233,097,980 | 34,947,980 |
| 233,097,980 | 34,947,980 |

Undistributed Profit

Cumulative Profit as of 1 January

Profit for the year

| | |
|--------------------|-------------------|
| (165,827,965) | (68,406,664) |
| (75,811,582) | (97,421,301) |
| (241,639,547) | (165,827,965) |
| 211,959,143 | 89,620,725 |

14 STATUTORY RESERVE

Balance on 1 January

Reserve made during the year

Closing Balance

| | |
|----------------------|----------------------|
| 8,779,751,092 | 7,829,751,092 |
| 1,000,000,000 | 950,000,000 |
| 9,779,751,092 | 8,779,751,092 |

14.1 As per Section 24(1) of The Banking Companies Act, 1991, every banking company shall create a statutory reserve and if the amount of such fund together with the amount in the share premium account is less than its paid-up capital, it shall transfer at an amount not less than 20% of net profit before taxes to statutory reserve fund. Trust Bank Limited has maintained the required fund for statutory reserve, an amount of BDT 1,000,000,000 has been transferred to statutory reserve in current year on lump sum basis.

15 CAPITAL RESERVE

Balance on 1 January

Reserve made/(adjusted) during the year

Closing Balance

| | |
|------------------|------------------|
| 6,302,868 | - |
| (2,780,922) | 6,302,868 |
| 3,521,946 | 6,302,868 |

As per BSEC Notification No. BSEC/CMRRC/2017-357/221/Admin/89 dated 22 May 2019, each registered entity shall maintain a mandatory provision at least @ 10% of profit after tax of last year as capital reserve. Accordingly, Trust Bank Securities Ltd., a subsidiary of Trust Bank Ltd., has transferred 10% of profit after tax of last year as capital reserve.

| | 31.12.2023 | 31.12.2022 |
|---|--------------------|-------------------|
| | Taka | Taka |
| 16 OTHER RESERVE | | |
| Revaluation Reserve | | |
| Balance on 1 January | 46,394,756 | 31,866,084 |
| Reserve made/(adjusted) during the year | 68,150,962 | 14,528,672 |
| Closing Balance | 114,545,718 | 46,394,756 |

Investments which have 'fixed or determinable payments', and are intended to be 'held to maturity' other than those which are floating and/or free to trade in the market at prevailing prices are classified as held to maturity and must be amortized at the end of the year before maturity. Investments classified in the category of 'Held for Trading' are held indeed selling or purchasing –in short- trading as decided by the management of the bank or treasury. After initial recognition, investments of such categories are measured at their fair value once in a week. The increase in case of amortization of Investment under 'Held to maturity' and any change in the fair value in case of Investment under 'held for Trading' is to be accounted for in the 'Statement of changes in Equity' under the head Other Reserve as Surplus/Deficit on revaluation of investment.

| | | |
|--|----------------------|----------------------|
| 17 RETAINED EARNINGS | | |
| Balance on 1 January | 3,221,343,806 | 3,318,173,357 |
| Issue of Bonus Shares | (778,388,130) | (707,625,570) |
| Cash Dividend | (778,388,132) | (884,531,969) |
| | 1,664,567,544 | 1,726,015,818 |
| Net Profit for the year transferred from Profit and Loss Account | 4,318,003,509 | 2,991,501,251 |
| Less: Transferred to Statutory Reserve | 1,000,000,000 | 950,000,000 |
| Less: Transferred to Start up Fund | 43,180,035 | 29,915,013 |
| Less: Transfer to Special Reserve Fund | 120,000,000 | 120,000,000 |
| Less: Coupon/Dividend on TBL Perpetual Bond | 400,000,000 | 396,258,250 |
| | 2,754,823,474 | 1,495,327,988 |
| | 4,419,391,018 | 3,221,343,806 |

| | | |
|--|----------------------|----------------------|
| 17 (a) Consolidated Retained Earnings | | |
| Trust Bank Limited | 4,419,391,018 | 3,221,343,806 |
| Trust Bank Securities Limited | 124,785,460 | 107,813,355 |
| Trust Bank Investment Limited | 336,890,297 | 336,890,297 |
| Trust Axiata Digital Limited | (493,142,100) | (338,424,585) |
| | 4,387,924,675 | 3,327,622,873 |
| Less: Transfer to non-controlling interest | (241,639,547) | (165,827,965) |
| Closing Balance | 4,629,564,222 | 3,493,450,838 |

| | | |
|---|------------------------|------------------------|
| 18 CONTINGENT LIABILITIES | | |
| Acceptances and endorsements | 50,489,266,886 | 43,662,524,184 |
| Letters of Guarantee | 42,405,298,594 | 34,310,117,955 |
| Irrevocable Letter of Credits | 36,281,594,386 | 47,281,635,221 |
| Bills for Collection | 8,324,545,958 | 7,182,428,830 |
| | 137,500,705,825 | 132,436,706,190 |
| Other commitments | | |
| Documentary Credit and short term trade -related transactions | - | - |
| Forward assets purchased and forward deposits placed | 24,794,509,747 | 7,001,445,716 |
| Undrawn note issuance and revolving facilities | - | - |
| Undrawn formal standby facilities, credit lines and other commitments | - | - |
| | 24,794,509,747 | 7,001,445,716 |
| | 162,295,215,572 | 139,438,151,906 |

| | | 31.12.2023 | 31.12.2022 |
|-----------------|--|------------------------|------------------------|
| | | Taka | Taka |
| 18.1 | Acceptances and endorsements | | |
| | Acceptance Bills - Local | 3,422,823,543 | 3,347,768,613 |
| | Acceptance Bills - Foreign | 45,396,101,448 | 39,621,483,790 |
| | Acceptance Liabilities - Back to Back L/C | 1,670,341,895 | 693,271,781 |
| | | 50,489,266,886 | 43,662,524,184 |
| 18.2 | Letters of Guarantee | | |
| | Letters of Guarantee - Local | 41,180,915,695 | 33,077,483,298 |
| | Letters of Guarantee -Foreign | 1,224,382,899 | 1,232,634,657 |
| | | 42,405,298,594 | 34,310,117,955 |
| 18.2.1 | Money for which the bank is contingently liable in respect of guarantees given favoring : | | |
| | Directors or Officers | - | - |
| | Government | 1,385,834,430 | 1,402,391,656 |
| | Banks and other financial institutions | 90,071,917 | 1,440,450,469 |
| | Others | 40,929,392,247 | 31,467,275,830 |
| | | 42,405,298,594 | 34,310,117,955 |
| 18.2 (a) | Consolidated Letters of Guarantee | | |
| | Trust Bank Limited | 42,405,298,594 | 34,310,117,955 |
| | Trust Bank Securities Limited | - | - |
| | Trust Bank Investment Limited | - | - |
| | Trust Axiata Digital Limited | - | - |
| | | 42,405,298,594 | 34,310,117,955 |
| 18.3 | Irrevocable Letter of Credits | | |
| | Letter of Credit - Local | 184,174,110 | 371,342,805 |
| | Letter of Credit - Foreign | 21,584,928,953 | 22,458,770,478 |
| | Letter of Credit - Back to Back L/C | 4,767,094,799 | 4,193,200,855 |
| | Letter of Credit - Usance (Foreign) | 7,303,853,530 | 17,603,385,074 |
| | Letter of Credit - EPZ | 47,438,574 | 337,141,916 |
| | Letter of Credit - Back to Back (EDF) - Foreign | 2,394,104,420 | 2,317,794,093 |
| | | 36,281,594,386 | 47,281,635,221 |
| 18.4 | Bills for Collection | | |
| | Outward Bills for Collection | 775,089 | 2,838,822 |
| | Local Documentary Bill for Collection | 5,176,640,940 | 4,435,548,095 |
| | Foreign Documentary Bills for Collection | 3,147,129,929 | 2,744,041,913 |
| | | 8,324,545,958 | 7,182,428,830 |
| 18.5 | Other commitments | | |
| | Forward Sale- USD | 13,935,368,947 | 6,836,869,466 |
| | Forward Sale- BDT | 10,859,140,800 | - |
| | Spot Sale- EUR | - | 164,576,250 |
| | | 24,794,509,747 | 7,001,445,716 |
| 18 (a) | Consolidated Contingent Liabilities | | |
| | Trust Bank Limited | 162,295,215,572 | 139,438,151,906 |
| | Trust Bank Securities Limited | - | - |
| | Trust Bank Investment Limited | - | - |
| | Trust Axiata Digital Limited | - | - |
| | | 162,295,215,572 | 139,438,151,906 |

19

INCOME STATEMENTS**Income:**

| | | |
|--|----------------|----------------|
| Interest/Profit, discount and similar income | 31,354,031,910 | 25,542,115,540 |
| Dividend income | 311,304,614 | 246,597,120 |
| Fees, commission and brokerage | 2,507,460,313 | 2,790,894,165 |
| Gains less losses arising from dealing in securities | 212,368,258 | 242,269,861 |
| Other operating income | 781,917,540 | 620,383,708 |

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Expenses:

| | | |
|--|----------------|----------------|
| Interest / profit paid on deposits, borrowings etc., | 17,387,662,197 | 12,678,676,719 |
| Administrative expenses | 4,657,992,017 | 4,193,060,179 |
| Other operating expenses | 1,218,356,968 | 1,489,341,356 |
| Depreciation on banking assets | 83,894,903 | 80,775,142 |

Profit before provision

20

INTEREST INCOME**20.1 Interest Income under Conventional banking****Interest from Loans and Advances**

| | | |
|--|---------------|---------------|
| Interest on Repair & Recon. of Dwelling House (RRDH) | 10,010,576 | 18,063,787 |
| Interest on Marriage Loans | 6,335 | 66,431 |
| Interest on Car Loans | 5,100,624 | 5,411,866 |
| Interest on House Building Loans | 519,975,296 | 541,622,698 |
| Interest on Term Loans | 6,674,252,395 | 5,049,568,592 |
| Interest on Other Loans | 8,939,219,554 | 7,086,752,175 |
| Interest on SME Loan | 1,117,363,608 | 832,958,422 |
| Interest on PAD - EDF | 279,927,719 | 185,909,527 |
| Interest on Staff Loan | 45,009,683 | 39,034,149 |
| Interest on LTR | 616,487,067 | 740,959,674 |
| Interest on Payment Against Documents (PAD) | 760,839 | 5,855,035 |
| Interest on Cash Credit | 31,421,872 | 74,961,508 |
| Interest on Cash Collateral | 269,314,218 | 240,769,965 |
| Interest on Overdraft | 2,220,586,418 | 1,733,345,888 |
| Interest on SOD | 121,187,082 | 125,093,269 |
| Interest on Inland Bills Purchased and Discounted | 850,799,388 | 685,646,703 |
| Interest on Foreign Bills Purchased and Discounted | 200,991,707 | 169,754,413 |

Interest from Banks and Other Financial Institutions

| | | |
|---|-------------|-------------|
| Interest on FDR Account | 234,350,833 | 172,510,138 |
| Interest on Bangladesh Bank Foreign Currency Accounts | 17,201,805 | 2,718,580 |
| Interest on SND Account | 366,735 | 359,035 |
| Interest Received on Call Lending to Banks- USD | 10,237,136 | 37,197,634 |
| Interest Received on FDR with other Banks- USD | 156,420,539 | 203,975,783 |
| Interest on Short Notice Lending | 261,742,500 | 71,654,111 |
| Interest Received from Other Bank - CD | 104,498,267 | 115,663,722 |
| Interest on Call Deposits | 49,624,695 | 21,094,764 |

Interest received from Foreign Banks

22,927,845,106**18,172,280,317**

| | 31.12.2023 | 31.12.2022 |
|--|-----------------------|-----------------------|
| | Taka | Taka |
| 20.2 Profit under Islamic banking | | |
| Profit on Murabaha (RM) | 1,244,699,251 | 281,618,515 |
| Profit on Bai-Muajjal | 260,946,602 | 753,880,048 |
| Profit on HPSM-Capital Machinery | 307,354,667 | 226,561,445 |
| Profit on IHSAN Apartment Purchase Scheme | 34,488,207 | 23,584,700 |
| Profit on BARAKAT Home Construction Scheme | 16,657,678 | 15,808,575 |
| Profit on BARAKAT Car Scheme | 283,194 | 378,462 |
| Profit on HPSM- Real Estate | 99,149,695 | 109,483,765 |
| Profit on Murabaha TR | 89,612,954 | 87,339,812 |
| Profit on Bai-Salam | 3,813,502 | 482,299 |
| Profit on Murabaha Import Bills (MIB) | 97,157 | 24,040 |
| Profit on TIB House Building Scheme-HBL (RM) | 30,209 | - |
| Profit on TIB Household Durable Scheme(Household Durable) | 91,245 | 87,275 |
| Profit on MIB - EDF - TIB | 99,127,357 | 85,586,423 |
| Profit on HPSM General | 402,306,657 | 303,097,582 |
| Profit on Barkat Doctors Scheme | 146,411 | 60,130 |
| Profit on Trust Nibash | 146,364 | 227,788 |
| Profit on Trust Power | 9,541 | 19,458 |
| Profit on FDBP - TIB | 1,588 | 21,973 |
| Profit on Bai Muajjal under Stimulus Package | 26,082,178 | 64,797,443 |
| Profit on Bai-Muajjal under Stimulus Package (SME) | 2,500,067 | 2,670,776 |
| Profit on Investment for TBL Employees under HPSM | 2,738,607 | 1,573,066 |
| Profit on Baim WES/Doc Bills | 10,856,828 | 7,004,899 |
| Profit on HPSM under Stimulus Package (RMG) | 64,741 | 558,125 |
| Profit on Refinance Scheme under HPSM (SME) | 234,762 | - |
| Profit on Musharaka agt. IBP | 2,199,765 | 2,570,812 |
| Profit on Murabaha Import Bills (MIB) (BTB LC) | - | 229,704 |
| Profit Suspense - Musharaka IBP USD | - | 2,998,453 |
| | 2,603,639,227 | 1,970,665,568 |
| Profit from Banks and Other Financial Institutions | | |
| Profit on Mudaraba Term Deposits | 469,753,202 | 278,966,147 |
| Profit under Islamic banking | 3,073,392,429 | 2,249,631,715 |
| | 26,001,237,535 | 20,421,912,032 |
| Less: Rebate for Good Borrowers | - | - |
| | 26,001,237,535 | 20,421,912,032 |

The Bank has transferred interest accrued during the year on "Sub-Standard", "Doubtful" or "Bad/Loss" to Interest Suspense Account instead of Interest Income Account in line with BRPD Circular No. 14 date 23 September 2012. The Bank has also transferred any unrealized accrued interest on rescheduled loans to Interest Suspense Account instead of Interest Income in line with BRPD Circular No. 14 date 23 September 2012.

To comply with the aforementioned circulars, the Bank had transferred a sum of Tk. 1,512,870,821.00 to Interest Suspense Account during the year, resulting in total Interest Suspense of Tk. 6,218,476,427.00 as at 31 December 2023.

20 (a) Consolidated Interest Income/profit on investment

| | | | |
|----------------------------------|---------|-----------------------|-----------------------|
| Trust Bank Limited | Note-20 | 26,001,237,535 | 20,421,912,032 |
| Trust Bank Securities Limited | | - | - |
| Trust Bank Investment Limited | | 111,519,019 | 181,468,468 |
| Trust Axiata Digital Limited | | - | - |
| | | 26,112,756,554 | 20,603,380,500 |
| Less : Inter Company Transaction | | 149,649,925 | 124,256,059 |
| | | 25,963,106,629 | 20,479,124,441 |

| | | 31.12.2023 | 31.12.2022 |
|-----------------|--|-----------------------|-----------------------|
| | | Taka | Taka |
| 21 | INTEREST PAID ON DEPOSITS AND BORROWINGS | | |
| 21.1 | Interest paid on deposits | | |
| | Interest on Savings Account | 969,489,753 | 913,873,411 |
| | Interest on SND Account | 756,413,360 | 319,182,454 |
| | Interest on FDR Account | 8,115,015,950 | 5,515,165,808 |
| | Interest on Scheme Deposits | 2,917,667,619 | 2,338,200,253 |
| | Interest on Foreign Currency Deposit | 307,305,387 | 272,499,530 |
| | | 13,065,892,069 | 9,358,921,456 |
| 21.2 | Profit paid on Islamic Banking Deposits | | |
| | Profit Paid on Mudaraba Savings Account | 175,419,349 | 139,162,270 |
| | Profit Paid on Mudaraba SND | 28,221,223 | 14,583,183 |
| | Interest Paid on Mudaraba TDR | 1,916,823,640 | 1,497,568,184 |
| | Profit Paid on Mudaraba MTDR - 1 Month | 541,535 | 433,183 |
| | Profit Paid on TBL Barakat Hajj Deposit Scheme | 2,648,153 | 2,741,664 |
| | Profit on Mudaraba Kotipati Scheme (MKS) | 38,410,041 | 31,863,722 |
| | Profit on Mudaraba Millionaire Scheme (MMS) | 31,569,360 | 31,757,246 |
| | Profit on Mudaraba Money Double Scheme (MMDS) | 15,486,628 | 14,256,820 |
| | Profit Paid on DPMSA | 603,065 | 530,668 |
| | Profit Paid on TEMSA | 2,781,492 | 2,586,236 |
| | Profit Paid on Mudaraba Monthly Savings Scheme | 122,001,805 | 104,692,966 |
| | Profit paid on Trust Bank Mudaraba Cash Waqf | 59,638 | 46,289 |
| | Profit paid on MMPS | 222,676,018 | 161,267,177 |
| | Profit paid on TIB Payroll | 1,667,711 | 1,060,130 |
| | Profit paid on Provident Fund Account (TIB Payroll) | 898,477 | 573,772 |
| | Profit Paid on Trust Mudaapah Deposit Scheme (TMDS) | 10,699,165 | 10,128,396 |
| | Profit Paid on Mudaraba Seniors Deposit Account (MSDA) | 2,584,691 | 1,794,713 |
| | Profit Paid on MTDR-Seniors | 60,439,356 | 21,075,532 |
| | Profit Paid on MMPS-Seniors | 23,426,963 | 18,678,319 |
| | Profit paid on 10 Taka Farmers-MSA | 2,534 | 868 |
| | Profit Paid on Mudaraba Porua Account | 235,430 | 97,456 |
| | Profit Paid on Mudaraba Junior Savings Scheme (MJSS) | 341,393 | 159,384 |
| | | 2,657,537,667 | 2,055,058,178 |
| 21.3 | Interest paid on borrowings | | |
| 21.3.1 | Conventional Banking | | |
| | Interest on Call Deposits. | 29,896,625 | 21,962,292 |
| | Interest on Repo | 43,277,683 | 45,345,662 |
| | Interest on Lease Finance | 70,236,493 | 65,971,702 |
| | Interest on Other Borrowings | 1,520,821,660 | 1,131,417,429 |
| | | 1,664,232,461 | 1,264,697,085 |
| 21.3.2 | Islamic Banking | | |
| | Profit paid on Bangladesh Bank Borrowings | - | - |
| | | 17,387,662,197 | 12,678,676,719 |
| 21.3.1.1 | Interest on Other Borrowings | | |
| | Interest on Trust Bank Limited Subordinated Bond | 825,117,535 | 735,756,327 |
| | Interest on Bangladesh Bank Refinance | 602,911,426 | 332,995,447 |
| | Interest on Borrowing from Offshore Unit | 1,502,097 | - |
| | Interest on Call Loan and Short Notice Borrowings | 13,209,361 | 31,388,661 |
| | Interest Expense on Swap/ Forward Deal | 78,081,241 | 31,276,994 |
| | | 1,520,821,660 | 1,131,417,429 |

Note-21.3.1.1

| | | 31.12.2023 | 31.12.2022 |
|---------------|---|-----------------------|-----------------------|
| | | Taka | Taka |
| 21 (a) | Consolidated Interest / profit paid on deposits, borrowings etc. on investment | | |
| | Trust Bank Limited | 17,387,662,197 | 12,678,676,719 |
| | Trust Bank Securities Limited | - | - |
| | Trust Bank Investment Limited | 122,648,927 | 122,159,035 |
| | Trust Axiata Digital Limited | - | - |
| | | 17,510,311,124 | 12,800,835,754 |
| | Less : Inter Company Transaction | 149,649,925 | 124,256,059 |
| | | 17,360,661,199 | 12,676,579,695 |
| 22 | INCOME FROM INVESTMENTS | | |
| 22.1 | Income from Conventional Banking | | |
| | Income from Treasury bills | 188,921,696 | 80,780,591 |
| | Income from Treasury bonds | 3,349,499,278 | 3,532,201,047 |
| | Income from Reverse REPO | 396,531,534 | 369,196,209 |
| | Lottery on Prize Bond | 118,000 | 341,000 |
| | Income from Corporate Bonds | 457,716,269 | 275,271,295 |
| | Dividend Income | 306,982,814 | 242,669,407 |
| | Interest Income on Swap/ Forward Deal | 82,689,739 | 36,521,962 |
| | Gain from sales of shares | 2,511,000 | 5 |
| | Coupon/Dividend on Investment in Perpetual Bond | 401,760,268 | 387,416,827 |
| | Income on Investment in Zero Coupon Bond | 4,394,217 | - |
| | Capital Gain on Sale of Treasury Bill/Bonds | 209,856,258 | 242,269,856 |
| | | 5,400,981,073 | 5,166,668,199 |
| 22.2 | Income from Islamic Banking Investments | | |
| | Profit on Bangladesh Govt. Islamic Investment Bond | 5,748,122 | 929,616 |
| | Income from Corporate Bonds | 19,432,782 | 21,312,318 |
| | Dividend Income | 4,321,800 | 3,927,713 |
| | Gain from sales of shares | 1,000 | - |
| | Coupon/Dividend on Investment in Mudaraba Perpetual Bond | 328,684,931 | 314,803,289 |
| | Income on Investment in Shariah based Mutual Fund | 1,250,000 | - |
| | Income on Bangladesh Government Investment Sukuk (BGIS) | 116,047,539 | 101,429,354 |
| | | 475,486,174 | 442,402,290 |
| | | 5,876,467,247 | 5,609,070,489 |
| 22(a) | Consolidated Income from Investment | | |
| | Trust Bank Limited | 5,876,467,247 | 5,609,070,489 |
| | Trust Bank Securities Limited | 60,911,696 | 28,023,168 |
| | Trust Bank Investment Limited | 82,497,474 | 283,418,042 |
| | Trust Axiata Digital Limited | - | - |
| | | 6,019,876,417 | 5,920,511,699 |
| 23 | COMMISSION, EXCHANGE AND BROKERAGE | | |
| | Commission | 1,402,678,677 | 1,039,390,753 |
| | Exchange gain | 1,104,781,636 | 1,751,503,412 |
| | Brokerage Income | - | - |
| | | 2,507,460,313 | 2,790,894,165 |

| | | 31.12.2023 | 31.12.2022 |
|---------------|--|----------------------|----------------------|
| | | Taka | Taka |
| 23.1 | Commission Income | | |
| | Commission on DD, MT, TT, PO etc. | 2,893,688 | 3,138,108 |
| | Commission on Bills | 31,259,703 | 35,950,260 |
| | Commission on Letter of Guarantee | 442,245,247 | 309,084,036 |
| | Commission on Letter of Credit | 468,147,787 | 325,474,479 |
| | Commission on Foreign Remittances | 1,786,587 | 2,671,472 |
| | Commission on Sale of Government Securities | 13,656,149 | 15,337,527 |
| | Commission on Accepted Bills | 342,995,766 | 313,932,111 |
| | Supervision Charge | 49,855,179 | - |
| | EMI Commission on Credit Card | 4,438,747 | 4,096,194 |
| | Commission on A-Challan Transaction | 5,365,820 | 970,360 |
| | Other Commission | 40,034,004 | 28,736,206 |
| | | 1,402,678,677 | 1,039,390,753 |
| 23 (a) | Consolidated Commission, exchange and brokerage | | |
| | Trust Bank Limited | Note-23 | 2,507,460,313 |
| | Trust Bank Securities Limited | | 31,065,052 |
| | Trust Bank Investment Limited | | 1,443 |
| | Trust Axiata Digital Limited | | - |
| | | 2,538,526,808 | 2,838,240,402 |
| 24 | OTHER OPERATING INCOME | | |
| | Locker Rent | 3,817,700 | 1,910,650 |
| | Swift Charge (Net) | 34,466,782 | 32,417,070 |
| | Incidental Charges | - | 850 |
| | Sale Proceeds of Forms | 39,380 | 46,100 |
| | Service Charges | 81,259,591 | 77,533,733 |
| | Service Compensation | 55,694 | 381,465 |
| | Front End Fees | 17,003,254 | 15,013,633 |
| | Notice Pay | 1,588,604 | 1,511,357 |
| | Closing Charge | 1,346,225 | 2,412,120 |
| | Sale Proceeds of Cheque books | 3,000 | 2,000 |
| | O/W Cheque Processing Fees | 652,658 | 664,292 |
| | Syndication Fees | 4,350,000 | 5,086,088 |
| | Income through Credit & ATM Card | 279,047,828 | 200,439,296 |
| | Insurance Premium Income | 1,888 | 687 |
| | SMS Notification Fees | 76,994,418 | 64,425,654 |
| | Service Charges on e-GP | 476,710 | 516,645 |
| | Service Charge on Passport | - | 6,400 |
| | Miscellaneous Foreign Exchange Income | 131,295,091 | 91,610,569 |
| | Trustee Fees | - | 1,200,000 |
| | RTGS Settlement Charge | 8,532,429 | 6,961,435 |
| | Charges for Footage | 25,350 | 34,775 |
| | Income from SWIFT - Export | 79,350 | 89,244 |
| | Indemnity for Shipping Guarantee Charge - Export | 192,250 | 234,250 |
| | Miscellaneous Earnings | 140,689,338 | 117,885,395 |
| | | 781,917,540 | 620,383,708 |

| | | 31.12.2023 | 31.12.2022 |
|---------------|--|----------------------|----------------------|
| | | Taka | Taka |
| 24 (a) | Consolidated other operating income | | |
| | Trust Bank Limited | 781,917,540 | 620,383,708 |
| | Trust Bank Securities Limited | 3,761,699 | 3,869,108 |
| | Trust Bank Investment Limited | 20,779,249 | 49,006,366 |
| | Trust Axiata Digital Limited | 17,000,181 | 21,490,889 |
| | | 823,458,669 | 694,750,071 |
| 25 | SALARIES AND ALLOWANCES | | |
| | Basic Salary | 1,356,809,766 | 1,159,089,105 |
| | House Rent Allowances | 678,433,096 | 579,329,324 |
| | Conveyance Allowances | 75,441,398 | 66,251,005 |
| | Medical Allowances | 294,898,257 | 247,353,719 |
| | Leave Fare Assistances | 55,816,686 | 98,663,504 |
| | House Maintenance Allowance | 65,332,861 | - |
| | Leave Encashment | 12,853,688 | 11,101,468 |
| | Utility Allowances | 6,515,703 | 5,493,314 |
| | Telephone Allowance | 541,297 | 533,753 |
| | Club Membership Allowance | 1,856,789 | 1,597,610 |
| | Contractual Staffs Salary | 65,595,470 | 51,284,185 |
| | Managers' Charge Allowance | 3,503,273 | 3,345,888 |
| | Key Holding Allowance | 1,252,500 | 1,219,500 |
| | Cash Handling Allowances | 6,623,669 | 6,321,852 |
| | Festival Bonus | 226,598,299 | 217,393,360 |
| | Incentive Bonus | 120,000,000 | 250,000,000 |
| | Bank's Contribution to Provident Fund | 131,399,265 | 111,157,014 |
| | Bank's Contribution to Employees' Gratuity Fund | 134,688,168 | 115,493,130 |
| | Bank's Contribution to Superannuation Fund | 11,900,000 | - |
| | SME DSR Commission | 123,300 | 227,000 |
| | | 3,250,183,485 | 2,925,854,731 |
| 25 (a) | Consolidated salaries and allowances | | |
| | Trust Bank Limited | 3,250,183,485 | 2,925,854,731 |
| | Trust Bank Securities Limited | 19,448,564 | 12,640,814 |
| | Trust Bank Investment Limited | 25,595,326 | 23,074,859 |
| | Trust Axiata Digital Limited | 124,569,292 | 172,730,091 |
| | | 3,419,796,667 | 3,134,300,495 |
| 26 | RENT, TAXES, INSURANCE, ELECTRICITY, ETC. | | |
| | Rent | 208,351,054 | 193,952,953 |
| | Electricity and Lighting | 71,258,801 | 63,451,139 |
| | Insurance | 285,481,581 | 259,022,971 |
| | Rates, Taxes & Excise Duty | 19,408,849 | 18,729,384 |
| | Fees & Renewals | 45,867,495 | 33,027,726 |
| | Generator Fuel | 5,545,921 | 4,453,759 |
| | Gas/Water Bill | 3,773,599 | 2,265,772 |
| | | 639,687,300 | 574,903,704 |
| 26.1 | Rent | | |
| | Total Rent paid during the year | 719,685,594 | 643,398,418 |
| | Less: Reversal of rent expenses due to depreciation and interest expenses under IFRS 16 Leases | (511,334,540) | (449,445,465) |
| | | 208,351,054 | 193,952,953 |

While implementing IFRS 16 Leases, the Bank recorded interest expense on lease liabilities and depreciation on right of use assets instead of charging rental expense against those rental premises that have been treated as right of use assets and presented in the balance sheet under IFRS 16.

26.2 According to BRPD Circular Letter No. 28 dated 26 July 2022 and BRPD Circular Letter No. 30 dated 27 July 2022, the Bank has taken necessary initiatives such as maintenance of Office hour strictly, rationalizing the uses of electricity and air-conditioning, maximum uses of documents on digital format etc. in order to reduce its expenditure on fuel, electricity, entertainment, travelling, computer & computer accessories, electric equipment, furniture and other stationaries. To comply with the above instructions, actual expenses have been monitored on regular basis to track the savings achieved. These initiatives have resulted in the reduction in quantity (i.e. Usages). However, due to the increase of cost per unit as well as other factors like uses of generator fuel due to load shedding etc., actual reduction of such expenses in monetary terms may be different.

| | | 31.12.2023 | 31.12.2022 |
|---------------|---|--------------------|--------------------|
| | | Taka | Taka |
| 26 (a) | Consolidated rent, taxes, insurance, electricity etc. | | |
| | Trust Bank Limited | 639,687,300 | 574,903,704 |
| | Trust Bank Securities Limited | 2,649,664 | 1,987,998 |
| | Trust Bank Investment Limited | 1,617,540 | 2,194,472 |
| | Trust Axiata Digital Limited | 1,139,380 | - |
| | | 645,093,884 | 579,086,174 |
| 27 | POSTAGE, STAMPS, TELECOMMUNICATION, ETC. | | |
| | Postage | 2,047,440 | 778,774 |
| | Stamp | 47,284 | 11,260 |
| | VISA Connectivity Charges | 2,640,000 | 1,706,000 |
| | VISA Membership Fees | 11,000,000 | 7,640,000 |
| | VISA SBRL Commission | 3,000,000 | 3,423,231 |
| | VISA VIROL Fees | 331,200 | 696,699 |
| | Bulk SMS Charge | 24,046,321 | 15,855,098 |
| | Electronic Banking Service | 339,946 | - |
| | Security Compliance Charge | 105,600 | 106,175 |
| | ATM Driving Charge | 1,032,000 | 946,000 |
| | PCI-DSS, VbV, e-Mail Notification charges | 211,200 | 181,100 |
| | Link (Fibre/Radio) Charge | 46,422,404 | 47,067,416 |
| | ATM Card Expenditure | 630,000 | 23,120,000 |
| | Internet Charge | 2,880,765 | 3,339,871 |
| | Reuter Charge | - | 3,430,989 |
| | Telegram, Telex, Telephone, Trunk Call etc. (Net) | 9,656,524 | 9,791,165 |
| | | 104,390,684 | 118,093,778 |
| 27 (a) | Consolidated postages, stamps, telecommunication, etc. | | |
| | Trust Bank Limited | 104,390,684 | 118,093,778 |
| | Trust Bank Securities Limited | 37,701 | 41,558 |
| | Trust Bank Investment Limited | 327,398 | 290,942 |
| | Trust Axiata Digital Limited | 12,067,377 | 12,005,177 |
| | | 116,823,160 | 130,431,455 |
| 28 | STATIONERY, PRINTING, ADVERTISEMENT, ETC. | | |
| | Printing and Stationery (Net) | 50,101,142 | 48,662,494 |
| | Publicity and Advertisement | 31,299,563 | 19,590,077 |
| | | 81,400,705 | 68,252,571 |
| 28 (a) | Consolidated stationery, printing, advertisement, etc. | | |
| | Trust Bank Limited | 81,400,705 | 68,252,571 |
| | Trust Bank Securities Limited | 184,253 | 158,027 |
| | Trust Bank Investment Limited | 181,545 | 146,477 |
| | Trust Axiata Digital Limited | 5,141,684 | 675,771 |
| | | 86,908,187 | 69,232,846 |

| | 31.12.2023 | 31.12.2022 |
|--------------------------------------|------------------|------------------|
| | Taka | Taka |
| 29 DIRECTORS' FEES | | |
| Meeting fees | 2,784,000 | 2,024,000 |
| Shariah Supervisory Committee's Fees | 72,000 | 96,000 |
| Other benefits | - | - |
| | 2,856,000 | 2,120,000 |

Meeting fees include fees paid to the Directors for attending the meeting of the Board, Executive Committee and Audit Committee. Each Director was remunerated @ Tk. 8,000 per meeting according to Bangladesh Bank BRPD Circular Letter no. 11 dated 4 October 2015.

| 29 (a) Consolidated directors fees | | | | |
|---|---------|------------------|------------------|--|
| Trust Bank Limited | Note-29 | 2,856,000 | 2,120,000 | |
| Trust Bank Securities Limited | | 87,000 | 54,000 | |
| Trust Bank Investment Limited | | 63,000 | 60,000 | |
| Trust Axiata Digital Limited | | 240,205 | - | |
| | | 3,246,205 | 2,234,000 | |

| | | | |
|--------------------------|--|----------------|----------------|
| 30 AUDITORS' FEES | | | |
| Statutory Audit | | 575,000 | 575,000 |
| Special Audit | | - | 345,000 |
| | | 575,000 | 920,000 |

| 30 (a) Consolidated auditors' fees | | | | |
|---|---------|----------------|------------------|--|
| Trust Bank Limited | Note-30 | 575,000 | 920,000 | |
| Trust Bank Securities Limited | | 57,500 | 80,500 | |
| Trust Bank Investment Limited | | 115,000 | 115,000 | |
| Trust Axiata Digital Limited | | - | - | |
| | | 747,500 | 1,115,500 | |

| | | | |
|---|--|--------------------|--------------------|
| 31 DEPRECIATION AND REPAIR OF BANK'S ASSETS | | | |
| Depreciation | | | |
| Fixed assets (For details please refer to Annexure - B) | | 122,211,257 | 108,247,220 |
| Right of Use Asses | | 435,533,313 | 388,012,062 |
| | | 557,744,570 | 496,259,282 |
| Repairs | | | |
| Building | | - | - |
| Furniture and fixtures | | 10,304,861 | 7,930,527 |
| Office equipment | | 22,125,017 | 18,395,141 |
| Bank's vehicles | | 5,212,532 | 3,230,827 |
| Maintenance | | 46,252,493 | 51,218,647 |
| | | 83,894,903 | 80,775,142 |
| | | 641,639,473 | 577,034,424 |

| 31 (a) Consolidated depreciation and repair of bank's assets | | | | |
|---|---------|--------------------|--------------------|--|
| Trust Bank Limited | Note-31 | 641,639,473 | 577,034,424 | |
| Trust Bank Securities Limited | | 817,542 | 523,643 | |
| Trust Bank Investment Limited | | 6,700,448 | 6,491,768 | |
| Trust Axiata Digital Limited | | 25,849,765 | 31,778,270 | |
| | | 675,007,228 | 615,828,105 | |

32 OTHER EXPENSES

| | |
|---|--|
| Business Development Expenses | |
| Clearing House Charge | |
| Conveyance | |
| Entertainment | |
| Car Expenses | |
| Bank charges | |
| Donation, Subscription and Membership Fees | |
| News Paper and Periodicals | |
| Oil and Lubricant | |
| Remittance Charges | |
| Support Staff Service | |
| Internship Allowances | |
| Honorarium for Banking Diploma | |
| Training & Recruitment Expenses | |
| Traveling Expenses | |
| Up Keep of Office Premises | |
| Washing Charges | |
| Loss on Amortisation of T. Bond -HTM | |
| Loss on Revaluation of Treasury Bond | |
| Loss on Sale of Fixed Assets | |
| Foreign Correspondence Expenses | |
| CDBL Charges | |
| Share/Bond Issue Expense | |
| Cash Carrying Charges | |
| Guarantee Fee against FICGS | |
| Service Charge agnst Foreign Remittance through MFS | |
| Wages paid to daily Labor | |
| Purchase of Utensils | |
| NID Verification Charge | |
| IPO Bidding/Subscription Fees | |
| Commission Paid to NPSB | |
| Trustee Fees | |
| Priority Pass Expense | |
| Loss on Sale of Securities | |
| Amortization of Renovation Expense | |
| Miscellaneous Expenses | |

| | 31.12.2023 | 31.12.2022 |
|---|----------------------|----------------------|
| | Taka | Taka |
| | 18,209,069 | 16,859,096 |
| | 50,368 | 68,180 |
| | 13,924,936 | 12,639,701 |
| | 36,181,765 | 31,831,085 |
| | 165,450,617 | 137,606,171 |
| | 1,023,303 | 1,049,307 |
| | 55,440,469 | 111,378,143 |
| | 776,712 | 879,088 |
| | 9,116,119 | 7,298,281 |
| | 419,394 | 513,442 |
| | 453,708,726 | 432,032,252 |
| | 1,326,740 | 1,174,500 |
| | 4,025,000 | 2,075,000 |
| | 16,261,083 | 8,530,482 |
| | 25,225,772 | 12,702,151 |
| | 15,101,518 | 14,010,389 |
| | 3,618,601 | 3,192,052 |
| | 202,276,354 | 234,885,466 |
| | 2,822,903 | 2,725,103 |
| | 2,515,433 | 2,523,991 |
| | 8,823,638 | 11,059,779 |
| | 900 | 2,300 |
| | 796,100 | 28,097,200 |
| | 11,821,659 | 11,340,505 |
| | 35,870 | 17,400 |
| | 3,297,855 | - |
| | 829,045 | 430,580 |
| | 1,221,144 | 1,255,134 |
| | 2,220,878 | 1,089,298 |
| | - | 5,000 |
| | 17,713,265 | 34,004,435 |
| | 1,265,000 | 1,408,750 |
| | 7,642,136 | 5,089,711 |
| | 83,116,719 | 301,439,128 |
| | 51,897,227 | 53,873,203 |
| | 200,650 | 181,551 |
| | 1,218,356,968 | 1,483,267,854 |
| 32 (a) Consolidated other expenses | | |
| Trust Bank Limited | 1,218,356,968 | 1,483,267,854 |
| Trust Bank Securities Limited | 33,799,314 | 10,461,770 |
| Trust Bank Investment Limited | 10,043,135 | 11,305,041 |
| Trust Axiata Digital Limited | 35,691,724 | 102,628,375 |
| | 1,297,891,141 | 1,607,663,040 |

Note-32

| | | 31.12.2023 | 31.12.2022 |
|---------------|---|----------------------|----------------------|
| | | Taka | Taka |
| 33 | PROVISION FOR LOANS AND ADVANCES / INVESTMENTS | | |
| | Specific Provisions-against classified loans & advances | 5,167,773,718 | 3,704,439,906 |
| | General Provisions-against un-classified loans & advances | 207,859,000 | 333,398,500 |
| | Special General Provision for COVID-19 | (169,260,000) | (90,500,000) |
| | General Provisions-against special mentioned accounts | 14,856,500 | (14,962,500) |
| | | 5,221,229,218 | 3,932,375,906 |
| 33 (a) | Consolidated Provision for Loans & Advances / Investment | | |
| | Trust Bank Limited | 5,221,229,218 | 3,932,375,906 |
| | Trust Bank Securities Limited | (622,437) | - |
| | Trust Bank Investment Limited | 28,672,510 | 118,085,165 |
| | Trust Axiata Digital Limited | - | - |
| | | 5,249,279,291 | 4,050,461,071 |
| 34 | PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS: | | |
| | Decline in value of investment should consist of the following divisions: | | |
| | (a) Dealing securities | | |
| | - Quoted | - | - |
| | - Unquoted | - | - |
| | (b) Investment securities | | |
| | - Quoted | 18,260,289 | 9,454,450 |
| | - Unquoted | - | - |
| | | 18,260,289 | 9,454,450 |
| | Provision for decreased NAV of Trust Bank Securities Ltd | 18,260,289 | 9,454,450 |
| | | 18,260,289 | 9,454,450 |
| | Provision for Investment in Share has been made as per DOS Circular No. 01 dated 24 May 2023 issued by Bangladesh Bank. | | |
| 34 (a) | Consolidated Provision for diminution in value of investments | | |
| | Trust Bank Limited | 18,260,289 | 9,454,450 |
| | Trust Bank Securities Limited | 5,195,787 | 8,426,459 |
| | Trust Bank Investment Limited | - | 120,000,000 |
| | Trust Axiata Digital Limited | - | - |
| | | 23,456,076 | 137,880,909 |
| 35 | OTHER PROVISION | | |
| | General Provision for Off Balance Sheet Exposures | 187,389,500 | (22,972,500) |
| | Provision for Other Assets | - | 100,000,000 |
| | | 187,389,500 | 77,027,500 |
| 35.1 | As per BRPD circular no. 10 dated 18 September 2007, the Bank has maintain provision @ 1% against off-balance sheet exposures complying BRPD Circular No. 07, dated 21 June 2018 and BRPD circular letter no. 01 dated 03 Jan 2018. | | |
| 35.2 | Provision for Other Assets has been made as per rules & regulations enumerated in the BRPD Circular No. 04 dated 12 April 2022 issued by Bangladesh Bank. | | |
| 35 (a) | Consolidated Other Provision | | |
| | Trust Bank Limited | 187,389,500 | 77,027,500 |
| | Trust Bank Securities Limited | - | - |
| | Trust Bank Investment Limited | - | - |
| | Trust Axiata Digital Limited | - | - |
| | | 187,389,500 | 77,027,500 |

36 THE BANK HAS NO SECURED LIABILITIES ON THE REPORTING DATE AND THEREFORE THE BANK HAS NO ASSET PLEDGED AS SECURITY AGAINST SUCH LIABILITIES.

37 RECONCILIATION OF EFFECTIVE TAX RATE (STANDALONE)

| Particulars | 31 Dec 2023 | | 31 Dec 2022 | |
|--|---------------|----------------------|---------------|----------------------|
| | % | Taka | % | Taka |
| Profit before provision | | 11,819,176,550 | | 11,000,406,998 |
| Income Tax as per applicable tax rate | 37.50% | 4,432,191,206 | 37.50% | 4,125,152,624 |
| Factors affecting the Tax Change for the current year | | | | |
| Inadmissible Expenses | -26.49% | (3,131,284,390) | -3.02% | (331,946,650) |
| Admissible Expenses | 7.70% | 910,606,597 | 2.18% | 239,948,523 |
| Tax Exempted Income | 0.00% | - | 0.00% | - |
| Tax Savings from reduced tax rate for dividend | -1.54% | (182,306,217) | -0.39% | (43,154,496) |
| Tax loss/ savings from reduced tax rate for capital gain | -0.25% | (29,207,196) | 0.00% | (1) |
| Effect of deferred tax | 0.63% | 74,294,034 | 0.00% | 47,891 |
| Total Income Tax expenses | 17.55% | 2,074,294,034 | 36.27% | 3,990,047,891 |

38 EARNINGS PER SHARE (EPS)

Profit attributable to outstanding ordinary share holders
 Number of Ordinary Shares Outstanding
Basic Earning per Share

38 (a) Consolidated Earning per Share (EPS)

Profit attributable to outstanding ordinary share holders
 Number of Ordinary Shares Outstanding
Earning per Share

39 NET ASSET VALUE (NAV) PER SHARE

Net Asset Value (NAV)
 Number of Ordinary Shares Outstanding
Net Asset Value (NAV) per Share

39 (a) Consolidated Net Asset Value (NAV) per Share

Net Asset Value (NAV)
 Number of Ordinary Shares Outstanding
Net Asset Value (NAV) per Share

40 NET OPERATING CASH FLOW PER SHARE (NOCFPS)

Net Operating Cash Flow
 Number of Ordinary Shares Outstanding
Net Operating Cash Flow per share (NOCFPS)

40 (a) Consolidated Net Operating Cash Flow per share (NOCFPS)

Net Operating Cash Flow
 Number of Ordinary Shares Outstanding
Net Operating Cash Flow per share (NOCFPS)

| | 31.12.2023 Taka | 31.12.2022 Taka |
|---|--------------------|--------------------|
| Profit attributable to outstanding ordinary share holders | 4,318,003,509 | 2,991,501,251 |
| Number of Ordinary Shares Outstanding | 856,226,945 | 856,226,945 |
| Basic Earning per Share | 5.04 | 3.49 |
| Profit attributable to outstanding ordinary share holders | 4,253,288,759 | 2,920,656,582 |
| Number of Ordinary Shares Outstanding | 856,226,945 | 856,226,945 |
| Earning per Share | 4.97 | 3.41 |
| Net Asset Value (NAV) | 22,896,308,835 | 19,845,631,431 |
| Number of Ordinary Shares Outstanding | 856,226,945 | 856,226,945 |
| Net Asset Value (NAV) per Share | 26.74 | 23.18 |
| Net Asset Value (NAV) | 23,321,963,128 | 20,213,662,056 |
| Number of Ordinary Shares Outstanding | 856,226,945 | 856,226,945 |
| Net Asset Value (NAV) per Share | 27.24 | 23.61 |
| Net Operating Cash Flow | 7,170,316,699 | 3,499,205,824 |
| Number of Ordinary Shares Outstanding | 856,226,945 | 856,226,945 |
| Net Operating Cash Flow per share (NOCFPS) | 8.37 | 4.09 |
| Net Operating Cash Flow | 9,113,592,784 | 4,431,432,520 |
| Number of Ordinary Shares Outstanding | 856,226,945 | 856,226,945 |
| Net Operating Cash Flow per share (NOCFPS) | 10.64 | 5.18 |

| | 31.12.2023 | 31.12.2022 |
|---|----------------------|----------------------|
| | Taka | Taka |
| 41 INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES | | |
| Locker Rent | 3,817,700 | 1,910,650 |
| Swift Charge (Net) | 34,304,222 | 32,354,928 |
| Incidental Charges | - | 850 |
| Sale Proceeds of Forms | 39,380 | 46,100 |
| Service Charges | 81,259,591 | 77,533,733 |
| Service Compensation | 55,694 | 381,465 |
| Front End Fees | 17,003,254 | 15,013,633 |
| Notice Pay | 1,588,604 | 1,511,357 |
| Closing Charge | 1,346,225 | 2,412,120 |
| Sale Proceeds of Cheque books | 3,000 | 2,000 |
| O/W Cheque Processing Fees | 652,658 | 664,292 |
| Syndication Fees | 4,350,000 | 5,086,088 |
| Income through Credit & ATM Card | 279,047,828 | 200,439,296 |
| Income from Government Securities | 4,671,684,638 | 4,387,001,464 |
| Interest on Corporate Bonds | 433,107,521 | 197,486,568 |
| Interest on Perpetual Bonds | 760,550,685 | 361,422,749 |
| Interest Income on Swap/ Forward Deal | 73,142,360 | 38,464,751 |
| Insurance Premium Income | 1,888 | 687 |
| Income on Bangladesh Government Investment Sukuk (BGIS) | 89,105,946 | 85,006,686 |
| Income on Investment in Zero Coupon Bond | 4,394,217 | - |
| Income on Investment in Shariah based Mutual Fund | 1,250,000 | - |
| SMS Notification Fees | 76,994,418 | 64,425,654 |
| Service Charges on e-GP | 476,710 | 516,645 |
| Service Charge on Passport | - | 6,400 |
| Miscellaneous Foreign Exchange Income | 131,295,091 | 91,610,569 |
| Trustee Fees | - | 1,200,000 |
| RTGS Settlement Charge | 8,532,429 | 6,961,435 |
| Charges for Footage | 25,350 | 34,775 |
| Income from SWIFT - Export | 79,350 | 89,244 |
| Indemnity for Shipping Guarantee Charge - Export | 192,250 | 234,250 |
| Miscellaneous Earnings | 140,689,338 | 117,885,395 |
| | 6,814,990,347 | 5,689,703,784 |
| 41 (a) Consolidated Income from Other Operating Activities | | |
| Trust Bank Limited | Note-41 | 6,814,990,347 |
| Trust Bank Securities Limited | | 5,689,703,784 |
| Trust Bank Investment Limited | | 86,447,737 |
| Trust Axiata Digital Limited | | 103,276,723 |
| | | 244,807,708 |
| | | 121,388,668 |
| | | 76,851,136 |
| | 7,126,103,475 | 6,066,373,976 |

42 EXPENSES PAID FOR OTHER OPERATING ACTIVITIES

| | 31.12.2023 | 31.12.2022 |
|---|------------------------|------------------------|
| | Taka | Taka |
| Business Development Expenses | (18,209,069) | (16,859,096) |
| Clearing House Charge | (50,368) | (68,180) |
| Conveyance | (13,924,936) | (12,639,701) |
| Entertainment | (35,299,580) | (31,517,652) |
| Car Expenses | (165,450,617) | (137,606,171) |
| Bank charges | (1,023,303) | (1,049,307) |
| Donation, Subscription and Membership Fees | (55,440,431) | (111,378,143) |
| News Paper and Periodicals | (790,896) | (860,329) |
| Oil and Lubricant | (9,086,290) | (7,027,169) |
| Remittance Charges | (1,533,595) | (7,464,329) |
| Other Contractual Service | (453,530,936) | (431,989,497) |
| Internship Allowances | (1,326,740) | (1,174,500) |
| Honorarium for Banking Diploma | (4,025,000) | (2,075,000) |
| Training Expenses | (16,261,083) | (8,530,482) |
| Traveling Expenses | (25,225,772) | (12,702,151) |
| Up Keep of Office Premises | (15,101,518) | (14,010,389) |
| Washing Charges | (3,618,601) | (3,192,052) |
| Foreign Correspondence Expenses | (8,823,638) | (11,059,779) |
| Special Reserve Fund | 70,792,315 | (120,000,000) |
| CDBL Charges | (900) | (2,300) |
| Share/Bond Issue Expense | (796,100) | (28,097,200) |
| Cash Carrying Charges | (11,734,835) | (11,124,523) |
| Guarantee Fee against FICGS | (35,870) | (17,400) |
| Service Charge agnst Foreign Remittance through MFS | (3,297,855) | - |
| Wages paid to daily Labor | (829,045) | (430,580) |
| Purchase of Utensils | (1,221,144) | (1,255,134) |
| NID Verification Charge | (2,220,878) | (1,089,298) |
| IPO Bidding/Subscription Fees | - | (5,000) |
| Commission Paid to NPSB | (29,378,990) | (26,379,638) |
| Gain from sale of Share | 2,512,000 | 541,160 |
| Trustee Fees | (1,265,000) | (1,408,750) |
| Priority Pass Expense | (7,642,136) | (5,089,711) |
| Amortization of Renovation Expense | (53,004,587) | (62,666,743) |
| Miscellaneous Expenses | (5,591,006) | 29,032,398 |
| Publicity and Advertisement | (31,299,563) | (19,580,077) |
| Rent, Taxes, Insurance, Lighting etc. | (1,289,865,951) | (1,024,502,347) |
| Legal Expenses | (19,961,608) | (9,097,283) |
| Postage, Telegram, Telephone | (108,576,538) | (106,229,304) |
| Audit Fee | (575,000) | (920,000) |
| Directors Fee | (2,856,000) | (2,120,000) |
| Repairs and maintenance of Fixed Assets | (85,081,429) | (77,736,606) |
| | (2,410,652,493) | (2,279,382,263) |

| | | 31.12.2023 | 31.12.2022 |
|---------------|--|------------------------|------------------------|
| | | Taka | Taka |
| 42 (a) | Consolidated Expenses paid for Other Operating Activities | | |
| | Trust Bank Limited | (2,410,652,493) | (2,279,382,263) |
| | Trust Bank Securities Limited | (56,540,952) | (17,491,343) |
| | Trust Bank Investment Limited | (12,790,621) | (23,135,438) |
| | Trust Axiata Digital Limited | - | - |
| | | (2,479,984,066) | (2,320,009,044) |
| 43 | CHANGES IN OTHER OPERATING ASSETS | | |
| | Security Deposits | 4,514,575 | (2,402,896) |
| | Encashment of Sanchaya patra awaiting reimbursement-Principal | 342,595,705 | 272,693,315 |
| | Encashment of Sanchaya patra awaiting reimbursement-Interest | 50,582,750 | 114,382,492 |
| | Encashment of WEDB awaiting reimbursement-Principal | 760,979,250 | (1,492,823,975) |
| | Encashment of WEDB awaiting reimbursement-Interest | 511,018,821 | (702,672,835) |
| | US\$ Premium Bond - Principal | 5,683,717 | 41,849,483 |
| | US\$ Premium Bond - Interest | 435,338 | 1,834,921 |
| | US\$ Investment Bond - Principal | 39,165,974 | 66,968,626 |
| | US\$ Investment Bond - Interest | 4,685,697 | 17,671,199 |
| | MFS Remittance Settlement Account | (13,238,046) | - |
| | Receivable from Exchange House | 13,771,077 | 3,248,744 |
| | Advance against Capital Expenditure | (15,423,942) | 11,315,105 |
| | Branch Adjusting Account | (260,845,689) | 1,786,858 |
| | Clearing Adjustment | (756,236) | 15,675,563 |
| | Coupon Interest Adjustment Account | 20,813,317 | (20,813,317) |
| | VISA Receivable Fast Fund | (741,440) | - |
| | Imprest Fund for Cash-Incentive against Remittance | (1,428,838,213) | - |
| | Credit Card Adjustment - Debit | - | (2,124,289) |
| | Suspense Account | (109,909,067) | (118,213,778) |
| | | (75,506,412) | (1,791,624,784) |
| 43 (a) | Consolidated Changes in Other Operating Assets | | |
| | Trust Bank Limited | (75,506,412) | (1,791,624,784) |
| | Trust Bank Securities Limited | - | - |
| | Trust Bank Investment Limited | (16,894,290) | 102,417,082 |
| | Trust Axiata Digital Limited | - | - |
| | | (92,400,702) | (1,689,207,702) |
| | Less : Inter Company Transaction | - | - |
| | | (92,400,702) | (1,689,207,702) |
| 44 | CHANGES IN OTHER LIABILITIES | | |
| | Sundry Creditors | 955,479,425 | 42,962,243 |
| | Provision for Rebate of Interest | 23,378,010 | 2,048,940 |
| | Imprest Fund for Cash-Incentive | (79,492,888) | 79,492,888 |
| | Others | 17,896,967 | (51,887,833) |
| | | 917,261,514 | 72,616,238 |
| 44 (a) | Consolidated Changes in Other Operating Liabilities | | |
| | Trust Bank Limited | 917,261,514 | 72,616,238 |
| | Trust Bank Securities Limited | 14,805,801 | (61,162,844) |
| | Trust Bank Investment Limited | (37,566,671) | (43,637,301) |
| | Trust Axiata Digital Limited | - | - |
| | | 894,500,644 | (32,183,907) |

| | 31.12.2023 | 31.12.2022 |
|---|-----------------------|------------------------|
| | Taka | Taka |
| 45 CLOSING CASH AND CASH EQUIVALENT | | |
| Cash in hand (including foreign currencies) | 4,514,047,537 | 4,710,068,459 |
| Balance with Bangladesh Bank & Sonali Bank (Incl. FCs) | 16,977,503,573 | 15,317,472,261 |
| Balance with Other Bank and Financial Institutions | 16,299,086,455 | 18,560,196,792 |
| Call Loan to other Banks | - | 7,200,000,000 |
| Reverse REPO | - | - |
| Prize Bond | 5,133,100 | 5,367,100 |
| | 37,795,770,665 | 45,793,104,612 |
| 45 (a) CONSOLIDATED CLOSING CASH AND CASH EQUIVALENT | | |
| Trust Bank Limited | 37,795,770,665 | 45,793,104,612 |
| Trust Bank Securities Limited | 876,940,804 | 846,188,580 |
| Trust Bank Investment Limited | - | - |
| Trust Axiata Digital Limited | 310,097,238 | 96,297,532 |
| | 38,982,808,707 | 46,735,590,724 |
| 46 Reconciliation of Net Profit after tax with Cash flows from Operating Activities | | |
| Net profit/(loss) after taxation | 4,177,477,177 | 2,823,235,281 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Interest Income | (123,321,098) | (96,052,428) |
| Interest Expense | 339,389,754 | 549,817,725 |
| Fees and commission Income | (117,845,666) | (198,312,779) |
| Recoveries of loans previously written off | 52,565,629 | 53,930,997 |
| Salary and Allowances | (121,189,386) | 45,626,991 |
| Printing and Stationeries | (17,813,025) | (14,336,954) |
| Income Taxes | (1,577,645,568) | 911,075,765 |
| Other Operating Income | 592,408,527 | (377,294,654) |
| Other operating Expenses | 313,534,673 | 646,814,291 |
| Provision for loans & advances / Investments / Other Assets | 5,460,124,867 | 4,265,369,480 |
| Operating profit before changes in operating Assets and Liabilities | 8,977,685,884 | 8,609,873,715 |
| Increase/(Decrease) in operating assets & liabilities | | |
| Net Investment in trading securities | 636,458,383 | (4,313,776,058) |
| Loan & advance to customers | (41,358,091,722) | (38,166,992,648) |
| Other assets (item-wise) | (92,400,702) | (1,689,207,702) |
| Deposits from other banks | (3,764,719,125) | 4,521,020,517 |
| Deposits from customers | 43,820,159,422 | 35,502,698,603 |
| Other liabilities (item-wise) | 894,500,644 | (32,183,907) |
| | 135,906,900 | (4,178,441,195) |
| Net cash flows from operating activities | 9,113,592,784 | 4,431,432,520 |
| 47 EXPENDITURE INCURRED FOR EMPLOYEES | | |
| Salaries, allowances and benefits | | |
| Number of employees at 31 December 2023 was 2199; (31 December 2022 was 2182) who were in receipt of remuneration for that period which in the aggregate was not less than Tk 36,000 and those employed for a part of that year who were in receipt of remuneration of not less than Tk. 3,000 per month. | | |

48 AUDIT COMMITTEE

48.1 Particulars of Audit Committee

An audit committee has been formed by the Board of Directors of the Bank in its 64th Board meeting held on 05 February 2003. In accordance with the BRPD circular no. 11 dated 27 October 2013, the committee constituted with a chairman, and a member.

As on 31 December 2023, the Honorable Members of the committee were as follows:

| Name | Status with Bank | Status with Committee | Educational Qualification |
|--|----------------------|-----------------------|--|
| Ms. Nusrat Khan | Independent Director | Chairman | M.Phil. MBA (Finance) |
| Brig Gen Md Kaiser Hasan Malik, SGP, ndc, psc | Director | Member | (a) ndc, National Defence College, (b) Graduate from Defence Services Command and Staff College, Bangladesh and Armed Forces Staff College, Malaysia (c) Master's in Social Science in Security and Development from Bangladesh University of Professionals (d) Master's Degree on Defense and Strategic studies from National University of Bangladesh (e) Diploma in Defence Studies from University of Malaya, Kuala Lumpur, Malaysia. |
| Brig Gen Rakibul Karim Chowdhury, ndc, afwc, psc | Director | Member | a) MSc in Defence Studies, Bangladesh University of Professionals. b) Masters in Information and Communication Technology (MICT), Bangladesh University of Professionals. |

48.2 During the period ended on 31 December 2023, the following number of meetings of the Audit Committee held with the bank's Senior Management to consider and review the Bank's Financial Statements and Risk Management:

| Meeting Number | Date of Meeting |
|----------------|-----------------|
| 110 (01/2023) | 08-Feb-23 |
| 111 (02/2023) | 10-Apr-23 |
| 112 (03/2023) | 25-May-23 |
| 113 (04/2023) | 21-Jun-23 |
| 114 (05/2023) | 11-Jul-23 |
| 115 (06/2023) | 30-Aug-23 |
| 116 (07/2023) | 15-Oct-23 |
| 117 (08/2023) | 11-Dec-23 |

48.3 Following steps have been taken for implementation of an effective Internal Control Procedures of the banks:

A strong internal control & compliance division has been formed with a view to establish compliance culture and full control.

Regular review of internal and external (including Bangladesh Bank) audit reports with a view to implement the suggestion of internal and external auditors (including Bangladesh Bank), in respect of internal control techniques.

To establish an effective management system that includes planning, organizing and supervising culture in the branches as well as at head office.

Continuous monitoring & evaluation on application of internal control system, internal audit policy, policy for financial risks, existing rules and regulations (internal and external), other obligations from controlling authority, disclosure process of financial statements etc. of the bank.

Review the accounting procedures with a view to ascertain that the International Financial Reporting Standards (IFRSs) have been applied in preparation and presentation of financial statements.

Formulation of HRM policy and other operating procedures.

Related Party Disclosures

The names of the companies in which the directors also hold the directorship and the membership of committees of the Board in compliance with Notification No. BSEC/ CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of Bangladesh Securities and Exchange Commission (BSEC) are appended below as on 31 December 2023:

Directors' interest in different entities as at 31 December 2023

| Sl. | Name of the Directors | Status with Bank | Entities where they have interest | % of Interest |
|--|--|---|---|---------------|
| 1 | Gen S M Shafiuddin Ahmed, SBP(BAR), OSP, ndu, psc, PhD | Chairman (Representing Army Welfare Trust) | Sena Kalyan Sangstha, Chairman, Board of Trustees | Nominated |
| | | | Sena Hotel Development Ltd, Chairman | Nominated |
| | | | Bangladesh Machine Tools Factory Ltd., Chairman | Nominated |
| | | | Army Welfare Trust, Chairman | Nominated |
| | | | Trust Bank Investment Ltd., Chairman | Nominated |
| | | | Council of Military Institute of Science & Technology, Vice Chairman | Nominated |
| | | | Council of the College, Armed Forces Medical College, Chairman | Nominated |
| | | | Sena Paribar Kalyan Samiti, Chief Patron | Nominated |
| | | | Advisory Committee of Proyash, President | Nominated |
| | | | National Defence College & Defence Services Command and Staff College Governing Body, Vice Chairman | Nominated |
| | | | Kurmitola Golf Club, President | Nominated |
| | | | Bangladesh Golf Federation, President | Nominated |
| | | | Defence Officers Housing Scheme Committee, Chairman | Nominated |
| | | | BAIUST Cumilla/ BAUET Quadirabad/ BAUST Saidpur/ BAUST Khulna, Chairman, Board of Trustees | Nominated |
| | | | Bangladesh Diesel Plant Ltd., Chairman | Nominated |
| Jolshiri Abashon Project, Chief Patron | Nominated | | | |
| Bangladesh Olympic Association, President | Nominated | | | |
| Trust Axiata Digital Ltd, Chairman | Nominated | | | |
| 2 | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | (Nominated Director) Vice Chairman | Army Housing Scheme, Chairman, Board of Directors | Nominated |
| | | | Sena Kalyan Sangstha, Vice-Chairman, Board of Trustees | Nominated |
| | | | Army Welfare Trust, Vice Chairman | Nominated |
| | | | Sena Hotel Developments Ltd., Vice Chairman | Nominated |
| | | | Trust Technical Training Institute, Chairman, Board of Directors | Nominated |
| | | | Governing Bodies of Cadet Colleges, Chairman | Nominated |
| | | | Trust Bank Securities Ltd., Chairman, Board of Directors | Nominated |
| | | | Trust Bank Investment Ltd., Vice Chairman, Board of Directors | Nominated |
| Trust Axiata Digital Ltd, Director | Nominated | | | |
| 3 | Brig Gen S M Zia -Ul- Azim, ndc,afwc,psc | Director (Nominated) | Service, Bangladesh Army | Nominated |
| 4 | Brig Gen Md Kaisar Hasan Malik, SGP, ndc, psc | Director (Nominated) | Service, Bangladesh Army | Nominated |
| 5 | Brig Gen Mohammad Moazzem Hossain, ndc, afwc, psc, G, Mphil | Director (Nominated) | Service, Bangladesh Army | Nominated |
| 6 | Brig Gen Md Nishatul Islam Khan, ndc, afwc, psc | Director (Nominated) | Service, Bangladesh Army | Nominated |
| 7 | Brig Gen Md Munirul Islam, SGP, SUP, psc, Ph.D | Director (Nominated) | Service, Bangladesh Army | Nominated |
| 8 | Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | Director (Nominated) | Army Welfare Trust, Managing Director | Nominated |
| | | | Sena Hotel Developments Ltd., Director, | Nominated |
| | | | Trust Technical Training Institute, Director | Nominated |
| | | | Jolshiri Abashon Project, Director | Nominated |
| | | | Trust Bank Investment Ltd., Director | Nominated |
| | | | Trust Bank Securities Limited, Vice Chairman | Nominated |
| Trust Axiata Digital Ltd, Director | Nominated | | | |
| 9 | Brig Gen Rakibul Karim Chowdhury, ndc, afwc, psc | Director (Nominated) | Service, Bangladesh Army | Nominated |
| 10 | Mr. Anisuddin Ahmed Khan | Independent Director | Ananta Apparels Ltd, Independent Director | Nil |
| | | | Summit Power Ltd, Independent Director | |
| | | | Summit Alliance port Ltd, Independent Director | |
| | | | W & W Grains Corporations, Director | |
| | | | ACI Ltd., Director | |
| | | | ACI Motors Ltd., Director, | |
| | | | Trust Bank Investment Ltd., Independent Director | |
| | | | Trust Bank Securities Ltd, Independent Director | |
| Central Counterparty Bangladesh Ltd., Director | | | | |
| 11 | Ms. Nusrat Khan | Independent Director | Bangladesh Welding Electrodes Ltd., Independent Director | Nil |

ii) Significant contracts where Bank is a party and wherein Directors have interest:

| Nature of Contract | Branch Name | Name of Directors and related by |
|---|--|---|
| Lease Agreement with Army Welfare Trust | Principal Branch | Gen S M Shafiuddin Ahmed,SBP(BAR), OSP, ndu, psc, PhD Chairman, Board of Trustees, Army Welfare Trust |
| | | Maj Gen Md Jubayer Salehin,BSP, SUP, ndu, psc Vice Chairman, Board of Trustees, Army Welfare Trust |
| | | Brig Gen Md Sajjad Hossain,SUP, ndc, afwc, psc Managing Director , Army Welfare Trust |
| Lease Agreement with Sena Kalyan Sangstha | Sena Kalyan Bhaban Branch Khulna Branch Tongi Branch | Gen S M Shafiuddin Ahmed,SBP(BAR), OSP, ndu, psc, PhD Chairman, Board of Trustees, Sena Kalyan Sangstha |
| | | Maj Gen Md Jubayer Salehin,BSP, SUP, ndu, psc Vice Chairman, Board of Trustees, Sena Kalyan Sangstha. |
| Lease Agreement with Sena Paribar Kalyan Samiti | Head Office Millennium Corporate Branch | Gen S M Shafiuddin Ahmed,SBP(BAR), OSP, ndu, psc, PhD Chief Patron, Sena Paribar Kalyan Samiti |
| Advertisement Agreement with Army Welfare Trust | Head Office | Gen S M Shafiuddin Ahmed,SBP(BAR), OSP, ndu, psc, PhD Chairman, Board of Trustees, Army Welfare Trust |
| | | Maj Gen Md Jubayer Salehin,BSP, SUP, ndu, psc Vice Chairman, Board of Trustees, Army Welfare Trust |
| | | Brig Gen Md Sajjad Hossain,SUP, ndc, afwc, psc Managing Director , Army Welfare Trust |

iii) Shares issued to Directors and Executives without consideration or exercisable at discount: Nil

iv) Related party Transactions:

During the year ended 31 December 2023 the Bank concluded business deals with the following organizations in which the directors had interest:

| Name of the Company/Person | Nature of Relationship | Nature of Transaction | Amount of transaction made during the Period ended | | Balance as on | |
|--|------------------------|---------------------------------|--|------------------|------------------|------------------|
| | | | 31 Dec 2023 Taka | 31 Dec 2022 Taka | 31 Dec 2023 Taka | 31 Dec 2022 Taka |
| Army Welfare Trust | Common Director | Office Rent | 43,165,860 | 34,730,944 | - | - |
| Sena Kalyan Sangstha | Common Director | Office Rent | 16,990,369 | 17,750,647 | - | - |
| Sena Paribar Kalyan Samiti | Common Director | Office Rent | 308,781,312 | 275,811,572 | - | - |
| Astha Life Insurance Company Ltd. | Common Director | Insurance Premium | 63,711,003 | 59,944,955 | - | - |
| Jolshiri Abashon Project | Common Director | Land Purchase | - | - | 327,116,208 | 327,116,208 |
| Trust Bank Investment Ltd. | Subsidiary company | Subsidiary company | - | - | 7,796,877 | 1,811,668 |
| Trust Bank Securities Ltd. | Subsidiary company | Subsidiary company | - | - | 5,169,310 | 21,853,507 |
| Trust Axiata Digital Limited | Subsidiary company | Subsidiary company | - | - | 75,146,142 | 71,510,722 |
| Trust Securities & Logistic Support Ltd. | Common Director | Securities services to the Bank | 5,089,711 | 432,032,252 | - | - |

v) Loan and Advances to Directors and their related concern:

| SL No. | Name of the Director(s) | Relation with Bank as Related Party | Purpose of the Loan | Total Outstanding | Status |
|--------|--|-------------------------------------|--|-------------------|---------|
| 1 | Brig Gen Md Nishatul Islam Khan ndc, afwc, psc | Director | Housing Finance (Army Officer House Loan Scheme) | 28,730 | Regular |
| 2 | Brig Gen Mohammad Moazzem Hossain ndc,afwc,psc,G, Mphil | Director | Personal loan | 1,493,375 | Regular |
| 3 | Brig Gen S M Zia-Ul-Azim ndc ,afwc, psc | Director | Personal loan | 69,860 | Regular |
| 4 | Brig Gen Md Kaisar Hasan Malik SGP, ndc, psc | Director | Personal loan | 677,414 | Regular |
| | | | TOTAL | 2,269,379 | |

The loan has been availed as Defence official as per entitlement.

vi) Investment in the Securities of Directors and related concern:

Nil

50 Credit Rating of the Bank

As per BRPD Circular no. 6 dated 5 July 2016, the Bank has done its credit rating by Credit Rating Agency of Bangladesh Ltd. (CRAB) based on the financial statements as at and for the year ended 31 December 2022. The following ratings have been awarded:

| Periods | Date of Rating | Surveillance Rating | | Outlook |
|--------------------------|----------------|---------------------|------------|---------|
| | | Long Term | Short Term | |
| January to December 2022 | 21-Jun-23 | AA 1 | ST-1 | Stable |
| January to December 2021 | 30-Jun-22 | AA 2 | ST-1 | Stable |
| January to December 2020 | 30-Sep-21 | AA 2 | ST-2 | Stable |

51 DIVIDEND

The Board of Directors in its 355 (03/2024) meeting held on 27 April 2024 recommended 8% stock Dividend i.e., 08 (Eight) Bonus shares for every 100 (One Hundred) Shares held and 12% Cash Dividend subject to the approval of the shareholders at the next Annual General Meeting (AGM). The proposed Dividend for the year is more than 30% of Net Profit after Tax.

52 FINANCIAL HIGHLIGHTS

As per BRPD Circular # 14, dated 25 June 2003, Financial Highlights of the Bank for the period ended on 31 December 2023 shown in Annexure - C.

Schedule of Balance with Other Banks-Outside Bangladesh (Nostro Accounts)

| Name of the Bank | Name of the foreign currency | 31.12.2023 | | | 31.12.2022 | | |
|--|------------------------------|----------------------------|--------------------------------|---------------------------------|----------------------------|--------------------------------|---------------------------------|
| | | Amount in foreign currency | Exchange rate as on 31.12.2023 | Total amount equivalent to Taka | Amount in foreign currency | Exchange rate as on 31.12.2022 | Total amount equivalent to Taka |
| Standard Chartered Bank, USA | USD | 3,429,428.30 | 110.00 | 377,237,113 | 6,327,109.29 | 103.29 | 653,544,203 |
| Mashreq Bank psc, USA | USD | 1,773,860.16 | 110.00 | 195,124,618 | 126,492.21 | 103.29 | 13,065,722 |
| ICICI Bank Ltd., Hongkong | USD | 452,190.19 | 110.00 | 49,740,921 | 168,239.92 | 103.29 | 17,377,956 |
| Commerz Bank, AG Germany | USD | 1,712,878.15 | 110.00 | 188,416,597 | 481,016.86 | 103.29 | 49,685,530 |
| Sonali Bank Limited, UK | USD | - | - | - | - | - | - |
| NFCD ACCOUNT OBU-USD | USD | - | - | - | - | - | - |
| United Bank of India | USD | | | | | | |
| Habib American Bank, NY | USD | 811,324.29 | 110.00 | 89,245,671 | 665,381.80 | 103.29 | 68,729,083 |
| Zhejiang Chouzhou Commercial Bank, USD | USD | 215,677.69 | 110.00 | 23,724,546 | 149,177.03 | 103.29 | 15,408,898 |
| Commerzbank Ag, Frankfurt, Germany | AUD | 14,410.89 | 75.39 | 1,086,495 | 74,972.90 | 69.66 | 5,222,657 |
| Standard Chartered Bank, UK | GBP | 90,825.75 | 140.89 | 12,796,258 | 73,318.60 | 124.34 | 9,116,713 |
| Sonali Bank Limited, UK | GBP | - | - | - | - | - | - |
| Standard Chartered Bank, Japan | YEN | 8,893,673.00 | 0.78 | 6,922,835 | 2,502,910.00 | 0.77 | 1,930,995 |
| Commerzbank Ag, Frankfurt, Germany | YEN | 3,889,665.00 | 0.78 | 3,027,715 | 552,873.00 | 0.77 | 426,542 |
| Standard Chartered Bank, UK | EURO | 349,757.72 | 122.27 | 42,763,128 | 143,783.41 | 109.72 | 15,775,556 |
| Commerz Bank, AG Germany | EURO | (53,125.34) | 122.27 | (6,495,370) | 28,485.97 | 109.72 | 3,125,409 |
| ICICI Bank Ltd., Mumbai, India | EURO | 17,456.19 | 122.26 | 2,134,281 | 17,456.19 | 109.72 | 1,915,250 |
| Standard Chartered Bank, Mumbai, India | ACU | 1,112,943.58 | 110.00 | 122,423,794 | 119,839.41 | 103.29 | 12,378,536 |
| Mashreq Bank, Mumbai, India | ACU | 393,450.93 | 110.00 | 43,279,602 | 35,877.95 | 103.29 | 3,705,930 |
| ICICI Bank Ltd., Mumbai, India | ACU | 376,791.31 | 110.00 | 41,447,044 | 1,156,975.13 | 103.29 | 119,507,085 |
| AB Bank, Mumbai, India | ACU | 620,290.17 | 110.00 | 68,231,919 | 448,150.87 | 103.29 | 46,290,713 |
| United Bank of India | ACU | 336,734.87 | 110.00 | 37,040,836 | 239,063.12 | 103.29 | 24,693,475 |
| Axis Bank, India | ACU | 882,193.43 | 110.00 | 97,041,277 | 739,241.78 | 103.29 | 76,358,279 |
| Bank Aljazira | SAR | - | - | - | - | - | - |
| Habib Bank, Zurich | CHF | 255,538.34 | 130.86 | 33,439,466 | 25,606.17 | 111.33 | 2,850,755 |
| BANK AL BILAD | SAR | 35,717.56 | 29.33 | 1,047,603 | 33,424.56 | 27.46 | 917,979 |
| Commerz Bank AG; Germany-CAD | CAD | 76,890.15 | 83.33 | 6,407,026 | 63,595.32 | 75.97 | 4,831,521 |
| Standard Chartered Bank (China), CNY | CNY | 361,142.49 | 15.45 | 5,579,543 | 275,620.00 | 14.80 | 4,079,534 |
| Zhejiang Chouzhou Commercial Bank, CNY | CNY | 452,460.18 | 15.45 | 6,990,374 | 883,700.11 | 14.80 | 13,079,910 |
| Mashreq Bank, AED | AED | 236,812.07 | 29.95 | 7,091,527 | 35,210.00 | 28.12 | 990,102 |
| | | | | | | | |
| Offshore Banking Unit (OBU) | | | | | | | |
| Mashreq Bank PSC, USA | USD | 64,242.42 | 110.00 | 7,066,667 | 783,830.81 | 103.29 | 80,964,001 |
| Standard Chartered Bank, New York, USA | USD | 13,987.63 | 110.00 | 1,538,638 | 11,572.14 | 103.29 | 1,195,317 |
| United Bank, India | ACU | 10,836.05 | 110.00 | 1,191,966 | 3,409.23 | 103.29 | 352,149 |
| Axis Bank, India | ACU | 65,928.09 | 110.00 | 7,252,090 | 2,038.00 | 103.29 | 210,510 |
| Total | | | | 1,472,794,180 | | | 1,247,730,310 |

Trust Bank Limited
Schedule of Fixed Assets
As at 31 December 2023

| Particulars | Cost | | | Depreciation | | | Written Down Value at 31 December 2023 Taka |
|--|-----------------------------------|-----------------------------------|--|-------------------------------------|-----------------------------|--|--|
| | Balance on 1 January 2023 Taka | Additions during the year Taka | Disposal/ adjustment during the year Taka | Balance at 31 December 2023 Taka | Charge for the year Taka | Disposal/ adjustment during the year Taka | |
| Property, Plant & Equipments: | | | | | | | |
| Leasehold Land | 327,276,677 | - | - | 327,276,677 | - | - | 327,276,677 |
| Office Building | 29,045,910 | - | - | 29,045,910 | 612,084 | - | 23,870,854 |
| Furniture and Fixtures | 701,452,425 | 22,460,455 | 19,032,697 | 704,880,183 | 33,065,833 | 13,814,247 | 263,347,783 |
| Office Equipment | 1,157,294,936 | 218,380,020 | 15,560,820 | 1,360,114,136 | 71,552,164 | 15,302,798 | 333,789,072 |
| Motor Vehicles | 114,989,862 | - | - | 114,989,862 | 4,961,433 | - | 14,149,830 |
| Right of Use Assets | 2,442,455,709 | 703,536,612 | 919,209,982 | 2,226,782,339 | 435,533,313 | 919,209,982 | 1,569,111,357 |
| Sub-Total | 4,772,515,519 | 944,377,087 | 953,803,499 | 4,763,089,107 | 545,724,827 | 948,327,027 | 2,531,545,573 |
| Intangible Assets: | | | | | | | |
| Computer Software | 17,990,169 | 19,950,400 | 5,996,723 | 31,943,846 | 12,019,743 | 5,996,723 | 25,920,826 |
| Sub-Total | 17,990,169 | 19,950,400 | 5,996,723 | 31,943,846 | 12,019,743 | 5,996,723 | 25,920,826 |
| As at 31 December 2023 | 4,790,505,688 | 964,327,487 | 959,800,222 | 4,795,032,953 | 557,744,570 | 954,323,750 | 2,557,466,399 |
| As at 31 December 2022 | 4,697,155,139 | 469,362,488 | 372,368,882 | 4,794,148,745 | 496,259,282 | 357,978,577 | 2,156,359,954 |

Financial Highlights

| SI No | Particulars | Base | 31.12.2023 | 31.12.2022 |
|-------|---|-------|-----------------|-----------------|
| 1 | Paid up Capital | Taka | 8,562,269,450 | 7,783,881,320 |
| 2 | Total Capital | Taka | 38,934,758,891 | 35,485,010,656 |
| 3 | Capital surplus/(deficit) | Taka | 3,116,856,632 | 2,793,896,314 |
| 4 | Total Assets | Taka | 453,828,888,958 | 417,902,455,171 |
| 5 | Total Deposits | Taka | 366,401,731,844 | 325,930,646,569 |
| 6 | Total Loans and Advances | Taka | 332,703,579,863 | 298,376,448,110 |
| 7 | Total Contingent Liabilities and Commitments | Taka | 162,295,215,571 | 139,438,151,906 |
| 8 | Credit Deposit Ratio | % | 84.09 | 83.94 |
| 9 | Percentage of classified loans against total loans and advances | % | 6.08 | 4.76 |
| 10 | Profit after tax and provision | Taka | 4,318,003,509 | 2,991,501,251 |
| 11 | Amount of classified loans during current year | Taka | 6,003,088,481 | 4,830,232,401 |
| 12 | Provisions kept against classified loan | Taka | 10,141,717,000 | 12,823,536,500 |
| 13 | Provision surplus/(deficit) | Taka | - | - |
| 14 | Cost of fund | % | 4.57 | 3.71 |
| 15 | Interest Earning Assets | Taka | 374,917,053,055 | 341,871,776,568 |
| 16 | Non-interest earning Assets | Taka | 78,911,835,903 | 76,030,678,603 |
| 17 | Return on Investment (ROI) | % | 11.09 | 8.43 |
| 18 | Return on Asset (ROA) | % | 0.95 | 0.72 |
| 19 | Income from Investment | Taka | 5,876,467,247 | 5,609,070,489 |
| 20 | Earning per Share (EPS) | Taka | 5.04 | 3.49 |
| 21 | Net income per Share | Taka | 5.04 | 3.49 |
| 22 | Price Earning Ratio | Times | 6.29 | 9.08 |
| 23 | Net Asset Value (NAV) | Taka | 22,896,308,835 | 19,845,631,431 |
| 24 | Net Operating Cash Flow Per Share (NOCFPS) | Taka | 8.37 | 4.50 |

TRUST BANK LIMITED

Islamic Banking Division (IBD)

Final profit paid on deposits

Final profit paid on deposits

Profit and loss of Islami Banking Branch is calculated annually as at 31 December in every year. After retaining 28.20% as Mudareeb commission, the remaining 71.80% of the funded income has already been distributed to the depositors as per declared weightage and balance amount of final profit has been credited to depositors account as on 30 December 2023 after deducting statutory taxes & charges at source.

In the year 2023, final profit has been paid to the depositors as per following rates:

| Deposit Type | Final Profit Rate 2023 |
|---|------------------------|
| 10 Taka Farmers MSA | 3.19 |
| Mudaraba Savings Account | 2.94 |
| TBL Employee Mudaraba Salary A/C | 2.94 |
| Defense Personnel Mudaraba Salary Account (DPMSA) | 2.94 |
| TIB Payroll | 2.94 |
| Provident Fund A/C (TIB Payroll) | 2.94 |
| Mudaraba Seniors Deposit Account | 3.19 |
| Mudaraba Porua Account (MPA) | 3.19 |
| Mudaraba Special Notice Deposit (MSND) | 1.47 |
| MTDR-1 month | 1.96 |
| MTDR-3 months | 4.17 |
| MTDR-6 months | 4.41 |
| MTDR-12 months | 4.66 |
| MTDR-24 & 36 months | 4.80 |
| MTDR-60 months | 4.90 |
| MTDR-1 month (Entity) | 1.47 |
| MTDR-3 months (Entity) | 2.70 |
| MTDR-6 months (Entity) | 3.19 |
| MTDR-12 months (Entity) | 3.68 |
| MTDR-24 & 36 months (Entity) | 3.92 |
| MTDR-60 months (Entity) | 4.17 |
| MTDR-Seniors 3 months | 4.41 |
| MTDR-Seniors 6 months | 4.51 |
| MTDR-Seniors 12 months | 4.66 |
| MTDR-Seniors 24 & 36 months | 4.90 |
| MTDR-Seniors 60 months | 5.15 |
| Mudaraba Monthly Savings Scheme-36 Month | 5.00 |
| Mudaraba Monthly Savings Scheme-60 month | 5.15 |
| Mudaraba Monthly Savings Scheme-96 month | 5.15 |
| Mudaraba Monthly Savings Scheme-120 month | 5.39 |
| Mudaraba Monthly Savings Scheme-144 month | 5.64 |
| Barakat Hajj Deposit Scheme up to 10 years | 5.64 |
| Barakat Hajj Deposit Scheme 10 years & above | 5.88 |
| Mudaraba Millionaire Scheme up to 10 years | 5.30 |
| Mudaraba Millionaire Scheme above 10 years | 5.39 |
| Mudaraba Kotipati Scheme up to 10 years | 5.30 |
| Mudaraba Kotipati Scheme above 10 years | 5.39 |
| Mudaraba Money Double Scheme | 5.15 |
| Trust Mudaapah Deposit Scheme 3 Years | 4.80 |
| Trust Mudaapah Deposit Scheme 5 Years | 4.90 |
| Mudaraba Monthly Profit Scheme- 1 & 2 Years | 4.80 |
| Mudaraba Monthly Profit Scheme- 3 Years | 4.80 |
| Mudaraba Monthly Profit Scheme- 5 Years | 4.90 |
| MMPS-Seniors 1 year | 4.80 |
| MMPS-Seniors 2 & 3 years | 4.90 |
| MMPS-Seniors 5 years | 5.15 |
| Mudaraba Cash Waqf Scheme 3 Years | 4.80 |
| Mudaraba Cash Waqf Scheme 5 Years | 4.90 |
| Mudaraba junior Saving Scheme (MJSS) | 5.00 |

TRUST BANK LIMITED
Balance Sheet of Islamic Banking Division
As at 31 December 2023

| Notes | 31.12.2023 Taka | 31.12.2022 Taka |
|--|-----------------------|-----------------------|
| PROPERTY AND ASSETS | | |
| Cash | | |
| Cash in hand (including foreign currencies) | 49,293,108 | 42,098,880 |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | 2,217,209,297 | 2,013,977,193 |
| | 2,266,502,405 | 2,056,076,073 |
| Balance with other banks and financial institutions | | |
| In Bangladesh | 4,814,134,542 | 5,313,414,455 |
| Outside Bangladesh | - | - |
| | 4,814,134,542 | 5,313,414,455 |
| Placement with banks and other financial institution | | |
| | - | - |
| Investments in Shares and Securities | | |
| Government | 3,024,840,000 | 2,684,840,000 |
| Others | 4,352,411,504 | 4,372,411,504 |
| | 7,377,251,504 | 7,057,251,504 |
| Investments | | |
| General Investments etc. | 43,051,545,342 | 34,167,667,963 |
| Bills purchased and discounted | 22,558,001 | 41,954,241 |
| | 43,074,103,343 | 34,209,622,204 |
| Fixed assets including premises | | |
| | 648,123 | 495,993 |
| Other assets | | |
| | 2,817,405,762 | 2,066,617,146 |
| Non-banking assets | | |
| | - | - |
| Total Assets: | 60,350,045,679 | 50,703,477,375 |
| LIABILITIES AND CAPITAL | | |
| Liabilities: | | |
| Placement from banks and other financial institutions | - | 904,319 |
| Deposits and other accounts: | | |
| Al-wadeeah Current Accounts and Other Deposit Accounts | 3,539,817,940 | 2,148,968,366 |
| Mudaraba Savings Deposits | 8,065,300,545 | 7,075,565,072 |
| Mudaraba Term Deposits | 44,115,334,744 | 38,443,616,301 |
| Other Mudaraba Deposits | - | - |
| Bills Payable | 507,331,182 | 62,070,950 |
| | 56,227,784,411 | 47,730,220,689 |
| Other liabilities | | |
| | 3,464,055,808 | 2,233,570,539 |
| Total Liabilities: | 59,691,840,219 | 49,964,695,547 |
| Capital/Shareholders' Equity | | |
| Paid up Capital | - | - |
| Foreign Currency Transaction Difference | - | - |
| Statutory Reserve | - | - |
| Other Reserve | - | - |
| Retained Earnings | 658,205,460 | 738,781,828 |
| Total Shareholders' Equity | 658,205,460 | 738,781,828 |
| Total Liabilities and Shareholders' Equity | 60,350,045,679 | 50,703,477,375 |

TRUST BANK LIMITED
Profit and Loss Account of Islami Banking Division
For the year ended 31 December 2023

| Notes | 31.12.2023 Taka | 31.12.2022 Taka |
|--|----------------------|----------------------|
| Investment Income | 3,078,094,732 | 2,256,255,659 |
| Profit paid on deposits | 2,657,537,665 | 2,058,286,168 |
| Net Investment Income | 420,557,067 | 197,969,491 |
| Income from investments in Shares/Securities | 475,486,174 | 442,402,289 |
| Commission, exchange and brokerage | 239,386,450 | 415,732,520 |
| Other operating income | 51,744,587 | 45,714,940 |
| | 766,617,211 | 903,849,749 |
| Total operating income | 1,187,174,278 | 1,101,819,240 |
| Salaries and allowances | 99,779,175 | 75,005,435 |
| Rent, taxes, insurance, electricity, etc. | 5,100,430 | 4,807,485 |
| Legal expenses | - | - |
| Postage, stamps, telecommunications, etc. | 152,702 | 153,064 |
| Stationery, printing, advertisement etc. | 430,257 | 1,054,727 |
| Chief Executive's Salary & Fees | 4,337,500 | - |
| Directors' Fees and Expenses | - | - |
| Shariah Supervisory Committee's Fees ad Expenses | 72,000 | 96,000 |
| Auditors' Fees | - | - |
| Changes in Investment Losses | - | - |
| Depreciation and repair to bank's assets | 1,515,671 | 56,350 |
| Zakat Expenses | - | - |
| Other expenses | 6,622,083 | 4,620,353 |
| Total operating expenses | 118,009,818 | 85,793,414 |
| Profit before provision | 1,069,164,460 | 1,016,025,826 |
| Provision for loans & advances / Investments | 416,219,500 | 318,974,998 |
| Provision for Diminution in value of Investment | - | - |
| Other provision | (5,260,500) | (41,731,000) |
| | 410,959,000 | 277,243,998 |
| Total Profit before Taxes | 658,205,460 | 738,781,828 |

TRUST BANK LIMITED
Cash Flow Statements of Islami Banking Division
For the year ended 31 December 2023

| | 31.12.2023 Taka | 31.12.2022 Taka |
|--|----------------------|----------------------|
| A. Cash flow from operating activities | | |
| Interest/Investment Income received in cash | 2,954,589,199 | 2,175,152,723 |
| Interest/Profit paid on Deposits | (2,657,537,665) | (2,058,286,168) |
| Dividend receipts | 4,321,800 | 3,927,713 |
| Fees and commission receipts in cash | - | - |
| Recoveries of written off Loans/Investments | - | - |
| Cash paid to employees | (99,779,175) | (75,005,435) |
| Cash paid to suppliers | - | - |
| Income Taxes paid | - | - |
| Received from other operating activities (item-wise) | 762,295,411 | 899,922,036 |
| Payments for other operating activities (item-wise) | (18,230,643) | (10,787,979) |
| Operating profit before changes in operating Assets and Liabilities | 945,658,927 | 934,922,890 |
| Increase/(Decrease) in operating assets & liabilities | | |
| Statutory Deposits | - | - |
| Net Investment in trading securities | 20,000,000 | (16,729,981) |
| Loan & advance/Investments to other banks | - | - |
| Loan & advance/Investments to customers | (8,864,481,139) | (9,258,229,277) |
| Other assets (item-wise) 38 | (627,283,083) | 3,891,300,437 |
| Deposits from other banks | - | - |
| Deposits from customers | 8,497,563,722 | 6,656,111,571 |
| Other liabilities account of customers | - | - |
| Trading liabilities | - | - |
| Other liabilities (item-wise) 39 | 80,744,441 | (442,150,882) |
| Net cash from operating activities (A) | 52,202,868 | 1,765,224,758 |
| B. Cash flow from investing activities | | |
| Proceeds from sale of securities | - | - |
| Payments for purchase of government securities | (340,000,000) | (470,000,000) |
| Purchase of property, plant & equipment | (152,130) | (295,086) |
| Purchase of intangible assets | - | - |
| Sale of property, plant & equipment | - | - |
| Net cash from investing activities (B) | (340,152,130) | (470,295,086) |
| C. Cash flow from financing activities | | |
| Increase/(Decrease) in Borrowing: | | |
| Call loan | - | - |
| Other borrowings | (904,319) | (60,261,557) |
| Share Capital A/c | - | - |
| Share Premium A/c | - | - |
| Net cash from financing activities (C) | (904,319) | (60,261,557) |
| D. Net increase in Cash and Cash Equivalent (A+B+C) | (288,853,581) | 1,234,668,115 |
| E. Effects of exchange rate changes on cash and cash equivalents | - | - |
| F. Opening Cash and Cash Equivalent | 7,369,490,528 | 6,134,822,413 |
| Cash and cash equivalents at end of period (D+E+F) 40 | 7,080,636,947 | 7,369,490,528 |

TRUST BANK LIMITED
Offshore Banking Unit
Balance Sheet
As at 31 December 2023

| | Notes | 31.12.2023 | | 31.12.2022 | |
|---|-------|----------------------|----------------------|----------------------|----------------------|
| | | USD | Taka | USD | Taka |
| PROPERTY AND ASSETS | | | | | |
| Cash | | | | | |
| Cash in hand (including foreign currencies) | | - | - | - | - |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | | - | - | - | - |
| | | - | - | - | - |
| Balance with other banks and financial institutions | 3 | | | | |
| In Bangladesh | | - | - | - | - |
| Outside Bangladesh | | 154,994.19 | 17,049,361 | 800,850.18 | 82,721,977 |
| | | 154,994.19 | 17,049,361 | 800,850.18 | 82,721,977 |
| Money at call and short notice | | - | - | - | - |
| Investments | | | | | |
| Government | | - | - | - | - |
| Others | | - | - | - | - |
| | | - | - | - | - |
| Loans and Advances/Islami Banking Investments | 4 | | | | |
| Loans, Cash Credit, Overdrafts etc./ Investment | | 443,737.78 | 48,811,156 | 801,631.02 | 82,802,632 |
| Bills purchased and discounted | | 89,568,956.43 | 9,852,585,207 | 89,931,281.78 | 9,289,244,910 |
| | | 90,012,694.21 | 9,901,396,363 | 90,732,912.80 | 9,372,047,542 |
| Fixed assets including premises, furniture and fixtures | | - | - | - | - |
| Other assets | 5 | - | - | - | - |
| Non-banking assets | | - | - | - | - |
| Total Assets | | 90,167,688.40 | 9,918,445,724 | 91,533,762.98 | 9,454,769,519 |
| LIABILITIES AND CAPITAL | | | | | |
| Liabilities | | | | | |
| Borrowings from other banks, financial institutions and agents | 6 | 88,351,428.59 | 9,718,657,145 | 90,220,578.02 | 9,319,127,099 |
| Deposits and other accounts | | | | | |
| Current / Al-wadeeah Current Accounts and other Accounts | 7 | - | - | - | - |
| Bills Payable | | - | - | - | - |
| Savings Bank / Mudaraba Savings Deposits | | - | - | - | - |
| Fixed Deposits / Mudaraba Term Deposits | | - | - | - | - |
| Bearer Certificates of Deposit | | - | - | - | - |
| Other Deposits | | - | - | - | - |
| | | - | - | - | - |
| Other liabilities | | - | - | - | - |
| Total Liabilities | | 88,351,428.59 | 9,718,657,145 | 90,220,578.02 | 9,319,127,099 |
| Capital/Shareholders' Equity | | | | | |
| Paid up Capital | | - | - | - | - |
| Foreign Currency Translation Difference | | - | 6,091,100 | - | 11,485,575 |
| Statutory Reserve | | - | - | - | - |
| Other Reserve | | - | - | - | - |
| Retained Earnings | | 1,816,259.81 | 193,697,479 | 1,313,184.96 | 124,156,845 |
| Total Shareholders' Equity | | 1,816,259.81 | 199,788,579 | 1,313,184.96 | 135,642,420 |
| Total Liabilities and Shareholders' Equity | | 90,167,688.40 | 9,918,445,724 | 91,533,762.98 | 9,454,769,519 |

TRUST BANK LIMITED
Offshore Banking Unit
Profit and Loss Account
For the year ended 31 December 2023

| | | 31.12.2023 | | 31.12.2022 | |
|--|---|---------------------|--------------------|---------------------|--------------------|
| | | USD | Taka | USD | Taka |
| Interest income / Profit on Investment | 8 | 7,679,672.50 | 819,009,041 | 6,949,772.86 | 657,075,657 |
| Interest / Profit paid on deposits and borrowings etc. | 9 | 5,918,288.96 | 631,163,916 | 5,719,843.02 | 540,790,280 |
| Net interest income | | 1,761,383.54 | 187,845,125 | 1,229,929.84 | 116,285,377 |
| Income from investments | | - | - | - | - |
| Commission, exchange and brokerage | | - | - | - | - |
| Other operating income | | 59,151.05 | 6,308,244 | 92,378.76 | 8,734,075 |
| | | 59,151.05 | 6,308,244 | 92,378.76 | 8,734,075 |
| Total operating income | | 1,820,534.59 | 194,153,369 | 1,322,308.60 | 125,019,452 |
| Salaries and allowances | | - | - | - | - |
| Rent, taxes, insurance, electricity, etc. | | - | - | - | - |
| Legal expenses | | - | - | - | - |
| Postage, stamps, telecommunications, etc. | | - | - | - | - |
| Stationery, printing, advertisement etc. | | - | - | - | - |
| Managing Director's salary and benefits | | - | - | - | - |
| Directors' fees | | - | - | - | - |
| Auditors' fee | | - | - | - | - |
| Charges on loan losses | | - | - | - | - |
| Depreciation and repair of bank's assets | | - | - | - | - |
| Other expenses | | 4,274.78 | 455,890 | 9,123.64 | 862,607 |
| Total operating expenses | | 4,274.78 | 455,890 | 9,123.64 | 862,607 |
| Profit before provision | | 1,816,259.81 | 193,697,479 | 1,313,184.96 | 124,156,845 |
| Provision for loans & advances / Investments | | - | - | - | - |
| Provision for Diminution in value of Investment | | - | - | - | - |
| Other provision | | - | - | - | - |
| | | - | - | - | - |
| Total Profit before Taxes | | 1,816,259.81 | 193,697,479 | 1,313,184.96 | 124,156,845 |
| Provision for Taxation | | - | - | - | - |
| Current tax | | - | - | - | - |
| Deferred tax | | - | - | - | - |
| | | - | - | - | - |
| Net Profit after Taxation | | 1,816,259.81 | 193,697,479 | 1,313,184.96 | 124,156,845 |
| Appropriations | | - | - | - | - |
| Statutory Reserve | | - | - | - | - |
| General reserve | | - | - | - | - |
| | | - | - | - | - |
| Retained surplus | | 1,816,259.81 | 193,697,479 | 1,313,184.96 | 124,156,845 |

TRUST BANK LIMITED
Offshore Banking Unit
Cash Flow Statements
For the year ended 31 December 2023

| | 31.12.2023 | | 31.12.2022 | |
|--|-----------------------|----------------------|------------------------|----------------------|
| | USD | Taka | USD | Taka |
| A. Cash flow from operating activities | | | | |
| Interest received in cash | 7,679,672.50 | 819,009,041 | 6,949,772.86 | 657,075,657 |
| Interest payments | (5,918,288.96) | (631,163,916) | (5,719,843.02) | (540,790,280) |
| Dividend receipts | - | - | - | - |
| Fees and commission receipts in cash | - | - | - | - |
| Recoveries of loans previously written off | - | - | - | - |
| Cash paid to employees | - | - | - | - |
| Cash paid to suppliers | - | - | - | - |
| Income Taxes paid | - | - | - | - |
| Received from other operating activities (item-wise) | 59,151.05 | 6,308,244 | 92,378.76 | 8,734,075 |
| Payments for other operating activities (item-wise) | (4,274.78) | (455,890) | (9,123.64) | (862,607) |
| Operating profit before changes in operating Assets and Liabilities | 1,816,259.81 | 193,697,479 | 1,313,184.96 | 124,156,845 |
| Increase/(Decrease) in operating assets & liabilities | | | | |
| Statutory Deposits | - | - | - | - |
| Net Investment in trading securities | - | - | - | - |
| Loan & advance to other banks | - | - | - | - |
| Loan & advance to customers | 720,218.59 | (529,348,821) | 122,646,483.34 | 8,935,904,647 |
| Other assets (item-wise) | - | - | - | - |
| Deposits from other banks | - | - | (94,750,428.73) | (8,129,586,785) |
| Deposits from customers | - | - | - | - |
| Other liabilities account of customers | - | - | - | - |
| Trading liabilities | - | - | - | - |
| Other liabilities (item-wise) | - | - | - | - |
| Net cash from operating activities (A) | 2,536,478.40 | (335,651,342) | 29,209,239.57 | 930,474,707 |
| B. Cash flow from investing activities | | | | |
| Proceeds from sale of securities | - | - | - | - |
| Payments for purchase of government securities | - | - | - | - |
| Purchase of property, plant & equipment | - | - | - | - |
| Purchase of intangible assets | - | - | - | - |
| Sale of property, plant & equipment | - | - | - | - |
| Net cash from investing activities (B) | - | - | - | - |
| C. Cash flow from financing activities | | | | |
| Increase/(Decrease) in Borrowing: | | | | |
| Call loan | (1,869,149.43) | 399,530,046 | (27,469,892.36) | (778,715,259) |
| Re-Purchase agreement (REPO) | - | - | - | - |
| Other borrowings | - | - | - | - |
| Share Capital A/c | - | - | - | - |
| Share Premium A/c | - | - | - | - |
| Profit transfer to Head Office | (1,313,184.96) | (124,156,845) | (1,153,071.05) | (98,356,960) |
| Net cash from financing activities (C) | (3,182,334.39) | 275,373,201 | (28,622,963.41) | (877,072,219) |
| D. Net increase in Cash and Cash Equivalent (A+B+C) | (645,855.99) | (60,278,141) | 586,276.16 | 53,402,488 |
| E. Effects of exchange rate changes on cash and cash equivalents | - | (5,394,475) | - | 10,909,039 |
| F. Opening Cash and Cash Equivalent | 800,850.18 | 82,721,977 | 214,574.02 | 18,410,450 |
| G. Cash and cash equivalents at end of year (D+E+F) | 154,994.19 | 17,049,361 | 800,850.18 | 82,721,977 |

TRUST BANK LIMITED
Off-shore Banking Unit (OBU)
Notes to the Financial Statements
For the year ended 31 December 2023

1 Status of the unit

Off-shore banking Unit (“the Unit”) is a separate business unit of Trust Bank Limited, governed under the Rules and Guidelines of Bangladesh Bank. The Bank obtained the Off-shore banking unit permission vide letter no. BRPD(P-3)744(116)/2010-2462 dated 02 June 2010. The Bank commenced the operation of its Off-shore Banking Unit from 24 October 2013 and its office is located at Dilkusha Corporate Branch, Dhaka.

1.1 Principal activities

The principal activities of the unit is to provide all kinds of commercial banking services to its customers through its Off-Shore Banking Unit in Bangladesh.

2 Significant accounting policies and basis of preparations

2.1 Basis of preparation

The financial statements are prepared on the basis of a going concern and represent the financial performance and financial position of the Off-shore Banking Unit (OBU). The financial statements of the OBU are prepared in accordance with the Bank Companies Act 1991, in particular, Banking Regulation and Policy Department (BRPD) Circular No. 14 dated 25 June 2003, Bangladesh Bank BCD Circular No. (P) 744(27), dated 17 December, 1985, other Bangladesh Bank Circulars, Bangladesh Financial Reporting Standards (BFRSs) and other rules and regulations where necessary.

2.2 Foreign currency transaction

Items included in the financial statements of the Unit are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The financial statements of the Unit are presented in US Dollar (USD) and Taka where USD is the functional currency and Taka are the Unit’s presentation currency.

2.3 Cash flow statement

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

2.4 Reporting period

These financial statements of the Unit cover the financial year from 01 January to 31 December 2023.

2.5 Cash and cash equivalents

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

2.6 Loans and advances

a) Loans and advances are stated in the balance sheet on gross basis.

b) Interest is calculated on daily product basis, but charged and accounted for quarterly on accrual basis. Interest on classified loans and advances/investments is kept in interest suspense account as per BRPD circulars no. 16 of 1998, 9 of 2001 and 10 of 2005 and recognised as income on realisation. Interest is not charged on bad and loss loans and advances/investments as per guidelines of Bangladesh Bank. Records of such interest amounts are kept in separate memorandum accounts.

c) As per BRPD circular no. 16 dated 18 November 2014, BRPD Circular 14 dated 23 September 2012, BRPD Circular no. 19 dated 27 December 2012 and BRPD Circular no. 05 dated 29 May 2013, provision for sub-standard loans, doubtful loans and bad loss loans has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Provision for unclassified loan was made at the specified rate i.e. 0.25% to 5%.

2.7 Revenue recognition

2.7.1 Interest income

Interest income is recognized on accrual basis.

2.7.2 Fees and commission income

Fees and commission income arises on services provided by the units are recognized on a cash receipt basis. Commission charged to customers on letters of credit and letters of guarantee are credited to income at the time of effecting the transactions.

2.7.3 Interest paid and other expenses

In terms of the provisions of the IAS - I Presentation of Financial Statements, interest and other expenses are recognized on accrual basis.

2.8 General

Assets and liabilities have been translated into Taka currency @ USD 1 = BDT 110.0000 (2022 : BDT 103.2927). Income and expenses are translated at an average rate @ USD 1 = BDT 106.6464 (2022 : BDT 94.5464).

3 Balance with other banks and financial institutions

In Bangladesh

Outside Bangladesh

Mashreqbank psc, New York US\$

Standard Chartered Bank, New York US\$

United Bank of India, Kolkata, ACU\$

AXIS Bank of India, Kolkata, ACU\$

4 Loans and advances

Loans, Cash Credit, Overdrafts etc./ Investment (Note-4.1)

Bills purchased and discounted (Note-4.2)

4.1 Loans, Cash Credit, Overdrafts etc./ Investment

Term Loan (Commercial)

Term Loan (Industrial)

4.2 Bills purchased and discounted

Bill Purchased and Discounting

Discounting of Export Bill- Foreign

Discounting of Export Bill- Local

5 Other assets

Prepaid Expense: Advance Subscription

Prepaid Expense: Others

6 Borrowings from other banks, financial institutions and agents

Borrowing From Other Banks (Note-6.1)

Borrowing From Trust Bank Limited

6.1 Borrowing From Other Banks**In Bangladesh**

Borrowing from DBU

Outside Bangladesh

Standard Chartered Bank

The National Bank of RAS Al-Khaimah

Ajman Bank PJSC

Habib Bank Limited UAE

7 Interest income / Profit on Investment

Interest on Term Loan (Industrial)

Interest On Bill Purchase & Discounting

Int. on Discounting of Export Bill- Foreign

Int. on Discounting of Export Bill- Local

Interest on Loan to Branch

8 Interest / Profit paid on deposits and borrowings etc.

Interest Paid on Deposit from other Bank

Interest Paid on Borrowing from other Bank

Interest on Borrowing from DBU

| | 31.12.2023 | | 31.12.2022 | |
|--|----------------------|----------------------|----------------------|----------------------|
| | USD | Taka | USD | Taka |
| | - | - | - | - |
| | 64,242.42 | 7,066,667 | 783,830.81 | 80,964,001 |
| | 13,987.63 | 1,538,638 | 11,572.14 | 1,195,317 |
| | 10,836.05 | 1,191,966 | 3,409.23 | 352,149 |
| | 65,928.09 | 7,252,090 | 2,038.00 | 210,510 |
| | 154,994.19 | 17,049,361 | 800,850.18 | 82,721,977 |
| | 154,994.19 | 17,049,361 | 800,850.18 | 82,721,977 |
| | 443,737.78 | 48,811,156 | 801,631.02 | 82,802,632 |
| | 89,568,956.43 | 9,852,585,207 | 89,931,281.78 | 9,289,244,910 |
| | 90,012,694.21 | 9,901,396,363 | 90,732,912.80 | 9,372,047,542 |
| | - | - | - | - |
| | 443,737.78 | 48,811,156 | 801,631.02 | 82,802,632 |
| | 443,737.78 | 48,811,156 | 801,631.02 | 82,802,632 |
| | 84,626,687.12 | 9,308,935,583 | 87,224,755.01 | 9,009,680,452 |
| | 189,597.19 | 20,855,691 | 375,060.54 | 38,741,016 |
| | 4,752,672.12 | 522,793,933 | 2,331,466.23 | 240,823,442 |
| | 89,568,956.43 | 9,852,585,207 | 89,931,281.78 | 9,289,244,910 |
| | 4,277.78 | 470,556 | 4,277.78 | 441,863 |
| | (4,277.78) | (470,556) | (4,277.78) | (441,863) |
| | - | - | - | - |
| | 88,351,428.59 | 9,718,657,145 | 90,220,578.02 | 9,319,127,099 |
| | - | - | - | - |
| | 88,351,428.59 | 9,718,657,145 | 90,220,578.02 | 9,319,127,099 |
| | 75,563,736.92 | 8,312,011,061 | 61,994,551.94 | 6,403,584,655 |
| | 75,563,736.92 | 8,312,011,061 | 61,994,551.94 | 6,403,584,655 |
| | - | - | 2,677,412.19 | 276,557,134.00 |
| | 8,648,858.34 | 951,374,417 | 20,451,951.39 | 2,112,537,279 |
| | - | - | 5,096,662.50 | 526,448,031 |
| | 4,138,833.33 | 455,271,667 | | |
| | 12,787,691.67 | 1,406,646,084 | 28,226,026.08 | 2,915,542,444 |
| | 88,351,428.59 | 9,718,657,145 | 90,220,578.02 | 9,319,127,099 |
| | 44,406.76 | 4,735,818 | 52,954.39 | 5,006,644 |
| | 7,300,875.76 | 778,611,752 | 6,721,181.84 | 635,463,211 |
| | 46,919.19 | 5,003,760 | 2,427.48 | 229,509 |
| | 285,245.07 | 30,420,346 | 21,174.50 | 2,001,972 |
| | 2,225.72 | 237,365 | 152,034.65 | 14,374,321 |
| | 7,679,672.50 | 819,009,041 | 6,949,772.86 | 657,075,657 |
| | - | - | 2,583,987.46 | 244,306,583 |
| | 2,269,570.84 | 242,041,446 | 2,814,496.23 | 266,100,345 |
| | 3,648,718.12 | 389,122,470 | 321,359.33 | 30,383,352 |
| | 5,918,288.96 | 631,163,916 | 5,719,843.02 | 540,790,280 |

TRUST BANK INVESTMENT LTD.



Independent Auditor's Report To The Shareholders of Trust Bank Investment Limited Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Trust Bank Investment Limited** (the “Company”) which comprise the financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give true and fair view, in all material respects, of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and other regulatory requirements.

Basis for Opinion

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

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

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs as explained in notes, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The companies Act, 1994, require the management to ensure effective internal audit, internal control and risk management functions of the company.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company 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.

Report on other Legal and Regulatory Requirements

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

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

Dated: Dhaka
April 27, 2024



Md. Shafiqul Islam, FCA
Enrolment # 595
Partner
Shafiq Basak & Co.
Chartered Accountants
DVC: 2404270595AS448908

Trust Bank Investment Limited
Balance Sheet
As at 31 December 2023

| | Notes | Amount in Taka | |
|--|-------|----------------------|----------------------|
| | | 31.12.2023 | 31.12.2022 |
| PROPERTY AND ASSETS | | | |
| Cash | | | |
| Cash in hand (including foreign currencies) | | - | - |
| Balance with Bangladesh Bank and its agent bank(s) (including foreign currencies) | | - | - |
| Balance with other banks and financial institutions | 3 | | |
| In Bangladesh | | 7,796,877 | 1,811,668 |
| Outside Bangladesh | | - | - |
| | | 7,796,877 | 1,811,668 |
| Money at call and short notice | | - | - |
| Investments | | | |
| Government | 4 | - | - |
| Others | | 4,180,869,122 | 4,139,721,722 |
| | | 4,180,869,122 | 4,139,721,722 |
| Loans and advances | | | |
| Loan to investors | 5 | 3,032,070,432 | 3,175,231,392 |
| Other loan | | - | - |
| | | 3,032,070,432 | 3,175,231,392 |
| Fixed assets including premises, furniture and fixtures | 6 | 14,933,695 | 3,440,942 |
| Other assets | 7 | 60,187,383 | 43,428,653 |
| Non-banking assets | | - | - |
| Total assets: | | 7,295,857,509 | 7,363,634,377 |
| LIABILITIES AND CAPITAL | | | |
| Liabilities | | | |
| Borrowings | 8 | 1,553,531,392 | 1,620,647,542 |
| Deposits and other accounts | | | |
| Deposit from investors | 9 | 84,868,608 | 71,373,621 |
| Other deposits | | - | - |
| | | 84,868,608 | 71,373,621 |
| Other liabilities | 10 | 2,320,567,212 | 2,334,722,917 |
| Total liabilities | | 3,958,967,212 | 4,026,744,080 |
| Capital/Shareholders' equity | | | |
| Paid up capital | 11.2 | 3,000,000,000 | 3,000,000,000 |
| Share premium account | | - | - |
| Statutory reserve | | - | - |
| Other reserve | | - | - |
| Retained earnings | 12 | 336,890,297 | 336,890,297 |
| Total shareholders' equity | | 3,336,890,297 | 3,336,890,297 |
| Total liabilities and shareholders' equity | | 7,295,857,509 | 7,363,634,377 |

The annexed notes form an integral part of the Balance Sheet.

| | Notes | Amount in Taka | |
|--|-------|----------------|------------|
| | | 31.12.2023 | 31.12.2022 |
| OFF-BALANCE SHEET ITEMS | | | |
| Contingent liabilities: | 13 | | |
| Acceptances and endorsements | | - | - |
| Letter of guarantees | | - | - |
| Irrevocable letter of credits | | - | - |
| Bills for collection | | - | - |
| Other contingent liabilities: | | | |
| Value of travelers' cheques in hand | | - | - |
| Total: | | - | - |
| Other commitments: | | | |
| Documentary credit and short term trade related transactions | | - | - |
| Forward assets purchased and forward deposits placed | | - | - |
| Undrawn note issuance and revolving facilities | | - | - |
| Undrawn formal standby facilities, credit lines and other commitments | | - | - |
| Total Off-Balance Sheet items including contingent liabilities: | | - | - |

The annexed notes form an integral part of the Balance Sheet.



Vice Chairman



Director



Director



Managing Director

Signed as per annexed report on even date

Dated: Dhaka
27 April 2024



Shafiq Basak & Co.
Chartered Accountants
DVC: 2404270595AS448908

Trust Bank Investment Limited
Profit and Loss Account
For the year ended 31 December 2023

| | Notes | Amount in Taka | |
|---|--------|---------------------|--------------------|
| | | 31.12.2023 | 31.12.2022 |
| Interest income | 15 | 111,519,019 | 181,468,468 |
| Interest paid on deposits and borrowings etc. | 16 | 122,648,927 | 122,159,035 |
| Net interest income | | (11,129,908) | 59,309,433 |
| Income from investments | 17 | 82,497,474 | 283,418,042 |
| Commission, exchange and brokerage | 18 | 1,443 | 48,875 |
| Other operating income | 19 | 20,779,249 | 49,006,366 |
| | | 103,278,166 | 332,473,283 |
| Total operating income | | 92,148,258 | 391,782,716 |
| Salaries and allowances | 20 | 25,595,326 | 23,074,859 |
| Rent, taxes, insurance, electricity, etc. | 21 | 1,617,540 | 2,194,472 |
| Legal expense | | 243,798 | 615,165 |
| Postage, stamps, telecommunications, etc. | 22 | 327,398 | 290,942 |
| Stationery, printing, advertisement etc. | 23 | 181,545 | 146,477 |
| Managing director's salary and benefits | | 2,352,122 | 1,907,590 |
| Directors' fees | 24 | 63,000 | 60,000 |
| Auditors' fee | | 115,000 | 115,000 |
| Depreciation and repair of bank's assets | 25 | 6,700,448 | 6,491,768 |
| Other expenses | 26 | 10,043,135 | 11,305,041 |
| Total operating expenses | | 47,239,312 | 46,201,314 |
| Profit before provision | | 44,908,946 | 345,581,402 |
| Provision for loans & advances | 27 | 28,672,510 | 118,085,165 |
| Provision for diminution in value of investment | 28 | - | 120,000,000 |
| Other provision | 29 | - | - |
| | | 28,672,510 | 238,085,165 |
| Total profit before taxes | | 16,236,436 | 107,496,237 |
| Provision for taxation | | | |
| Current tax | 10.4.1 | 16,106,462 | 107,252,421 |
| Deferred tax | | 129,974 | 243,816 |
| | | 16,236,436 | 107,496,237 |
| Net profit after taxation | | - | - |
| Appropriations: | | | |
| Statutory reserve | | - | - |
| General reserve | | - | - |
| | | - | - |
| Retained surplus | | - | - |
| Earning per share (EPS) | 30 | - | - |

Annexed notes form an integral part of these financial statements


Vice Chairman



Director


Director


Managing Director

Signed as per annexed report on even date

Dated: Dhaka
27 April 2024


Shafiq Basak & Co.
Chartered Accountants
DVC: 2404270595AS448908

Trust Bank Investment Limited
Cash Flow Statement
For the year ended 31 December 2023

| | Notes | Amount in Taka | |
|--|-------|---------------------|----------------------|
| | | 31.12.2023 | 31.12.2022 |
| A. Cash flow from operating activities | | | |
| Interest received in cash | | 111,519,019 | 181,468,468 |
| Interest payments | | (122,648,927) | (122,159,035) |
| Fees and commission receipts in cash | | 1,443 | 48,875 |
| Cash paid to employees | | (27,947,448) | (24,982,449) |
| Cash paid to suppliers | | (160,483) | (140,197) |
| Income taxes paid | | (33,470,673) | (107,388,686) |
| Income Received from other operating activities (item-wise) | 31 | 103,276,723 | 332,424,408 |
| Payments for other operating activities (item-wise) | 32 | (12,790,621) | (14,907,770) |
| Operating profit before changes in operating Assets and liabilities | | 17,779,033 | 244,363,614 |
| Increase/(Decrease) in operating assets & liabilities | | | |
| Net investment in trading securities | | (41,147,400) | (440,214,418) |
| Loan & advance to customers | | 143,160,960 | (84,070,501) |
| Other assets (item-wise) | 33 | (16,894,290) | 102,417,082 |
| Deposits from customers | | 13,494,987 | (145,187,350) |
| Other liabilities (item-wise) | 34 | (37,566,671) | (43,637,301) |
| Net cash from operating activities (A) | | 78,826,619 | (366,328,874) |
| B. Cash flow from investing activities | | | |
| Purchase of property, plant & equipment | | (411,666) | (224,010) |
| Purchase of intangible asset | | - | - |
| Sale of property, plant & equipment | | 10,974 | 516,229 |
| Net cash from investing activities (B) | | (400,692) | 292,219 |
| C. Cash flow from financing activities | | | |
| Lease Payment-Office Premises | | (5,324,568) | (5,628,924) |
| Increase/(Decrease) in borrowing: | | - | - |
| Other borrowings | | (67,116,150) | 363,051,301 |
| Net cash from financing activities (C) | | (72,440,718) | 357,422,377 |
| D. Net increase in cash and cash equivalent (A+B+C) | | 5,985,209 | (8,614,278) |
| E. Effects of exchange rate changes on cash and cash equivalents | | - | - |
| F. Opening cash and cash equivalent | | 1,811,668 | 10,425,946 |
| G. Cash and cash equivalents at end of year (D+E+F) | 35 | 7,796,877 | 1,811,668 |

Annexed notes form an integral part of these financial statements


Vice Chairman



Director


Director


Managing Director

Signed as per annexed report on even date

Dated: Dhaka
27 April 2024


Shafiq Basak & Co.
Chartered Accountants
DVC: 2404270595AS448908

Trust Bank Investment Limited
Statement of changes in Equity
For the year ended 31 December 2023

Amount in Taka

| Particulars | Paid up Capital | Statutory Reserve | Other Reserve | Retained Earnings | Total |
|--|----------------------|-------------------|---------------|--------------------|----------------------|
| Balance on 1 January 2023 | 3,000,000,000 | - | - | 336,890,297 | 3,336,890,297 |
| Adjustment for IFRS 16 | - | - | - | - | - |
| Restated Balance | | | | | |
| Surplus/Deficit on revaluation of properties | - | - | - | - | - |
| Surplus/Deficit on revaluation of investment | - | - | - | - | - |
| Currency transaction difference | - | - | - | - | - |
| Net profit/(loss) for the year after tax | - | - | - | - | - |
| Statutory reserve | - | - | - | - | - |
| Balance at 31 December 2023 | 3,000,000,000 | - | - | 336,890,297 | 3,336,890,297 |
| Balance at 31 December 2022 | 3,000,000,000 | - | - | 336,890,297 | 3,336,890,297 |

Annexed notes form an integral part of these financial statements



Vice Chairman



Director



Director



Managing Director

Signed as per annexed report on even date

Dated: Dhaka
27 April 2024



Shafiq Basak & Co.

Chartered Accountants

DVC: 2404270595AS448908

Trust Bank Investment Limited
Liquidity Statement
(Asset and Liability Maturity Analysis)
As at 31 December 2023

Amount in Taka

| Particulars | Up to 01 Month | 01- 03 Months | 03-12 Months | 1- 05 Years | More than 5 Years | Total Amount |
|--|----------------------|--------------------|----------------------|----------------------|-------------------|----------------------|
| Assets: | | | | | | |
| Cash in hand | - | - | - | - | - | - |
| Balance with Bangladesh Bank and Sonali Bank | - | - | - | - | - | - |
| Balance with other banks and financial institutions | 7,796,877 | - | - | - | - | 7,796,877 |
| Investments | 4,180,869,122 | - | - | - | - | 4,180,869,122 |
| Loans and advances | 303,207,043 | 454,810,565 | 758,017,608 | 1,516,035,216 | - | 3,032,070,432 |
| Fixed assets including premises, furniture and fixtures | - | - | - | - | 14,933,695 | 14,933,695 |
| Other assets | 16,323,368 | 42,275,063 | - | - | 1,588,952 | 60,187,383 |
| Non-banking assets | - | - | - | - | - | - |
| Total assets | 4,508,196,410 | 497,085,628 | 758,017,608 | 1,516,035,216 | 16,522,647 | 7,295,857,509 |
| Liabilities: | | | | | | |
| Borrowing from Bangladesh Bank, other banks, financial institutions and agents | 1,553,531,392 | - | - | - | - | 1,553,531,392 |
| Deposits | 84,868,608 | - | - | - | - | 84,868,608 |
| Other accounts | - | - | - | - | - | - |
| Provision and other liabilities | 54,508,512 | 313,611,107 | 980,340,567 | 972,107,026 | - | 2,320,567,212 |
| Total liabilities | 1,692,908,512 | 313,611,107 | 980,340,567 | 972,107,026 | - | 3,958,967,212 |
| Net liquidity gap | 2,815,287,899 | 183,474,521 | (222,322,959) | 543,928,190 | 16,522,647 | 3,336,890,297 |

Net result of the Liquidity Statement represents the "Shareholders' Equity" of the Company

Annexed notes form an integral part of these financial statements

Trust Bank Investment Limited

Notes to the Financial Statements

As at and for the Period ended 31 December 2023

1 LEGAL STATUS AND NATURE OF THE COMPANY

1.1 Legal status of the Company

Trust Bank Investment Limited was incorporated on 09 September 2010 as a Public Limited Company bearing registration No. C-86981/10 under the Companies Act, 1994 in Bangladesh. The company accorded consent from the Securities and Exchange Commission on 25 October 2010 as a full fledged Merchant Bank bearing Certificate No. MB-45/10. The Company started its operation on 14 November 2010. The registered office of the Company is located at 36, Dilkusha Commercial Area, Dhaka - 1000.

1.2 Nature of Business Activities

Trust Bank Investment Limited offers full range of merchant banking services that include Issue Management, Underwriting, Portfolio Management etc.

2 SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.01 Reporting period

The financial Statements have been prepared for the year ended as on 31 December 2023

2.02 Basis of preparation and presentation of the financial statements

These financial statements have been prepared under the historical cost convention on a going concern basis in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted by the Institute of Chartered Accountants of Bangladesh (ICAB), The Companies Act, 1994, The Securities and Exchange Rules 1987, Dhaka & Chittagong Stock Exchange's listing regulations and other laws and rules applicable in Bangladesh and in the format prescribed by Bangladesh Bank vide DFIM Circular # 11 dated 23 December 2009 in accordance with the "First Schedule" (Sec-38) of the Bank Companies Act, 1991.

2.03 Use of estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

2.04 Non-banking assets

IFRS:

There is no particular/specific guideline about non-banking assets in IFRSs.

Bangladesh Bank:

As per the requirements of DFIM circular no. 11 dated 23 December 2009, there must exist a face item named non-banking asset. The Company has no Non-banking assets as on and for the period ended.

2.05 Components of the financial statements

The financial statements comprise of (As per DFIM Circular No. 11, Dated 23 December 2009):

- Balance Sheet as at 31 December 2023;
- Profit and Loss Account for the Period ended 31 December 2023;
- Statement of Cash Flows for the Period ended 31 December 2023;
- Statement of Changes in Equity for the Period ended 31 December 2023;
- Liquidity Statement for the Period ended 31 December 2023;
- Notes to the Financial Statements as at and for the Period ended 31 December 2023.

2.06 Functional and presentation currency

The figures of the Financial Statements are presented in Bangladesh Taka (BDT/Taka/Tk.) which is Company's functional currency. All financial information presented in Taka has been rounded off to the nearest integer except otherwise indicated.

2.07 Materiality and aggregation

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

2.08 Provision for taxation

In compliance with IAS-12 "Income Taxes", provision for current income tax has been made @ 37.50% on business income, @ 20% on dividend income and @ 10% on capital gain on sale of shares, after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance 1984 and time to time amendment through different S.R.O and circulars issued by the N.B.R.

2.09 Assets and basis of their valuation

2.09.1 Cash and cash equivalents

Cash and cash equivalents include highly liquid financial assets which are subject to insignificant risk of changes in their fair value, and are used by the company management for its short-term commitments.

2.9.2 Investment

These are acquired and held primarily for the purpose of selling them in future or held for dividend income and reported at cost. Unrealized gains are not recognized in the Profit and Loss Account. Provision for diminution in value of investment is provided in the Financial Statements on those securities whose market price is below the cost of investment.

2.9.3 Loans and advances

Loans and advances are stated at gross amount. Provision and interest suspense against loans and advances are shown separately as liability. Interest income is accounted for on accrual basis until the loans and advances are defined as Special Mention Account (SMA) or classified accounts as per Bangladesh Bank guidelines.

2.10 Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation as per IAS-16 "Property, Plant and Equipment".

Depreciation is charged at the following rates per annum using reducing balance method on all fixed assets other than motor vehicles and office equipment, which are depreciated on straight-line method and no depreciation on land is charged.

| Category of fixed assets | Rate |
|--------------------------|----------|
| Land | Nil |
| Building | 5% p.a. |
| Furniture & Fixtures | 10% p.a. |
| Office Equipment | 20% p.a. |
| Motor Vehicles | 20% p.a. |
| Office Decoration | 12% p.a. |

Depreciation at the applicable rates is charged proportionately on additions made during the year from the date of their acquisition and in case of sale upto the date of sale.

Repairs and maintenance costs of fixed assets are charged to profit & loss account, when incurred.

2.11 Revenue recognition

i) Interest income

In terms of the provisions of the IFRS-15 "Revenue from contracts with customers", the interest income is recognized on accrual basis.

ii) Fees and commission income

Fees and commission income arises on services provided by the Company are credited to income at the time of effecting the transactions.

iii) Interest paid and other expenses

In terms of the provisions of the IAS-1 "Presentation of Financial Statements" interest and other expenses are recognized on accrual basis.

2.12 Earning per share (EPS)

The Company calculates Earning per Share (EPS) for the period ended 31 December 2023 in accordance with IAS-33 "Earning per Share" which has been shown on the face of Profit & Loss Account and the computation of EPS is stated in Note 30.

2.13 Statement of Cash flows

IFRS:

Cash flow statement can be prepared either in direct method or in indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.

Bangladesh Bank:

As per the requirements of DFIM circular no. 11 dated 23 December 2009, statement of cash flows is a mixture of direct and indirect method.

2.14 Statement of liquidity

The liquidity statement of assets and liabilities as on the reporting date has been prepared on residual maturity term as per the following bases:

- Balance with other banks and financial institutions, money at call and short notice etc. are on the basis of their maturity term.
- Investments are on the basis of their maturity.
- Loans and advances and lease receivables are on the basis of their repayment / maturity schedule.
- Fixed assets are on the basis of their useful life.
- Other assets are on the basis of their realization/adjustment.
- Borrowing from other banks, financial institutions and agents as per their maturity /repayment term.
- Deposits and other accounts are on the basis of their maturity term and past trend of withdrawal by the depositors.
- Other long term liabilities on the basis of their maturity term.
- Provisions and other liabilities are on the basis of their payment /adjustment schedule.

2.15 Compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) in context of Bangladesh from the standards adopted by International Federation of Accountants Committee (IFAC) as International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, Trust Bank Investment Limited applied most of the IAS and IFRS, details of which are given below:

| Name of IAS | IAS No. | Status |
|---|----------|------------|
| Presentation of Financial Statements | 1 | Applied* |
| Inventories | 2 | N/A |
| Statements of Cash Flow | 7 | Applied* |
| Accounting Policies, Changes in Accounting Estimates and Errors | 8 | Applied |
| Events after the Reporting Date | 10 | Applied |
| Construction Contracts | 11 | N/A |
| Income Taxes | 12 | Applied |
| Property, Plant and Equipment | 16 | Applied |
| Employee Benefits | 19 | Applied |
| Accounting for Government Grants and Disclosure of Government Assistance | 20 | N/A |
| The effects of Changes in Foreign Exchange Rate | 21 | N/A |
| Borrowing Cost | 23 | Applied |
| Related Party Disclosures | 24 | Applied |
| Accounting for Investments | 25 | Applied |
| Accounting and Reporting by Retirement Benefit Plans | 26 | Applied |
| Consolidated and Separate Financial Statements | 27 | Applied |
| Investment in Associates | 28 | N/A |
| Disclosures in the Financial Statements of Banks and similar Financial Institutions | 30 | Applied |
| Interest in Joint Ventures | 31 | N/A |
| Financial instruments: presentation | 32 | Applied |
| Earnings per Share | 33 | Applied |
| Interim Financial Reporting | 34 | Applied |
| Impairment of Assets | 36 | Applied |
| Provisions, Contingent Liabilities and Contingent Assets | 37 | Applied |
| Intangible Assets | 38 | Applied |
| Investment Property | 40 | Applied |
| Agriculture | 41 | N/A |
| Name of IFRS | IFRS No. | Status |
| Share-based Payment | 2 | N/A |
| Business Combinations | 3 | N/A |
| Insurance Contracts | 4 | N/A |
| Non-current assets Held for Sale and Discontinued Operations | 5 | Applicable |
| Exploration for and Evaluation of Mineral Resources | 6 | N/A |
| Financial Instruments: Disclosures | 7 | Applied* |
| Operating Segments | 8 | N/A |
| Financial Instruments: Recognition and Measurement | 9 | Applied* |
| Fair value measurement | 13 | Applicable |
| Revenue from contracts with customers | 15 | Applied |
| Leases | 16 | Applied |

*As the regulatory requirements differ with the standards, relevant disclosures have been made in accordance with regulatory requirements.

2.16 General

Prior years figures shown for comparison purpose, have been rearranged whenever necessary to conform to current year's presentation.

2.17 Going concern

The Company has adequate resources to continue in operation for foreseeable future. Accordingly, the company continue to adopt the going concern basis in preparing the accounts. The current resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations.

| | | Amount in Taka | |
|------------|---|----------------------|----------------------|
| | | 31.12.2023 | 31.12.2022 |
| 3 | BALANCE WITH OTHER BANKS AND FINANCIAL INSTITUTIONS | | |
| | In Bangladesh | | |
| | Special Notice Deposits | | |
| | Trust Bank Limited | 7,796,877 | 1,811,668 |
| | Trust Bank Limited-FDR | - | - |
| | | 7,796,877 | 1,811,668 |
| | Outside Bangladesh | - | - |
| | | 7,796,877 | 1,811,668 |
| 3.1 | Remaining maturity grouping of balance with other banks and financial institutions | | |
| | On demand | - | - |
| | Upto 1 month | 7,796,877 | 1,811,668 |
| | Over 1 month but not more than 3 months | - | - |
| | Over 3 months but not more than 1 Year | - | - |
| | Over 1 Year but not more than 5 Years | - | - |
| | Over 5 Years | - | - |
| | | 7,796,877 | 1,811,668 |
| 4 | INVESTMENTS | | |
| | Government Securities | - | - |
| | | - | - |
| | Other Investments | | |
| | Ordinary Shares | | |
| | Quoted | 4,180,869,122 | 4,139,721,722 |
| | Unquoted | - | - |
| | | 4,180,869,122 | 4,139,721,722 |
| | | 4,180,869,122 | 4,139,721,722 |
| 4.1 | Remaining maturity grouping of Investments | | |
| | On demand | - | - |
| | Upto 1 month | 4,180,869,122 | 4,139,721,722 |
| | Over 1 month but not more than 3 months | - | - |
| | Over 3 months but not more than 1 Year | - | - |
| | Over 1 Year but not more than 5 Years | - | - |
| | Over 5 Years | - | - |
| | | 4,180,869,122 | 4,139,721,722 |
| 5 | LOANS AND ADVANCES | | |
| | Loans and Advances | | |
| | Loan to Investors | 3,032,070,432 | 3,175,231,392 |
| | | 3,032,070,432 | 3,175,231,392 |
| 5.1 | Residual maturity grouping of Loans and Advances | | |
| | Repayable on demand | - | - |
| | Upto 1 month | 3,032,070,432 | 3,175,231,392 |
| | Over 1 month but not more than 3 months | - | - |
| | Over 3 months but not more than 1 Year | - | - |
| | Over 1 Year but not more than 5 Years | - | - |
| | Over 5 Years | - | - |
| | | 3,032,070,432 | 3,175,231,392 |

| | | Amount in Taka | |
|--------------|--|----------------------|----------------------|
| | | 31.12.2023 | 31.12.2022 |
| 5.2 | Loans and Advances | | |
| | Inside Bangladesh | | |
| | Loans | 3,032,070,432 | 3,175,231,392 |
| | Cash Credit | - | - |
| | Overdraft | - | - |
| | Bills purchased and discounted | - | - |
| | | 3,032,070,432 | 3,175,231,392 |
| | Outside Bangladesh | - | - |
| | | 3,032,070,432 | 3,175,231,392 |
| 5.3 | Loans and Advances on the basis of significant concentration | - | - |
| 5.3.1 | Advances to Directors and Others | | |
| | Advance to Directors and their allied concerns | - | - |
| | Advances to CEO and Senior Executives | - | - |
| | Advances to Customers (Group wise) | - | - |
| | Others Loan | 3,032,070,432 | 3,175,231,392 |
| | | 3,032,070,432 | 3,175,231,392 |
| 5.3.2 | Geographical location-wise concentration of Loans and Advances | | |
| | Inside Bangladesh | | |
| | Dhaka Division | 3,032,070,432 | 3,175,231,392 |
| | Chittagong Division | - | - |
| | Khulna Division | - | - |
| | Sylhet Division | - | - |
| | Barisal Division | - | - |
| | Rangpur Division | - | - |
| | Rajshahi Division | - | - |
| | | 3,032,070,432 | 3,175,231,392 |
| | Outside Bangladesh | - | - |
| | | 3,032,070,432 | 3,175,231,392 |
| 5.4 | Classification of Loans and Advances including Bills Purchased and Discounted | | |
| a | Unclassified Loans and Advances (including staff loan) | 3,032,070,432 | 3,175,231,392 |
| b | Special Mentioned Accounts | - | - |
| c | Classified Loans and Advances | | |
| 1 | Sub-Standard Loans and Advances | - | - |
| 2 | Doubtful Loans and Advances | - | - |
| 3 | Bad /Loss Loans and Advances | - | - |
| | | - | - |
| | | 3,032,070,432 | 3,175,231,392 |
| 6 | FIXED ASSETS | | |
| | Cost | | |
| | Furniture and fixtures | 1,825,419 | 1,658,759 |
| | Office equipment | 8,253,542 | 8,734,742 |
| | Office renovation | 11,536,279 | 11,390,199 |
| | Right Of Use Assets (ROU) | 17,427,235 | - |
| | | 39,042,475 | 21,783,700 |
| | Less: Accumulated depreciation | 24,108,780 | 18,342,758 |
| | | 14,933,695 | 3,440,942 |

For details please refer to Annexure - A

| | | Amount in Taka | |
|---|---|--|--|
| | | 31.12.2023 | 31.12.2022 |
| 7 | OTHER ASSETS | | |
| i) | Stationery, stamps, printing materials in stock etc.; | 15,345 | 20,931 |
| iv) | Security Deposits | 222,992 | 222,992 |
| ix) | Others | 59,949,046 | 43,184,730 |
| | 13.10 | 60,187,383 | 43,428,653 |
| 7.1 | Others | | |
| | Deferred Tax Asset | 1,365,960 | 1,495,934 |
| | Accounts Receivable (From Brokers) | 16,318,304 | 502,327 |
| | Prepaid/Deferred Expenses | - | - |
| | IPO application | 716,940 | - |
| | Service charge Receivable | 28,080 | 463,080 |
| | Underwriting Commission receivable | - | 28,875 |
| | Sundry debtors (Dividend Receivable) | 41,519,762 | 40,694,514 |
| | | 59,949,046 | 43,184,730 |
| 7.1.1 | Deferred Tax Asset | | |
| | Balance as on 01 January | 1,495,934 | 1,739,750 |
| | Addition during the year | (129,974) | (243,816) |
| | Closing Balance | 1,365,960 | 1,495,934 |
| Deferred tax has been calculated based on deductible / taxable temporary difference arising due to difference in the carrying amount of the assets / liabilities and its tax base in accordance with the provision of International Accounting Standards (IAS)-12 : Income Taxes. | | | |
| Particulars | Carrying Amount at Dec 31, 2023 Accounting Base | Carrying Amount at Dec 31, 2023 Tax Base | (Taxable)/ Deductible temporary difference |
| Property, plant and equipment | 3,315,538 | 6,473,587 | 3,158,049 |
| Expense Charged in PL (IFRS 16) | 7,039,697 | 6,555,186 | 484,511 |
| Total | 0,355,235 | 13,028,773 | 3,642,560 |
| Applicable Tax Rate | | | 37.5% |
| Deferred tax asset as on December 31, 2023 | | | 1,365,960 |
| Deferred tax asset as on December 31, 2022 | | | 1,495,934 |
| Deferred tax assets accounted for during the year | | | (129,974) |
| 7.2 | Break-up of Other Assets | | |
| | Income generating other assets | - | - |
| | Non income generating other asset | 60,187,383 | 43,428,653 |
| | | 60,187,383 | 43,428,653 |
| 8 | BORROWINGS | | |
| | In Bangladesh | | |
| | Borrowing from Trust Bank Limited | 1,553,531,392 | 1,620,647,542 |
| | | 1,553,531,392 | 1,620,647,542 |
| | Outside Bangladesh | | |
| | | - | - |
| | | 1,553,531,392 | 1,620,647,542 |
| 8.1 | Security wise borrowings | | |
| | Secured Borrowings | 1,553,531,392 | 1,620,647,542 |
| | Unsecured Borrowings | - | - |
| | | 1,553,531,392 | 1,620,647,542 |

| | | Amount in Taka | | | |
|-------------|--|----------------------|-------------------------|----------------------|-------------------|
| | | 31.12.2023 | 31.12.2022 | | |
| 8.2 | Repayment nature wise borrowings | | | | |
| | Repayment on Demand | - | - | | |
| | Others | 1,553,531,392 | 1,620,647,542 | | |
| | | 1,553,531,392 | 1,620,647,542 | | |
| 8.3 | Remaining maturity grouping of Borrowings from other banks, financial institutions and agents | | | | |
| | Payable | | | | |
| | On demand | - | - | | |
| | Upto 1 month | 1,553,531,392 | 1,620,647,542 | | |
| | Over 1 month but within 3 months | - | - | | |
| | Over 3 months but within 1 Year | - | - | | |
| | Over 1 Year but within 5 Years | - | - | | |
| | Over 5 Years | - | - | | |
| | | 1,553,531,392 | 1,620,647,542 | | |
| 9 | DEPOSITS AND OTHER ACCOUNTS | | | | |
| | Current and Other Accounts | 84,868,608 | 71,373,621 | | |
| | | 84,868,608 | 71,373,621 | | |
| 9.1 | Remaining maturity grouping of Deposits and other accounts | | | | |
| | | | | | |
| | Inside Bangladesh | Banks | Other than Banks | Taka | Taka |
| | Payable On demand | - | - | - | - |
| | Upto 1 month | - | 84,868,608 | 84,868,608 | 71,373,621 |
| | Over 1 month but within 3 months | - | - | - | - |
| | Over 3 months but within 1 Year | - | - | - | - |
| | Over 1 Year but within 5 Years | - | - | - | - |
| | Over 5 Years | - | - | - | - |
| | | - | 84,868,608 | 84,868,608 | 71,373,621 |
| | Outside Bangladesh | - | - | - | - |
| | Total | - | 84,868,608 | 84,868,608 | 71,373,621 |
| 9.2 | Unclaimed Deposits for 10 Years and Above | | | | |
| | | | | - | - |
| 10 | OTHER LIABILITIES | | | | |
| | Provision for Loans and Advances | 10.1 | 529,858,783 | 506,176,589 | |
| | Provision for Investment | 10.2 | 430,145,576 | 430,145,576 | |
| | Interest Suspense Account | 10.3 | 1,251,999,702 | 1,283,312,268 | |
| | Provision for Income Tax Less Advance Income Tax | 10.4 | 39,751,719 | 57,115,930 | |
| | Lease Liabilities | | 12,102,667 | - | |
| | Accrued Expenses | | 2,444,726 | 3,424,963 | |
| | Audit Fees Payable | | 115,000 | 115,000 | |
| | Others (Mgt. fees, Transaction fees, etc.) | | 54,149,039 | 54,432,591 | |
| | | | 2,320,567,212 | 2,334,722,917 | |
| 10.1 | Provision for Loans and Advances | | | | |
| | Specific Provision | | | | |
| | Against Classified Loans & Advances | | - | - | |
| | General Provision | | | | |
| | Against Unclassified Loans & Advances | 10.1.1 | 529,858,783 | 506,176,589 | |
| | Against Special Mention Accounts | | - | - | |
| | Against Off Balance Sheet Exposures | | - | - | |
| | | | 529,858,783 | 506,176,589 | |
| | | | 529,858,783 | 506,176,589 | |

| | | Amount in Taka | |
|-----------------|--|----------------------|----------------------|
| | | 31.12.2023 | 31.12.2022 |
| 10.1.1 | Against Unclassified Loans & Advances | | |
| | Provision held on 01 January | 506,176,589 | 394,848,593 |
| | Provision made during the year | 28,672,510 | 118,085,165 |
| | Provisions adjusted during the year | (4,990,316) | (6,757,169) |
| | Provision held at end of year | 529,858,783 | 506,176,589 |
| 10.1.1.1 | As per Commission's Directive No. BSEC/SMMID/NE/2023/840 dated October 22, 2023, Commission has extended the time for merchant banks to keep provision against unrealized loss on Clients margin portfolios up to June 30, 2024. But we have made BDT 28,672,510 as 'Provision for Loans & Advances' against unrealized loss on clients' margin loan for the year 2023. However, 'Provision for Loans and Advances' and 'Interest Suspense' stands at BDT 529,858,783 and BDT 1,251,999,702 respectively against negative equity of BDT 1,272,180,888 as on December 31, 2023. | | |
| 10.2 | Provision for Investment | | |
| | Provision held on 01 January | 430,145,576 | 310,145,576 |
| | Provision made during the year | - | 120,000,000 |
| | Provisions adjusted during the year | - | - |
| | Provision held at end of year | 430,145,576 | 430,145,576 |
| 10.2.1 | As per Commission's Directive No. BSEC/SRI/NE/2020/303 dated March 27, 2023, Commission has extended the time for merchant banks to keep provision against unrealized loss on Proprietary portfolio up to December 31, 2025. But 'Provision for Investment' stands at BDT 430,145,576 against unrealized loss on investment as on December 31, 2023. | | |
| 10.3 | Interest Suspense Account | | |
| | Balance on 01 January | 1,283,312,268 | 1,319,269,129 |
| | Transfer during the year | - | - |
| | Adjustment during the year | (31,312,566) | (35,956,861) |
| | Balance at the end of year | 1,251,999,702 | 1,283,312,268 |
| 10.3.1 | As of reporting date, an aggregate amount of Tk. 1,251,999,702 remained in "Interest Suspense Account". This income was charged to negative equity holders account which were doubtful of recovery. | | |
| 10.4 | Provision for Income Tax Less Advance Income Tax | | |
| | Provision for Income Tax | | |
| | Balance on 01 January | 308,480,545 | 219,097,369 |
| | Provisions made during the year | 14,300,000 | 58,773,374 |
| | Provision made for previous year(s) | 1,806,462 | 48,479,047 |
| | Settlement for previous year(s) | (14,246,916) | (17,869,245) |
| | | 310,340,091 | 308,480,545 |
| | Less: Advance Income Tax | | |
| | Balance on 01 January | 251,364,615 | 161,845,174 |
| | Paid during the year | 33,470,673 | 107,388,686 |
| | Settlement for previous year(s) | (14,246,916) | (17,869,245) |
| | | 270,588,372 | 251,364,615 |
| | Net Closing Balance | 39,751,719 | 57,115,930 |
| 10.4.1 | Provision for current tax has been made @ 37.50% on Business Income and @ 20% on Dividend Income and 10% on Capital Gain of the accounting profit made by the Company during the year after considering some of the add backs to income and disallowances of expenditure as per Income Tax Ordinance and Rules, 1984. | | |
| 11 | CAPITAL | | |
| 11.1 | Authorized Capital | | |
| | 50,000,000 Ordinary shares of Tk. 100 each | 5,000,000,000 | 5,000,000,000 |

| | | Amount in Taka | |
|-------------|---|--------------------|--------------------|
| | | 31.12.2023 | 31.12.2022 |
| 13 | CONTINGENT LIABILITIES AND COMMITMENTS | - | - |
| | Acceptances and endorsements | - | - |
| | Letter of guarantees | - | - |
| | Irrevocable letter of credits | - | - |
| | Bills for collection | - | - |
| 13.1 | Claims against the Company not acknowledged as debts | | |
| | Money for which the Company is contingently liable in respect of guarantee given favoring: | | |
| | Directors | - | - |
| | Government | - | - |
| | Banks and other Financial Institution | - | - |
| | Others | - | - |
| | | - | - |
| 14 | INCOME STATEMENT | | |
| | Income: | | |
| | Interest/Profit, discount and similar income | 111,519,019 | 181,468,468 |
| | Fees, commission and brokerage | 1,443 | 48,875 |
| | Gains /(losses) arising from investment in securities | 82,497,474 | 283,418,042 |
| | Other operating income | 20,779,249 | 49,006,366 |
| | | 214,797,185 | 513,941,751 |
| | Expenses: | | |
| | Interest / profit paid on deposits, borrowings etc, | 122,648,927 | 122,159,035 |
| | Administrative expenses | 30,495,729 | 28,404,505 |
| | Other operating expenses | 16,378,309 | 17,469,659 |
| | Repair & Maintenance of Banking Assets | 365,274 | 327,150 |
| | | 169,888,239 | 168,360,349 |
| | | 44,908,946 | 345,581,402 |
| 15 | INTEREST INCOME | | |
| | Interest from Loans and Advances | | |
| | Interest on Other Loans | 111,318,861 | 181,358,144 |
| | | 111,318,861 | 181,358,144 |
| | Interest from Banks and Other Financial Institutions | | |
| | Interest on Special Notice Deposits | 200,158 | 110,324 |
| | Interest on FDR | - | - |
| | | 200,158 | 110,324 |
| | | 111,519,019 | 181,468,468 |
| | As of reporting date, an aggregate amount of Tk. 1,251,999,702 remained in "Interest Suspense Account". This income was charged to negative equity holders account which were doubtful of recovery. | | |
| 16 | INTEREST PAID ON DEPOSITS AND BORROWINGS | | |
| | Interest paid on deposits | | |
| | Interest on TBIL Depositors Account | - | - |
| | | - | - |
| | Interest paid on borrowings | | |
| | Interest on Other Borrowings | 122,648,927 | 122,159,035 |
| | | 122,648,927 | 122,159,035 |
| | | 122,648,927 | 122,159,035 |

| | | Amount in Taka | |
|-----------|---|-------------------|--------------------|
| | | 31.12.2023 | 31.12.2022 |
| 17 | INCOME FROM INVESTMENTS | | |
| | Profit from sale of shares-Listed company | 22,572,056 | 212,287,599 |
| | Dividend income-Listed company | 59,925,418 | 71,130,443 |
| | Income on Bond | - | - |
| | | 82,497,474 | 283,418,042 |
| 18 | COMMISSION ON | | |
| | Introductory Commission | - | - |
| | Manager to the Issue Commission | - | - |
| | Underwriting Commission | 1,443 | 48,875 |
| | | 1,443 | 48,875 |
| | Foreign Currency Exchange Gain | - | - |
| | | 1,443 | 48,875 |
| 19 | OTHER OPERATING INCOME | | |
| | Documentation Charges | 15,000 | 18,700 |
| | Cheque Return (Outward/Inward) Charge | - | 4,000 |
| | Account Maintenance Fee | 621,350 | 252,100 |
| | Port Folio Management Fees | 14,342,285 | 25,123,934 |
| | Port Folio Transaction Fees | 3,485,942 | 21,383,105 |
| | Other Service Charges | 1,703,127 | 2,149,220 |
| | Profit on sale of Fixed Asset | 22,226 | - |
| | Miscellaneous Earnings | 589,319 | 75,307 |
| | | 20,779,249 | 49,006,366 |
| 20 | Salaries and allowances | | |
| | Basic Salary | 11,360,866 | 9,944,866 |
| | House Rent Allowances | 5,680,434 | 4,972,434 |
| | Conveyance Allowances | 723,346 | 690,856 |
| | Medical Allowances | 2,398,280 | 2,072,570 |
| | House Maintenance Allowance | 875,506 | 690,856 |
| | Festival Bonus | 1,914,438 | 1,888,700 |
| | Incentive Bonus | 378,100 | 784,817 |
| | Employer's Contribution to Provident Fund | 1,105,686 | 966,900 |
| | Employer's Contribution to Employees' Gratuity Fund | 1,158,670 | 1,062,860 |
| | | 25,595,326 | 23,074,859 |
| 21 | RENT, TAXES, INSURANCE, ELECTRICITY, etc. | | |
| | Rent with car parking | - | - |
| | Electricity and Air Condition | 868,229 | 770,141 |
| | Insurance | 10,014 | 6,669 |
| | Rates, Taxes & Excise Duty | 133,000 | 253,000 |
| | Fees & Renewals | 439,652 | 1,000,874 |
| | Generator Fuel | - | 7,375 |
| | Gas/Water Bill | 166,645 | 156,413 |
| | | 1,617,540 | 2,194,472 |

21.1 While implementing IFRS 16 (Leases), the bank recorded 'Interest expense on Lease liabilities, (Note 26) and 'Depreciation on Right Of Use Assets' (Note 06) instead of charging 'Rent Expense' of BDT 6,555,186 (Taka Six Million Five Hundred Fifty Five Thousand One Hundred Eighty Six) only in 2023 against those Rental premises that have been treated as Lease Assets named as Right of Use Assets (ROU) and shown in the Balance Sheet.

| | | Amount in Taka | |
|-----------|---|-------------------|--------------------|
| | | 31.12.2023 | 31.12.2022 |
| 22 | POSTAGE, STAMPS, TELECOMMUNICATION, etc. | | |
| | Stamp | 5,586 | 4,980 |
| | Online Expenses | 190,764 | 181,929 |
| | Courier Charge | 11,974 | 10,353 |
| | Telegram, Telex, Telephone set, Mobile bill etc. | 119,074 | 93,680 |
| | | 327,398 | 290,942 |
| 23 | STATIONERY, PRINTING, ADVERTISEMENT, etc. | | |
| | Printing and Stationery | 166,069 | 146,477 |
| | Publicity and Advertisement | 15,476 | - |
| | | 181,545 | 146,477 |
| 24 | DIRECTORS' FEES | | |
| | Meeting fees @ Taka 3,000 per Director | 63,000 | 60,000 |
| | | 63,000 | 60,000 |
| 25 | Depreciation and repair of bank's assets | | |
| | Depreciation | | |
| | Fixed assets | 6,335,174 | 6,164,618 |
| | For details please refer to Annexure - A | | |
| | Repairs | | |
| | Furniture and fixtures | 37,690 | 14,000 |
| | Office equipment, computer accessories, repel elec light mate | 138,584 | 124,150 |
| | Maintenance-software | 189,000 | 189,000 |
| | | 365,274 | 327,150 |
| | | 6,700,448 | 6,491,768 |
| 26 | OTHER EXPENSES | | |
| | Travelling Expense-Local | 11,620 | - |
| | Utility & Service Charge | 966,542 | 917,540 |
| | Conveyance | 74,665 | 92,595 |
| | Entertainment | 276,095 | 235,563 |
| | Bank Charges | 11,267 | 15,494 |
| | Car Expenses | 731,904 | - |
| | News Paper and Magazine | 18,967 | 21,123 |
| | Books and Periodicals | 980 | - |
| | Other Contractual Service | 5,837,342 | 5,615,638 |
| | Upkeep of Office Premises | 406,168 | 414,862 |
| | Washing Charges | 9,060 | 5,450 |
| | CDBL Charge | 355,599 | 2,402,823 |
| | Purchase of Utensils | 13,090 | 8,760 |
| | Wages paid to Temporary Employees | - | 800 |
| | Subscription & Membership Fees | - | 100,000 |
| | Loss on Sale/Transfer of Property/Assets | 79,218 | 390,879 |
| | VAT on Office Rent | - | 875,535 |
| | Interest on lease | 1,230,618 | 207,979 |
| | | 10,043,135 | 11,305,041 |
| 27 | PROVISION FOR LOANS AND ADVANCES | | |
| | Specific Provisions-against classified loans & advances | - | - |
| | General Provisions-against un-classified loans & advances | 28,672,510 | 118,085,165 |
| | General Provisions-against special mentioned accounts | - | - |
| | | 28,672,510 | 118,085,165 |

28 PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS:

Decline in value of investment should consist of the following divisions:

(a) Dealing securities

- Quoted

- Unquoted

(b) Investment securities

- Quoted

- Unquoted

| Amount in Taka | |
|----------------|--------------------|
| 31.12.2023 | 31.12.2022 |
| | |
| - | - |
| - | - |
| - | - |
| - | 120,000,000 |
| - | - |
| - | 120,000,000 |
| - | 120,000,000 |

Provision has been kept during the period As per Commission's Directive No. BSEC/SRI/NE/2020/606 dated December 28, 2022,

29 OTHER PROVISION

General Provision for Off Balance Sheet Exposures

Provision for Other Assets

| | |
|---|---|
| - | - |
| - | - |
| - | - |

30 EARNING PER SHARE (EPS)

Profit attributable to outstanding ordinary share holders

Share Outstanding before right issue

Share Outstanding as on 01 January

Issue of Bonus Share

Earning per Share

| | |
|-------------------|-------------------|
| - | - |
| 30,000,000 | 30,000,000 |
| - | - |
| 30,000,000 | 30,000,000 |
| - | - |

The company maintain 'Provision for Investment' and 'Provision for Loan & Advances' out of current year profit against unrealised loss on proprietary portfolios and clients margin loan. As a result the company does not have any earning per share for the current year.

31 INCOME RECEIVED FROM OTHER OPERATING ACTIVITIES

Documentation Charge

Cheque Return (Outward/Inward) Charge

Account Maintenance Fee

Portfolio Management Fees

Portfolio Transaction Fees

Other Service Charge

Profit on sale of Fixed Asset

Income from Investment

Miscellaneous Earnings

| | |
|--------------------|--------------------|
| 15,000 | 18,700 |
| - | 4,000 |
| 621,350 | 252,100 |
| 14,342,285 | 25,123,934 |
| 3,485,942 | 21,383,105 |
| 1,703,127 | 2,149,220 |
| 22,226 | - |
| 82,497,474 | 283,418,042 |
| 589,319 | 75,307 |
| 103,276,723 | 332,424,408 |

32 PAYMENTS FOR OTHER OPERATING ACTIVITIES (item-wise)

Utility & Service Charge

Conveyance

Entertainment

Bank charges

News Paper and Periodicals

Books and Periodicals

Other Contractual Service

Up Keep of Office Premises

Washing Charges

| | |
|-------------|-------------|
| (966,542) | (917,540) |
| (74,665) | (92,595) |
| (276,095) | (235,563) |
| (11,267) | (15,494) |
| (18,967) | (21,123) |
| (980) | - |
| (5,837,342) | (5,615,638) |
| (406,168) | (414,862) |
| (9,060) | (5,450) |

| | Amount in Taka | |
|---|---------------------|---------------------|
| | 31.12.2023 | 31.12.2022 |
| CDBL Charge | (355,599) | (2,402,823) |
| Purchase of Utensils | (13,090) | (8,760) |
| Wages paid to Temporary Employees | - | (800) |
| Publicity and Advertisement | (15,476) | - |
| Rent, Taxes, Insurance, Lighting etc. | (1,617,540) | (2,194,472) |
| Postage, Telegram, Telephone | (327,398) | (290,942) |
| Audit Fee | (115,000) | (115,000) |
| Legal Expense | (243,798) | (615,165) |
| Directors Fees | (63,000) | (60,000) |
| Repair & Maintenance of Banking Assets | (365,274) | (327,150) |
| Subscription & Membership Fees | - | (100,000) |
| Loss on Sale/Transfer of Property/Assets | (79,218) | (390,879) |
| VAT on Office Rent | - | (875,535) |
| Interest on lease | (1,230,618) | (207,979) |
| | (12,790,621) | (14,907,770) |
| 33 CHANGES IN OTHER OPERATING ASSETS | | |
| Accounts Receivable | (15,815,977) | 4,810,062 |
| Prepaid/Deferred Expenses | - | 6,669 |
| IPO Application | (716,940) | 22,126,840 |
| Underwriting Commission receivable | 28,875 | (28,875) |
| Service charge receivable | 435,000 | |
| Sundry Debtors | (825,248) | 75,502,386 |
| | (16,894,290) | 102,417,082 |
| 34 CHANGES IN OTHER LIABILITIES | | |
| Interest Suspense Account | (31,312,566) | (35,956,861) |
| Provision for Loans and Advances | (4,990,316) | (6,757,169) |
| Sundry Creditors | - | (34,219) |
| Accrued Expense | (980,237) | (1,114,650) |
| Others | (283,552) | 225,598 |
| | (37,566,671) | (43,637,301) |
| 35 CLOSING CASH AND CASH EQUIVALENT | | |
| Balance with Other Bank and Financial Institutions | 7,796,877 | 1,811,668 |
| | 7,796,877 | 1,811,668 |
| 36 EXPENDITURE INCURRED FOR EMPLOYEES | | |
| Salaries, allowances and benefits | | |
| Number of employees at 31 December 2023 was 18; (31 December 2022 was 18) who were in receipt of remuneration for that period which in the aggregate was not less than Tk 36,000 and those employed for a part of that year who were in receipt of remuneration of not less than TK. 3,000 per month. | | |
| 37 AUDIT COMMITTEE | | |
| Since the Company started its operation on 14 November 2010, the Board of Directors of the Company yet to form any Audit Committee as on reporting date. | | |
| 38 FINANCIAL HIGHLIGHTS | | |
| "As per DFIM Circular # 11, dated 23 December 2009, Financial Highlights of the Company for the year ended on" 31 December 2023 has been shown in Annexure - B. | | |

39 Related Party Disclosures

a) Name of Directors and their interest in different Entities as on 31 December 2023

| Sl. | Name | Status | Entities where they have interest | % of interest |
|-----|---|--|---|---|
| 1 | Gen S M Shafiuddin Ahmed, SBP (BAR), OSP, ndu, psc, PhD | Chairman (Representing Trust Bank Limited.) | <ol style="list-style-type: none"> Sena Kalyan Sangstha, Chairman Sena Hotel Developments Limited, Chairman Bangladesh Machine Tools Factory Limited, Chairman Army Welfare Trust, Chairman Trust Bank Limited, Chairman Council of the College, Military Institute of Science & Technology, Vice Chairman Council of the College, Armed Forces Medical College, Chairman Sena Paribar Kalyan Samiti, Chief Patron Advisory Committee of Proyash, President National Defence College & Defence Services Command and Staff College Governing Body, Vice Chairman Bangladesh Golf Federation, President Kurmitola Golf Club, President Defence Officers Housing Scheme Committee, Chairman BAIUST Cumilla/BAUET Quadirabad/BAUST Saidpur, BAUST Khulna, Chairman Bangladesh Diesel Plant Limited, Chairman Jolshiri Abashon Project, President Trust Axiata Digital Limited, Chairman Bangladesh Olympic Association, President | <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> |
| 2 | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | Vice Chairman (Shareholder as well as Director nominated by Trust Bank Ltd.) | <ol style="list-style-type: none"> Sena Kalyan Sangstha, Vice Chairman, Board of Trustees Sena Hotel Developments Limited, Vice Chairman Army Welfare Trust, Vice Chairman Army Housing Scheme, Chairman Governing Bodies of Cadet Colleges, Chairman Trust Technical Training Institute, Chairman Trust Bank Ltd, Vice Chairman Trust Bank Securities Ltd, Chairman Trust Axiata Digital Ltd., Director | <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> |
| 3 | Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | Shareholder as well as Director (Nominated by Trust Bank Ltd.) | <ol style="list-style-type: none"> Army Welfare Trust, Managing Director Sena Hotel Developments Ltd., Director, Trust Technical Training Institute, Director Jolshiri Abashon, Director Trust Bank Ltd., Director Trust Bank Securities Limited, Vice Chairman Trust Axiata Digital Limited, Director | <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> |
| 4 | Humaira Azam | Shareholder as well as Director (Nominated by Trust Bank Ltd.) | <ol style="list-style-type: none"> Trust Bank Limited, Managing Director & CEO Trust Bank Securities Limited, Nominated Director Trust Axiata Digital Limited, Director | <p>Service</p> <p>Nominated</p> <p>Nominated</p> |
| 5 | Mr. Ahsan Zaman Chowdhury | Shareholder as well as Director (Nominated by Trust Bank Ltd.) | <ol style="list-style-type: none"> Trust Bank Securities Limited. Director Trust Bank Limited, Deputy Managing Director | <p>Nominated</p> <p>DMD</p> |
| 6 | Mr. Anisuddin Ahmed Khan | Shareholder as well as Director (Nominated by Trust Bank Ltd.) | <ol style="list-style-type: none"> Ananta Apparels Ltd, Independent Director Summit Power Ltd, Independent Director Summit Alliance port Ltd, Independent Director W & W Grains Corporations, Director ACI Ltd., Director, ACI Motors Ltd., Director, Trust Bank Ltd., Independent Director Trust Bank Securities Ltd, Independent Director Central Counterparty Bangladesh Ltd., Director | <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> <p>Nominated</p> |
| 7 | Mr. Mohammad Shahadat Hossain | Shareholder as well as Managing Director & CEO | <ol style="list-style-type: none"> Service | <p>AVP</p> |

b) Significant contracts where Company is a party and wherein Directors have interest:

Nil

c) Shares issued to Directors and Executives without consideration or exercisable at discount:

Nil

d) Business other than banking business with any related concern of the Directors as per Section 18(2) of the Bank Companies Act – 1991:

Not applicable

e) Investments in the Securities of Directors and their related concern:

Not applicable


Vice Chairman


Director


Director


Managing Director

Trust Bank Investment Limited
Schedule of Fixed Assets
As at 31 December 2023

| PARTICULARS | COST | | | | Rate of Depreciation | DEPRECIATION | | | | Written down value 31 December 2023 |
|---------------------------|---------------------------------|---------------------------------|--|-----------------------------------|----------------------|------------------------------|------------------------|--|-----------------------------------|--|
| | Balance on 1 January 2023 | Additions during the year | Disposal/ adjustment during the year | Balance at 31 December 2023 | | Balance on 1 January 2023 | Charge for the year | Disposal/ adjustment during the year | Balance at 31 December 2023 | |
| | BDT | BDT | BDT | BDT | | BDT | BDT | BDT | BDT | |
| Furniture and Fixtures | 1,658,759 | 200,000 | 33,340 | 1,825,419 | 1,183,293 | 57,191 | 24,550 | 1,215,934 | 609,485 | |
| Office Equipment | 8,734,742 | 65,586 | 546,786 | 8,253,542 | 8,308,321 | 155,144 | 544,602 | 7,918,863 | 334,679 | |
| Office Renovation | 11,390,199 | 146,080 | - | 11,536,279 | 8,851,144 | 313,761 | - | 9,164,905 | 2,371,374 | |
| Right Of Use Assets (ROU) | - | 17,427,235 | - | 17,427,235 | - | 5,809,078 | - | 5,809,078 | 11,618,157 | |
| 31 December 2023 | 21,783,700 | 17,838,901 | 580,126 | 39,042,475 | 18,342,758 | 6,335,174 | 569,152 | 24,108,780 | 14,933,695 | |
| 31 December 2022 | 30,035,118 | 224,010 | 8,475,428 | 21,783,700 | 20,137,339 | 6,164,618 | 7,959,199 | 18,342,758 | 3,440,942 | |

Trust Bank Investment Limited Financial Highlights

| SI No | Particulars | Base | 31.12.2023 | 31.12.2022 |
|-------|---|------|------------------|------------------|
| 1 | Paid up Capital | BDT | 3,000,000,000 | 3,000,000,000 |
| 2 | Total Capital | BDT | 3,336,890,297 | 3,336,890,297 |
| 3 | Total Assets | BDT | 7,295,857,509 | 7,363,634,377 |
| 4 | Total Deposits | BDT | 84,868,608 | 71,373,621 |
| 5 | Total Loans and Advances | BDT | 3,032,070,432 | 3,175,231,392 |
| 6 | Credit Deposit Ratio | % | 3,572.66 | 4,448.75 |
| 7 | Profit after tax and provision | BDT | - | - |
| 8 | Provisions kept against classified loan | BDT | - | - |
| 9 | Cost of fund (Deposit Cost & Administrative Cost) | % | 8.50% | 8.00% |
| 10 | Interest earning Assets | BDT | 7,220,736,431 | 7,316,764,782 |
| 11 | Non-interest earning Assets | BDT | 75,121,078 | 46,869,595 |
| 12 | Return on Investment (ROI) | % | - | - |
| 13 | Return on Asset (ROA) | % | - | - |
| 14 | Income from Investment | BDT | 82,497,474 | 283,418,042 |
| 15 | Earning per Share | BDT | - | - |
| 16 | Net income per Share | BDT | - | - |
| 17 | Price Earning Ratio | % | - | - |
| 18 | Operating Profit | BDT | 44,908,946 | 345,581,402 |
| 19 | Pre tax Profit | BDT | 44,908,946 | 345,581,402 |
| 20 | Post Tax Profit | BDT | 28,672,510 | 238,085,165 |
| 21 | CSR | BDT | - | - |
| 22 | Net Asset Value (NAV) | BDT | 3,336,890,297 | 3,336,890,297 |
| 23 | NAV Per Share | BDT | 111.23 | 111.23 |
| 24 | Provision for Loans and Advances | BDT | 529,858,783.00 | 506,176,589.00 |
| 25 | Provision for Investment | BDT | 430,145,576.00 | 430,145,576.00 |
| 26 | Interest Suspense Account | BDT | 1,251,999,702.00 | 1,283,312,268.00 |

Trust Bank Investment Limited
Computation of Capital Adequacy Ratio
As at and for the year ended December 31, 2023

| | | | | | |
|-------------------------------------|---|--|-------|-----------|------|
| Capital Adequacy Ratio (CAR) | = | (Total capital/Total Risk Requirement)*100 | | | |
| | | | | | |
| Total Capital | = | 2,145,128,064 | | | |
| | | | | | |
| Total Risk Requirement | = | 530,771,144 | | | |
| | | | | | |
| CAR Maintained | = | 4.04 | times | Or | 404% |
| | | | | | |
| CAR Required | = | 1.2 | times | Or | 120% |

Total Capital = Core Capital + Supplementary Capital

Total Risk Requirement (TRR) = Operational Risk Requirement (ORR) + Position Risk Requirement (PRR) + Counterparty Risk Requirement (CRR) + Underwriting Risk Requirement (URR) + Large Exposure Risk Requirement (LERR) + Liability Risk Requirement (LRR).

Trust Bank Investment Limited
Statement of Total Capital Computation
As on December 31, 2023

| Components | B/S Amount | Haircut | Eligible Amount | Sum |
|---|------------------------|---------|------------------------|------------------------|
| Paid-up Capital | 3,000,000,000 | - | 3,000,000,000 | 3,000,000,000 |
| Share Premium | - | - | - | - |
| General Reserve | - | - | - | - |
| Capital Reserve | - | - | - | - |
| Retained Earnings | 336,890,297 | - | 336,890,297 | 336,890,297 |
| Sum of Total Capital | 3,336,890,297 | | 3,336,890,297 | 3,336,890,297 |
| General Provision | - | 20% | - | - |
| Specific Provision | - | 30% | - | - |
| Revaluation Surplus or Unrealized Gain on: | - | | - | - |
| Fixed Assets (PPE other than Intangible Assets) | - | 30% | - | - |
| Investment in listed securities | (1,489,702,792) | 20% | (1,191,762,233) | (1,191,762,233) |
| Investment in non-listed securities (other than closed and mutual fund) | - | 35% | - | - |
| Investment in Strategic Holding | - | 25% | - | - |
| Preference Share | - | 25% | - | - |
| Sub-ordinated debt | - | | - | - |
| Sum of Supplementary Capital | (1,489,702,792) | | (1,191,762,233) | (1,191,762,233) |
| | 1,847,187,505 | | 2,145,128,064 | 2,145,128,064 |

Trust Bank Investment Limited
Statement of Total Risk Requirement Computation
As on December 31, 2023

| Area of Risk | Computation of Formula | Risk Factor | Absolute amount | Applicable for Registered Entity | Remarks |
|---|---|-------------|-----------------|----------------------------------|--|
| Operation Risk Requirement (ORR) | Based on Average Annual Gross Income (see clause (b) of sub-rule (7.1) of rule 7) | 5% | 369,422,291 | 18,471,114.57 | |
| Position Risk Requirement (PRR) | i. Proprietary positions in Equity securities: | | | | |
| | Value of "A" category securities | 10% | 3,394,649,756 | 339,464,976 | |
| | Value of "B/G/N/." category securities | 12% | 483,061,014 | 57,967,322 | |
| | Value of "Z" category instruments | 15% | 82,639,409 | 12,395,911 | |
| | Value of "OTC" category instruments | 20% | | | |
| | Value of Non-Listed Instruments | 25% | | | |
| | ii. Proprietary positions in MFs & CISs: | | | | |
| | Value of listed funds | 10% | 200,518,942 | | |
| | Value of non-listed funds | 3% | | | |
| | Value of AIFs | 25% | | | |
| | iii. Proprietary positions in Debt Instruments & ABSs: | | | | |
| | Value of listed debt instruments | 5% | 20,000,000 | | |
| | Value of non-listed debt instruments | 10% | | | |
| | Value of ABSs | 10% | | | |
| | iv. Proprietary Position in strategic investments: | | | | |
| | Value of listed strategic investments | 10.00% | | | |
| | Value of non-listed strategic investments | 25.00% | | - | |
| | v. Proprietary Position in money market Instruments: | | | | |
| | Value of Government securities/instruments | 0.00% | | | |
| | Value of commercial paper | 10.00% | | | |
| Counterparty Risk Requirement (CPRR) | i. Exposure of credit facilities to Clients | 8.00% | 1,278,594,053 | 102,287,524 | |
| | ii. Exposure of Guarantee Provided to counterparty | 2.00% | | | |
| Underwriting Risk Requirement (URR) | Sum of Underwriting Commitment against the followings: | | | | Merchant Banker |
| | i. Public Issue of Equity Instruments (IPO) | 10.00% | | | |
| | ii. Public Issue of Equity Instruments (Rights Issue) | 15.00% | | | |
| | iii. Public Issue of Debt Instruments | 15.00% | | | |
| Large Exposure Risk Requirement (LERR) | Sum of Large Exposures against the followings: | | | | |
| | Sum of all Large Exposure to a Single counterparty | 7.00% | 327,299,166 | | |
| | Sum of all Large Exposure to Single Equity | 10.00% | 204,165,761 | | |
| | Sum of all Large Exposure to Debt Instruments | 3.00% | | | |
| Liability Risk Requirement (LRR) | i. Exposure of Asset under Management (AUM) | 1.00% | | | Asset Manager (AM) |
| | ii. Exposure of Fund Under Management (FUM) | 1.00% | | | Fund Manager (FM) |
| | iii. Exposure of Institutional Fund Under Management (IFUM) | 0.25% | | | Asset Manager, Merchant Banker and Portfolio Manager |
| | iv. Annual Revenue Reported in last year | 0.20% | 92,148,258 | 184,297 | Asset Manager, Merchant Banker and Portfolio Manager |
| Total | | | | 530,771,144 | |

TRUST BANK SECURITIES LTD.



INDEPENDENT AUDITOR'S REPORT

to the shareholders of

Trust Bank Securities Limited.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Trust Bank Securities Limited**, which comprise the Statement of Financial Position as at December 31, 2023 and Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended December 31, 2023, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at December 31, 2023, and of its financial performance and its cash flows for the year then ended December 31, 2023 in accordance with International Financial Reporting Standards (IFRSs), Companies Act 1994, The Securities and Exchange Rules 2020, Dhaka Stock Exchange Rule 1954, Chittagong Stock Exchange Rule 1995 and other applicable rules & regulations.

Basis for Opinion

We conducted our audit in accordance with International Standard on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ICAB by laws.

Other Matter

The Financial Statement of Trust Bank Securities Limited for the year ended December 31, 2022 were audited by **Ahmed Zaker & Co.**, Chartered Accountants Provides unqualified audit report.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises all of the information in the annual report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors Report, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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 these matters in our auditor report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with Companies Act 1994, The Securities and Exchange Rules 2020, Dhaka Stock Exchange Rule 1954, Chittagong Stock Exchange Rule 1995, we also report that:

- we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- the statement of financial position and statement of profit or loss and other comprehensive income together with the annexed notes dealt with by the report are in agreement with the books of account and returns;

Place: Dhaka
Dated: April 24, 2024
DVC: 2404250165AS982543



Quazi Shafiqul Islam, FCA
Enrolment No. 0165
Islam Quazi Shafique & Co.
Chartered Accountants

Trust Bank Securities Limited
Statement of Financial position
As at December 31, 2023

| Particulars | Notes | Amount in Taka | |
|---|-------|----------------------|----------------------|
| | | 31.12.2023 | 31.12.2022 |
| Assets: | | | |
| Non-current Assets | | 245,579,986 | 244,193,112 |
| Property, Plant & Equipment | 3.00 | 3,608,524 | 2,434,280 |
| Membership of DSE at Cost | 4.00 | 241,290,000 | 241,290,000 |
| Deferred Tax Assets | 5.00 | 681,462 | 468,832 |
| Current Assets | | 1,553,092,372 | 1,386,607,549 |
| Advances, Deposits and Prepayments | 6.00 | 2,025,800 | 494,000 |
| Trade and Other Receivables | 7.00 | 262,043,074 | 324,209,005 |
| Receivables from Dhaka Stock Exchange | 8.00 | 29,425,900 | 16 |
| Other Current Assets | 9.00 | 377,487,484 | 193,861,441 |
| Cash & Cash Equivalents | 10.00 | 882,110,114 | 868,043,087 |
| Total Assets | | 1,798,672,358 | 1,630,800,661 |
| Shareholders Equity & Liabilities: | | | |
| Shareholders Equity | | 478,307,405 | 464,116,224 |
| Ordinary Share Capital | 11.00 | 350,000,000 | 350,000,000 |
| Retained Earnings | 12.00 | 133,491,582 | 111,843,269 |
| Fair Valuation Surplus/ (Deficit) of Investment | | (8,706,122) | (4,029,913) |
| Capital Reserve | | 3,521,946 | 6,302,868 |
| Current Liabilities | | 1,320,364,952 | 1,166,684,437 |
| Trade and Other Payables | 13.00 | 843,138,825 | 846,771,910 |
| Payables to Dhaka Stock Exchange | 14.00 | 19,008,584 | 330,983 |
| Provision for Margin Loan | 15.00 | 2,619,075 | 3,241,512 |
| Provision for Expenses | 16.00 | 804,444 | 1,400,030 |
| Short Term Loan | 17.00 | 390,326,983 | 267,026,996 |
| Other Liabilities | 18.00 | 64,467,041 | 47,913,006 |
| Total Shareholders' Equity & Liabilities | | 1,798,672,358 | 1,630,800,661 |

The accompanying notes form an integral part of this financial statements are to be read in conjunction therewith.

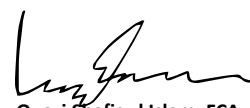

Vice Chairman


Director


Director & Managing Director


Chief Operating Officer

Signed as per our separate report of same date.


Quazi Shafiqul Islam, FCA
Enrolment No.0165
Islam Quazi Shafique & Co.
Chartered Accountants

Place: Dhaka
Date: April 24, 2024
DVC: 2404250165AS982543

Trust Bank Securities Limited
Statement of Profit or Loss & Other Comprehensive Income
For the year ended December 31, 2023

| Particulars | Notes | Amount in Taka | |
|---|-------|---------------------|---------------------|
| | | 2023 | 2022 |
| Revenue | 19.00 | 92,250,713 | 75,510,780 |
| Less : Cost of Services | 20.00 | 30,452,162 | 7,820,110 |
| Gross Profit | | 61,798,551 | 67,690,670 |
| Non-operating Income | 21.00 | 3,487,734 | 3,678,858 |
| Less : Operating Expenses | | 26,740,815 | 18,247,393 |
| Salaries and Allowances | 22.00 | 19,448,564 | 12,640,814 |
| Rent, Taxes, Insurance, Electricity | 23.00 | 2,649,664 | 1,987,998 |
| Legal Expenses | | 111,439 | 119,193 |
| Postage, Stamps, Telecommunications | 24.00 | 37,701 | 41,558 |
| Stationery, Printing, Advertisement | | 184,253 | 158,027 |
| Board Meeting Attendance Fees | | 87,000 | 54,000 |
| Auditor's Fees | | 57,500 | 80,500 |
| Depreciation, Repair & maintenance | 25.00 | 817,542 | 523,643 |
| Other Expenses | 26.00 | 3,347,152 | 2,641,660 |
| Net Profit/ (Loss) Before Tax | | 38,545,470 | 53,122,135 |
| Income Tax Expenses | | (19,678,079) | (17,902,670) |
| Current Tax Expenses | | (20,441,335) | (14,568,236) |
| Deferred Tax Expenses | | 140,819 | (92,922) |
| Provision for Margin Loan | 15.00 | 622,437 | (3,241,512) |
| Net Profit/(Loss) after Tax for the Year | | 18,867,391 | 35,219,465 |
| Other Comprehensive Income (OCI) | | (4,676,209) | (4,666,452) |
| Fair valuation surplus/(Deficit) of Investment | 27.00 | (5,195,787) | (5,184,947) |
| Deferred Tax | | 519,578 | 518,495 |
| Total Comprehensive Income for the Year | | 14,191,182 | 30,553,013 |

The accompanying notes form an integral part of this financial statements are to be read in conjunction therewith.


Vice Chairman



Director


Director & Managing Director


Chief Operating Officer

Signed as per our separate report of same date.

Place: Dhaka
Date: April 24, 2024
DVC: 2404250165AS982543


Quazi Shafiqul Islam, FCA
Enrolment No.0165
Islam Quazi Shafique & Co.
Chartered Accountants

Trust Bank Securities Limited
Statement of Changes in Equity
For the year ended December 31, 2023

| Particulars | Share Capital | Retained Earnings | Fair valuation surplus/ (Deficit) of Investment | Capital Reserve | Total |
|--|--------------------|--------------------|---|------------------|--------------------|
| Opening Balance as at 01 January 2023 | 350,000,000 | 111,843,269 | (4,029,913) | 6,302,868 | 464,116,224 |
| Net Profit after tax during the year | - | 18,867,391 | - | - | 18,867,391 |
| Fair valuation surplus/(Deficit) of Investment | - | - | (5,195,787) | - | (5,195,787) |
| Deferred Tax | - | - | 519,578 | - | 519,578 |
| Transfer to Capital Reserve | - | 2,780,922 | - | (2,780,922) | - |
| Balance as at 31st December 2023 | 350,000,000 | 133,491,582 | (8,706,122) | 3,521,946 | 478,307,405 |

Statement of Changes in Equity
For the year ended December 31, 2022

| Particulars | Share Capital | Retained Earnings | Fair Valuation Surplus/ (Deficit) of Investment | Capital Reserve | Total |
|--|--------------------|--------------------|---|------------------|--------------------|
| Opening Balance as at 01 January, 2022 | 350,000,000 | 82,926,672 | 636,539 | - | 433,563,211 |
| Net Profit after tax during the year | - | 35,219,465 | - | - | 35,219,465 |
| Fair valuation surplus/(Deficit) of Investment | - | - | (5,184,947) | - | (5,184,947) |
| Deferred Tax | - | - | 518,495 | - | 518,495 |
| Transfer to Capital Reserve | - | (6,302,868) | - | 6,302,868 | - |
| Balance as at 31st December, 2022 | 350,000,000 | 111,843,268 | (4,029,913) | 6,302,868 | 464,116,224 |


Vice Chairman


Director


Director & Managing Director


Chief Operating Officer

TRUST BANK SECURITIES LTD.
Statement of Cash Flows
For the year ended December 31, 2023

| Particulars | Amount In Taka | |
|---|----------------------|----------------------|
| | 2023 | 2022 |
| Cash Flows from Operating Activities | | |
| Brokerage income | 31,009,987 | 47,228,472 |
| Interest Income | 239,437 | 1,510,826 |
| Capital gain from investment in shares | 13,853,307 | 13,663,454 |
| Cash dividend income | 9,290,711 | 8,590,684 |
| Other operational income | 41,245,241 | 8,192,702 |
| Non-operating Income | 1,500 | 3,500 |
| DSE & Other (payment)/received | 351,654,358 | (53,731,328) |
| Clients deposit/(withdrawals) | 979,308 | (7,104,335) |
| Payment to CDBL | (147,587) | (678,270) |
| Operating expenses | (56,393,366) | (25,040,741) |
| | 391,732,896 | (7,365,037) |
| Other Operating Activities | | |
| Advance, deposits & prepayments | (1,448,920) | 25,028,810 |
| Income Tax paid | (8,673,161) | (11,599,307) |
| | (10,122,081) | 13,429,503 |
| Net cash used in operating activities | 381,610,815 | 6,064,466 |
| Cash Flows from Investing Activities | | |
| Investment in Shares | (551,183,437) | (80,482,691) |
| Margin loan to clients | 62,165,931 | (304,465,381) |
| Investment in FDR | - | - |
| Acquisition of fixed assets | (1,826,269) | (1,670,872) |
| Net Cash used in Investing Activities | (490,843,775) | (386,618,944) |
| Cash Flows from Financing Activities | | |
| Share Capital | - | - |
| Short Term Loan | 123,299,987 | 267,027,024 |
| Cash dividend | - | - |
| Net Cash flow from Financing Activities | 123,299,987 | 267,027,024 |
| Net increase in Cash and Cash Equivalents | 14,067,027 | (113,527,454) |
| Cash & Cash Equivalent as on January 01, 2022 | 868,043,087 | 981,570,541 |
| Cash & Cash Equivalent as on December 31, 2023 | 882,110,114 | 868,043,087 |


Vice Chairman


Director


Director & Managing Director


Chief Operating Officer

Trust Bank Securities Limited

Notes to the Financial Statements

For the year ended December 31, 2023

1.00 LEGAL STATUS AND NATURE OF THE COMPANY

1.01 Legal Status of the Company:

Trust Bank Securities Limited (hereinafter referred to as "the Company") was incorporated on 7th February 2013 as a Private Limited Company bearing registration No. C-107267/13 under the Companies Act, 1994. The registered office of the company is located at Shadhinata Tower (Level-1), Bir Srestha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka-1206. The Company has an authorized share capital of Tk. 2,000,000,000 (Two hundred crore Taka) only divided into 200,000,000 ordinary shares of Tk. 10/- each and a paid up capital of Tk. 350,000,000 only divided into 35,000,000 ordinary shares of TK.10/- each.

1.02 Nature of Business Activities:

Trust Bank Securities Limited offers full range Business of stock Brokers that includes buy and sell of shares & securities, Fixed income Securities, Bonds, Debentures etc. The principal activities of the company are to act as a member of Dhaka Stock Exchanges Ltd. to carry on the business of brokers or dealers in stocks, shares and securities, commercial papers, bonds, debentures, debentures stocks. The company has three more branches in Bangladesh namely Dhaka-Dilkusha Branch, Sylhet Branch, Chattogram-Agrabad Branch.

2.00 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.01 Components of the financial statements:

The financial statements referred to here comprise:

- a) Statement of Financial Position;
- b) Statement Profit or Loss and Other Comprehensive Income;
- c) Statement of Changes in Equity;
- d) Statement of Cash Flows; and
- e) Notes to the Financial Statements.

2.02 Basis of Preparation of the Financial Statements :

These financial statements have been prepared under the historical cost convention on a going concern basis in accordance with the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS) as adopted by the Institute of Chartered Accountants of Bangladesh, The Companies Act, 1994 and other laws and rules applicable in Bangladesh.

2.03 Date of authorization

The Board of Directors accorded its approval and authorized these financial statements on **April 24 , 2024**.

2.04 Presentation and functional currency and level of precision:

The financial statements have been presented in Bangladesh taka (BDT) currency, which is the company's functional currency. All financial information presented in BDT has been rounded off to the nearest integer.

2.05 Uses of estimates and judgments

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

Provision and accrued expenses are recognized in the financial statements in line with the International Accounting Standard (IAS) 37 "Provisions, Contingent Liabilities and Contingent Assets" when

- The Company 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.
- A reliable estimate can be made for the amount of the obligation.

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

2.06 Going concern:

The Company has adequate resources to continue its operation for foreseeable future. For this reason the directors continue to adopt going concern basis in preparing the financial statements. The current credit facilities and adequate resources of the Company provide sufficient funds to meet the present requirements of its existing businesses and operations to continue.

2.07 Materiality and aggregation

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

2.08 Preproperty, Plant and Equipment:

Fixed assets are stated at cost less accumulated depreciation as per IAS-16 " Property, Plant and Equipment". Depreciation is charged at the following rates per annum using reducing balance method on all fixed assets except office equipment and motore vehicle where straight-line method is applied. Depreciation rates have mentioned below:

| Particulars | Rate of Depreciation |
|---------------------------------|----------------------|
| Furniture & Fixture - Office | 10.00% |
| Furniture & Fixture - Residance | 10.00% |
| Equipments | 20.00% |
| Decoration & Renovation | 12.00% |

2.09 Intangible assets and amortization of intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives (which is 3 years) based on the management best estimates. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits in the specifications to which it relates. All other expenditure is treated as expense as incurred.

2.10 Investments in securities:

Investment in quoted shares and unquoted shares are initially recognized at cost plus transaction costs that are directly attributable to the acquisition of the shares. After initial recognition, investment in quoted shares has been revalued at market price at the reporting date. Unrealized gain and loss has been recognized in Other Comprehensive Income.

2.11 Cash and cash equivalents:

Cash and cash equivalents consist of cash in hand, bank balances and deposits held with banks and financial institutions and short term liquid investments that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

Cash flow statement has been prepared in accordance with the International Accounting Standard (IAS) 7, "Cash flow statement" under direct method.

2.12 Provision for tax:

Current tax

Provision for current tax is made in accordance with the provision of Income Tax Ordinance, 1984 and subsequent amendments mad thereto from time to time.

Deferred Tax

Deferred Tax is calculated as per International Accounting Standard (IAS) 12 "Income Tax". Deferred Tax is recognized on differences between the carrying amount of assets and liabilities in the financial statements and corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet liability method. Deferred Tax liabilities are recognized for all taxable temporary differences. Deferred Tax assets are generally recognized for all deductible temporary differences.

Deferred Tax is measured at the tax rate that is expected to be applied to the temporary differences when they reverse based on the laws that have been enacted or substantively enacted by the reporting date.

2.13 Revenue Recognition:

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the enterprise the revenue during the year and in accordance with the International Accounting Standard (IAS) 18 "Revenue Recognition"

Brokerage commission

Brokerage commission is recognized as income when selling or buying order executed.

Interest Income from margin loan

Interest Income from margin loan is recognized on accrual basis. Such income is calculated on daily margin loan balance of the respective parties. Income is recognized on monthly basis.

Dividend income and profit/(loss) on sale of marketable securities

Dividend income is recognized when right to receive payment is established whereas profit or loss arising from the sale of securities is accounted for only when share are sold in the market and profit is realized or loss is incurred.

2.14 Related party disclosure

As per International Accounting Standard (IAS) -24 "Related Party disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties.

2.15 Comparative:

Comparative information have been disclosed in respect of the previous year for all numerical information in the financial statements including narrative and descriptive information when it is relevant for understanding of the current year's financial statements.

In addition to that certain comparative figures have been reclassified to conform with current year's presentation.

2.16 Application of International Accounting Standards (IASs):

The Financial Statements have been prepared in compliance with requirement of IAS as adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) and applicable in Bangladesh. The following IASs are applicable for the financial statements for the period under review:

IAS-1 Presentation of Financial Statements

IAS-7 Statement of Cash Flows

IAS-8 Accounting Policies, Changes in Accounting Estimates and Errors.

IAS-10 Events after the Reporting Period

IAS-12 Income Taxes

IAS-16 Property, Plant and Equipment

IAS-19 Employees Benefit

IAS-23 Borrowing Cost

IAS-24 Related Party Disclosure

IAS-32 Financial Instruments Presentation

IAS-37 Provisions, Contingent Liabilities and Contingent Assets

IAS-39 Financial Instruments: Recognition and Measurement

IFRS-7 Financial Instruments: Disclosures

IFRS-9 Financial Instruments

IFRS-15 " Revenue from Contract with Customers"

2.17 Anti Money Laundering

As one of the compliant financial institution of the country with a diversified and multifaceted business footprint across Bangladesh, Trust Bank Securities Limited(TBSL) is committed to the prevention of money laundering (ML) and terrorist financing (TF). Towards this end, the company has demonstrated its rigorous commitment to assess and manage risks pertaining to ML and TF. TBSL's commitment to ensuring the promulgation of effective practices to combat money laundering and terrorist financing is set from the top and communicated right through all its businesses and support functions thus ensuring the highest levels of systemic vigilance. Trust Bank Securities Limited's AML/CFT compliance program includes senior management's commitment and role to prevent money laundering, terrorist financing and proliferation financing (PF) and adherence to internal policies, processes and controls aligned with the relevant risk exposures. Compliance structure includes establishment of a Central Compliance Unit (CCU), appointment of Chief Anti Money Laundering Compliance Officer (CAMLCO), and Deputy CAMLCO and Branch Anti-Money Laundering Compliance Officer (BAMLCO).

2.18 Reporting Period:

The financial period of the company covers the fiscal year from 01 January 2023 to 31 December 2023.

| Particular | Amount In Taka | |
|---|--------------------|--------------------|
| | 31.12.2023 | 31.12.2022 |
| 3.00 Property, Plant & Equipment: | | |
| Cost: | | |
| Opening balance | 6,484,402 | 4,813,530 |
| Addition during the period | 1,826,269 | 1,670,872 |
| | 8,310,671 | 6,484,402 |
| Adjustment / (Disposal) during the year | - | - |
| Closing balance | 8,310,671 | 6,484,402 |
| Less: Accumulated depreciation: | | |
| Opening balance | 4,050,122 | 3,701,630 |
| Charged during the year | 652,025 | 348,492 |
| | 4,702,147 | 4,050,122 |
| Adjustment / (Disposal) during the year | - | - |
| Closing balance | 4,702,147 | 4,050,122 |
| Carrying amount | 3,608,524 | 2,434,280 |
| Details of Property, Plant & Equipment are given in "Annexure -A" | | |
| 4.00 Membership of DSE at Cost: | | |
| Shares in DSE | 241,290,000 | 241,290,000 |
| Total | 241,290,000 | 241,290,000 |

This represents total cost and other expenses of 1 nos membership of DSE. As per the provision of the Exchange Demutualization Act-2013 and in accordance with the Bangladesh Security Exchange Commission (BSEC) approved Demutualization Scheme, Dhaka Stock Exchange (DSE) allotted total 72,15,106 nos ordinary Shares at face value of Tk.10.00 each against the membership of DSE and out of the above DSE transferred 2,886,042 nos shares directly to the credit of the Beneficiary Owner's account of the company. The rest of the shares were credited to blocked accounts as per provisions of the Exchange Demutualization Act, 2013.

But in 2018 Share Purchase Agreement(SPA) executed between Dhaka Stock Exchange and its strategic investor namely Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange(SSE). In this connection DSE completed the sale of 25% DSE shares to SZSE & SSE. Subsequently the Board of Directors of DSE in its 907th meeting held on September 04, 2018 approved the transfer of said 25% DSE Shares. The Calculation of sale proceeds of 25% is follows : Total no. of Shares 72,15,106 and Sale 25% of 72,15,106 is 18,03,777. After Sales Process the rest shares stand 54,11,329.

5.00 The tax effect of temporary differences as per IAS 12 that resulted in deferred tax assets or liabilities:

| | | |
|---|------------------|------------------|
| Depreciation as on balance sheet date (Note- 3) | 3,608,524 | 2,434,280 |
| Less: Tax base as on balance sheet date | 4,148,137 | 2,504,495 |
| Deductible temporary deference | (539,613) | (70,215) |
| Deferred tax assets (30% on taxable temporary deference) | (161,884) | (21,064) |
| Deferred tax assets (10% on diminution in value of Investment) | (519,578) | (447,768) |
| Deferred tax Assets | (681,462) | (468,832) |

6.00 Advances, Deposits and Prepayments:

| | | |
|--|------------------|----------------|
| Prepaid Expenses | 54,000 | 288,000 |
| IPO Application For General Public Fund | - | - |
| Advance for Construction & Supply Fit Out | 1,295,000 | - |
| Application for IPO Dealer A/C-(Note-6.01) | - | - |
| Total | 1,349,000 | 288,000 |

| Particular | Amount In Taka | |
|---|--------------------|--------------------|
| | 31.12.2023 | 31.12.2022 |
| Deposits: | | |
| Refundable security deposit-CDBL | 200,000 | 200,000 |
| Refundable Security -Digital Booth | 100,000 | - |
| Refundable security-Chattogram Branch | 370,800 | - |
| Refundable security deposit & BTCL | 6,000 | 6,000 |
| | 676,800 | 206,000 |
| Total | 2,025,800 | 494,000 |
| 6.01 Application for IPO Dealer A/C: | | |
| Union Insurance Compnay Limited | - | - |
| BD Tahi Food & Begerage Limited | - | - |
| Union Bank Limited | - | - |
| Total | - | - |
| 7.00 Trade and Other Receivables: | | |
| Receivable from Clients (Note-7.01) | 135,613 | 57,793 |
| Margin Loan | 261,907,461 | 324,151,212 |
| Total | 262,043,074 | 324,209,005 |
| 7.01 Receivable from Clients: | | |
| Receivable from Merchant Bank | - | - |
| Receivable from clients | 135,613 | 57,793 |
| Total | 135,613 | 57,793 |
| 8.00 Receivables from DSE: | | |
| Broker | 29,425,900 | 16 |
| Total | 29,425,900 | 16 |
| 9.00 Other Current Assets: | | |
| Advance Income Tax (Notes- 9.01) | 8,405,876 | 11,332,053 |
| Management fees | - | - |
| Dealar IPO Appliction | 680,000 | - |
| Provision on Margin Profit | 11,443,332 | - |
| Investment in Dealer at Cost Price (Notes -9.02) | 356,958,276 | 182,529,388 |
| Dividend receivable | - | - |
| Total | 377,487,484 | 193,861,441 |
| 9.01 Advance Income Tax: | | |
| Opening Balance | 11,332,053 | 21,015,628 |
| Add: During the year | - | - |
| Tax On Transaction | 5,841,319 | 8,794,151 |
| TDS from Dividend &Interest Income | 1,860,924 | 1,834,237 |
| | 19,034,295 | 31,644,016 |
| Less: Adjustment during the year | 10,628,419 | 20,311,963 |
| Closing Balance | 8,405,876 | 11,332,053 |

| Particular | Amount In Taka | |
|--|----------------------|----------------------|
| | 31.12.2023 | 31.12.2022 |
| 9.02 Investment In Share: | | |
| Cost Value of Share | 356,958,276 | 187,007,068 |
| Add: 20% fair Valuation Surplus/ (Deficit) of Investment | - | (4,477,681) |
| Fair Valuation Surplus/ (Deficit) of Investment | 356,958,276 | 182,529,388 |
| Market Value of Share | - | 164,618,665 |
| Cost Value of Share | - | 187,007,068 |
| Fair Valuation Surplus/ (Deficit) of Investment | - | (22,388,403) |
| As per Bangladesh Securities and Exchange Commission (BSEC) Letter No. BSEC/SMMID/NE/2023/1690 dated March 28, 2024 regarding time extension for unrealized loss provision, all Merchant Bank may allow to make provision against unrealized loss on our portfolio Investment equal to 20% for 5 time up to the year 2025. | | |
| 10.00 Cash & Cash Equivalents: | | |
| Cash in Hand | 157,500 | 1,000 |
| Cash at Bank (10.01) | 881,952,614 | 868,042,087 |
| Delta Brac Housing Finance Corporation Limited | - | - |
| Total | 882,110,114 | 868,043,087 |
| 10.01 Cash at Bank: | | |
| Trust Bank Limited(Corporate). A/C-00170210011174 | 943,788 | 550,537 |
| Trust Bank Limited,CCA. SND A/C-00170320001306 | 3,911,179 | 20,992,263 |
| Trust Bank Limited, SND IPO-00410320000343 | 314,343 | 310,707 |
| One Bank Limited (Dealer), A/C-001300000707 | 744,672 | 1,438,612 |
| One Bank Limited (CCA). SND, A/C-0013000001732 | 876,038,632 | 844,749,968 |
| Total | 881,952,614 | 868,042,087 |
| 11.00 Share Capital: | | |
| Authorised Share Capital | | |
| 200,000,000 Shares @ Tk. 10 each | 2,000,000,000 | 2,000,000,000 |
| Issued & Paid up Capital | | |
| 35,000,000 Ordinary shares @ Tk. 10 each. | 350,000,000 | 350,000,000 |
| | 350,000,000 | 350,000,000 |
| 12.00 Retained Earnings: | | |
| Opening Balance | 111,843,269 | 82,926,672 |
| Add. Net Profit after tax during the year | 18,867,391 | 35,219,465 |
| Transfer to Capital Reserve | 2,780,922 | (6,302,868) |
| Closing Balance | 133,491,582 | 111,843,269 |
| 13.00 Trade and Other Payables: | | |
| Clients Payable | 843,138,825 | 846,771,910 |
| Total | 843,138,825 | 846,771,910 |
| 14.00 Payable to DSE: | | |
| Broker | 31,450 | 330,983 |
| Dealer | 18,977,134 | |
| Total | 19,008,584 | 330,983 |

| Particular | Amount In Taka | |
|---|--------------------|--------------------|
| | 31.12.2023 | 31.12.2022 |
| 15.00 Provision for Margin Loan: | | |
| Margin loan (Note-7.00) | 261,907,461 | 324,151,212 |
| Opeing Balance | 3,241,512 | - |
| Less : Adjustment during the year | 622,437 | - |
| Provision for margin Loan @ 1% | 2,619,075 | 3,241,512 |
| 16.00 Provision for Expenses: | | |
| Provision for audit fees | 57,500 | 57,500 |
| Provision for Tax Consultant fees | 30,000 | 30,000 |
| Provision for Others | 133,270 | 133,270 |
| Provision of Rent | 273,965 | 217,125 |
| Provision of Data Connectivity | 99,786 | 54,789 |
| Provision for other contractual service | - | - |
| Provision for CDBL Charges | 209,923 | 259,367 |
| Provision for Incentive Bonus | - | 647,979 |
| Total | 804,444 | 1,400,030 |
| 17.00 Short Term Loan: | | |
| TBSL OD A/C No.-00170136000120 | 390,326,983 | 267,026,996 |
| Total | 390,326,983 | 267,026,996 |
| 18.00 Other Liabilities: | | |
| TDS Payable | 227,837 | 110,315 |
| VAT Payable | 91,479 | 39,909 |
| Provident Fund contribution (Both) | 770,369 | 521,691 |
| Hospitalization Benefit Fund | 46,000 | 46,000 |
| Undistributed Interest | 29,317,764 | 32,391,835 |
| Hospitalization Benefit Fund(Spouse) | 13,200 | 13,200 |
| Gratuity Fund | 2,603,162 | 657,553 |
| IPO Application For General Public (Note-18.02) | 1,690,000 | - |
| Other Provision (Note-18.01) | 29,707,230 | 14,132,503 |
| Total | 64,467,041 | 47,913,006 |
| 18.01 Other Provision: | | |
| Other Liabilities to TBL | - | - |
| Provision for Income Tax (Notes- 18.01.01) | 20,481,530 | 14,132,503 |
| Provision for Investment | 9,225,700 | - |
| Total | 29,707,230 | 14,132,503 |
| 18.01.01 Provision for Income Tax: | | |
| Opening Balance | 14,132,503 | 20,847,149 |
| Add: Tax Provision during the year | 20,441,335 | 14,568,236 |
| | 34,573,838 | 35,415,385 |
| Less: Adjustment during the year | 14,092,308 | 21,282,882 |
| Closing Balance | 20,481,530 | 14,132,503 |
| 18.02 IPO Application for General Public | | |
| Sikder Insurance company | 1,690,000 | - |
| Total | 1,690,000 | - |

| Particular | | Amount In Taka | |
|--------------|---|-------------------|-------------------|
| | | 31.12.2023 | 31.12.2022 |
| 19.00 | Revenue: | | |
| | Brokerage Commission | 31,009,987 | 47,228,472 |
| | Realized Gain/(Loss) on Share | 13,853,307 | 13,663,454 |
| | Profit from Margin Loan | 41,014,476 | 7,933,562 |
| | Dividend Income from Investment in Listed Share | 6,043,913 | 6,426,152 |
| | BO Account Opening | 25,700 | 40,400 |
| | BO Closing Income | 1,500 | 10,800 |
| | BO Renewal Income | 148,500 | 139,050 |
| | Income from Share Pledging | 98,265 | - |
| | Margin Loan Processing Fees | 49,400 | 52,000 |
| | IPO Processing Fees | 5,665 | 16,890 |
| | Total | 92,250,713 | 75,510,780 |
| 20.00 | Cost of Services: | | |
| | Laga Charge | 2,676,305 | 4,262,534 |
| | Howla Charges | 100 | 3,900 |
| | CDBL Charge | 147,587 | 678,270 |
| | Interest Expenses | 27,000,998 | 2,097,024 |
| | Internet & On Line Charges | 416,372 | 259,382 |
| | Software Maintenance | 105,000 | 189,000 |
| | AR Registration Fees | 5,800 | |
| | Renewal Fees(Broker, Dealer & CDBL) | 100,000 | 330,000 |
| | Total | 30,452,162 | 7,820,110 |
| 21.00 | Non-operating Income: | | |
| | Interest From Bank | 239,437 | 1,510,826 |
| | Interest from FDR | - | |
| | Cheque Dishonour | 1,500 | 3,500 |
| | Dividend Income | 3,246,797 | 2,164,532 |
| | Total | 3,487,734 | 3,678,858 |
| 22.00 | Salaries and Allowances: | | |
| | Basic Salary | 7,309,836 | 5,192,415 |
| | House Rent Allowance | 3,654,918 | 2,609,158 |
| | Conveyance Allowance | 488,462 | 337,591 |
| | Medical Allowance | 1,728,186 | 1,244,795 |
| | Leave Fare Assistance | 554,820 | 492,271 |
| | House Maintance Allowance | 108,842 | |
| | Festival Bonus | 1,325,869 | 849,374 |
| | Incentive Bonus | 240,671 | 38,700 |
| | Leave And Cashment | - | 150,300 |
| | Employer's Contribution to Provident Fund | 730,984 | 521,376 |
| | Employer's Contribution to Gratuity Fund | 3,305,976 | 1,204,834 |
| | Total | 19,448,564 | 12,640,814 |

| Particular | | Amount In Taka | |
|--------------|--|--------------------|--------------------|
| | | 31.12.2023 | 31.12.2022 |
| 23.00 | Rent, Taxes, Insurance, Electricity: | | |
| | Office Rent | 256,680 | 239,940 |
| | Service charges | 336,960 | 336,960 |
| | Office Rent-Corporate | 592,020 | 588,225 |
| | Office Rent-Chattogram | 407,880 | - |
| | Rent -Sylhet Br | 496,800 | 414,000 |
| | Service Charges- Sylhet Br | 48,000 | 40,000 |
| | Electricity & Generator Fuel | 334,018 | 226,660 |
| | Fees, Renewal & Subscription | 166,980 | 137,975 |
| | Insurance premium | 10,326 | 4,238 |
| | Total | 2,649,664 | 1,987,998 |
| 24.00 | Postage, Stamps, Telecommunications: | | |
| | Telephone Expenses | 12,115 | 10,067 |
| | Mobile | 23,296 | 31,491 |
| | Stamp Charges | 2,290 | |
| | Total | 37,701 | 41,558 |
| 25.00 | Depreciation, Repair & maintenance: | | |
| | Depreciation of PPE | 652,025 | 348,492 |
| | Repair & Maintenance | 165,517 | 175,151 |
| | Total | 817,542 | 523,643 |
| 26.00 | Other Expenses: | | |
| | Entertainment | 155,187 | 104,691 |
| | Travelling Expenses | 19,330 | 20,305 |
| | Local Convence | 31,740 | 40,110 |
| | Other Contractual Service | 1,461,285 | 828,294 |
| | Service charges-CS | 217,100 | 183,700 |
| | Car Expenses | 718,700 | 730,800 |
| | Water Bill | 12,318 | 8,022 |
| | Paper Bill | 7,131 | 5,142 |
| | Bidding Fees IPO | 6,000 | 22,000 |
| | Bank Charges | 180,551 | 194,251 |
| | Bank Gurantee Commission Exp | 460,000 | 460,000 |
| | Holiday Allowance | 21,300 | - |
| | Training Expense | 1,000 | - |
| | TWS Set up Expenses | 17,000 | 2,000 |
| | Biniyog Shiksha Tahobil | 33,000 | 19,365 |
| | Investor Protection Fees | 5,510 | 22,980 |
| | Total | 3,347,152 | 2,641,660 |
| 27.00 | Fair valuation surplus/(Deficit) of Investment | | |
| | Opening Balance | - | 707,266 |
| | Closing Balance | (5,195,787) | (4,477,681) |
| | Fair valuation surplus/(Deficit) of Investment to OCI | (5,195,787) | (5,184,947) |

28.00 Directors and their interest in different entities as on 31.12.2023

| Sl. | Name | Designation | Name of Firms/Companies in which interested as proprietor, partner, director, managing agent, guarantor, employee etc. |
|-----|--|------------------------------|--|
| 1 | Maj Gen Md Jubayer Salehin, BSP, SUP, ndu, psc | Chairman | 1. Army Housing Scheme, Chairman, Board of Directors |
| | | | 2. Sena Kalyan Sangstha, Vice-Chairman, Board of Trustees |
| | | | 3. Army Welfare Trust, Vice-Chairman |
| | | | 4. Sena Hotel Developments Limited, Vice Chairman |
| | | | 5. Trust Technical Training Institute, Chairman, Board of Directors |
| | | | 6. Governing Bodies of Cadet Colleges, Chairman |
| | | | 7. Trust Bank Investment Ltd., Vice Chairman, |
| | | | 8. Trust Bank Ltd, Vice Chairman, |
| | | | 9. Trust Axiata Digital Ltd., Director |
| 2 | Brig Gen Md Sajjad Hossain, SUP, ndc, afwc, psc | Vice Chairman | 1. Army Welfare Trust, Managing Director |
| | | | 2. Sena Hotel Developments Ltd., Director |
| | | | 3. Trust Technical Training Institute, Director |
| | | | 4. Jolshiri Abason, Director |
| | | | 5. Trust Bank Ltd., Director |
| | | | 6. Trust Bank Investment Ltd., Director |
| | | | 7. Trust Axiata Digital Ltd., Director |
| 3 | Mr. Anisuddin Ahmed Khan | Independent Director | 1. Ananta Apparels Ltd, Independent Director |
| | | | 2. Summit Power Ltd, Independent Director |
| | | | 3. Summit Alliance port Ltd, Independent Director |
| | | | 4. W & W Grains Corporations, Director |
| | | | 5. ACI Ltd., Director |
| | | | 6. ACI Motors Ltd., Director, |
| | | | 7. Trust Bank Ltd., Independent Director |
| | | | 8. Trust Bank Investment Ltd., Independent Director |
| | | | 9. Central Counterparty Bangladesh Ltd., Director |
| 4 | Humaira Azam | Director | 1. Trust Bank Limited, Managing Director & CEO |
| | | | 2. Trust Bank Investment Limited, Nominated Director |
| | | | 3. Trust Axiata Digital Limited, Director |
| 5 | Mr. Ahsan Zaman Chowdhury | Director | Trust Bank Investment Limited, Nominated Director |
| 6 | Brig Gen Munshi Mizanur Rahman, ndc, psc (Retd.) | Director | Service |
| 7 | Mr. Md. Mahbubur Rahman | Director | Service |
| 8 | Mr. Akhlasur Rahman Bhuiyan | Director & Managing Director | Service |

Trust Bank Securities Limited
Schedule of Property, Plant & Equipment

As at December 31, 2023

(Annexure-A)

| Particulars | Cost | | | Rate | Depreciation | | | (Annexure-A) Written Down Value as on December 31, 2023 |
|---|--------------------------------------|--------------------------------|---|------------------|---------------------------------------|-------------------------|---------------------------------------|---|
| | Balance as at January 01, 2023 | Addition during the year | Disposal/ adjustment during the year | | Balance as at December 31, 2023 | Charged for the year | Balance as at December 31, 2023 | |
| Office Renovation | | | | | | | | |
| Interior Decoration | 1,989,578 | 71,000 | - | 2,060,578 | 12% | 200,169 | 539,423 | 1,521,155 |
| Overhead Cabinet | 11,200 | - | - | 11,200 | 12% | 417 | 8,144 | 3,056 |
| Vertical Blind & Name Plate | 16,452 | - | - | 16,452 | 12% | 618 | 11,916 | 4,536 |
| Office Equipment | | | | | | | | |
| Photocopy | 82,000 | - | - | 82,000 | 0% | - | 82,000 | - |
| Box Fan | 6,500 | 7,600 | - | 14,100 | 0% | 380 | 6,880 | 7,220 |
| Printer | 187,800 | 25,000 | - | 212,800 | 20% | 7,270 | 183,572 | 29,228 |
| Computer & Computer Accessories | 1,003,706 | 980,877 | - | 1,984,583 | 20% | 129,245 | 1,007,180 | 977,403 |
| Air Conditioner | 519,667 | 48,584 | - | 568,251 | 20% | 52,046 | 526,954 | 41,297 |
| UPS | 131,885 | 21,300 | - | 153,185 | 20% | 13,834 | 112,271 | 40,914 |
| Fax Machine | 9,100 | - | - | 9,100 | 20% | - | 9,100 | - |
| Rack Server | 1,467,000 | - | - | 1,467,000 | 20% | - | 1,467,000 | - |
| Television | 216,320 | 184,659 | - | 400,979 | 20% | 91,834 | 287,552 | 113,427 |
| Telephone & Mobile Set | 20,000 | - | - | 20,000 | 20% | 3,320 | 17,917 | 2,083 |
| Kettle | 1,100 | - | - | 1,100 | 20% | - | 1,100 | - |
| Croceries | - | 17,576 | - | 17,576 | 20% | 879 | 879 | 16,697 |
| IPS | 73,000 | 104,857 | - | 177,857 | 20% | 33,824 | 87,357 | 90,500 |
| Scanner | 24,000 | 28,000 | - | 52,000 | 20% | 9,033 | 18,233 | 33,767 |
| Multimedia Projector | 60,000 | - | - | 60,000 | 20% | 12,000 | 21,000 | 39,000 |
| Furniture & Fixture (Res) | 146,512 | - | - | 146,512 | 10% | 24,302 | 113,953 | 32,559 |
| Furniture & Fixture (Office) | | | | | | | | |
| Chair & Others | 518,582 | 336,816 | - | 855,398 | 10% | 72,854 | 199,716 | 655,682 |
| Balance as at 31.12.2023 | 6,484,402 | 1,826,269 | - | 8,310,671 | | 4,050,122 | 4,702,147 | 3,608,524 |
| Balance as at 31.12.2022 | 4,813,530 | 1,670,872 | - | 6,484,402 | | 3,701,630 | 4,050,122 | 2,434,280 |

REPORT ON THE SCHEDULE OF RISK BASED CAPITAL ADEQUACY TO THE BOARD OF DIRECTORS OF Trust Bank Securities Limited

We have carried out a reasonable assurance engagement to express our opinion whether the information in subject matter detailed below (“Subject Matter”), has been reported and presented, in all material respects, in accordance with the applicable criteria mentioned below.

Subject Matter:

The subject of the reasonable assurance engagement is the accompanying schedule of Risk Based Capital Adequacy (the “Schedule”) setting out the calculation of minimum capital required and Risk Based Capital Adequacy ratios of Bali Securities Ltd.as at December 31, 2023 prepared by management in accordance with the Prudential Rules issued by the **Bangladesh Securities and Exchange Commission (BSEC)** on Risk Based Capital Adequacy rules, 2019.

Applicable Criteria:

Prudential Rules issued by **Bangladesh Securities and Exchange Commission (BSEC)** pursuant to its Notification Number BSEC/CMRRC/2017-357/221/Admin/89 dated May 22, 2019.

Management Responsibility:

The management of the Company is responsible for the preparation and presentation of the information in the Subject Matter above in accordance with the Applicable Criteria, and is also responsible for the selection of methods used in the Applicable Criteria. Further, the Company’s management is responsible for establishing internal controls relevant to the preparation and presentation of the Subject Matter above that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate criteria; maintaining adequate records and making estimates that are reasonable in the circumstances.

Our Responsibility:

Our responsibility is to express a reasonable assurance conclusion on the Subject Matter above based on our assurance engagement conducted in accordance with International Standard on Assurance Engagements (3000) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” endorsed in the **International Auditing and Assurance Standards Board (IAASB)**, and the terms and conditions for this engagement as agreed with the Company’s management.

Our procedures were designed to obtain a reasonable level of assurance on which to base our conclusion, and, as such, do not provide all of the evidence that would be required to constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements that are endorsed in the **International Auditing and Assurance Standards Board (IAASB)**. The procedures performed depend on our judgement including the risk of material misstatement of the Subject Matter, whether due to fraud or error. While we considered the effectiveness of internal controls when determining the nature and extent of our procedures, our engagement was not designed to provide assurance on effectiveness of those controls.

Independence and Other Ethical Responsibilities

We are independent of the Company 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 we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Financial Reporting Council (FRC) Bye Laws.

Reasonable Assurance Conclusion:

In our opinion, based on our reasonable assurance procedures performed and evidence obtained, we believe that the information in the subject matter above as stated in the attached schedule, has been reported and presented, in all material aspects, in accordance with the applicable criteria.

Place: Dhaka
Dated: April 24, 2024



Quazi Shafiqul Islam, FCA
Enrolment No. 0165
Islam Quazi Shafique & Co.
Chartered Accountants

Risk Based Capital Adequacy:

Capital Adequacy means the level of total capital against the total risk exposure of a registered entity that need to be maintained as per the regulatory instruction to ensure continuation of a safe and efficient market operation and be able to withstand against any unforeseen losses.

Capital Adequacy Ratio:

$$\text{Capital Adequacy Ratio} = \frac{\text{Total Capital}}{\text{Total Risk Requirement}} \times 100$$

$$\text{Capital Adequacy Ratio} = \frac{775,106,115.60}{68,357,279.42} \times 100$$

$$\text{Capital Adequacy Ratio} = \mathbf{1,133.90}$$

Total Capital= Core Capital + Supplementary Capital

Total Risk Requirement (TRR)= Operation Risk Requirement+Position Risk Requirement+Counterparty Risk Requirement+Underwriting Risk Requirement+Large Exposure Risk Requirement+Liability Risk Requirement

Computation of Total Capital(Schedule-C) Statement of Total Capital Computation

| SL | Components | B/S Amount | Haircut | Eligible Amount | Sum |
|--------|--|-------------|---------|---------------------------|--------------------|
| a. | Paid- Up-Capital | 350,000,000 | - | 350,000,000 | 350,000,000 |
| b. | Share Premium | - | - | - | - |
| c. | General Reserve | - | - | - | - |
| d. | Capital Reserve | 3,521,946 | - | 3,521,946 | 3,521,946 |
| e. | Retained Earnings | 133,491,582 | | 133,491,582 | 133,491,582 |
| | Sum of Core Capital | | | 487,013,528 | 487,013,528 |
| f. | General Provision | - | 20% | - | - |
| g. | Specific Provision | - | 30% | - | - |
| h. | Revaluation Surplus or unrealized gain on | | | | |
| (i). | Fixed Assets (Property, Plant & Equipment other than Intangible assets) | 3,608,524 | 30% | 1,082,557 | 2,525,967 |
| (ii). | Investment in Listed Securities | 356,958,276 | 20% | 71,391,655 | 285,566,621 |
| (iii). | Investment in non-listed securities (other than closed end mutual fund) (Investment in DSE Shares) | | 35% | - | - |
| (iv). | Investment in strategic holding | - | 25% | - | - |
| i. | Preference Share | - | 25% | - | - |
| j. | Subordinated debt | - | | 20% of total issued value | - |
| | Sum of Supplementary Capital | | | | 288,092,588 |
| | Total Capital | | | | 775,106,116 |

Statement of Total Risk Requirement Computation (Schedule-D)

| Area of Risk | Computation of Formula | Amount | Risk Factor | Risk Amount | Remarks |
|---|---|-------------|-------------|-------------------|------------------|
| Operation Risk Requirement(ORR) | Based on Average Annual Gross Income (see clause (b) of sub-rule (7.1) of rule 7) | 73,695,824 | 5% | 3,684,791.20 | as per RBCA Data |
| Position Risk Requirement (PRR) | i. Property position in Equity Securities: | | | | |
| | Value of "A" category securities | 353,778,796 | 10.00% | 35,377,879.56 | as per RBCA Data |
| | Value of "B/G/N/." category securities | 3,179,480 | 12.00% | 381,537.59 | as per RBCA Data |
| | Value of "Z" category instruments | | 15.00% | - | |
| | Value of Non-Listed Instruments | | 25.00% | - | as per RBCA Data |
| | ii. Proprietary positions in MFs & CISs: | | | | - |
| | Value of listed funds | | 10.00% | - | |
| | Value of non-listed funds | | 3.00% | - | |
| | Value of AIFs | | 25.00% | - | |
| | iii. Property positions in Debt Instruments & ABSs: | | | | - |
| | Value of Listed debt instruments | | 5.00% | - | as per RBCA Data |
| | Value of non-listed debt instruments | | 10.00% | - | |
| | Value of ABSs | - | 10.00% | - | |
| | iv. Proprietary Position in strategic Investments: | | | | - |
| | Value of listed strategic investments | - | 10.00% | - | |
| | Value of non-listed strategic investments | | 25.00% | - | |
| | v. Proprietary Position in money market Instruments: | | | | - |
| Value of Government securities/ instruments | | 0.00% | - | | |
| Counterparty Risk Requirement (CPRR) | Value of commercial paper | | 10.00% | - | |
| | i. Exposure of credit facilities to Clients | 261,907,461 | 8.00% | 20,952,596.88 | - |
| | ii. Exposure of Guarantee Provided to counterparty | | 2.00% | - | |
| Underwriting Risk Requirement (URR) | Sum of Underwriting Commitment against the followings: | | | - | - |
| | i. Public Issue of Equity Instruments (IPO) | | 2.00% | - | |
| | ii. Public Issue of Equity Instruments (Rights Issue) | | 15.00% | - | |
| | iii. Public Issue of Debt Instruments | | 15.00% | - | |
| Large Exposure Risk Requirement (LERR) | Sum of Large Exposures against the followings: | | | - | - |
| | Sum of all Large Exposure to a Single counterparty | 111,563,609 | 7.00% | 7,809,452.63 | |
| | Sum of all Large Exposure to a Single counterparty | | 10.00% | - | |
| | Sum of all Large Exposure to Debt Instruments | | 3.00% | - | |
| Liability Risk Requirement (LRR) | i. Exposure of Asset under Management (AUM) | | 1.00% | - | |
| | ii. Exposure of Fund Under Management (FUM) | | 1.00% | - | |
| | iii. Exposure of Institutional Fund Under Management (IFUM) | | 0.25% | - | |
| | iv. Annual Revenue Reported in last year | 75,510,780 | 0.20% | 151,021.56 | |
| Total | | | | 68,357,279 | |

TRUST AXIATA DIGITAL LTD.



Trust Axiata Digital Limited
Statement of financial position
As at 31 December 2023

| | 31.12.2023 | 31.12.2022 |
|--|--------------------|--------------------|
| | Taka | Taka |
| Assets | | |
| Property, plant and equipment | 5,920,945 | 19,360,501 |
| Intangible assets (Capital work-in-progress) | 219,664,937 | 227,365,542 |
| Right-of-use assets | 12,275,981 | - |
| Deferred tax assets | 252,471,279 | 203,027,852 |
| Non-current asset | 490,333,142 | 449,753,895 |
| Receivable | 33,788,811 | 31,798,924 |
| Advance, deposits and prepayments | 6,154,640 | 5,198,449 |
| Airtime stock | 3,581,755 | 1,871,784 |
| Trust cum settlement account | 378,112,518 | 261,419,467 |
| Cash and cash equivalents | 7,130,862 | 4,174,420 |
| Current assets | 428,768,586 | 304,463,044 |
| Total assets | 919,101,728 | 754,216,939 |
| Owner's equity | | |
| Share capital | 450,000,000 | 450,000,000 |
| Share money deposit | 369,670,417 | 163,503,123 |
| Retained earnings | (493,142,100) | (338,424,584) |
| Total equity | 326,528,317 | 275,078,539 |
| Liabilities | | |
| Lease liability- non-current portion | - | - |
| Long term service benefits | 6,579,296 | 8,147,681 |
| Non-current liabilities | 6,579,296 | 8,147,681 |
| Lease liability- current portion | 32,207,528 | 7,774,918 |
| Customer and other deposits | 313,704,570 | 238,049,084 |
| Operational and other payables | 168,672,052 | 173,330,236 |
| Inter company payable | 15,426,081 | - |
| Provision for expenses | 50,371,873 | 15,426,080 |
| Provision for Tax | 5,612,011 | 36,410,401 |
| Current liabilities | 585,994,115 | 470,990,719 |
| Total liabilities | 592,573,411 | 479,138,400 |
| Total equity and liabilities | 919,101,728 | 754,216,939 |

Trust Axiata Digital Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2023

| | 31.12.2023 | 31.12.2022 |
|---|----------------------|----------------------|
| | Taka | Taka |
| Interest income | - | - |
| Interest paid on deposits and borrowings etc. | - | - |
| Net interest income | - | - |
| Income from investments | - | - |
| Commission, exchange and brokerage | - | - |
| Other operating income | 17,000,181 | 21,490,889 |
| | 17,000,181 | 21,490,889 |
| Total operating income | 17,000,181 | 21,490,889 |
| Salaries and allowances | 124,569,292 | 172,730,091 |
| Rent, taxes, insurance, electricity, etc. | 1,139,380 | |
| Legal Expense | 7,673,066 | 7,711,376 |
| Postage, stamps, telecommunications, etc. | 12,067,377 | 12,005,176 |
| Stationery, printing, advertisement etc. | 5,141,684 | 675,771 |
| Managing Director's salary and benefits | - | - |
| Directors' fees | 240,205 | - |
| Auditors' fee | - | - |
| Depreciation and repair of bank's assets | 25,849,765 | 31,778,270 |
| Other expenses | 35,691,726 | 102,628,375 |
| Total operating expenses | 212,372,495 | 327,529,058 |
| Profit/(Loss) before provision | (195,372,314) | (306,038,169) |
| Provision for loans & advances | - | - |
| Provision for diminution in value of investment | - | - |
| Other provision | - | - |
| | - | - |
| Total Profit before Taxes | (195,372,314) | (306,038,169) |
| Provision for Taxation | | |
| Current tax | 8,788,629 | 1,048,893 |
| Deferred tax | (49,443,427) | (108,268,081) |
| | (40,654,798) | (107,219,188) |
| Net Profit after Taxation | (154,717,517) | (198,818,981) |
| Appropriations: | | |
| Statutory Reserve | - | - |
| General Reserve | - | - |
| | - | - |
| Retained surplus | - | - |

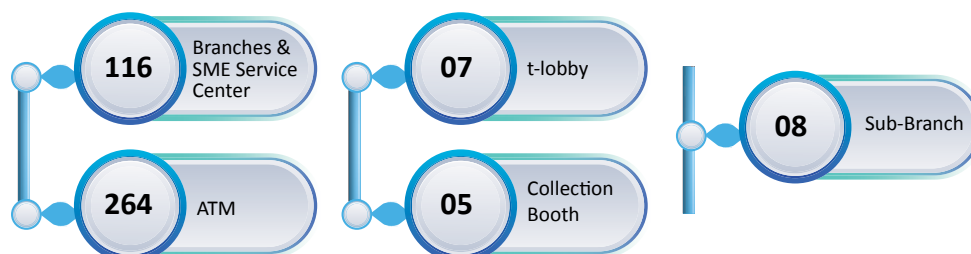
Trust Axiata Digital Limited
Statement of Cash Flows
For the year ended 31 December 2023

| | 31.12.2023 Taka | 31.12.2022 Taka |
|--|---------------------|----------------------|
| Cash flows from operating activities | | |
| Cash received from customers (Trust Cum Settlement Account) | 121,388,668 | (28,517,702) |
| Cash paid for Settlement (Trust Cum Settlement Account) | | |
| Cash paid for operating expenses (suppliers) | | |
| Cash paid to employees | (189,390,061) | (224,362,953) |
| Cash flows from operation | (68,001,393) | (252,880,655) |
| Interest received from deposits | - | - |
| Income tax paid | (8,788,629) | (1,048,893) |
| Net cash flows used in operating activities | (76,790,022) | (253,929,548) |
| Cash flows from investing activities | | |
| Acquisition of property, plant & equipment | 1,626,677 | (8,132,213) |
| Acquisition of intangible assets | (9,501,296) | (95,273,007) |
| Net cash flows used in investing activities | (7,874,619) | (103,405,220) |
| Cash flows from financing activities | | |
| Cash receipts from intercompany | - | - |
| Share money deposit | 206,167,294 | 163,503,123 |
| Lease liabilities | (1,853,160) | (12,289,379) |
| Cash proceeds from issuance of shares | - | - |
| Net cash flows from financing activities | 204,314,134 | 151,213,744 |
| Net increase / (decrease) in cash and cash equivalents | 119,649,493 | (206,121,024) |
| Cash and cash equivalents as at the beginning of the period (TCSA) | 261,419,467 | 334,664,582 |
| Cash and cash equivalents as at the beginning of the year (Operational Accounts) | 4,174,420 | 137,050,329 |
| Cash and cash equivalents as at the end of the year | 385,243,380 | 265,593,887 |

BRANCH NETWORK



BRANCH AND OTHER OUTLET NETWORK



DHAKA DIVISION

| S/N | Branch Name | Address | Telephone/Mobile Number |
|-----|--------------------------------------|--|--|
| 1. | Principal Branch | Ground, and 1 st Floor, CSD Tower, 98, Shaheed Sarani, Dhaka Cantonment, Dhaka-1206. | 02-8712751-53 Fax-02-9832376 |
| 2. | Sena Kalyan Bhaban Branch | 1 st Floor, Sena Kalyan Bhaban, 195 Motijheel C/A, Dhaka – 1000. | 02-57164348, 02-47114019 02-9561721 Fax-02-9590390 |
| 3. | Savar Cantonment Branch | Ground Floor, Bank Complex, Savar Cantonment, Dhaka. | 02 - 224491931 Fax - 0224491263 |
| 4. | Shaheed Salahuddin Cantonment Branch | Shaheed Salahuddin Cantonment, Ghatail, Tangail. | 02-999193178 Fax - 0922556141 01755552688 |
| 5. | Dhanmondi Corporate Branch | Delvista Phooljhuri 1 st and 2 nd Floor, Holding No - 759, Satmasjid Road, Dhanmondi, Dhaka | 02 - 58614068 02 – 223365553 02 – 223363071 0172-9069530 Fax – 9677571 |
| 6. | Gulshan Corporate Branch | Khandker Tower (1 st Floor), 94 Gulshan Avenue, Gulshan-2, Dhaka -1212 | 02-222263272 02-222281508 02-222262520 02-222286594 02-55068834 02-55068835 02-55068836 |
| 7. | Dilkusha Corporate Branch | Ground and 1 st Floor, Peoples Insurance Bhaban, 36 Dilkusha C/A, Dhaka -1000. | 02-23356418 02-9577186 02-23381821 Fax-02-9560793 |
| 8. | Radisson Water Garden Hotel Branch | Dhaka Radisson Hotel Airport Road, Joar Shahara, Dhaka-1206. | 02-9833865 Fax-02-9833865 |
| 9. | Millennium Corporate Branch | Ground and 1 st Floor, Shadhinata Tower, Bir Sreshtha Shahid Jahangir Gate, Dhaka Cantonment, Dhaka - 1206. | 02-44870126 Fax-02-44870127 |
| 10. | Uttara Corporate Branch | Masihata Business Tower (1 st & 2 nd floor), Holding No: 05, Sector: 3 Uttara Model Town, Uttara, Dhaka North City Corporation Uttara, Dhaka | 48964658 (PABX) 48964732 (PABX) 58957312 58951650 Fax-48963335 |
| 11. | Mirpur Branch | 1 st Floor, Swapnapuri, Holding -24, Main Road - 3, Block, Section – 11, Mirpur, Pallabi, Dhaka. | 02-58056360 02-58056396 017-70790780 017-70790780 Fax 9008359 |

| S/N | Branch Name | Address | Telephone/Mobile Number |
|------|------------------------------------|---|---|
| 12. | Karwan Bazar Branch | Ground Floor, EDB Trade Centre, 93 Kazi Nazrul Islam Avenue, Karwan Bazar, Tejgaon, Dhaka. | 02-41010079 02-41010082 (PABX) Fax - 9126544 |
| 13. | Joypara Branch | 1 st Floor, Sheikh Uddin, Mozhar Ali and Khair Uddin Plaza, Joypara, Dohar, Dhaka. | 02-7768096-7 017-30334645 017-30357732 Fax - 02-7768098 |
| 14. | Joydevpur Branch | Vaowal Point, Vogra, Bason, National University, Joydevpur, Gazipur. | 02-9262852-3 017-08122923 017-29069533 Fax-02-9262859 |
| 15. | Narsingdi Branch | 13/9, Salam Mansion, Narsingdi, Narshindi. | 02-224451686 02-224451684 0171-3436152 Fax-02-224451685 |
| 16. | Narayangonj Branch | 1 st and 2 nd Floor, 1, Alam Khan Lane, Narayangonj Sadar, Narayangonj | 02-224438282 02-224438283 02-224438208 0178767271 |
| 17. | Kafrul Branch | 1 st Floor, MQ Plaza, 28, North Kafrul, Dhaka City Corporation, Kafrul, Dhaka. | 02-8715457 02-8715459 Fax-02-8715458 |
| 18. | Tongi Branch | 1 st Floor, Sena kallyan Commercial Complex, Plot-9, Block-9, Tongi Paurashova, Tongi, Gazipur. | 02-224461338 02-224411339 (PABX) 02-224411340 (PABX) Fax-02-224411341 |
| 19. | Bashundhara Branch | Union Tower (2 nd floor) , Holding no: 440-442,Block-A, Bashundhara R/A, Bashundhara, Dhaka - 1229 | 0173-0976181 0179-3786757 |
| 20. | Ashulia Branch | 1 st Floor, Chowdhury Bhaban, Baipail, EPZ Road, Ashulia, Dhaka. | 02-996689967 02-996689943 0177-0790779 Fax-02-7790867 |
| 21. | Kalabagan Branch | Green Landmark, Holding No. 129, Mirpur Road, Word No. 17, Thana Kalabagan, Dhaka. | 02-222243754-6 |
| 22. | Rajendrapur Cantonment Branch | Ground Floor, 551, Nayanpur, Mirzapur, Gazipur Sadar, Gazipur. | 02-996695790 (PABX) 02-996695791 02-996695792 0175-5521417 0175-5639579 |
| 23. | Khawja Garib-E-Nawaz Avenue Branch | Tropical Akanda Tower (1 st & 2 nd floor) 23, Khawja Garib-E-Nawaz Avenue, Dhaka North City Corporation Uttara Model Thana, Uttara, Dhaka. | 02-48964666 (PABX) 02-48964668 (Direct) Fax-02-48964667 |
| 24. | Banani Branch | Autograph (Ground Floor) Holding No: 67-68, Kamal Ataturk Avenue, Banani, Dhaka | 02-222263053 02-222263107 02-222285081 02-222284927 Fax-02-222263053 |
| 25 . | Kishoreganj Branch | Holding No 596, Haji Akkas Market, Boro Bazar, Kishoreganj Sadar, Kishoreganj | 02 - 997761874 0175-5583726 Fax-02-997761877 |
| 26. | Bhairab Branch | Ananda Niketon (Ground and 1 st Floor), 169, Biplobi Reboti Barman, Sarani, Bhairab, Kishoreganj. | 02-2224467300-2 Fax-02-9471500 |
| 27. | Keraniganj Branch | 1 st Floor, Azhar Plaza, Ferry Ghat, Bus Road, Zinjira, Keraniganj, Dhaka. | 02-7764268 02-7764267 0170-8494249 |
| 28. | Gopalganj Branch | 1 st Floor, 172, Adhunik Shamobay Biponi, Puratan Bazar Road, Gopalganj. | 02-478821266 02-478821306 0172-9069571 0175-5540128 Fax-02-478821315 |

| S/N | Branch Name | Address | Telephone/Mobile Number |
|-----|---------------------------------|--|--|
| 29. | Faridpur Branch | 1 st and 2 nd Floor, M K Shopping Complex, 15/18, Faridpur Sadar, Faridpur | 02-478805249 0172-9069556 01755583725 Fax-0631-65249 |
| 30. | Dhamrai Branch | 1 st Floor, Siddique Super Market, A - 29, Dhamrai Pourashava, Dhamrai, Dhaka. | 02-996630026-8 0175-5636239 0170-9654650 |
| 31. | Sreenagar Branch | 1 st Floor, M Rahman Complex, Sreenagar Bazar, Bhagyakul Road, Sreenagar, Munshiganj. | 02-997733775 02-997733779 Fax-02-997733779 |
| 32. | Patuatuly Branch | Babuli Islampur Complex (2 nd Floor) 57-58, Loyal Street, Patuatuly Road Dhaka South City Corporation, Katwali, Dhaka | 02-57396167 02-57396494 0173-0357729 0173-0795585 |
| 33. | Mohakhali Branch | 1 st Floor, 100, Bir Uttam AK Khandaker Road, Mohakhali C/A, Banani, Dhaka -1212. | 02-222281750 02-222281350 02-9881360 Fax-02-9881350 |
| 34. | Bhedarganj Branch | 1 st Floor, SEBA Tower, Shaheed Mohiuddin Sarak, Bhedarganj Pourashava, Bhedarganj, Sariatpur | 06022-56121 06022-56122 01730304864 |
| 35. | Matuail Branch | 1 st Floor, Mainuddin Bhaban, Saddam Market, South Matuail, Kadamtali, Dhaka -1213. | 02-7553416 Fax-02-7553426 0170-8813850 0178-7672384 |
| 36. | Kanchpur Branch | 1 st Floor, Sonargoan Mega Shopping Complex, Kanchpur, Sonargoan, Narayanganj. | 0175-5540561 0178-7692851 |
| 37. | Kakrail Branch | 38, Kakrail, Inner Circular Road, Bijoy Nagar, Dhaka. | 02-22228201 02-48316265 (PABX) 0172-9069557 Fax-02-22228202 |
| 38. | Bangabandhu Cantonment Branch | Bangabandhu Cantonment, Bhuapur, Nikrail, Bhuapur, Tangail. | 02-999213178 0172-9069515 |
| 39. | Pangsha Branch | 1 st Floor, Mahamud Plaza, College Road, PangshaSadar, Pangsha, Rajbari. | 0173-0376200 |
| 40. | Centennial Branch | Ground Floor, Dream by Icon, 2/4 Block A, Mohammadpur Housing Estate, Mirpur Road, Dhaka. | 02-41022768 02-41022585 02-41022769 (PABX) 0172-9037598 0177-0790788 |
| 41. | Taranagar Branch | Holding: 4847, Hazi Bapari Market, Ghatachar, Shaheed Budhujibi Sharak, Taranagar, Keraniganj. | 0170-9648578 |
| 42. | Takerhat Branch | 1 st Floor, Shahbuddin Mollah Complex, Takerhat Raor, Madaripur. | 0170-8494245 |
| 43. | Gazipur Cantonment Branch | 1 st and 2 nd Floor, BOF Complex, Gazipur Cantonment, Shimultoli, Joydebpur, Gazipur. | 0171-8494254 |
| 44. | Mirpur DOHS Branch | Ground Floor, Cultural Centre Bhaban, Roar # 09, Mirpur DOHS, Pallabi, Dhaka – 1216. | 44806501-4 (PABX) 44806520 0131-3778473 |
| 45. | Sheikh Russel Cantonment Branch | Sheikh Russel Cantonment, Jajira, Shariatpur | 8801711386888 |

CHATTOGRAM DIVISION

| S/N | Branch Name | Address | Telephone/Mobile Number |
|-----|------------------------------|---|--|
| 1. | Cumilla Cantonment Branch | 1 st Floor, Mainamati Super Market, Comilla Cantonment, Comilla. | 02-334405004 02-334405005 0172-9069527 0170-9654652 0175-5552691 |
| 2. | Chattogram Cantonment Branch | Ground Floor, Bangladesh Tea Board Bhaban, 171-172 Baijid Bostami Road Nasirabad, Chattogram. | 02-334481170 02-334481171 02-334481172 02-334483680 0176-6676623 0191-4403178 |
| 3. | Agrabad Branch | Ground and 5 th Floor, Rafique Tower, 92 Agrabad C/A, Chattogram. | 02-333314707 02-333315791 02-333324461 02-333324462-3 (PABX) 02-333314708 Fax-031720188 |
| 4. | Khatungonj Branch | 205, Main Road, Plot No. - 218, Khatungonj, Chattogram. | 02-333361718-9 02-333363235-6 (PABX) 0175-5552687 Fax-02-333357860 |
| 5. | CDA Avenue Branch | 1 st Floor, Sanmar Tower - 1, 1850/3319, CDA Avenue, East Nasirabad, Cartogram. | 02-334450123-5 02-334450936 02-334450938 0172-9069521 |
| 6. | Halishahar Branch | House No - 2030/A, Block -G, R; 3 Plot 2, Bara Pul, Port, Connecting Road, Chattogram. | 02-33312591-3 0173-0358441 |
| 7. | Naval Base Branch | 1 st Floor, BNS Isha Kha, Naval Base Anchor Building, Potenga, Chattogram. | 02-333340223 02-333341833-4 (PABX) 0175-5563997 0131-3778512 0178-7687486 |
| 8. | Feni Branch | Ground Floor, Kazi Centre, 106, A.S.K Road, Feni. | 02-334472535-7 0172-9037448 |
| 9. | Jubilee Road Branch | 64, Royal Tower, Jubilee Road, Chattogram City Corporation, Kotwali, Chattogram. | 02-333357662 02-333359061 Fax-0312-857213 |
| 10. | Ashuganj Branch | Mouza - Char Char Tala, Ashuganj, Brahmanbaria. | 02-334431726 02-334431727 0171-4085847 |
| 11. | Amirabad Lohagara Branch | 1 st Floor, Best Chowdhury Plaza, Amirabad, Lohagara, Chattogram | 02-334459014 02-334459016 0171-3435896 0170-8494250 Fax-03034-56512 |
| 12. | Chowmuhuni Branch | 1 st Floor, 309,310, Feni Road, Chowmuhuni Paurashova, Begumgonj, Noakhali. | 02-334493192 02-334493193 0170-8483165 Fax-02-334493194 |
| 13. | Cox's Bazar Branch | 1 st Floor of Degenta Annexure Complex, Cinema Hall Super Market, Bazar Ghat Cox's Bazar. | 03-4152109 0131-3778514 0173-0334647 03-4152108 (PABX) Fax-03-4152110 |
| 14. | Kadamtali Branch | 1 st and 2 nd Floor, Royal Plaza, 431, DT Road, Kadamtali Bus Station, Kadamtali, Chattogram. | 02-333329951-3 (PABX) 02-333329954 Fax-03-12529952 |

| S/N | Branch Name | Address | Telephone/Mobile Number |
|-----|--|---|---|
| 15. | Rangamati Branch | 1 st Floor, SR Tower, 107, Shahid Abdul Rashid Sarak, Banarupa, Rangamati. | 02-333371495 02-333372528 2-333371524, Fax-03-5161932 |
| 16. | Cumilla Branch | 1 st and 2 nd Floor, Omori Mansion Badurtala, 1 st Lane, Kandirpar, Cumilla. | 02-334404249 02-334404250 0170-8122926 0172-9037462 0176-6676632 Fax-081-64250 |
| 17. | Khagrachari Branch | Ground Floor, Mahdi Complex, Santinagar, Changi Square, Khagrachari Sadar. Khagrachari | 02-333343772 02-333343740 02-333343390 Fax-03-7161374 |
| 18. | Bandarban Branch | 1 st Floor, Chairman Market, Bandarban Bazar Fund, Plot no 240/C, Bandarban Sadar, Bandarban. | 02-333303174 02- 333303175 02-333303176 0175- 5639578 |
| 19. | Ashkar Dighir Par Branch | CPDL Cloud Nine, 81, SS Khaled Road, Ashkar Dighir Par, Chatogram City Corporation, Thana-Kotowali, Chattogram | 02-333369824 -6 0173-0404869 0131-3778474 Fax- 02-333369825 |
| 20. | Titas Branch | 1 st Floor, Bhai Bhai Italian Plaza, Karikandi Bazar, PS - Titas, Cumilla. | 0173-0304862 0172-9069536 0131-3778509 |
| 21. | Maligaon Branch | 1 st Floor, Maligaon Hospital Medicine Market, Daudkandi, Cumilla. | 0131-3778510 0178-7672380 |
| 22. | Chandpur Branch | 1 st Floor, Notun Bazar Super Market, Chandpur | 02-334486543 02-334486541 Fax-0841-66542 |
| 23. | Radisson Blu Chattogram Bay View (RBC-BV) Hotel Branch | 1 st Floor, Radisson Blu Chattogram Bay View (RBCBV) Hotel, Chattogram | 02-41360513 0131-3778492 |
| 24. | Ramu Branch | Alhaji Jahed Shopping Complex, Mandolpara, Fatekharkul, Ramu, Cox's Bazar. | 02-334465860 02-334465871 0177-0790783 |
| 25. | Companygonj Branch | Chitta Ranjan Avenue (1 st Floor), Companygonj UP: Nabipur Patchim, Muradnagar, Cumilla. | 0170-9654653 0170-8140984 |
| 26. | Kabirhat Branch | 1 st and 2 nd Floor, Haque Tower, Kabirhat Pourushova, Kabirhat, Noakhali. | 0170-8140988 |
| 27. | Anowara Branch | Nurul Islam Market (1 st Floor), Chaturi Chowmohani Tunnel More, Ward No- 06, Union-08 Thana- Anowara, Chattogram. | 01321-14135 |

RAJSHAHI DIVISION

| S/N | Branch Name | Address | Telephone/Mobile Number |
|-----|--|---|--|
| 1. | Bogura Cantonment. Branch | Ullash Complex Shahajahanpur Bogura Cantonment Bogura | 02-589113178-9 0170-8140987 01730376194-5 Fax-051-92033 |
| 2. | Khajwa Younus Ali Medical College & Hospital (KYAMCH) Branch | Khajwa Younus Ali Medical College & Hospital, Enayetpur, Sirajgonj. | 0170-8483166 0173-0343855 0191-1114194 Fax-07-5163853 |
| 3. | Rajshahi Branch | 1 st Floor, Dainik Barta Complex, Alupatty, Ghoramara, Rajshahi. | 02-588860958 02-588854051 02-588860655 Fax-02-588857820 |

| S/N | Branch Name | Address | Telephone/Mobile Number |
|-----|-------------------------|---|---|
| 4. | Dayarampur Branch | 1 st Floor, MK Shopping Complex, Doyarampur Bazar, Kadirabad Cantonment Road, Doyarampur. | 02-588875151 017-55644397 |
| 5. | Dashuria Branch | 1 st Floor, Abdul Khalaque Market, Dashuria, Ishwardi, Pabna | 0175-5690421 0173-0376205 0132-2905473 |
| 6. | Chapai Nawabgonj Branch | 1 st and 2 nd Floor, 16 Jhilim Road, Ward - 02, Poursava - Chapai Nawabgonj, Thana- Chapai Nawabgonj, Dist. Chapai Nawabgonj. | 02-588892684 02-588892685 02-588892686 Fax-078152684 |
| 7. | Sherpur Branch | 1 st Floor, Shah Turkan Plaza, Sherpur Bot Tala, Bogura. | 0177-0790786-7 |

KHULNA DIVISION

| S/N | Branch Name | Address | Telephone/Mobile Number |
|-----|-----------------------------|---|---|
| 1. | Jashore Cantonment Branch | Trust Commercial Complex, Arabpur MP Check Post, Jashore Cantonment, Jashore | 02-479553179 0131-3778515 01755534692 01755690423 Fax-04-2161043 |
| 2. | Khulna Branch | 1 st Floor, Sena Kallayan Bhaban, 1, KDA Avenue, Sonadanga, Khulna. | 02-477729570-1 (PABX) 0131-3778490 0131-3778489 0130-9015703 0170-8813857 Fax-02-477729573 |
| 3. | Mongla Branch | 1 st Floor, BN School & College Campus, Mongla, Bagerhat. | 0175-5552101 0177-0790778 04662-75395 Fax-04-66275396 |
| 4. | Munshiganj Branch | Munshiganj, Kalinagar, Shyamnagar, Satkhira. | 0175-5552689 0170-8494247 |
| 5. | Jahanabad Cantonment Branch | Cinema Hall Complex, Jahanabad Cantonment, Gilatala, Fultala, Khulna. | 02-477707101 0175-5552685 0177-7765915 0131-3778487 Fax-02-477707101 |
| 6. | Jhenaidah Branch | Holding No 16, Agnibina Road, Jhenaidah Sadar, Jhenaidah | 02-477746584-5 0172-9044214 0175-5636233 |
| 7. | Kushtia Branch | 1 st Floor, Shatabdi Bhaban, 92/A, Nabab Siraj-Ud-Doula Road, Kushtia Sadar, Kushtia. | 02-477782638 02-477782258 0173-0304851 0131-3778497 0131-3778499 |
| 8. | Bagerhat Branch | 1 st Floor, 7/2, Khan Jahan Ali Road, Bagerhat Sadar, Bagerhat. | 02-477751742 0178-7672377 0172-9037531 Fax-0468-64573 |
| 9. | Daulatpur Branch | 1 st Floor, 1/1 SS Centre, Upper Jashore Road Daulatpur, Khulna. | 02-477702620 0170-8494259 0170-8483175 |
| 10. | Satkhira Branch | Holding No:8, Mollah Tower, Abul Kashem Road, Upazilla: Satkhira Sadar, Post Code -9400, District: Satkhira | 0132-1141377 0132-1141378-9 |

SYLHET DIVISION

| S/N | Branch Name | Address | Telephone/Mobile Number |
|-----|-----------------------------|---|--|
| 1. | Jalalabad Cantonment Branch | Jalalabad Cantonment, Sylhet | 02-996642613 0173-0376206 |
| 2. | Sylhet Corporate Branch | Ground and 1 st Floor, BMA Bhaban, Chouhatta, Kotwali, Sylhet. | 02-996635546 02-996635139 02-996634831 0132-1141384 0173-0056423 Fax-02-996635139 |
| 3. | Beani Bazar Branch | Al-Amin Super Market, College Road Beani Bazar, Sylhet | 02-996646369 02-996646368 0171-3068370 0173-0376188 |
| 4. | Moulvibazar Branch | 1 st Floor, 426/2, Court Road, Hafizia Khatun Girl's School More, Kotowali, Moulvibazar. | 02-996682883 0175-5690427 |
| 5. | Goalabazar Branch | 1 st Floor, Hazi NasibUllah Market, Main Road, Goalabazar, Osmani Nagar, Sylhet. | 02-996644653 0173-0304858 Fax-0824256327 |
| 6. | Shahjalal Upo-Shahor Branch | Bodor Tower, Holding - 14, Block - E, Main Road, Shahjalal Upo-Shahor, Sylhet. | 02-996635803 01787692866 Fax-0821727692 |
| 7. | Madina Market Branch | Akther Shopping City Complex (1 st Floor) Madina Market Sylhet City Corporation, Sylhet Sadar, Sylhet. | 02-997700333 0171-3436096 0132-1141341 |
| 8. | Golapganj Branch | 1 st Floor, Rahman Shopping Complex, Holding No - 76, PS - Golapganj, Sylhet. | 02-996645584 Fax-02-996645585 |
| 9. | Habiganj Branch | Mannan Shopping Center, Badiuzzaman Khan Road ,Habiganj Sadar, Habiganj. | 02-996605191-2 0175-5690420 0173-0376207 Fax-02-996605193 |
| 10. | Sunamganj Branch | 1 st Floor, Alfath Bhaban 233, Old Bus Station, Sunamganj Sadar, Sunamganj. | 02-996600518-9 |

RANGPUR DIVISION

| S/N | Branch Name | Address | Telephone/Mobile Number |
|-----|---|--|---|
| 1. | Rangpur Cantonment Branch | 1 st Floor, Sena Shomver Complex, RK Road, Rangpur. | 05-2166653 0173-0056422 0171-3244906 0170-9639914 Fax-0521-67371 |
| 2. | Saidpur Cantonment Branch | 1 st Floor, Shaheed Sarani Market, Airport Road, Saidpur Cantonment, Saidpur, Nilphamary. | 02-589957201 02-589957202 01713436095 01730795580 Fax-05526-73630 |
| 3. | Bir Uttam Shaheed Mahub Cantonment Branch | Cantonment Board Market, Bir Uttam Shaheed Mahub Cantonment, Dinajpur. | 0175-5552688 0170-8463945 |
| 4. | Dinajpur Branch | Northern Plaza (Ground Floor) Holding No. 74169 Ganeshtala (Charu Babur Road) Ward No. 03 Pourashava. Dinajpur Thana. Kotwali Dist.: Dinajpur. | 02-589923629 02-589923635 (PABX) 0170-8813856 0173-0304852 |
| 5. | Lalmonirhat Branch | 1 st Floor, Simanto Shopping Complex, Holding No - 755, Misson More Zero Point, Lalmonirhat Sadar, Lalmonirhat. | 02-589986717-8 0173-0304865 0172-9069543 |
| 6. | Shathibari Branch | 1 st Floor, Atique Market, Shathibari Bazar, Mithapukur, Rangpur | 0522-556314 0173-0304863 0172-9037621 |

BARISHAL DIVISION

| S/N | Branch Name | Address | Telephone/Mobile Number |
|-----|----------------------------|---|--|
| 1. | Barishal Branch | Ground Floor, S Rahman Marker, 78, Sadar Road, Barisal City Corporation Area, Barishal. | 02-478866374 02-478866373 01730729925 01729069568 Fax-0431-2177323 |
| 2. | Sheikh Hasina Cantt Branch | Sheikh Hasina Cantt, Bakergonj, Barishal | 0172-9069565 0172-9069564 |
| 3. | Payra Port Branch | 1 st Floor, Multipurpose Bhaban, Itbaria, Kolapara, Patuakhali | 0170-8813888 0172-9069569 |

MYMENSINGH DIVISION

| S/N | Branch Name | Address | Telephone/Mobile Number |
|-----|------------------------------|--|--|
| 1. | Mymensingh Cantonment Branch | 1 st Floor, Aklima Complex, Sankipara, Momenshahi Cantonment, Mymensingh. | 091-62371 Fax-09162371 |
| 2. | Shambhuganj Branch | 1 st Floor, Hazi Nurul Islam Tower, Sambuganj Main Road, Shambhuganj, Mymensingh. | 02-999203178 0171-3039178 0173-0328688 |

SME/KRISHI BRANCHES AND SERVICE CENTER

DHAKA DIVISION

| S/N | SME/Krishi Branch and Service Centre | Address | Telephone Number |
|-----|--------------------------------------|---|--|
| 1. | Mirer Bazar SME/Krishi Branch | 1 st Floor, Istiak Commercial Complex, Holding no. 52, Block -B, Mirer Bazar Road, Pubail, Gazipur | 02-9816765 0172-9069609 0175-5552686 Fax - 02-9816766 |
| 2. | Madhabdi SME/Krishi Branch | JM Tower, Holding No-258, Girls School Road Ward No-8, Madhabdi, Narsingdi | 02-224457223-4 02-22445722602 |
| 3. | Manikgonj SME/Krishi Branch | 1 st Floor, Anjoli Super Market, 75, Shaheed Rafique Sarak, Kali Bari, Manikgonj. | 02-996611061 02-996611058 02-996611067 Fax-02-7711067 |
| 4. | Dholaikhal SME Service center | 1 st Floor, 31/1, Lal Mohan Saha Street, Dholaikhal, Dhaka. | 02-223390841 0173-0323273 01730-323274 |

RAJSHAHI DIVISION

| | | | |
|----|---------------------------|---|--|
| 1. | Tamai SME/Krishi Branch | Protigga Banijjik Bhaban, Belkuchi, Sirajgonj. | 0173-0334646 0173-0795591 |
| 2. | Natore SME/ Krishi Branch | 1 st Floor, Shahara Plaza, Kanai Khali Natore Sadar, Natore. | 02-588873889 02-588873916 Fax-02-588873942 |

SUB-BRANCHES

DHAKA DIVISION

| S/N | Sub-Branch | Address | Telephone Number |
|-----|---------------------|--|------------------|
| 1. | Matikata Sub-Branch | Online Wasi Tower, Holding No: 572/Ka, Mirpur DOHS Road Ward No: 15 Dhaka Cantonment, Dhaka | 0130-9015697 |
| 2. | Rupnagar Sub ranch | Holding No.: 58 Road No.: 22 Ward No.:7 Dhaka North City Corporation Thana: Rupnagar Dist.: Dhaka-1216 | 0132-1141355 |

CHATTOGRAM DIVISION

| | | | |
|----|-----------------------|--|--------------|
| 1. | Ramu Sub-branch | Ramu Cantonment, Ramu | 0172-9037476 |
| 2. | Khulshi Sub-branch | Rubiya Heights, Road # 3, Zakir Hossain Road, Thana: Khulshi, District: Chattogram | 0130-9015696 |
| 3. | Chawkbazar Sub Branch | System Imperial Complex (1st Floor), Kapashgola Road, Chawkbazar, Chattogram | 01815636300 |

SYLHET DIVISION

| | | | |
|----|----------------------|--|--------------|
| 1. | Chondipul Sub-branch | Iqbal Tower Center (1 st Floor), Chondipul, Mouza: Boldi, Union: Boroikandi, Thana: South Surma, Sylhet | 0130-9015698 |
|----|----------------------|--|--------------|

KHULNA DIVISION

| | | | |
|---|-------------------|--|---------------|
| 1 | Khulna Sub-Branch | Mowla Tower (1st Floor) Holding No: 07, Islampur Road, Khulna City Corporation, Khulna. | 8801749324933 |
|---|-------------------|--|---------------|

RANGPUR DIVISION

| | | | |
|---|--------------------|---|-------------|
| 1 | Rangpur Sub-Branch | R A Plaza (1st Floor), Dewan Bari Road, Upazilla: Rangpur Sadar District: Rangpur | 01321141434 |
|---|--------------------|---|-------------|

PHOTO GALLERY



Photo GALLERY



Achievement of ISO Certificate for TBL



Annual Risk Conference - 2023



Anti Money Laundering Conference, Cox's Bazar



Celebration of winning of TBL Cricket Team



Cheque Handover to Rajuk Uttara Model College



Closing Ceremony of Trust Bank cup Golf Tournament - 2023 at Army golf Club

Photo GALLERY



Closing of Entrepreneurship Development Program by Bangladesh Bank



Inauguration Ceremony of relocated Uttara Corp. Branch



Inauguration of Rangpur Sub - Branch



Inauguration of relocated Dhanmondi Corp. Branch



Inauguration of Sheikh Russel Cantonment Branch



Opening Ceremony of Trust Bank cup Golf Tournament - 2023 at Army golf Club

Photo GALLERY



Opening of Entrepreneurship Development Program of Bangladesh Bank



Signing Ceremony between TBL & Air Astra



Signing Ceremony of Participation Agreement for Green Transformation fund



Signing Ceremony with Sailors

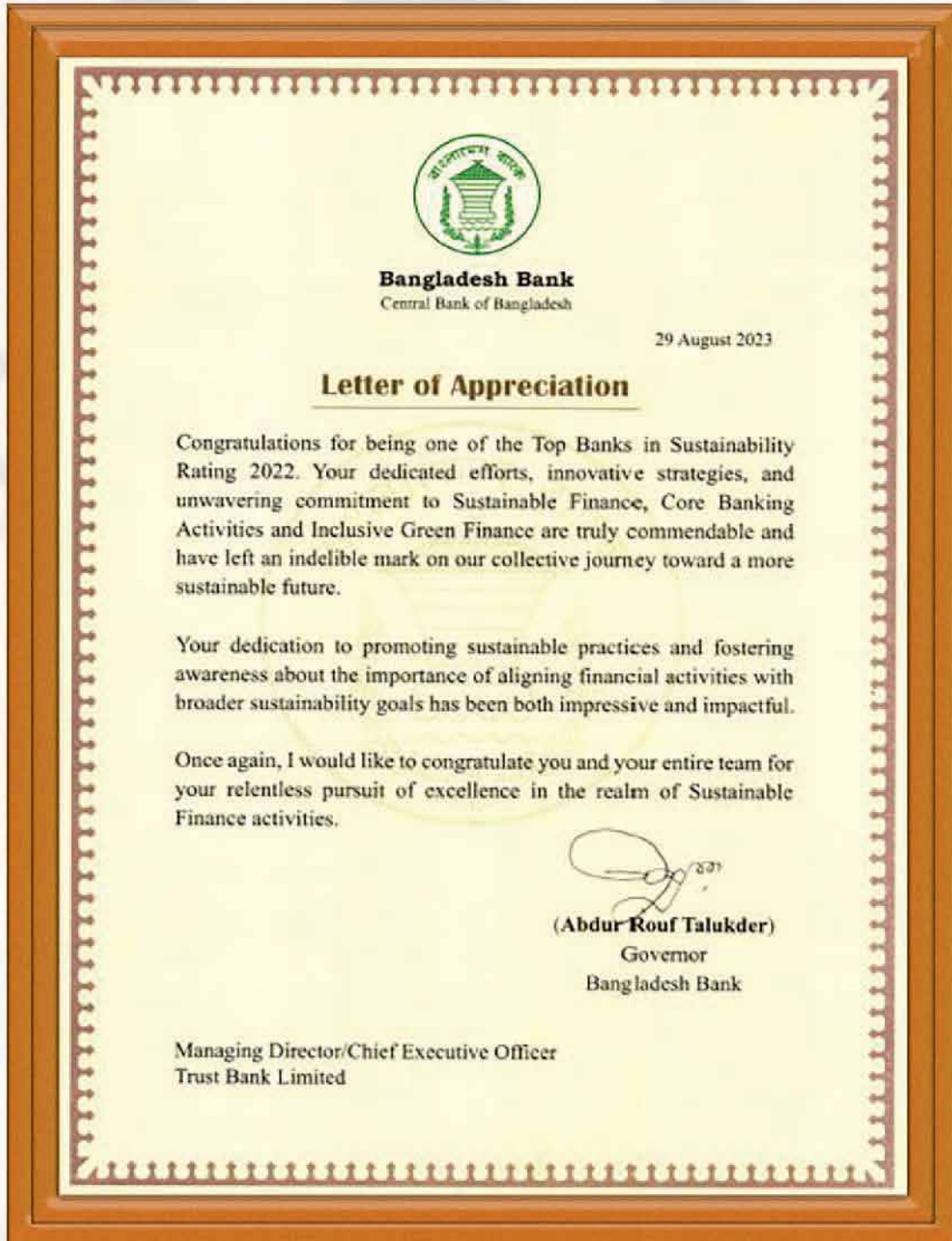


Agreement Signing with Bangladesh Bank to participate in EFDF Fund



Sustainable Finance Award from Bangladesh Bank

Photo GALLERY



Letter of Appreciation Awarded by Bangladesh Bank



Head Office & Registered Office:
Shadhinata Tower, Bir Srestha Shaheed Jahangir Gate
Dhaka Cantonment, Dhaka-1206, Bangladesh.

Notice of the 25th Annual General Meeting (AGM)

Notice is hereby given that the 25th Annual General Meeting (AGM) of Trust Bank Limited will be held on **Tuesday, 16 July 2024 at 11.00 a.m. through Digital Platform** to transact the following businesses:

A. Ordinary Business (Agenda):

- To receive, consider and adopt the Audited Financial Statements for the year ended on 31 December 2023 together with the Directors' Report and the Auditors' Report thereon.
- To declare Dividend for the year ended on 31 December 2023.
- To elect/re-elect/approve the appointment of Directors (including Independent Director).
- To appoint Statutory Auditors and fix their remuneration for the financial year 2024.
- To appoint Professionals for issuance of certificate on compliance of Corporate Governance Code and fix their remuneration for the financial year 2024.

B. Special Business (Agenda):

To transact the following business and if deemed fit, to adopt the following resolution as Special Resolution:

- To change the registered name of the Bank from 'Trust Bank Limited' to 'Trust Bank PLC.'**

RESOLVED THAT, "the change of registered name of the Bank from 'Trust Bank Limited' to 'Trust Bank PLC.' in accordance with the Companies Act-1994 (Amendment up to 2020) and subsequent amendment of relevant clauses of the Memorandum of Association (MoA) and Articles of Association (AoA) of the Bank be and is hereby approved subject to approval from the regulatory authorities."

- To increase the Authorized Share Capital of the Bank.**

RESOLVED THAT, "The increase of Authorized Share Capital of the Bank to Tk. 2500,00,00,000 (Taka Two thousand five hundred crore) from Tk. 1000,00,00,000 (Taka One Thousand Crore) as well as the amendment of **clause VI of Memorandum of Association** and the **clause 4 of the Articles of Association** as 'Proposed' below be and is hereby approved subject to approval from the regulatory authorities."

i. Proposed amendment to the Memorandum of Association (MoA):

| Clause No. | Existing | Proposed |
|------------|--|---|
| Clause-VI | 'The Authorized Share Capital of the Company is Tk. 1000,00,00,000.00 (Taka one thousand crore) only divided into 100,00,00,000 ordinary shares of Tk. 10.00 (Taka ten) each, with rights, privileges and conditions attached thereto as are provided by the Articles of Associations of the Company for the time being with power to increase and reduce the capital of the Company and divide the shares in the Company for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special right, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.' | 'The Authorized Share Capital of the Company is Tk. 2500,00,00,000.00 (Taka Two thousand five hundred crore) only divided into 250,00,00,000 ordinary shares of Tk. 10.00 (Taka ten) each , with rights, privileges and conditions attached thereto as are provided by the Articles of Associations of the Company for the time being with power to increase and reduce the capital of the Company and divide the shares in the Company for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special right, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.' |

ii. Proposed amendment to the Articles of Association(AoA):

| Clause No. | Existing | Proposed |
|------------|--|---|
| Clause-4 | 'The Authorized Share Capital of the Company shall compromise ordinary shares of Tk. 1000,00,00,000.00 (Taka One thousand crore) divided into 100,00,00,000 ordinary shares of Tk. 10.00 (Taka ten) each.' | 'The Authorized Share Capital of the Company shall compromise ordinary shares of Tk. 2500,00,00,000.00 (Taka Two thousand five hundred crore) divided into 250,00,00,000 ordinary shares of Tk. 10.00 (Taka ten) each .' |

3. To amend the clause 64, 96, 101 & 117 of the Articles of Association (AoA) of the Bank.

RESOLVED THAT, “The amendment of the clause 64, 96, 101 & 117 of the Articles of Association of the Bank as ‘Proposed’ below be and are hereby approved subject to approval from the regulatory authorities”

i. Proposed amendment to the Articles of Association (AoA):

| Clause No. | Existing | Proposed |
|-------------------|---|--|
| Clause-64 | General Meeting either Ordinary or Extra Ordinary, shall be called with at least 14 (fourteen) days’ Notice (other than a Meeting for the passing of a Special Resolution) and by whomsoever called specifying the Date, Hour and Place of the Meeting and in case it is proposed to pass an Extra Ordinary Resolution, the intention to propose such resolution as an Extra-Ordinary Resolution shall be given to the persons entitled under and in the manner provided by these presents. | General Meeting either Ordinary or Extra Ordinary shall be conducted either in members’ physical presence or virtual presence though Digital Platform or Hybrid System or any other mode of meeting as set by the regulators from time to time), and shall be called with at least 21 (Twenty-one) days’ Notice (other than a Meeting for the passing of a Special Resolution) and by whomsoever called specifying the Date, Hour and Place of the Meeting and in case it is proposed to pass an Extra Ordinary Resolution, the intention to propose such resolution as an Extra-Ordinary Resolution shall be given to the persons entitled under and in the manner provided by these presents. |
| Clause-96 | Unless otherwise determined by the Company in the General Meeting, the number of Directors shall be not less than 5 (five) and not more than 11 (eleven) excluding the Managing Director. | Unless otherwise determined by the Company in the General Meeting, the number of Directors shall be not less than 5 (five) and not more than 20 (Twenty) excluding the Managing Director; or any number as determined by the regulators from time to time. |
| Clause-101 | The Remuneration of the Directors shall be Taka 1,000.00 for each meeting of the Board of Directors/Committee attended by them, which may be changed by the Board of Directors from time to time. | The Remuneration of the Directors for each meeting of the Board of Directors/Committee attended by them shall be as per guidelines of the Regulators issued from time to time. However, the Board of Directors may redefine such Remuneration within the limit set by the regulators. |
| Clause-117 | The Directors may meet together for transaction of any business, adjourn and otherwise regulate their meetings and proceedings as they may think fit. All meetings of Directors shall be presided over by the Chairman, and in his absence or if at any meeting the Vice Chairman is not present, then and in that case only, the Directors shall elect another Director as Chairman of the meeting. | The Directors may meet together (either in physical presence or virtual presence though Digital Platform or Hybrid System or any other mode of meeting as set by the regulators from time to time) for transaction of any business, adjourn and otherwise regulate their meetings and proceedings as they may think fit. All meetings of Directors shall be presided over by the Chairman, and in his absence or if at any meeting the Vice Chairman is not present, then and in that case only, the Directors shall elect another Director as Chairman of the meeting. |

Dated: Dhaka
23 June 2024

By order of the Board of Directors
Sd/-

Md. Mizanur Rahman, FCS
Company Secretary

Notes:

- The Record Date of AGM was 29 May 2024. The members’ whose names appeared in the Register of Members of the Bank on Record Date are entitled to Dividend and eligible to attend the Meeting.
- The 25th AGM of the Bank would be conducted through Digital Platform.
- Detail Login process will be available in the Bank’s website (i.e. www.tblbd.com) and the link will be sent to the respective members’ email address available in the beneficiary owner (BO) accounts. Shareholders are requested to visit the website for accessing the virtual Meeting.
- Any Member of the Bank entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote on his/her behalf. The Proxy Form, duly signed by the Member and stamped with Revenue Stamp, must be submitted at the Share Department of the Bank at any time but not less than 72 hours before the time fixed for the Meeting.
- In compliance with Bangladesh Securities and Exchange Commission’s notification no. BSEC/CMRRCD/2006-158/2018/ Admin/81, dated 20 June 2018, the soft copy of Annual Report will be sent to the e-mail address of the shareholders available in the BO accounts. The Annual Report along with the Proxy Form can also be collected, if so required, from the Share Department or can be downloaded from the website of the Bank: www.tblbd.com.
- The Dividend will be disbursed to the entitled Shareholders bank account (through BEFTN). Depository Participants (DP)/Stock Brokers are requested to send the list of Margin Account Holders specifying the category (individual, corporate, NRB etc.) based on the Record Date, if any, within 04 July 2024.

**INSTANT
ACCOUNT OPENING**
ANYTIME, ANYWHERE



*For details please call 16201 or visit www.tblbd.com

www.tblbd.com

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