

Half Yearly Financial Statements 2021 (un-audited)

Consolidated Balance Sheet (Un-Audited)

As at June 30, 2021

PROPERTY AND ASSETS	30-06-2021 Taka	31-12-2020 Taka
Cash in hand	2,601,274,727	2,898,207,542
Cash in hand (including foreign currencies)	18,768,597,418	28,660,902,877
Balance with Bangladesh Bank and its Agents Banks (including foreign currencies)	21,369,872,145	31,559,110,419
Balance with other Banks and Financial Institutions		
In Bangladesh	7,011,102,896	8,288,025,631
Outside Bangladesh	20,255,542,128	8,273,812,895
Placement with Banks & Other Financial Institutions	27,266,645,025	16,561,838,527
Investment in Share & Securities	11,640,000,000	14,270,010,000
Government	25,631,294,183	21,563,673,525
Others	22,242,060,000	19,583,830,000
Investments	3,389,234,183	1,979,843,525
General Investments etc.	305,927,011,014	296,717,853,936
Bills purchased and discounted	11,029,866,840	11,902,810,514
Fixed assets less Accumulated Depreciation	316,956,877,854	308,620,664,450
Other Assets	5,918,538,031	5,833,880,252
Other Assets	21,434,735,859	19,838,600,217
Non-Banking Assets	50,875,037	5,087,537
Total Assets	430,268,838,137	418,298,652,427
LIABILITIES AND CAPITAL		
Liabilities		
Placement from Banks & Other Financial Institutions	30,277,278,336	24,000,477,831
Deposits and other Accounts	59,192,482,331	54,879,126,373
Mudaraba Savings Deposits	159,937,864,556	164,009,495,781
Mudaraba Term Deposits	67,405,680,249	66,743,970,036
Other Mudaraba Deposits	39,780,604,410	37,331,437,580
Al-wadeeah Current Accounts and Other Accounts etc.	4,227,122,386	3,059,381,492
Bills Payable	330,543,753,932	326,023,411,262
Other Liabilities	32,956,766,713	31,485,714,462
Deferred tax Liabilities/(Assets)	177,525,084	133,204,157
AIBL Mudaraba Subordinated Bond	11,200,000,000	11,200,000,000
Total Liabilities	405,155,324,064	392,842,807,715
Capital/Share holders Equity		
Paid-up Capital	10,649,021,850	10,649,021,850
Statutory Reserve	10,649,021,850	10,334,627,824
Revaluation Reserve	1,084,344,908	1,084,326,967
Retained Earnings	1,056,795,241	1,732,137,218
Total Equity attributable to equity holders of the bank	23,439,183,849	23,800,113,859
Non-Controlling Interest	1,674,330,223	1,655,730,853
Total Equity	25,113,514,072	25,455,844,712
Total Liability and Share holders equity	430,268,838,137	418,298,652,427
Net assets value per share (NAV)	22.01	22.35

OFF-BALANCE SHEET ITEMS	30-06-2021 Taka	31-12-2020 Taka
Contingent Liabilities		
Acceptance and endorsement	36,602,168,728	54,176,670,210
Letters of Guarantee	12,299,553,375	10,511,211,685
Letters of Credit	52,055,041,487	28,867,356,800
Bills for Collection	6,459,526,348	4,386,736,198
Other Contingent Liabilities	-	-
Total	107,416,289,939	97,941,974,893
Other Commitments :		
Documentary Credits and other short term trade related transactions	-	-
Forward Assets Purchased and forward Deposit placed	-	-
Undraw note issuance and Revolving underwriting Facilities	-	-
Undraw Formal standing Facilities, Credit lines and others commitments	-	-
Total Off Balance sheet items including Contingent liabilities	107,416,289,939	97,941,974,893

Chief Financial Officer: [Signature] Company Secretary: [Signature] Managing Director: [Signature] Director: [Signature] Chairman: [Signature]

Consolidated Profit or Loss Account (Un-Audited)

For the Period ended June 30, 2021

	01-01-2021 to 30-06-2021 Taka	01-01-2020 to 30-06-2020 Taka	01-04-2021 to 30-06-2021 Taka	01-04-2020 to 30-06-2020 Taka
Investment Income	11,157,917,116	14,029,774,615	5,717,679,570	6,536,358,573
Profit paid on deposits & Borrowing	(6,513,641,072)	(8,958,432,374)	(3,113,952,572)	(4,082,520,199)
Net Investment Income	4,644,276,044	5,071,342,241	2,603,726,998	2,453,838,374
Income from Investment in Shares/Securities	157,660,392	317,286,280	121,813,704	306,783,299
Commission, Exchange and Brokerage	1,526,578,933	1,278,394,669	825,900,460	540,054,001
Other Operating Income	201,330,556	150,439,097	150,227,916	102,787,242
Total operating income	1,885,569,881	1,746,120,046	1,097,942,080	949,624,542
Salaries and allowances & contribution to P.F	2,044,567,280	2,571,088,426	1,029,200,970	1,454,702,399
Directors' fees & expenses	2,842,873	3,836,494	1,076,226	6,65,616
Shariah Supervisory Committee's fees & expenses	49,210	117,906	-	(7,42,108)
Rent, taxes, insurance and lighting etc.	404,153,091	366,055,439	211,740,444	183,967,763
Postage, telegram, telephone and stamp etc.	43,304,448	39,715,614	19,423,879	15,157,329
Legal charges	6,863,010	7,587,273	2,253,558	2,054,820
Auditors' fee	135,000	69,000	110,000	69,000
Salary & Allowances to the Managing Director	10,488,000	10,144,000	5,328,000	4,880,000
Depreciation and repairs to the bank's properties	355,360,011	312,938,803	179,939,804	145,683,093
Stationery, printing & advertisement etc.	84,785,949	113,050,108	41,325,708	32,761,212
Other expenses	429,180,446	352,747,647	276,999,676	186,048,548
Total operating expenses	3,381,729,317	3,777,350,710	1,767,398,265	2,025,247,672
Profit/(Loss) before Tax & provision	3,148,111,608	3,040,111,578	1,934,270,813	1,378,215,243
Provision against Investments & Contingent Liabilities	787,039,564	985,734,475	285,322,556	511,996,475
Provision for diminution in value of investment	12,335,922	19,202,191	(16,057,054)	100,627
Other Provision	-	-	-	-
Total provision	799,375,486	1,004,936,665	269,265,501	512,097,102
Profit/(Loss) before Tax	2,348,741,122	2,035,174,913	1,665,005,312	866,118,142
Current tax	1,049,415,501	1,140,639,240	737,095,722	559,769,319
Deferred tax	4,320,326	(5,216,765)	(50,645,839)	(55,203,166)
Provision for Taxation	1,093,736,427	1,135,422,475	686,450,183	504,566,153
Net Profit/(Loss) after tax	1,255,004,696	899,752,438	978,555,129	361,551,989
Equity attributable to:				
Equity holders of the bank	123,640,537	899,510,499	962,874,032	361,540,369
Non-controlling Interest	18,599,369	241,399	15,681,097	11,620
Profit for the year	1,255,004,696	899,752,438	978,555,129	361,551,989
Appropriation	-	-	-	-
Statutory Reserve	314,394,026	406,637,824	179,889,058	173,216,861
Non-Controlling Interest	18,599,369	241,399	15,681,097	11,620
Transfer to Retained Earnings	332,993,395	406,879,763	195,570,155	173,228,481
Earning per Ordinary Share	922,011,301	492,872,675	782,984,974	188,323,508
	1.16	0.84	0.90	0.34

Chief Financial Officer: [Signature] Company Secretary: [Signature] Managing Director: [Signature] Director: [Signature] Chairman: [Signature]

Consolidated Cash Flow Statement (Un-Audited)

For the Period ended June 30, 2021

	30-06-2021 Taka	30-06-2020 Taka
Cash flows from operating activities		
Investment income receipt in Cash	11,606,493,450	14,626,287,426
Profit paid on deposits and borrowing	(7,247,403,252)	(8,745,017,589)
Dividend received	28,233,994	8,761,766
Fees & Commission received in cash	1,526,578,933	1,278,394,669
Recoveries from written off investments	17,260,436	11,953,527
Cash payments to employees	(2,055,055,280)	(2,581,232,426)
Cash payments to suppliers	(84,785,949)	(113,050,108)
Received from other operating activities (item-wise)	201,330,556	150,439,097
Paid for other operating activities (item-wise)	(950,870,383)	(811,617,324)
Advance income tax paid	(1,059,029,294)	(1,666,596,324)
Operating profit before changes in operating assets and liabilities	1,982,753,212	2,158,322,715
Changes in Operating assets & liabilities		
Increase/(Decrease) of trading securities	(1,409,390,658)	97,859,614
Increase/(Decrease) of placement to other banks	2,630,010,000	981,800,000
Increase/(Decrease) of Investment and advances to customers (other than Banks)	(7,796,669,978)	(11,004,047,916)
Increase/(Decrease) of other assets (item-wise)	(853,516,718)	(210,904,594)
Increase/(Decrease) of placement from other banks and financial institution	6,276,800,505	10,097,560,760
Increase/(Decrease) of Deposits from customers (other than Banks)	5,254,104,850	(89,210,522)
Increase/(Decrease) of Other liabilities account of customers	-	-
Increase/(Decrease) of Trading liabilities (item-wise)	(918,796,456)	316,061,391
Cash receipt from operating activities	3,192,283,936	1,979,922,092
A. Net Cash from operating activities	5,165,294,757	2,347,441,449
Cash flows from investing activities:		
Proceeds from sale of securities	-	-
Payments for purchases of securities	-	-
Purchase of property, plant and equipment	(375,675,485)	(367,516,236)
Sales proceeds of Fixed assets	-	-
Purchase-sale of subsidiary	-	-
B. Net cash flows from investing activities	(375,675,485)	(367,516,236)
Cash flows from financing activities		
Increase in Exchange Equalization Account	17,942	(3,121)
Issue of AIBL Subordinate Bond	-	-
Dividend paid	(1,597,353,277)	-
C. Net cash flows from financing activities	(1,597,353,336)	(3,121)
D. Net increase in cash and cash equivalent (A+B+C)	3,192,283,936	1,979,922,092
E. Effects of exchange rate changes on cash and cash-equivalents		
F. Net increase in cash and cash equivalent D+E	3,192,283,936	1,979,922,092
G. Cash & Cash Equivalents at the beginning of the year	67,868,293,234	56,862,300,908
H. Cash & Cash Equivalents period ended	70,878,577,169	58,842,223,000
Net Operating Cash Flow per Share (NOCFPS)	4.85	2.20

Chief Financial Officer: [Signature] Company Secretary: [Signature] Managing Director: [Signature] Director: [Signature] Chairman: [Signature]

Consolidated Statement of Changes in Equity (Un-Audited) For the Period ended June 30, 2021

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Revaluation Reserve	Total	Non-Controlling Interest	Total Equity
Balance at 1st January, 2021	10,649,021,850	10,334,627,824	1,732,137,218	1,084,326,967	23,800,113,859	1,655,730,853	25,455,844,712
Changes in accounting policy	-	-	-	-	-	-	-
offload share	-	-	-	-	-	-	-
Restated Adjustment	-	-	-	-	-	-	-
Restated balance	10,649,021,850	10,334,627,824	1,732,137,218	1,084,326,967	23,800,113,859	1,655,730,853	25,455,844,712
Deferred tax Adjustment	-	-	-	-	-	-	-
Surplus/deficit on account of revaluation of investments	-	-	-	-	-	-	-
Currency translation differences recognized in the income	-	-	-	17,942	17,942	-	17,942
Share premium	-	-	-	-	-	-	-
Net profit for the year	-	-	1,236,405,327	-	1,236,405,327	18,599,369	1,255,004,696
Cash Dividend	-	-	(1,597,353,277)	-	(1,597,353,277)	-	(1,597,353,277)
Bonus Share	-	-	-	-	-	-	-
Asset revaluation Reserve	-	-	-	-	-	-	-
Gain on pre acquisition of subsidiary	-	-	-	-	-	-	-
Revaluation of subsidiary	-	-	-	-	-	-	-
Transfer to 1% Start-Up fund	-	-	-	-	-	-	-
Appropriations during the year	-	3,14,394,026	(3,14,394,026)	-	-	-	-
Balance as at June 30, 2021	10,649,021,850	10,649,021,850	1,056,795,241	1,084,344,908	23,439,183,849	1,674,330,223	25,113,514,072
Balance as at June 30, 2020	10,649,021,850	9,786,626,962	2,024,292,735	9,38,615,799	23,398,557,346	1,649,402,625	25,047,959,971

Chief Financial Officer: [Signature] Company Secretary: [Signature] Managing Director: [Signature] Director: [Signature] Chairman: [Signature]

Notes to the Financial Statements For the Period ended June 30, 2021

1. The Bank and its activities
Al-Arafah Islami Bank Limited was established in 1995 under the Companies Act, 1994 as a Banking Company with Limited Liability by shares. It is an interest free Shariah Bank of Bangladesh rendering all types of commercial banking services under the regulation of Bank Companies Act, 1991 (as amended 2013). The Bank conducts its business on the principles of Musharaka, Bai-Murabah, Bai-Muazzal and Hire Purchase transactions approved by Bangladesh Bank. Naturally, its modes and operations are substantially different from those of other conventional commercial banks. There is a Shariah Supervisory Committee in the bank who maintains constant vigilance to ensure that the activities of the bank are being conducted on the precepts of Islam. The Shariah Supervisory Committee consists of prominent Ulama, reputed Bankers. The bank went for public issue of share in the year 1998 and its share are listed with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE). Presently the bank has 191 Branches and 2 (two) Subsidiary Companies.

The principal activities of the Bank are to provide a comprehensive range of financial services including commercial banking, consumer banking, trade finance and other related custody and clearing services to the customers following the provisions of Bank Companies Act, 1991 (as amended), Bangladesh Bank's directives and the principles of Islamic Shariah.

2. Subsidiaries of the Bank
Al-Arafah Islami Bank Ltd has three subsidiary companies. The financial statements of these subsidiary companies are included in the consolidated financial statements according to BFRS-10.

2.1 AIBL Capital Market Services Limited
Al-Arafah Islami Bank Ltd. owned 60.50% shares of AIBL Capital Market Services Ltd. a subsidiary company of Al-Arafah Islami Bank Limited, AIBL Capital Market Services Ltd. incorporated in Bangladesh on 20 September 2010 as a Public Limited Company. The principal activities of subsidiary company is to provide quality services to the prospective institutional and individual investors in the capital market The main activities and functions of the company include:
I. Share trading in Dhaka Stock Market and Chittagong Stock Market.
II. Provide Margin