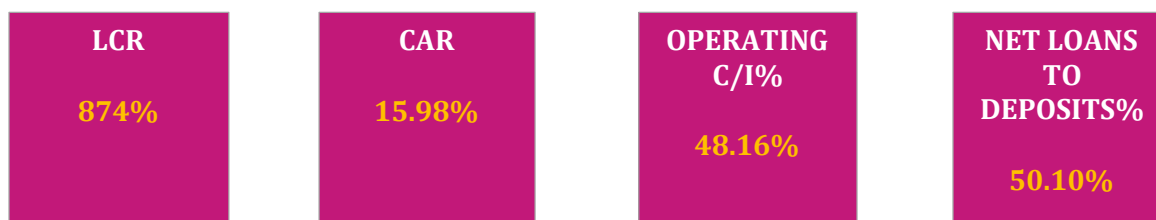


**For Immediate Release**  
**Bank of Palestine Group**  
**August 21<sup>st</sup>, 2025**

## **SECOND QUARTER/HALF YEAR 2025 RESULTS AND KEY METRICS**



**TOTAL REVENUE (GROSS PROFIT) OF \$186.5 MILLION**  
**PROFIT BEFORE COST OF RISK AND TAX \$96.7 MILLION**  
**NET PROFIT \$29.6 MILLION**

### **Key Messages & Highlights**

- Total Revenues increased by 8.2% from USD 172.4 million for H1 2024 to USD 186.5 million for H1 2025.
- Profit before cost of risk and tax increased by 9.4% from USD 88.4 million for H1 2024 to USD 96.7 million for H1 2025.
- Profitability increased by 2004.8% from USD 1.4 million for H1 2024 to USD 29.6 million for H1 2025.
- Bank of Palestine Group's market share reached 39.84% and 35.60% in customer deposits and credit facilities, respectively.
- The Bank has an acceptable capital adequacy ratio of 15.98% in H1 2025 which is indicative of the robustness of the bank's financial position.
- The Bank has a strong deposit franchise and solid liquidity buffers. Our customer deposits increased from USD 6.99 billion at the end of 2024 to reach USD 8.35 billion at the end of the second quarter 2025 resulting in 19.4% growth. This increase continued even during these uncertain times of the war, which shows a high level of confidence and trust from our clients.
- Total Assets increased by 20.1% from USD 8.36 billion at the end of 2024 to USD 10.04 billion at the end of the second quarter 2025.
- Net loans increased by 8.8% from USD 3.84 billion at the end of 2024 to USD 4.18 billion at the end of the second quarter 2025.
- Enhanced collection and follow-up processes which led to having better NPL management.
- Total shareholders' equity increased by 6.6% from USD 573.6 million at the end of 2024 to USD 611.6 million at the end of the second quarter 2025.

**Ramallah, Palestine August 17<sup>th</sup> 2025** - Bank of Palestine Group (BoP) announced its financial results reporting revenues of USD 186.5 million compared to revenues of USD 172.4 million for the six - month period ended June 30, 2024. Profitability for the first half of 2025 increased to USD 29.56 million compared to net profit of USD 1.40 million of same period last year. Total assets increased by 20.1% from USD 8.36 billion at the end of 2024 to USD 10.04 billion at the end of the first half 2025. The Bank's total shareholders' equity increased by 6.6% from USD 574 million at the end of 2024 to USD 612 million at the end of the first half 2025.

### **Other Messages**

- The bank achieved growth in operating income, assets and deposits despite the economic challenges imposed by the war on the Gaza.
- The bank's H1 2025 financial results showed a return to profitability after a year of operating challenges caused by the war on Gaza. Extra credit impairment provisions and cash losses in the previous financial year had put a strain on financial results.
- Despite these challenges the bank was able to record robust organic growth driven by enhanced operational revenue. These results on the path of financial recovery shall place the bank in a good position to actively be involved in economic recovery and reconstruction post the war in Gaza.
- As a subsequent event to the H1 2025 financial results, the bank raised additional capital in Aug 2025 through a special issuance of shares by which Proparco further increased its equity stake in BOP by investing \$ 10.8 million reaching 5.53% in ownership – becoming one of the largest institutional investors. Both IFC and EBRD participated in the special issuance of shares to maintain their current ownership percentage.
- The bank continues to focus on its regional expansion strategy; which is expected to open new investment opportunities and diversify income sources. The bank secured a license from Egypt Central Bank and opened a Representative Office in Cairo. Another important milestone is underway with the ongoing application for a Category 1 license at the Abu Dhabi Global Market (ADGM) in the UAE. This expansion shall provide the bank with a regional launch pad to attract business from the global Palestinian community.
- The bank has provided multiple digital solutions and channels to all customer segments across all geographic areas; which have reduced reliance on traditional payment methods, especially when most needed during these challenging times.

- BOP was recognized by Euromoney Awards for Excellence 2025 with two awards: Best Bank in Palestine and Best Bank in Corporate Social Responsibility in Palestine.

## **Chairman and CEO Commentary**

### **Mr. Hashim Shawa, Bank of Palestine Group Chairman's statement:**

*"Our strong operational performance reflects the loyalty of our customers because of our attention to community and the real economy coupled with strong financial position and fundamentals. We are particularly grateful for the significant capital injection from the three DFIs- where Proparco further increased its equity stake by \$ 10.8 million to reach 5.53% while IFC and EBRD participated in this special issuance of shares to maintain their ownership percentage at BOP. This additional strategic investment underscores their confidence in our long-term prospects and strategy. This capital increase will allow us to continue supporting our clients and all stakeholders while diversifying our income and maintaining our commitment to sustainable growth at home and abroad through regional expansion in Egypt and the UAE."*

### **Mr. Mahmoud Shawa, Bank of Palestine CEO's statement:**

*"Bank of Palestine demonstrated operational resilience and efficiency throughout a tough and unprecedented period. Our H1 2025 results show a strong rebound from the losses we experienced last year as a result of the provisions we made in 2024 in response to the cash losses, and we are now seeing the benefits of those proactive measures including our responsiveness in crisis management. In 2025, we will continue our prudent management policy of provisioning to guard against uncertainty. The overall organic growth in our key performance indicators such as the operational revenues, deposits, and total assets while maintaining a high capital adequacy ratio enhance the confidence in the bank. We will continue with our digital transformation strategy to better serve our clients and achieve high efficiency levels".*

**Bank of Palestine**  
**Consolidated Statement of Financial Position**  
As of June 30, 2025

	<b>30/06/2025</b>	<b>31/12/2024</b>
	<b>USD</b>	<b>USD</b>
<b>Assets</b>		
Cash and balances with Palestine Monetary Authority	3,209,685,631	2,236,071,862
Balances and investments at banks and financial institutions	1,685,808,238	1,719,713,863
Financial assets at fair value through profit or loss	6,107,923	5,445,800
Direct credit facilities and Islamic financing	4,181,292,470	3,842,640,449
Financial assets at fair value through other comprehensive income	81,520,765	63,636,115
Financial assets at amortized cost	555,675,385	195,345,429
Investment in associates and a joint venture	11,640,859	12,011,817
Investment properties	40,676,948	40,676,948
Property, plant and equipment and right of use assets	118,083,127	119,181,208
Deferred Taxes - Assets	68,078,900	52,098,683
Projects in progress	1,515,598	1,352,535
Intangible assets	14,262,306	14,388,305
Other assets	68,659,257	57,510,684
<b>Total Assets</b>	<b>10,043,007,407</b>	<b>8,360,073,698</b>
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
Palestine Monetary Authority's deposits	446,998,311	241,791,321
Banks and financial institutions' deposits	59,728,089	111,077,678
Customers' deposits	8,023,691,875	6,714,389,212
Cash margins	322,411,913	275,219,509
Subordinated loan	52,500,000	60,000,000
Loans and borrowings	102,355,078	104,927,195
Istidama loans from Palestine Monetary Authority	48,854,427	48,446,863
Deferred Taxes - Liabilities	4,135,563	4,135,563
Lease liabilities	18,741,567	19,193,970
Sundry provisions	62,186,948	59,702,555
Taxes provisions	19,882,459	-
Other liabilities	269,878,101	147,587,439
<b>Total Liabilities</b>	<b>9,431,364,331</b>	<b>7,786,471,305</b>
<b>Equity</b>		
Paid-in share capital	260,943,026	260,559,617
Additional paid-in capital	44,938,948	44,743,409
perpetual loans	30,000,000	30,000,000
Statutory reserve	69,285,414	69,285,414
Voluntarily reserve	246,361	246,361
General banking risks reserve	8,374,676	8,374,676
Pro-cyclicality reserve	40,000,000	40,000,000
Fair value reserve	6,897,416	(2,214,932)
Retained earnings	81,080,710	55,584,071
<b>Equity attributable to the Bank's shareholders</b>	<b>541,766,551</b>	<b>506,578,616</b>
Non-controlling interests	69,876,525	67,023,777
<b>Total Equity</b>	<b>611,643,076</b>	<b>573,602,393</b>
<b>Total Liabilities and Equity</b>	<b>10,043,007,407</b>	<b>8,360,073,698</b>

**Bank of Palestine**  
**Consolidated Income Statement**  
For the Period ended June 30, 2025

	6/30/2025	6/30/2024
	USD	USD
Interest income	136,986,387	127,281,260
Interest expense	(24,996,457)	(21,466,617)
<b>Net interest income</b>	<b>111,989,930</b>	<b>105,814,643</b>
Net financing and investment income	30,780,459	29,679,391
Net commissions	12,342,877	15,372,670
<b>Net interest, financing, investment and commissions income</b>	<b>155,113,266</b>	<b>150,866,704</b>
Foreign currencies gains	22,800,781	14,360,142
Net gains from financial assets portfolio	2,579,450	2,494,354
Bank's share of results of associates and a joint venture	(55,215)	(72,832)
Other revenues, net	6,046,398	4,717,965
<b>Gross profit before expected credit losses provisions and other losses</b>	<b>186,484,680</b>	<b>172,366,333</b>
Provision for expected credit losses on direct credit facilities and Islamic financing, net	(58,915,731)	(36,681,643)
Provisions for other expected credit losses and other asset losses, net	(485,458)	(51,615,409)
<b>Gross profit</b>	<b>127,083,491</b>	<b>84,069,281</b>
<b>Expenses</b>		
Personnel expenses	(43,958,547)	(44,285,553)
Other operating expenses	(37,436,409)	(30,780,017)
Depreciation and amortization	(8,424,219)	(8,924,077)
<b>Total expenses</b>	<b>(89,819,175)</b>	<b>(83,989,647)</b>
<b>Profit (loss) before taxes</b>	<b>37,264,316</b>	<b>79,634</b>
Taxes (expense) benefits	(7,703,153)	1,324,835
<b>Profit (loss) for the period</b>	<b>29,561,163</b>	<b>1,404,469</b>
<b>Attributable to:</b>		
Equity holders of the Bank	27,246,662	1,039,259
Non-controlling interests	2,314,501	365,210
	29,561,163	1,404,469
<b>Basic and diluted earnings (loss) per share attributable to equity holders of the Bank</b>	<b>0.098</b>	<b>(0.004)</b>

For the full set of financial statements, please visit our [website](#). For more information, please contact:

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*Date: August 21<sup>st</sup>, 2025*