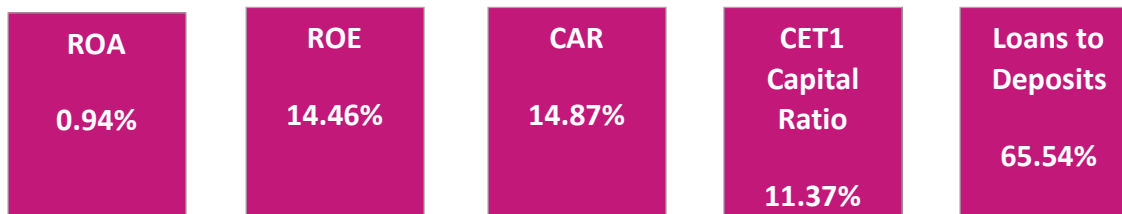


For Immediate Release
Bank of Palestine Group
August 15, 2021

HALF YEAR 2021 PRELIMINARY RESULTS AND KEY METRICS



GROSS PROFIT OF \$127.4 MILLION

NET PROFIT OF \$28.9 MILLION

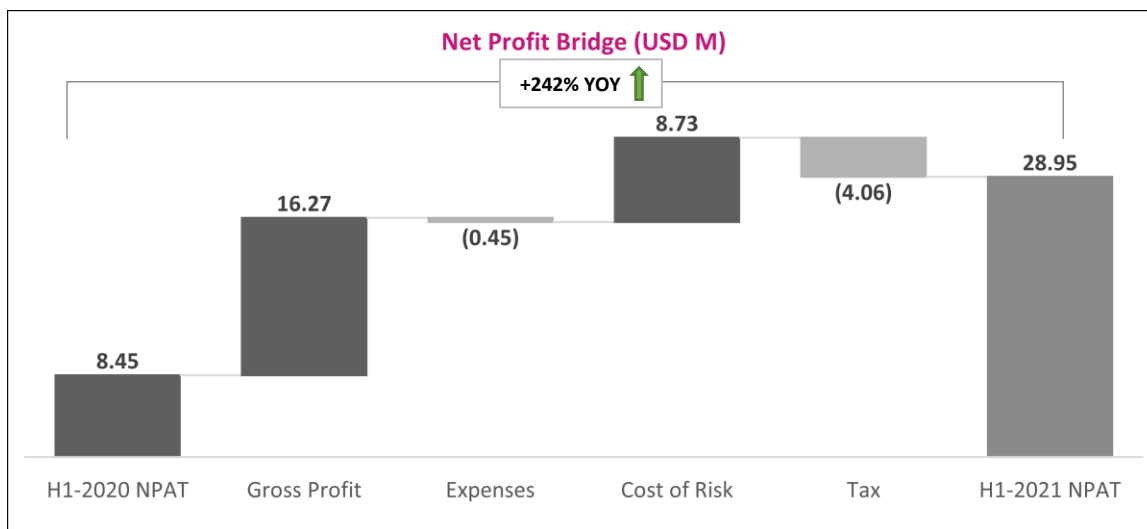
EARNINGS PER SHARE OF \$0.12

Key Messages & Highlights

- Revenues increased by 16.8% from USD 109.2 million in H1 2020 to USD 127.4 million in H1 2021.
- Interest income increased as a result of growth in the Bank's credit portfolio despite the global decrease in interest rates.
- Absence of tourism also contributed to lower income from cards' fees and increased economic activity.
- Profit before tax increased by 135.1% from USD 18.2 million in H1 2020 to USD 42.7 million in H1 2021.
- There was a significant gain in foreign exchange due to competitive offerings by the Bank.
- Furthermore, improved gains were realized from investment portfolio due to better dividends payout and the recovery of stock exchanges in the region.
- Better control of operating expenses and enhanced collection also contributed to higher profits.
- Enhanced collection and follow-up in addition to better NPL management also resulted in improved cost of risk.
- Net profit increased by 242.4% from USD 8.5 million in H1 2020 compared to USD 28.9 million in H1 2021.
- Total assets increased by 5.9% from USD 5.8 billion at the end of 2020 to USD 6.2 billion in H1 2021.

- Net Loans increased by 2.3% from USD 3.27 billion at the end of 2020 to USD 3.34 billion in H1 2021.
- Customer deposits increased by 5.5% from USD 4.8 billion at the end of 2020 to USD 5.1 billion in H1 2021.
- Total shareholders' equity increased by 1.0% from USD 433.5 million at the end of 2020 to USD 456.6 million in H1 2021.

Ramallah, Palestine August 15, 2021- Bank of Palestine Group (BoP) announced its financial results reporting net profit for the first half of 2021 of USD 28.9 million and revenues of USD 127.4 million compared to net profit of USD 8.5 million and gross profit of USD 109.2 million for the first half of 2020. Total assets increased to USD 6.2 billion compared with USD 5.8 billion at the end of 2020. The Bank's total shareholders' equity also increased to USD 456.6 million compared with USD 433.5 million at the end of 2020.



Chairman and CEO Commentary

Commenting on the results, **Mr. Hashim Shawa, Bank of Palestine Group Chairman** said: “We are happy with the financial results of H1 2021 as the Bank’s performance is significantly showing an upward trajectory in line with the strategy adopted and with improved market conditions as a result of less COVID -19 lockdowns and better economic prospects despite political uncertainty. The Bank continues to uphold its values taking care of its employees, customers and the community in Palestine”.

Mr. Mahmoud Shawa, the Bank’s CEO commented: “Throughout the first half of 2021, the Bank has increased its efforts towards enhancing the follow up unit of the credit department which resulted in a decrease in the NPLs ratio and higher profits compared to prior year. The Bank continues to support the lending program initiated by the PMA targeting SMEs and microfinance with phase two of the program. In addition, the Bank focuses on the SME sector through an active partnership in the national SME help desk with the UNDP, PMA and chambers of commerce, helping to create more inroads in SME lending. Furthermore, the Bank remains keen on green

loans, youth and women lending reflecting its ESG plans and future outlook. Nevertheless, digitization has been an integral part of BOP's strategies encouraging clients to increase their usage of digital payments with loyalty rewards program."

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