



Bank of Palestine Group



# Investor H1 2025 Presentation

Updated October 2025

- Bank of Palestine Group & Market Overview
- Vision, Growth Strategy & Capital Plan
- Regional Expansion
- Group Financial Highlights
- Sustainability & ESG

## Bank of Palestine (BOP) Overview



Established in 1960, Privately Owned & Publicly Listed Bank using USD as its Main Currency



Diversified Shareholder Base with International Institutional Investors & Strong Ties with Multilateral Development Banks - MDBs



38% Market Share, Largest Network, Leader in SME Lending & Digital Services. Driving Growth across all Segments



Market Potential of 20 M Global Palestinians. USD 500 B - USD 1 T Net Worth



Regional Expansion in UAE, KSA, Egypt and Jordan



Strong Operational Financial Performance Despite Adversity



Diversified Board with 44% Gender Equality committed to ESG and Corporate Governance



Poised to play a significant role in Economic Recovery and Reconstruction Efforts Post War

## Market Overview –Untapped Growth Potential in Palestine and Worldwide

Palestine Total Population

**5.5 M**

**50% of Palestinian Population remains unbanked**

Global Palestinian Population

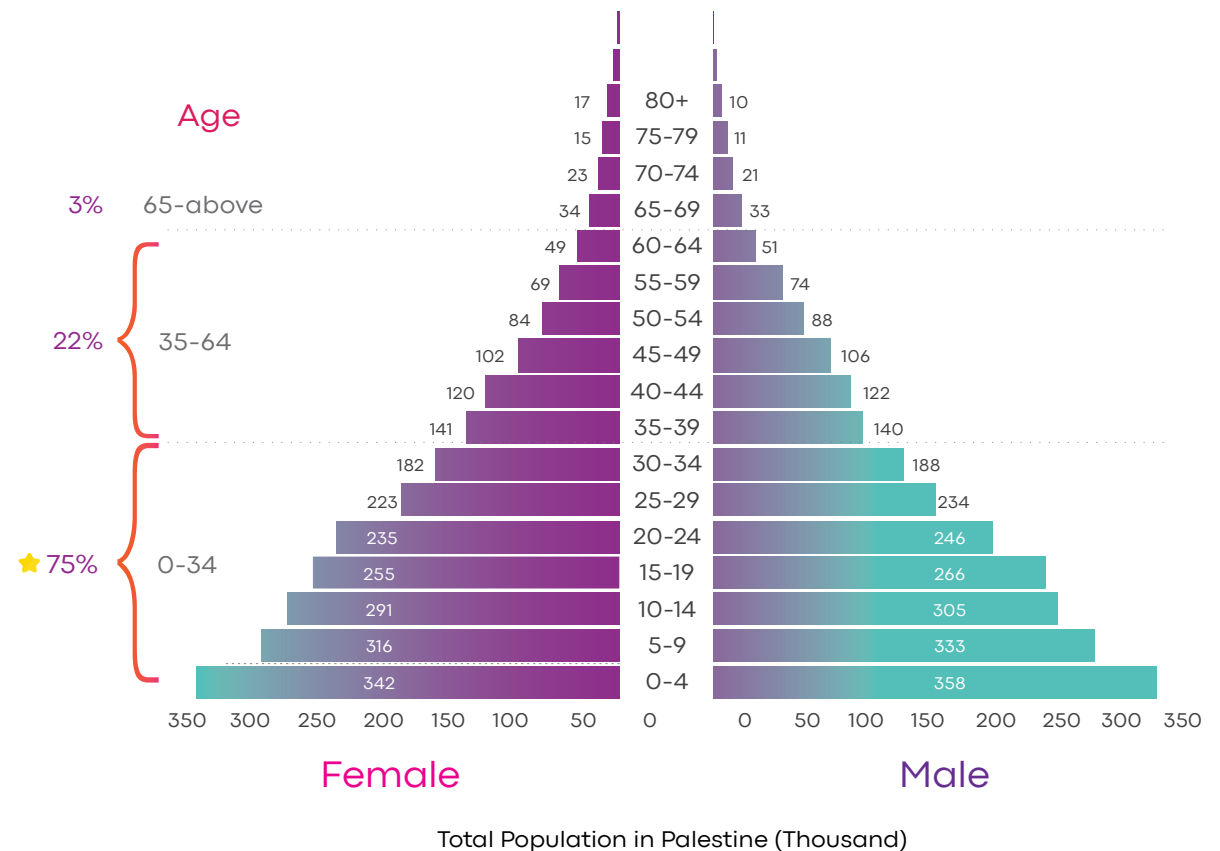
**20 M**

Wealth estimated **USD 500 B - USD 1 T**

★ **Ranked Amongst the World's Youngest**

**Literacy Rate: 97.8%**

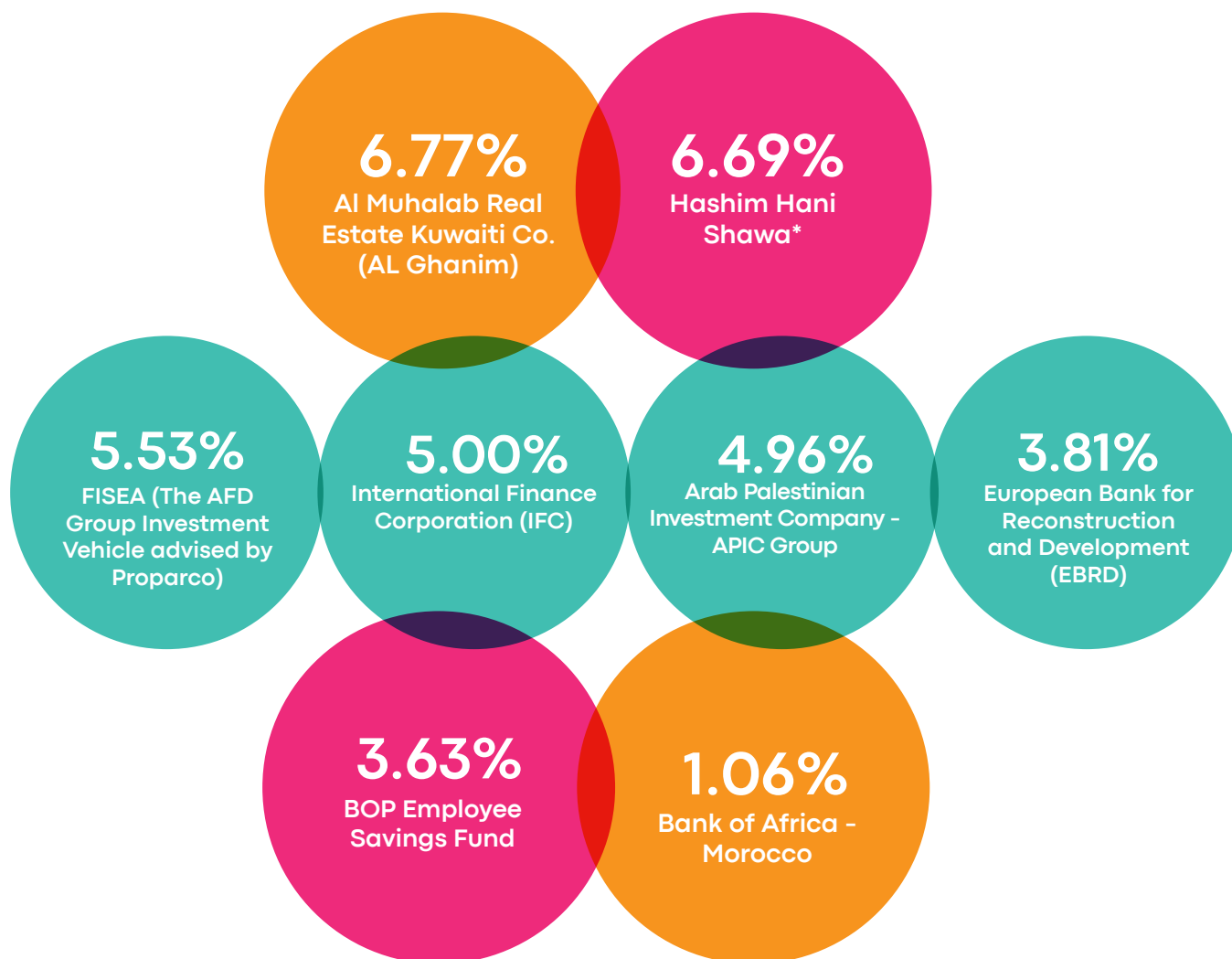
★ **Ranked Amongst the World's Highest**



World Bank projects lifting restrictions could boost GDP by USD 5 Billion annually (30% growth), excluding post-war recovery resources.

## Diversified Shareholding Structure

"Renowned Regional and International Institutions"



Number of Shareholders

Up to **5,000**

More than

**47.25%**  
Institutional Investors

More than

**40.74%**  
International Investors

\*Hashim Shawa shares and the Late Hashim Ata Shawa Orphans Fund's which are under his trusteeship.

\*Ownership percentages are updated as of August 14, 2025.

## BOP Internationally Renowned

"Impact on the Real Economy"

Euromoney "Awards for Excellence 2025":  
"Best Bank in Palestine"



Euromoney "Awards for Excellence 2025":  
"Best Bank for Corporate Responsibility in Palestine"



Financial Times "The Banker" Award:  
"Best Bank in the World for Financial and Digital Inclusion"



### Investing in the Real Economy:

Largest SME Portfolio in the Country

## USD 677 M

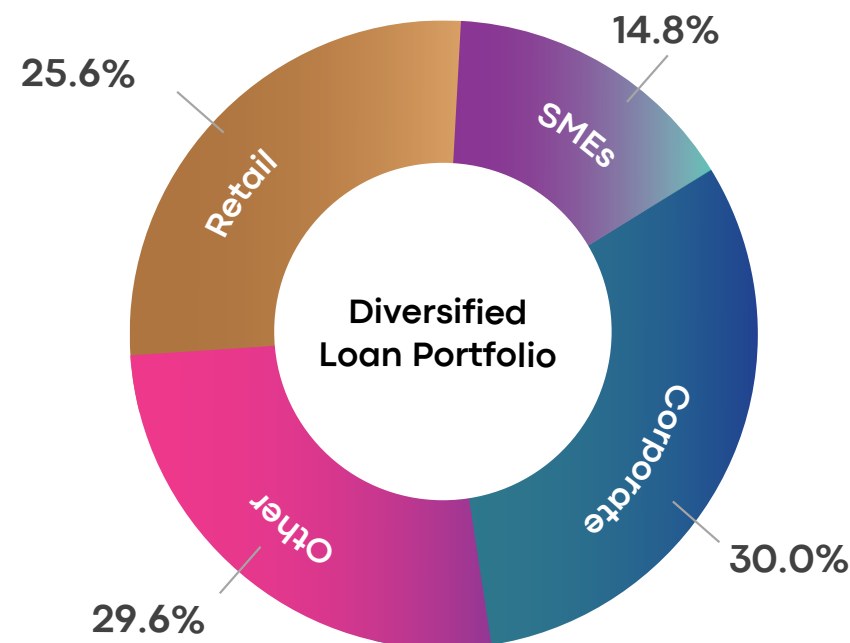
- Leader in Youth Inclusion
- Leader in Women Inclusion
  - 44% Women at Board Level
  - 32% Females in Senior Positions

### Consistently Low NPL Ratio

2020	2021	2022	2023	2024	H1 2025
4.90%	4.49%	4.62%	5.21%	4.99%	4.87%

Remarkable Performance Despite Adversity

**Biggest Lender**  
**USD 4.6 B**  
in gross loans



## BOP Group and Strategic Investments

"Inclusion, Impact, Sustainability"

### 50% Unbanked Population Presents Growth Opportunity Especially Digital and Islamic Banking



- Largest Islamic Bank
- 10% Market Share
- Fastest Growing Islamic Bank



- First E-Wallet and Leader in Digital Payments Targeting the Unbanked
- Preferred Payments Provider for International Humanitarian Organizations
- Partnered with the UN to Strengthen Digital Financial Solutions in Gaza During UNGA 2024



- Leading Brokerage Firm
- Access to International and Regional Markets: USA, UAE, Jordan
- Custody Services



- Mada Telecommunications is a Leader in Broadband Internet in Palestine
- Expands Connectivity in Underserved Areas in West Bank & Gaza



- The only VC in Palestine
- + USD 35 M AUM through 2 funds
- Invested in +40 early – stage tech startups



- Creating a safe working space for entrepreneurs and startups in the West Bank and Gaza
- Helping to foster an innovative ecosystem in Palestine



- Qudra Leads in Solar Energy in Palestine
- Targeting 100 MW for Underserved Communities Power Needs



## BOP Group - Trusted Institution of Choice; Locally and Globally



Equity Investment (5.53%)  
& SME, Green Loans and  
Loan Guarantees \$ 132.8 M



Equity Investment (5%)  
SME Loan &  
Subordinated Loan \$ 130.6 M



SME Loan &  
Loan Portfolio  
Guarantee \$ 180 M



Equity Investment (3.92%)\*  
& SME, Women and Trade  
Facility \$ 70.5 M



SME Loan & Portfolio  
Guarantee \$ 100 M



SME Loan \$ 10 M



Additional Tier 1 Capital \$ 30 M



Loan Guarantees \$ 118 M



SME Loan &  
Subordinated Loan \$ 60 M



Housing Loans \$ 10 M



Equity Investor 1.13%\*



Loan Guarantee  
Program \$ 78 M

- Investments mobilized up to the war

# \$ 500 M

- Investments mobilized since the war broke out

# \$ 371.8 M

Equity ( Primary and Secondary), AT1, Sub  
Debt, Credit Lines, Loan Guarantees

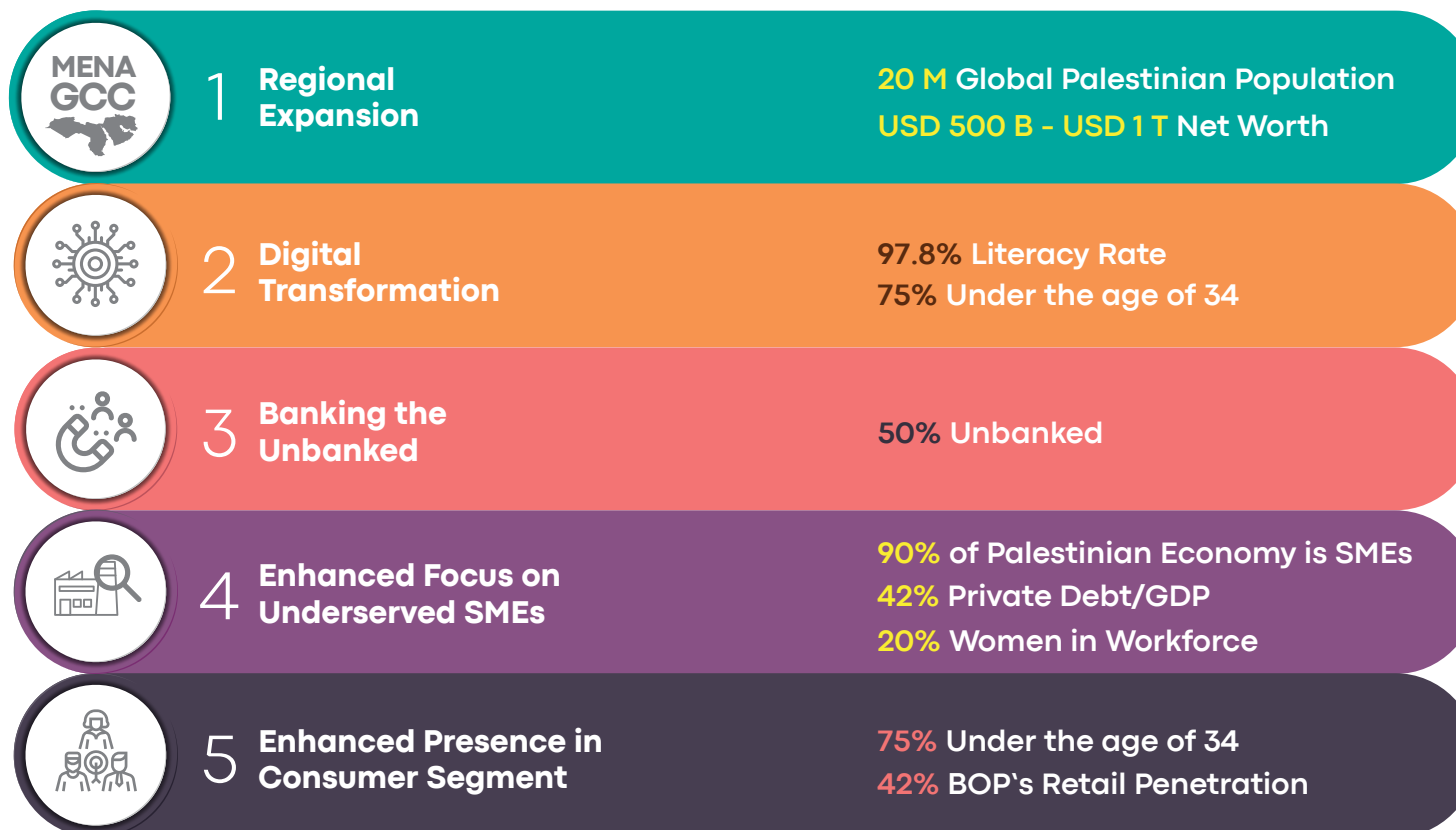
\* At Investment Date

# Vision, Growth Strategy & Capital Plan

"Positive Growth Outlook: Favorable Demographics & Market Dynamics Supporting BOP Strategy"

**Vision** A unique, values-based, resilient, forward-thinking financial group on a local and international level with sustainability at its core.

## Growth Strategy



## Capital Plan

Targeting **USD 100M** in additional equity — with **USD 60M** raised and **USD 40M** needed by 2025.

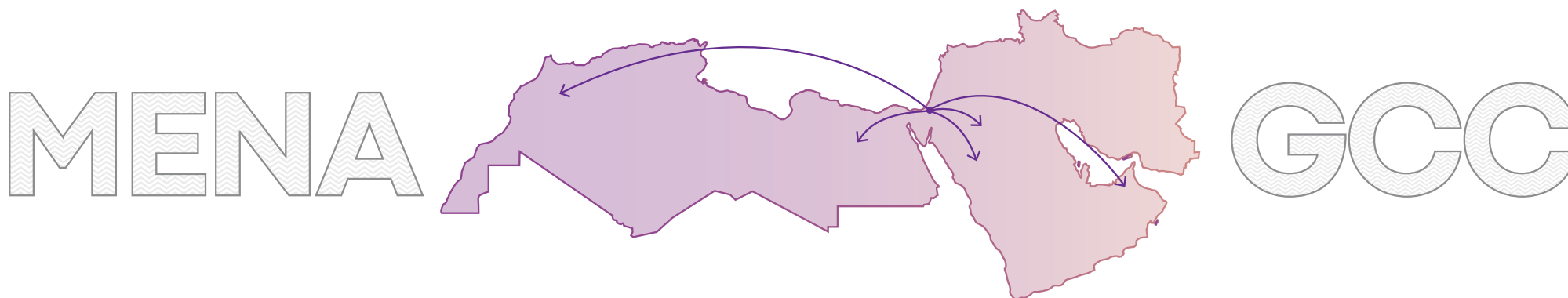


## Bank of Palestine Regional Expansion

Abu Dhabi, Riyadh, Cairo & Amman - An integrated Approach leveraging each Hub's offering

### Drivers for regional expansion:

- Diversification
- Leveraging the 20 million global Palestinian Community & their estimated USD 500 Billion - 1 Trillion wealth into each hub across the region and the globe
- Leveraging the human talent of the global Palestinian Community into each hub
- Providing value added services to global Palestinian customers
- Attracting capital and business to regional hubs and markets
- Acting as a bridge with home market in Palestine
- Enhancing trade and business across markets



## Abu Dhabi, United Arab Emirates

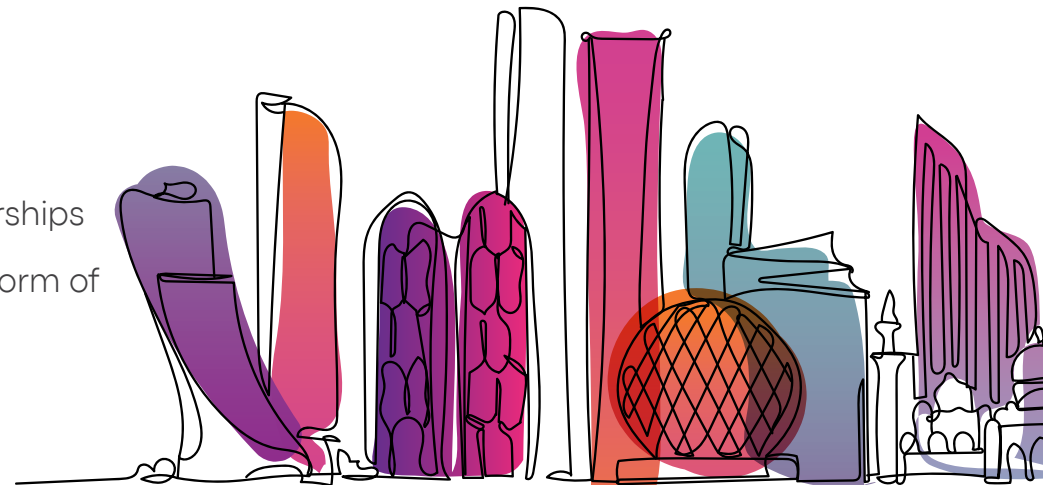
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### Establishing a Global Banking Hub for 20 Million Palestinians Worldwide

- Full Category 1 (CAT1) Banking License application underway with Abu Dhabi Global Market (ADGM)
- Aligned with Abu Dhabi's vision as the "Capital of Capital" — attracting global financial and human capital
- Unlocking USD 500B–1T in global Palestinian wealth through Abu Dhabi
- ADGM as BOP's regional and global headquarters, leveraging Abu Dhabi's financial ecosystem and talent base to scale operations
- Strategic springboard for regional and global banking activities
- Bridging the Palestinian diaspora with investment opportunities across the UAE, GCC, Palestine, and global markets
- Trusted DFI partner, positioned to play a leading role in post-war recovery and reconstruction
- Scaling the tech-startup ecosystem via Ibtikar Fund, Intersect Innovation Hub, Hub71, and soon 7Ventures

### Core Business Offerings from the ADGM Platform

- Premier & Private Banking / Wealth Management
- Global Trade Finance & Cross-Border Payments
- Investment Access through strategic regional & international partnerships
- Gateway for investments and payment flows to Palestine — the platform of choice for post-war recovery and reconstruction



## Riyadh, Kingdom of Saudi Arabia

- Exploring Opportunities in KSA through presence via Offshore Banking at King Abdullah Financial District-KAFD in Riyadh
- Leveraging Saudi Arabia's Palestinian Diaspora: home to one of the largest and wealthiest Palestinian communities in the Middle East, with over 500,000 members contributing significantly to the Kingdom's economy through prominent business and professional roles
- Engaging Saudi entities and regulators for strategic partnerships and investment in KSA by bringing Palestinian Global Wealth & Capital to KSA in line with Vision 2030:
  - Ministry of Economy and Planning
  - Ministry of Investment
  - Public Investment Fund - PIF
  - The Saudi Central Bank - SAMA
  - Capital Markets Authority - CMA



## Regional Expansion

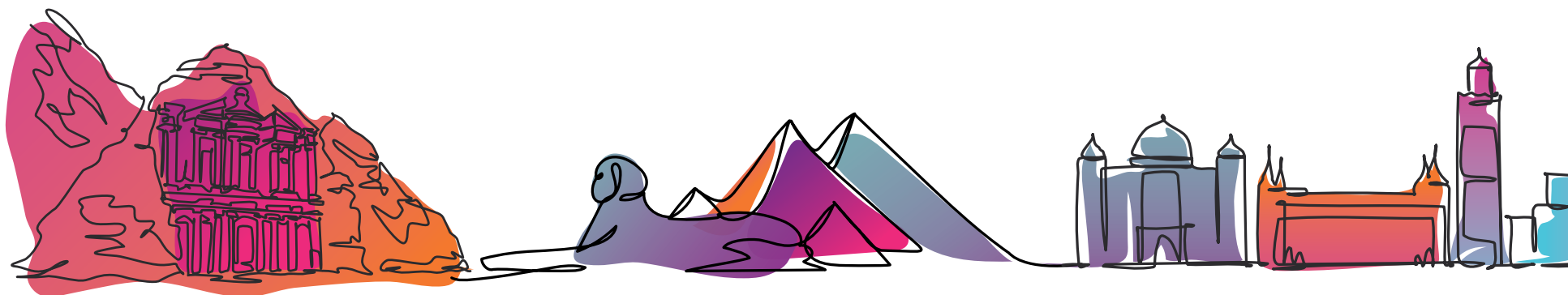
Egypt & Jordan

### Bank of Palestine Cairo, Egypt

- Obtained Central Bank of Egypt license in 2024 to launch banking operations starting a representative office.
- Launched Cairo Representative Office in July 2025.
- Future development into a full-fledged banking operation capturing growth potential in the Egyptian market.
- Serving Palestinians in Egypt for their banking needs in Palestine.
- Acting as a hub for aiding reconstruction efforts and facilitating trade and economic development of Gaza post war.

### Amman, Hashemite Kingdom of Jordan

- Plans to establish banking services for our clients facilitating trade between the two countries
- Providing Palestinians with banking services & products in Jordan and Palestine



# BOP Group Financial Highlights H1 2025

"Resilience in Adversity"

## Strong Balance Sheet & Asset Quality

Assets

**USD 10.04 B** 20.1% YTD

Net Loans

**USD 4.18 B** 8.8% YTD  
35.60% Market Share

Customer Deposits

**USD 8.35 B** 19.4% YTD  
39.84% Market Share

NPLs%

**4.87%**

## Profitability

Profit before Tax & War  
Impairment Provisions

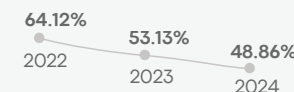
**USD 96.7 M** 9.4% YoY  
USD 88.4 M H1 2024

Net Profit

**USD 29.6 M** 2004.8% YoY  
USD 1.4 M H1 2024

Operating Cost/Income%

**48.16%**



## Strong Liquidity<sup>1</sup> & Capital Adequacy

Capital Adequacy

**15.91%**

Tier 1 %

**13.12%**

Loans/Deposits

**50.10%**

LCR%

**874%**

NSFR%

**202%**

Market CAP

**USD 436 M**  
9% of PEX

Branches

**100** Local Branches  
**3** Representative Offices

Employees

**> 2,654**  
47% Female BOP Employees

Customers

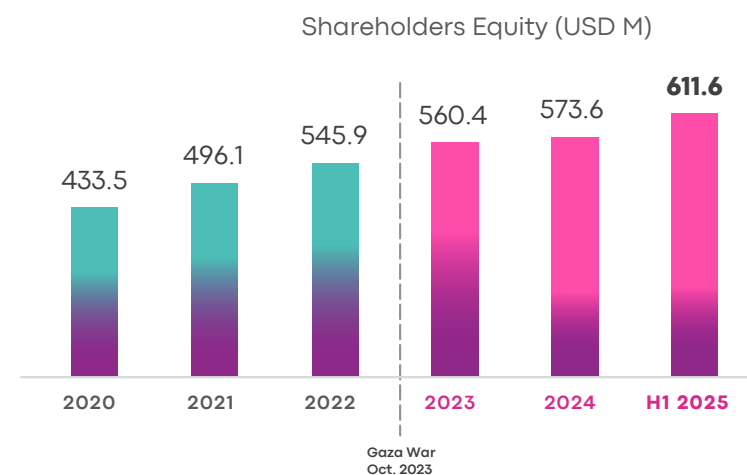
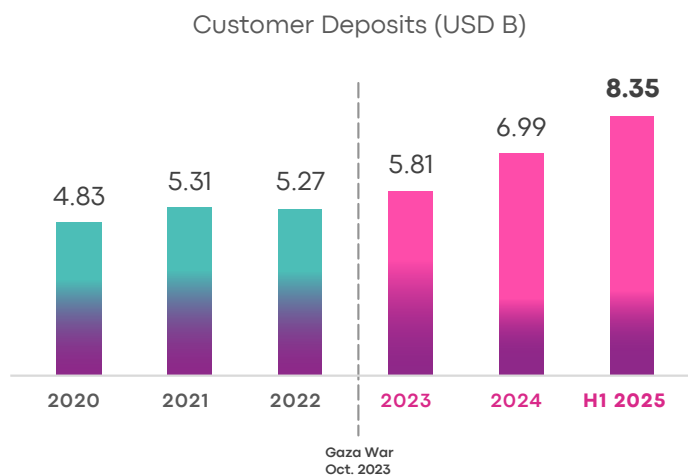
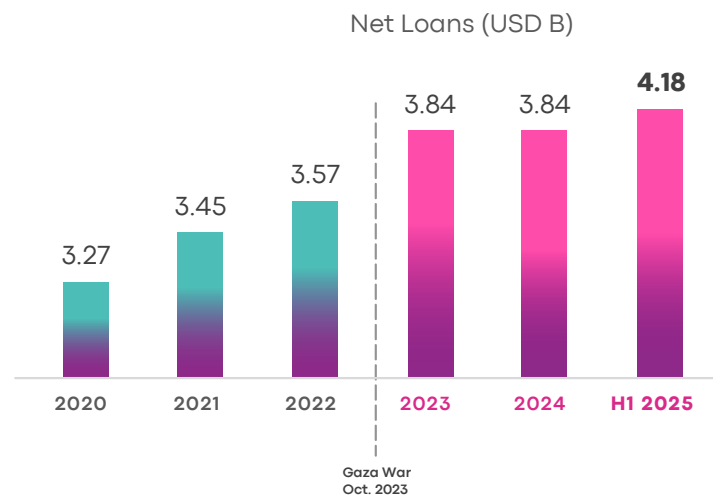
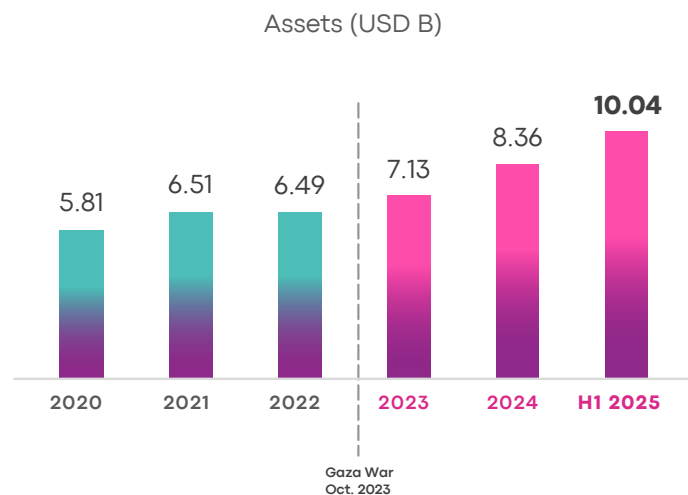
**> 1.1 M**

BOP Group Financial Statements Audited by Ernst & Young

<sup>1</sup> Despite the war and the impairment provisions recorded, the Bank maintains high liquidity ratios.

# Balance Sheet H1 2025

"Consistent and Resilient Performance"



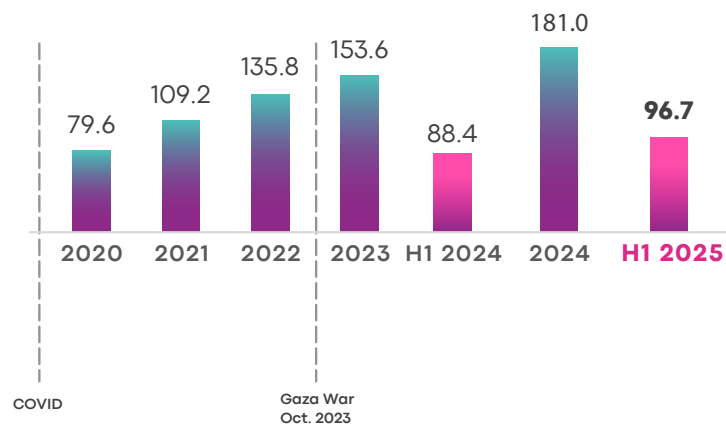
\* 2023 going forward, financial ratios are not indicative of BOP's strong historical financial performance because of the war implications.



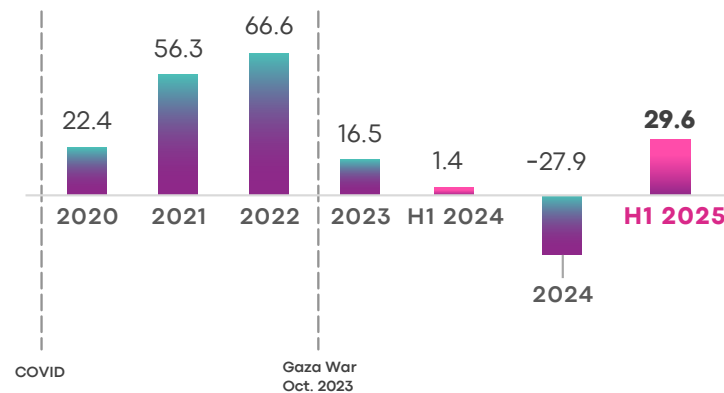
# Income Statement H1 2025

"Strong Operational Performance Despite Adversity"

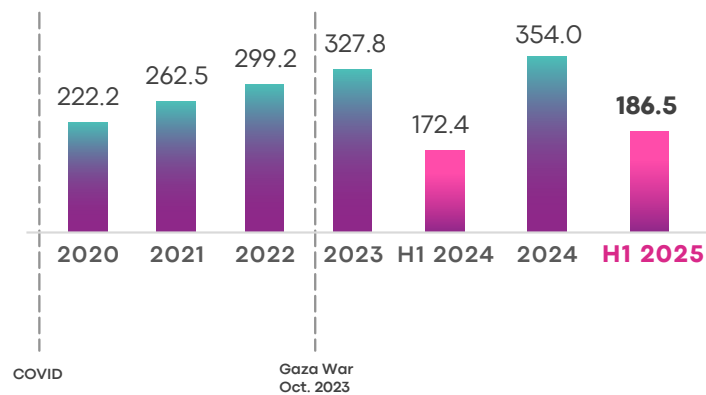
Profit before taxes and provisions (USD M)



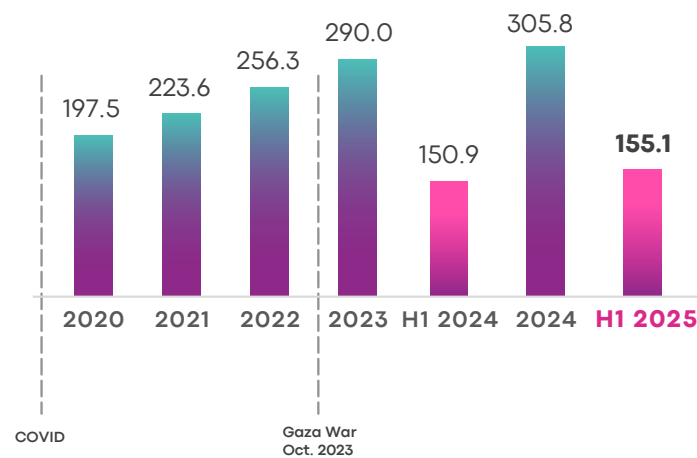
Net Profit (USD M)



Total Revenue (USD M)



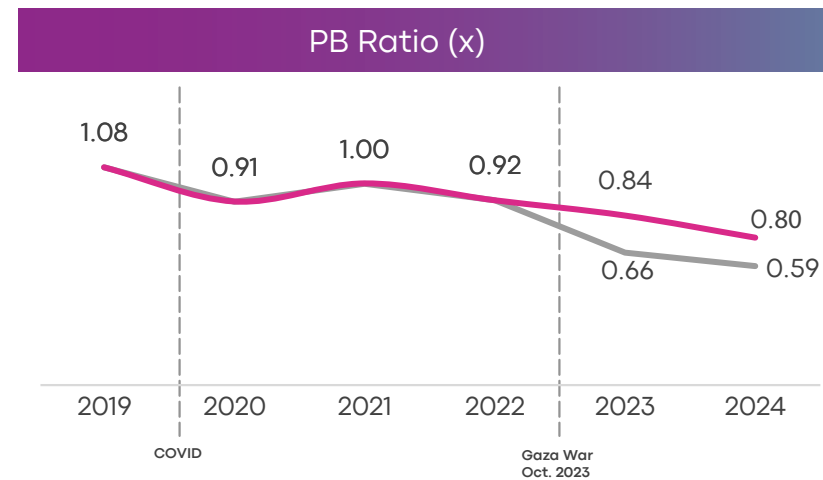
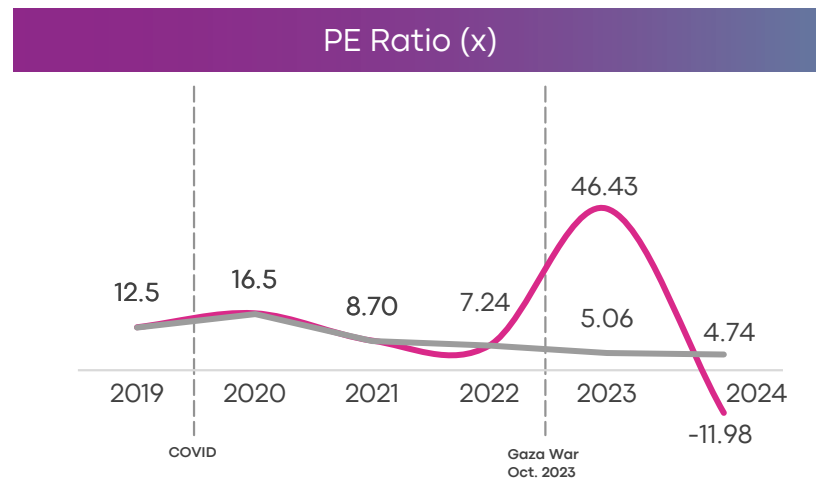
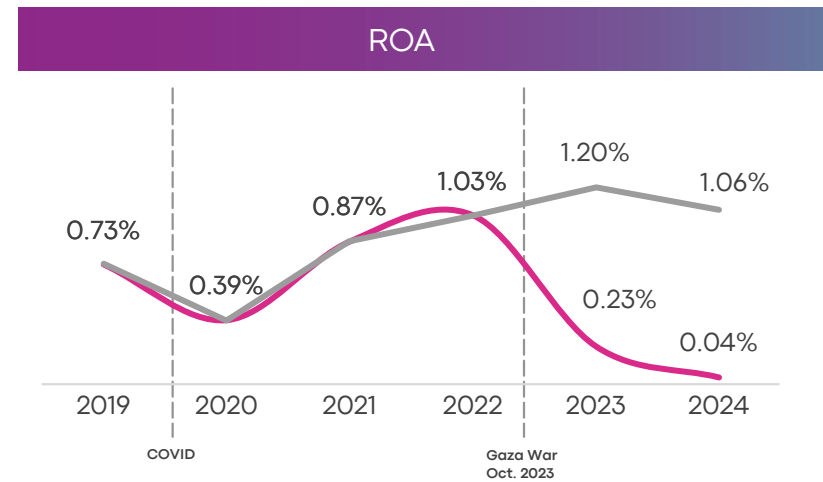
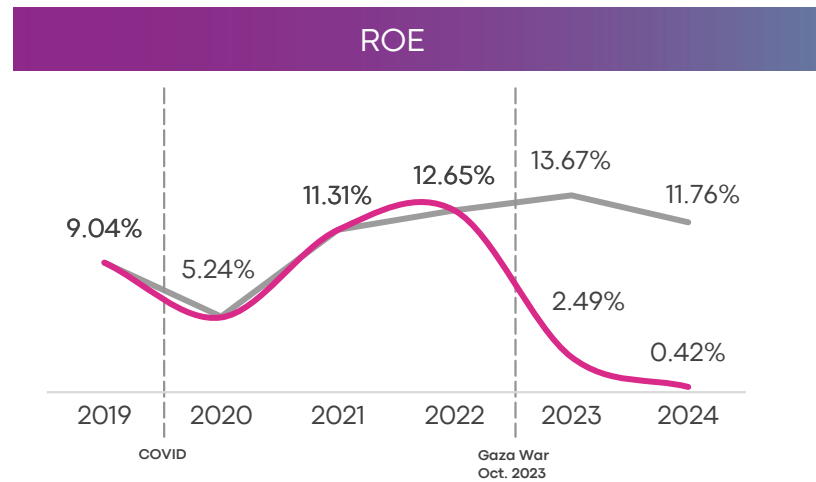
Net Interest & Commissions Income (USD M)



\* 2023 going forward, financial ratios are not indicative of BOP's strong historical financial performance because of the war implications.

# Financial Ratios

## "Weathering the Storm"



■ 2023 & 2024 Financial Ratios are not indicative of BOP's strong historical financial performance because of the war implications.

■ Adjusted KPIs to reflect BoP performance excluding the impact of the current war on Gaza.

# Invest in Bank of Palestine — Invest in Palestine's Recovery and Reconstruction

"An Opportunity to Back a Resilient Bank at an Inflection Point"

## Market Leader, Uniquely Positioned

- 65 years established Market Leader, Internationally Recognized, Trusted, and Uniquely Positioned
- Dominant market share in Palestine (38%)
- Driving financial inclusion among a young and underserved population (over 50% unbanked)
- Mobilizing diaspora wealth and expanding regionally through Abu Dhabi, Dubai, and Cairo

## Strong Fundamentals & Resilience

- Consistent Profitability (ROE 9.67%)
- Steady Dividend Yield (5%)
- Diversified Income Streams
- Ability to perform under extreme adversity

## Key Player in Reconstruction & Economic Recovery post-war

- Engaged with National & International Efforts
- Significant Demand for Financing
- Cross-border Trade

## Digital Transformation

- Innovative digital banking solutions
- Enhance customer reach and efficiency through its Fintech Subsidiary

## ESG

- Committed to sustainable practices and responsible banking
- Joint Venture in Renewable Energy & Energy Efficiency



**BOP Share Overview<sup>1</sup> and Performance**  
“Consistent & Reliable Dividends to Shareholders”

Listed on Palestine Stock Exchange	Symbol: BOP	ISIN: PS1004112600
Market Capitalization: USD 436 M	Number of shares: 260,943,026	Closing Price: USD 1.67

Item	Unit	2020	2021	2022	2023	2024	H1 2025
Earnings per Share (EPS)	USD	0.10	0.25	0.27	0.04	(0.13)	0.10
Dividends Payout ratio	%	52	53	48	N/A	N/A	N/A
Dividend Yield <sup>2</sup>	%	2.5	4.5	5.1	N/A	N/A	N/A
Market CAP	USD M	343	434	441	415	403	436
P/B ratio	x	0.9	1.0	0.9	0.84	0.80	0.80
Profit before taxes and provisions	USD M	79.6	109.2	135.8	153.6	181.0	96.7

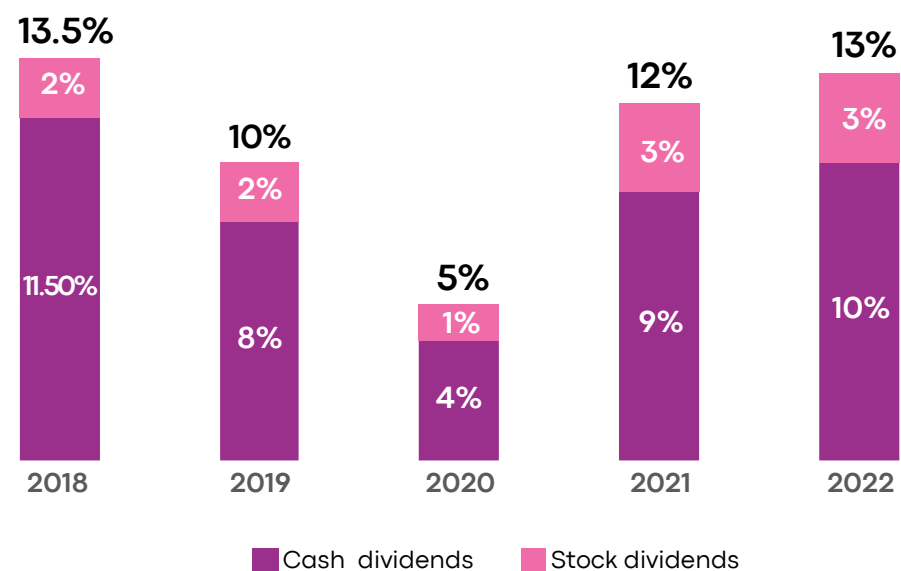
<sup>1</sup>Based on closing price as of June 30, 2025.

<sup>2</sup>Steady dividend yield. Exceptions in years 2020, 2023 and 2024 due to the pandemic and the war on Gaza, respectively.

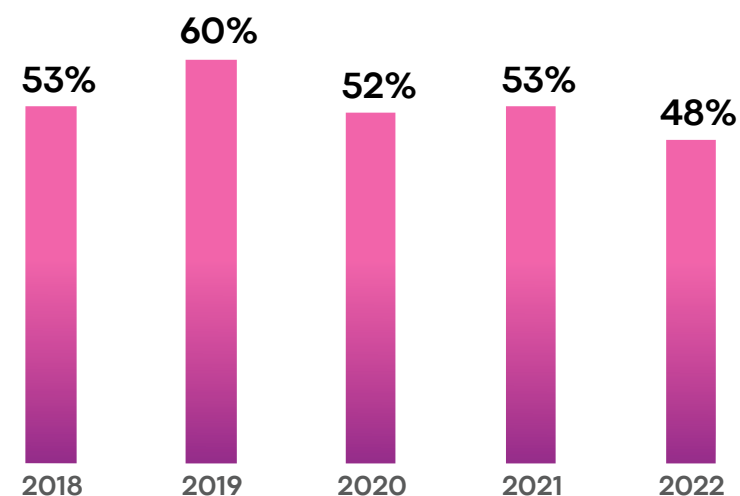
## Dividend Distribution

"Steady Yield, Backed by Fundamentals"

Dividends distribution and their percentages of the Bank's capital



Dividends Payout Ratio



The bank recorded extraordinary impairment provisions to mitigate against credit risk and cash losses in Gaza from the ongoing war. These exceptional and temporary provisions have resulted in a significant decline in net profits for the years 2023 and 2024.

## Impact: Leader in Sustainability & ESG

### Adopting a holistic sustainability strategy:

- ESG KPIs and commitment to SDGs
- Promoting Sustainable Finance
- Developing a Sustainable Economy
- Gender Inclusion
- First bank in MENA and Asia with 50% balance at the Board level
- Investing in Youth
- Corporate Social Responsibility (CSR) with 5% of annual profits allocated



## Green Loans

Scan our  
Sustainability  
Report





## Important Information

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Rounding differences may appear throughout the presentation.

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2024



Annual Report

H1 2025



Financial Statements

H1 2025



Earnings Release

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