## Bank of Palestine
### Consolidated Statement of Financial Position
As of March 31, 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td>USD</td>
<td>USD</td>
</tr>
<tr>
<td>Cash and balances with Palestine Monetary Authority</td>
<td>1,213,856,207</td>
<td>1,100,900,058</td>
</tr>
<tr>
<td>Balances at banks and financial institutions</td>
<td>314,538,349</td>
<td>345,642,339</td>
</tr>
<tr>
<td>Financial assets at fair value through income statement</td>
<td>10,076,744</td>
<td>10,774,178</td>
</tr>
<tr>
<td>Direct Credit Facilities</td>
<td>2,705,665,040</td>
<td>2,687,155,004</td>
</tr>
<tr>
<td>Financial assets at fair value through other comprehensive income</td>
<td>34,984,969</td>
<td>33,104,285</td>
</tr>
<tr>
<td>Financial assets at amortized cost</td>
<td>283,174,426</td>
<td>279,369,058</td>
</tr>
<tr>
<td>Investment in an associate</td>
<td>5,596,478</td>
<td>5,472,858</td>
</tr>
<tr>
<td>Real-estate investment</td>
<td>23,467,980</td>
<td>17,800,433</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>86,560,236</td>
<td>86,043,108</td>
</tr>
<tr>
<td>Projects in progress</td>
<td>6,082,790</td>
<td>6,270,572</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>15,416,384</td>
<td>14,805,428</td>
</tr>
<tr>
<td>Other assets</td>
<td>156,728,008</td>
<td>69,845,657</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>4,856,147,611</strong></td>
<td><strong>4,657,182,978</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities and Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Palestine Monetary Authority’s deposits</td>
<td>243,193,116</td>
<td>215,320,321</td>
</tr>
<tr>
<td>Banks and financial institutions’ deposits</td>
<td>168,218,483</td>
<td>107,587,058</td>
</tr>
<tr>
<td>Customers’ deposits</td>
<td>3,594,469,797</td>
<td>3,534,761,228</td>
</tr>
<tr>
<td>Cash margins</td>
<td>200,627,126</td>
<td>200,417,328</td>
</tr>
<tr>
<td>Subordinate loan</td>
<td>75,000,000</td>
<td>75,000,000</td>
</tr>
<tr>
<td>Sundry provisions</td>
<td>43,498,620</td>
<td>43,012,724</td>
</tr>
<tr>
<td>Tax provisions</td>
<td>6,877,140</td>
<td>3,634,870</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>120,425,969</td>
<td>61,068,901</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>4,452,310,251</strong></td>
<td><strong>4,240,802,430</strong></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paid in share capital</td>
<td>204,000,000</td>
<td>200,000,000</td>
</tr>
<tr>
<td>Additional paid in capital</td>
<td>24,848,415</td>
<td>24,848,415</td>
</tr>
<tr>
<td>Statutory reserve</td>
<td>51,586,473</td>
<td>51,586,473</td>
</tr>
<tr>
<td>Voluntarily reserve</td>
<td>246,361</td>
<td>246,361</td>
</tr>
<tr>
<td>General banking risks reserve</td>
<td>9,452,970</td>
<td>9,452,970</td>
</tr>
<tr>
<td>Pro-cyclicality reserve</td>
<td>40,000,000</td>
<td>40,000,000</td>
</tr>
<tr>
<td>Change in fair value</td>
<td>(2,436,932)</td>
<td>(3,467,059)</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>26,216,834</td>
<td>43,529,095</td>
</tr>
<tr>
<td><strong>Total equity attributable to the parent</strong></td>
<td><strong>353,914,121</strong></td>
<td><strong>366,196,255</strong></td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>49,913,239</td>
<td>50,184,293</td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td><strong>403,827,360</strong></td>
<td><strong>416,380,548</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities and Equity</strong></td>
<td><strong>4,856,137,611</strong></td>
<td><strong>4,657,182,978</strong></td>
</tr>
</tbody>
</table>
# Bank of Palestine
## Consolidated Income Statement
### For the period ended March 31, 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD</td>
<td>USD</td>
</tr>
<tr>
<td>Interest Income</td>
<td>39,205,545</td>
<td>39,015,281</td>
</tr>
<tr>
<td>Interest Expenses</td>
<td>(10,007,691)</td>
<td>(10,226,478)</td>
</tr>
<tr>
<td><strong>Net Interest Income</strong></td>
<td>29,197,853</td>
<td>28,788,803</td>
</tr>
<tr>
<td>Net income from Islamic financing and investment</td>
<td>8,725,646</td>
<td>7,322,882</td>
</tr>
<tr>
<td>Net Commissions Income</td>
<td>9,669,308</td>
<td>10,637,721</td>
</tr>
<tr>
<td><strong>Net Interest and Commissions Income</strong></td>
<td>47,592,807</td>
<td>46,749,406</td>
</tr>
<tr>
<td>Foreign Currency Gain</td>
<td>3,931,269</td>
<td>4,322,277</td>
</tr>
<tr>
<td>Gain from Financial Investments</td>
<td>326,091</td>
<td>783,598</td>
</tr>
<tr>
<td>Share of Profit from associate</td>
<td>123,620</td>
<td>53,139</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>4,281,751</td>
<td>4,299,893</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>56,255,539</td>
<td>56,208,313</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel Expenses</td>
<td>(19,901,579)</td>
<td>(21,687,909)</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(13,710,132)</td>
<td>(13,610,860)</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>(3,521,271)</td>
<td>(3,083,615)</td>
</tr>
<tr>
<td>Impairment provision of direct credit facilities</td>
<td>(4,545,784)</td>
<td>(593,218)</td>
</tr>
<tr>
<td>Expected credit loss allowance</td>
<td>(211,692)</td>
<td>-</td>
</tr>
<tr>
<td>Palestine Monetary Authority fines</td>
<td>-</td>
<td>(43,050)</td>
</tr>
<tr>
<td>Credit facilities written off</td>
<td>(336,378)</td>
<td>(280,021)</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>(42,226,835)</td>
<td>(39,298,673)</td>
</tr>
<tr>
<td>Profit before taxes</td>
<td>14,028,704</td>
<td>16,909,640</td>
</tr>
<tr>
<td>Tax expense</td>
<td>(3,244,420)</td>
<td>(4,491,728)</td>
</tr>
<tr>
<td><strong>Profit after taxes</strong></td>
<td>10,784,283</td>
<td>12,417,912</td>
</tr>
</tbody>
</table>

## Comprehensive Income Statement
### For the period ended March 30, 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>USD</td>
<td>USD</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>10,784,283</td>
<td>12,417,912</td>
</tr>
<tr>
<td>Comprehensive Income Items:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized gain on financial investments</td>
<td>1,060,127</td>
<td>1,422,858</td>
</tr>
<tr>
<td><strong>Total Other Comprehensive Income items</strong></td>
<td>1,060,127</td>
<td>1,422,858</td>
</tr>
<tr>
<td><strong>Total comprehensive income for the period</strong></td>
<td>11,844,410</td>
<td>13,840,770</td>
</tr>
</tbody>
</table>