

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	Group		Bank	
		31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
ASSETS					
Cash and balances with banks		17,530,611	19,698,132	13,861,672	12,970,667
Reverse repurchase agreements		-	202,833	-	202,833
Financial assets at fair value through profit or loss	A8	1,016,004	1,583,506	995,086	1,556,110
Derivative financial assets	A28	140,434	287,010	240,330	469,253
Financial investments at fair value through other comprehensive income	A9	53,269,292	48,547,403	37,100,411	33,053,569
Financial investments at amortised cost	A10	26,146,102	27,604,020	15,990,961	18,845,261
Loans, advances and financing	A11	354,052,463	342,802,781	272,015,541	267,438,974
Other assets	A12	3,085,331	3,408,304	3,009,115	3,167,793
Statutory deposits with Central Banks		1,222,165	1,134,924	361,536	298,089
Deferred tax assets		519,009	81,637	273,782	-
Collective investments		-	-	6,086,854	5,923,401
Investment in subsidiary companies		-	-	6,494,716	6,494,293
Investment in associated companies		115,443	78,421	67,500	45,000
Investment properties		606,074	712,885	-	-
Right-of-use assets		1,252,386	1,379,534	1,076,066	1,289,661
Property and equipment		1,324,707	1,317,750	663,801	770,206
Intangible assets		2,459,434	2,417,727	695,393	695,393
TOTAL ASSETS		462,739,455	451,256,867	358,932,764	353,220,503
LIABILITIES					
Deposits from customers	A13	380,394,214	365,870,751	288,511,592	278,078,713
Deposits from banks and other financial institutions	A14	8,123,769	10,742,228	9,804,951	13,176,335
Obligations on securities sold under repurchase agreements		1,001,831	914,108	1,001,831	590,285
Bills and acceptances payable		222,054	209,347	221,770	208,866
Recourse obligations on loans and financing sold to Cagamas		5,600,004	4,500,003	4,500,004	4,500,003
Derivative financial liabilities	A28	254,458	626,056	241,575	580,371
Debt securities issued and other borrowed funds	B9	10,863,742	12,272,354	9,275,548	10,184,448
Lease liabilities		916,653	1,072,120	1,096,781	1,342,940
Other liabilities	A15	5,221,425	5,628,779	3,788,642	3,898,526
Provision for tax expense and zakat		644,903	210,142	451,806	109,527
Deferred tax liabilities		70,995	784,349	-	610,701
TOTAL LIABILITIES		413,314,048	402,830,237	318,894,500	313,280,715

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
EQUITY				
Share capital	9,417,653	9,417,653	9,417,653	9,417,653
Regulatory reserves	248,231	1,219,881	211,063	1,031,389
Other reserves	1,435,886	2,030,742	605,282	1,162,643
Retained profits	<u>37,060,892</u>	<u>34,579,995</u>	<u>29,804,266</u>	<u>28,328,103</u>
Equity attributable to equity holders of the Bank	48,162,662	47,248,271	40,038,264	39,939,788
Non-controlling interests	<u>1,262,745</u>	<u>1,178,359</u>	<u>-</u>	<u>-</u>
TOTAL EQUITY	<u>49,425,407</u>	<u>48,426,630</u>	<u>40,038,264</u>	<u>39,939,788</u>
TOTAL LIABILITIES AND EQUITY	<u>462,739,455</u>	<u>451,256,867</u>	<u>358,932,764</u>	<u>353,220,503</u>
COMMITMENTS AND CONTINGENCIES	A27	<u>102,643,461</u>	<u>106,934,447</u>	<u>91,153,166</u>
CAPITAL ADEQUACY	A30			
<u>Before deducting interim dividends</u> *				
Common Equity Tier I Capital Ratio	15.030%	14.815%	13.954%	13.702%
Tier I Capital Ratio	15.083%	14.869%	13.997%	13.745%
Total Capital Ratio	<u>18.192%</u>	<u>18.011%</u>	<u>17.287%</u>	<u>17.053%</u>
<u>After deducting interim dividends</u> *				
Common Equity Tier I Capital Ratio	14.530%	13.951%	13.313%	12.611%
Tier I Capital Ratio	14.583%	14.005%	13.356%	12.654%
Total Capital Ratio	<u>17.692%</u>	<u>17.147%</u>	<u>16.645%</u>	<u>15.962%</u>
Net assets per share attributable to ordinary equity holders of the Bank (RM)	<u>2.48</u>	<u>2.43</u>	<u>2.06</u>	<u>2.06</u>

* Refer to interim dividends declared subsequent to the financial year end.

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2021

<u>Group</u>	Note	4th Quarter Ended		Financial Year Ended	
		31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Operating revenue		4,858,627	4,916,764	19,622,502	20,303,934
Interest income	A16	3,371,963	3,356,340	13,474,557	14,184,238
Interest expense	A17	(1,286,207)	(1,420,446)	(5,159,516)	(7,004,462)
Net interest income		2,085,756	1,935,894	8,315,041	7,179,776
Net income from Islamic banking business	A32 (b)	389,395	371,428	1,613,671	1,311,393
		2,475,151	2,307,322	9,928,712	8,491,169
Fee and commission income	A18 (a)	755,891	751,642	3,028,937	2,712,956
Fee and commission expense	A18 (b)	(231,334)	(213,740)	(882,138)	(783,593)
Net fee and commission income	A18	524,557	537,902	2,146,799	1,929,363
Net gains and losses on financial instruments	A19	(73,919)	35,279	60,173	447,653
Other operating income	A20	126,872	148,691	408,793	444,195
Net income		3,052,661	3,029,194	12,544,477	11,312,380
Other operating expenses	A21	(960,863)	(991,589)	(3,965,307)	(3,909,465)
Operating profit		2,091,798	2,037,605	8,579,170	7,402,915
Allowance for impairment on loans, advances and financing	A22	(282,277)	(556,555)	(1,201,203)	(1,106,296)
Allowance for impairment on other assets	A23	(3,639)	(4,768)	(5,935)	(13,668)
		1,805,882	1,476,282	7,372,032	6,282,951
Share of profit / (loss) after tax of equity accounted associated companies		279	(1,562)	(5,457)	2,112
Profit before tax expense and zakat		1,806,161	1,474,720	7,366,575	6,285,063
Tax expense and zakat	B5	(407,577)	(309,345)	(1,636,698)	(1,352,803)
Profit for the period / year		1,398,584	1,165,375	5,729,877	4,932,260
Profit for the period / year attributable to:					
- Equity holders of the Bank		1,380,831	1,147,959	5,656,531	4,871,702
- Non-controlling interests		17,753	17,416	73,346	60,558
		1,398,584	1,165,375	5,729,877	4,932,260
Earnings per share:					
- basic / diluted (sen)	B12	7.11	5.91	29.14	25.10

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2021

<u>Group</u>	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Profit for the period / year	<u>1,398,584</u>	<u>1,165,375</u>	<u>5,729,877</u>	<u>4,932,260</u>
Other comprehensive income / (loss):				
<u>Items that will not be reclassified to profit or loss:</u>				
Gain on remeasurements of defined benefit plans	87,320	166,760	87,320	28,002
Net change in revaluation of equity instruments	32	20,766	13,206	27,976
Gain on disposal of equity instruments	-	-	319	-
	<u>87,352</u>	<u>187,526</u>	<u>100,845</u>	<u>55,978</u>
<u>Items that may be reclassified to profit or loss:</u>				
Currency translation differences in respect of:				
- Foreign operations	(56,126)	(290,493)	298,337	(141,329)
- Net investment hedge	18,607	137,587	(139,926)	58,762
Net change in revaluation of financial investments at fair value through other comprehensive income	(342,918)	(38,856)	(1,355,309)	547,856
Net change in cash flow hedges	37,583	27,942	129,334	(95,749)
	<u>(342,854)</u>	<u>(163,820)</u>	<u>(1,067,564)</u>	<u>369,540</u>
Income tax effect	43,732	(41,574)	248,773	(102,880)
Share of changes in associated companies' reserves	(1,261)	(471)	(2,521)	1,228
Other comprehensive (loss) / income for the period / year, net of tax	<u>(213,031)</u>	<u>(18,339)</u>	<u>(720,467)</u>	<u>323,866</u>
Total comprehensive income for the period / year	<u>1,185,553</u>	<u>1,147,036</u>	<u>5,009,410</u>	<u>5,256,126</u>
Total comprehensive income / (loss) for the period/ year attributable to:				
- Equity holders of the Bank	1,172,135	1,166,730	4,893,583	5,206,796
- Non-controlling interests	13,418	(19,694)	115,827	49,330
	<u>1,185,553</u>	<u>1,147,036</u>	<u>5,009,410</u>	<u>5,256,126</u>

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2021

<u>Bank</u>	Note	4th Quarter Ended		Financial Year Ended	
		31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Operating revenue		3,409,660	3,608,405	13,468,801	14,600,219
Interest income	A16	2,988,559	2,973,548	11,965,429	12,558,519
Interest expense	A17	(1,225,854)	(1,356,670)	(4,927,243)	(6,688,860)
Net interest income		1,762,705	1,616,878	7,038,186	5,869,659
Fee and commission income	A18 (a)	277,058	265,243	1,060,746	980,662
Fee and commission expense	A18 (b)	(87,046)	(72,356)	(284,927)	(292,029)
Net fee and commission income	A18	190,012	192,887	775,819	688,633
Net gains and losses on financial instruments	A19	(70,383)	30,531	60,431	428,755
Other operating income	A20	683,446	736,596	1,283,772	1,360,180
Net income		2,565,780	2,576,892	9,158,208	8,347,227
Other operating expenses	A21	(594,359)	(627,260)	(2,485,182)	(2,463,630)
Operating profit		1,971,421	1,949,632	6,673,026	5,883,597
Allowance for impairment on loans, advances and financing	A22	(223,949)	(404,138)	(869,742)	(718,507)
Allowance for impairment on other assets	A23	(4,669)	(3,000)	(5,169)	(9,589)
Profit before tax expense and zakat		1,742,803	1,542,494	5,798,115	5,155,501
Tax expense and zakat	B5	(307,590)	(266,217)	(1,163,210)	(1,030,391)
Profit for the period / year		1,435,213	1,276,277	4,634,905	4,125,110

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2021

Bank	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Profit for the period / year	<u>1,435,213</u>	<u>1,276,277</u>	<u>4,634,905</u>	<u>4,125,110</u>
Other comprehensive income / (loss):				
<u>Items that will not be reclassified to profit or loss:</u>				
Gain on remeasurements of defined benefit plans	85,896	164,577	85,896	27,373
Net change in revaluation of equity instruments	26	20,863	12,911	27,971
Gain on disposal of equity instruments	-	-	319	-
	<u>85,922</u>	<u>185,440</u>	<u>99,126</u>	<u>55,344</u>
<u>Items that may be reclassified to profit or loss:</u>				
Currency translation differences in respect of foreign operations	(23,868)	(13,217)	(21,886)	(16,555)
Net change in revaluation of financial investments at fair value through other comprehensive income	(219,074)	9,613	(830,504)	329,633
Net change in cash flow hedges	10,557	13,364	22,791	8,450
	<u>(232,385)</u>	<u>9,760</u>	<u>(829,599)</u>	<u>321,528</u>
Income tax effect	29,429	(45,012)	173,236	(87,709)
Other comprehensive (loss) / income for the period / year, net of tax	<u>(117,034)</u>	<u>150,188</u>	<u>(557,237)</u>	<u>289,163</u>
Total comprehensive income for the period / year	<u>1,318,179</u>	<u>1,426,465</u>	<u>4,077,668</u>	<u>4,414,273</u>

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

<----- Attributable to Equity Holders of the Bank ----->

<u>Group</u>	<u>Non-distributable</u>			<u>Distributable</u>		<u>Total Shareholders' Equity</u> RM'000	<u>Non-controlling Interests</u> RM'000	<u>Total Equity</u> RM'000
	<u>Share Capital</u> RM'000	<u>Regulatory Reserves</u> RM'000	<u>Other Reserves</u> RM'000	<u>Retained Profits</u> RM'000	<u>Shareholders' Equity</u> RM'000			
At 1 January 2021	9,417,653	1,219,881	2,030,742	34,579,995	47,248,271	1,178,359	48,426,630	
Profit for the year	-	-	-	5,656,531	5,656,531	73,346	5,729,877	
Other comprehensive (loss) / income for the year	-	-	(763,267)	319	(762,948)	42,481 *	(720,467)	
Total comprehensive (loss) / income for the year	-	-	(763,267)	5,656,850	4,893,583	115,827	5,009,410	
Transactions with owners / other equity movements:								
Transfer to statutory reserves	-	-	10,526	(10,526)	-	-	-	
Transfer from regulatory reserves	-	(971,650)	-	971,650	-	-	-	
Transfer to general reserves	-	-	157,885	(157,885)	-	-	-	
Dividends paid	-	-	-	(3,979,192)	(3,979,192)	(31,441)	(4,010,633)	
	-	(971,650)	168,411	(3,175,953)	(3,979,192)	(31,441)	(4,010,633)	
At 31 December 2021	<u>9,417,653</u>	<u>248,231</u>	<u>1,435,886</u>	<u>37,060,892</u>	<u>48,162,662</u>	<u>1,262,745</u>	<u>49,425,407</u>	

* This represents non-controlling interests' share of currency translation differences in respect of foreign operations.

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

<----- Attributable to Equity Holders of the Bank ----->

Group	<u>Non-distributable</u>			<u>Distributable</u>		Non-controlling Interests	Total Equity
	Share Capital	Regulatory Reserves	Other Reserves	Retained Profits	Shareholders' Equity		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	9,417,653	2,017,353	1,606,357	30,552,967	43,594,330	1,151,874	44,746,204
Profit for the year	-	-	-	4,871,702	4,871,702	60,558	4,932,260
Other comprehensive income / (loss) for the year	-	-	335,094	-	335,094	(11,228) *	323,866
Total comprehensive income for the year	-	-	335,094	4,871,702	5,206,796	49,330	5,256,126
Transactions with owners / other equity movements:							
Transfer to statutory reserves	-	-	8,931	(8,931)	-	-	-
Transfer from regulatory reserves	-	(797,472)	-	797,472	-	-	-
Transfer to general reserves	-	-	80,360	(80,360)	-	-	-
Dividends paid	-	-	-	(1,552,855)	(1,552,855)	(22,845)	(1,575,700)
	-	(797,472)	89,291	(844,674)	(1,552,855)	(22,845)	(1,575,700)
At 31 December 2020	9,417,653	1,219,881	2,030,742	34,579,995	47,248,271	1,178,359	48,426,630

* This represents non-controlling interests' share of currency translation differences in respect of foreign operations.

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

<----- Attributable to Equity Holders of the Bank ----->

<u>Bank</u>	<u>Non-distributable</u>		<u>Distributable</u>		<u>Total</u> <u>Equity</u> <u>RM'000</u>
	<u>Share</u> <u>Capital</u> <u>RM'000</u>	<u>Regulatory</u> <u>Reserves</u> <u>RM'000</u>	<u>Other</u> <u>Reserves</u> <u>RM'000</u>	<u>Retained</u> <u>Profits</u> <u>RM'000</u>	
At 1 January 2021	9,417,653	1,031,389	1,162,643	28,328,103	39,939,788
Profit for the year	-	-	-	4,634,905	4,634,905
Other comprehensive (loss) / income for the year	-	-	(557,556)	319	(557,237)
Total comprehensive (loss) / income for the year	-	-	(557,556)	4,635,224	4,077,668
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	195	(195)	-
Transfer from regulatory reserves	-	(820,326)	-	820,326	-
Dividends paid	-	-	-	(3,979,192)	(3,979,192)
	-	(820,326)	195	(3,159,061)	(3,979,192)
At 31 December 2021	9,417,653	211,063	605,282	29,804,266	40,038,264

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

<----- Attributable to Equity Holders of the Bank ----->

<u>Bank</u>	<u>Non-distributable</u>			<u>Distributable</u>	<u>Total</u> <u>Equity</u> <u>RM'000</u>
	<u>Share</u> <u>Capital</u> <u>RM'000</u>	<u>Regulatory</u> <u>Reserves</u> <u>RM'000</u>	<u>Other</u> <u>Reserves</u> <u>RM'000</u>	<u>Retained</u> <u>Profits</u> <u>RM'000</u>	
At 1 January 2020	9,417,653	1,619,452	873,228	25,168,037	37,078,370
Profit for the year	-	-	-	4,125,110	4,125,110
Other comprehensive income for the year	-	-	289,163	-	289,163
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>289,163</u>	<u>4,125,110</u>	<u>4,414,273</u>
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	252	(252)	-
Transfer from regulatory reserves	-	(588,063)	-	588,063	-
Dividends paid	-	-	-	(1,552,855)	(1,552,855)
	<u>-</u>	<u>(588,063)</u>	<u>252</u>	<u>(965,044)</u>	<u>(1,552,855)</u>
At 31 December 2020	<u>9,417,653</u>	<u>1,031,389</u>	<u>1,162,643</u>	<u>28,328,103</u>	<u>39,939,788</u>

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Cash Flows from Operating Activities				
Profit before tax expense and zakat	7,366,575	6,285,063	5,798,115	5,155,501
Adjustments for non-cash items:				
Share of loss / (profit) after tax of equity accounted associated companies	5,457	(2,112)	-	-
Allowance for impairment on loans and financing	1,394,537	1,328,284	967,597	832,978
Depreciation of right-of-use assets and property and equipment	363,314	364,419	275,601	277,092
Net gain on financial instruments	(57,810)	(414,835)	(58,815)	(396,538)
Dividend income	(1,602)	(2,287)	(1,103,934)	(872,970)
Allowance for impairment on other assets	5,935	13,668	5,169	9,589
Other non-cash items	(31,405)	19,042	(50,580)	(6,345)
Operating profit before working capital changes	<u>9,045,001</u>	<u>7,591,242</u>	<u>5,833,153</u>	<u>4,999,307</u>
Changes in working capital:				
Increase in operating assets	(12,840,303)	(5,971,601)	(6,741,872)	(4,173,013)
Increase in operating liabilities	12,518,622	14,147,077	7,355,819	10,243,451
Cash generated from operations	<u>8,723,320</u>	<u>15,766,718</u>	<u>6,447,100</u>	<u>11,069,745</u>
Tax expense and zakat paid	(2,061,768)	(1,097,185)	(1,532,178)	(799,615)
Net cash generated from operating activities	<u>6,661,552</u>	<u>14,669,533</u>	<u>4,914,922</u>	<u>10,270,130</u>
Cash Flows from Investing Activities				
Purchase of property and equipment	(142,951)	(373,063)	(89,857)	(304,749)
Addition to investment properties	(14)	(99)	-	-
Proceeds from disposal of properties	23,401	21,102	21,762	20,071
Net purchase of financial investments	(4,459,421)	(7,374,002)	(1,847,922)	(4,553,522)
Investment in collective investments	-	-	(163,453)	(199,966)
Additional investment in a subsidiary company	-	-	(423)	-
Additional investment in an associated company	(45,000)	-	(22,500)	-
Dividends received	1,602	2,287	1,284,249	803,060
Net cash used in investing activities	<u>(4,622,383)</u>	<u>(7,723,775)</u>	<u>(818,144)</u>	<u>(4,235,106)</u>

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Cash Flows from Financing Activities				
Dividends paid	(4,010,633)	(1,575,700)	(3,979,192)	(1,552,855)
Repayment of lease liabilities	(86,032)	(113,747)	(59,703)	(84,591)
Redemption of debt securities	(1,520,000)	-	(1,000,000)	-
Net cash used in financing activities	<u>(5,616,665)</u>	<u>(1,689,447)</u>	<u>(5,038,895)</u>	<u>(1,637,446)</u>
Net change in cash and cash equivalents	(3,577,496)	5,256,311	(942,117)	4,397,578
Cash and cash equivalents at beginning of the year	17,328,281	12,191,838	12,320,333	7,922,755
Exchange differences on translation of opening balances	<u>297,420</u>	<u>(119,868)</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of the year	<u>14,048,205</u>	<u>17,328,281</u>	<u>11,378,216</u>	<u>12,320,333</u>
Note:				
Cash and balances with banks	17,530,611	19,698,132	13,861,672	12,970,667
Less: Balances with banks with original maturity more than three months	<u>(3,482,406)</u>	<u>(2,369,851)</u>	<u>(2,483,456)</u>	<u>(650,334)</u>
Cash and cash equivalents at end of the year	<u>14,048,205</u>	<u>17,328,281</u>	<u>11,378,216</u>	<u>12,320,333</u>

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2020.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 and Policy Document on Financial Reporting Issued by Bank Negara Malaysia

A1. Basis of Preparation

The audited condensed interim financial statements for the 4th quarter and financial year ended 31 December 2021 have been prepared under the historical cost convention except for the following assets and liabilities which are stated at fair values: financial assets at fair value through profit or loss ("FVTPL"), financial investments at fair value through other comprehensive income ("FVOCI"), derivative financial instruments and investment properties.

The audited condensed interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The audited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the financial year ended 31 December 2020. The explanatory notes attached to the audited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and of the Bank since the financial year ended 31 December 2020.

The audited condensed interim financial statements incorporated those activities relating to the Islamic banking business which have been undertaken by the Group. Islamic banking business refers generally to the acceptance of deposits and granting of financing under the principles of Shariah.

The significant accounting policies and methods of computation applied in the audited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2020, except for the adoption of the following during the current financial year:

Effective for annual periods commencing on or after 1 January 2021

- Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)

Effective for annual periods commencing on or after 1 April 2021

- COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to MFRS 16 Leases)

Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16) - Amendments were made on some specific requirements of those standards with respect to issues affecting financial reporting during the reform of an interest rate benchmark. The amendments provide a practical expedient whereby an entity would not derecognise or adjust the carrying amount of financial instruments for modifications required by interest rate benchmark reform, but would instead update the effective interest rate to reflect the change in the interest rate benchmark. On hedging relationship, entities would be required to amend the formal designation of a hedging relationship to reflect the modifications and/or changes made to the hedged item and/or hedging instruments as a result of the reform. However, the modification does not constitute discontinuation of the hedging relationship nor the designation of a new hedging relationship.

The adoption of these amendments did not have any financial impact to the Group and the Bank.

COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to MFRS 16 Leases) - The original amendment issued in 2020 allows lessees not to account for rent concessions as lease modifications if they are a direct consequence of COVID-19 and meet certain conditions. It applies to rent concessions that reduce the lease payments due on or before 30 June 2021. This amendment extends the availability of the practical expedient for another 12 months, i.e. permitting lessees to apply it to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022.

The Group and the Bank have applied practical expedient not to account for rent concessions to all of its property leases that meet the above mentioned conditions.

The Group and the Bank accounted for allocated portion of a contractually forgiven payment as a negative variable lease payment in the period in which the event or condition that triggers the reduced payment occurred. Total negative variable lease payments recognised in the profit or loss by the Group and the Bank in the current financial year were RM155,000 (2020: RM849,000) and RM78,000 (2020: RM794,000) respectively.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A1. Basis of Preparation (continued)

Additional Measures to Assist Borrowers/Customers Affected by the COVID-19 Pandemic

Following Bank Negara Malaysia ("BNM")'s letters dated 24 March 2020, 24 July 2020 and 17 August 2020 on measures to assist borrowers/customers affected by the COVID-19 pandemic, BNM had on 31 May 2021 extended the eligibility period of various repayment assistance from 30 June 2021 to on or before 31 December 2021.

i) Definition of defaulted exposures under the policy documents on Capital Adequacy Framework and Capital Adequacy Framework for Islamic Banks

In applying the definition of defaulted exposures under the above policies to loans/financing for which repayment assistance is extended:

- a) The determination of "days past due" should be based on the new repayment terms of a loan/financing that has been rescheduled and restructured. Where the repayment terms include a repayment deferral, the determination of days past due should exclude the deferred repayment period;
- b) For loans/financing to individuals or SMEs, a borrower/customer should not be considered to be in default based on "unlikeliness to repay" at the time the repayment assistance is granted, except where the loan/financing is sold by the banking institution at a material loss or the borrower/customer is subjected to bankruptcy actions. Banking institutions are also expected to consider whether the financial difficulties faced by the borrowers/customers are unlikely to be temporary; and
- c) For loans/financing to corporates, the assessment of "unlikeliness to repay" should not be based solely on the borrower/customer taking up an offer of repayment assistance extended by the banking institution but based on a more holistic assessment of all relevant indicators and information available on the corporate borrower/customer.

Regulatory Capital Treatment

The regulatory capital treatment above shall apply to loans/financing denominated in Malaysian Ringgit or foreign currency that meet the following criteria:

- a) The principal or interest/profit, or both, is not in arrears exceeding 90 days as at the date of application for repayment assistance; and
- b) The application for repayment assistance by a borrower/customer is received on or before 31 December 2021.

The regulatory capital treatment would also be applicable to rescheduled and restructured loans/financing that are facilitated by Agensi Kaunseling dan Pengurusan Kredit, the Small Debt Resolution Scheme and the Corporate Debt Restructuring Committee.

The Group and the Bank have applied the above regulatory capital treatment to the applicable loans/financing.

ii) Classification in the Central Credit Reference Information System ("CCRIS")

For rescheduled and restructured ("R&R") individual, SME and corporate loans/financing with arrears not exceeding 90 days as at the date of application for repayment assistance and where application for repayment assistance is received on or before 31 December 2021, including a loan/financing that is restructured and rescheduled more than once, the loan/financing need not be reported as R&R in CCRIS.

The Group and the Bank have complied with the above requirements from BNM.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A1. Basis of Preparation (continued)

Additional Measures to Assist Borrowers/Customers Affected by the COVID-19 Pandemic (continued)

iii) Drawdown of prudential buffers

Banking institutions were allowed to:

- a) Drawdown the capital conservation buffer of 2.5%;
- b) Operate below the minimum Liquidity Coverage Ratio ("LCR") of 100%;
- c) Reduce the regulatory reserves held against expected losses to 0%; and
- d) Minimum Net Stable Funding Ratio ("NSFR") is lowered to 80% from 100%.

However, banking institutions are required to rebuild the said buffers and restore them to the minimum regulatory requirements by 30 September 2021.

The Group and the Bank have not drawn down any of the prudential buffers.

iv) Transitional Arrangements for Regulatory Capital Treatment of Accounting Provisions

The transitional arrangements for regulatory capital treatment of accounting provisions were introduced as part of the BNM's additional measures to further support efforts to help affected individuals and businesses to recover from the impact of the COVID-19 pandemic while continue to preserve the safety and soundness of the banks.

Under these requirements, financial institutions that elect to apply the said transitional arrangements are allowed to add back a portion of Stage 1 and Stage 2 provisions for expected credit losses to Common Equity Tier I capital over a four-year period from financial year beginning 2020, or a three-year period from financial year beginning 2021, based on the add-back factor prescribed in the frameworks.

The Group and the Bank have not applied the said transitional arrangements provided in the frameworks as at the reporting date.

Pakej Perlindungan Rakyat dan Pemulihan Ekonomi ("PEMULIH package")

In line with the announcement made by the Prime Minister of Malaysia on the PEMULIH package, the Association of Banks in Malaysia and Association of Islamic Banking and Financial Institutions Malaysia had on 29 June 2021 announced that from 7 July 2021, banks will be offering a 6-month moratorium on the instalment of all credit facilities (excluding credit cards) for the following borrowers/customers on an opt in basis:-

- i) All individuals (including all B40, M40 and T20 borrowers/customers);
- ii) All microenterprises; and
- iii) All small and medium enterprises ("SMEs") that have been affected by the COVID-19 pandemic.

For credit card facilities, banks will offer conversion of a borrower's/customer's outstanding balances into a 3-year term loan/financing with reduced interest/profit rates.

The Group and the Bank have offered this moratorium accordingly to loans/financing approved before 1 July 2021 and are not in arrears for more than 90 days on the date the request is submitted. In addition, CCRIS records will be unaffected by opting in this moratorium.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A1. Basis of Preparation (continued)

Additional Measures to Assist Borrowers/Customers Affected by the COVID-19 Pandemic (continued)

Financial Management and Resilience Programme (Program Pengurusan & Ketahanan Kewangan, “URUS”)

The Association of Banks in Malaysia, Association of Islamic Banking and Financial Institutions Malaysia and Association of Development Finance Institutions of Malaysia had on 14 October 2021 announced that from 15 November 2021, banks alongside Agensi Kaunseling dan Pengurusan Kredit (“AKPK”) will be offering the URUS to individual customers, on application, who are under existing repayment assistance programme as at 30 September 2021 and meet the following criteria:

- i) Customers/Borrowers are from the B50 income segment;
- ii) Customers/Borrowers who have experienced either:
 - a) Loss of employment; or
 - b) Reduction of income of at least 50%; and
- iii) Loan/Financing of the customer/borrower is still performing (no in arrears exceeding 90 days) as at the date of application.

Under URUS, the Group and the Bank alongside AKPK will be providing customers/borrowers with a personalised financial plan until 31 March 2022 which encompass the following options:

- i) Interest/profit waiver for a period of 3 months; or
- ii) A 3-month interest/profit waiver together with reduced instalments for a period of up to 24 months.

For eligible customers/borrowers who have enrolled for flood relief assistance programme, the Group and the Bank will also be offering URUS, if required, until 31 July 2022 or upon the expiry of the flood relief assistance programme, whichever is earlier.

MFRS 9 Financial Instruments and financial reporting requirements

The Group and the Bank had incorporated management overlays to cater for the impact of the COVID-19 pandemic and the associated relief measures in the measurement of expected credit losses (“ECL”).

These management overlays are made to reflect the macroeconomic outlook and potential deterioration in credit risk of loans/financing that could potentially be affected by the COVID-19 pandemic. The management overlays involved significant level of judgment and reflect management’s views of possible severities of the pandemic and paths of recovery in the forward looking assessment for ECL estimation purposes.

- i) Forward looking macro-economic information and assumptions

The Group and Bank have updated the assumptions in the forward looking models to reflect the evolving situation with respect to COVID-19 arising from the following uncertainties:

- The extent and duration of measures due to recent resurgence of COVID-19 cases globally;
- The expected impact on the economy, including the timing and speed of the economic response; and
- The effects of various government relief and support measures, in particular their impact on the extent and duration of economic recovery.

The economic outlook from various research houses and forward looking information have also been considered.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A1. Basis of Preparation (continued)

MFRS 9 Financial Instruments and financial reporting requirements (continued)

The following are the values of the key domestic macro-economic variables and latest available statistics/projections for the respective years, as published by the government and related agencies which have been considered by the Group and the Bank:

	2021	2022
Gross domestic product %	3.0 - 4.0	5.5 - 6.5
Consumer price index %	2.4	2.1
Housing price index	198.6 *	-
Unemployment rate %	4.6 - 4.8	4.0

* Latest available statistic.

The Group and the Bank modified the above macro-economic projections considered the continued uncertainties in the economic environment for the purpose of ECL estimation.

ii) Assessment for significant increase in credit risk for stage transfer purposes

The borrowers or customers who had received relief assistance remain in their existing stages unless they have been individually identified as not viable or with subsequent indicators of significant increase in credit risk from each of their pre-COVID-19 status. Hence, in the absence of other factors relevant to the assessment of whether there has been a significant increase in credit risk, the relief assistance provided does not automatically result in migration from Stage 1 (12-month ECL) to Stage 2 (lifetime ECL).

iii) Management overlay for loan/financing under relief assistance

The Group and the Bank exercised judgment, adapted and estimated based on the information on-hand in the provision of management overlays.

- Large corporate borrowers/customers

Management overlay is provided for certain large corporate borrowers/customers who were and continue to be affected by the economic environment and have applied for rescheduling and restructuring arrangements.

- Retail and SME borrowers/customers

Borrowers/customers who came forward for various relief assistances were identified and assessed. Based on assessment of available data, management overlay is provided to cater for potential deterioration in credit risk of this group of borrowers/customers.

The Group and the Bank will continue to review and monitor closely the abovementioned assumptions and management overlay if current expectations change materially.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A1. Basis of Preparation (continued)

The following Malaysian Financial Reporting Standard ("MFRS") and Amendments to MFRSs have been issued by MASB that are applicable to the Group and the Bank but are not yet effective:

Effective for annual periods commencing on or after 1 January 2022

- Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRS Standards 2018-2020"
- Reference to the Conceptual Framework (Amendments to MFRS 3 Business Combinations)
- Property, Plant and Equipment - Proceeds before Intended Use (Amendments to MFRS 116 Property, Plant and Equipment)
- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets)

Effective for annual periods commencing on or after 1 January 2023

- MFRS 17 Insurance Contracts
- Amendments to MFRS 17 Insurance Contracts
- Extension of the Temporary Exemption from Applying MFRS 9 (Amendments to MFRS 4 Insurance Contracts)
- Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements)
- Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)
- Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)
- Initial Application of MFRS 17 and MFRS 9 - Comparative Information (Amendments to MFRS 17 Insurance Contracts)

Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRS Standards 2018-2020" - The Annual Improvements cover the following amendments that are applicable to the Group and the Bank:

- i) **MFRS 9 Financial Instruments** - It clarifies the fees a company includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability.
- ii) **Illustrative Examples accompanying MFRS 16 Leases** - It deletes the Illustrative Example 13 the reimbursement relating to leasehold improvements in order to remove any potential confusion regarding the treatment of lease incentives.

Reference to the Conceptual Framework (Amendments to MFRS 3 Business Combinations) - The amendments update MFRS 3 by replacing a reference to an old version of the Conceptual Framework for Financial Reporting with a reference to the latest version which was issued by MASB in April 2018.

Property, Plant and Equipment - Proceeds before Intended Use (Amendments to MFRS 116 Property, Plant and Equipment) - The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company shall recognise such sales proceeds and related cost in profit or loss.

Onerous Contracts - Cost of Fulfilling a Contract (Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets) - The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous.

MFRS 17 Insurance Contracts - MFRS 17 introduces consistent accounting for all insurance contracts based on a current measurement model. Under MFRS 17, the general model requires entities to recognise and measure a group of insurance contracts at: (i) a risk-adjusted present value of future cash flows that incorporates information that is consistent with observable market information; plus (ii) an amount representing the unearned profit in the group of contracts.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A1. Basis of Preparation (continued)

The following Malaysian Financial Reporting Standard ("MFRS") and Amendments to MFRSs have been issued by MASB that are applicable to the Group and the Bank but are not yet effective (continued):

Amendments to MFRS 17 Insurance Contracts - The amendments are designed to minimise the risk of disruption to implementation already underway and do not change the fundamental principles of the standard or reduce the usefulness of information for investors. In addition, the amendments also defer the effective date of MFRS 17 by two years to annual reporting periods beginning on or after 1 January 2023.

Extension of the Temporary Exemption from Applying MFRS 9 (Amendments to MFRS 4 Insurance Contracts) - The amendments extend the expiry date for the temporary exemption from applying MFRS 9 Financial Instruments by two years to annual periods beginning on or after 1 January 2023, to be aligned with the effective date of MFRS 17, which replaces MFRS 4.

Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements) - The amendments provide clarification on the requirements for classifying liabilities as current or non-current, and specifically on the following:

- The amendments specify that the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists.
- Management expectations about events after the balance sheet date, for example on whether a covenant will be breached, or whether early settlement will take place, are not relevant.
- The amendments clarify the situations that are considered settlement of a liability.

Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements) - The amendments require entities to disclose their material accounting policy information rather than significant accounting policies and include examples of what is considered to be material to their financial statements. To support the amendments, MFRS Practice Statement 2 Making Materiality Judgments was also amended to provide guidance on how to apply the concept of materiality to accounting policy information disclosure.

Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors) - The amendments revise the definition of accounting estimates to clarify how companies should distinguish changes in accounting policies from changes in accounting estimates.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes) - The amendments clarifies how companies should account for deferred tax on transactions such as leases and decommissioning obligation. The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.

Initial Application of MFRS 17 and MFRS 9 - Comparative Information (Amendment to MFRS 17 Insurance Contracts) - In order to avoid the temporary accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of MFRS 17 and MFRS 9, the amendment provides an option for the presentation of comparative information about financial assets as if the classification and measurement requirements of MFRS 9 had been applied to that financial asset.

The adoption of MFRS 17 Insurance Contracts and its related Amendments are not expected to have any material financial impact on the financial statements of the Group as the Group's insurance business is immaterial.

The adoption of other amendments to MFRSs is not expected to have any financial impact on the financial statements of the Group and of the Bank.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2020 was not qualified.

A3. Comments about Seasonal or Cyclical Factors

The operations of the Group and of the Bank were not materially affected by any seasonal or cyclical factors in the current financial year.

A4. Unusual Items Due to Their Nature, Size or Incidence

Other than as disclosed in Note A1, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and of the Bank in the current financial year.

A5. Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the current financial year.

A6. Debt and Equity Securities

Saved as disclosed below, there were no issuances of shares, share buy-backs and repayment of debt and equity securities by the Group and the Bank.

a) Bonus Issues of up to 15,528,553,388 Bonus Shares on the Basis of 4 Bonus Shares for Every 1 Existing Public Bank Berhad Share

Subsequent to the approvals obtained from BNM and Bursa Malaysia Securities Berhad on 18 December 2020, and shareholders' approval via an Extraordinary General Meeting held on 12 January 2021, the Bank had on 29 January 2021 announced the listing and quotation of 15,528,553,388 bonus shares.

b) RM20.0 Billion Senior Medium Term Notes ("Senior MTNs") Programme

The Bank had redeemed the fifth tranche of Senior MTNs amounting to RM1,000 million in nominal value on the maturity date.

c) RM5.0 Billion Sukuk Murabahah Programme

The Bank's wholly-owned Islamic banking subsidiary company, Public Islamic Bank Berhad had redeemed the 1st tranche of Senior Sukuk Murabahah amounting to RM520 million in nominal value on the maturity date.

A7. Dividends Paid and Distributed

During the current financial year ended 31 December 2021:

a) An interim dividend of 13.0 sen per share for the financial year ended 31 December 2020 amounting to RM2,523,389,926 was paid on 22 March 2021.

b) A first interim dividend of 7.5 sen per share in respect of the financial year ended 31 December 2021, amounting to RM1,455,801,780 was paid on 23 September 2021.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A8. Financial Assets at Fair Value through Profit or Loss ("FVTPL")

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	99,208	109,517	99,208	109,517
Malaysian Government Securities	246,265	464,553	246,265	464,553
Malaysian Government Investment Issues	<u>304,963</u>	<u>330,325</u>	<u>304,963</u>	<u>330,325</u>
	<u>650,436</u>	<u>904,395</u>	<u>650,436</u>	<u>904,395</u>
Non-money market instruments:				
Equity securities:				
- Unquoted shares in Malaysia	365,568	478,772	344,650	451,376
Debt securities:				
- Cagamas bonds	-	200,339	-	200,339
	<u>365,568</u>	<u>679,111</u>	<u>344,650</u>	<u>651,715</u>
Total financial assets at FVTPL	<u>1,016,004</u>	<u>1,583,506</u>	<u>995,086</u>	<u>1,556,110</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A9. Financial Investments at Fair Value through Other Comprehensive Income ("FVOCI")

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	15,967	700,094	15,967	700,094
Malaysian Government Securities	19,456,980	17,302,295	18,883,691	16,966,318
Malaysian Government Investment Issues	24,918,120	23,398,381	13,770,466	12,865,030
Other foreign government securities	156,579	156,877	-	-
	<u>44,547,646</u>	<u>41,557,647</u>	<u>32,670,124</u>	<u>30,531,442</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>2,952,186</u>	938,442	<u>2,952,186</u>	938,442
Non-money market instruments:				
Equity securities:				
- Quoted shares and convertible loan stocks outside Malaysia	1,614	1,382	-	-
- Unquoted shares	392,801	379,025	386,070	372,474
Debt securities:				
- Cagamas bonds	421,730	503,931	300,177	400,484
- Unquoted corporate bonds / sukuk	4,953,315	5,166,976	791,854	810,727
	<u>5,769,460</u>	<u>6,051,314</u>	<u>1,478,101</u>	<u>1,583,685</u>
Total financial investments at FVOCI	<u>53,269,292</u>	<u>48,547,403</u>	<u>37,100,411</u>	<u>33,053,569</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A9. Financial Investments at Fair Value through Other Comprehensive Income ("FVOCI") (continued)

The following expected credit losses ("ECL") for debt instruments are not recognised in the statement of financial position as the carrying amount of debt instruments at FVOCI is equivalent to their fair value:

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Group				
At 1 January 2021	11,111	1,919	-	13,030
New financial investments purchased	5,193	652	-	5,845
Net allowance made	1,305	-	-	1,305
Amount derecognised	(4,174)	(2,625)	-	(6,799)
Change in models / risk parameters	139	-	-	139
Exchange differences	11	54	-	65
At 31 December 2021	<u>13,585</u>	<u>-</u>	<u>-</u>	<u>13,585</u>
At 1 January 2020	7,616	796	-	8,412
New financial investments purchased	7,962	1,183	-	9,145
Net allowance made	2,692	-	-	2,692
Amount derecognised	(7,219)	-	-	(7,219)
Change in models / risk parameters	63	-	-	63
Exchange differences	(3)	(60)	-	(63)
At 31 December 2020	<u>11,111</u>	<u>1,919</u>	<u>-</u>	<u>13,030</u>
Bank				
At 1 January 2021	5,484	-	-	5,484
New financial investments purchased	4,303	-	-	4,303
Net allowance written back	(5)	-	-	(5)
Amount derecognised	(3,478)	-	-	(3,478)
At 31 December 2021	<u>6,304</u>	<u>-</u>	<u>-</u>	<u>6,304</u>
At 1 January 2020	4,352	-	-	4,352
New financial investments purchased	6,770	-	-	6,770
Net allowance made	255	-	-	255
Amount derecognised	(5,859)	-	-	(5,859)
Change in models / risk parameters	(34)	-	-	(34)
At 31 December 2020	<u>5,484</u>	<u>-</u>	<u>-</u>	<u>5,484</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A10. Financial Investments at Amortised Cost

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
At amortised cost				
Government securities and treasury bills:				
Malaysian Government Securities	1,094,953	1,071,562	1,094,953	1,071,562
Malaysian Government Investment Issues	6,691,261	7,750,118	2,599,010	3,870,625
Foreign Government Treasury Bills	1,004,495	1,039,673	95,098	60,911
Other foreign government securities	1,120,547	1,528,131	4,411	5,762
	<u>9,911,256</u>	<u>11,389,484</u>	<u>3,793,472</u>	<u>5,008,860</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>1,810,225</u>	<u>1,832,725</u>	-	<u>1,060,142</u>
Non-money market instruments:				
Debt securities:				
- Cagamas bonds	5,884,194	4,780,804	4,780,804	4,780,804
- Unquoted corporate bonds / sukuk	8,544,782	9,606,182	7,419,712	7,999,629
	<u>14,428,976</u>	<u>14,386,986</u>	<u>12,200,516</u>	<u>12,780,433</u>
Allowance for impairment	(4,355)	(5,175)	(3,027)	(4,174)
Total financial investments at amortised cost	<u>26,146,102</u>	<u>27,604,020</u>	<u>15,990,961</u>	<u>18,845,261</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A10. Financial Investments at Amortised Cost (continued)

Movements in allowances for impairment on debt instruments which reflect the ECL model on impairment are as follows:

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Group				
At 1 January 2021	5,156	-	19	5,175
New financial investments purchased	581	-	-	581
Net allowance made	84	-	-	84
Amount derecognised	(921)	-	-	(921)
Exchange differences	(564)	-	-	(564)
At 31 December 2021	<u>4,336</u>	<u>-</u>	<u>19</u>	<u>4,355</u>
At 1 January 2020	4,527	-	19	4,546
New financial investments purchased	622	-	-	622
Net allowance made	278	-	-	278
Amount derecognised	(754)	-	-	(754)
Exchange differences	483	-	-	483
At 31 December 2020	<u>5,156</u>	<u>-</u>	<u>19</u>	<u>5,175</u>
Bank				
At 1 January 2021	4,155	-	19	4,174
Net allowance written back	(92)	-	-	(92)
Amount derecognised	(480)	-	-	(480)
Exchange differences	(575)	-	-	(575)
At 31 December 2021	<u>3,008</u>	<u>-</u>	<u>19</u>	<u>3,027</u>
At 1 January 2020	3,726	-	19	3,745
New financial investments purchased	65	-	-	65
Net allowance made	236	-	-	236
Amount derecognised	(362)	-	-	(362)
Exchange differences	490	-	-	490
At 31 December 2020	<u>4,155</u>	<u>-</u>	<u>19</u>	<u>4,174</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A11. Loans, Advances and Financing

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
At amortised cost				
Overdrafts	9,225,460	9,464,586	6,385,509	6,667,586
Term loans / financing				
- Housing loans / financing	142,034,597	131,511,581	108,261,391	101,898,138
- Syndicated term loans / financing	3,869,514	3,842,179	991,217	1,160,411
- Hire purchase receivables	55,974,697	54,760,909	43,626,036	43,331,042
- Other term loans / financing	129,367,856	128,504,129	101,103,727	101,330,530
Credit card receivables	2,182,299	1,996,528	2,121,023	1,954,379
Bills receivables	54,070	64,900	43,933	51,758
Trust receipts	206,751	194,102	112,737	103,974
Claims on customers under acceptance credits	2,680,262	2,691,792	2,498,779	2,517,347
Revolving credits	10,246,755	10,499,096	7,905,034	8,651,661
Staff loans *	2,184,491	2,121,425	1,877,076	1,845,539
Gross loans, advances and financing	<u>358,026,752</u>	<u>345,651,227</u>	<u>274,926,462</u>	<u>269,512,365</u>
Allowance for impairment on loans and financing:				
- Expected credit losses	(3,974,289)	(2,848,446)	(2,910,921)	(2,073,391)
- Stage 1: 12-Month ECL	(2,110,401)	(1,528,896)	(1,472,405)	(1,054,961)
- Stage 2: Lifetime ECL not credit-impaired	(1,621,549)	(1,046,834)	(1,302,102)	(845,848)
- Stage 3: Lifetime ECL credit-impaired	(242,339)	(272,716)	(136,414)	(172,582)
Net loans, advances and financing	<u>354,052,463</u>	<u>342,802,781</u>	<u>272,015,541</u>	<u>267,438,974</u>

* Included in staff loans of the Group and of the Bank are loans to Directors of subsidiary companies amounting to RM6,550,000 (2020: RM7,232,000) and RM6,550,000 (2020 - RM7,050,000) respectively.

a) By class

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Retail loans / financing *				
- Housing loans / financing	142,034,607	131,511,594	108,261,391	101,898,138
- Hire purchase	55,715,898	54,512,804	43,626,036	43,331,042
- Credit cards	2,182,299	1,996,528	2,121,023	1,954,379
- Other loans / financing ^	112,791,860	111,116,862	84,173,836	84,296,422
	<u>312,724,664</u>	<u>299,137,788</u>	<u>238,182,286</u>	<u>231,479,981</u>
Corporate loans / financing	45,302,088	46,513,439	36,744,176	38,032,384
	<u>358,026,752</u>	<u>345,651,227</u>	<u>274,926,462</u>	<u>269,512,365</u>

* Included in retail loans/financing are loans/financing granted to individual borrowers and mid-market commercial enterprises.

^ Included in other loans/financing are term loans, trade financing, overdrafts and revolving credits.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A11. Loans, Advances and Financing (continued)

b) By type of customer

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Non-bank financial institutions				
- Stock-broking companies	5,441	969	5,441	969
- Others	14,223,581	13,973,772	12,935,958	12,685,217
Business enterprises				
- Small and medium enterprises	72,254,303	70,742,571	57,996,258	57,359,814
- Others	25,895,727	27,969,048	19,614,335	22,017,281
Government and statutory bodies	1,015,030	1,018,079	13,123	15,843
Individuals	241,140,263	228,442,845	182,404,189	175,512,155
Other entities	24,227	29,121	19,087	22,698
Foreign entities	3,468,180	3,474,822	1,938,071	1,898,388
	<u>358,026,752</u>	<u>345,651,227</u>	<u>274,926,462</u>	<u>269,512,365</u>

c) By interest/profit rate sensitivity

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Fixed rate				
- Housing loans / financing	1,152,729	786,457	20,695	23,381
- Hire purchase receivables	53,286,598	52,260,020	43,479,967	43,163,759
- Other fixed rate loans / financing	22,308,184	22,659,120	12,193,511	11,910,692
Variable rate				
- Base rate / base lending rate plus	231,103,480	219,697,158	187,819,085	181,127,943
- Cost plus	36,552,011	37,001,413	31,154,587	32,966,166
- Other variable rates	13,623,750	13,247,059	258,617	320,424
	<u>358,026,752</u>	<u>345,651,227</u>	<u>274,926,462</u>	<u>269,512,365</u>

d) By residual contractual maturity

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Maturity within one year	29,747,301	29,828,393	20,434,390	21,712,839
More than one year to three years	25,422,156	27,587,328	20,136,300	22,453,205
More than three years to five years	34,016,248	31,575,192	27,450,211	24,315,669
More than five years	268,841,047	256,660,314	206,905,561	201,030,652
	<u>358,026,752</u>	<u>345,651,227</u>	<u>274,926,462</u>	<u>269,512,365</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A11. Loans, Advances and Financing (continued)

e) By geographical distribution

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Malaysia	334,646,103	323,728,119	274,278,617	268,793,402
Hong Kong SAR and the People's Republic of China	14,041,917	13,607,461	-	-
Cambodia	4,919,034	4,606,971	-	-
Other countries	4,419,698	3,708,676	647,845	718,963
	<u>358,026,752</u>	<u>345,651,227</u>	<u>274,926,462</u>	<u>269,512,365</u>

f) Gross loans, advances and financing by economic purpose

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Purchase of securities	3,806,514	4,359,446	3,327,555	3,937,183
Purchase of transport vehicles	56,213,822	54,982,651	43,869,123	43,552,949
Purchase of landed properties	229,411,687	218,890,201	180,363,257	174,208,388
(of which: - residential	<u>147,679,774</u>	<u>135,970,426</u>	<u>113,056,177</u>	<u>105,640,480</u>
- non-residential)	<u>81,731,913</u>	<u>82,919,775</u>	<u>67,307,080</u>	<u>68,567,908</u>
Purchase of fixed assets (excluding landed properties)	456,272	443,942	85,372	87,120
Personal use	13,217,789	13,742,077	6,860,947	7,653,250
Credit card	2,182,299	1,996,528	2,121,023	1,954,379
Purchase of consumer durables	704	798	224	103
Construction	7,662,697	7,396,048	5,646,964	5,718,835
Working capital	40,836,823	38,874,027	29,065,321	27,605,664
Other purpose	4,238,145	4,965,509	3,586,676	4,794,494
	<u>358,026,752</u>	<u>345,651,227</u>	<u>274,926,462</u>	<u>269,512,365</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A11. Loans, Advances and Financing (continued)

g) Gross loans, advances and financing by sectors

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Agriculture, hunting, forestry and fishing	3,133,239	3,280,896	2,554,332	2,282,306
Mining and quarrying	287,562	314,277	160,816	164,594
Manufacturing	11,537,292	11,111,565	8,357,965	8,407,467
Electricity, gas and water	110,646	129,803	43,919	55,895
Construction	17,824,705	16,032,004	13,982,146	12,702,933
Wholesale & retail trade and restaurants & hotels	30,844,960	28,914,864	25,290,319	23,847,726
Transport, storage and communication	4,591,415	4,450,488	2,760,483	3,236,937
Finance, insurance and business services	18,641,707	19,724,670	16,425,969	17,314,287
Real estate	25,459,704	28,710,902	19,518,194	22,360,371
Community, social and personal services	3,344,574	3,495,524	1,973,317	2,140,910
Households	240,947,103	228,317,274	183,796,836	176,945,619
Others	1,303,845	1,168,960	62,166	53,320
	<u>358,026,752</u>	<u>345,651,227</u>	<u>274,926,462</u>	<u>269,512,365</u>

h) Loans, advances and financing pledged as collateral are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Bankers' acceptances rediscounted	-	3,000	-	3,000

i) Movements in credit-impaired ("impaired") loans, advances and financing are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
At 1 January	1,251,218	1,604,919	885,514	1,144,133
Impaired during the year	1,078,629	1,223,521	664,046	735,365
Reclassified as non-impaired	(705,966)	(814,904)	(498,447)	(571,151)
Recoveries	(222,202)	(272,687)	(150,719)	(202,723)
Amount written off	(267,038)	(443,016)	(123,633)	(181,090)
Loans / financing converted to foreclosed properties	(36,091)	(40,569)	(31,742)	(35,885)
Exchange differences	3,373	(6,046)	(3,351)	(3,135)
Closing balance	<u>1,101,923</u>	<u>1,251,218</u>	<u>741,668</u>	<u>885,514</u>
Gross impaired loans and financing as a percentage of gross loans, advances and financing	<u>0.31%</u>	<u>0.36%</u>	<u>0.27%</u>	<u>0.33%</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A11. Loans, Advances and Financing (continued)

j) Impaired loans, advances and financing by geographical distribution

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Malaysia	827,687	995,962	691,988	824,162
Hong Kong SAR and the People's Republic of China	132,655	120,136	-	-
Cambodia	28,751	28,801	-	-
Other countries	112,830	106,319	49,680	61,352
	<u>1,101,923</u>	<u>1,251,218</u>	<u>741,668</u>	<u>885,514</u>

k) Impaired loans, advances and financing by economic purpose

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Purchase of securities	33,996	-	33,996	-
Purchase of transport vehicles	151,752	175,309	102,397	122,349
Purchase of landed properties	514,620	647,802	373,283	505,315
(of which: - residential	336,453	440,544	232,257	327,157
- non-residential)	178,167	207,258	141,026	178,158
Purchase of fixed assets (excluding landed properties)	10,655	12,779	642	660
Personal use	87,462	106,756	23,128	40,292
Credit card	8,048	13,812	7,669	13,221
Purchase of consumer durables	1	1	1	1
Construction	14,835	15,077	10,235	10,484
Working capital	275,638	274,330	185,428	187,869
Other purpose	4,916	5,352	4,889	5,323
	<u>1,101,923</u>	<u>1,251,218</u>	<u>741,668</u>	<u>885,514</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A11. Loans, Advances and Financing (continued)

1) Impaired loans, advances and financing by sectors

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Agriculture, hunting, forestry and fishing	19,744	19,093	18,867	19,038
Mining and quarrying	11,641	11,398	11,399	11,167
Manufacturing	75,764	70,438	47,273	43,123
Electricity, gas and water	5,306	5,041	-	-
Construction	94,853	101,758	86,408	88,572
Wholesale & retail trade and restaurants & hotels	159,428	143,872	129,580	111,171
Transport, storage and communication	14,081	16,723	9,299	12,391
Finance, insurance and business services	65,828	58,637	28,036	38,587
Real estate	8,805	19,658	7,051	15,012
Community, social and personal services	5,696	7,363	4,467	5,808
Households	620,479	777,078	397,911	539,288
Others	20,298	20,159	1,377	1,357
	<u>1,101,923</u>	<u>1,251,218</u>	<u>741,668</u>	<u>885,514</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A11. Loans, Advances and Financing (continued)

m) Movements in loss allowance for loans/financing which reflect the ECL model on impairment are as follows:

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Group				
At 1 January 2021	1,528,896	1,046,834	272,716	2,848,446
Changes due to loans, advances and financing recognised as at 1 January 2021:	159,257	(138,993)	(20,264)	-
- Transfer to Stage 1: 12-Month ECL	193,750	(176,684)	(17,066)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(31,911)	56,458	(24,547)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(2,582)	(18,767)	21,349	-
New loans, advances and financing originated	100,477	50,308	36,652	187,437
Net remeasurement due to changes in credit risk	534,960	170,268	223,540	928,768
Loans, advances and financing derecognised (other than write-off)	(56,765)	(109,868)	(26,679)	(193,312)
Modifications to contractual cash flows of loans, advances and financing	(6,292)	280,429	21,110	295,247
Changes in models / risk parameters	(149,787)	321,595	16	171,824
Amount written off	(3,667)	-	(267,038)	(270,705)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(93)	(93)
Exchange differences	3,322	976	2,379	6,677
At 31 December 2021	<u>2,110,401</u>	<u>1,621,549</u>	<u>242,339</u>	<u>3,974,289</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A11. Loans, Advances and Financing (continued)

m) Movements in loss allowance for loans/financing which reflect the ECL model on impairment are as follows (continued):

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Group				
At 1 January 2020	970,934	649,912	371,101	1,991,947
Changes due to loans, advances and financing recognised as at 1 January 2020:	151,935	(112,251)	(39,684)	-
- Transfer to Stage 1: 12-Month ECL	177,300	(156,613)	(20,687)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(21,736)	68,918	(47,182)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(3,629)	(24,556)	28,185	-
New loans, advances and financing originated	110,881	34,662	42,105	187,648
Net remeasurement due to changes in credit risk	204,467	94,965	374,733	674,165
Loans, advances and financing derecognised (other than write-off)	(59,557)	(48,010)	(24,364)	(131,931)
Modifications to contractual cash flows of loans, advances and financing	(24,201)	241,484	(308)	216,975
Changes in models / risk parameters	176,112	187,105	903	364,120
Amount written off	-	-	(443,016)	(443,016)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(241)	(241)
Exchange differences	(1,675)	(1,033)	(8,513)	(11,221)
At 31 December 2020	1,528,896	1,046,834	272,716	2,848,446

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A11. Loans, Advances and Financing (continued)

m) Movements in loss allowance for loans/financing which reflect the ECL model on impairment are as follows (continued):

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Bank				
At 1 January 2021	1,054,961	845,848	172,582	2,073,391
Changes due to loans and advances recognised as at 1 January 2021:	122,181	(100,930)	(21,251)	-
- Transfer to Stage 1: 12-Month ECL	148,849	(136,969)	(11,880)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(26,262)	45,193	(18,931)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(406)	(9,154)	9,560	-
New loans and advances originated	56,041	20,381	1,707	78,129
Net remeasurement due to changes in credit risk	386,678	128,004	108,181	622,863
Loans and advances derecognised (other than write-off)	(26,065)	(77,711)	(18,221)	(121,997)
Modifications to contractual cash flows of loans and advances	(4,954)	229,900	17,130	242,076
Changes in models / risk parameters	(113,785)	256,610	12	142,837
Amount written off	(2,896)	-	(123,633)	(126,529)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(93)	(93)
Exchange differences	244	-	-	244
At 31 December 2021	<u>1,472,405</u>	<u>1,302,102</u>	<u>136,414</u>	<u>2,910,921</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A11. Loans, Advances and Financing (continued)

m) Movements in loss allowance for loans/financing which reflect the ECL model on impairment are as follows (continued):

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Bank				
At 1 January 2020	670,917	535,186	228,571	1,434,674
Changes due to loans and advances recognised as at 1 January 2020:	120,559	(83,463)	(37,096)	-
- Transfer to Stage 1: 12-Month ECL	137,132	(125,123)	(12,009)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(16,195)	50,121	(33,926)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(378)	(8,461)	8,839	-
New loans and advances originated	66,627	17,714	889	85,230
Net remeasurement due to changes in credit risk	95,730	53,720	178,570	328,020
Loans and advances derecognised (other than write-off)	(26,583)	(38,864)	(16,324)	(81,771)
Modifications to contractual cash flows of loans and advances	(16,802)	201,468	(1,379)	183,287
Changes in models / risk parameters	144,801	160,087	682	305,570
Amount written off	-	-	(181,090)	(181,090)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(241)	(241)
Exchange differences	(288)	-	-	(288)
At 31 December 2020	<u>1,054,961</u>	<u>845,848</u>	<u>172,582</u>	<u>2,073,391</u>

A12. Other Assets

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Deferred handling fees	228,164	230,011	182,031	189,988
Interest / Income receivable	28,406	22,706	4,613	484
Other receivables, deposits and prepayments	2,046,697	2,003,908	1,723,897	1,518,677
Collateral pledged for derivative transactions	125,591	386,994	125,591	386,994
Employee benefits	79,906	2,748	78,604	2,703
Amount due from trust funds	231,513	259,116	-	-
Foreclosed properties	200,494	191,162	176,268	170,327
Outstanding contracts on clients' accounts	144,560	311,659	-	-
Amount due from subsidiary companies	-	-	46,773	46,967
Distribution receivable from collective investments	-	-	26,528	28,176
Dividend receivable from subsidiary companies	-	-	644,810	823,477
	<u>3,085,331</u>	<u>3,408,304</u>	<u>3,009,115</u>	<u>3,167,793</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A13. Deposits from Customers

a) By type of deposit

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
At amortised cost				
Core deposits:				
- Demand deposits	65,805,801	59,355,197	53,001,566	47,669,930
- Savings deposits	52,195,611	46,244,527	35,497,179	31,119,195
- Fixed deposits	207,768,245	204,543,978	153,458,102	149,670,726
	<u>325,769,657</u>	<u>310,143,702</u>	<u>241,956,847</u>	<u>228,459,851</u>
Money market deposits	54,562,580	55,669,218	46,506,733	49,576,393
Other deposits	61,977	57,831	48,012	42,469
	<u>380,394,214</u>	<u>365,870,751</u>	<u>288,511,592</u>	<u>278,078,713</u>

b) By type of customer

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Federal and state governments	5,505,408	8,369,668	404,036	4,291,436
Local government and statutory authorities	3,198,155	4,062,758	2,297,651	3,210,402
Business enterprises	108,214,823	100,540,241	85,962,563	80,071,334
Individuals	201,344,083	186,738,461	161,053,152	148,149,825
Foreign customers	9,605,422	9,484,501	4,690,187	4,499,011
Others	52,526,323	56,675,122	34,104,003	37,856,705
	<u>380,394,214</u>	<u>365,870,751</u>	<u>288,511,592</u>	<u>278,078,713</u>

c) The maturity structure of fixed deposits, negotiable instruments of deposit and money market deposits are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Due within six months	216,999,324	218,744,626	168,238,293	164,809,471
More than six months to one year	45,097,647	41,230,618	31,624,429	34,317,332
More than one year to three years	227,620	232,592	96,816	115,979
More than three years to five years	5,974	5,360	5,037	4,337
More than five years	260	-	260	-
	<u>262,330,825</u>	<u>260,213,196</u>	<u>199,964,835</u>	<u>199,247,119</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A14. Deposits from Banks and Other Financial Institutions

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
	At amortised cost			
Licensed banks	2,296,935	2,948,196	1,224,437	1,948,884
Licensed investment banks	951,630	428,612	804,489	416,091
Bank Negara Malaysia	2,265,215	1,883,775	2,197,509	1,809,409
Other financial institutions	2,609,989	5,481,645	5,578,516	9,001,951
	<u>8,123,769</u>	<u>10,742,228</u>	<u>9,804,951</u>	<u>13,176,335</u>

A15. Other Liabilities

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
	Interest / Income payable	1,462,522	1,784,522	1,089,111
Other payables and accruals	3,158,943	2,977,882	2,527,612	2,292,787
Collateral received for derivative transactions	24,727	95,359	24,727	95,359
Amount due to trust funds	123,272	126,832	-	-
Unprocessed sales and / or redemptions	142,150	221,849	-	-
Accrued restoration costs	71,311	70,846	71,241	71,581
Allowance for impairment on loan / financing commitments and financial guarantees	74,864	70,176	60,061	56,372
Outstanding contracts on clients' accounts	135,158	260,299	-	-
Dividend payable to shareholders	28,478	21,014	4,897	2,738
Amount due to subsidiary companies	-	-	10,993	21,776
	<u>5,221,425</u>	<u>5,628,779</u>	<u>3,788,642</u>	<u>3,898,526</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A15. Other Liabilities (continued)

Movements in the allowance for impairment on loan/financing commitments and financial guarantees are as follows:

Group	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
At 1 January 2021	56,000	13,663	513	70,176
Changes due to loan / financing commitments and financial guarantees recognised as at 1 January 2021:	2,750	(2,602)	(148)	-
- Transfer to Stage 1: 12-Month ECL	3,729	(3,633)	(96)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(977)	1,146	(169)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(2)	(115)	117	-
New loan / financing commitments and financial guarantees originated	3,619	2,666	-	6,285
Net remeasurement due to changes in credit risk	(5,849)	3,703	73	(2,073)
Loan / financing commitments and financial guarantees derecognised	(2,889)	(2,214)	(89)	(5,192)
Modifications to contractual cash flows of loan / financing commitments and financial guarantees	(137)	3,033	(21)	2,875
Changes in models / risk parameters	(2,247)	4,925	-	2,678
Exchange differences	114	1	-	115
At 31 December 2021	51,361	23,175	328	74,864
At 1 January 2020	42,845	8,475	1,624	52,944
Changes due to loan / financing commitments and financial guarantees recognised as at 1 January 2020:	1,857	(1,315)	(542)	-
- Transfer to Stage 1: 12-Month ECL	2,924	(2,851)	(73)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(1,062)	1,584	(522)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(5)	(48)	53	-
New loan / financing commitments and financial guarantees originated	4,817	1,729	42	6,588
Net remeasurement due to changes in credit risk	15	684	(580)	119
Loan / financing commitments and financial guarantees derecognised	(3,285)	(1,308)	(27)	(4,620)
Modifications to contractual cash flows of loan / financing commitments and financial guarantees	(235)	1,415	(5)	1,175
Changes in models / risk parameters	10,061	3,983	1	14,045
Exchange differences	(75)	-	-	(75)
At 31 December 2020	56,000	13,663	513	70,176

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A15. Other Liabilities (continued)

Movements in the allowance for impairment on loan/financing commitments and financial guarantees are as follows (continued):

Bank	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
At 1 January 2021	44,815	11,134	423	56,372
Changes due to loan commitments and financial guarantees recognised as at 1 January 2021:	2,239	(2,161)	(78)	-
- Transfer to Stage 1: 12-Month ECL	3,121	(3,051)	(70)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(880)	997	(117)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(2)	(107)	109	-
New loan commitments and financial guarantees originated	2,505	1,767	-	4,272
Net remeasurement due to changes in credit risk	(4,185)	3,645	82	(458)
Loan commitments and financial guarantees derecognised	(1,960)	(2,071)	(88)	(4,119)
Modifications to contractual cash flows of loan commitments and financial guarantees	(112)	2,065	(29)	1,924
Changes in models / risk parameters	(1,787)	3,857	-	2,070
At 31 December 2021	41,515	18,236	310	60,061
At 1 January 2020	34,904	7,534	1,292	43,730
Changes due to loan commitments and financial guarantees recognised as at 1 January 2020:	1,554	(1,208)	(346)	-
- Transfer to Stage 1: 12-Month ECL	2,546	(2,493)	(53)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(987)	1,325	(338)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(5)	(40)	45	-
New loan commitments and financial guarantees originated	3,102	1,348	24	4,474
Net remeasurement due to changes in credit risk	(278)	86	(524)	(716)
Loan commitments and financial guarantees derecognised	(2,914)	(1,222)	(23)	(4,159)
Modifications to contractual cash flows of loan commitments and financial guarantees	(221)	1,016	(1)	794
Changes in models/risk parameters	8,668	3,580	1	12,249
At 31 December 2020	44,815	11,134	423	56,372

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A16. Interest Income

	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<u>Group</u>				
Loans and advances	2,843,521	2,814,756	11,428,048	11,885,707
Balances with banks	57,822	51,599	188,190	234,032
Financial investments at fair value through other comprehensive income	279,839	270,710	1,043,844	1,104,802
Financial investments at amortised cost	176,039	204,051	752,380	866,356
Others	10,519	11,155	39,263	54,658
	<u>3,367,740</u>	<u>3,352,271</u>	<u>13,451,725</u>	<u>14,145,555</u>
Financial assets at fair value through profit or loss	4,223	4,069	22,832	38,683
	<u>3,371,963</u>	<u>3,356,340</u>	<u>13,474,557</u>	<u>14,184,238</u>
	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<u>Bank</u>				
Loans and advances	2,503,594	2,479,235	10,094,076	10,477,299
Balances with banks	50,382	42,627	159,073	199,817
Financial investments at fair value through other comprehensive income	228,012	221,777	840,386	913,266
Financial investments at amortised cost	177,349	201,708	754,912	839,646
Others	24,999	24,132	94,230	90,788
	<u>2,984,336</u>	<u>2,969,479</u>	<u>11,942,677</u>	<u>12,520,816</u>
Financial assets at fair value through profit or loss	4,223	4,069	22,752	37,703
	<u>2,988,559</u>	<u>2,973,548</u>	<u>11,965,429</u>	<u>12,558,519</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A17. Interest Expense

	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Deposits from banks and other financial institutions	56,069	58,952	213,252	263,438
Deposits from customers	1,082,285	1,186,486	4,319,937	6,013,651
Loans sold to Cagamas	48,924	52,658	194,100	229,369
Debt securities issued and other borrowed funds	96,719	107,204	390,215	435,545
Others	2,210	15,146	42,012	62,459
	<u>1,286,207</u>	<u>1,420,446</u>	<u>5,159,516</u>	<u>7,004,462</u>
	4th Quarter Ended	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Deposits from banks and other financial institutions	53,951	61,316	208,095	283,118
Deposits from customers	1,024,535	1,123,165	4,095,488	5,692,298
Loans sold to Cagamas	48,924	52,658	194,100	229,369
Debt securities issued and other borrowed funds	94,427	104,611	381,041	420,510
Others	4,017	14,920	48,519	63,565
	<u>1,225,854</u>	<u>1,356,670</u>	<u>4,927,243</u>	<u>6,688,860</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A18. Net Fee and Commission Income

	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
(a) Fee and commission income:				
Commissions	166,681	122,721	560,300	462,692
Service charges and fees	81,484	88,086	301,743	328,907
Guarantee fees	7,425	7,972	30,624	30,866
Commitment fees	18,572	20,584	72,064	70,010
Unit trust management fees	345,781	312,362	1,345,729	1,141,324
Fee on sale of trust units	94,770	108,560	469,007	374,625
Brokerage and commissions from stockbroking activities	29,606	73,619	190,174	246,584
Other fee and commission income	11,572	17,738	59,296	57,948
	<u>755,891</u>	<u>751,642</u>	<u>3,028,937</u>	<u>2,712,956</u>
(b) Fee and commission expense:				
Unit trust agency fee	(140,088)	(133,423)	(573,044)	(464,549)
Debit / credit card related fee	(81,348)	(65,968)	(260,497)	(267,413)
Loan related fee	(3,156)	(4,761)	(15,892)	(18,192)
Other fee and commission expense	(6,742)	(9,588)	(32,705)	(33,439)
	<u>(231,334)</u>	<u>(213,740)</u>	<u>(882,138)</u>	<u>(783,593)</u>
Net fee and commission income	<u>524,557</u>	<u>537,902</u>	<u>2,146,799</u>	<u>1,929,363</u>
	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
(a) Fee and commission income:				
Commissions	182,586	162,771	670,444	614,243
Service charges and fees	64,118	63,838	258,101	238,044
Guarantee fees	6,752	7,460	28,462	28,694
Commitment fees	16,714	18,557	64,225	61,674
Other fee and commission income	6,888	12,617	39,514	38,007
	<u>277,058</u>	<u>265,243</u>	<u>1,060,746</u>	<u>980,662</u>
(b) Fee and commission expense:				
Debit / credit card related fee	(81,314)	(65,530)	(260,384)	(264,680)
Loan related fee	(2,547)	(4,004)	(13,528)	(15,817)
Other fee and commission expense	(3,185)	(2,822)	(11,015)	(11,532)
	<u>(87,046)</u>	<u>(72,356)</u>	<u>(284,927)</u>	<u>(292,029)</u>
Net fee and commission income	<u>190,012</u>	<u>192,887</u>	<u>775,819</u>	<u>688,633</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A19. Net Gains and Losses on Financial Instruments

	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Group				
Net (loss) / gain arising on financial assets at fair value through profit or loss:				
- net (loss) / gain on disposal	(77)	2,331	(1,336)	28,928
- gross dividend income	2	-	2,097	1,603
- unrealised revaluation (loss) / gain	(80,341)	(2,745)	(113,620)	29,076
	<u>(80,416)</u>	<u>(414)</u>	<u>(112,859)</u>	<u>59,607</u>
Net gain arising on trading derivatives				
- unrealised revaluation gain	7	3	1	80
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	5,687	34,714	168,961	384,402
- gross dividend income	175	3	1,602	2,287
	<u>5,862</u>	<u>34,717</u>	<u>170,563</u>	<u>386,689</u>
Net gain arising on financial investments at amortised cost				
- net gain on disposal	-	-	1,755	-
Net gain / (loss) representing ineffective portions of hedging derivatives:				
- fair value hedge	833	271	744	426
- cash flow hedge	(205)	702	(31)	851
	<u>628</u>	<u>973</u>	<u>713</u>	<u>1,277</u>
Net gains and losses on financial instruments	<u>(73,919)</u>	<u>35,279</u>	<u>60,173</u>	<u>447,653</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A19. Net Gains and Losses on Financial Instruments (continued)

	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<u>Bank</u>				
Net (loss) / gain arising on financial assets at fair value through profit or loss:				
- net (loss) / gain on disposal	(80)	2,331	(1,444)	29,134
- gross dividend income	-	-	1,977	1,483
- unrealised revaluation (loss) / gain	(75,782)	(2,745)	(107,142)	27,261
	<u>(75,862)</u>	<u>(414)</u>	<u>(106,609)</u>	<u>57,878</u>
Net gain arising on trading derivatives				
- unrealised revaluation gain	7	3	1	80
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	5,687	29,965	164,232	368,368
- gross dividend income	-	-	1,083	1,600
	<u>5,687</u>	<u>29,965</u>	<u>165,315</u>	<u>369,968</u>
Net gain arising on financial investments at amortised cost				
- net gain on disposal	-	-	1,755	-
Net (loss) / gain representing ineffective portions of hedging derivatives:				
- fair value hedge	(10)	275	-	(22)
- cash flow hedge	(205)	702	(31)	851
	<u>(215)</u>	<u>977</u>	<u>(31)</u>	<u>829</u>
Net gains and losses on financial instruments	<u>(70,383)</u>	<u>30,531</u>	<u>60,431</u>	<u>428,755</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A20. Other Operating Income

	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<u>Group</u>				
Other income:				
Foreign exchange profit	59,900	112,106	255,337	302,504
Rental income from:				
- investment properties	4,299	3,691	15,510	14,908
- other properties	2,639	2,605	10,629	11,265
Net gain on disposal of property and equipment	690	55	1,036	680
Net gain on disposal of foreclosed properties	392	1,399	480	1,691
Net gain / (loss) on revaluation of investment properties	2,873	(11,742)	4,772	(18,124)
Others	56,079	40,577	121,029	131,271
Total other operating income	<u>126,872</u>	<u>148,691</u>	<u>408,793</u>	<u>444,195</u>
	4th Quarter Ended	31 December	31 December	Financial Year Ended
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<u>Bank</u>				
Distribution income from collective investments	39,492	43,970	161,805	196,524
Dividend income from subsidiary companies				
- quoted outside Malaysia	64,511	49,997	86,016	63,321
- unquoted in Malaysia	435,030	342,525	855,030	611,525
	<u>539,033</u>	<u>436,492</u>	<u>1,102,851</u>	<u>871,370</u>
Other income:				
Foreign exchange profit	74,505	270,933	41,970	392,723
Rental income from other properties	2,955	3,183	12,173	13,596
Net gain on disposal of property and equipment	66	14	387	134
Net gain on disposal of foreclosed properties	392	1,399	480	1,691
Others	66,495	24,575	125,911	80,666
Total other operating income	<u>144,413</u>	<u>300,104</u>	<u>180,921</u>	<u>488,810</u>
Total other operating income	<u>683,446</u>	<u>736,596</u>	<u>1,283,772</u>	<u>1,360,180</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A21. Other Operating Expenses

<u>Group</u>	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	579,137	629,130	2,390,461	2,376,371
- Pension costs	87,538	91,658	358,464	345,291
- Others	31,908	26,301	147,286	144,861
	<u>698,583</u>	<u>747,089</u>	<u>2,896,211</u>	<u>2,866,523</u>
Establishment costs				
- Depreciation	83,601	97,383	363,314	364,419
- Insurance	6,085	5,858	24,520	23,711
- Water and electricity	10,984	11,870	43,374	47,746
- General repairs and maintenance	45,049	28,751	150,725	130,785
- Information technology expenses	15,821	8,353	63,030	57,374
- Others	25,014	23,510	93,818	91,361
	<u>186,554</u>	<u>175,725</u>	<u>738,781</u>	<u>715,396</u>
Marketing expenses				
- Advertisement and publicity	9,950	4,145	56,569	46,752
- Others	11,510	17,944	61,046	71,951
	<u>21,460</u>	<u>22,089</u>	<u>117,615</u>	<u>118,703</u>
Administration and general expenses				
- Communication expenses	10,444	14,139	65,387	62,118
- Legal and professional fees	13,186	14,110	41,998	41,387
- Others	30,636	18,437	105,315	105,338
	<u>54,266</u>	<u>46,686</u>	<u>212,700</u>	<u>208,843</u>
Total other operating expenses	<u>960,863</u>	<u>991,589</u>	<u>3,965,307</u>	<u>3,909,465</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A21. Other Operating Expenses (continued)

<u>Bank</u>	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Personnel costs				
- Salaries, allowances and bonuses	436,634	483,843	1,795,668	1,797,660
- Pension costs	76,473	80,383	313,445	300,112
- Others	23,794	18,500	114,534	112,397
	<u>536,901</u>	<u>582,726</u>	<u>2,223,647</u>	<u>2,210,169</u>
Establishment costs				
- Depreciation	59,282	73,536	275,601	277,092
- Insurance	5,059	4,910	20,173	19,590
- Water and electricity	7,291	7,945	28,997	32,673
- General repairs and maintenance	40,304	24,630	132,825	113,585
- Information technology expenses	7,533	(344)	28,921	21,717
- Others	12,909	11,255	46,599	45,786
	<u>132,378</u>	<u>121,932</u>	<u>533,116</u>	<u>510,443</u>
Marketing expenses				
- Advertisement and publicity	2,137	(1,567)	27,426	15,215
- Others	7,115	6,266	30,231	35,073
	<u>9,252</u>	<u>4,699</u>	<u>57,657</u>	<u>50,288</u>
Administration and general expenses				
- Communication expenses	9,277	13,633	55,251	51,278
- Legal and professional fees	6,322	8,100	24,445	25,070
- Others	13,185	2,696	41,506	40,415
	<u>28,784</u>	<u>24,429</u>	<u>121,202</u>	<u>116,763</u>
Cost of resource sharing charged to Public Islamic Bank Berhad *	(112,956)	(106,526)	(450,440)	(424,033)
Total other operating expenses	<u>594,359</u>	<u>627,260</u>	<u>2,485,182</u>	<u>2,463,630</u>

* The type of resource sharing rendered by the Bank to Public Islamic Bank Berhad in Malaysia are as follows:

	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Credit related	(48,468)	(46,475)	(194,953)	(186,265)
Non-credit branch support	(42,465)	(40,530)	(167,541)	(159,017)
Other administration function	(22,023)	(19,521)	(87,946)	(78,751)
	<u>(112,956)</u>	<u>(106,526)</u>	<u>(450,440)</u>	<u>(424,033)</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A22. Allowance for Impairment on Loans, Advances and Financing

	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Expected credit losses	334,348	614,200	1,394,537	1,328,284
Impaired loans and financing written off	12	15	35	56
Impaired loans and financing recovered	<u>(52,083)</u>	<u>(57,660)</u>	<u>(193,369)</u>	<u>(222,044)</u>
	<u><u>282,277</u></u>	<u><u>556,555</u></u>	<u><u>1,201,203</u></u>	<u><u>1,106,296</u></u>

	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Expected credit losses	251,135	436,637	967,597	832,978
Impaired loans written off	12	15	35	56
Impaired loans recovered	<u>(27,198)</u>	<u>(32,514)</u>	<u>(97,890)</u>	<u>(114,527)</u>
	<u><u>223,949</u></u>	<u><u>404,138</u></u>	<u><u>869,742</u></u>	<u><u>718,507</u></u>

The breakdown of expected credit losses ("ECL") charge for the year is as follows:

	Base ECL RM'000	Forward Looking ECL Due to COVID-19 Pandemic		Total ECL Charged RM'000
		Macro- economic Variables RM'000	Management Overlay RM'000	
Financial Year Ended 31 December 2021				
Group	<u><u>346,058</u></u>	<u><u>270,692</u></u>	<u><u>777,787</u></u>	<u><u>1,394,537</u></u>
Bank	<u><u>191,894</u></u>	<u><u>223,953</u></u>	<u><u>551,750</u></u>	<u><u>967,597</u></u>
Financial Year Ended 31 December 2020				
Group	<u><u>605,087</u></u>	<u><u>349,763</u></u>	<u><u>373,434</u></u>	<u><u>1,328,284</u></u>
Bank	<u><u>261,815</u></u>	<u><u>290,951</u></u>	<u><u>280,212</u></u>	<u><u>832,978</u></u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A23. Allowance for Impairment on Other Assets

	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<u>Group</u>				
Expected credit losses on:				
- Financial investments at fair value through other comprehensive income	(1,110)	1,717	490	4,681
- Financial investments at amortised cost	(128)	(265)	(256)	146
- Deposits and placements with banks and other financial institutions	(219)	(151)	(204)	263
Allowance made / (written back) on:				
- Foreclosed properties	5,089	3,475	5,878	8,569
- Other receivables	7	(8)	27	9
	3,639	4,768	5,935	13,668
	3,639	4,768	5,935	13,668
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<u>Bank</u>				
Expected credit losses on:				
- Financial investments at fair value through other comprehensive income	798	(157)	820	1,132
- Financial investments at amortised cost	(463)	(304)	(572)	(61)
Allowance made on:				
- Foreclosed properties	4,334	3,461	4,921	8,518
	4,669	3,000	5,169	9,589
	4,669	3,000	5,169	9,589

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A24. Segment Information

	←----- Operating Segments -----→								Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000						
4th Quarter Ended 31 December 2021													
External revenue	626,736	2,302,535	369,934	229,099	39,473	440,859	14,464	443,935	4,467,035	391,592	-	4,858,627	
Revenue from other segments	303	443,278	6,375	313,629	256	11,419	330	128,744	904,334	3,022	(907,356)	-	
	<u>627,039</u>	<u>2,745,813</u>	<u>376,309</u>	<u>542,728</u>	<u>39,729</u>	<u>452,278</u>	<u>14,794</u>	<u>572,679</u>	<u>5,371,369</u>	<u>394,614</u>	<u>(907,356)</u>	<u>4,858,627</u>	
Net interest income / (expense) and													
Islamic banking income	204,014	1,479,151	157,165	16,525	9,772	7,168	(3,353)	309,685	2,180,127	298,090	(3,066)	2,475,151	
Other (expense) / income	(129)	213,726	4,810	70,979	10,968	285,122	2,449	(26,933)	560,992	23,171	(6,653)	577,510	
Net income / (expense)	<u>203,885</u>	<u>1,692,877</u>	<u>161,975</u>	<u>87,504</u>	<u>20,740</u>	<u>292,290</u>	<u>(904)</u>	<u>282,752</u>	<u>2,741,119</u>	<u>321,261</u>	<u>(9,719)</u>	<u>3,052,661</u>	
Other operating expenses	(57,038)	(507,778)	(4,996)	(12,338)	(10,875)	(57,810)	(6,268)	(143,769)	(800,872)	(169,710)	9,719	(960,863)	
(Allowance) / Writeback of													
allowance for impairment on													
loans, advances and financing	(358,384)	136,988	(29,524)	-	(4,962)	(11)	-	-	(255,893)	(26,384)	-	(282,277)	
(Allowance) / Writeback of allowance													
for impairment on other assets	-	(5,088)	-	(595)	(21)	-	-	(248)	(5,952)	2,313	-	(3,639)	
(Loss) / Profit by segments	<u>(211,537)</u>	<u>1,316,999</u>	<u>127,455</u>	<u>74,571</u>	<u>4,882</u>	<u>234,469</u>	<u>(7,172)</u>	<u>138,735</u>	<u>1,678,402</u>	<u>127,480</u>	<u>-</u>	<u>1,805,882</u>	
Reconciliation of segment profits													
to consolidated profits:													
Share of profit after tax													
of equity accounted associated													
companies									279	-		279	
Profit before tax expense and zakat									<u>1,678,681</u>	<u>127,480</u>		<u>1,806,161</u>	

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A24. Segment Information (continued)

	←----- Operating Segments -----→							Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000					
4th Quarter Ended 31 December 2020												
External revenue	617,982	2,233,114	394,972	258,034	79,407	421,000	13,771	455,335	4,473,615	443,149	-	4,916,764
Revenue from other segments	788	507,937	6,694	358,948	361	11,503	225	121,234	1,007,690	6,072	(1,013,762)	-
	<u>618,770</u>	<u>2,741,051</u>	<u>401,666</u>	<u>616,982</u>	<u>79,768</u>	<u>432,503</u>	<u>13,996</u>	<u>576,569</u>	<u>5,481,305</u>	<u>449,221</u>	<u>(1,013,762)</u>	<u>4,916,764</u>
Net interest income / (expense) and												
Islamic banking income	144,490	1,399,987	165,703	80,026	9,131	1,212	(3,464)	214,782	2,011,867	295,466	(11)	2,307,322
Other income	548	205,765	10,849	95,559	41,065	269,394	1,801	44,005	668,986	62,571	(9,685)	721,872
Net income / (expense)	<u>145,038</u>	<u>1,605,752</u>	<u>176,552</u>	<u>175,585</u>	<u>50,196</u>	<u>270,606</u>	<u>(1,663)</u>	<u>258,787</u>	<u>2,680,853</u>	<u>358,037</u>	<u>(9,696)</u>	<u>3,029,194</u>
Other operating expenses	(59,629)	(485,136)	(4,780)	(13,278)	(13,201)	(68,755)	(6,462)	(179,300)	(830,541)	(170,744)	9,696	(991,589)
(Allowance) / Writeback of												
allowance for impairment on												
loans, advances and financing	(167,116)	(312,029)	(58,550)	-	(326)	225	-	-	(537,796)	(18,759)	-	(556,555)
Allowance for impairment on												
other assets	-	(3,475)	-	(93)	(8)	-	-	(1,148)	(4,724)	(44)	-	(4,768)
(Loss) / Profit by segments	<u>(81,707)</u>	<u>805,112</u>	<u>113,222</u>	<u>162,214</u>	<u>36,661</u>	<u>202,076</u>	<u>(8,125)</u>	<u>78,339</u>	<u>1,307,792</u>	<u>168,490</u>	<u>-</u>	<u>1,476,282</u>
Reconciliation of segment profits to consolidated profits:												
Share of loss after tax of equity accounted associated companies									(1,562)	-		(1,562)
Profit before tax expense and zakat									<u>1,306,230</u>	<u>168,490</u>		<u>1,474,720</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A24. Segment Information (continued)

Financial Year Ended	←----- Operating Segments -----→											Group Total
	Hire Purchase	Retail Operations	Corporate Lending	Treasury and Capital Market Operations	Investment Banking	Fund Management	Others	Head Office and Funding Center	Total Domestic Operations	Total Overseas Operations	Inter-segment Elimination	
31 December 2021	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	2,515,651	9,038,806	1,497,616	871,576	228,674	1,816,560	56,726	1,940,336	17,965,945	1,656,557	-	19,622,502
Revenue from other segments	1,292	1,754,829	23,148	1,327,839	770	46,433	1,206	450,566	3,606,083	16,731	(3,622,814)	-
	<u>2,516,943</u>	<u>10,793,635</u>	<u>1,520,764</u>	<u>2,199,415</u>	<u>229,444</u>	<u>1,862,993</u>	<u>57,932</u>	<u>2,390,902</u>	<u>21,572,028</u>	<u>1,673,288</u>	<u>(3,622,814)</u>	<u>19,622,502</u>
Net interest income / (expense) and												
Islamic banking income	799,555	5,830,702	634,084	149,954	37,515	12,097	(13,449)	1,300,506	8,750,964	1,180,839	(3,091)	9,928,712
Other income	1,546	824,775	31,241	336,891	97,479	1,132,790	8,461	34,231	2,467,414	185,546	(37,195)	2,615,765
Net income / (expense)	<u>801,101</u>	<u>6,655,477</u>	<u>665,325</u>	<u>486,845</u>	<u>134,994</u>	<u>1,144,887</u>	<u>(4,988)</u>	<u>1,334,737</u>	<u>11,218,378</u>	<u>1,366,385</u>	<u>(40,286)</u>	<u>12,544,477</u>
Other operating expenses	(247,399)	(2,076,016)	(20,557)	(53,445)	(49,642)	(266,788)	(25,402)	(584,030)	(3,323,279)	(682,314)	40,286	(3,965,307)
Allowance for impairment on												
loans, advances and financing	(670,752)	(262,203)	(199,948)	-	(4,575)	(13)	-	-	(1,137,491)	(63,712)	-	(1,201,203)
(Allowance) / Writeback of allowance												
for impairment on other assets	-	(5,878)	-	(787)	(74)	-	-	(1,380)	(8,119)	2,184	-	(5,935)
(Loss) / Profit by segments	<u>(117,050)</u>	<u>4,311,380</u>	<u>444,820</u>	<u>432,613</u>	<u>80,703</u>	<u>878,086</u>	<u>(30,390)</u>	<u>749,327</u>	<u>6,749,489</u>	<u>622,543</u>	<u>-</u>	<u>7,372,032</u>
Reconciliation of segment profits												
to consolidated profits:												
Share of loss after tax												
of equity accounted associated												
companies									(5,457)	-		(5,457)
Profit before tax expense and zakat									<u>6,744,032</u>	<u>622,543</u>		<u>7,366,575</u>
Cost income ratio	30.9%	31.2%	3.1%	11.0%	36.8%	23.3%	n/a	43.8%	29.6%	49.9%		31.6%

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A24. Segment Information (continued)

Financial Year Ended	←----- Operating Segments -----→								Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter-segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000						
31 December 2021													
Gross loans, advances and financing	53,441,441	239,242,456	41,449,551	-	390,368	120,835	1,452	-	334,646,103	23,380,649			358,026,752
Loans growth	2.1%	4.9%	-3.2%	-	4.3%	4.0%	1.5%	-	3.4%	6.6%			3.6%
Impaired loans, advances and financing	138,181	583,512	104,765	-	-	1,229	-	-	827,687	274,236			1,101,923
Impaired loan and financing ratio	0.3%	0.2%	0.3%	-	-	1.0%	-	-	0.2%	1.2%			0.3%
Deposits from customers	-	288,217,784	184,230	63,246,181	966,909	-	-	-	352,615,104	27,779,110			380,394,214
Deposits growth	-	4.7%	-15.1%	3.9%	-5.6%	-	-	-	4.5%	-2.2%			4.0%
Segment assets	<u>52,426,536</u>	<u>297,423,883</u>	<u>40,571,767</u>	<u>71,986,292</u>	<u>2,377,081</u>	<u>529,188</u>	<u>828,824</u>	<u>51,315,736</u>	<u>517,459,307</u>	<u>39,433,263</u>	<u>(99,216,014)</u>		<u>457,676,556</u>
Reconciliation of segment assets to consolidated assets:													
Investment in associated companies									115,427	16			115,443
Unallocated assets									2,488,022	-			2,488,022
Intangible assets									775,493	1,683,941			2,459,434
Total assets									<u>520,838,249</u>	<u>41,117,220</u>			<u>462,739,455</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A24. Segment Information (continued)

Financial Year Ended	←----- Operating Segments -----→								Head Office and Funding Center	Total Domestic Operations	Total Overseas Operations	Inter-segment Elimination	Group Total
	Hire Purchase	Retail Operations	Corporate Lending	Treasury and Capital Market Operations	Investment Banking	Fund Management	Others	RM'000					
31 December 2020	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
External revenue	2,473,446	9,546,567	1,711,987	1,119,217	278,736	1,517,156	54,818	1,758,397	18,460,324	1,843,610	-	20,303,934	
Revenue from other segments	2,411	2,246,445	29,664	1,821,313	889	46,321	963	562,190	4,710,196	51,357	(4,761,553)	-	
	<u>2,475,857</u>	<u>11,793,012</u>	<u>1,741,651</u>	<u>2,940,530</u>	<u>279,625</u>	<u>1,563,477</u>	<u>55,781</u>	<u>2,320,587</u>	<u>23,170,520</u>	<u>1,894,967</u>	<u>(4,761,553)</u>	<u>20,303,934</u>	
Net interest income / (expense) and Islamic banking income	615,719	5,487,169	623,971	209,460	32,830	5,472	(16,775)	340,885	7,298,731	1,192,472	(34)	8,491,169	
Other income	2,259	740,248	26,793	407,892	132,953	972,432	7,610	330,869	2,621,056	241,826	(41,671)	2,821,211	
Net income / (expense)	617,978	6,227,417	650,764	617,352	165,783	977,904	(9,165)	671,754	9,919,787	1,434,298	(41,705)	11,312,380	
Other operating expenses	(254,369)	(1,988,321)	(18,412)	(49,208)	(49,662)	(263,116)	(25,248)	(609,781)	(3,258,117)	(693,053)	41,705	(3,909,465)	
(Allowance) / Writeback of allowance for impairment on loans, advances and financing	(257,131)	(564,071)	(170,650)	-	853	-	-	-	(990,999)	(115,297)	-	(1,106,296)	
Allowance for impairment on other assets	-	(8,586)	-	(324)	(40)	-	-	(3,245)	(12,195)	(1,473)	-	(13,668)	
Profit / (Loss) by segments	<u>106,478</u>	<u>3,666,439</u>	<u>461,702</u>	<u>567,820</u>	<u>116,934</u>	<u>714,788</u>	<u>(34,413)</u>	<u>58,728</u>	<u>5,658,476</u>	<u>624,475</u>	<u>-</u>	<u>6,282,951</u>	
Reconciliation of segment profits to consolidated profits:													
Share of profit after tax of equity accounted associated companies									2,112	-		2,112	
Profit before tax expense and zakat									<u>5,660,588</u>	<u>624,475</u>		<u>6,285,063</u>	
Cost income ratio	41.2%	31.9%	2.8%	8.0%	30.0%	26.9%	n/a	90.8%	32.8%	48.3%		34.6%	

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A24. Segment Information (continued)

Financial Year Ended	←----- Operating Segments -----→								Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter-segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000						
31 December 2020													
Gross loans, advances and financing	52,362,644	228,073,772	42,799,841	-	374,274	116,158	1,430	-	323,728,119	21,923,108			345,651,227
Loans growth	6.6%	6.0%	1.0%	-	7.1%	11.2%	-7.5%	-	5.4%	-5.9%			4.6%
Impaired loans, advances and financing	159,751	773,016	62,946	-	-	249	-	-	995,962	255,256			1,251,218
Impaired loan and financing ratio	0.3%	0.3%	0.1%	-	-	0.2%	-	-	0.3%	1.2%			0.4%
Deposits from customers	-	275,328,254	217,042	60,888,531	1,023,910	-	-	-	337,457,737	28,413,014			365,870,751
Deposits growth	-	6.1%	9.9%	-6.0%	37.1%	-	-	-	3.8%	1.0%			3.5%
Segment assets	<u>51,993,465</u>	<u>283,652,850</u>	<u>42,127,775</u>	<u>74,184,866</u>	<u>2,143,660</u>	<u>662,829</u>	<u>834,339</u>	<u>52,897,113</u>	<u>508,496,897</u>	<u>39,428,811</u>	<u>(100,877,933)</u>		<u>447,047,775</u>
Reconciliation of segment assets to consolidated assets:													
Investment in associated companies									78,405	16			78,421
Unallocated assets									1,712,944	-			1,712,944
Intangible assets									775,493	1,642,234			2,417,727
Total assets									<u>511,063,739</u>	<u>41,071,061</u>			<u>451,256,867</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A24. Segment Information (continued)

The Group's overseas operations includes its operations in Hong Kong SAR, the People's Republic of China, Sri Lanka, the Socialist Republic of Vietnam, Cambodia and the Lao People's Democratic Republic.

A25. Subsequent Events

There were no material events subsequent to the end of the reporting date that require disclosure or adjustments to the audited interim financial statements.

A26. Changes in the Composition of the Group

There were no changes in the composition of the Group in the current financial year.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A27. Commitments and Contingencies

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. The commitments and contingencies are not secured against the Group's and the Bank's assets.

The notional amounts of the commitments and contingencies of the Group and of the Bank are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Contingent liabilities				
Direct credit substitutes	891,923	914,667	848,101	870,920
Transaction-related contingent items	1,664,588	1,668,612	1,377,248	1,390,714
Short term self-liquidating trade-related contingencies	590,441	401,318	122,482	208,040
	3,146,952	2,984,597	2,347,831	2,469,674
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	30,666,767	31,342,568	22,987,311	24,724,600
- not exceeding one year	24,830,576	26,297,443	20,108,246	21,594,955
Unutilised credit card lines	8,641,625	8,161,401	8,334,502	7,910,938
Forward asset purchases	153,293	42,424	7,333	42,424
	64,292,261	65,843,836	51,437,392	54,272,917
Derivative financial instruments				
Foreign exchange related contracts:				
- up to one year	25,806,073	28,020,406	24,699,330	26,902,244
- more than one year to five years	3,095,975	2,978,728	3,095,975	2,978,728
Interest / Profit rate related contracts:				
- up to one year	3,047,185	1,507,160	3,547,185	1,426,800
- more than one year to five years	2,479,447	4,718,304	4,775,000	6,185,260
- more than five years	775,115	880,810	1,250,000	1,700,000
Commodity related contracts:				
- up to one year	453	606	453	606
	35,204,248	38,106,014	37,367,943	39,193,638
	102,643,461	106,934,447	91,153,166	95,936,229

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A28. Derivative Financial Instruments

i) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts are as follows:

Group	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
As at 31 December 2021												
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,200,481	-	-	1,200,481	2,923	-	-	2,923	3,818	-	-	3,818
- Swaps	23,409,592	83,410	-	23,493,002	73,618	-	-	73,618	133,198	57	-	133,255
- Options	153,375	-	-	153,375	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	453	-	-	453	3	-	-	3	-	-	-	-
	<u>24,763,901</u>	<u>83,410</u>	<u>-</u>	<u>24,847,311</u>	<u>76,544</u>	<u>-</u>	<u>-</u>	<u>76,544</u>	<u>137,016</u>	<u>57</u>	<u>-</u>	<u>137,073</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	220,000	-	429,562	649,562	-	-	-	-	1,829	-	23,751	25,580
Cash Flow Hedge												
Foreign exchange contracts												
- Cross currency interest rate swaps	1,042,625	-	-	1,042,625	17,012	-	-	17,012	-	-	-	-
Interest / Profit rate related contracts												
- Swaps	2,827,185	75,000	2,750,000	5,652,185	-	168	38,874	39,042	16,920	577	5,349	22,846
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	-	2,033,684	978,881	3,012,565	-	5,972	1,864	7,836	-	68,492	467	68,959
	<u>4,089,810</u>	<u>2,108,684</u>	<u>4,158,443</u>	<u>10,356,937</u>	<u>17,012</u>	<u>6,140</u>	<u>40,738</u>	<u>63,890</u>	<u>18,749</u>	<u>69,069</u>	<u>29,567</u>	<u>117,385</u>
Total	<u>28,853,711</u>	<u>2,192,094</u>	<u>4,158,443</u>	<u>35,204,248</u>	<u>93,556</u>	<u>6,140</u>	<u>40,738</u>	<u>140,434</u>	<u>155,765</u>	<u>69,126</u>	<u>29,567</u>	<u>254,458</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A28. Derivative Financial Instruments (continued)

i) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts are as follows (continued):

Group As at 31 December 2020	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,566,305	4,036	-	1,570,341	7,973	22	-	7,995	9,149	-	-	9,149
- Swaps	26,020,528	-	-	26,020,528	221,548	-	-	221,548	409,212	-	-	409,212
- Options	31,773	-	-	31,773	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	606	-	-	606	3	-	-	3	-	-	-	-
	<u>27,619,212</u>	<u>4,036</u>	<u>-</u>	<u>27,623,248</u>	<u>229,524</u>	<u>22</u>	<u>-</u>	<u>229,546</u>	<u>418,361</u>	<u>-</u>	<u>-</u>	<u>418,361</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	80,360	220,000	413,854	714,214	-	-	-	-	152	5,676	45,460	51,288
Cash Flow Hedge												
Foreign exchange contracts												
- Cross currency interest rate swaps	401,800	1,004,500	-	1,406,300	-	37,784	-	37,784	13,172	-	-	13,172
Interest / Profit rate related contracts												
- Swaps	1,426,800	2,765,260	2,200,000	6,392,060	-	-	2,428	2,428	4,363	62,966	29,667	96,996
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	-	1,767,866	202,326	1,970,192	-	9,610	7,642	17,252	-	46,239	-	46,239
	<u>1,908,960</u>	<u>5,757,626</u>	<u>2,816,180</u>	<u>10,482,766</u>	<u>-</u>	<u>47,394</u>	<u>10,070</u>	<u>57,464</u>	<u>17,687</u>	<u>114,881</u>	<u>75,127</u>	<u>207,695</u>
Total	<u>29,528,172</u>	<u>5,761,662</u>	<u>2,816,180</u>	<u>38,106,014</u>	<u>229,524</u>	<u>47,416</u>	<u>10,070</u>	<u>287,010</u>	<u>436,048</u>	<u>114,881</u>	<u>75,127</u>	<u>626,056</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A28. Derivative Financial Instruments (continued)

i) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts are as follows (continued):

Bank As at 31 December 2021	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,140,907	-	-	1,140,907	2,871	-	-	2,871	3,773	-	-	3,773
- Swaps	22,362,423	83,410	-	22,445,833	69,990	-	-	69,990	129,524	57	-	129,581
- Options	153,375	-	-	153,375	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	453	-	-	453	3	-	-	3	-	-	-	-
	<u>23,657,158</u>	<u>83,410</u>	<u>-</u>	<u>23,740,568</u>	<u>72,864</u>	<u>-</u>	<u>-</u>	<u>72,864</u>	<u>133,297</u>	<u>57</u>	<u>-</u>	<u>133,354</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	220,000	-	-	220,000	-	-	-	-	1,829	-	-	1,829
Cash Flow Hedge												
Foreign exchange contracts												
- Cross currency interest rate swaps	1,042,625	-	-	1,042,625	17,012	-	-	17,012	-	-	-	-
Interest rate related contracts												
- Swaps	3,327,185	75,000	5,950,000	9,352,185	4,823	168	137,627	142,618	16,920	577	19,936	37,433
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	-	2,033,684	978,881	3,012,565	-	5,972	1,864	7,836	-	68,492	467	68,959
	<u>4,589,810</u>	<u>2,108,684</u>	<u>6,928,881</u>	<u>13,627,375</u>	<u>21,835</u>	<u>6,140</u>	<u>139,491</u>	<u>167,466</u>	<u>18,749</u>	<u>69,069</u>	<u>20,403</u>	<u>108,221</u>
Total	<u>28,246,968</u>	<u>2,192,094</u>	<u>6,928,881</u>	<u>37,367,943</u>	<u>94,699</u>	<u>6,140</u>	<u>139,491</u>	<u>240,330</u>	<u>152,046</u>	<u>69,126</u>	<u>20,403</u>	<u>241,575</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A28. Derivative Financial Instruments (continued)

i) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts are as follows (continued):

Bank As at 31 December 2020	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,513,465	4,036	-	1,517,501	7,917	22	-	7,939	9,112	-	-	9,112
- Swaps	24,955,206	-	-	24,955,206	207,812	-	-	207,812	407,859	-	-	407,859
- Options	31,773	-	-	31,773	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	606	-	-	606	3	-	-	3	-	-	-	-
	<u>26,501,050</u>	<u>4,036</u>	<u>-</u>	<u>26,505,086</u>	<u>215,732</u>	<u>22</u>	<u>-</u>	<u>215,754</u>	<u>416,971</u>	<u>-</u>	<u>-</u>	<u>416,971</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	-	220,000	-	220,000	-	-	-	-	-	5,676	-	5,676
Cash Flow Hedge												
Foreign exchange contracts												
- Cross currency interest rate swaps	401,800	1,004,500	-	1,406,300	-	37,784	-	37,784	13,172	-	-	13,172
Interest rate related contracts												
- Swaps	1,426,800	3,265,260	4,400,000	9,092,060	-	13,634	184,829	198,463	4,363	62,966	30,984	98,313
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	-	1,767,866	202,326	1,970,192	-	9,610	7,642	17,252	-	46,239	-	46,239
	<u>1,828,600</u>	<u>6,257,626</u>	<u>4,602,326</u>	<u>12,688,552</u>	<u>-</u>	<u>61,028</u>	<u>192,471</u>	<u>253,499</u>	<u>17,535</u>	<u>114,881</u>	<u>30,984</u>	<u>163,400</u>
Total	<u>28,329,650</u>	<u>6,261,662</u>	<u>4,602,326</u>	<u>39,193,638</u>	<u>215,732</u>	<u>61,050</u>	<u>192,471</u>	<u>469,253</u>	<u>434,506</u>	<u>114,881</u>	<u>30,984</u>	<u>580,371</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A28. Derivative Financial Instruments (continued)

- ii) The Group's and the Bank's derivative financial instruments are subject to market, credit and liquidity risk, as follows:

Market Risk

Market risk on derivatives is the potential loss to the value of these contracts due to changes in price of the underlying items such as equities, interest rates, foreign exchange, credit spreads, commodities or other indices. The notional or contractual amounts provide only the volume of transactions outstanding at the reporting date and do not represent the amounts at risk. Exposure to market risk may be reduced through offsetting items from on and off-balance sheet positions.

Credit Risk

Credit risk arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Group and the Bank have a gain in a contract. As at the reporting date, the amounts of credit risk in the Group and the Bank, measured in terms of the cost to replace the profitable contracts, were RM140,434,000 (2020: RM287,010,000) and RM240,330,000 (2020: RM469,253,000) respectively. These amounts will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity Risk

Liquidity risk on derivatives is the risk that the derivative position cannot be closed out promptly. Exposure to liquidity risk is reduced through contracting derivatives where the underlying items are widely traded.

- iii) Cash Requirements of the Derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as the fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at the reporting date, the Group and the Bank had posted cash collateral of RM125,591,000 (2020: RM386,994,000) on their derivative contracts.

- iv) There have been no changes since the end of the previous financial year in respect of the following:
- a) the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
 - b) the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and
 - c) the related accounting policies.

The above information, policies and procedures in respect of derivative financial instruments of the Group and of the Bank are discussed in the audited annual financial statements for the financial year ended 31 December 2020 and Pillar 3 Disclosures section of the 2020 Annual Report.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A29. a) Fair Value Measurements

Determination of Fair Value and Fair Value Hierarchy

The Group and the Bank classify financial instruments and non-financial assets which are measured at fair value according to the following hierarchy, reflecting the significance of inputs used in making the fair value measurements:

Level 1 - Quoted market prices: quoted prices (unadjusted) in active markets for identical instruments;

Level 2 - Fair values based on observable inputs: inputs other than quoted prices included within Level 1 that are observable for the instrument, whether directly (i.e. prices) or indirectly (i.e. derived from prices), are used; and

Level 3 - Fair values derived using unobservable inputs: inputs used are not based on observable market data and the unobservable inputs may have a significant impact on the valuation of the financial instruments and non-financial assets.

The following tables show the Group's and the Bank's financial instruments and non-financial assets which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy:

Group	Level 1	Level 2	Level 3	Total
31 December 2021	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	650,436	-	650,436
- Non-money market instruments	-	-	365,568	365,568
	-	650,436	365,568	1,016,004
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	44,547,646	-	44,547,646
- Money market instruments	-	2,952,186	-	2,952,186
- Non-money market instruments	1,614	5,375,045	392,801	5,769,460
	1,614	52,874,877	392,801	53,269,292
Derivative financial assets	-	140,434	-	140,434
Total financial assets measured at fair value	1,614	53,665,747	758,369	54,425,730
Non-financial assets				
Investment properties	-	-	606,074	606,074
Financial liabilities				
Derivative financial liabilities	-	254,458	-	254,458
Total financial liabilities measured at fair value	-	254,458	-	254,458

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

The following tables show the Group's and the Bank's financial instruments and non-financial assets which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy (continued):

Group	Level 1	Level 2	Level 3	Total
31 December 2020	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	904,395	-	904,395
- Non-money market instruments	-	200,339	478,772	679,111
	-	1,104,734	478,772	1,583,506
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	41,557,647	-	41,557,647
- Money market instruments	-	938,442	-	938,442
- Non-money market instruments	1,382	5,670,907	379,025	6,051,314
	1,382	48,166,996	379,025	48,547,403
Derivative financial assets	-	287,010	-	287,010
Total financial assets measured at fair value	1,382	49,558,740	857,797	50,417,919
Non-financial assets				
Investment properties	-	-	712,885	712,885
Financial liabilities				
Derivative financial liabilities	-	626,056	-	626,056
Total financial liabilities measured at fair value	-	626,056	-	626,056

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

The following tables show the Group's and the Bank's financial instruments and non-financial assets which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy (continued):

Bank	Level 1	Level 2	Level 3	Total
31 December 2021	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	650,436	-	650,436
- Non-money market instruments	-	-	344,650	344,650
	-	650,436	344,650	995,086
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	32,670,124	-	32,670,124
- Money market instruments	-	2,952,186	-	2,952,186
- Non-money market instruments	-	1,092,031	386,070	1,478,101
	-	36,714,341	386,070	37,100,411
Derivative financial assets	-	240,330	-	240,330
Total financial assets measured at fair value	-	37,605,107	730,720	38,335,827
Financial liabilities				
Derivative financial liabilities	-	241,575	-	241,575
Total financial liabilities measured at fair value	-	241,575	-	241,575

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

The following tables show the Group's and the Bank's financial instruments and non-financial assets which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy (continued):

Bank	Level 1	Level 2	Level 3	Total
31 December 2020	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	904,395	-	904,395
- Non-money market instruments	-	200,339	451,376	651,715
	-	1,104,734	451,376	1,556,110
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	30,531,442	-	30,531,442
- Money market instruments	-	938,442	-	938,442
- Non-money market instruments	-	1,211,211	372,474	1,583,685
	-	32,681,095	372,474	33,053,569
Derivative financial assets	-	469,253	-	469,253
Total financial assets measured at fair value	-	34,255,082	823,850	35,078,932
Financial liabilities				
Derivative financial liabilities	-	580,371	-	580,371
Total financial liabilities measured at fair value	-	580,371	-	580,371

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the financial year (2020: None).

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

Reconciliation of movements in Level 3 financial instruments and non-financial assets:

Group	<- Unquoted Equity Securities ->			Total RM'000
	Financial Assets at Fair Value Through Profit or Loss RM'000	Financial Investments at Fair Value Through Other Comprehensive Income RM'000	Investment Properties RM'000	
At 1 January 2021	478,772	379,025	712,885	1,570,682
Recognised in profit or loss				
- unrealised revaluation (loss) / gain	(113,204)	-	4,772	(108,432)
Recognised in other comprehensive income				
- unrealised revaluation gain	-	12,974	-	12,974
- realised gain on disposal	-	319	-	319
Addition	-	-	14	14
Disposal	-	(55)	-	(55)
Transfer to owner occupied property	-	-	(117,600)	(117,600)
Exchange differences	-	538	6,003	6,541
At 31 December 2021	365,568	392,801	606,074	1,364,443
At 1 January 2020	445,428	351,538	753,095	1,550,061
Recognised in profit or loss				
- unrealised revaluation gain / (loss)	33,344	-	(18,124)	15,220
Recognised in other comprehensive income				
- unrealised revaluation gain	-	28,150	-	28,150
Addition	-	-	99	99
Transfer to owner occupied property	-	-	(20,000)	(20,000)
Exchange differences	-	(663)	(2,185)	(2,848)
At 31 December 2020	478,772	379,025	712,885	1,570,682

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

Reconciliation of movements in Level 3 financial instruments and non-financial assets (continued):

Bank	<- Unquoted Equity Securities ->		
	Financial Assets at Fair Value Through Profit or Loss RM'000	Financial Investments at Fair Value Through Other Comprehensive Income RM'000	Total RM'000
At 1 January 2021	451,376	372,474	823,850
Recognised in profit or loss			
- unrealised revaluation loss	(106,726)	-	(106,726)
Recognised in other comprehensive income			
- unrealised revaluation gain	-	12,911	12,911
- realised gain on disposal	-	319	319
Disposal	-	(55)	(55)
Exchange differences	-	421	421
At 31 December 2021	344,650	386,070	730,720
At 1 January 2020	419,940	345,113	765,053
Recognised in profit or loss			
- unrealised revaluation gain	31,436	-	31,436
Recognised in other comprehensive income			
- unrealised revaluation gain	-	27,971	27,971
Exchange differences	-	(610)	(610)
At 31 December 2020	451,376	372,474	823,850

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

For financial instruments measured at fair value, where available, quoted and observable market prices in an active market or dealer price quotations are used to measure fair value. These include listed equity securities, price quotations from Bond Pricing Agency Malaysia and broker quotes on Bloomberg/Reuters.

Where such quoted and observable market prices are not available, fair values are determined using appropriate valuation techniques, which include the use of mathematical models, such as discounted cash flow models and option pricing models, comparison to similar instruments for which market observable prices exist and other valuation techniques. The valuation techniques used incorporate assumptions regarding discount rates, interest/profit rate yield curves, estimates of future cash flows and other factors, as applicable. Changes in these assumptions could materially affect the fair values derived. The Group and the Bank generally use widely recognised valuation techniques with market observable inputs, if available, for the determination of fair value, which require minimal management judgment and estimation, due to the low complexity of the financial instruments held.

The fair values of investment properties located in Malaysia are determined using comparison method by reference to the recent sales prices of comparable properties, adjustments are made where dissimilarities exist. The fair values of investment properties located in Hong Kong are determined using comparison method by reference to recent sales prices of comparable properties on a price per square meter basis. A significant change in the price per square meter will result in a significant change in the fair value of the investment properties in Hong Kong.

b) Gains/Losses Arising from Fair Value Changes of Financial Liabilities

Other than derivative financial instruments where the fair value changes are recognised as derivative financial assets or liabilities, as disclosed in Note A28, there were no gains or losses arising from fair value changes of other financial liabilities.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A30. Capital Adequacy

- a) The capital adequacy ratios of the Group and of the Bank below are disclosed pursuant to the requirements of Bank Negara Malaysia ("BNM")'s Risk Weighted Capital Adequacy Framework (Basel II) - Disclosure Requirements (Pillar 3):

	Group		Bank	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
<u>Before deducting interim dividends *</u>				
Common Equity Tier I ("CET I") capital ratio	15.030%	14.815%	13.954%	13.702%
Tier I capital ratio	15.083%	14.869%	13.997%	13.745%
Total capital ratio	<u>18.192%</u>	<u>18.011%</u>	<u>17.287%</u>	<u>17.053%</u>
<u>After deducting interim dividends *</u>				
CET I capital ratio	14.530%	13.951%	13.313%	12.611%
Tier I capital ratio	14.583%	14.005%	13.356%	12.654%
Total capital ratio	<u>17.692%</u>	<u>17.147%</u>	<u>16.645%</u>	<u>15.962%</u>

* Refer to interim dividends declared subsequent to the financial year end.

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Components of CET I, Tier I and Tier II capital:				
<u>CET I / Tier I capital:</u>				
Share capital	9,417,653	9,417,653	9,417,653	9,417,653
Other reserves	1,241,935	1,518,824	575,320	793,110
Retained profits	36,766,601	34,290,480	29,775,928	28,373,510
Qualifying non-controlling interests	702,435	682,379	-	-
Less: Goodwill and other intangible assets	(2,459,434)	(2,417,727)	(695,393)	(695,393)
Less: Deferred tax assets, net	(519,009)	(81,637)	(273,782)	-
Less: Defined benefit pension fund assets	(79,906)	(2,748)	(78,762)	(2,059)
Less: Investment in banking / insurance subsidiary companies and associated companies deducted from CET I capital	<u>(147,349)</u>	<u>(105,998)</u>	<u>(6,205,741)</u>	<u>(6,183,241)</u>
Total CET I capital	44,922,926	43,301,226	32,515,223	31,703,580
Additional Tier I capital securities	99,822	99,702	99,822	99,702
Qualifying CET I and additional Tier I capital instruments held by third parties	<u>58,956</u>	<u>57,785</u>	<u>-</u>	<u>-</u>
Total Tier I capital	<u>45,081,704</u>	<u>43,458,713</u>	<u>32,615,045</u>	<u>31,803,282</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A30. Capital Adequacy (continued)

a) The capital adequacy ratios of the Group and of the Bank (continued):

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<u>Tier II capital</u>				
Stage 1 and Stage 2 expected credit loss allowances #	3,401,754	2,664,293	2,664,630	1,966,983
Qualifying regulatory reserves	-	670,140	-	686,899
Subordinated notes	4,999,998	4,999,992	4,999,998	4,999,992
Qualifying CET I and additional Tier I and Tier II capital instruments held by third parties	756,381	718,503	-	-
Others	133,121	130,972	-	-
Total Tier II capital	<u>9,291,254</u>	<u>9,183,900</u>	<u>7,664,628</u>	<u>7,653,874</u>
Total capital	<u>54,372,958</u>	<u>52,642,613</u>	<u>40,279,673</u>	<u>39,457,156</u>

Excludes expected credit loss allowances restricted from Tier II capital of the Group and of the Bank of RM423,592,000 and RM179,895,000 respectively (31 December 2020 : Nil).

In arriving at the total capital of the Group and of the Bank above, the interim dividends declared subsequent to the financial year end were not deducted.

The capital adequacy ratios of the Group consist of total capital and risk-weighted assets derived from consolidated balances of the Bank and its subsidiary companies. The capital adequacy ratios of the Bank consist of total capital and risk-weighted assets derived from the Bank and from its wholly-owned offshore banking subsidiary company, Public Bank (L) Ltd.

The total risk-weighted assets of the Group and of the Bank are computed based on the following approaches:

- (i) Standardised Approach for Credit Risk;
- (ii) Standardised Approach for Market Risk; and
- (iii) Basic Indicator Approach for Operational Risk.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A30. Capital Adequacy (continued)

- a) The capital adequacy ratios of the Group and of the Bank (continued):

Regulatory capital requirements

The capital adequacy ratios of the Group and of the Bank are computed in accordance with BNM's Capital Adequacy Frameworks on Capital Components and Basel II - Risk-Weighted Assets. The minimum regulatory capital adequacy ratios before including capital conservation buffer ("CCB"), countercyclical capital buffer ("CCyB") and higher loss absorbency ("HLA") requirement for CET I capital ratio, Tier I capital ratio and total capital ratio are 4.5%, 6.0% and 8.0% respectively.

A CCyB is required to be maintained if this buffer is applied by regulators in countries which the Group and the Bank have exposures to, determined based on the weighted average of prevailing CCyB rates applied in those jurisdictions. The Group and the Bank have applied CCyB on their private sector credit exposures outside Malaysia in line with the respective jurisdictions' requirement to maintain their CCyB. The CCyB is not a requirement for exposures in Malaysia yet but may be applied by regulators in the future.

Effective from 31 January 2021, HLA requirement is applicable to financial institutions designated as domestic systemically important banks ("D-SIBs"). Arising from this, the Group which is designated as a D-SIB by BNM is required to maintain an additional capital buffer of 0.5% to the regulatory capital requirements in line with the BNM's D-SIB Framework.

Prudential buffers and transitional arrangements

Prior to the COVID-19 pandemic, banking institutions are required to maintain a CCB of 2.5%. However, effective from 25 March 2020, banking institutions are allowed to drawdown the CCB of 2.5% to manage the impact of the COVID-19 pandemic but are required to rebuild this buffer after 31 December 2020 as well as to meet the minimum regulatory requirements by 30 September 2021. The Group and the Bank have not drawn down any of the prudential buffers.

As allowed under the BNM's Capital Adequacy Frameworks on Capital Components, financial institutions which elect to apply the transitional arrangements for regulatory capital treatment of accounting provisions are allowed to add back a portion of the Stage 1 and Stage 2 provisions for expected credit losses to CET I capital over a four-year period from financial year beginning 2020, or a three-year period from financial year beginning 2021. As at the reporting date, the Group and the Bank have not applied the said transitional arrangements.

- b) The breakdown of risk-weighted assets by each major risk category of the Group and of the Bank is as follows:

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Credit risk	272,140,328	266,754,650	213,170,425	212,310,530
Market risk	5,194,182	4,719,681	5,119,006	4,741,815
Operational risk	20,990,969	20,141,735	14,177,493	13,689,994
Large exposure risk	564,253	668,423	543,334	641,027
	<u>298,889,732</u>	<u>292,284,489</u>	<u>233,010,258</u>	<u>231,383,366</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A30. Capital Adequacy (continued)

c) The capital adequacy ratios of the banking subsidiary companies of the Bank are as follows:

	Public Islamic Bank Berhad¹	Public Investment Bank Berhad²	Public Bank (L) Ltd.³	Public Bank (Hong Kong) Limited⁴	Public Finance Limited⁴	Cambodian Public Bank Plc⁵	Public Bank Vietnam Limited⁶
31 December 2021							
<u>Before deducting interim dividends: *</u>							
CET I capital ratio	11.777%	52.512%	21.875%	20.664%	27.884%	N/A	N/A
Tier I capital ratio	11.777%	52.512%	21.875%	20.664%	27.884%	N/A	N/A
Total capital ratio	15.142%	53.404%	21.905%	21.435%	28.923%	19.884%	30.645%
<u>After deducting interim dividends: *</u>							
CET I capital ratio	11.777%	45.566%	21.875%	20.498%	25.883%	N/A	N/A
Tier I capital ratio	11.777%	45.566%	21.875%	20.498%	25.883%	N/A	N/A
Total capital ratio	15.142%	46.459%	21.905%	21.268%	26.923%	19.884%	30.645%
31 December 2020							
<u>Before deducting interim dividends: *</u>							
CET I capital ratio	12.176%	49.642%	27.913%	19.590%	25.675%	N/A	N/A
Tier I capital ratio	12.176%	49.642%	27.913%	19.590%	25.675%	N/A	N/A
Total capital ratio	15.751%	50.101%	27.931%	20.347%	26.703%	19.808%	36.233%
<u>After deducting interim dividends: *</u>							
CET I capital ratio	12.176%	41.315%	27.913%	19.568%	23.684%	N/A	N/A
Tier I capital ratio	12.176%	41.315%	27.913%	19.568%	23.684%	N/A	N/A
Total capital ratio	15.751%	41.773%	27.931%	20.325%	24.712%	19.808%	36.233%

* Refer to interim dividends declared subsequent to the financial year end.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A30. Capital Adequacy (continued)

c) The capital adequacy ratios of the banking subsidiary companies of the Bank are as follows (continued):

- ¹ The risk-weighted assets of Public Islamic Bank Berhad ("PIBB") are computed based on the Standardised Approach for Credit and Market Risk and the Basic Indicator Approach for Operational Risk. The capital adequacy ratios are computed in accordance with BNM's Capital Adequacy Frameworks for Islamic Banks on Capital Components and Risk-Weighted Assets. The minimum regulatory capital adequacy requirements before including CCB and CCyB for CET I capital ratio, Tier I capital ratio and total capital ratio are 4.5%, 6.0% and 8.0% respectively. PIBB is required to maintain a CCB of 2.5% and a CCyB if this buffer is applied by regulators in countries which PIBB has exposures to.
- ² The risk-weighted assets of Public Investment Bank Berhad ("PIVB") are computed based on the Standardised Approach for Credit and Market Risk and the Basic Indicator Approach for Operational Risk. The capital adequacy ratios are computed in accordance with BNM's Capital Adequacy Frameworks on Capital Components and Basel II - Risk-Weighted Assets. The minimum regulatory capital adequacy requirements before including CCB and CCyB for CET I capital ratio, Tier I capital ratio and total capital ratio are 4.5%, 6.0% and 8.0% respectively. PIVB is required to maintain a CCB of 2.5% and a CCyB if this buffer is applied by regulators in countries which PIVB has exposures to.
- ³ The risk-weighted assets of Public Bank (L) Ltd are computed based on the Standardised Approach for Credit and Market Risk and the Basic Indicator Approach for Operational Risk. The capital adequacy ratios are computed in accordance with the Banking Capital Adequacy Framework - Guidelines on Capital Components and Risk Weighted Assets issued by the Labuan Financial Services Authority. The minimum regulatory capital adequacy requirements for CET I capital ratio, Tier I capital ratio and total capital ratio are 4.5%, 6.0% and 8.0% respectively.
- ⁴ These two subsidiary companies have adopted the Standardised Approach for Credit and Market Risk. Public Bank (Hong Kong) Limited has adopted the Basic Indicator Approach for Operational Risk and Public Finance Limited has adopted the Standardised Approach for Operational Risk. The capital adequacy ratios of these two subsidiary companies are computed in accordance with the provisions of the Banking Ordinance relating to Basel III capital standards and the Banking (Capital) Rules. These two subsidiaries are required to maintain a CCB of 2.5% and a CCyB of 1.0% as imposed by Hong Kong Monetary Authority to their private sector exposures in Hong Kong.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A30. Capital Adequacy (continued)

c) The capital adequacy ratios of the banking subsidiary companies of the Bank are as follows (continued):

- ⁵ The amount presented here is the solvency ratio of Cambodian Public Bank Plc ("Campu Bank"), which is the nearest equivalent regulatory compliance ratio. This ratio is computed in accordance with National Bank of Cambodia Prakas B7-010-182 and B7-00-46 (amended by Prakas No. B7-04-206 and Prakas No. B7-07-135). This ratio is derived as Campu Bank's net worth divided by its risk-weighted assets and off-balance sheet items. The minimum regulatory solvency ratio requirement is 15.0%.
- ⁶ The amount presented here is the capital adequacy ratio of Public Bank Vietnam Limited ("PBVN"), which is the nearest equivalent regulatory compliance ratio. This ratio is computed in accordance with the State Bank of Vietnam ("SBV") Circular No.41/2016/TT-NHNN and is derived as PBVN's capital divided by its risk-weighted assets for credit risk, market risk and operational risk. The minimum regulatory capital adequacy ratio requirement is 8.0%.

A31. Credit Exposures Arising From Credit Transactions With Connected Parties

	Group		Bank	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Outstanding credit exposures with connected parties (RM'000)	2,277,731	2,990,942	3,084,464	3,885,165
Percentage of outstanding credit exposures with connected parties as proportion of total credit exposures	0.57%	0.77%	1.02%	1.29%
Percentage of outstanding credit exposures with connected parties which is impaired or in default	0.00%	0.01%	0.00%	0.00%

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A32. Operations of Islamic Banking

a) Statement of Financial Position As At 31 December 2021

	Note	Group	
		31 December 2021 RM'000	31 December 2020 RM'000
ASSETS			
Cash and balances with banks		659,606	2,112,828
Derivative financial assets		14,587	1,317
Financial investments at fair value through other comprehensive income		10,241,995	9,717,771
Financial investments at amortised cost		5,493,069	4,520,961
Financing and advances	A32(d)	59,315,652	54,176,355
Other assets		201,811	232,231
Statutory deposits with Bank Negara Malaysia		181,500	168,200
Deferred tax assets		145,034	-
Collective investment		577,254	565,504
Investment in an associated company		67,500	45,000
Right-of-use assets		14,992	17,137
Property and equipment		3,415	3,525
Total Assets		76,916,415	71,560,829
LIABILITIES AND ISLAMIC BANKING FUNDS			
Deposits from customers	A32(e)	66,307,110	61,817,897
Deposits from banks and other financial institutions		2,105,771	2,067,854
Bills and acceptances payable		284	481
Recourse obligations on financing sold to Cagamas		1,100,000	-
Derivative financial liabilities		103,576	196,035
Senior Sukuk Murabahah		-	519,950
Subordinated Sukuk Murabahah		1,000,000	1,000,000
Lease liabilities		15,483	18,227
Other liabilities		433,146	412,542
Provision for zakat and taxation		81,736	318
Deferred tax liabilities		-	104,135
Total Liabilities		71,147,106	66,137,439
Islamic Banking Funds		5,769,309	5,423,390
Total Liabilities and Islamic Banking Funds		76,916,415	71,560,829
COMMITMENTS AND CONTINGENCIES		14,261,352	11,946,719

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A32. Operations of Islamic Banking (continued)

b) Statement of Profit or Loss for the 4th Quarter and Financial Year Ended 31 December 2021

	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<u>Group</u>				
Income derived from investment of depositors' funds and others	605,579	587,795	2,432,336	2,404,696
Income derived from investment of Islamic Banking Funds	49,982	50,566	203,388	208,186
Allowance for impairment on financing and advances	(59,109)	(135,813)	(261,509)	(204,733)
(Allowance) / Writeback of Allowance for impairment on other assets	(981)	86	(1,277)	(191)
Total distributable income	595,471	502,634	2,372,938	2,407,958
Income attributable to depositors and others	(293,617)	(299,762)	(1,141,683)	(1,430,023)
Total net income	301,854	202,872	1,231,255	977,935
Other operating expenses	(126,094)	(118,378)	(502,536)	(471,978)
Profit before zakat and taxation	175,760	84,494	728,719	505,957
Zakat	-	(963)	(713)	(1,206)
Taxation	(39,470)	(18,837)	(171,248)	(117,146)
Profit for the period / year	136,290	64,694	556,758	387,605

Net income from Islamic banking business as reported in the statement of profit or loss of the Group is derived as follows:

	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Income derived from investment of depositors' funds and others	605,579	587,795	2,432,336	2,404,696
Income derived from investment of Islamic Banking Funds	49,982	50,566	203,388	208,186
Income attributable to depositors and others	(293,617)	(299,762)	(1,141,683)	(1,430,023)
	361,944	338,599	1,494,041	1,182,859
Elimination of inter-company income and expenses	27,451	32,829	119,630	128,534
Net income from Islamic banking business	389,395	371,428	1,613,671	1,311,393

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A32. Operations of Islamic Banking (continued)

c) Statement of Comprehensive Income for the 4th Quarter and Financial Year Ended 31 December 2021

	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<u>Group</u>				
Profit for the period / year	136,290	64,694	556,758	387,605
Other comprehensive income / (loss):				
<u>Items that will not be reclassified to profit or loss:</u>				
Gain on remeasurements of defined benefit plan	1,021	2,132	1,021	578
<u>Items that may be reclassified to profit or loss:</u>				
Net change in revaluation of financial investments at fair value through other comprehensive income	(77,316)	(32,271)	(384,984)	145,475
Net change in cash flow hedges	27,026	14,578	106,543	(104,199)
	(50,290)	(17,693)	(278,441)	41,276
Income tax effect	11,825	3,734	66,581	(10,045)
Other comprehensive (loss) / income for the period / year, net of tax	(37,444)	(11,827)	(210,839)	31,809
Total comprehensive income for the period / year	98,846	52,867	345,919	419,414

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A32. Operations of Islamic Banking (continued)

d) Financing and Advances

By type and contract

Group	Bai' Bithaman Ajil RM'000	Ijarah Thumma Al-Bai' RM'000	Bai' Inah RM'000	Musharakah Mutanaqisah RM'000	Murabahah RM'000	Others RM'000	Total Financing and Advances RM'000
31 December 2021							
At amortised cost							
Cash line	1,520,988	-	-	-	-	-	1,520,988
Term financing							
- House financing	5,448,803	-	-	21,967,856	-	-	27,416,659
- Syndicated financing	1,359,404	-	-	-	-	-	1,359,404
- Hire purchase receivables	-	9,569,371	-	-	-	-	9,569,371
- Other term financing	4,585,323	-	1,708,438	13,179,826	-	158,194	19,631,781
Credit card receivables	-	-	-	-	-	51,488	51,488
Bills receivables	-	-	-	-	871	-	871
Trust receipts	-	-	-	-	5,112	-	5,112
Claims on customers under acceptance credits	-	-	-	-	172,488	-	172,488
Revolving credits	193,804	-	-	-	-	-	193,804
Staff financing	-	12,786	-	108,261	-	-	121,047
Gross financing and advances	13,108,322	9,582,157	1,708,438	35,255,943	178,471	209,682	60,043,013
Allowance for impairment on financing and advances:							
- Expected credit losses							(727,361)
- Stage 1: 12-Month ECL							(401,495)
- Stage 2: Lifetime ECL not credit-impaired							(283,903)
- Stage 3: Lifetime ECL credit-impaired							(41,963)
Net financing and advances							59,315,652

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A32. Operations of Islamic Banking (continued)

d) Financing and Advances (continued)

By type and contract (continued)

Group	Bai' Bithaman Ajil RM'000	Ijarah Thumma Al-Bai' RM'000	Bai' Inah RM'000	Musharakah Mutanaqisah RM'000	Murabahah RM'000	Others RM'000	Total Financing and Advances RM'000
31 December 2020							
At amortised cost							
Cash line	1,515,623	-	-	-	-	-	1,515,623
Term financing							
- House financing	5,470,603	-	-	18,168,232	-	-	23,638,835
- Syndicated financing	1,341,516	-	-	-	-	-	1,341,516
- Hire purchase receivables	-	8,798,205	-	-	-	-	8,798,205
- Other term financing	4,680,794	-	1,702,074	12,205,232	-	211,199	18,799,299
Credit card receivables	-	-	-	-	-	34,699	34,699
Bill receivables	-	-	-	-	1,114	-	1,114
Trust receipts	-	-	-	-	4,155	-	4,155
Claims on customers under acceptance credits	-	-	-	-	162,079	-	162,079
Revolving credits	248,884	-	-	-	-	-	248,884
Staff financing	-	11,002	-	94,943	-	-	105,945
Gross financing and advances	13,257,420	8,809,207	1,702,074	30,468,407	167,348	245,898	54,650,354
Allowance for impairment on financing and advances:							
- Expected credit losses							(473,999)
- Stage 1: 12-Month ECL							(249,018)
- Stage 2: Lifetime ECL not credit-impaired							(175,333)
- Stage 3: Lifetime ECL credit-impaired							(49,648)
Net financing and advances							<u>54,176,355</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

A32. Operations of Islamic Banking (continued)

d) Financing and Advances (continued)

Movements in credit-impaired ("impaired") financing and advances are as follows:

	Group	
	31 December 2021 RM'000	31 December 2020 RM'000
At 1 January	169,421	275,050
Impaired during the year	189,972	190,044
Reclassified as non-impaired	(156,605)	(191,093)
Recoveries	(34,891)	(39,279)
Amount written off	(31,288)	(60,617)
Financing converted to foreclosed properties	(4,349)	(4,684)
Closing balance	<u>132,260</u>	<u>169,421</u>
Gross impaired financing and advances as a percentage of gross financing and advances	<u>0.22%</u>	<u>0.31%</u>

e) Deposits from Customers

	Group	
	31 December 2021 RM'000	31 December 2020 RM'000
By type of deposit and contract		
At amortised cost		
Savings deposit		
- Qard	10,170,977	8,561,432
Demand deposit		
- Qard	6,900,483	5,815,770
Term deposit		
- Commodity Murabahah	40,081,520	40,003,712
- Special term deposit account		
- Commodity Murabahah	9,154,130	7,436,983
	<u>66,307,110</u>	<u>61,817,897</u>

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Performance Review

Current Year-to-date vs. Previous Year-to-date

Key Profit or Loss Items:	Group		Financial Year Ended	
	31 December	31 December	Variance	
	2021	2020	RM'000	%
	RM'000	RM'000	RM'000	
Profit before tax expense and zakat	7,366,575	6,285,063	1,081,512	17.2
Net profit attributable to equity holders of the Bank	5,656,531	4,871,702	784,829	16.1
Other comprehensive (loss) / income (net)	(720,467)	323,866	(1,044,333)	(322.5)

Key Balance Sheet Items:	Group		Variance	
	As At	As At		
	31 December	31 December	RM'000	%
	2021	2020		
	RM'000	RM'000	RM'000	
Gross loans, advances and financing	358,026,752	345,651,227	12,375,525	3.6
Gross impaired loan and financing (%)	0.31%	0.36%	n/a	(0.05)
Deposits from customers	380,394,214	365,870,751	14,523,463	4.0

The Group's pre-tax profit for the financial year ended 31 December 2021 increased by RM1,081.5 million or 17.2% to RM7,366.6 million as compared to the pre-tax profit in the previous year of RM6,285.1 million. Net profit attributable to equity holders increased by RM784.8 million or 16.1% to RM5,656.5 million over the same period. Included in the previous year were modification loss on COVID-19 relief measures of RM498.4 million and the negative effect of Overnight Policy Rate ("OPR") reduction of 125 basis points. Due to this low base effect coupled with positive loans and deposits growth achieved in the current year, net interest income and net income from Islamic banking business grew by RM1,135.3 million (+15.8%) and RM302.3 million (+23.1%) respectively. Net fee and commission income increased by RM217.4 million (+11.3%) mainly due to higher fee income from fund management and banking related services. These were partially offset by lower investment income of RM387.5 million (-86.6%) which was in tandem with current market condition, higher loan impairment allowance of RM94.9 million (-8.6%), and higher other operating expenses of RM55.8 million (-1.4%). The higher loan impairment allowance was mainly arising from pre-emptive allowance made in anticipation of the potential effect of COVID-19 pandemic.

Other comprehensive loss (net) of the Group for the current year was RM720.5 million as compared to other comprehensive income (net) of RM323.9 million in the previous year, mainly due to fluctuation from revaluation of financial investments in the current year arising from unfavourable market condition. These were partially offset by gains on foreign currency translation and cash flow hedges in the current year as compared to losses recorded in the previous year, and higher gain on remeasurements of defined benefit plans.

The Group's profit continued to be supported by positive loans and customer deposits growth. Gross loans grew by RM12.4 billion or 3.6% to RM358.0 billion as at 31 December 2021 as compared to RM345.7 billion as at 31 December 2020, mainly driven by growth in mortgage financing, hire purchase financing and lending to SMEs. Total deposits from customers increased by 4.0% or RM14.5 billion to RM380.4 billion as at 31 December 2021. The Group's gross impaired loan ratio continued to remain low and stable at 0.3% as at 31 December 2021.

The Group's Common Equity Tier I capital ratio, Tier I capital ratio and total capital ratio stood at a healthy level of 14.5%, 14.6% and 17.7% respectively. The Group's liquidity position also remained stable and healthy with liquidity coverage ratio stood at 127.3% as at 31 December 2021.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

B1. Performance Review (continued)

Current Year-to date vs. Previous Year-to-date (continued)

The performance of the respective operating segments for the financial year ended 31 December 2021 as compared to the previous year is analysed as follows:-

Profit / (loss) Before Tax by Segments:	Group		Variance	
	Financial Year Ended			
	31 December 2021 RM'000	31 December 2020 RM'000	RM'000	%
Retail operations	4,311,380	3,666,439	644,941	17.6
Hire purchase	(117,050)	106,478	(223,528)	(209.9)
Corporate lending	444,820	461,702	(16,882)	(3.7)
Treasury and capital market operations	432,613	567,820	(135,207)	(23.8)
Investment banking	80,703	116,934	(36,231)	(31.0)
Fund management	878,086	714,788	163,298	22.8
Head office, funding center and others	713,480	26,427	687,053	> 1,000.0
Total domestic operations	<u>6,744,032</u>	<u>5,660,588</u>	<u>1,083,444</u>	19.1
Overseas operations	<u>622,543</u>	<u>624,475</u>	<u>(1,932)</u>	(0.3)
	<u><u>7,366,575</u></u>	<u><u>6,285,063</u></u>	<u><u>1,081,512</u></u>	17.2

- 1) Retail operations – Pre-tax profit increased by RM644.9 million (+17.6%) to RM4,311.4 million mainly due to higher net interest income on higher average loan balances, lower loan impairment allowance and higher fee and other income. These were partially offset by higher other operating expenses.
- 2) Hire purchase – Pre-tax loss of RM117.1 million in the current year as compared to pre-tax profit of RM106.5 million in the previous year, mainly due to higher loan impairment allowance made in anticipation of potential effect of COVID-19 pandemic, partially offset by higher net interest income.
- 3) Corporate lending – Pre-tax profit decreased by RM16.9 million (-3.7%) to RM444.8 million mainly due to higher loan impairment allowance made in anticipation of potential effect of COVID-19 pandemic, partially offset by higher net interest income and fee income.
- 4) Treasury and capital market operations – Pre-tax profit decreased by RM135.2 million (-23.8%) to RM432.6 million mainly due to lower investment income arising from unfavourable market condition in the current year, and lower net interest income.
- 5) Investment banking – Pre-tax profit decreased by RM36.2 million (-31.0%) to RM80.7 million mainly due to lower stock-broking and investment income.
- 6) Fund management – Pre-tax profit increased by RM163.3 million (+22.8%) to RM878.1 million mainly due to higher management fee from higher average net asset value of funds and higher fee income on sale of trust units arising from higher equity sales achieved.
- 7) Head office, funding center and others – Pre-tax profit increased by RM687.1 million to RM713.5 million mainly due to the low base effect arising from modification loss on COVID-19 relief measures and the negative effect of OPR reduction of 125 bps in the previous year. These were partially offset by lower investment income in the current year.
- 8) Overseas operations – Pre-tax profit decreased marginally by RM1.9 million (-0.3%) to RM622.5 million.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

B1. Performance Review (continued)

Current Quarter vs. Previous Year Corresponding Quarter

Key Profit or Loss Items:	Group			
	4th Quarter Ended			
	31 December 2021 RM'000	31 December 2020 RM'000	Variance RM'000	%
Profit before tax expense and zakat	1,806,161	1,474,720	331,441	22.5
Net profit attributable to equity holders of the Bank	1,380,831	1,147,959	232,872	20.3
Other comprehensive loss (net)	(213,031)	(18,339)	(194,692)	> (1,000.0)

For the 4th quarter ended 31 December 2021, the Group registered a pre-tax profit of RM1,806.2 million, an increase of RM331.4 million or 22.5% as compared to the pre-tax profit of RM1,474.7 million in the previous year corresponding quarter. Net profit attributable to equity holders increased by RM232.9 million or 20.3% to RM1,380.8 million over the same period. The increase was mainly due to lower loan impairment allowance of RM274.3 million (+49.3%) and higher net interest income of RM149.9 million (+7.7%), partially offset by lower investment and other income. Lower loan impairment allowance was mainly due to lower pre-emptive allowance set aside for the potential effect of COVID-19 pandemic in the current quarter.

Other comprehensive loss (net) of the Group for the current quarter increased by RM194.7 million to RM213.0 million, mainly due to fluctuation from revaluation of financial investments for the quarter under review partially offset by lower loss on foreign currency translation in respect of foreign operations.

Performance of the respective operating segments for the 4th quarter ended 31 December 2021 as compared to the previous year corresponding quarter is analysed as follows:-

Profit / (Loss) Before Tax by Segments:	4th Quarter Ended			
	31 December			
	2021 RM'000	2020 RM'000	Variance RM'000	%
Retail operations	1,316,999	805,112	511,887	63.6
Hire purchase	(211,537)	(81,707)	(129,830)	(158.9)
Corporate lending	127,455	113,222	14,233	12.6
Treasury and capital market operations	74,571	162,214	(87,643)	(54.0)
Investment banking	4,882	36,661	(31,779)	(86.7)
Fund management	234,469	202,076	32,393	16.0
Head office, funding center and others	131,842	68,652	63,190	92.0
Total domestic operations	1,678,681	1,306,230	372,451	28.5
Overseas operations	127,480	168,490	(41,010)	(24.3)
	<u>1,806,161</u>	<u>1,474,720</u>	<u>331,441</u>	22.5

1) Retail operations – Pre-tax profit increased by RM511.9 million (+63.6%) to RM1,317.0 million mainly due to lower loan impairment allowance set aside for the potential effect of COVID-19 pandemic and higher net interest income on higher average loan balances.

2) Hire purchase – Pre-tax loss increased by RM129.8 million (-158.9%) to RM211.5 million mainly due to higher loan impairment allowance set aside for the potential effect of COVID-19 pandemic partially offset by higher net interest income on higher average loan balances.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

B1. Performance Review (continued)

Current Quarter vs. Previous Year Corresponding Quarter (continued)

- 3) Corporate lending – Pre-tax profit increased by RM14.2 million (+12.6%) to RM127.5 million mainly due to lower loan impairment allowance partially offset by lower net interest income and fee income.
- 4) Treasury and capital market operations – Pre-tax profit decreased by RM87.6 million (-54.0%) to RM74.6 million mainly due to lower net interest income and lower investment income.
- 5) Investment banking – Pre-tax profit decreased by RM31.8 million (-86.7%) to RM4.9 million mainly due to lower stock-broking income and investment income.
- 6) Fund management business – Pre-tax profit increased by RM32.4 million (+16.0%) to RM234.5 million mainly due to higher management fee from higher average net asset value of funds and lower other operating expenses, partially offset by lower fee income on sale of trust units.
- 7) Head office, funding center and others – Pre-tax profit increased by RM63.2 million (+92.0%) to RM131.8 million mainly due to higher net interest income and lower other operating expenses, partially offset by lower investment income.
- 8) Overseas Operations – Pre-tax profit decreased by RM41.0 million (-24.3%) to RM127.5 million mainly due to lower fee and other income and higher loan impairment allowance.

B2. Variation of Results Against Preceding Quarter

	Group		Quarter Ended	
	31 December	30 September		
	2021	2021	Variance	
Key Profit or Loss Items:	RM'000	RM'000	RM'000	%
Profit before tax expense and zakat	1,806,161	1,766,066	40,095	2.3
Net profit attributable to equity holders of the Bank	1,380,831	1,361,352	19,479	1.4
Other comprehensive loss (net)	(213,031)	(194,374)	(18,657)	(9.6)

For the 4th quarter ended 31 December 2021, the Group registered a pre-tax profit of RM1,806.2 million, an increase of RM40.1 million or 2.3% as compared to the pre-tax profit of RM1,766.1 million for the preceding quarter ended 30 September 2021. Net profit attributable to equity holders increased by RM19.5 million or 1.4% to RM1,380.8 million over the same period. The higher earnings were mainly due to lower loan impairment allowance of RM42.2 million (+13.0%), higher net interest income of RM36.5 million (+1.8%) and lower other operating expenses of RM15.2 million (+1.6%). These were partially offset by lower investment and other income of RM69.7 million (-56.8%).

Other comprehensive loss (net) of the Group for the current quarter increased by RM18.7 million or 9.6% to RM213.0 million, mainly due to loss on foreign currency translation in respect of foreign operations in the current quarter as compared to a gain in the immediate preceding quarter, and fluctuation from revaluation of financial investments in the current quarter. These were partially offset by gain on remeasurements of defined benefit plans in the current quarter.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

B3. Prospects for 2022

The global economy is recovering as the world continues to adapt and adjust to the new normal macro environment, although the pace of recovery may vary across countries. Accommodative fiscal and monetary policies are expected to provide the much needed support for global recovery. Overall, the outlook hinges on developments related to the pandemic.

Advanced economies, including the United States of America, Europe and Japan are expected to progressively recover in 2022. Asia's economic growth is also expected to improve in tandem with the global economic recovery.

For Malaysia, the relaxation of containment measures, high vaccination rates and adaptability of businesses in the new normal environment will be supportive of economic growth. In addition, continued accommodative policy will provide ongoing financial and fiscal support to businesses and households. The Malaysian banking system remains resilient underpinned by ample liquidity and healthy capital buffers.

The Public Bank Group will continue to proactively engage with customers to provide repayment assistance through flexible repayment packages, to extend the much needed financial relief to customers during the economic recovery phase as well as promote special financing schemes initiated by the Government and Bank Negara Malaysia to financially assist small and medium enterprises ("SMEs") who need additional funds for their businesses. The banking industry in collaboration with Agensi Kaunseling dan Pengurusan Kredit ("AKPK") introduced the Financial Management and Resilience Programme ("URUS") which provided repayment assistance to B50 borrowers who lost their jobs or experience income loss of at least 50%.

Owing to the floods across Malaysia in December 2021, Bank Negara Malaysia announced the availability of financing for micro and small and medium enterprises who are affected under the Disaster Relief Facility 2022 ("DRF 2022"). The DRF 2022 assists SMEs through financing of up to seven years, including moratorium period of six months on both principal and interest/profit payments. The Public Bank Group is also offering repayment relief to customers who are affected by the flood. The repayment relief is applicable to loans and financing facilities, of which the monthly instalment for loans and financing could be deferred for up to six months.

The Public Bank Group continues to operate efficiently, maintain prudence in management of credit risk, proactively manage any potential stress in asset quality whilst preserving its sound corporate governance and risk management practices.

The Public Bank Group remains committed to sustainability and has continued to proactively enhance its environmental, social and governance practices across its business operations. The Group's pursuit of sustainability encompasses a wide array of initiatives focusing on responsible business, conduct and compliance, employee well-being as well as contribution to the community, delivering long term value to its key stakeholders. Addressing climate change risk, the Group continues to promote the transition to a low carbon economy through encouraging sustainable consumption in its daily operation and embedding climate consideration into its business strategies.

On digitalisation and technological innovation, the Public Bank Group continues to apply relevant roadmap and strategies for the development of digital initiatives amid the new normal business environment. This includes ongoing upgrades and enhancement of information and communication technology infrastructure as well as exploration and adoption of new technologies which improve operational efficiency to cater to the evolving customers' needs.

For long term sustainability, the Public Bank Group will enhance further its service delivery standards and infrastructure leveraging on the advancement of technology, to provide seamless delivery of banking services across its multi-delivery channels. The Group will also continue to deliver efficient customer service through its extensive network of physical and digital channels, while sustaining its position as a market leader in both the domestic retail and consumer segments.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

B3. Prospects for 2022 (continued)

The Public Bank Group will continue to support financing in residential properties, in tandem with the Government's initiative to promote home ownership, especially for first time home buyers. The Group will also continue to support financing for purchase of passenger vehicles and lending to SMEs. Similarly, the Group will also remain supportive of its corporate lending business by leveraging on its strong franchise and relationship with customers.

Amid heightened market uncertainties, the Public Bank Group's treasury operations will remain vigilant in its business approach and continue to maintain a prudent risk profile, while further strengthening its risk management capabilities to weather ongoing market risk.

The private retail unit trust industry continues to grow in tandem with market conditions. The Public Bank Group offers a comprehensive range of unit trust products, as it continues to embrace technology to cater to the needs of investors.

The Public Bank Group remains committed to strengthen its regional presence, while leveraging on its strong branding and prudent management practices.

The Public Bank Group continues to ensure that it remains well-capitalised and well-funded to support its business, while safeguarding the interests of its stakeholders. The Group's healthy capital and liquidity position coupled with its resilient asset quality and prudent loan loss reserves will enable the Group to navigate through the challenges ahead.

B4. Profit Forecast or Profit Guarantee

There were no profit forecast or profit guarantee issued by the Group and the Bank.

B5. Tax Expense and Zakat

The analysis of the tax expense for the 4th quarter and financial year ended 31 December 2021 are as follows:

<u>Group</u>	4th Quarter Ended		Financial Year Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Malaysian income tax	473,709	(430,327)	1,754,724	605,561
Overseas income tax	26,401	30,473	125,237	122,072
	500,110	(399,854)	1,879,961	727,633
(Over) / Under provision in prior years				
- Malaysian income tax	(190,789)	(3,806)	652,970	(3,806)
- Overseas income tax	571	(591)	4,172	900
	309,892	(404,251)	2,537,103	724,727
Deferred tax (income) / expense				
- Relating to origination and reversal of temporary differences	(87,720)	709,759	(243,004)	623,996
- Under / (Over) provision	185,405	2,874	(658,114)	2,874
Tax expense	407,577	308,382	1,635,985	1,351,597
Zakat	-	963	713	1,206
	407,577	309,345	1,636,698	1,352,803

The Group's effective tax rate for the 4th quarter and financial year ended 31 December 2021 and 31 December 2020 were lower than the statutory tax rate mainly due to the effects of lower tax rates in other tax jurisdictions and certain income not subject to tax.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

B5. Tax Expense and Zakat (continued)

<u>Bank</u>	4th Quarter Ended		Financial Year Ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	375,752	(332,714)	1,327,564	491,812
Overseas income tax	<u>(1,481)</u>	<u>893</u>	<u>1,819</u>	<u>9,797</u>
	374,271	(331,821)	1,329,383	501,609
(Over) / Under provision in prior years				
- Malaysian income tax	(162,323)	(4,195)	540,803	(4,195)
- Overseas income tax	<u>-</u>	<u>-</u>	<u>4,271</u>	<u>(1,140)</u>
	211,948	(336,016)	1,874,457	496,274
Deferred tax (income) / expense				
- Relating to origination and reversal of temporary differences	(62,330)	599,339	(166,093)	531,223
- Under / (Over) provision	<u>157,972</u>	<u>2,894</u>	<u>(545,154)</u>	<u>2,894</u>
	307,590	266,217	1,163,210	1,030,391

The Bank's effective tax rate for the 4th quarter and financial year ended 31 December 2021 and 31 December 2020 were lower than the statutory tax rate mainly due to certain income not subject to tax.

B6. Status of Corporate Proposals Announced but Not Completed

There were no corporate proposals announced but not completed as at 31 December 2021.

B7. Status of Utilisation of Proceeds Raised from Corporate Proposals

The proceeds raised from the issuance of all debt securities and borrowings have been used for working capital, general banking and other corporate purposes, as intended.

B8. Financial Risk Management

There have been no significant changes since the end of the previous financial year in respect of the following:

- i) risk management policies in place for mitigating and controlling the risks associated with foreign exchange, interest/profit rate, liquidity and funding.
- ii) the hedging policies in respect of foreign exchange and interest/profit rate exposures.

The above information are discussed in the Financial Risk Management section of the audited annual financial statements for the financial year ended 31 December 2020 and Pillar 3 Disclosures section of the 2020 Annual Report.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

B9. Debt Securities Issued and Other Borrowed Funds

Group	More Than 1 Year		Less Than 1 Year		Sub-total		Total RM'000
	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	
Unsecured							
As At 31 December 2021							
Hong Kong Dollar ("HKD") term loan	-	-	588,194	-	588,194	-	588,194
United States Dollar ("USD") term loan	-	-	833,800	-	833,800	-	833,800
USD syndicated term loan	-	-	1,542,251	-	1,542,251	-	1,542,251
RM Senior Medium Term notes / sukuk murabahah	-	1,799,677	-	-	-	1,799,677	1,799,677
RM Subordinated notes / sukuk murabahah	-	3,500,000	-	2,499,998	-	5,999,998	5,999,998
RM Additional Tier I capital securities	-	99,822	-	-	-	99,822	99,822
	-	5,399,499	2,964,245	2,499,998	2,964,245	7,899,497	10,863,742
As At 31 December 2020							
HKD term loan	567,956	-	-	-	567,956	-	567,956
USD term loan	802,881	-	-	-	802,881	-	802,881
USD syndicated term loan	1,482,366	-	-	-	1,482,366	-	1,482,366
RM Senior Medium Term notes / sukuk murabahah	-	1,799,522	-	1,519,935	-	3,319,457	3,319,457
RM Subordinated notes / sukuk murabahah	-	5,999,992	-	-	-	5,999,992	5,999,992
RM Additional Tier I capital securities	-	99,702	-	-	-	99,702	99,702
	2,853,203	7,899,216	-	1,519,935	2,853,203	9,419,151	12,272,354

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

B9. Debt Securities Issued and Other Borrowed Funds (continued)

Bank Unsecured	More Than 1 Year		Less Than 1 Year		Sub-total		Total RM'000
	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	
As At 31 December 2021							
USD term loan	-	-	833,800	-	833,800	-	833,800
USD syndicated term loan	-	-	1,542,251	-	1,542,251	-	1,542,251
RM Senior Medium Term notes	-	1,799,677	-	-	-	1,799,677	1,799,677
RM Subordinated notes	-	3,000,000	-	1,999,998	-	4,999,998	4,999,998
RM Additional Tier I capital securities	-	99,822	-	-	-	99,822	99,822
	-	4,899,499	2,376,051	1,999,998	2,376,051	6,899,497	9,275,548
As At 31 December 2020							
USD term loan	802,881	-	-	-	802,881	-	802,881
USD syndicated term loan	1,482,366	-	-	-	1,482,366	-	1,482,366
RM Senior Medium Term notes	-	1,799,522	-	999,985	-	2,799,507	2,799,507
RM Subordinated notes	-	4,999,992	-	-	-	4,999,992	4,999,992
RM Additional Tier I capital securities	-	99,702	-	-	-	99,702	99,702
	2,285,247	6,899,216	-	999,985	2,285,247	7,899,201	10,184,448
Exchange rates used:	HKD	USD					
As at 31 December 2021	0.53490	4.17050					
As at 31 December 2020	0.51820	4.01800					

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)

B10. Changes in Material Litigation

The Group and the Bank do not have any material litigation which would materially and adversely affect the financial position of the Group and of the Bank.

B11. Dividends

- (a) The Directors had declared a first interim dividend of 7.5 sen in respect of financial year ended 31 December 2021, which was paid on 23 September 2021.
- (b) (i) A second interim dividend of 7.7 sen per share for the financial year ended 31 December 2021, amounting to RM1,494,623,264 computed based on 19,410,691,735 ordinary shares as at 31 December 2021, has been declared by the directors.
(ii) Amount per share: 7.7 sen.
(iii) Entitlement date: 14 March 2022.
(iv) Payment date: 22 March 2022.
- (c) Total dividend declared for the previous financial year ended 31 December 2020:
- An interim dividend of 13.0 sen based on 19,410,691,735 ordinary shares.

B12. Earnings Per Share

	4th Quarter Ended		Financial Year Ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Net profit attributable to equity holders (RM'000)	1,380,831	1,147,959	5,656,531	4,871,702
Weighted average number of ordinary shares in issue ('000)	19,410,692	3,882,138	19,410,692	3,882,138
Bonus issue subsequent to year end ('000)	-	15,528,554	-	15,528,554
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	19,410,692	19,410,692	19,410,692	19,410,692
Basic earnings per share (sen)				
- Before issuance of bonus shares	n/a	29.57	n/a	125.49
- After issuance of bonus shares	7.11	5.91	29.14	25.10

Diluted

The Group has no dilution in its earnings per ordinary share in the current and the preceding financial year as there are no dilutive potential ordinary shares.