

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	Group		Bank	
		30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
ASSETS					
Cash and balances with banks		19,651,316	17,530,611	14,183,234	13,861,672
Financial assets at fair value through profit or loss	A8	1,962,711	1,016,004	1,940,529	995,086
Derivative financial assets	A28	577,686	140,434	587,290	240,330
Financial investments at fair value through other comprehensive income	A9	55,365,492	53,269,292	37,898,528	37,100,411
Financial investments at amortised cost	A10	26,521,244	26,146,102	15,672,196	15,990,961
Loans, advances and financing	A11	363,820,708	354,052,463	277,392,380	272,015,541
Other assets	A12	3,079,082	3,085,331	2,798,672	3,009,115
Statutory deposits with Central Banks		1,324,930	1,222,165	392,611	361,536
Deferred tax assets		685,915	519,009	409,284	273,782
Collective investments		-	-	6,165,756	6,086,854
Investment in subsidiary companies		-	-	6,794,716	6,494,716
Investment in associated companies		111,664	115,443	67,500	67,500
Investment properties		614,741	606,074	-	-
Right-of-use assets		1,294,310	1,252,386	1,054,577	1,076,066
Property and equipment		1,270,975	1,324,707	610,212	663,801
Intangible assets		2,531,766	2,459,434	695,393	695,393
TOTAL ASSETS		478,812,540	462,739,455	366,662,878	358,932,764
LIABILITIES					
Deposits from customers	A13	388,252,445	380,394,214	290,479,448	288,511,592
Deposits from banks and other financial institutions	A14	16,329,984	8,123,769	16,565,604	9,804,951
Obligations on securities sold under repurchase agreements		970,329	1,001,831	970,329	1,001,831
Bills and acceptances payable		313,437	222,054	311,814	221,770
Recourse obligations on loans and financing sold to Cagamas		3,600,003	5,600,004	2,500,003	4,500,004
Derivative financial liabilities	A28	309,235	254,458	356,239	241,575
Debt securities issued and other borrowed funds	B9	11,021,769	10,863,742	9,405,601	9,275,548
Lease liabilities		912,736	916,653	1,084,842	1,096,781
Other liabilities	A15	5,685,306	5,221,425	4,112,293	3,788,642
Provision for tax expense and zakat		905,510	644,903	660,386	451,806
Deferred tax liabilities		72,650	70,995	-	-
TOTAL LIABILITIES		428,373,404	413,314,048	326,446,559	318,894,500

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 2021.

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	Group		Bank	
		30 June	31 December	30 June	31 December
		2022	2021	2022	2021
		RM'000	RM'000	RM'000	RM'000
EQUITY					
Share capital		9,417,653	9,417,653	9,417,653	9,417,653
Regulatory reserves		196,171	248,231	155,543	211,063
Other reserves		1,226,426	1,435,886	140,591	605,282
Retained profits		38,257,383	37,060,892	30,502,532	29,804,266
Equity attributable to equity holders of the Bank		49,097,633	48,162,662	40,216,319	40,038,264
Non-controlling interests		1,341,503	1,262,745	-	-
TOTAL EQUITY		50,439,136	49,425,407	40,216,319	40,038,264
TOTAL LIABILITIES AND EQUITY					
		478,812,540	462,739,455	366,662,878	358,932,764
COMMITMENTS AND CONTINGENCIES					
	A27	113,636,482	102,643,461	102,056,556	91,153,166
CAPITAL ADEQUACY					
Before deducting interim dividends *					
	A30				
Common Equity Tier I Capital Ratio		14.624%	15.030%	13.578%	13.954%
Tier I Capital Ratio		14.676%	15.083%	13.620%	13.997%
Total Capital Ratio		17.723%	18.192%	16.864%	17.287%
After deducting interim dividends *					
Common Equity Tier I Capital Ratio		14.122%	14.530%	12.926%	13.313%
Tier I Capital Ratio		14.174%	14.583%	12.968%	13.356%
Total Capital Ratio		17.221%	17.692%	16.212%	16.645%
Net assets per share attributable to ordinary equity holders of the Bank (RM)					
		2.53	2.48	2.07	2.06

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

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PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE FINANCIAL HALF YEAR ENDED 30 JUNE 2022

<u>Group</u>	Note	2nd Quarter Ended		Half Year Ended	
		30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Operating revenue		4,973,686	4,921,477	9,860,910	9,951,791
Interest income	A16	3,500,734	3,380,959	6,861,854	6,756,835
Interest expense	A17	(1,283,088)	(1,274,440)	(2,539,862)	(2,576,802)
Net interest income		2,217,646	2,106,519	4,321,992	4,180,033
Net income from Islamic banking business	A32 (b)	414,778	405,015	817,067	837,876
		2,632,424	2,511,534	5,139,059	5,017,909
Fee and commission income	A18 (a)	724,377	733,267	1,444,937	1,557,122
Fee and commission expense	A18 (b)	(242,666)	(214,287)	(465,919)	(447,325)
Net fee and commission income	A18	481,711	518,980	979,018	1,109,797
Net gains and losses on financial instruments	A19	18,683	50,336	50,960	110,099
Other operating income	A20	44,680	113,158	157,378	183,254
Net income		3,177,498	3,194,008	6,326,415	6,421,059
Other operating expenses	A21	(1,072,642)	(1,000,667)	(2,117,580)	(2,028,398)
Operating profit		2,104,856	2,193,341	4,208,835	4,392,661
Allowance for impairment on loans, advances and financing	A22	(79,902)	(395,996)	(179,630)	(594,491)
(Allowance) / Writeback of allowance for impairment on other assets	A23	(2,571)	1,315	(4,834)	(221)
		2,022,383	1,798,660	4,024,371	3,797,949
Share of profit / (loss) after tax of equity accounted associated companies		246	(3,259)	(1,468)	(3,601)
Profit before tax expense and zakat		2,022,629	1,795,401	4,022,903	3,794,348
Tax expense and zakat	B5	(591,078)	(393,842)	(1,178,536)	(843,553)
Profit for the period		1,431,551	1,401,559	2,844,367	2,950,795
Profit for the period attributable to:					
- Equity holders of the Bank		1,416,956	1,384,380	2,815,511	2,914,348
- Non-controlling interests		14,595	17,179	28,856	36,447
		1,431,551	1,401,559	2,844,367	2,950,795
Earnings per share:					
- basic / diluted (sen)	B12	7.30	7.13	14.50	15.01

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PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL HALF YEAR ENDED 30 JUNE 2022

Group	2nd Quarter Ended		Half Year Ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Profit for the period	<u>1,431,551</u>	<u>1,401,559</u>	<u>2,844,367</u>	<u>2,950,795</u>
Other comprehensive income / (loss):				
<u>Items that will not be reclassified to profit or loss:</u>				
Net change in revaluation of equity instruments	15,997	11,548	15,931	11,723
Gain on disposal of equity instruments	-	319	-	319
	<u>15,997</u>	<u>11,867</u>	<u>15,931</u>	<u>12,042</u>
<u>Items that may be reclassified to profit or loss:</u>				
Currency translation differences in respect of:				
- Foreign operations	385,959	33,431	436,824	294,533
- Net investment hedge	(194,936)	(8,968)	(221,232)	(131,517)
Net change in revaluation of financial investments at fair value through other comprehensive income	(681,739)	85,123	(896,956)	(697,504)
Net change in cash flow hedges	89,627	(1,722)	185,212	69,668
	<u>(401,089)</u>	<u>107,864</u>	<u>(496,152)</u>	<u>(464,820)</u>
Income tax effect	128,348	(12,560)	154,776	141,355
Share of changes in associated companies' reserves	(2,115)	(834)	(2,314)	(1,639)
Other comprehensive (loss) / income for the period, net of tax	<u>(258,859)</u>	<u>106,337</u>	<u>(327,759)</u>	<u>(313,062)</u>
Total comprehensive income for the period	<u>1,172,692</u>	<u>1,507,896</u>	<u>2,516,608</u>	<u>2,637,733</u>
Total comprehensive income for the period attributable to:				
- Equity holders of the Bank	1,106,361	1,484,825	2,429,594	2,561,155
- Non-controlling interests	66,331	23,071	87,014	76,578
	<u>1,172,692</u>	<u>1,507,896</u>	<u>2,516,608</u>	<u>2,637,733</u>

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE FINANCIAL HALF YEAR ENDED 30 JUNE 2022

<u>Bank</u>	Note	2nd Quarter Ended		Half Year Ended	
		30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Operating revenue		3,187,314	3,418,279	6,546,737	6,754,192
Interest income	A16	3,084,840	3,006,771	6,057,113	6,012,410
Interest expense	A17	(1,206,525)	(1,219,242)	(2,396,786)	(2,461,693)
Net interest income		1,878,315	1,787,529	3,660,327	3,550,717
Fee and commission income	A18 (a)	293,453	247,269	557,116	546,759
Fee and commission expense	A18 (b)	(120,645)	(67,195)	(207,342)	(138,736)
Net fee and commission income	A18	172,808	180,074	349,774	408,023
Net gains and losses on financial instruments	A19	17,694	49,803	49,457	108,298
Other operating income	A20	142,266	484,420	299,284	514,954
Net income		2,211,083	2,501,826	4,358,842	4,581,992
Other operating expenses	A21	(669,404)	(626,830)	(1,331,115)	(1,280,269)
Operating profit		1,541,679	1,874,996	3,027,727	3,301,723
Allowance for impairment on loans, advances and financing (Allowance) / Writeback of allowance for impairment on other assets	A22	(36,757)	(343,751)	(73,188)	(451,053)
	A23	(1,889)	1,475	(3,572)	1,084
Profit before tax expense and zakat		1,503,033	1,532,720	2,950,967	2,851,754
Tax expense and zakat	B5	(384,079)	(273,525)	(813,441)	(572,217)
Profit for the period		1,118,954	1,259,195	2,137,526	2,279,537

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UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL HALF YEAR ENDED 30 JUNE 2022

<u>Bank</u>	2nd Quarter Ended		Half Year Ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Profit for the period	1,118,954	1,259,195	2,137,526	2,279,537
Other comprehensive income / (loss):				
<u>Items that will not be reclassified to profit or loss:</u>				
Net change in revaluation of equity instruments	15,951	11,180	15,808	11,232
Gain on disposal of equity instruments	-	319	-	319
	15,951	11,499	15,808	11,551
<u>Items that may be reclassified to profit or loss:</u>				
Currency translation differences in respect of foreign operations	(29,897)	(861)	(46,411)	4,517
Net change in revaluation of financial investments at fair value through other comprehensive income	(466,707)	46,030	(643,462)	(436,815)
Net change in cash flow hedges	28,057	5,334	72,087	11,976
	(468,547)	50,503	(617,786)	(420,322)
Income tax effect	105,276	(12,327)	137,130	101,962
Other comprehensive (loss) / income for the period, net of tax	(347,320)	49,675	(464,848)	(306,809)
Total comprehensive income for the period	771,634	1,308,870	1,672,678	1,972,728

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PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL HALF YEAR ENDED 30 JUNE 2022

<----- 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 2022	9,417,653	248,231	1,435,886	37,060,892	48,162,662	1,262,745	49,425,407	
Profit for the period	-	-	-	2,815,511	2,815,511	28,856	2,844,367	
Other comprehensive (loss) / income for the period	-	-	(385,917)	-	(385,917)	58,158 *	(327,759)	
Total comprehensive (loss) / income for the period	-	-	(385,917)	2,815,511	2,429,594	87,014	2,516,608	
Transactions with owners / other equity movements:								
Transfer to statutory reserves	-	-	157	(157)	-	-	-	
Transfer from regulatory reserves	-	(52,060)	-	52,060	-	-	-	
Transfer to general reserves	-	-	176,300	(176,300)	-	-	-	
Dividends paid	-	-	-	(1,494,623)	(1,494,623)	(8,256)	(1,502,879)	
	-	(52,060)	176,457	(1,619,020)	(1,494,623)	(8,256)	(1,502,879)	
At 30 June 2022	<u>9,417,653</u>	<u>196,171</u>	<u>1,226,426</u>	<u>38,257,383</u>	<u>49,097,633</u>	<u>1,341,503</u>	<u>50,439,136</u>	

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

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UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL HALF YEAR ENDED 30 JUNE 2022

<----- 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	Total Shareholders' Equity		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	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 period	-	-	-	2,914,348	2,914,348	36,447	2,950,795
Other comprehensive (loss) / income for the period	-	-	(353,512)	319	(353,193)	40,131 *	(313,062)
Total comprehensive (loss) / income for the period	-	-	(353,512)	2,914,667	2,561,155	76,578	2,637,733
Transactions with owners / other equity movements:							
Transfer to statutory reserves	-	-	204	(204)	-	-	-
Transfer from regulatory reserves	-	(519,132)	-	519,132	-	-	-
Transfer to general reserves	-	-	157,885	(157,885)	-	-	-
Dividends paid	-	-	-	(2,523,390)	(2,523,390)	(7,861)	(2,531,251)
	-	(519,132)	158,089	(2,162,347)	(2,523,390)	(7,861)	(2,531,251)
At 30 June 2021	<u>9,417,653</u>	<u>700,749</u>	<u>1,835,319</u>	<u>35,332,315</u>	<u>47,286,036</u>	<u>1,247,076</u>	<u>48,533,112</u>

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

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FOR THE FINANCIAL HALF YEAR ENDED 30 JUNE 2022

<----- 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 2022	9,417,653	211,063	605,282	29,804,266	40,038,264
Profit for the period	-	-	-	2,137,526	2,137,526
Other comprehensive loss for the period	-	-	(464,848)	-	(464,848)
Total comprehensive (loss) / income for the period	-	-	(464,848)	2,137,526	1,672,678
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	157	(157)	-
Transfer from regulatory reserves	-	(55,520)	-	55,520	-
Dividends paid	-	-	-	(1,494,623)	(1,494,623)
	-	(55,520)	157	(1,439,260)	(1,494,623)
At 30 June 2022	9,417,653	155,543	140,591	30,502,532	40,216,319

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL HALF YEAR ENDED 30 JUNE 2022

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

<u>Bank</u>	<u>Non-distributable</u>			<u>Distributable</u>	<u>Total Equity RM'000</u>
	<u>Share Capital RM'000</u>	<u>Regulatory Reserves RM'000</u>	<u>Other Reserves RM'000</u>	<u>Retained Profits 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 period	-	-	-	2,279,537	2,279,537
Other comprehensive (loss) / income for the period	-	-	(307,128)	319	(306,809)
Total comprehensive (loss) / income for the period	<u>-</u>	<u>-</u>	<u>(307,128)</u>	<u>2,279,856</u>	<u>1,972,728</u>
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	195	(195)	-
Transfer from regulatory reserves	-	(427,155)	-	427,155	-
Dividends paid	-	-	-	(2,523,390)	(2,523,390)
	<u>-</u>	<u>(427,155)</u>	<u>195</u>	<u>(2,096,430)</u>	<u>(2,523,390)</u>
At 30 June 2021	<u>9,417,653</u>	<u>604,234</u>	<u>855,710</u>	<u>28,511,529</u>	<u>39,389,126</u>

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PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL HALF YEAR ENDED 30 JUNE 2022

	Group		Bank	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Cash Flows from Operating Activities				
Profit before tax expense and zakat	4,022,903	3,794,348	2,950,967	2,851,754
Adjustments for non-cash items:				
Share of loss after tax of equity accounted associated companies	1,468	3,601	-	-
Allowance for impairment on loans and financing	287,904	687,351	140,115	498,040
Depreciation of right-of-use assets and property and equipment	183,747	186,889	136,140	145,404
Net gain on financial instruments	(51,945)	(110,969)	(50,774)	(109,500)
Dividend income	(2,105)	(1,001)	(465,056)	(525,263)
Allowance / (Writeback of allowance) for impairment on other assets	4,834	221	3,572	(1,084)
Other non-cash items	1,705	(2,557)	822	(7,917)
Operating profit before working capital changes	<u>4,448,511</u>	<u>4,557,883</u>	<u>2,715,786</u>	<u>2,851,434</u>
Changes in working capital:				
Increase in operating assets	(11,396,332)	(6,318,941)	(6,721,114)	(2,957,034)
Increase in operating liabilities	14,269,094	5,604,337	7,043,686	3,108,816
Cash generated from operations	<u>7,321,273</u>	<u>3,843,279</u>	<u>3,038,358</u>	<u>3,003,216</u>
Tax expense and zakat paid	(927,644)	(404,784)	(603,235)	(204,218)
Net cash generated from operating activities	<u>6,393,629</u>	<u>3,438,495</u>	<u>2,435,123</u>	<u>2,798,998</u>
Cash Flows from Investing Activities				
Purchase of property and equipment	(67,735)	(76,740)	(44,515)	(53,098)
Purchase of leasehold land	(39,787)	-	-	-
Addition to investment properties	(18)	(20)	-	-
Proceeds from disposal of properties	20,249	7,698	14,758	7,682
Net (purchase) / sale of financial investments	(3,360,574)	118,967	(1,076,152)	425,008
Investment in collective investments	-	-	(78,902)	(84,339)
Additional investment in a subsidiary company	-	-	(300,000)	-
Additional investment in an associated company	-	(45,000)	-	(22,500)
Dividends received	2,105	1,001	553,285	755,283
Net cash (used in) / generated from investing activities	<u>(3,445,760)</u>	<u>5,906</u>	<u>(931,526)</u>	<u>1,028,036</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 2021.

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL HALF YEAR ENDED 30 JUNE 2022

	Group		Bank	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Cash Flows from Financing Activities				
Dividends paid	(1,502,879)	(2,531,251)	(1,494,623)	(2,523,390)
Net proceeds from issuance of debt securities	2,000,000	-	2,000,000	-
Net proceeds from term loan facilities	2,139,649	-	1,551,659	-
Repayment of term loan facilities	(2,147,680)	-	(1,557,145)	-
Repayment of lease liabilities	(42,413)	(38,770)	(30,695)	(25,053)
Redemption of debt securities	<u>(2,000,000)</u>	<u>(1,000,000)</u>	<u>(2,000,000)</u>	<u>(1,000,000)</u>
Net cash used in financing activities	<u>(1,553,323)</u>	<u>(3,570,021)</u>	<u>(1,530,804)</u>	<u>(3,548,443)</u>
Net change in cash and cash equivalents	1,394,546	(125,620)	(27,207)	278,591
Cash and cash equivalents at beginning of the year	14,048,205	17,328,281	11,378,216	12,320,333
Exchange differences on translation of opening balances	<u>431,609</u>	<u>271,857</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of the period	<u>15,874,360</u>	<u>17,474,518</u>	<u>11,351,009</u>	<u>12,598,924</u>
Note:				
Cash and balances with banks	19,651,316	19,911,688	14,183,234	13,083,499
Less: Balances with banks with original maturity more than three months	<u>(3,776,956)</u>	<u>(2,437,170)</u>	<u>(2,832,225)</u>	<u>(484,575)</u>
Cash and cash equivalents at end of the period	<u>15,874,360</u>	<u>17,474,518</u>	<u>11,351,009</u>	<u>12,598,924</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 2021.

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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 unaudited condensed interim financial statements for the 2nd quarter and financial half year ended 30 June 2022 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 unaudited 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 unaudited 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 2021. The explanatory notes attached to the unaudited 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 2021.

The unaudited 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 unaudited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2021, except for the adoption of the following during the current financial period:

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)

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.

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A1. Basis of Preparation (continued)

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. The amendments also clarify that an entity first recognises any impairment loss on assets used in fulfilling the contract before a separate provision for onerous contract is considered.

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

Continuous Assistance to Borrowers/Customers Affected by the COVID-19 Pandemic Amid Path to Economic Recovery

Since 2020, the Group and the Bank have proactively offered various flexible loan repayment assistance programmes for customers/borrowers who faced financial difficulties during the COVID-19 pandemic. As business activities resumed since the end of 2021, the economy is expected to gradually recover. Nevertheless, there remain downside risks to the economy and the overall macro outlook of the economy will hinge on developments related to the pandemic. In view of global headwinds facing the economy which include potential economic disruption and uncertain speed of economic recovery, the Group and the Bank will continue to monitor the impact of the pandemic for any potential deterioration in credit risk of loans/financing.

From 15 November 2021 to 31 March 2022, banks alongside Agensi Kaunseling dan Pengurusan Kredit (“AKPK”) have offered the Financial Management and Resilience Programme (“URUS”) to B50 customers/borrowers who met certain criteria. Under URUS, the Group and the Bank provided customers/borrowers with personalised financial plans which encompass options of either interest/profit waiver of 3 months or interest/profit waiver together with reduced instalments of up to 24 months.

To assist B50 customers/borrowers who are affected by floods and have enrolled for the flood relief assistance programme, which involves deferment of repayment/payment up to 6 monthly instalments, the Group and the Bank offered URUS, if required. URUS would be offered to the eligible B50 customers/borrowers 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 continued to maintain 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 reflect the macroeconomic outlook and potential deterioration in credit risk of loans/financing that could 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 incorporated 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.

ii) Management overlay for loan/financing under relief assistance

For the management overlay maintained, the Group and the Bank have exercised judgment, adapted and estimated based on information on-hand.

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

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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 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 (Amendment to MFRS 17 Insurance Contracts)

Effective date of these Amendments to Standards has been deferred, pending further announcement

- Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

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.

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.

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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):

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 clarify 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.

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - The amendments clarify that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not), as defined in MFRS 3 Business Combinations. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

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.

A2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2021 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 period.

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 period.

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 period.

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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.

During the financial half year ended 30 June 2022:

i) HKD1,100 million Unsecured 3-Year Term Loan

The Bank's 73.2% owned subsidiary company, Public Financial Holdings Limited entered into a new HKD1,100 million 3-Year Unsecured Term Loan Facility to refinance the HKD1,100 million Term Loan which were matured on 31 January 2022. The HKD term loan bears interest rate at HIBOR plus spread.

ii) USD370 million 5-Year Unsecured Syndicated Term Loan

The Bank entered into a new USD370 million 5-Year Unsecured Syndicated Term Loan Facility to refinance the USD370 million Syndicated Term Loan which were matured on 30 March 2022. The USD370 million term loan bears interest rate at SOFR plus spread.

iii) RM10.0 Billion Basel III - Compliant Tier II Subordinated Medium Term Notes Programme

On 7 April 2022, the Bank issued the eighth (8th) tranche of RM2,000 million in aggregate nominal amount of Subordinated Notes due in 2032 callable in 2027. The Notes bear interest at the rate of 3.93%.

On 25 April 2022, the Bank had early redeemed the fourth (4th) tranche of Subordinated Notes amounting to a total of RM2,000 million together with accrued interest.

Subsequent to financial half year ended 30 June 2022 which have not been reflected in the financial statements for the current period:

iv) RM5.0 Billion Sukuk Murabahah Programme

On 28 July 2022, the Bank's wholly-owned subsidiary company, Public Islamic Bank Berhad ("PIBB") issued the fourth (4th) tranche of RM500 million in aggregate nominal amount of Subordinated Sukuk Murabahah due in 2032 callable in 2027. The Sukuk bear profit at the rate of 4.40%.

On 3 August 2022, the Bank's wholly-owned subsidiary company, Public Islamic Bank Berhad ("PIBB") had early redeemed the second (2nd) tranche of Subordinated Sukuk Murabahah of RM500 million in nominal value.

A7. Dividends Paid and Distributed

A second interim dividend of 7.7 sen per share for the financial year ended 31 December 2021 amounting to RM1,494,623,164 was paid on 22 March 2022.

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

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	1,272,447	99,208	1,272,447	99,208
Malaysian Government Securities	202,711	246,265	202,711	246,265
Malaysian Government Investment Issues	-	304,963	-	304,963
	<u>1,475,158</u>	<u>650,436</u>	<u>1,475,158</u>	<u>650,436</u>
Non-money market instruments:				
Equity securities:				
- Unquoted shares in Malaysia	387,651	365,568	365,469	344,650
Debt securities:				
- Unquoted corporate bonds / sukuk	99,902	-	99,902	-
	<u>487,553</u>	<u>365,568</u>	<u>465,371</u>	<u>344,650</u>
Total financial assets at FVTPL	<u>1,962,711</u>	<u>1,016,004</u>	<u>1,940,529</u>	<u>995,086</u>

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

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	1,412,960	15,967	1,412,960	15,967
Malaysian Government Securities	20,572,648	19,456,980	19,977,052	18,883,691
Malaysian Government Investment Issues	25,946,145	24,918,120	13,843,075	13,770,466
Other foreign government securities	193,465	156,579	-	-
	<u>48,125,218</u>	<u>44,547,646</u>	<u>35,233,087</u>	<u>32,670,124</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>1,301,693</u>	<u>2,952,186</u>	<u>1,301,693</u>	<u>2,952,186</u>
Non-money market instruments:				
Equity securities:				
- Quoted shares and convertible loan stocks outside Malaysia	1,657	1,614	-	-
- Unquoted shares	410,808	392,801	403,808	386,070
Debt securities:				
- Cagamas bonds	431,555	421,730	299,255	300,177
- Unquoted corporate bonds / sukuk	5,094,561	4,953,315	660,685	791,854
	<u>5,938,581</u>	<u>5,769,460</u>	<u>1,363,748</u>	<u>1,478,101</u>
Total financial investments at FVOCI	<u>55,365,492</u>	<u>53,269,292</u>	<u>37,898,528</u>	<u>37,100,411</u>

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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 2022	13,585	-	-	13,585
New financial investments purchased	2,626	-	-	2,626
Net allowance made	373	-	-	373
Amount derecognised	(2,063)	-	-	(2,063)
Exchange differences	25	-	-	25
At 30 June 2022	<u>14,546</u>	<u>-</u>	<u>-</u>	<u>14,546</u>
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>
Bank				
At 1 January 2022	6,304	-	-	6,304
New financial investments purchased	2,281	-	-	2,281
Net allowance written back	(6)	-	-	(6)
Amount derecognised	(2,032)	-	-	(2,032)
At 30 June 2022	<u>6,547</u>	<u>-</u>	<u>-</u>	<u>6,547</u>
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>

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A10. Financial Investments at Amortised Cost

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
At amortised cost				
Government securities and treasury bills:				
Malaysian Government Securities	1,370,864	1,094,953	1,370,864	1,094,953
Malaysian Government Investment Issues	8,312,657	6,691,261	3,962,001	2,599,010
Foreign Government Treasury Bills	1,072,643	1,004,495	37,009	95,098
Other foreign government securities	1,387,280	1,120,547	3,138	4,411
	<u>12,143,444</u>	<u>9,911,256</u>	<u>5,373,012</u>	<u>3,793,472</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>1,714,338</u>	<u>1,810,225</u>	-	-
Non-money market instruments:				
Debt securities:				
- Cagamas bonds	4,635,057	5,884,194	3,531,668	4,780,804
- Unquoted corporate bonds / sukuk	8,032,689	8,544,782	6,770,417	7,419,712
	<u>12,667,746</u>	<u>14,428,976</u>	<u>10,302,085</u>	<u>12,200,516</u>
Allowance for impairment	(4,284)	(4,355)	(2,901)	(3,027)
Total financial investments at amortised cost	<u>26,521,244</u>	<u>26,146,102</u>	<u>15,672,196</u>	<u>15,990,961</u>

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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 2022	4,336	-	19	4,355
New financial investments purchased	941	-	-	941
Net allowance written back	(130)	-	-	(130)
Amount derecognised	(827)	-	-	(827)
Exchange differences	(55)	-	-	(55)
At 30 June 2022	<u>4,265</u>	<u>-</u>	<u>19</u>	<u>4,284</u>
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>
Bank				
At 1 January 2022	3,008	-	19	3,027
New financial investments purchased	602	-	-	602
Amount derecognised	(655)	-	-	(655)
Exchange differences	(73)	-	-	(73)
At 30 June 2022	<u>2,882</u>	<u>-</u>	<u>19</u>	<u>2,901</u>
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>

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A11. Loans, Advances and Financing

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
At amortised cost				
Overdrafts	9,302,941	9,225,460	6,251,656	6,385,509
Term loans / financing				
- Housing loans / financing	147,564,265	142,034,597	111,353,005	108,261,391
- Syndicated term loans / financing	4,090,552	3,869,514	1,096,178	991,217
- Hire purchase receivables	58,783,773	55,974,697	45,667,403	43,626,036
- Other term loans / financing	129,048,305	129,367,856	100,411,715	101,103,727
Credit card receivables	2,210,901	2,182,299	2,138,238	2,121,023
Bills receivables	324,028	54,070	311,141	43,933
Trust receipts	169,693	206,751	115,571	112,737
Claims on customers under acceptance credits	3,239,955	2,680,262	3,022,007	2,498,779
Revolving credits	11,037,511	10,246,755	8,142,661	7,905,034
Staff loans *	2,192,986	2,184,491	1,878,574	1,877,076
Gross loans, advances and financing	<u>367,964,910</u>	<u>358,026,752</u>	<u>280,388,149</u>	<u>274,926,462</u>
Allowance for impairment on loans and financing:				
- Expected credit losses	(4,144,202)	(3,974,289)	(2,995,769)	(2,910,921)
- Stage 1: 12-Month ECL	(2,148,523)	(2,110,401)	(1,468,858)	(1,472,405)
- Stage 2: Lifetime ECL not credit-impaired	(1,758,852)	(1,621,549)	(1,399,447)	(1,302,102)
- Stage 3: Lifetime ECL credit-impaired	(236,827)	(242,339)	(127,464)	(136,414)
Net loans, advances and financing	<u>363,820,708</u>	<u>354,052,463</u>	<u>277,392,380</u>	<u>272,015,541</u>

* Included in staff loans of the Group and of the Bank are loans to Directors of subsidiary companies amounting to RM8,058,000 (2021: RM6,550,000) and RM8,058,000 (2021 - RM6,550,000) respectively.

a) By class

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Retail loans / financing *				
- Housing loans / financing	147,564,274	142,034,607	111,353,005	108,261,391
- Hire purchase	58,500,460	55,715,898	45,667,403	43,626,036
- Credit cards	2,210,901	2,182,299	2,138,238	2,121,023
- Other loans / financing ^	113,978,174	112,791,860	84,185,704	84,173,836
	<u>322,253,809</u>	<u>312,724,664</u>	<u>243,344,350</u>	<u>238,182,286</u>
Corporate loans / financing	45,711,101	45,302,088	37,043,799	36,744,176
	<u>367,964,910</u>	<u>358,026,752</u>	<u>280,388,149</u>	<u>274,926,462</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.

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A11. Loans, Advances and Financing (continued)

b) By type of customer

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Non-bank financial institutions				
- Stock-broking companies	5,277	5,441	5,277	5,441
- Others	15,095,954	14,223,581	13,929,817	12,935,958
Business enterprises				
- Small and medium enterprises	71,532,909	72,254,303	56,896,662	57,996,258
- Others	26,945,231	25,895,727	20,287,648	19,614,335
Government and statutory bodies	1,017,878	1,015,030	16,063	13,123
Individuals	249,878,620	241,140,263	187,293,755	182,404,189
Other entities	21,845	24,227	16,935	19,087
Foreign entities	3,467,196	3,468,180	1,941,992	1,938,071
	<u>367,964,910</u>	<u>358,026,752</u>	<u>280,388,149</u>	<u>274,926,462</u>

c) By interest/profit rate sensitivity

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Fixed rate				
- Housing loans / financing	1,104,905	1,152,729	31,641	20,695
- Hire purchase receivables	56,035,981	53,286,598	45,528,438	43,479,967
- Other fixed rate loans / financing	23,167,179	22,308,184	12,662,353	12,193,511
Variable rate				
- Base rate / base lending rate plus	236,631,485	231,103,480	190,730,247	187,819,085
- Cost plus	36,987,712	36,552,011	31,237,201	31,154,587
- Other variable rates	14,037,648	13,623,750	198,269	258,617
	<u>367,964,910</u>	<u>358,026,752</u>	<u>280,388,149</u>	<u>274,926,462</u>

d) By residual contractual maturity

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Maturity within one year	29,838,678	29,747,301	20,012,946	20,434,390
More than one year to three years	27,575,397	25,422,156	21,120,968	20,136,300
More than three years to five years	33,708,101	34,016,248	28,044,715	27,450,211
More than five years	276,842,734	268,841,047	211,209,520	206,905,561
	<u>367,964,910</u>	<u>358,026,752</u>	<u>280,388,149</u>	<u>274,926,462</u>

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A11. Loans, Advances and Financing (continued)

e) By geographical distribution

	Group		Bank	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Malaysia	343,604,422	334,646,103	279,821,750	274,278,617
Hong Kong SAR and the People's Republic of China	14,148,136	14,041,917	-	-
Cambodia	5,222,367	4,919,034	-	-
Other countries	4,989,985	4,419,698	566,399	647,845
	<u>367,964,910</u>	<u>358,026,752</u>	<u>280,388,149</u>	<u>274,926,462</u>

f) Gross loans, advances and financing by economic purpose

	Group		Bank	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Purchase of securities	3,881,581	3,806,514	3,348,669	3,327,555
Purchase of transport vehicles	59,022,662	56,213,822	45,909,382	43,869,123
Purchase of landed properties	235,227,814	229,411,687	183,481,458	180,363,257
(of which: - residential	153,199,973	147,679,774	116,130,872	113,056,177
- non-residential)	82,027,841	81,731,913	67,350,586	67,307,080
Purchase of fixed assets (excluding landed properties)	457,415	456,272	78,364	85,372
Personal use	13,516,663	13,217,789	6,879,691	6,860,947
Credit card	2,210,901	2,182,299	2,138,238	2,121,023
Purchase of consumer durables	787	704	309	224
Construction	7,515,625	7,662,697	5,290,219	5,646,964
Working capital	41,918,476	40,836,823	29,929,953	29,065,321
Other purpose	4,212,986	4,238,145	3,331,866	3,586,676
	<u>367,964,910</u>	<u>358,026,752</u>	<u>280,388,149</u>	<u>274,926,462</u>

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A11. Loans, Advances and Financing (continued)

g) Gross loans, advances and financing by sectors

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Agriculture, hunting, forestry and fishing	3,026,473	3,133,239	2,454,201	2,554,332
Mining and quarrying	258,739	287,562	141,499	160,816
Manufacturing	11,761,783	11,537,292	8,483,271	8,357,965
Electricity, gas and water	132,552	110,646	42,247	43,919
Construction	18,059,690	17,824,705	14,005,984	13,982,146
Wholesale & retail trade and restaurants & hotels	32,184,635	30,844,960	26,252,281	25,290,319
Transport, storage and communication	5,105,402	4,591,415	2,961,527	2,760,483
Finance, insurance and business services	18,948,214	18,641,707	16,891,049	16,425,969
Real estate	24,576,398	25,459,704	18,755,597	19,518,194
Community, social and personal services	3,098,436	3,344,574	1,712,435	1,973,317
Households	249,572,610	240,947,103	188,682,270	183,796,836
Others	1,239,978	1,303,845	5,788	62,166
	<u>367,964,910</u>	<u>358,026,752</u>	<u>280,388,149</u>	<u>274,926,462</u>

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

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Bankers' acceptances rediscounted	<u>2,590</u>	<u>-</u>	<u>2,590</u>	<u>-</u>

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

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
At 1 January	1,101,923	1,251,218	741,668	885,514
Impaired during the period / year	447,602	1,078,629	217,161	664,046
Reclassified as non-impaired	(180,907)	(705,966)	(126,260)	(498,447)
Recoveries	(161,549)	(222,202)	(102,967)	(150,719)
Amount written off	(131,068)	(267,038)	(55,605)	(123,633)
Loans / financing converted to foreclosed properties	(19,067)	(36,091)	(14,759)	(31,742)
Exchange differences	8,967	3,373	(3,154)	(3,351)
Closing balance	<u>1,065,901</u>	<u>1,101,923</u>	<u>656,084</u>	<u>741,668</u>
Gross impaired loans and financing as a percentage of gross loans, advances and financing	<u>0.29%</u>	<u>0.31%</u>	<u>0.23%</u>	<u>0.27%</u>

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A11. Loans, Advances and Financing (continued)

j) Impaired loans, advances and financing by geographical distribution

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Malaysia	723,692	827,687	611,664	691,988
Hong Kong SAR and the People's Republic of China	161,987	132,655	-	-
Cambodia	70,211	28,751	-	-
Other countries	110,011	112,830	44,420	49,680
	<u>1,065,901</u>	<u>1,101,923</u>	<u>656,084</u>	<u>741,668</u>

k) Impaired loans, advances and financing by economic purpose

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Purchase of securities	34,850	33,996	34,850	33,996
Purchase of transport vehicles	137,132	151,752	91,221	102,397
Purchase of landed properties	448,186	514,620	315,159	373,283
(of which: - residential	277,972	336,453	195,232	232,257
- non-residential)	170,214	178,167	119,927	141,026
Purchase of fixed assets (excluding landed properties)	11,477	10,655	459	642
Personal use	91,955	87,462	20,954	23,128
Credit card	11,246	8,048	10,544	7,669
Purchase of consumer durables	-	1	-	1
Construction	14,587	14,835	8,508	10,235
Working capital	312,784	275,638	170,729	185,428
Other purpose	3,684	4,916	3,660	4,889
	<u>1,065,901</u>	<u>1,101,923</u>	<u>656,084</u>	<u>741,668</u>

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A11. Loans, Advances and Financing (continued)

1) Impaired loans, advances and financing by sectors

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Agriculture, hunting, forestry and fishing	11,890	19,744	11,801	18,867
Mining and quarrying	11,013	11,641	11,013	11,399
Manufacturing	91,607	75,764	44,985	47,273
Electricity, gas and water	5,443	5,306	5	-
Construction	83,445	94,853	76,848	86,408
Wholesale & retail trade and restaurants & hotels	150,066	159,428	119,773	129,580
Transport, storage and communication	17,020	14,081	8,624	9,299
Finance, insurance and business services	95,542	65,828	31,131	28,036
Real estate	28,574	8,805	8,897	7,051
Community, social and personal services	4,573	5,696	3,391	4,467
Households	543,892	620,479	339,615	397,911
Others	22,836	20,298	1	1,377
	<u>1,065,901</u>	<u>1,101,923</u>	<u>656,084</u>	<u>741,668</u>

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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 2022	2,110,401	1,621,549	242,339	3,974,289
Changes due to loans, advances and financing recognised as at 1 January 2022:	149,620	(148,997)	(623)	-
- Transfer to Stage 1: 12-Month ECL	175,760	(165,505)	(10,255)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(24,025)	36,239	(12,214)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(2,115)	(19,731)	21,846	-
New loans, advances and financing originated	54,523	14,600	4,888	74,011
Net remeasurement due to changes in credit risk	(134,122)	137,459	118,584	121,921
Loans, advances and financing derecognised (other than write-off)	(31,264)	(25,833)	(13,291)	(70,388)
Modifications to contractual cash flows of loans, advances and financing	(5,431)	157,707	11,029	163,305
Amount written off	-	-	(131,068)	(131,068)
Exchange differences	4,796	2,367	4,969	12,132
At 30 June 2022	<u>2,148,523</u>	<u>1,758,852</u>	<u>236,827</u>	<u>4,144,202</u>

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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 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	2,110,401	1,621,549	242,339	3,974,289

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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 2022	1,472,405	1,302,102	136,414	2,910,921
Changes due to loans and advances recognised as at 1 January 2022:				
- Transfer to Stage 1: 12-Month ECL	117,821	(109,046)	(8,775)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	134,514	(127,401)	(7,113)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(16,534)	26,128	(9,594)	-
	(159)	(7,773)	7,932	-
New loans and advances originated	28,388	6,667	32	35,087
Net remeasurement due to changes in credit risk	(129,642)	87,299	55,620	13,277
Loans and advances derecognised (other than write-off)	(14,315)	(19,344)	(9,807)	(43,466)
Modifications to contractual cash flows of loans and advances	(5,374)	131,769	9,585	135,980
Amount written off	-	-	(55,605)	(55,605)
Exchange differences	(425)	-	-	(425)
At 30 June 2022	<u>1,468,858</u>	<u>1,399,447</u>	<u>127,464</u>	<u>2,995,769</u>

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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>

A12. Other Assets

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Deferred handling fees	245,779	228,164	193,621	182,031
Interest / Income receivable	50,772	28,406	10,961	4,613
Other receivables, deposits and prepayments	1,844,906	2,046,697	1,519,166	1,723,897
Collateral pledged for derivative transactions	190,129	125,591	190,129	125,591
Employee benefits	81,508	79,906	80,257	78,604
Amount due from trust funds	180,196	231,513	-	-
Foreclosed properties	199,927	200,494	173,258	176,268
Outstanding contracts on clients' accounts	285,865	144,560	-	-
Amount due from subsidiary companies	-	-	48,171	46,773
Distribution receivable from collective investments	-	-	20,224	26,528
Dividend receivable from subsidiary companies	-	-	562,885	644,810
	<u>3,079,082</u>	<u>3,085,331</u>	<u>2,798,672</u>	<u>3,009,115</u>

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A13. Deposits from Customers

a) By type of deposit

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
At amortised cost				
Core deposits:				
- Demand deposits	70,500,720	65,805,801	56,383,824	53,001,566
- Savings deposits	52,994,044	52,195,611	36,008,227	35,497,179
- Fixed deposits	213,999,220	207,768,245	155,942,729	153,458,102
	<u>337,493,984</u>	<u>325,769,657</u>	<u>248,334,780</u>	<u>241,956,847</u>
Money market deposits	50,714,520	54,562,580	42,114,110	46,506,733
Other deposits	43,941	61,977	30,558	48,012
	<u>388,252,445</u>	<u>380,394,214</u>	<u>290,479,448</u>	<u>288,511,592</u>

b) By type of customer

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Federal and state governments	6,816,384	5,505,408	286,627	404,036
Local government and statutory authorities	4,004,927	3,198,155	2,586,570	2,297,651
Business enterprises	113,014,872	108,214,823	89,240,902	85,962,563
Individuals	208,161,747	201,344,083	165,977,228	161,053,152
Foreign customers	10,311,841	9,605,422	4,807,600	4,690,187
Others	45,942,674	52,526,323	27,580,521	34,104,003
	<u>388,252,445</u>	<u>380,394,214</u>	<u>290,479,448</u>	<u>288,511,592</u>

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

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Due within six months	204,747,534	216,999,324	150,172,181	168,238,293
More than six months to one year	57,859,400	45,097,647	47,780,720	31,624,429
More than one year to three years	2,101,625	227,620	99,204	96,816
More than three years to five years	4,906	5,974	4,459	5,037
More than five years	275	260	275	260
	<u>264,713,740</u>	<u>262,330,825</u>	<u>198,056,839</u>	<u>199,964,835</u>

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A14. Deposits from Banks and Other Financial Institutions

	Group		Bank	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
At amortised cost				
Licensed banks	5,095,894	2,296,935	3,738,633	1,224,437
Licensed Islamic banks	400,000	-	-	-
Licensed investment banks	424,674	951,630	329,777	804,489
Bank Negara Malaysia	2,270,334	2,265,215	2,204,525	2,197,509
Other financial institutions	8,139,082	2,609,989	10,292,669	5,578,516
	<u>16,329,984</u>	<u>8,123,769</u>	<u>16,565,604</u>	<u>9,804,951</u>

A15. Other Liabilities

	Group		Bank	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Interest / Income payable	1,482,201	1,462,522	1,028,532	1,089,111
Other payables and accruals	3,202,156	3,158,943	2,511,321	2,527,612
Collateral received for derivative transactions	427,329	24,727	427,329	24,727
Amount due to trust funds	91,888	123,272	-	-
Unprocessed sales and / or redemptions	46,122	142,150	-	-
Accrued restoration costs	71,605	71,311	71,251	71,241
Allowance for impairment on loan / financing commitments and financial guarantees	74,064	74,864	59,298	60,061
Outstanding contracts on clients' accounts	276,974	135,158	-	-
Dividend payable to shareholders	12,967	28,478	4,711	4,897
Amount due to subsidiary companies	-	-	9,851	10,993
	<u>5,685,306</u>	<u>5,221,425</u>	<u>4,112,293</u>	<u>3,788,642</u>

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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 2022	51,361	23,175	328	74,864
Changes due to loan / financing commitments and financial guarantees recognised as at 1 January 2022:	3,431	(3,377)	(54)	-
- Transfer to Stage 1: 12-Month ECL	4,156	(4,127)	(29)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(722)	781	(59)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(3)	(31)	34	-
New loan / financing commitments and financial guarantees originated	2,143	1,014	-	3,157
Net remeasurement due to changes in credit risk	(4,360)	1,391	9	(2,960)
Loan / financing commitments and financial guarantees derecognised	(1,260)	(1,132)	(31)	(2,423)
Modifications to contractual cash flows of loan / financing commitments and financial guarantees	(11)	1,297	(5)	1,281
Exchange differences	144	1	-	145
At 30 June 2022	51,448	22,369	247	74,064
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

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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 2022	41,515	18,236	310	60,061
Changes due to loan commitments and financial guarantees recognised as at 1 January 2022:	2,562	(2,511)	(51)	-
- Transfer to Stage 1: 12-Month ECL	3,147	(3,118)	(29)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(583)	635	(52)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(2)	(28)	30	-
New loan commitments and financial guarantees originated	1,496	765	-	2,261
Net remeasurement due to changes in credit risk	(3,428)	1,168	(5)	(2,265)
Loan commitments and financial guarantees derecognised	(905)	(830)	(31)	(1,766)
Modifications to contractual cash flows of loan commitments and financial guarantees	(11)	1,020	(2)	1,007
At 30 June 2022	41,229	17,848	221	59,298
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

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A16. Interest Income

	2nd Quarter Ended		Half Year Ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
<u>Group</u>				
Loans and advances	2,947,483	2,887,057	5,794,520	5,759,552
Balances with banks	48,335	33,083	95,218	64,742
Financial investments at fair value through other comprehensive income	313,551	255,608	596,515	513,833
Financial investments at amortised cost	170,665	192,099	338,575	385,064
Others	11,372	9,434	20,796	21,003
	<u>3,491,406</u>	<u>3,377,281</u>	<u>6,845,624</u>	<u>6,744,194</u>
Financial assets at fair value through profit or loss	9,328	3,678	16,230	12,641
	<u>3,500,734</u>	<u>3,380,959</u>	<u>6,861,854</u>	<u>6,756,835</u>
Of which:				
Interest income earned on impaired loans and advances	<u>13,408</u>	<u>13,823</u>	<u>26,886</u>	<u>27,723</u>
	2nd Quarter Ended		Half Year Ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
<u>Bank</u>				
Loans and advances	2,596,054	2,556,446	5,107,019	5,105,156
Balances with banks	38,505	25,996	81,189	49,853
Financial investments at fair value through other comprehensive income	256,794	205,182	485,281	413,482
Financial investments at amortised cost	158,490	192,613	318,198	383,941
Others	25,669	22,928	49,196	47,414
	<u>3,075,512</u>	<u>3,003,165</u>	<u>6,040,883</u>	<u>5,999,846</u>
Financial assets at fair value through profit or loss	9,328	3,606	16,230	12,564
	<u>3,084,840</u>	<u>3,006,771</u>	<u>6,057,113</u>	<u>6,012,410</u>
Of which:				
Interest income earned on impaired loans and advances	<u>5,286</u>	<u>7,072</u>	<u>10,792</u>	<u>13,973</u>

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A17. Interest Expense

	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Deposits from banks and other financial institutions	78,002	54,077	140,990	110,802
Deposits from customers	1,069,943	1,063,133	2,114,627	2,145,475
Loans sold to Cagamas	27,001	48,392	69,455	96,252
Debt securities issued and other borrowed funds	95,096	95,612	190,062	196,601
Others	13,046	13,226	24,728	27,672
	<u>1,283,088</u>	<u>1,274,440</u>	<u>2,539,862</u>	<u>2,576,802</u>
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Deposits from banks and other financial institutions	74,981	52,553	132,876	109,241
Deposits from customers	997,976	1,009,823	1,983,258	2,034,044
Loans sold to Cagamas	27,001	48,392	69,455	96,252
Debt securities issued and other borrowed funds	92,908	93,349	185,797	192,015
Others	13,659	15,125	25,400	30,141
	<u>1,206,525</u>	<u>1,219,242</u>	<u>2,396,786</u>	<u>2,461,693</u>

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A18. Net Fee and Commission Income

	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
(a) Fee and commission income:				
Commissions	187,608	130,690	348,575	270,840
Service charges and fees	80,801	74,993	151,760	148,121
Guarantee fees	7,873	8,836	14,928	16,440
Commitment fees	17,347	16,844	34,110	34,787
Unit trust management fees	314,421	333,687	639,884	658,313
Fee on sale of trust units	71,989	104,847	164,666	271,465
Brokerage and commissions from stockbroking activities	26,178	50,639	60,943	124,481
Other fee and commission income	18,160	12,731	30,071	32,675
	<u>724,377</u>	<u>733,267</u>	<u>1,444,937</u>	<u>1,557,122</u>
(b) Fee and commission expense:				
Unit trust agency fee	(118,226)	(141,150)	(251,253)	(293,077)
Debit / credit card related fee	(114,893)	(61,140)	(196,683)	(125,609)
Loan related fee	(4,173)	(4,061)	(6,434)	(8,868)
Other fee and commission expense	(5,374)	(7,936)	(11,549)	(19,771)
	<u>(242,666)</u>	<u>(214,287)</u>	<u>(465,919)</u>	<u>(447,325)</u>
Net fee and commission income	<u>481,711</u>	<u>518,980</u>	<u>979,018</u>	<u>1,109,797</u>
	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
(a) Fee and commission income:				
Commissions	200,615	149,909	379,883	342,663
Service charges and fees	59,440	66,448	116,046	135,135
Guarantee fees	7,385	8,265	14,065	15,486
Commitment fees	15,858	14,926	31,034	30,832
Other fee and commission income	10,155	7,721	16,088	22,643
	<u>293,453</u>	<u>247,269</u>	<u>557,116</u>	<u>546,759</u>
(b) Fee and commission expense:				
Debit / credit card related fee	(114,880)	(61,185)	(196,670)	(125,529)
Loan related fee	(3,169)	(3,512)	(4,833)	(7,743)
Other fee and commission expense	(2,596)	(2,498)	(5,839)	(5,464)
	<u>(120,645)</u>	<u>(67,195)</u>	<u>(207,342)</u>	<u>(138,736)</u>
Net fee and commission income	<u>172,808</u>	<u>180,074</u>	<u>349,774</u>	<u>408,023</u>

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A19. Net Gains and Losses on Financial Instruments

	2nd Quarter Ended		Half Year Ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Group				
Net (loss) / gain arising on financial assets at fair value through profit or loss:				
- net (loss) / gain on disposal	(2,773)	1,608	(3,662)	(3,443)
- gross dividend income	572	1,572	572	1,572
- unrealised revaluation gain / (loss)	17,799	1,189	18,709	(32,035)
	<u>15,598</u>	<u>4,369</u>	<u>15,619</u>	<u>(33,906)</u>
Net gain / (loss) arising on trading derivatives				
- unrealised revaluation gain / (loss)	46	1	43	(3)
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	1,715	44,605	32,319	141,640
- gross dividend income	1,513	1,001	2,105	1,001
	<u>3,228</u>	<u>45,606</u>	<u>34,424</u>	<u>142,641</u>
Net gain arising on financial investments at amortised cost				
- net gain on disposal	-	1,755	1,456	1,755
Net (loss) / gain representing ineffective portions of hedging derivatives:				
- fair value hedge	(727)	(1,412)	(1,272)	(228)
- cash flow hedge	538	17	690	(160)
	<u>(189)</u>	<u>(1,395)</u>	<u>(582)</u>	<u>(388)</u>
Net gains and losses on financial instruments	<u>18,683</u>	<u>50,336</u>	<u>50,960</u>	<u>110,099</u>

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

	2nd Quarter Ended		Half Year Ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
<u>Bank</u>				
Net (loss) / gain arising on financial assets at fair value through profit or loss:				
- net (loss) / gain on disposal	(2,780)	1,608	(3,673)	(3,451)
- gross dividend income	483	1,483	483	1,483
- unrealised revaluation gain / (loss)	16,535	1,172	17,445	(30,167)
	<u>14,238</u>	<u>4,263</u>	<u>14,255</u>	<u>(32,135)</u>
Net gain / (loss) arising on trading derivatives				
- unrealised revaluation gain / (loss)	46	1	43	(3)
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	1,519	42,992	31,160	138,053
- gross dividend income	1,373	766	1,873	766
	<u>2,892</u>	<u>43,758</u>	<u>33,033</u>	<u>138,819</u>
Net gain arising on financial investments at amortised cost				
- net gain on disposal	-	1,755	1,456	1,755
Net (loss) / gain representing ineffective portions of hedging derivatives:				
- fair value hedge	(20)	9	(20)	22
- cash flow hedge	538	17	690	(160)
	<u>518</u>	<u>26</u>	<u>670</u>	<u>(138)</u>
Net gains and losses on financial instruments	<u>17,694</u>	<u>49,803</u>	<u>49,457</u>	<u>108,298</u>

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A20. Other Operating Income

	2nd Quarter Ended		Half Year Ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
<u>Group</u>				
Other income:				
Foreign exchange profit	17,980	81,875	102,004	124,013
Rental income from:				
- investment properties	4,224	3,789	8,657	7,408
- other properties	2,950	2,699	5,656	5,365
Net gain on disposal of property and equipment	116	240	2,813	318
Net gain / (loss) on disposal of foreclosed properties	137	(191)	320	(3)
Net (loss) / gain on revaluation of investment properties	(1,188)	1,887	(1,188)	1,887
Others	20,461	22,859	39,116	44,266
Total other operating income	<u>44,680</u>	<u>113,158</u>	<u>157,378</u>	<u>183,254</u>
	2nd Quarter Ended	2nd Quarter Ended	Half Year Ended	Half Year Ended
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
<u>Bank</u>				
Distribution income from collective investments	33,325	39,178	72,598	82,992
Dividend income from subsidiary companies				
- quoted outside Malaysia	22,585	21,505	22,585	21,505
- unquoted in Malaysia	310,000	340,000	368,000	420,000
	<u>365,910</u>	<u>400,683</u>	<u>463,183</u>	<u>524,497</u>
Other (loss) / income:				
Foreign exchange (loss) / profit	(243,218)	61,199	(203,614)	(57,843)
Rental income from other properties	3,344	3,079	6,373	6,337
Net gain on disposal of property and equipment	17	229	47	302
Net gain / (loss) on disposal of foreclosed properties	137	(191)	320	(3)
Others	16,076	19,421	32,975	41,664
	<u>(223,644)</u>	<u>83,737</u>	<u>(163,899)</u>	<u>(9,543)</u>
Total other operating income	<u>142,266</u>	<u>484,420</u>	<u>299,284</u>	<u>514,954</u>

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A21. Other Operating Expenses

Group	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	633,656	602,510	1,259,417	1,221,502
- Pension costs	88,833	90,782	177,254	181,930
- Others	43,784	37,238	88,217	78,357
	766,273	730,530	1,524,888	1,481,789
Establishment costs				
- Depreciation	92,080	93,164	183,747	186,889
- Insurance	5,861	5,972	13,094	12,566
- Water and electricity	12,384	10,986	23,040	21,339
- General repairs and maintenance	41,981	33,794	83,819	69,763
- Information technology expenses	14,821	16,409	29,175	31,487
- Others	24,280	22,784	48,412	45,284
	191,407	183,109	381,287	367,328
Marketing expenses				
- Advertisement and publicity	11,964	11,458	23,829	33,706
- Others	17,546	18,466	33,572	37,826
	29,510	29,924	57,401	71,532
Administration and general expenses				
- Communication expenses	34,593	22,476	53,828	37,517
- Legal and professional fees	12,432	9,535	21,907	19,751
- Others	38,427	25,093	78,269	50,481
	85,452	57,104	154,004	107,749
Total other operating expenses	1,072,642	1,000,667	2,117,580	2,028,398

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A21. Other Operating Expenses (continued)

<u>Bank</u>	2nd Quarter Ended		Half Year Ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Personnel costs				
- Salaries, allowances and bonuses	480,078	449,248	955,911	918,895
- Pension costs	76,730	79,368	153,345	159,108
- Others	34,059	29,040	69,358	61,330
	590,867	557,656	1,178,614	1,139,333
Establishment costs				
- Depreciation	67,677	72,051	136,140	145,404
- Insurance	4,528	4,778	10,439	10,218
- Water and electricity	8,217	7,408	15,670	14,546
- General repairs and maintenance	37,563	29,438	73,997	60,231
- Information technology expenses	5,884	7,596	11,281	13,792
- Others	11,580	11,267	23,144	21,945
	135,449	132,538	270,671	266,136
Marketing expenses				
- Advertisement and publicity	4,819	4,305	9,258	19,020
- Others	9,204	8,929	16,961	16,864
	14,023	13,234	26,219	35,884
Administration and general expenses				
- Communication expenses	17,364	18,694	33,105	31,651
- Legal and professional fees	8,649	6,158	14,194	12,453
- Others	18,598	9,720	38,386	19,313
	44,611	34,572	85,685	63,417
Cost of resource sharing charged to Public Islamic Bank Berhad *	(115,546)	(111,170)	(230,074)	(224,501)
Total other operating expenses	669,404	626,830	1,331,115	1,280,269

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

	2nd Quarter Ended		Half Year Ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Credit related	(50,581)	(48,600)	(99,797)	(97,288)
Non-credit branch support	(43,364)	(42,648)	(85,162)	(83,226)
Other administration function	(21,601)	(19,922)	(45,115)	(43,987)
	(115,546)	(111,170)	(230,074)	(224,501)

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A22. Allowance for Impairment on Loans, Advances and Financing

	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Group				
Expected credit losses	138,065	438,923	287,904	687,351
Impaired loans and financing written off	115	8	117	17
Impaired loans and financing recovered	(58,278)	(42,935)	(108,391)	(92,877)
	<u>79,902</u>	<u>395,996</u>	<u>179,630</u>	<u>594,491</u>

	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Bank				
Expected credit losses	73,776	365,967	140,115	498,040
Impaired loans written off	115	8	117	17
Impaired loans recovered	(37,134)	(22,224)	(67,044)	(47,004)
	<u>36,757</u>	<u>343,751</u>	<u>73,188</u>	<u>451,053</u>

A23. Allowance / (Writeback of allowance) for Impairment on Other Assets

	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Group				
Expected credit losses on:				
- Financial investments at fair value through other comprehensive income	1,039	(156)	936	1,022
- Financial investments at amortised cost	84	(1)	(16)	(22)
- Deposits and placements with banks and other financial institutions	53	(79)	273	11
Allowance made / (written back) on:				
- Foreclosed properties	1,448	(1,100)	3,641	(811)
- Other receivables	(53)	21	-	21
	<u>2,571</u>	<u>(1,315)</u>	<u>4,834</u>	<u>221</u>

	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Bank				
Expected credit losses on:				
- Financial investments at fair value through other comprehensive income	640	(229)	243	(37)
- Financial investments at amortised cost	60	(38)	(53)	(33)
Allowance made / (written back) on:				
- Foreclosed properties	1,189	(1,208)	3,382	(1,014)
	<u>1,889</u>	<u>(1,475)</u>	<u>3,572</u>	<u>(1,084)</u>

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←----- Operating Segments -----→

2nd Quarter Ended 30 June 2022	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	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
External revenue	649,503	2,410,892	373,031	244,457	43,396	387,000	2,311	467,340	4,577,930	395,756	-	4,973,686
Revenue from other segments	897	381,129	6,157	281,723	155	11,233	12,517	75,222	769,033	5,531	(774,564)	-
	650,400	2,792,021	379,188	526,180	43,551	398,233	14,828	542,562	5,346,963	401,287	(774,564)	4,973,686
Net interest income / (expense) and Islamic banking income	215,908	1,492,131	147,060	46,492	8,807	1,743	(3,431)	415,670	2,324,380	309,045	(1,001)	2,632,424
Other income	362	184,466	6,846	67,041	18,766	254,113	2,449	19,269	553,312	764	(9,002)	545,074
Net income / (expense)	216,270	1,676,597	153,906	113,533	27,573	255,856	(982)	434,939	2,877,692	309,809	(10,003)	3,177,498
Other operating expenses	(63,091)	(573,207)	(4,876)	(15,187)	(11,777)	(65,683)	(7,333)	(159,692)	(900,846)	(181,799)	10,003	(1,072,642)
Writeback of allowance / (Allowance) for impairment on loans, advances and financing	73,135	(127,644)	(10,081)	-	78	20	-	-	(64,492)	(15,410)	-	(79,902)
(Allowance) / Writeback of allowance for impairment on other assets	-	(1,448)	-	(363)	53	-	-	(776)	(2,534)	(37)	-	(2,571)
Profit / (Loss) by segments	226,314	974,298	138,949	97,983	15,927	190,193	(8,315)	274,471	1,909,820	112,563	-	2,022,383
Reconciliation of segment profits to consolidated profits: Share of profit after tax of equity accounted associated companies									246	-		246
Profit before tax expense and zakat									1,910,066	112,563		2,022,629

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A24. Segment Information (continued)

	←----- Operating Segments -----→											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	Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	
2nd Quarter Ended 30 June 2021												
External revenue	636,462	2,235,801	373,111	203,638	62,351	439,040	1,912	550,047	4,502,362	419,115	-	4,921,477
Revenue from other segments	486	426,573	5,733	323,298	147	11,745	12,962	94,606	875,550	4,439	(879,989)	-
	<u>636,948</u>	<u>2,662,374</u>	<u>378,844</u>	<u>526,936</u>	<u>62,498</u>	<u>450,785</u>	<u>14,874</u>	<u>644,653</u>	<u>5,377,912</u>	<u>423,554</u>	<u>(879,989)</u>	<u>4,921,477</u>
Net interest income / (expense) and												
Islamic banking income	203,063	1,450,073	158,322	39,613	9,199	1,735	(3,367)	356,975	2,215,613	295,928	(7)	2,511,534
Other income	578	190,250	6,034	85,537	28,317	279,310	2,145	45,969	638,140	54,422	(10,088)	682,474
Net income / (expense)	<u>203,641</u>	<u>1,640,323</u>	<u>164,356</u>	<u>125,150</u>	<u>37,516</u>	<u>281,045</u>	<u>(1,222)</u>	<u>402,944</u>	<u>2,853,753</u>	<u>350,350</u>	<u>(10,095)</u>	<u>3,194,008</u>
Other operating expenses	(67,112)	(526,848)	(5,011)	(12,833)	(13,177)	(72,647)	(6,242)	(135,578)	(839,448)	(171,314)	10,095	(1,000,667)
(Allowance) / Writeback of												
allowance for impairment on												
loans, advances and financing	(141,559)	(135,205)	(94,961)	-	81	(1)	-	-	(371,645)	(24,351)	-	(395,996)
Writeback of allowance / (Allowance)												
for impairment on other assets	-	1,100	-	(79)	(17)	-	-	307	1,311	4	-	1,315
(Loss) / Profit by segments	<u>(5,030)</u>	<u>979,370</u>	<u>64,384</u>	<u>112,238</u>	<u>24,403</u>	<u>208,397</u>	<u>(7,464)</u>	<u>267,673</u>	<u>1,643,971</u>	<u>154,689</u>	<u>-</u>	<u>1,798,660</u>
Reconciliation of segment profits												
to consolidated profits:												
Share of loss after tax												
of equity accounted associated												
companies									(3,259)	-		(3,259)
Profit before tax expense and zakat									<u>1,640,712</u>	<u>154,689</u>	<u>-</u>	<u>1,795,401</u>

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A24. Segment Information

Half Year Ended 30 June 2022	←----- 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					
External revenue	1,287,209	4,661,519	731,446	463,704	90,593	805,658	4,591	990,996	9,035,716	825,194	-	9,860,910
Revenue from other segments	1,113	786,950	11,259	582,941	304	23,065	24,883	175,353	1,605,868	9,344	(1,615,212)	-
	1,288,322	5,448,469	742,705	1,046,645	90,897	828,723	29,474	1,166,349	10,641,584	834,538	(1,615,212)	9,860,910
Net interest income / (expense) and Islamic banking income	433,452	2,925,100	294,742	70,484	18,227	4,059	(6,717)	795,972	4,535,319	605,790	(2,050)	5,139,059
Other income	750	378,268	9,929	136,778	39,872	520,601	7,484	55,094	1,148,776	57,013	(18,433)	1,187,356
Net income	434,202	3,303,368	304,671	207,262	58,099	524,660	767	851,066	5,684,095	662,803	(20,483)	6,326,415
Other operating expenses	(125,796)	(1,127,505)	(9,517)	(29,857)	(23,925)	(132,520)	(14,424)	(315,874)	(1,779,418)	(358,645)	20,483	(2,117,580)
Writeback of allowance / (Allowance) for impairment on loans, advances and financing	18,515	(153,889)	(2,687)	-	168	20	-	-	(137,873)	(41,757)	-	(179,630)
(Allowance) / Writeback of allowance for impairment on other assets	-	(3,641)	-	(57)	7	-	-	(863)	(4,554)	(280)	-	(4,834)
Profit / (Loss) by segments	326,921	2,018,333	292,467	177,348	34,349	392,160	(13,657)	534,329	3,762,250	262,121	-	4,024,371
Reconciliation of segment profits to consolidated profits: Share of loss after tax of equity accounted associated companies									(1,468)	-		(1,468)
Profit before tax expense and zakat									3,760,782	262,121		4,022,903
Cost income ratio	29.0%	34.1%	3.1%	14.4%	41.2%	25.3%	>100.0%	37.1%	31.3%	54.1%		33.5%

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A24. Segment Information (continued)

Half 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						
30 June 2022													
Gross loans, advances and financing	56,174,270	244,987,511	41,967,429	-	352,982	120,665	1,565	-	343,604,422	24,360,488			367,964,910
Loans growth	5.1%	2.4%	1.2%	-	-9.6%	-0.1%	7.8%	-	2.7%	4.2%			2.8%
Impaired loans, advances and financing	111,333	505,139	106,293	-	-	927	-	-	723,692	342,209			1,065,901
Impaired loan and financing ratio	0.2%	0.2%	0.3%	-	-	0.8%	-	-	0.2%	1.4%			0.3%
Deposits from customers	-	296,522,136	303,186	61,107,738	994,378	-	-	-	358,927,438	29,325,007			388,252,445
Deposits growth	-	2.9%	64.6%	-3.4%	2.8%	-	-	-	1.8%	5.6%			2.1%
Segment assets	<u>55,201,119</u>	<u>303,781,285</u>	<u>41,085,416</u>	<u>76,613,816</u>	<u>2,396,864</u>	<u>438,507</u>	<u>823,199</u>	<u>52,381,639</u>	<u>532,721,845</u>	<u>41,635,996</u>	<u>(100,833,871)</u>		<u>473,523,970</u>
Reconciliation of segment assets to consolidated assets:													
Investment in associated companies									111,647	17			111,664
Unallocated assets									2,645,140	-			2,645,140
Intangible assets									775,493	1,756,273			2,531,766
Total assets									<u>536,254,125</u>	<u>43,392,286</u>			<u>478,812,540</u>

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A24. Segment Information (continued)

Half Year Ended 30 June 2021	←----- Operating Segments -----→							Head		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	Office and Funding Center RM'000	Total Domestic Operations RM'000			Total Overseas Operations RM'000
External revenue	1,267,726	4,488,558	754,418	425,919	138,694	930,780	3,735	1,098,402	9,108,232	843,559	-	9,951,791
Revenue from other segments	584	871,641	10,743	682,394	364	23,079	25,074	184,509	1,798,388	10,235	(1,808,623)	-
	<u>1,268,310</u>	<u>5,360,199</u>	<u>765,161</u>	<u>1,108,313</u>	<u>139,058</u>	<u>953,859</u>	<u>28,809</u>	<u>1,282,911</u>	<u>10,906,620</u>	<u>853,794</u>	<u>(1,808,623)</u>	<u>9,951,791</u>
Net interest income / (expense) and												
Islamic banking income	400,128	2,873,200	318,578	114,767	18,345	3,108	(6,717)	715,197	4,436,606	581,320	(17)	5,017,909
Other income	1,104	423,979	17,945	197,282	64,293	565,017	4,081	35,467	1,309,168	114,918	(20,936)	1,403,150
Net income / (expense)	<u>401,232</u>	<u>3,297,179</u>	<u>336,523</u>	<u>312,049</u>	<u>82,638</u>	<u>568,125</u>	<u>(2,636)</u>	<u>750,664</u>	<u>5,745,774</u>	<u>696,238</u>	<u>(20,953)</u>	<u>6,421,059</u>
Other operating expenses	(128,926)	(1,059,558)	(10,476)	(27,537)	(26,860)	(143,101)	(12,723)	(296,885)	(1,706,066)	(343,285)	20,953	(2,028,398)
(Allowance) / Writeback of allowance for impairment on loans, advances and financing	(209,371)	(270,176)	(83,765)	-	356	(2)	-	-	(562,958)	(31,533)	-	(594,491)
Writeback of allowance / (Allowance) for impairment on other assets	-	811	-	(97)	(48)	-	-	(1,192)	(526)	305	-	(221)
Profit / (Loss) by segments	<u>62,935</u>	<u>1,968,256</u>	<u>242,282</u>	<u>284,415</u>	<u>56,086</u>	<u>425,022</u>	<u>(15,359)</u>	<u>452,587</u>	<u>3,476,224</u>	<u>321,725</u>	<u>-</u>	<u>3,797,949</u>
Reconciliation of segment profits to consolidated profits:												
Share of loss after tax of equity accounted associated companies									(3,601)	-		(3,601)
Profit before tax expense and zakat									<u>3,472,623</u>	<u>321,725</u>		<u>3,794,348</u>
Cost income ratio	32.1%	32.1%	3.1%	8.8%	32.5%	25.2%	n/a	39.5%	29.7%	49.3%		31.6%

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A24. Segment Information (continued)

Half Year Ended 30 June 2021	←----- 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						
Gross loans, advances and financing	53,203,906	233,691,073	42,082,771	-	374,936	119,434	1,500	-	329,473,620	22,597,360		352,070,980	
Loans growth	1.6%	2.5%	-1.7%	-	0.2%	2.8%	4.9%	-	1.8%	3.1%		1.9%	
Impaired loans, advances and financing	222,330	691,959	65,331	-	-	249	-	-	979,869	262,479		1,242,348	
Impaired loan and financing ratio	0.4%	0.3%	0.2%	-	-	0.2%	-	-	0.3%	1.2%		0.4%	
Deposits from customers	-	281,624,142	212,014	63,588,192	1,195,645	-	-	-	346,619,993	28,532,268		375,152,261	
Deposits growth	-	2.3%	-2.3%	4.4%	16.8%	-	-	-	2.7%	0.4%		2.5%	
Segment assets	<u>52,608,545</u>	<u>288,010,608</u>	<u>41,323,931</u>	<u>72,486,876</u>	<u>2,261,538</u>	<u>462,705</u>	<u>829,922</u>	<u>53,412,322</u>	<u>511,396,447</u>	<u>40,415,971</u>	<u>(99,875,522)</u>	<u>451,936,896</u>	
Reconciliation of segment assets to consolidated assets:													
Investment in associated companies									118,165	17		118,182	
Unallocated assets									1,727,426	-		1,727,426	
Intangible assets									775,493	1,686,399		2,461,892	
Total assets									<u>514,017,531</u>	<u>42,102,387</u>		<u>456,244,396</u>	

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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 unaudited 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 period.

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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	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Contingent liabilities				
Direct credit substitutes	871,667	891,923	825,365	848,101
Transaction-related contingent items	1,650,656	1,664,588	1,347,294	1,377,248
Short term self-liquidating trade-related contingencies	845,499	590,441	239,372	122,482
	3,367,822	3,146,952	2,412,031	2,347,831
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	32,717,922	30,666,767	24,835,912	22,987,311
- not exceeding one year	24,655,304	24,830,576	19,835,600	20,108,246
Unutilised credit card lines	9,013,251	8,641,625	8,675,579	8,334,502
Forward asset purchases	1,245,104	153,293	1,166,452	7,333
	67,631,581	64,292,261	54,513,543	51,437,392
Derivative financial instruments				
Foreign exchange related contracts:				
- up to one year	34,818,300	25,806,073	34,136,696	24,699,330
- more than one year to five years	1,896,811	3,095,975	1,896,811	3,095,975
Interest / Profit rate related contracts:				
- up to one year	940,750	3,047,185	1,440,750	3,547,185
- more than one year to five years	4,677,523	2,479,447	7,455,775	4,775,000
- more than five years	302,745	775,115	200,000	1,250,000
Commodity related contracts:				
- up to one year	950	453	950	453
	42,637,079	35,204,248	45,130,982	37,367,943
	113,636,482	102,643,461	102,056,556	91,153,166

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A28. Derivative Financial Instruments

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

Group As at 30 June 2022	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	2,448,776	-	-	2,448,776	13,616	-	-	13,616	7,749	-	-	7,749
- Cross currency interest rate swaps	1,101,875	-	-	1,101,875	-	-	-	-	30,428	-	-	30,428
- Swaps	29,824,424	-	-	29,824,424	355,567	-	-	355,567	124,949	-	-	124,949
- Options	175,970	-	-	175,970	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	950	-	-	950	-	-	-	-	1	-	-	1
	<u>33,551,995</u>	<u>-</u>	<u>-</u>	<u>33,551,995</u>	<u>369,183</u>	<u>-</u>	<u>-</u>	<u>369,183</u>	<u>163,127</u>	<u>-</u>	<u>-</u>	<u>163,127</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	100,000	255,635	268,858	624,493	-	7,589	9,049	16,638	274	-	1,366	1,640
Cash Flow Hedge												
Interest / Profit rate related contracts												
- Swaps	840,750	775,000	3,680,775	5,296,525	572	25,539	165,754	191,865	2,123	196	-	2,319
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	1,267,255	868,703	1,028,108	3,164,066	-	-	-	-	107,443	19,855	14,851	142,149
	<u>2,208,005</u>	<u>1,899,338</u>	<u>4,977,741</u>	<u>9,085,084</u>	<u>572</u>	<u>33,128</u>	<u>174,803</u>	<u>208,503</u>	<u>109,840</u>	<u>20,051</u>	<u>16,217</u>	<u>146,108</u>
Total	<u>35,760,000</u>	<u>1,899,338</u>	<u>4,977,741</u>	<u>42,637,079</u>	<u>369,755</u>	<u>33,128</u>	<u>174,803</u>	<u>577,686</u>	<u>272,967</u>	<u>20,051</u>	<u>16,217</u>	<u>309,235</u>

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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 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	1,200,481	-	-	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>

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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 30 June 2022	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	2,394,395	-	-	2,394,395	13,569	-	-	13,569	7,688	-	-	7,688
- Cross currency interest rate swaps	1,101,875	-	-	1,101,875	-	-	-	-	30,428	-	-	30,428
- Swaps	29,197,201	-	-	29,197,201	354,682	-	-	354,682	122,858	-	-	122,858
- Options	175,970	-	-	175,970	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	950	-	-	950	-	-	-	-	1	-	-	1
	<u>32,870,391</u>	<u>-</u>	<u>-</u>	<u>32,870,391</u>	<u>368,251</u>	<u>-</u>	<u>-</u>	<u>368,251</u>	<u>160,975</u>	<u>-</u>	<u>-</u>	<u>160,975</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	100,000	-	-	100,000	-	-	-	-	274	-	-	274
Cash Flow Hedge												
Interest rate related contracts												
- Swaps	1,340,750	1,275,000	6,380,775	8,996,525	1,659	35,011	182,369	219,039	2,123	196	50,522	52,841
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	1,267,255	868,703	1,028,108	3,164,066	-	-	-	-	107,443	19,855	14,851	142,149
	<u>2,708,005</u>	<u>2,143,703</u>	<u>7,408,883</u>	<u>12,260,591</u>	<u>1,659</u>	<u>35,011</u>	<u>182,369</u>	<u>219,039</u>	<u>109,840</u>	<u>20,051</u>	<u>65,373</u>	<u>195,264</u>
Total	<u>35,578,396</u>	<u>2,143,703</u>	<u>7,408,883</u>	<u>45,130,982</u>	<u>369,910</u>	<u>35,011</u>	<u>182,369</u>	<u>587,290</u>	<u>270,815</u>	<u>20,051</u>	<u>65,373</u>	<u>356,239</u>

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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>

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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 RM577,686,000 (2021: RM140,434,000) and RM587,290,000 (2021: RM240,330,000) 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 RM190,129,000 (2021: RM125,591,000) 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 2021 and Pillar 3 Disclosures section of the 2021 Annual Report.

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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
30 June 2022	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	1,475,158	-	1,475,158
- Non-money market instruments	-	99,902	387,651	487,553
	-	1,575,060	387,651	1,962,711
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	48,125,218	-	48,125,218
- Money market instruments	-	1,301,693	-	1,301,693
- Non-money market instruments	1,657	5,526,116	410,808	5,938,581
	1,657	54,953,027	410,808	55,365,492
Derivative financial assets	-	577,686	-	577,686
Total financial assets measured at fair value	1,657	57,105,773	798,459	57,905,889
Non-financial assets				
Investment properties	-	-	614,741	614,741
Financial liabilities				
Derivative financial liabilities	-	309,235	-	309,235
Total financial liabilities measured at fair value	-	309,235	-	309,235

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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 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

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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
30 June 2022	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	1,475,158	-	1,475,158
- Non-money market instruments	-	99,902	365,469	465,371
	-	1,575,060	365,469	1,940,529
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	35,233,087	-	35,233,087
- Money market instruments	-	1,301,693	-	1,301,693
- Non-money market instruments	-	959,940	403,808	1,363,748
	-	37,494,720	403,808	37,898,528
Derivative financial assets	-	587,290	-	587,290
Total financial assets measured at fair value	-	39,657,070	769,277	40,426,347
Financial liabilities				
Derivative financial liabilities	-	356,239	-	356,239
Total financial liabilities measured at fair value	-	356,239	-	356,239

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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

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the financial period (2021: None).

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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 ->			
	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	Total RM'000
At 1 January 2022	365,568	392,801	606,074	1,364,443
Recognised in profit or loss				
- unrealised revaluation gain / (loss)	22,083	-	(1,188)	20,895
Recognised in other comprehensive income				
- unrealised revaluation gain	-	15,888	-	15,888
Addition	-	-	18	18
Exchange differences	-	2,119	9,837	11,956
At 30 June 2022	<u>387,651</u>	<u>410,808</u>	<u>614,741</u>	<u>1,413,200</u>
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	<u>365,568</u>	<u>392,801</u>	<u>606,074</u>	<u>1,364,443</u>

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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 2022	344,650	386,070	730,720
Recognised in profit or loss			
- unrealised revaluation gain	20,819	-	20,819
Recognised in other comprehensive income			
- unrealised revaluation gain	-	15,808	15,808
Exchange differences	-	1,930	1,930
At 30 June 2022	<u>365,469</u>	<u>403,808</u>	<u>769,277</u>
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	<u>344,650</u>	<u>386,070</u>	<u>730,720</u>

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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.

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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	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<u>Before deducting interim dividends *</u>				
Common Equity Tier I ("CET I") capital ratio	14.624%	15.030%	13.578%	13.954%
Tier I capital ratio	14.676%	15.083%	13.620%	13.997%
Total capital ratio	<u>17.723%</u>	<u>18.192%</u>	<u>16.864%</u>	<u>17.287%</u>
<u>After deducting interim dividends *</u>				
CET I capital ratio	14.122%	14.530%	12.926%	13.313%
Tier I capital ratio	14.174%	14.583%	12.968%	13.356%
Total capital ratio	<u>17.221%</u>	<u>17.692%</u>	<u>16.212%</u>	<u>16.645%</u>

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

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 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	922,502	1,241,935	139,456	575,320
Retained profits	37,592,198	36,766,601	30,474,194	29,775,928
Qualifying non-controlling interests	728,500	702,435	-	-
Less: Goodwill and other intangible assets	(2,531,766)	(2,459,434)	(695,393)	(695,393)
Less: Deferred tax assets, net	(685,915)	(519,009)	(409,284)	(273,782)
Less: Defined benefit pension fund assets	(81,508)	(79,906)	(80,394)	(78,762)
Less: Investment in banking / insurance subsidiary companies and associated companies deducted from CET I capital	<u>(146,205)</u>	<u>(147,349)</u>	<u>(6,505,741)</u>	<u>(6,205,741)</u>
Total CET I capital	45,215,459	44,922,926	32,340,491	32,515,223
Additional Tier I capital securities	99,882	99,822	99,882	99,822
Qualifying CET I and additional Tier I capital instruments held by third parties	<u>60,007</u>	<u>58,956</u>	<u>-</u>	<u>-</u>
Total Tier I capital	<u>45,375,348</u>	<u>45,081,704</u>	<u>32,440,373</u>	<u>32,615,045</u>

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A30. Capital Adequacy (continued)

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

	Group		Bank	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
<u>Tier II capital</u>				
Stage 1 and Stage 2 expected credit loss allowances #	3,526,310	3,401,754	2,727,537	2,664,630
Subordinated notes	4,998,989	4,999,998	4,998,989	4,999,998
Qualifying CET I and additional Tier I and Tier II capital instruments held by third parties	761,541	756,381	-	-
Others	133,121	133,121	-	-
Total Tier II capital	<u>9,419,961</u>	<u>9,291,254</u>	<u>7,726,526</u>	<u>7,664,628</u>
Total capital	<u>54,795,309</u>	<u>54,372,958</u>	<u>40,166,899</u>	<u>40,279,673</u>

Excludes expected credit loss allowances restricted from Tier II capital of the Group and of the Bank of RM475,112,000 (2021: RM423,592,000) and RM210,380,000 (2021: RM179,895,000) respectively.

In arriving at the total capital of the Group and of the Bank above, the interim dividends declared subsequent to the financial period / 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.

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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.

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.

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. 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	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Credit risk	282,104,792	272,140,328	218,202,974	213,170,425
Market risk	4,951,620	5,194,182	5,033,938	5,119,006
Operational risk	21,522,881	20,990,969	14,368,841	14,177,493
Large exposure risk	601,297	564,253	579,115	543,334
	<u>309,180,590</u>	<u>298,889,732</u>	<u>238,184,868</u>	<u>233,010,258</u>

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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
30 June 2022							
<u>Before deducting interim dividends: *</u>							
CET I capital ratio	11.942%	39.494%	23.468%	21.308%	29.203%	N/A	N/A
Tier I capital ratio	11.942%	39.494%	23.468%	21.308%	29.203%	N/A	N/A
Total capital ratio	15.167%	40.306%	23.500%	22.072%	30.241%	22.631%	22.602%
<u>After deducting interim dividends: *</u>							
CET I capital ratio	11.942%	39.494%	23.468%	21.240%	27.578%	N/A	N/A
Tier I capital ratio	11.942%	39.494%	23.468%	21.240%	27.578%	N/A	N/A
Total capital ratio	15.167%	40.306%	23.500%	22.003%	28.616%	22.631%	22.602%
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%	19.940%	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%	19.940%	30.645%

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

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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.

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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	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Outstanding credit exposures with connected parties (RM'000)	2,287,737	2,277,731	3,025,205	3,084,464
Percentage of outstanding credit exposures with connected parties as proportion of total credit exposures	0.56%	0.57%	0.98%	1.02%
Percentage of outstanding credit exposures with connected parties which is impaired or in default	0.00%	0.00%	0.00%	0.00%

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A32. Operations of Islamic Banking

a) Statement of Financial Position As At 30 June 2022

	Note	Group	
		30 June 2022 RM'000	31 December 2021 RM'000
ASSETS			
Cash and balances with banks		1,741,589	659,606
Derivative financial assets		50,522	14,587
Financial investments at fair value through other comprehensive income		11,256,060	10,241,995
Financial investments at amortised cost		5,664,980	5,493,069
Financing and advances	A32(d)	62,739,545	59,315,652
Other assets		220,993	201,811
Statutory deposits with Bank Negara Malaysia		200,000	181,500
Deferred tax assets		170,622	145,034
Collective investment		583,046	577,254
Investment in an associated company		67,500	67,500
Right-of-use assets		15,789	14,992
Property and equipment		3,120	3,415
Total Assets		82,713,766	76,916,415
LIABILITIES AND ISLAMIC BANKING FUNDS			
Deposits from customers	A32(e)	70,790,940	66,307,110
Deposits from banks and other financial institutions		2,738,184	2,105,771
Bills and acceptances payable		1,623	284
Recourse obligations on financing sold to Cagamas		1,100,000	1,100,000
Derivative financial liabilities		27,174	103,576
Subordinated Sukuk Murabahah		1,000,000	1,000,000
Lease liabilities		16,405	15,483
Other liabilities		569,658	433,146
Provision for zakat and taxation		132,123	81,736
Total Liabilities		76,376,107	71,147,106
Islamic Banking Funds		6,337,659	5,769,309
Total Liabilities and Islamic Banking Funds		82,713,766	76,916,415
COMMITMENTS AND CONTINGENCIES		14,320,100	14,261,352

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A32. Operations of Islamic Banking (continued)

b) Statement of Profit or Loss for the 2nd Quarter and Financial Half Year Ended 30 June 2022

	2nd Quarter Ended		Half Year Ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
<u>Group</u>				
Income derived from investment of depositors' funds and others	651,679	609,160	1,276,091	1,239,320
Income derived from investment of Islamic Banking Funds	54,925	49,906	106,384	104,023
Allowance for impairment on financing and advances	(620)	(93,606)	(25,862)	(124,214)
Allowance for impairment on other assets	(362)	(178)	(488)	(264)
Total distributable income	705,622	565,282	1,356,125	1,218,865
Income attributable to depositors and others	(319,061)	(284,407)	(621,371)	(565,161)
Total net income	386,561	280,875	734,754	653,704
Other operating expenses	(147,458)	(124,582)	(279,843)	(251,020)
Profit before zakat and taxation	239,103	156,293	454,911	402,684
Zakat	(705)	(525)	(1,410)	(1,050)
Taxation	(84,386)	(36,896)	(148,270)	(95,320)
Profit for the period	154,012	118,872	305,231	306,314

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

	2nd Quarter Ended		Half Year Ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Income derived from investment of depositors' funds and others	651,679	609,160	1,276,091	1,239,320
Income derived from investment of Islamic Banking Funds	54,925	49,906	106,384	104,023
Income attributable to depositors and others	(319,061)	(284,407)	(621,371)	(565,161)
	387,543	374,659	761,104	778,182
Elimination of inter-company income and expenses	27,235	30,356	55,963	59,694
Net income from Islamic banking business	414,778	405,015	817,067	837,876
Of which:				
Financing income earned on impaired financing	900	1,384	1,872	2,622

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A32. Operations of Islamic Banking (continued)

c) Statement of Comprehensive Income for the 2nd Quarter and Financial Half Year Ended 30 June 2022

	2nd Quarter Ended		Half Year Ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
<u>Group</u>				
Profit for the period	154,012	118,872	305,231	306,314
Other comprehensive (loss) / income:				
<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	(139,105)	6,616	(161,653)	(204,913)
Net change in cash flow hedges	61,570	(7,056)	113,125	57,692
	(77,535)	(440)	(48,528)	(147,221)
Income tax effect	18,609	105	11,647	35,333
Other comprehensive loss for the period, net of tax	(58,926)	(335)	(36,881)	(111,888)
Total comprehensive income for the period	95,086	118,537	268,350	194,426

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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
30 June 2022							
At amortised cost							
Cash line	1,591,210	-	-	-	-	-	1,591,210
Term financing							
- House financing	5,320,955	-	-	24,169,625	-	-	29,490,580
- Syndicated financing	1,359,392	-	-	-	-	-	1,359,392
- Hire purchase receivables	-	10,245,224	-	-	-	-	10,245,224
- Other term financing	4,585,202	-	1,614,765	13,701,998	-	155,460	20,057,425
Credit card receivables	-	-	-	-	-	58,152	58,152
Bills receivables	-	-	-	-	1,448	-	1,448
Trust receipts	-	-	-	-	4,430	-	4,430
Claims on customers under acceptance credits	-	-	-	-	210,798	-	210,798
Revolving credits	345,175	-	-	-	-	-	345,175
Staff financing	-	13,413	-	111,179	-	-	124,592
Gross financing and advances	13,201,934	10,258,637	1,614,765	37,982,802	216,676	213,612	63,488,426
Allowance for impairment on financing and advances:							
- Expected credit losses							(748,881)
- Stage 1: 12-Month ECL							(404,018)
- Stage 2: Lifetime ECL not credit-impaired							(311,701)
- Stage 3: Lifetime ECL credit-impaired							(33,162)
Net financing and advances							62,739,545

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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 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
Bill 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							<u>59,315,652</u>

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A32. Operations of Islamic Banking (continued)

d) Financing and Advances (continued)

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

	Group	
	30 June 2022 RM'000	31 December 2021 RM'000
At 1 January	132,260	169,421
Impaired during the period / year	47,410	189,972
Reclassified as non-impaired	(31,899)	(156,605)
Recoveries	(16,222)	(34,891)
Amount written off	(18,476)	(31,288)
Financing converted to foreclosed properties	(4,308)	(4,349)
Closing balance	<u>108,765</u>	<u>132,260</u>
Gross impaired financing and advances as a percentage of gross financing and advances	<u>0.17%</u>	<u>0.22%</u>

e) Deposits from Customers

	Group	
	30 June 2022 RM'000	31 December 2021 RM'000
By type of deposit and contract		
At amortised cost		
Savings deposit		
- Qard	10,473,762	10,170,977
Demand deposit		
- Qard	7,668,586	6,900,483
Term deposit		
- Commodity Murabahah	43,210,077	40,081,520
- Special term deposit account		
- Commodity Murabahah	9,438,515	9,154,130
	<u>70,790,940</u>	<u>66,307,110</u>

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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

	Group			
	Half Year Ended		Variance	
	30 June 2022 RM'000	30 June 2021 RM'000	RM'000	%
Key Profit or Loss Items:				
Profit before tax expense and zakat	4,022,903	3,794,348	228,555	6.0
Net profit attributable to equity holders of the Bank	2,815,511	2,914,348	(98,837)	(3.4)
Other comprehensive loss (net)	(327,759)	(313,062)	(14,697)	(4.7)

	Group			
	As At		Variance	
	30 June 2022 RM'000	30 June 2021 RM'000	RM'000	%
Key Balance Sheet Items:				
Gross loans, advances and financing	367,964,910	352,070,980	15,893,930	4.5
Gross impaired loan and financing (%)	0.29%	0.35%	n/a	(0.06)
Deposits from customers	388,252,445	375,152,261	13,100,184	3.5

The Group's pre-tax profit for the financial half year ended 30 June 2022 increased by RM228.6 million or 6.0% to RM4,022.9 million as compared to previous year corresponding period of RM3,794.3 million. During the current period, loan impairment allowance decreased substantially by RM414.9 million (+69.8%) as adequate pre-emptive allowance has been made in the prior years. Net interest income increased by RM142.0 million (+3.4%) mainly due to loans growth and the positive effect of Overnight Policy Rate ("OPR") hike of 25 basis points ("bps") in the current period. These were partially offset by lower net fee and commission income of RM130.8 million (-11.8%), lower investment and other income of RM85.0 million (-29.0%) and higher other operating expenses of RM89.2 million (-4.4%). The lower net fee and commission income were mainly due to lower fund management related fee income and stock-broking income, in tandem with weaker market sentiment whereas lower investment and other income were mainly due to the current unfavourable market conditions and lower foreign exchange income.

Net profit attributable to equity holders has however decreased by RM98.8 million or 3.4% over the same period which was due to the impact of prosperity tax in the current period.

Other comprehensive loss (net) of the Group for the current period increased by RM14.7 million to RM327.8 million mainly due to higher loss arising from revaluation of financial investments, which is in tandem with current unfavourable market condition. These were partially offset by higher gain on cash flow hedges and higher gain on foreign currency translation in respect of foreign operations.

The Group's profit continued to be supported by positive loans and customer deposits growth. Gross loans grew by RM15.9 billion or 4.5% to RM368.0 billion as at 30 June 2022 as compared to RM352.1 billion as at 30 June 2021, mainly driven by growth in mortgage financing and hire purchase financing. Total deposits from customers increased by 3.5% or RM13.1 billion to RM388.3 billion as at 30 June 2022. The Group's gross impaired loan ratio continued to remain low and stable at 0.3% as at 30 June 2022.

The Group's Common Equity Tier I capital ratio, Tier I capital ratio and total capital ratio stood at a healthy level of 14.1%, 14.2% and 17.2% respectively. The Group's liquidity position also remained stable and healthy with liquidity coverage ratio stood at 113.7% as at 30 June 2022.

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B1. Performance Review (continued)

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

The performance of the respective operating segments for the financial half year ended 30 June 2022 as compared to the previous year corresponding period is analysed as follows:-

	Group			
	Half Year Ended			
	30 June 2022	30 June 2021	Variance	%
Profit Before Tax by Segments:	RM'000	RM'000	RM'000	
Retail operations	2,018,333	1,968,256	50,077	2.5
Hire purchase	326,921	62,935	263,986	419.5
Corporate lending	292,467	242,282	50,185	20.7
Treasury and capital market operations	177,348	284,415	(107,067)	(37.6)
Investment banking	34,349	56,086	(21,737)	(38.8)
Fund management	392,160	425,022	(32,862)	(7.7)
Head office, funding center and others	519,204	433,627	85,577	19.7
Total domestic operations	3,760,782	3,472,623	288,159	8.3
Overseas operations	262,121	321,725	(59,604)	(18.5)
	4,022,903	3,794,348	228,555	6.0

- 1) Retail operations – Pre-tax profit increased by RM50.1 million (+2.5%) to RM2,018.3 million mainly due to lower loan impairment allowance and higher net interest income. These were partially offset by higher other operating expenses and lower fee income.
- 2) Hire purchase – Pre-tax profit increased by RM264.0 million (+419.5%) to RM326.9 million mainly due to significantly lower loan impairment allowance and higher net interest income on higher average loan balances.
- 3) Corporate lending – Pre-tax profit increased by RM50.2 million (+20.7%) to RM292.5 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 RM107.1 million (-37.6%) to RM177.3 million mainly due to lower investment income arising from unfavourable market condition as well as lower net interest income from interest gapping activities.
- 5) Investment banking – Pre-tax profit decreased by RM21.7 million (-38.8%) to RM34.3 million mainly due to lower stock-broking income arising from weaker market condition.
- 6) Fund management – Pre-tax profit decreased by RM32.9 million (-7.7%) to RM392.2 million mainly due to lower management fee from lower average net asset value of funds and lower fee income on sale of trust units arising from lower equity sales achieved, in tandem with the weaker market condition. These were partially offset by lower other operating expenses.
- 7) Head office, funding center and others – Pre-tax profit increased by RM85.6 million (+19.7%) to RM519.2 million mainly due to higher net interest income arising from the positive effect of OPR hike of 25 bps in the current period and higher investment income.
- 8) Overseas operations – Pre-tax profit decreased by RM59.6 million (-18.5%) to RM262.1 million mainly due to lower fee and other income, higher other operating expenses and higher loan impairment allowance. These were partially offset by higher net interest income.

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B1. Performance Review (continued)

Current Quarter vs. Previous Year Corresponding Quarter

Key Profit or Loss Items:	Group			
	2nd Quarter Ended			
	30 June 2022 RM'000	30 June 2021 RM'000	Variance RM'000	%
Profit before tax expense and zakat	2,022,629	1,795,401	227,228	12.7
Net profit attributable to equity holders of the Bank	1,416,956	1,384,380	32,576	2.4
Other comprehensive (loss) / gain (net)	(258,859)	106,337	(365,196)	(343.4)

For the 2nd quarter ended 30 June 2022, the Group registered a pre-tax profit of RM2,022.6 million, an increase of RM227.2 million or 12.7% as compared to the pre-tax profit of RM1,795.4 million in the previous year corresponding quarter. Net profit attributable to equity holders registered a lower increase of RM32.6 million or 2.4% to RM1,417.0 million over the same period due to the impact of the prosperity tax. The improved performance was mainly due to lower loan impairment allowance of RM316.1 million (+79.8%) and higher net interest income of RM111.1 million (+5.3%), partially offset by lower investment and other income of RM100.1 million (-61.2%), higher other operating expenses of RM72.0 million (-7.2%) and lower net fee and commission income of RM37.3 million (-7.2%). Lower loan impairment allowance was mainly due to adequate pre-emptive allowance has been made in the prior years.

Other comprehensive loss (net) of the Group for the current quarter was RM258.9 million as compared to other comprehensive income of RM106.3 million in the previous year corresponding quarter, mainly due to the fluctuation from revaluation of financial investments for the quarter under review partially offset by higher gain on foreign currency translation in respect of foreign operations and higher gain on cash flow hedges.

Performance of the respective operating segments for the 2nd quarter ended 30 June 2022 as compared to the previous year corresponding quarter is analysed as follows:-

Profit / (Loss) Before Tax by Segments:	2nd Quarter Ended			
	30 June			
	2022 RM'000	2021 RM'000	Variance RM'000	%
Retail operations	974,298	979,370	(5,072)	(0.5)
Hire purchase	226,314	(5,030)	231,344	> 1,000.0
Corporate lending	138,949	64,384	74,565	115.8
Treasury and capital market operations	97,983	112,238	(14,255)	(12.7)
Investment banking	15,927	24,403	(8,476)	(34.7)
Fund management	190,193	208,397	(18,204)	(8.7)
Head office, funding center and others	266,402	256,950	9,452	3.7
Total domestic operations	<u>1,910,066</u>	<u>1,640,712</u>	<u>269,354</u>	<u>16.4</u>
Overseas operations	<u>112,563</u>	<u>154,689</u>	<u>(42,126)</u>	<u>(27.2)</u>
	<u><u>2,022,629</u></u>	<u><u>1,795,401</u></u>	<u><u>227,228</u></u>	<u><u>12.7</u></u>

- 1) Retail operations – Pre-tax profit decreased marginally by RM5.1 million (-0.5%) to RM974.3 million mainly due to higher other operating expenses partially offset by higher net interest income on higher average loan balances.
- 2) Hire purchase – Pre-tax profit increased by RM231.3 million to RM226.3 million mainly due to lower loan impairment allowance in the current quarter and higher net interest income on higher average loan balances.

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B1. Performance Review (continued)

Current Quarter vs. Previous Year Corresponding Quarter (continued)

- 3) Corporate lending – Pre-tax profit increased by RM74.6 million (+115.8%) to RM138.9 million mainly due to lower loan impairment allowance partially offset by lower net interest income.
- 4) Treasury and capital market operations – Pre-tax profit decreased by RM14.3 million (-12.7%) to RM98.0 million mainly due to lower investment income partially offset by higher net interest income.
- 5) Investment banking – Pre-tax profit decreased by RM8.5 million (-34.7%) to RM15.9 million mainly due to lower stock-broking income.
- 6) Fund management – Pre-tax profit decreased by RM18.2 million (-8.7%) to RM190.2 million mainly due to lower management fee from lower average net asset value of funds and lower fee income on sale of trust units, partially offset by lower other operating expenses.
- 7) Head office, funding center and others – Pre-tax profit increased by RM9.5 million (+3.7%) to RM266.4 million mainly due to higher net interest income arising from the positive effect of OPR hike of 25 bps, partially offset by lower investment income and higher other operating expenses.
- 8) Overseas Operations – Pre-tax profit decreased by RM42.1 million (-27.2%) to RM112.6 million mainly due to lower other income and higher other operating expenses, partially offset by higher net interest income and lower loan impairment allowance.

B2. Variation of Results Against Preceding Quarter

	Group			
	Quarter Ended			
	30 June	31 March	Variance	%
Key Profit or Loss Items:	2022	2022	RM'000	
	RM'000	RM'000		
Profit before tax expense and zakat	2,022,629	2,000,274	22,355	1.1
Net profit attributable to equity holders of the Bank	1,416,956	1,398,555	18,401	1.3
Other comprehensive loss (net)	(258,859)	(68,900)	(189,959)	(275.7)

For the 2nd quarter ended 30 June 2022, the Group registered a pre-tax profit of RM2,022.6 million, a marginal increase of RM22.4 million or 1.1% as compared to the pre-tax profit of RM2,000.3 million for the preceding quarter ended 31 March 2022. Net profit attributable to equity holders increased by RM18.4 million or 1.3% to RM1,417.0 million over the same period. The improved performance was mainly due to higher net interest income of RM113.3 million (+5.4%) arising from the positive effect of OPR hike of 25 bps and healthy loans growth, as well as lower loan impairment allowance of RM19.8 million (+19.9%). These were partially offset by lower investment and other income of RM81.6 million (-56.3%) and higher overheads of RM27.7 million (-2.7%).

Other comprehensive loss (net) of the Group for the current quarter increased by RM190.0 million to RM258.9 million, mainly due to the fluctuation from revaluation of financial investments arising from unfavourable market condition, partially offset by higher gain on foreign currency translation in respect of foreign operations.

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B3. Prospects for 2022

Globally, the reopening of economies and improvement in labour market conditions are supportive of economic recovery. In part, these helped cushioned the impact arising from geopolitical tension(s), global inflationary pressures and potentially heightened financial market volatility owing to adjustments in monetary policy across the world. Aside from that, the uncertainties surrounding the global economic outlook also stem from the supply chain disruptions and slower-than-expected growth in China due to the containment measures to prevent the spread of COVID-19.

The Malaysian economy is expected to improve further, supported by both domestic and external demand, continued policy support domestically as well as improvement in the labour market. However, the outlook for Malaysia is subjected to headwinds due to spillover effects of uncertainties in the global front. The Malaysian banking system remains resilient underpinned by ample liquidity and healthy capital buffers.

The Public Bank Group continues to reach out to its customers in need of financial assistance, including the necessary financial support for SMEs. Repayment assistance is not limited to customers affected by the pandemic but also those affected due to unforeseen circumstances and natural disasters, such as floods. Even with the expiry of some of the loans under the PEMULIH repayment assistance scheme, the Group is still proactively providing further assistance to customers who may continue to face financial constraints.

Public Bank is fully committed to further strengthen its role as a financial intermediary contributing to the economic recovery and national development. The Group continues to operate efficiently, maintain prudence in management of credit risk and proactively manage any potential stress in asset quality whilst preserving its sound corporate governance and risk management practices.

The Public Bank Group remains proactive in and committed to embrace sustainability in its business operations. The Group's pursuit of sustainability encompasses a wide array of initiatives covering the areas of environmental, social and governance ("ESG"). In addressing climate change risk, the Group continues to promote the transition to a low carbon economy by supporting green financing and embedding environmental consideration into its business strategies. The Group's offering of attractive financing packages for the purchase of solar panel and energy efficient vehicles, among others, continue to support a green and lower carbon emission environment.

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 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.

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 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 will 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.

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B3. Prospects for 2022 (continued)

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 2nd quarter and financial half year ended 30 June 2022 are as follows:

	2nd Quarter Ended		Half Year Ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
<u>Group</u>	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	599,281	482,003	1,119,769	975,758
Overseas income tax	34,965	30,260	64,039	62,993
	634,246	512,263	1,183,808	1,038,751
Under / (Over) provision in prior years				
- Malaysian income tax	-	-	3,888	-
- Overseas income tax	(3,879)	(98)	(855)	(52)
	630,367	512,165	1,186,841	1,038,699
Deferred tax income				
- Relating to origination and reversal of temporary differences	(39,959)	(118,848)	(5,698)	(196,196)
- Over provision	(35)	-	(4,017)	-
Tax expense	590,373	393,317	1,177,126	842,503
Zakat	705	525	1,410	1,050
	591,078	393,842	1,178,536	843,553

The Group's effective tax rate for the 2nd quarter and financial half year ended 30 June 2022 was higher than the statutory tax rate mainly due to one-off "Cukai Makmur" of 33% for Malaysian companies with chargeable income exceeding RM100 million in Year of Assessment 2022.

The Group's effective tax rate for the 2nd quarter and financial half year ended 30 June 2021 was 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.

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B5. Tax Expense and Zakat (continued)

	2nd Quarter Ended		Half Year Ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
<u>Bank</u>	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	415,232	359,225	803,234	717,789
Overseas income tax	446	577	1,575	2,620
	<u>415,678</u>	<u>359,802</u>	<u>804,809</u>	<u>720,409</u>
Under provision in prior years				
- Malaysian income tax	-	-	3,982	-
- Overseas income tax	-	1	3,024	618
	<u>415,678</u>	<u>359,803</u>	<u>811,815</u>	<u>721,027</u>
Deferred tax (income) / expense				
- Relating to origination and reversal of temporary differences	(31,599)	(86,278)	5,608	(148,810)
- Over provision	-	-	(3,982)	-
	<u>384,079</u>	<u>273,525</u>	<u>813,441</u>	<u>572,217</u>

The Bank's effective tax rate for the 2nd quarter and financial half year ended 30 June 2022 was higher than the statutory tax rate mainly due to one-off "Cukai Makmur" of 33% with chargeable income exceeding RM100 million in Year of Assessment 2022.

The Bank's effective tax rate for the 2nd quarter and financial half year ended 30 June 2021 was 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 30 June 2022.

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 2021 and Pillar 3 Disclosures section of the 2021 Annual Report.

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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 30 June 2022							
Hong Kong Dollar ("HKD") term loan	616,168	-	-	-	616,168	-	616,168
United States Dollar ("USD") term loan	-	-	881,407	-	881,407	-	881,407
USD syndicated term loan	1,625,569	-	-	-	1,625,569	-	1,625,569
RM Senior Medium Term notes / sukuk murabahah	-	889,824	-	909,930	-	1,799,754	1,799,754
RM Subordinated notes / sukuk murabahah	-	5,498,989	-	500,000	-	5,998,989	5,998,989
RM Additional Tier I capital securities	-	-	-	99,882	-	99,882	99,882
	2,241,737	6,388,813	881,407	1,509,812	3,123,144	7,898,625	11,021,769
As At 31 December 2021							
HKD term loan	-	-	588,194	-	588,194	-	588,194
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 30 June 2021							
HKD term loan	587,211	-	-	-	587,211	-	587,211
USD term loan	829,989	-	-	-	829,989	-	829,989
USD syndicated term loan	-	-	1,533,847	-	1,533,847	-	1,533,847
RM Senior Medium Term notes / sukuk murabahah	-	1,799,599	-	519,994	-	2,319,593	2,319,593
RM Subordinated notes / sukuk murabahah	-	4,000,000	-	1,999,995	-	5,999,995	5,999,995
RM Additional Tier I capital securities	-	99,762	-	-	-	99,762	99,762
	1,417,200	5,899,361	1,533,847	2,519,989	2,951,047	8,419,350	11,370,397

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

Bank	More Than 1 Year		Less Than 1 Year		Sub-total		Total
	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 30 June 2022							
USD term loan	-	-	881,407	-	881,407	-	881,407
USD syndicated term loan	1,625,569	-	-	-	1,625,569	-	1,625,569
RM Senior Medium Term notes	-	889,824	-	909,930	-	1,799,754	1,799,754
RM Subordinated notes	-	4,998,989	-	-	-	4,998,989	4,998,989
RM Additional Tier I capital securities	-	-	-	99,882	-	99,882	99,882
	1,625,569	5,888,813	881,407	1,009,812	2,506,976	6,898,625	9,405,601
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 30 June 2021							
USD term loan	829,989	-	-	-	829,989	-	829,989
USD syndicated term loan	-	-	1,533,847	-	1,533,847	-	1,533,847
RM Senior Medium Term notes	-	1,799,599	-	-	-	1,799,599	1,799,599
RM Subordinated notes	-	3,000,000	-	1,999,995	-	4,999,995	4,999,995
RM Additional Tier I capital securities	-	99,762	-	-	-	99,762	99,762
	829,989	4,899,361	1,533,847	1,999,995	2,363,836	6,899,356	9,263,192
Exchange rates used:	HKD	USD					
As at 30 June 2022	0.56180	4.40750					
As at 31 December 2021	0.53490	4.17050					
As at 30 June 2021	0.53495	4.15250					

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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) (i) A first interim dividend of 8.0 sen per share for the financial year ending 31 December 2022, amounting to RM1,552,855,339 computed based on 19,410,691,735 ordinary shares as at 30 June 2022, has been declared by the directors.

(ii) Amount per share: 8.0 sen.

(iii) Entitlement date: 14 September 2022.

(iv) Payment date: 23 September 2022.

(b) Total dividend declared for the previous financial half year ended 30 June 2021:

- First interim dividend of 7.5 sen based on 19,410,691,735 ordinary shares.

B12. Earnings Per Share

	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
Net profit attributable to equity holders (RM'000)	<u>1,416,956</u>	<u>1,384,380</u>	<u>2,815,511</u>	<u>2,914,348</u>
Weighted average number of ordinary shares in issue ('000)	<u>19,410,692</u>	<u>19,410,692</u>	<u>19,410,692</u>	<u>19,410,692</u>
Basic earnings per share (sen)	<u>7.30</u>	<u>7.13</u>	<u>14.50</u>	<u>15.01</u>

Diluted

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