

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

	Note	Group		Bank	
		30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
ASSETS					
Cash and balances with banks		17,188,879	17,530,611	12,975,284	13,861,672
Financial assets at fair value through profit or loss	A8	607,800	1,016,004	585,618	995,086
Derivative financial assets	A28	1,001,128	140,434	980,176	240,330
Financial investments at fair value through other comprehensive income	A9	57,402,027	53,269,292	38,923,875	37,100,411
Financial investments at amortised cost	A10	24,801,155	26,146,102	14,130,163	15,990,961
Loans, advances and financing	A11	369,332,161	354,052,463	279,846,556	272,015,541
Other assets	A12	3,132,250	3,085,331	2,950,488	3,009,115
Statutory deposits with Central Banks		1,823,823	1,222,165	328,934	361,536
Deferred tax assets		728,575	519,009	441,573	273,782
Collective investments		-	-	6,200,521	6,086,854
Investment in subsidiary companies		-	-	6,794,716	6,494,716
Investment in associated companies		113,915	115,443	67,500	67,500
Investment properties		625,154	606,074	-	-
Right-of-use assets		1,307,950	1,252,386	1,048,636	1,076,066
Property and equipment		1,238,445	1,324,707	573,140	663,801
Intangible assets		2,609,835	2,459,434	695,393	695,393
TOTAL ASSETS		481,913,097	462,739,455	366,542,573	358,932,764
LIABILITIES					
Deposits from customers	A13	393,308,243	380,394,214	293,393,786	288,511,592
Deposits from banks and other financial institutions	A14	13,878,424	8,123,769	13,935,434	9,804,951
Obligations on securities sold under repurchase agreements		506,122	1,001,831	506,122	1,001,831
Bills and acceptances payable		278,940	222,054	277,960	221,770
Recourse obligations on loans and financing sold to Cagamas		3,600,005	5,600,004	2,500,005	4,500,004
Derivative financial liabilities	A28	507,786	254,458	561,224	241,575
Debt securities issued and other borrowed funds	B9	11,179,964	10,863,742	9,531,332	9,275,548
Lease liabilities		910,716	916,653	1,082,785	1,096,781
Other liabilities	A15	6,075,657	5,221,425	4,433,072	3,788,642
Provision for tax expense and zakat		965,990	644,903	723,674	451,806
Deferred tax liabilities		74,299	70,995	-	-
TOTAL LIABILITIES		431,286,146	413,314,048	326,945,394	318,894,500

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UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022

	Group		Bank	
	30 September	31 December	30 September	31 December
	Note 2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
EQUITY				
Share capital	9,417,653	9,417,653	9,417,653	9,417,653
Regulatory reserves	251,508	248,231	207,510	211,063
Other reserves	1,313,776	1,435,886	78,929	605,282
Retained profits	<u>38,230,663</u>	<u>37,060,892</u>	<u>29,893,087</u>	<u>29,804,266</u>
Equity attributable to equity holders of the Bank	49,213,600	48,162,662	39,597,179	40,038,264
Non-controlling interests	<u>1,413,351</u>	<u>1,262,745</u>	<u>-</u>	<u>-</u>
TOTAL EQUITY	<u>50,626,951</u>	<u>49,425,407</u>	<u>39,597,179</u>	<u>40,038,264</u>
TOTAL LIABILITIES AND EQUITY	<u>481,913,097</u>	<u>462,739,455</u>	<u>366,542,573</u>	<u>358,932,764</u>
COMMITMENTS AND CONTINGENCIES	A27 <u>110,256,859</u>	<u>102,643,461</u>	<u>98,107,030</u>	<u>91,153,166</u>
CAPITAL ADEQUACY	A30			
<u>Before deducting interim dividends</u> *				
Common Equity Tier I Capital Ratio	14.231%	15.030%	13.111%	13.954%
Tier I Capital Ratio	14.282%	15.083%	13.152%	13.997%
Total Capital Ratio	<u>17.301%</u>	<u>18.192%</u>	<u>16.369%</u>	<u>17.287%</u>
<u>After deducting interim dividends</u> *				
Common Equity Tier I Capital Ratio	13.984%	14.530%	12.789%	13.313%
Tier I Capital Ratio	14.035%	14.583%	12.830%	13.356%
Total Capital Ratio	<u>17.054%</u>	<u>17.692%</u>	<u>16.047%</u>	<u>16.645%</u>
Net assets per share attributable to ordinary equity holders of the Bank (RM)	<u>2.54</u>	<u>2.48</u>	<u>2.04</u>	<u>2.06</u>

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

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PUBLIC BANK BERHAD
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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE 3RD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2022

<u>Group</u>	Note	3rd Quarter Ended		Nine Months Ended	
		30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Operating revenue		5,503,106	4,812,084	15,364,016	14,763,875
Interest income	A16	3,858,604	3,345,759	10,720,458	10,102,594
Interest expense	A17	(1,471,230)	(1,296,507)	(4,011,092)	(3,873,309)
Net interest income		2,387,374	2,049,252	6,709,366	6,229,285
Net income from Islamic banking business	A31 (b)	448,556	386,400	1,265,623	1,224,276
		2,835,930	2,435,652	7,974,989	7,453,561
Fee and commission income	A18 (a)	705,732	715,924	2,150,669	2,273,046
Fee and commission expense	A18 (b)	(242,510)	(203,479)	(708,429)	(650,804)
Net fee and commission income	A18	463,222	512,445	1,442,240	1,622,242
Net gains and losses on financial instruments	A19	17,605	23,993	68,565	134,092
Other operating income	A20	144,856	98,667	302,234	281,921
Net income		3,461,613	3,070,757	9,788,028	9,491,816
Other operating expenses	A21	(1,077,514)	(976,046)	(3,195,094)	(3,004,444)
Operating profit		2,384,099	2,094,711	6,592,934	6,487,372
Allowance for impairment on loans, advances and financing	A22	(95,914)	(324,435)	(275,544)	(918,926)
Allowance for impairment on other assets	A23	(2,297)	(2,075)	(7,131)	(2,296)
		2,285,888	1,768,201	6,310,259	5,566,150
Share of profit / (loss) after tax of equity accounted associated companies		1,317	(2,135)	(151)	(5,736)
Profit before tax expense and zakat		2,287,205	1,766,066	6,310,108	5,560,414
Tax expense and zakat	B5	(682,956)	(385,568)	(1,861,492)	(1,229,121)
Profit for the period		1,604,249	1,380,498	4,448,616	4,331,293
Profit for the period attributable to:					
- Equity holders of the Bank		1,590,311	1,361,352	4,405,822	4,275,700
- Non-controlling interests		13,938	19,146	42,794	55,593
		1,604,249	1,380,498	4,448,616	4,331,293
Earnings per share:					
- basic / diluted (sen)	B12	8.19	7.01	22.70	22.03

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PUBLIC BANK BERHAD
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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 3RD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2022

<u>Group</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Profit for the period	<u>1,604,249</u>	<u>1,380,498</u>	<u>4,448,616</u>	<u>4,331,293</u>
Other comprehensive income / (loss):				
<u>Items that will not be reclassified to profit or loss:</u>				
Net change in revaluation of equity instruments	2,322	1,451	18,253	13,174
Gain on disposal of equity instruments	-	-	-	319
	<u>2,322</u>	<u>1,451</u>	<u>18,253</u>	<u>13,493</u>
<u>Items that may be reclassified to profit or loss:</u>				
Currency translation differences in respect of:				
- Foreign operations	373,698	59,930	810,522	354,463
- Net investment hedge	(223,034)	(27,016)	(444,266)	(158,533)
Net change in revaluation of financial investments at fair value through other comprehensive income	(90,959)	(314,887)	(987,915)	(1,012,391)
Net change in cash flow hedges	79,479	22,083	264,691	91,751
	<u>139,184</u>	<u>(259,890)</u>	<u>(356,968)</u>	<u>(724,710)</u>
Income tax effect	(5,600)	63,686	149,176	205,041
Share of changes in associated companies' reserves	935	379	(1,379)	(1,260)
Other comprehensive income / (loss) for the period, net of tax	<u>136,841</u>	<u>(194,374)</u>	<u>(190,918)</u>	<u>(507,436)</u>
Total comprehensive income for the period	<u>1,741,090</u>	<u>1,186,124</u>	<u>4,257,698</u>	<u>3,823,857</u>
Total comprehensive income for the period attributable to:				
- Equity holders of the Bank	1,668,823	1,160,293	4,098,417	3,721,448
- Non-controlling interests	72,267	25,831	159,281	102,409
	<u>1,741,090</u>	<u>1,186,124</u>	<u>4,257,698</u>	<u>3,823,857</u>

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE 3RD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2022

<u>Bank</u>	Note	3rd Quarter Ended		Nine Months Ended	
		30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Operating revenue		3,667,645	3,304,949	10,214,382	10,059,141
Interest income	A16	3,402,502	2,964,460	9,459,615	8,976,870
Interest expense	A17	(1,371,409)	(1,239,696)	(3,768,195)	(3,701,389)
Net interest income		2,031,093	1,724,764	5,691,420	5,275,481
Fee and commission income	A18 (a)	301,074	236,929	858,190	783,688
Fee and commission expense	A18 (b)	(131,929)	(59,145)	(339,271)	(197,881)
Net fee and commission income	A18	169,145	177,784	518,919	585,807
Net gains and losses on financial instruments	A19	17,592	22,516	67,049	130,814
Other operating (loss) / income	A20	(44,066)	85,372	255,218	600,326
Net income		2,173,764	2,010,436	6,532,606	6,592,428
Other operating expenses	A21	(666,674)	(610,554)	(1,997,789)	(1,890,823)
Operating profit		1,507,090	1,399,882	4,534,817	4,701,605
Allowance for impairment on loans, advances and financing	A22	(18,706)	(194,740)	(91,894)	(645,793)
Allowance for impairment on other assets	A23	(1,953)	(1,584)	(5,525)	(500)
Profit before tax expense and zakat		1,486,431	1,203,558	4,437,398	4,055,312
Tax expense and zakat	B5	(491,053)	(283,403)	(1,304,494)	(855,620)
Profit for the period		995,378	920,155	3,132,904	3,199,692

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UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 3RD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2022

<u>Bank</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	RM'000	RM'000	RM'000	RM'000
Profit for the period	995,378	920,155	3,132,904	3,199,692
Other comprehensive income / (loss):				
<u>Items that will not be reclassified to profit or loss:</u>				
Net change in revaluation of equity instruments	2,514	1,653	18,322	12,885
Gain on disposal of equity instruments	-	-	-	319
	2,514	1,653	18,322	13,204
<u>Items that may be reclassified to profit or loss:</u>				
Currency translation differences in respect of foreign operations	(78,829)	(2,535)	(125,240)	1,982
Net change in revaluation of financial investments at fair value through other comprehensive income	(44,016)	(174,615)	(687,478)	(611,430)
Net change in cash flow hedges	63,296	258	135,383	12,234
	(59,549)	(176,892)	(677,335)	(597,214)
Income tax effect	(4,627)	41,845	132,503	143,807
Other comprehensive loss for the period, net of tax	(61,662)	(133,394)	(526,510)	(440,203)
Total comprehensive income for the period	933,716	786,761	2,606,394	2,759,489

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PUBLIC BANK BERHAD
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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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				
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	-	-	-	4,405,822	4,405,822		42,794	4,448,616
Other comprehensive (loss) / income for the period	-	-	(307,405)	-	(307,405)		116,487 *	(190,918)
Total comprehensive (loss) / income for the period	-	-	(307,405)	4,405,822	4,098,417		159,281	4,257,698
Transactions with owners / other equity movements:								
Transfer to statutory reserves	-	-	157	(157)	-		-	-
Transfer to regulatory reserves	-	3,277	-	(3,277)	-		-	-
Transfer to general reserves	-	-	185,310	(185,310)	-		-	-
Transfer from Profit Equalisation Reserve of the Islamic banking institution	-	-	(172)	172	-		-	-
Dividends paid	-	-	-	(3,047,479)	(3,047,479)		(8,675)	(3,056,154)
	-	3,277	185,295	(3,236,051)	(3,047,479)		(8,675)	(3,056,154)
At 30 September 2022	9,417,653	251,508	1,313,776	38,230,663	49,213,600		1,413,351	50,626,951

* 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 PERIOD ENDED 30 SEPTEMBER 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	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	-	-	-	4,275,700	4,275,700	55,593	4,331,293
Other comprehensive (loss) / income for the period	-	-	(554,571)	319	(554,252)	46,816 *	(507,436)
Total comprehensive (loss) / income for the period	-	-	(554,571)	4,276,019	3,721,448	102,409	3,823,857
Transactions with owners / other equity movements:							
Transfer to statutory reserves	-	-	205	(205)	-	-	-
Transfer from regulatory reserves	-	(784,330)	-	784,330	-	-	-
Transfer to general reserves	-	-	157,885	(157,885)	-	-	-
Dividends paid	-	-	-	(3,979,192)	(3,979,192)	(7,900)	(3,987,092)
	-	(784,330)	158,090	(3,352,952)	(3,979,192)	(7,900)	(3,987,092)
At 30 September 2021	9,417,653	435,551	1,634,261	35,503,062	46,990,527	1,272,868	48,263,395

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

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UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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	-	-	-	3,132,904	3,132,904
Other comprehensive loss for the period	-	-	(526,510)	-	(526,510)
Total comprehensive (loss) / income for the period	-	-	(526,510)	3,132,904	2,606,394
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	157	(157)	-
Transfer from regulatory reserves	-	(3,553)	-	3,553	-
Dividends paid	-	-	-	(3,047,479)	(3,047,479)
	-	(3,553)	157	(3,044,083)	(3,047,479)
At 30 September 2022	9,417,653	207,510	78,929	29,893,087	39,597,179

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 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	-	-	-	3,199,692	3,199,692
Other comprehensive (loss) / income for the period	-	-	(440,522)	319	(440,203)
Total comprehensive (loss) / income for the period	<u>-</u>	<u>-</u>	<u>(440,522)</u>	<u>3,200,011</u>	<u>2,759,489</u>
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	195	(195)	-
Transfer from regulatory reserves	-	(617,645)	-	617,645	-
Dividends paid	-	-	-	(3,979,192)	(3,979,192)
	<u>-</u>	<u>(617,645)</u>	<u>195</u>	<u>(3,361,742)</u>	<u>(3,979,192)</u>
At 30 September 2021	<u>9,417,653</u>	<u>413,744</u>	<u>722,316</u>	<u>28,166,372</u>	<u>38,720,085</u>

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2022

	Group		Bank	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Cash Flows from Operating Activities				
Profit before tax expense and zakat	6,310,108	5,560,414	4,437,398	4,055,312
Adjustments for non-cash items:				
Share of loss after tax of equity accounted associated companies	151	5,736	-	-
Allowance for impairment on loans and financing	443,309	1,060,189	194,065	716,462
Depreciation of right-of-use assets and property and equipment	276,314	279,713	203,926	216,319
Net gain on financial instruments	(72,638)	(131,829)	(71,636)	(129,118)
Dividend income	(2,584)	(1,427)	(508,859)	(564,901)
Allowance for impairment on other assets	7,131	2,296	5,525	500
Other non-cash items	2,759	(1,895)	(260)	(9,185)
Operating profit before working capital changes	<u>6,964,550</u>	<u>6,773,197</u>	<u>4,260,159</u>	<u>4,285,389</u>
Changes in working capital:				
Increase in operating assets	(16,203,199)	(7,247,450)	(7,646,230)	(2,496,859)
Increase in operating liabilities	16,425,073	10,779,154	7,072,349	7,559,228
Cash generated from operations	<u>7,186,424</u>	<u>10,304,901</u>	<u>3,686,278</u>	<u>9,347,758</u>
Tax expense and zakat paid	(1,596,437)	(558,206)	(1,067,916)	(298,634)
Net cash generated from operating activities	<u>5,589,987</u>	<u>9,746,695</u>	<u>2,618,362</u>	<u>9,049,124</u>
Cash Flows from Investing Activities				
Purchase of property and equipment	(89,929)	(83,675)	(55,226)	(50,142)
Purchase of leasehold land	(39,285)	-	-	-
Addition to investment properties	(18)	(14)	-	-
Proceeds from disposal of properties	28,169	12,994	22,161	12,969
Net (purchase) / sale of financial investments	(3,769,111)	(80,102)	(584,914)	229,720
Investment in collective investments	-	-	(113,667)	(123,581)
Additional investment in a subsidiary company	-	-	(300,000)	-
Additional investment in an associated company	-	(45,000)	-	(22,500)
Dividends received	2,584	1,427	613,968	819,346
Net cash (used in) / generated from investing activities	<u>(3,867,590)</u>	<u>(194,370)</u>	<u>(417,678)</u>	<u>865,812</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 PERIOD ENDED 30 SEPTEMBER 2022

	Group		Bank	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Cash Flows from Financing Activities				
Dividends paid	(3,056,154)	(3,987,092)	(3,047,479)	(3,979,192)
Net proceeds from issuance of debt securities	2,500,000	-	2,000,000	-
Net proceeds from term loan facilities	3,047,227	-	2,459,237	-
Repayment of term loan facilities	(3,058,430)	-	(2,467,895)	-
Repayment of lease liabilities	(65,223)	(58,903)	(47,479)	(37,929)
Redemption of debt securities	(2,500,000)	(1,520,000)	(2,000,000)	(1,000,000)
Net cash used in financing activities	<u>(3,132,580)</u>	<u>(5,565,995)</u>	<u>(3,103,616)</u>	<u>(5,017,121)</u>
Net change in cash and cash equivalents	(1,410,183)	3,986,330	(902,932)	4,897,815
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	829,852	332,824	-	-
Cash and cash equivalents at end of the period	<u>13,467,874</u>	<u>21,647,435</u>	<u>10,475,284</u>	<u>17,218,148</u>
Note:				
Cash and balances with banks	17,188,879	23,929,686	12,975,284	17,777,696
Less: Balances with banks with original maturity more than three months	(3,721,005)	(2,282,251)	(2,500,000)	(559,548)
Cash and cash equivalents at end of the period	<u>13,467,874</u>	<u>21,647,435</u>	<u>10,475,284</u>	<u>17,218,148</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 3rd quarter and nine months ended 30 September 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.

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 for annual periods commencing on or after 1 January 2024

- Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 Leases)

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.

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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):

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

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

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes) - The amendments 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.

Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 Leases) - The amendments require a seller-lessee to subsequently measure lease liabilities arising from a sale and leaseback transaction in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

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

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.

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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.

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 current financial period ended 30 September 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.

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.

v) USD200 million 5-Year Bilateral Term Loan

The Bank entered into a new USD200 million 5-Year Unsecured Bilateral Term Loan Facility to refinance the USD200 million Bilateral Term Loan which were matured on 20 September 2022. The USD200 million term loan bears interest rate at SOFR plus spread.

A7. Dividends Paid and Distributed

a) 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.

b) A first interim dividend of 8.0 sen per share in respect of the financial year ending 31 December 2022, amounting to RM1,552,855,339 was paid on 23 September 2022.

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

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	199,665	99,208	199,665	99,208
Malaysian Government Securities	-	246,265	-	246,265
Malaysian Government Investment Issues	20,484	304,963	20,484	304,963
	220,149	650,436	220,149	650,436
Non-money market instruments:				
Equity securities:				
- Unquoted shares in Malaysia	387,651	365,568	365,469	344,650
Total financial assets at FVTPL	607,800	1,016,004	585,618	995,086

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

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	3,724,943	15,967	3,358,596	15,967
Malaysian Government Securities	20,288,663	19,456,980	19,599,842	18,883,691
Malaysian Government Investment Issues	26,407,743	24,918,120	13,818,539	13,770,466
Bank Negara Malaysia Monetary Notes	99,377	-	99,377	-
Other foreign government securities	191,836	156,579	-	-
	<u>50,712,562</u>	<u>44,547,646</u>	<u>36,876,354</u>	<u>32,670,124</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>904,170</u>	<u>2,952,186</u>	<u>904,170</u>	<u>2,952,186</u>
Non-money market instruments:				
Equity securities:				
- Quoted shares and convertible loan stocks outside Malaysia	1,580	1,614	-	-
- Unquoted shares	415,267	392,801	408,181	386,070
Debt securities:				
- Cagamas bonds	430,892	421,730	299,163	300,177
- Unquoted corporate bonds / sukuk	4,937,556	4,953,315	436,007	791,854
	<u>5,785,295</u>	<u>5,769,460</u>	<u>1,143,351</u>	<u>1,478,101</u>
Total financial investments at FVOCI	<u>57,402,027</u>	<u>53,269,292</u>	<u>38,923,875</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	3,765	-	-	3,765
Net allowance made	699	-	-	699
Amount derecognised	(2,847)	-	-	(2,847)
Exchange differences	51	-	-	51
At 30 September 2022	<u>15,253</u>	<u>-</u>	<u>-</u>	<u>15,253</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	3,232	-	-	3,232
Net allowance written back	(15)	-	-	(15)
Amount derecognised	(2,793)	-	-	(2,793)
At 30 September 2022	<u>6,728</u>	<u>-</u>	<u>-</u>	<u>6,728</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 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
At amortised cost				
Government securities and treasury bills:				
Malaysian Government Securities	696,881	1,094,953	677,172	1,094,953
Malaysian Government Investment Issues	8,007,023	6,691,261	3,551,551	2,599,010
Foreign Government Treasury Bills	1,129,569	1,004,495	38,303	95,098
Other foreign government securities	882,337	1,120,547	2,938	4,411
	<u>10,715,810</u>	<u>9,911,256</u>	<u>4,269,964</u>	<u>3,793,472</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>1,824,731</u>	<u>1,810,225</u>	-	-
Non-money market instruments:				
Debt securities:				
- Cagamas bonds	4,659,492	5,884,194	3,547,673	4,780,804
- Unquoted corporate bonds / sukuk	7,605,185	8,544,782	6,315,163	7,419,712
	<u>12,264,677</u>	<u>14,428,976</u>	<u>9,862,836</u>	<u>12,200,516</u>
Allowance for impairment	(4,063)	(4,355)	(2,637)	(3,027)
Total financial investments at amortised cost	<u>24,801,155</u>	<u>26,146,102</u>	<u>14,130,163</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	1,258	-	-	1,258
Net allowance made	17	-	-	17
Amount derecognised	(1,529)	-	-	(1,529)
Exchange differences	(38)	-	-	(38)
At 30 September 2022	<u>4,044</u>	<u>-</u>	<u>19</u>	<u>4,063</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	815	-	-	815
Net allowance made	15	-	-	15
Amount derecognised	(1,146)	-	-	(1,146)
Exchange differences	(74)	-	-	(74)
At 30 September 2022	<u>2,618</u>	<u>-</u>	<u>19</u>	<u>2,637</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 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
At amortised cost				
Overdrafts	9,342,430	9,225,460	6,141,823	6,385,509
Term loans / financing				
- Housing loans / financing	150,616,205	142,034,597	112,912,991	108,261,391
- Syndicated term loans / financing	4,063,519	3,869,514	910,157	991,217
- Hire purchase receivables	60,189,201	55,974,697	46,711,081	43,626,036
- Other term loans / financing	129,396,175	129,367,856	100,122,645	101,103,727
Credit card receivables	2,332,866	2,182,299	2,255,000	2,121,023
Bills receivables	262,169	54,070	254,895	43,933
Trust receipts	152,812	206,751	114,467	112,737
Claims on customers under acceptance credits	3,281,157	2,680,262	3,057,006	2,498,779
Revolving credits	11,744,215	10,246,755	8,511,831	7,905,034
Staff loans *	2,196,597	2,184,491	1,877,957	1,877,076
Gross loans, advances and financing	<u>373,577,346</u>	<u>358,026,752</u>	<u>282,869,853</u>	<u>274,926,462</u>
Allowance for impairment on loans and financing:				
- Expected credit losses	(4,245,185)	(3,974,289)	(3,023,297)	(2,910,921)
- Stage 1: 12-Month ECL	(2,157,071)	(2,110,401)	(1,452,943)	(1,472,405)
- Stage 2: Lifetime ECL not credit-impaired	(1,796,210)	(1,621,549)	(1,406,076)	(1,302,102)
- Stage 3: Lifetime ECL credit-impaired	(291,904)	(242,339)	(164,278)	(136,414)
Net loans, advances and financing	<u>369,332,161</u>	<u>354,052,463</u>	<u>279,846,556</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 RM7,902,000 (2021: RM6,550,000) and RM7,902,000 (2021 - RM6,550,000) respectively.

a) By class

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Retail loans / financing *				
- Housing loans / financing	150,616,214	142,034,607	112,912,991	108,261,391
- Hire purchase	59,934,706	55,715,898	46,711,081	43,626,036
- Credit cards	2,332,866	2,182,299	2,255,000	2,121,023
- Other loans / financing ^	115,162,092	112,791,860	84,323,179	84,173,836
	<u>328,045,878</u>	<u>312,724,664</u>	<u>246,202,251</u>	<u>238,182,286</u>
Corporate loans / financing	45,531,468	45,302,088	36,667,602	36,744,176
	<u>373,577,346</u>	<u>358,026,752</u>	<u>282,869,853</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 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Non-bank financial institutions				
- Stock-broking companies	5,196	5,441	5,196	5,441
- Others	15,173,344	14,223,581	13,994,952	12,935,958
Business enterprises				
- Small and medium enterprises	72,144,504	72,254,303	57,137,203	57,996,258
- Others	26,735,288	25,895,727	19,943,032	19,614,335
Government and statutory bodies	1,028,280	1,015,030	15,743	13,123
Individuals	254,882,396	241,140,263	189,832,000	182,404,189
Other entities	21,132	24,227	16,082	19,087
Foreign entities	3,587,206	3,468,180	1,925,645	1,938,071
	<u>373,577,346</u>	<u>358,026,752</u>	<u>282,869,853</u>	<u>274,926,462</u>

c) By interest/profit rate sensitivity

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Fixed rate				
- Housing loans / financing	1,227,975	1,152,729	31,627	20,695
- Hire purchase receivables	57,309,764	53,286,598	46,575,399	43,479,967
- Other fixed rate loans / financing	23,621,145	22,308,184	12,633,585	12,193,511
Variable rate				
- Base rate / base lending rate plus	239,765,189	231,103,480	192,485,062	187,819,085
- Cost plus	37,187,646	36,552,011	30,952,231	31,154,587
- Other variable rates	14,465,627	13,623,750	191,949	258,617
	<u>373,577,346</u>	<u>358,026,752</u>	<u>282,869,853</u>	<u>274,926,462</u>

d) By residual contractual maturity

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Maturity within one year	30,993,654	29,747,301	20,834,484	20,434,390
More than one year to three years	27,199,723	25,422,156	20,049,190	20,136,300
More than three years to five years	35,179,344	34,016,248	29,626,194	27,450,211
More than five years	280,204,625	268,841,047	212,359,985	206,905,561
	<u>373,577,346</u>	<u>358,026,752</u>	<u>282,869,853</u>	<u>274,926,462</u>

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A11. Loans, Advances and Financing (continued)

e) By geographical distribution

	Group		Bank	
	30 September	31 December	30 September	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Malaysia	347,788,238	334,646,103	282,309,346	274,278,617
Hong Kong SAR and the People's Republic of China	14,702,729	14,041,917	-	-
Cambodia	5,634,382	4,919,034	-	-
Other countries	5,451,997	4,419,698	560,507	647,845
	<u>373,577,346</u>	<u>358,026,752</u>	<u>282,869,853</u>	<u>274,926,462</u>

f) Gross loans, advances and financing by economic purpose

	Group		Bank	
	30 September	31 December	30 September	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Purchase of securities	3,949,560	3,806,514	3,461,902	3,327,555
Purchase of transport vehicles	60,420,218	56,213,822	46,951,629	43,869,123
Purchase of landed properties	238,635,067	229,411,687	185,140,878	180,363,257
(of which: - residential	156,229,379	147,679,774	117,671,221	113,056,177
- non-residential)	82,405,688	81,731,913	67,469,657	67,307,080
Purchase of fixed assets (excluding landed properties)	472,892	456,272	74,947	85,372
Personal use	13,826,426	13,217,789	6,876,775	6,860,947
Credit card	2,332,866	2,182,299	2,255,000	2,121,023
Purchase of consumer durables	808	704	330	224
Construction	7,429,048	7,662,697	5,165,404	5,646,964
Working capital	42,331,878	40,836,823	29,642,486	29,065,321
Other purpose	4,178,583	4,238,145	3,300,502	3,586,676
	<u>373,577,346</u>	<u>358,026,752</u>	<u>282,869,853</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 September 2022	31 December 2021	30 September 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Agriculture, hunting, forestry and fishing	3,025,917	3,133,239	2,460,664	2,554,332
Mining and quarrying	251,773	287,562	128,480	160,816
Manufacturing	11,845,038	11,537,292	8,480,276	8,357,965
Electricity, gas and water	89,544	110,646	44,430	43,919
Construction	17,914,941	17,824,705	13,811,414	13,982,146
Wholesale & retail trade and restaurants & hotels	32,867,930	30,844,960	26,501,095	25,290,319
Transport, storage and communication	4,939,512	4,591,415	2,804,589	2,760,483
Finance, insurance and business services	19,198,333	18,641,707	17,013,046	16,425,969
Real estate	24,534,308	25,459,704	18,661,450	19,518,194
Community, social and personal services	3,157,074	3,344,574	1,740,236	1,973,317
Households	254,434,164	240,947,103	191,217,193	183,796,836
Others	1,318,812	1,303,845	6,980	62,166
	<u>373,577,346</u>	<u>358,026,752</u>	<u>282,869,853</u>	<u>274,926,462</u>

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

	Group		Bank	
	30 September 2022	31 December 2021	30 September 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
At 1 January	1,101,923	1,251,218	741,668	885,514
Impaired during the period / year	877,468	1,078,629	515,105	664,046
Reclassified as non-impaired	(289,975)	(705,966)	(198,521)	(498,447)
Recoveries	(235,912)	(222,202)	(155,676)	(150,719)
Amount written off	(195,503)	(267,038)	(77,847)	(123,633)
Loans / financing converted to foreclosed properties	(28,860)	(36,091)	(23,892)	(31,742)
Exchange differences	21,454	3,373	(1,964)	(3,351)
Closing balance	<u>1,250,595</u>	<u>1,101,923</u>	<u>798,873</u>	<u>741,668</u>
Gross impaired loans and financing as a percentage of gross loans, advances and financing	<u>0.33%</u>	<u>0.31%</u>	<u>0.28%</u>	<u>0.27%</u>

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A11. Loans, Advances and Financing (continued)

i) Impaired loans, advances and financing by geographical distribution

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Malaysia	878,016	827,687	757,316	691,988
Hong Kong SAR and the People's Republic of China	180,223	132,655	-	-
Cambodia	84,701	28,751	-	-
Other countries	107,655	112,830	41,557	49,680
	<u>1,250,595</u>	<u>1,101,923</u>	<u>798,873</u>	<u>741,668</u>

j) Impaired loans, advances and financing by economic purpose

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Purchase of securities	35,646	33,996	35,646	33,996
Purchase of transport vehicles	157,960	151,752	101,073	102,397
Purchase of landed properties	589,693	514,620	441,194	373,283
(of which: - residential	310,454	336,453	212,151	232,257
- non-residential)	279,239	178,167	229,043	141,026
Purchase of fixed assets (excluding landed properties)	9,864	10,655	284	642
Personal use	97,847	87,462	17,213	23,128
Credit card	15,760	8,048	14,878	7,669
Purchase of consumer durables	-	1	-	1
Construction	15,314	14,835	8,823	10,235
Working capital	325,337	275,638	176,612	185,428
Other purpose	3,174	4,916	3,150	4,889
	<u>1,250,595</u>	<u>1,101,923</u>	<u>798,873</u>	<u>741,668</u>

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A11. Loans, Advances and Financing (continued)

k) Impaired loans, advances and financing by sectors

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Agriculture, hunting, forestry and fishing	13,384	19,744	13,359	18,867
Mining and quarrying	11,032	11,641	11,032	11,399
Manufacturing	95,457	75,764	51,730	47,273
Electricity, gas and water	5,557	5,306	5	-
Construction	92,467	94,853	83,672	86,408
Wholesale & retail trade and restaurants & hotels	155,482	159,428	115,763	129,580
Transport, storage and communication	15,918	14,081	8,900	9,299
Finance, insurance and business services	90,683	65,828	28,492	28,036
Real estate	140,634	8,805	119,951	7,051
Community, social and personal services	2,624	5,696	2,544	4,467
Households	604,651	620,479	363,425	397,911
Others	22,706	20,298	-	1,377
	<u>1,250,595</u>	<u>1,101,923</u>	<u>798,873</u>	<u>741,668</u>

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A11. Loans, Advances and Financing (continued)

1) 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:	212,559	(238,473)	25,914	-
- Transfer to Stage 1: 12-Month ECL	251,987	(242,153)	(9,834)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(33,591)	48,924	(15,333)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(5,837)	(45,244)	51,081	-
New loans, advances and financing originated	82,982	30,105	19,723	132,810
Net remeasurement due to changes in credit risk	(210,595)	124,403	204,220	118,028
Loans, advances and financing derecognised (other than write-off)	(45,342)	(38,402)	(19,647)	(103,391)
Modifications to contractual cash flows of loans, advances and financing	(3,245)	292,285	2,759	291,799
Amount written off	-	-	(195,503)	(195,503)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(262)	(262)
Exchange differences	10,311	4,743	12,361	27,415
At 30 September 2022	<u>2,157,071</u>	<u>1,796,210</u>	<u>291,904</u>	<u>4,245,185</u>

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A11. Loans, Advances and Financing (continued)

- 1) 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	<u>2,110,401</u>	<u>1,621,549</u>	<u>242,339</u>	<u>3,974,289</u>

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A11. Loans, Advances and Financing (continued)

1) 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:	173,151	(185,210)	12,059	-
- Transfer to Stage 1: 12-Month ECL	193,892	(186,952)	(6,940)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(20,437)	32,693	(12,256)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(304)	(30,951)	31,255	-
New loans and advances originated	46,189	15,447	535	62,171
Net remeasurement due to changes in credit risk	(214,976)	98,733	106,700	(9,543)
Loans and advances derecognised (other than write-off)	(20,695)	(30,024)	(13,871)	(64,590)
Modifications to contractual cash flows of loans and advances	(3,165)	205,028	550	202,413
Amount written off	-	-	(77,847)	(77,847)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(262)	(262)
Exchange differences	34	-	-	34
At 30 September 2022	<u>1,452,943</u>	<u>1,406,076</u>	<u>164,278</u>	<u>3,023,297</u>

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A11. Loans, Advances and Financing (continued)

- 1) 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 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Deferred handling fees	253,914	228,164	199,994	182,031
Interest / Income receivable	65,657	28,406	12,825	4,613
Other receivables, deposits and prepayments	1,890,059	2,046,697	1,521,171	1,723,897
Collateral pledged for derivative transactions	362,239	125,591	362,239	125,591
Employee benefits	64,275	79,906	63,301	78,604
Amount due from trust funds	184,248	231,513	-	-
Foreclosed properties	201,094	200,494	174,217	176,268
Outstanding contracts on clients' accounts	110,764	144,560	-	-
Amount due from subsidiary companies	-	-	50,512	46,773
Distribution receivable from collective investments	-	-	28,929	26,528
Dividend receivable from subsidiary companies	-	-	537,300	644,810
	<u>3,132,250</u>	<u>3,085,331</u>	<u>2,950,488</u>	<u>3,009,115</u>

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A13. Deposits from Customers

a) By type of deposit

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
At amortised cost				
Core deposits:				
- Demand deposits	69,657,628	65,805,801	55,818,542	53,001,566
- Savings deposits	51,142,514	52,195,611	34,867,154	35,497,179
- Fixed deposits	219,059,723	207,768,245	158,938,941	153,458,102
	<u>339,859,865</u>	<u>325,769,657</u>	<u>249,624,637</u>	<u>241,956,847</u>
Money market deposits	53,395,773	54,562,580	43,731,011	46,506,733
Other deposits	52,605	61,977	38,138	48,012
	<u>393,308,243</u>	<u>380,394,214</u>	<u>293,393,786</u>	<u>288,511,592</u>

b) By type of customer

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Federal and state governments	7,172,053	5,505,408	283,173	404,036
Local government and statutory authorities	4,372,454	3,198,155	2,751,783	2,297,651
Business enterprises	112,237,589	108,214,823	88,873,277	85,962,563
Individuals	210,122,701	201,344,083	165,812,083	161,053,152
Foreign customers	10,451,958	9,605,422	4,938,357	4,690,187
Others	48,951,488	52,526,323	30,735,113	34,104,003
	<u>393,308,243</u>	<u>380,394,214</u>	<u>293,393,786</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 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Due within six months	226,227,150	216,999,324	166,923,707	168,238,293
More than six months to one year	42,198,654	45,097,647	35,617,921	31,624,429
More than one year to three years	4,024,196	227,620	123,223	96,816
More than three years to five years	5,309	5,974	4,914	5,037
More than five years	187	260	187	260
	<u>272,455,496</u>	<u>262,330,825</u>	<u>202,669,952</u>	<u>199,964,835</u>

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A14. Deposits from Banks and Other Financial Institutions

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
At amortised cost				
Licensed banks	4,882,967	2,296,935	3,077,570	1,224,437
Licensed investment banks	1,138,911	951,630	493,961	804,489
Bank Negara Malaysia	2,272,334	2,265,215	2,206,690	2,197,509
Other financial institutions	5,584,212	2,609,989	8,157,213	5,578,516
	<u>13,878,424</u>	<u>8,123,769</u>	<u>13,935,434</u>	<u>9,804,951</u>

A15. Other Liabilities

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Interest / Income payable	1,638,773	1,462,522	1,149,900	1,089,111
Other payables and accruals	3,328,821	3,158,943	2,467,494	2,527,612
Collateral received for derivative transactions	650,022	24,727	650,022	24,727
Amount due to trust funds	82,882	123,272	-	-
Unprocessed sales and / or redemptions	73,894	142,150	-	-
Accrued restoration costs	71,906	71,311	70,759	71,241
Allowance for impairment on loan / financing commitments and financial guarantees	79,212	74,864	63,675	60,061
Outstanding contracts on clients' accounts	127,982	135,158	-	-
Dividend payable to shareholders	22,165	28,478	22,165	4,897
Amount due to subsidiary companies	-	-	9,057	10,993
	<u>6,075,657</u>	<u>5,221,425</u>	<u>4,433,072</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:				
- Transfer to Stage 1: 12-Month ECL	4,255	(4,262)	7	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	4,998	(4,975)	(23)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(737)	798	(61)	-
	(6)	(85)	91	-
New loan / financing commitments and financial guarantees originated	3,541	1,950	1	5,492
Net remeasurement due to changes in credit risk	(3,362)	3,081	167	(114)
Loan / financing commitments and financial guarantees derecognised	(1,875)	(1,526)	(57)	(3,458)
Modifications to contractual cash flows of loan / financing commitments and financial guarantees	(23)	2,122	44	2,143
Exchange differences	284	1	-	285
At 30 September 2022	54,181	24,541	490	79,212
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:				
- Transfer to Stage 1: 12-Month ECL	2,750	(2,602)	(148)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	3,729	(3,633)	(96)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(977)	1,146	(169)	-
	(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:	3,209	(3,211)	2	-
- Transfer to Stage 1: 12-Month ECL	3,802	(3,780)	(22)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(589)	645	(56)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(4)	(76)	80	-
New loan commitments and financial guarantees originated	2,568	1,684	1	4,253
Net remeasurement due to changes in credit risk	(2,141)	2,381	148	388
Loan commitments and financial guarantees derecognised	(1,385)	(1,207)	(56)	(2,648)
Modifications to contractual cash flows of loan commitments and financial guarantees	(21)	1,599	43	1,621
At 30 September 2022	43,745	19,482	448	63,675
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

	3rd Quarter Ended		Nine Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<u>Group</u>				
Loans and advances	3,271,135	2,824,975	9,065,655	8,584,527
Balances with banks	61,927	65,626	157,145	130,368
Financial investments at fair value through other comprehensive income	334,204	250,172	930,719	764,005
Financial investments at amortised cost	175,183	191,277	513,758	576,341
Others	13,262	7,741	34,058	28,744
	<u>3,855,711</u>	<u>3,339,791</u>	<u>10,701,335</u>	<u>10,083,985</u>
Financial assets at fair value through profit or loss	2,893	5,968	19,123	18,609
	<u>3,858,604</u>	<u>3,345,759</u>	<u>10,720,458</u>	<u>10,102,594</u>
Of which:				
Interest income earned on impaired loans and advances	<u>18,314</u>	<u>11,633</u>	<u>45,200</u>	<u>39,356</u>
	3rd Quarter Ended		Nine Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<u>Bank</u>				
Loans and advances	2,891,976	2,485,326	7,998,995	7,590,482
Balances with banks	53,802	58,838	134,991	108,691
Financial investments at fair value through other comprehensive income	274,249	198,892	759,530	612,374
Financial investments at amortised cost	156,348	193,622	474,546	577,563
Others	23,234	21,817	72,430	69,231
	<u>3,399,609</u>	<u>2,958,495</u>	<u>9,440,492</u>	<u>8,958,341</u>
Financial assets at fair value through profit or loss	2,893	5,965	19,123	18,529
	<u>3,402,502</u>	<u>2,964,460</u>	<u>9,459,615</u>	<u>8,976,870</u>
Of which:				
Interest income earned on impaired loans and advances	<u>8,474</u>	<u>5,946</u>	<u>19,266</u>	<u>19,919</u>

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A17. Interest Expense

	3rd Quarter Ended		Nine Months Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Deposits from banks and other financial institutions	84,667	46,381	225,657	157,183
Deposits from customers	1,250,792	1,092,177	3,365,419	3,237,652
Loans sold to Cagamas	27,702	48,924	97,157	145,176
Debt securities issued and other borrowed funds	95,505	96,895	285,567	293,496
Others	12,564	12,130	37,292	39,802
	<u>1,471,230</u>	<u>1,296,507</u>	<u>4,011,092</u>	<u>3,873,309</u>
	3rd Quarter Ended		Nine Months Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Deposits from banks and other financial institutions	83,197	44,903	216,073	154,144
Deposits from customers	1,154,855	1,036,909	3,138,113	3,070,953
Loans sold to Cagamas	27,702	48,924	97,157	145,176
Debt securities issued and other borrowed funds	90,874	94,599	276,671	286,614
Others	14,781	14,361	40,181	44,502
	<u>1,371,409</u>	<u>1,239,696</u>	<u>3,768,195</u>	<u>3,701,389</u>

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A18. Net Fee and Commission Income

	3rd Quarter Ended		Nine Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<u>Group</u>				
(a) Fee and commission income:				
Commissions	199,846	122,779	548,421	393,619
Service charges and fees	78,532	72,138	230,292	220,259
Guarantee fees	9,833	6,759	24,761	23,199
Commitment fees	16,952	18,705	51,062	53,492
Unit trust management fees	305,792	341,635	945,676	999,948
Fee on sale of trust units	59,940	102,772	224,606	374,237
Brokerage and commissions from stockbroking activities	20,375	36,087	81,318	160,568
Other fee and commission income	14,462	15,049	44,533	47,724
	<u>705,732</u>	<u>715,924</u>	<u>2,150,669</u>	<u>2,273,046</u>
(b) Fee and commission expense:				
Unit trust agency fee	(106,074)	(139,879)	(357,327)	(432,956)
Debit / credit card related fee	(126,333)	(53,540)	(323,016)	(179,149)
Loan related fee	(4,379)	(3,868)	(10,813)	(12,736)
Other fee and commission expense	(5,724)	(6,192)	(17,273)	(25,963)
	<u>(242,510)</u>	<u>(203,479)</u>	<u>(708,429)</u>	<u>(650,804)</u>
Net fee and commission income	<u>463,222</u>	<u>512,445</u>	<u>1,442,240</u>	<u>1,622,242</u>
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<u>Bank</u>				
(a) Fee and commission income:				
Commissions	211,053	145,195	590,936	487,858
Service charges and fees	56,388	58,848	172,434	193,983
Guarantee fees	9,259	6,224	23,324	21,710
Commitment fees	15,680	16,679	46,714	47,511
Other fee and commission income	8,694	9,983	24,782	32,626
	<u>301,074</u>	<u>236,929</u>	<u>858,190</u>	<u>783,688</u>
(b) Fee and commission expense:				
Debit / credit card related fee	(126,303)	(53,541)	(322,973)	(179,070)
Loan related fee	(3,307)	(3,238)	(8,140)	(10,981)
Other fee and commission expense	(2,319)	(2,366)	(8,158)	(7,830)
	<u>(131,929)</u>	<u>(59,145)</u>	<u>(339,271)</u>	<u>(197,881)</u>
Net fee and commission income	<u>169,145</u>	<u>177,784</u>	<u>518,919</u>	<u>585,807</u>

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A19. Net Gains and Losses on Financial Instruments

	3rd Quarter Ended		Nine Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<u>Group</u>				
Net (loss) / gain arising on financial assets at fair value through profit or loss:				
- net (loss) / gain on disposal	(4,092)	2,184	(7,754)	(1,259)
- gross dividend income	525	523	1,097	2,095
- unrealised revaluation gain / (loss)	4,690	(1,244)	23,399	(33,279)
	<u>1,123</u>	<u>1,463</u>	<u>16,742</u>	<u>(32,443)</u>
Net gain / (loss) arising on trading derivatives				
- unrealised revaluation gain / (loss)	<u>49</u>	<u>(3)</u>	<u>92</u>	<u>(6)</u>
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	16,587	21,634	48,906	163,274
- gross dividend income	479	426	2,584	1,427
	<u>17,066</u>	<u>22,060</u>	<u>51,490</u>	<u>164,701</u>
Net gain arising on financial investments at amortised cost				
- net gain on disposal	<u>-</u>	<u>-</u>	<u>1,456</u>	<u>1,755</u>
Net (loss) / gain representing ineffective portions of hedging derivatives:				
- fair value hedge	(510)	139	(1,782)	(89)
- cash flow hedge	(123)	334	567	174
	<u>(633)</u>	<u>473</u>	<u>(1,215)</u>	<u>85</u>
Net gains and losses on financial instruments	<u>17,605</u>	<u>23,993</u>	<u>68,565</u>	<u>134,092</u>

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

	3rd Quarter Ended		Nine Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 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	(4,098)	2,087	(7,771)	(1,364)
- gross dividend income	494	494	977	1,977
- unrealised revaluation gain / (loss)	4,690	(1,193)	22,135	(31,360)
	<u>1,086</u>	<u>1,388</u>	<u>15,341</u>	<u>(30,747)</u>
Net gain / (loss) arising on trading derivatives				
- unrealised revaluation gain / (loss)	49	(3)	92	(6)
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	16,248	20,492	47,408	158,545
- gross dividend income	334	317	2,207	1,083
	<u>16,582</u>	<u>20,809</u>	<u>49,615</u>	<u>159,628</u>
Net gain arising on financial investments at amortised cost				
- net gain on disposal	-	-	1,456	1,755
Net (loss) / gain representing ineffective portions of hedging derivatives:				
- fair value hedge	(2)	(12)	(22)	10
- cash flow hedge	(123)	334	567	174
	<u>(125)</u>	<u>322</u>	<u>545</u>	<u>184</u>
Net gains and losses on financial instruments	<u>17,592</u>	<u>22,516</u>	<u>67,049</u>	<u>130,814</u>

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A20. Other Operating Income / (Loss)

	3rd Quarter Ended		Nine Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<u>Group</u>				
Other income:				
Foreign exchange profit	114,958	71,424	216,962	195,437
Rental income from:				
- investment properties	5,337	3,803	13,994	11,211
- other properties	2,826	2,625	8,482	7,990
Net gain on disposal of property and equipment	109	28	2,922	346
Net gain on disposal of foreclosed properties	635	91	955	88
Net (loss) / gain on revaluation of investment properties	(19)	12	(1,207)	1,899
Others	21,010	20,684	60,126	64,950
Total other operating income	<u>144,856</u>	<u>98,667</u>	<u>302,234</u>	<u>281,921</u>
	3rd Quarter Ended	3rd Quarter Ended	Nine Months Ended	Nine Months Ended
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<u>Bank</u>				
Distribution income from collective investments	43,469	39,321	116,067	122,313
Dividend income from subsidiary companies				
- quoted outside Malaysia	-	-	22,585	21,505
- unquoted in Malaysia	-	-	368,000	420,000
	<u>43,469</u>	<u>39,321</u>	<u>506,652</u>	<u>563,818</u>
Other (loss) / income:				
Foreign exchange (loss) / profit	(107,757)	25,308	(311,371)	(32,535)
Rental income from other properties	3,237	2,881	9,610	9,218
Net gain on disposal of property and equipment	108	19	155	321
Net gain on disposal of foreclosed properties	635	91	955	88
Others	16,242	17,752	49,217	59,416
	<u>(87,535)</u>	<u>46,051</u>	<u>(251,434)</u>	<u>36,508</u>
Total other operating (loss) / income	<u>(44,066)</u>	<u>85,372</u>	<u>255,218</u>	<u>600,326</u>

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A21. Other Operating Expenses

Group	3rd Quarter Ended		Nine Months Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	636,725	589,822	1,896,142	1,811,324
- Pension costs	90,233	88,996	267,487	270,926
- Others	43,157	37,021	131,374	115,378
	770,115	715,839	2,295,003	2,197,628
Establishment costs				
- Depreciation	92,567	92,824	276,314	279,713
- Insurance	6,092	5,869	19,186	18,435
- Water and electricity	12,792	11,051	35,832	32,390
- General repairs and maintenance	40,839	35,913	124,658	105,676
- Information technology expenses	14,963	15,722	44,138	47,209
- Others	26,165	23,520	74,577	68,804
	193,418	184,899	574,705	552,227
Marketing expenses				
- Advertisement and publicity	12,250	12,913	36,079	46,619
- Others	19,145	11,710	52,717	49,536
	31,395	24,623	88,796	96,155
Administration and general expenses				
- Communication expenses	31,448	17,426	85,276	54,943
- Legal and professional fees	10,927	9,061	32,834	28,812
- Others	40,211	24,198	118,480	74,679
	82,586	50,685	236,590	158,434
Total other operating expenses	1,077,514	976,046	3,195,094	3,004,444

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A21. Other Operating Expenses (continued)

<u>Bank</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Personnel costs				
- Salaries, allowances and bonuses	483,016	440,139	1,438,927	1,359,034
- Pension costs	77,922	77,864	231,267	236,972
- Others	34,383	29,410	103,741	90,740
	<u>595,321</u>	<u>547,413</u>	<u>1,773,935</u>	<u>1,686,746</u>
Establishment costs				
- Depreciation	67,786	70,915	203,926	216,319
- Insurance	5,075	4,896	15,514	15,114
- Water and electricity	8,230	7,160	23,900	21,706
- General repairs and maintenance	36,175	32,290	110,172	92,521
- Information technology expenses	5,880	7,596	17,161	21,388
- Others	13,196	11,745	36,340	33,690
	<u>136,342</u>	<u>134,602</u>	<u>407,013</u>	<u>400,738</u>
Marketing expenses				
- Advertisement and publicity	4,068	6,269	13,326	25,289
- Others	10,336	6,252	27,297	23,116
	<u>14,404</u>	<u>12,521</u>	<u>40,623</u>	<u>48,405</u>
Administration and general expenses				
- Communication expenses	15,975	14,323	49,080	45,974
- Legal and professional fees	6,695	5,670	20,889	18,123
- Others	20,315	9,008	58,701	28,321
	<u>42,985</u>	<u>29,001</u>	<u>128,670</u>	<u>92,418</u>
Cost of resource sharing charged to Public Islamic Bank Berhad *	(122,378)	(112,983)	(352,452)	(337,484)
Total other operating expenses	<u>666,674</u>	<u>610,554</u>	<u>1,997,789</u>	<u>1,890,823</u>

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

	3rd Quarter Ended		Nine Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Credit related	(51,755)	(49,197)	(151,552)	(146,485)
Non-credit branch support	(45,744)	(41,850)	(130,906)	(125,076)
Other administration function	(24,879)	(21,936)	(69,994)	(65,923)
	<u>(122,378)</u>	<u>(112,983)</u>	<u>(352,452)</u>	<u>(337,484)</u>

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A22. Allowance for Impairment on Loans, Advances and Financing

	3rd Quarter Ended		Nine Months Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	RM'000	RM'000	RM'000	RM'000
Group				
Expected credit losses	155,405	372,838	443,309	1,060,189
Impaired loans and financing written off	8	6	125	23
Impaired loans and financing recovered	(59,499)	(48,409)	(167,890)	(141,286)
	<u>95,914</u>	<u>324,435</u>	<u>275,544</u>	<u>918,926</u>
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	RM'000	RM'000	RM'000	RM'000
Bank				
Expected credit losses	53,950	218,422	194,065	716,462
Impaired loans written off	8	6	125	23
Impaired loans recovered	(35,252)	(23,688)	(102,296)	(70,692)
	<u>18,706</u>	<u>194,740</u>	<u>91,894</u>	<u>645,793</u>

A23. Allowance for Impairment on Other Assets

	3rd Quarter Ended		Nine Months Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	RM'000	RM'000	RM'000	RM'000
Group				
Expected credit losses on:				
- Financial investments at fair value through other comprehensive income	681	578	1,617	1,600
- Financial investments at amortised cost	(238)	(106)	(254)	(128)
- Deposits and placements with banks and other financial institutions	(193)	4	80	15
Allowance made / (written back) on:				
- Foreclosed properties	2,047	1,600	5,688	789
- Other receivables	-	(1)	-	20
	<u>2,297</u>	<u>2,075</u>	<u>7,131</u>	<u>2,296</u>
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	RM'000	RM'000	RM'000	RM'000
Bank				
Expected credit losses on:				
- Financial investments at fair value through other comprehensive income	181	59	424	22
- Financial investments at amortised cost	(263)	(76)	(316)	(109)
Allowance made on:				
- Foreclosed properties	2,035	1,601	5,417	587
	<u>1,953</u>	<u>1,584</u>	<u>5,525</u>	<u>500</u>

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A24. Segment Information

	←----- Operating Segments -----→								Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000						
3rd Quarter Ended 30 September 2022													
External revenue	665,607	2,689,842	416,084	271,653	37,897	366,245	2,993	510,321	4,960,642	542,464	-	5,503,106	
Revenue from other segments	2,575	260,978	8,309	333,273	175	12,873	12,778	79,119	710,080	12,366	(722,446)	-	
	668,182	2,950,820	424,393	604,926	38,072	379,118	15,771	589,440	5,670,722	554,830	(722,446)	5,503,106	
Net interest income / (expense) and													
Islamic banking income	212,675	1,522,116	147,021	19,613	8,065	3,184	(4,003)	603,108	2,511,779	325,087	(936)	2,835,930	
Other income	683	182,604	6,153	76,363	13,009	247,130	3,138	2,084	531,164	103,216	(8,697)	625,683	
Net income / (expense)	213,358	1,704,720	153,174	95,976	21,074	250,314	(865)	605,192	3,042,943	428,303	(9,633)	3,461,613	
Other operating expenses	(64,854)	(582,430)	(4,832)	(12,707)	(11,819)	(62,107)	(7,485)	(154,429)	(900,663)	(186,484)	9,633	(1,077,514)	
Writeback of allowance /													
(Allowance) for impairment on loans, advances and financing	69,083	11,104	(150,859)	-	(379)	-	-	-	(71,051)	(24,863)	-	(95,914)	
(Allowance) / Writeback of allowance for impairment on other assets	-	(2,047)	-	(300)	(36)	-	-	(113)	(2,496)	199	-	(2,297)	
Profit / (Loss) by segments	217,587	1,131,347	(2,517)	82,969	8,840	188,207	(8,350)	450,650	2,068,733	217,155	-	2,285,888	
Reconciliation of segment profits to consolidated profits:													
Share of profit after tax of equity accounted associated companies									1,317	-		1,317	
Profit before tax expense and zakat									2,070,050	217,155	-	2,287,205	

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A24. Segment Information (continued)

	←----- Operating Segments -----→							Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000					
3rd Quarter Ended 30 September 2021												
External revenue	621,189	2,247,713	373,264	216,558	50,507	444,921	1,806	434,720	4,390,678	421,406	-	4,812,084
Revenue from other segments	405	439,910	6,030	331,816	150	11,935	12,523	137,313	940,082	3,474	(943,556)	-
	<u>621,594</u>	<u>2,687,623</u>	<u>379,294</u>	<u>548,374</u>	<u>50,657</u>	<u>456,856</u>	<u>14,329</u>	<u>572,033</u>	<u>5,330,760</u>	<u>424,880</u>	<u>(943,556)</u>	<u>4,812,084</u>
Net interest income / (expense) and												
Islamic banking income	195,413	1,478,351	158,341	18,662	9,398	1,821	(3,379)	275,624	2,134,231	301,429	(8)	2,435,652
Other income	571	187,070	8,486	68,630	22,218	282,651	1,931	25,697	597,254	47,457	(9,606)	635,105
Net income / (expense)	<u>195,984</u>	<u>1,665,421</u>	<u>166,827</u>	<u>87,292</u>	<u>31,616</u>	<u>284,472</u>	<u>(1,448)</u>	<u>301,321</u>	<u>2,731,485</u>	<u>348,886</u>	<u>(9,614)</u>	<u>3,070,757</u>
Other operating expenses	(61,435)	(508,680)	(5,085)	(13,570)	(11,907)	(65,877)	(6,411)	(143,376)	(816,341)	(169,319)	9,614	(976,046)
(Allowance) / Writeback of												
allowance for impairment on												
loans, advances and financing	(102,997)	(129,015)	(86,659)	-	31	-	-	-	(318,640)	(5,795)	-	(324,435)
(Allowance) / Writeback of allowance												
for impairment on other assets	-	(1,601)	-	(95)	(5)	-	-	60	(1,641)	(434)	-	(2,075)
Profit / (Loss) by segments	<u>31,552</u>	<u>1,026,125</u>	<u>75,083</u>	<u>73,627</u>	<u>19,735</u>	<u>218,595</u>	<u>(7,859)</u>	<u>158,005</u>	<u>1,594,863</u>	<u>173,338</u>	<u>-</u>	<u>1,768,201</u>
Reconciliation of segment profits												
to consolidated profits:												
Share of loss after tax												
of equity accounted associated												
companies									(2,135)	-		(2,135)
Profit before tax expense and zakat									<u>1,592,728</u>	<u>173,338</u>	<u>-</u>	<u>1,766,066</u>

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A24. Segment Information

	←----- 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	
Nine Months Ended 30 September 2022												
External revenue	1,952,816	7,351,361	1,147,530	735,357	128,490	1,171,903	7,584	1,501,317	13,996,358	1,367,658	-	15,364,016
Revenue from other segments	3,688	1,047,928	19,568	916,214	479	35,938	37,661	254,472	2,315,948	21,710	(2,337,658)	-
	<u>1,956,504</u>	<u>8,399,289</u>	<u>1,167,098</u>	<u>1,651,571</u>	<u>128,969</u>	<u>1,207,841</u>	<u>45,245</u>	<u>1,755,789</u>	<u>16,312,306</u>	<u>1,389,368</u>	<u>(2,337,658)</u>	<u>15,364,016</u>
Net interest income / (expense) and												
Islamic banking income	646,127	4,447,216	441,763	90,097	26,292	7,243	(10,720)	1,399,080	7,047,098	930,877	(2,986)	7,974,989
Other income	1,433	560,872	16,082	213,141	52,881	767,731	10,622	57,178	1,679,940	160,229	(27,130)	1,813,039
Net income / (expense)	<u>647,560</u>	<u>5,008,088</u>	<u>457,845</u>	<u>303,238</u>	<u>79,173</u>	<u>774,974</u>	<u>(98)</u>	<u>1,456,258</u>	<u>8,727,038</u>	<u>1,091,106</u>	<u>(30,116)</u>	<u>9,788,028</u>
Other operating expenses	(190,650)	(1,709,935)	(14,349)	(42,564)	(35,744)	(194,627)	(21,909)	(470,303)	(2,680,081)	(545,129)	30,116	(3,195,094)
Writeback of allowance /												
(Allowance) for impairment on loans, advances and financing	87,598	(142,785)	(153,546)	-	(211)	20	-	-	(208,924)	(66,620)	-	(275,544)
Allowance for impairment on other assets	-	(5,688)	-	(357)	(29)	-	-	(976)	(7,050)	(81)	-	(7,131)
Profit / (Loss) by segments	<u>544,508</u>	<u>3,149,680</u>	<u>289,950</u>	<u>260,317</u>	<u>43,189</u>	<u>580,367</u>	<u>(22,007)</u>	<u>984,979</u>	<u>5,830,983</u>	<u>479,276</u>	<u>-</u>	<u>6,310,259</u>
Reconciliation of segment profits to consolidated profits:												
Share of loss after tax of equity accounted associated companies									(151)	-		(151)
Profit before tax expense and zakat									<u>5,830,832</u>	<u>479,276</u>	<u>-</u>	<u>6,310,108</u>
Cost income ratio	29.4%	34.1%	3.1%	14.0%	45.1%	25.1%	>100.0%	32.3%	30.7%	50.0%		32.6%

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A24. Segment Information (continued)

	←----- Operating Segments -----→								Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000						
Nine Months Ended 30 September 2022													
Gross loans, advances and financing	57,417,425	248,115,689	41,700,476	-	432,261	120,885	1,502	-	347,788,238	25,789,108			373,577,346
Loans growth	7.4%	3.7%	0.6%	-	10.7%	0.0%	3.4%	-	3.9%	10.3%			4.3%
Impaired loans, advances and financing	126,573	531,414	219,801	-	-	228	-	-	878,016	372,579			1,250,595
Impaired loan and financing ratio	0.2%	0.2%	0.5%	-	-	0.2%	-	-	0.3%	1.4%			0.3%
Deposits from customers	-	297,968,484	222,841	65,327,791	1,040,833	-	-	-	364,559,949	28,748,294			393,308,243
Deposits growth	-	3.4%	21.0%	3.3%	7.6%	-	-	-	3.4%	3.5%			3.4%
Segment assets	<u>56,514,649</u>	<u>306,578,592</u>	<u>40,668,045</u>	<u>78,249,335</u>	<u>2,601,410</u>	<u>438,403</u>	<u>821,913</u>	<u>50,539,076</u>	<u>536,411,423</u>	<u>42,373,504</u>	<u>(102,301,898)</u>		<u>476,483,029</u>
Reconciliation of segment assets to consolidated assets:													
Investment in associated companies									113,897	18			113,915
Unallocated assets									2,706,318	-			2,706,318
Intangible assets									775,493	1,834,342			2,609,835
Total assets									<u>540,007,131</u>	<u>44,207,864</u>			<u>481,913,097</u>

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A24. Segment Information (continued)

	←----- Operating Segments -----→							Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000					
Nine Months Ended 30 September 2021												
External revenue	1,888,915	6,736,271	1,127,682	642,477	189,201	1,375,701	5,541	1,533,122	13,498,910	1,264,965	-	14,763,875
Revenue from other segments	989	1,311,551	16,773	1,014,210	514	35,014	37,597	321,822	2,738,470	13,709	(2,752,179)	-
	<u>1,889,904</u>	<u>8,047,822</u>	<u>1,144,455</u>	<u>1,656,687</u>	<u>189,715</u>	<u>1,410,715</u>	<u>43,138</u>	<u>1,854,944</u>	<u>16,237,380</u>	<u>1,278,674</u>	<u>(2,752,179)</u>	<u>14,763,875</u>
Net interest income / (expense) and												
Islamic banking income	595,541	4,351,551	476,919	133,429	27,743	4,929	(10,096)	990,821	6,570,837	882,749	(25)	7,453,561
Other income	1,675	611,049	26,431	265,912	86,511	847,668	6,012	61,164	1,906,422	162,375	(30,542)	2,038,255
Net income / (expense)	<u>597,216</u>	<u>4,962,600</u>	<u>503,350</u>	<u>399,341</u>	<u>114,254</u>	<u>852,597</u>	<u>(4,084)</u>	<u>1,051,985</u>	<u>8,477,259</u>	<u>1,045,124</u>	<u>(30,567)</u>	<u>9,491,816</u>
Other operating expenses	(190,361)	(1,568,238)	(15,561)	(41,107)	(38,767)	(208,978)	(19,134)	(440,261)	(2,522,407)	(512,604)	30,567	(3,004,444)
(Allowance) / Writeback of												
allowance for impairment on												
loans, advances and financing	(312,368)	(399,191)	(170,424)	-	387	(2)	-	-	(881,598)	(37,328)	-	(918,926)
Allowance for impairment on												
other assets	-	(790)	-	(192)	(53)	-	-	(1,132)	(2,167)	(129)	-	(2,296)
Profit / (Loss) by segments	<u>94,487</u>	<u>2,994,381</u>	<u>317,365</u>	<u>358,042</u>	<u>75,821</u>	<u>643,617</u>	<u>(23,218)</u>	<u>610,592</u>	<u>5,071,087</u>	<u>495,063</u>	<u>-</u>	<u>5,566,150</u>
Reconciliation of segment profits												
to consolidated profits:												
Share of loss after tax												
of equity accounted associated												
companies									(5,736)	-		(5,736)
Profit before tax expense and zakat									<u>5,065,351</u>	<u>495,063</u>		<u>5,560,414</u>
Cost income ratio	31.9%	31.6%	3.1%	10.3%	33.9%	24.5%	n/a	41.9%	29.8%	49.0%		31.7%

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A24. Segment Information (continued)

	←----- Operating Segments -----→								Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000						
Nine Months Ended 30 September 2021													
Gross loans, advances and financing	52,019,969	236,084,002	41,879,681	-	364,683	119,852	1,474	-	330,469,661	23,042,255			353,511,916
Loans growth	-0.7%	3.5%	-2.1%	-	-2.6%	3.2%	3.1%	-	2.1%	5.1%			2.3%
Impaired loans, advances and financing	195,840	632,804	65,699	-	-	826	-	-	895,169	262,278			1,157,447
Impaired loan and financing ratio	0.4%	0.3%	0.2%	-	-	0.7%	-	-	0.3%	1.1%			0.3%
Deposits from customers	-	287,728,608	164,504	61,434,192	1,132,666	-	-	-	350,459,970	28,448,944			378,908,914
Deposits growth	-	4.5%	-24.2%	0.9%	10.6%	-	-	-	3.9%	0.1%			3.6%
Segment assets	<u>51,345,806</u>	<u>294,752,090</u>	<u>41,032,336</u>	<u>72,301,921</u>	<u>2,273,727</u>	<u>582,411</u>	<u>827,424</u>	<u>51,507,169</u>	<u>514,622,884</u>	<u>39,833,318</u>	<u>(98,303,183)</u>		<u>456,153,019</u>
Reconciliation of segment assets to consolidated assets:													
Investment in associated companies									116,410	16			116,426
Unallocated assets									2,489,418	-			2,489,418
Intangible assets									775,493	1,692,593			2,468,086
Total assets									<u>518,004,205</u>	<u>41,525,927</u>			<u>461,226,949</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 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Contingent liabilities				
Direct credit substitutes	894,042	891,923	844,449	848,101
Transaction-related contingent items	1,679,255	1,664,588	1,354,218	1,377,248
Short term self-liquidating trade-related contingencies	761,013	590,441	226,268	122,482
	3,334,310	3,146,952	2,424,935	2,347,831
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	33,583,837	30,666,767	25,840,554	22,987,311
- not exceeding one year	25,160,646	24,830,576	19,757,822	20,108,246
Unutilised credit card lines	9,170,574	8,641,625	8,804,502	8,334,502
Forward asset purchases	145,438	153,293	70,014	7,333
	68,060,495	64,292,261	54,472,892	51,437,392
Derivative financial instruments				
Foreign exchange related contracts:				
- up to one year	31,146,680	25,806,073	30,845,126	24,699,330
- more than one year to five years	1,993,205	3,095,975	1,993,205	3,095,975
Interest / Profit rate related contracts:				
- up to one year	656,638	3,047,185	656,638	3,547,185
- more than one year to five years	4,752,308	2,479,447	7,514,118	4,775,000
- more than five years	313,107	775,115	200,000	1,250,000
Commodity related contracts:				
- up to one year	116	453	116	453
	38,862,054	35,204,248	41,209,203	37,367,943
	110,256,859	102,643,461	98,107,030	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	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
As at 30 September 2022												
Trading derivatives:												
Foreign exchange contracts												
- Forwards	2,078,476	-	-	2,078,476	21,488	-	-	21,488	18,060	-	-	18,060
- Cross currency interest rate swaps	463,275	-	-	463,275	-	-	-	-	34,998	-	-	34,998
- Swaps	27,108,608	-	-	27,108,608	676,386	-	-	676,386	228,781	-	-	228,781
- Options	164,665	-	-	164,665	-	-	-	-	-	-	-	-
Interest / Profit rate related contracts												
- Swaps	200,000	-	-	200,000	-	-	-	-	382	-	-	382
Precious metal contracts												
- Forwards	116	-	-	116	-	-	-	-	-	-	-	-
	30,015,140	-	-	30,015,140	697,874	-	-	697,874	282,221	-	-	282,221
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	-	268,700	282,597	551,297	-	13,982	19,953	33,935	-	-	-	-
Cash Flow Hedge												
Interest / Profit rate related contracts												
- Swaps	456,638	1,400,000	3,114,118	4,970,756	72	54,573	214,674	269,319	266	-	-	266
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	1,331,655	912,850	1,080,356	3,324,861	-	-	-	-	159,383	47,059	18,857	225,299
	1,788,293	2,581,550	4,477,071	8,846,914	72	68,555	234,627	303,254	159,649	47,059	18,857	225,565
Total	31,803,433	2,581,550	4,477,071	38,862,054	697,946	68,555	234,627	1,001,128	441,870	47,059	18,857	507,786

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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 September 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	1,913,630	-	-	1,913,630	21,211	-	-	21,211	17,884	-	-	17,884
- Cross currency interest rate swaps	463,275	-	-	463,275	-	-	-	-	34,998	-	-	34,998
- Swaps	26,971,900	-	-	26,971,900	675,713	-	-	675,713	228,780	-	-	228,780
- Options	164,665	-	-	164,665	-	-	-	-	-	-	-	-
Interest rate related contracts												
- Swaps	200,000	-	-	200,000	-	-	-	-	382	-	-	382
Precious metal contracts												
- Forwards	116	-	-	116	-	-	-	-	-	-	-	-
	<u>29,713,586</u>	<u>-</u>	<u>-</u>	<u>29,713,586</u>	<u>696,924</u>	<u>-</u>	<u>-</u>	<u>696,924</u>	<u>282,044</u>	<u>-</u>	<u>-</u>	<u>282,044</u>
Hedging Derivatives:												
Cash Flow Hedge												
Interest rate related contracts												
- Swaps	456,638	2,500,000	5,214,118	8,170,756	72	67,707	215,473	283,252	266	4,688	48,927	53,881
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	1,331,655	912,850	1,080,356	3,324,861	-	-	-	-	159,383	47,059	18,857	225,299
	<u>1,788,293</u>	<u>3,412,850</u>	<u>6,294,474</u>	<u>11,495,617</u>	<u>72</u>	<u>67,707</u>	<u>215,473</u>	<u>283,252</u>	<u>159,649</u>	<u>51,747</u>	<u>67,784</u>	<u>279,180</u>
Total	<u>31,501,879</u>	<u>3,412,850</u>	<u>6,294,474</u>	<u>41,209,203</u>	<u>696,996</u>	<u>67,707</u>	<u>215,473</u>	<u>980,176</u>	<u>441,693</u>	<u>51,747</u>	<u>67,784</u>	<u>561,224</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 RM1,001,128,000 (2021: RM140,434,000) and RM980,176,000 (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 RM362,239,000 (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 September 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	-	220,149	-	220,149
- Non-money market instruments	-	-	387,651	387,651
	-	220,149	387,651	607,800
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	50,712,562	-	50,712,562
- Money market instruments	-	904,170	-	904,170
- Non-money market instruments	1,580	5,368,448	415,267	5,785,295
	1,580	56,985,180	415,267	57,402,027
Derivative financial assets	-	1,001,128	-	1,001,128
Total financial assets measured at fair value	1,580	58,206,457	802,918	59,010,955
Non-financial assets				
Investment properties	-	-	625,154	625,154
Financial liabilities				
Derivative financial liabilities	-	507,786	-	507,786
Total financial liabilities measured at fair value	-	507,786	-	507,786

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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 September 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	-	220,149	-	220,149
- Non-money market instruments	-	-	365,469	365,469
	-	220,149	365,469	585,618
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	36,876,354	-	36,876,354
- Money market instruments	-	904,170	-	904,170
- Non-money market instruments	-	735,170	408,181	1,143,351
	-	38,515,694	408,181	38,923,875
Derivative financial assets	-	980,176	-	980,176
Total financial assets measured at fair value	-	39,716,019	773,650	40,489,669
Financial liabilities				
Derivative financial liabilities	-	561,224	-	561,224
Total financial liabilities measured at fair value	-	561,224	-	561,224

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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 ->			Total RM'000
	Financial Assets at Fair Value Through Profit or Loss RM'000	Financial Investments at Fair Value Through Other Comprehensive Income RM'000	Investment Properties RM'000	
At 1 January 2022	365,568	392,801	606,074	1,364,443
Recognised in profit or loss				
- unrealised revaluation gain / (loss)	22,083	-	(1,207)	20,876
Recognised in other comprehensive income				
- unrealised revaluation gain	-	18,287	-	18,287
Addition	-	-	18	18
Exchange differences	-	4,179	20,269	24,448
At 30 September 2022	<u>387,651</u>	<u>415,267</u>	<u>625,154</u>	<u>1,428,072</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	-	18,322	18,322
Exchange differences	-	3,789	3,789
At 30 September 2022	<u>365,469</u>	<u>408,181</u>	<u>773,650</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 September 2022	31 December 2021	30 September 2022	31 December 2021
<u>Before deducting interim dividends *</u>				
Common Equity Tier I ("CET I") capital ratio	14.231%	15.030%	13.111%	13.954%
Tier I capital ratio	14.282%	15.083%	13.152%	13.997%
Total capital ratio	<u>17.301%</u>	<u>18.192%</u>	<u>16.369%</u>	<u>17.287%</u>
<u>After deducting interim dividends *</u>				
CET I capital ratio	13.984%	14.530%	12.789%	13.313%
Tier I capital ratio	14.035%	14.583%	12.830%	13.356%
Total capital ratio	<u>17.054%</u>	<u>17.692%</u>	<u>16.047%</u>	<u>16.645%</u>

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

	Group		Bank	
	30 September 2022 RM'000	31 December 2021 RM'000	30 September 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	949,620	1,241,935	49,965	575,320
Retained profits	37,134,419	36,766,601	29,864,749	29,775,928
Qualifying non-controlling interests	756,040	702,435	-	-
Less: Goodwill and other intangible assets	(2,609,835)	(2,459,434)	(695,393)	(695,393)
Less: Deferred tax assets, net	(728,575)	(519,009)	(441,573)	(273,782)
Less: Defined benefit pension fund assets	(64,275)	(79,906)	(63,408)	(78,762)
Less: Investment in banking / insurance subsidiary companies and associated companies deducted from CET I capital	<u>(150,690)</u>	<u>(147,349)</u>	<u>(6,505,741)</u>	<u>(6,205,741)</u>
Total CET I capital	44,704,357	44,922,926	31,626,252	32,515,223
Additional Tier I capital securities	99,912	99,822	99,912	99,822
Qualifying CET I and additional Tier I capital instruments held by third parties	61,025	58,956	-	-
Total Tier I capital	<u>44,865,294</u>	<u>45,081,704</u>	<u>31,726,164</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 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
<u>Tier II capital</u>				
Stage 1 and Stage 2 expected credit loss allowances #	3,583,405	3,401,754	2,761,526	2,664,630
Subordinated notes	4,999,043	4,999,998	4,999,043	4,999,998
Qualifying CET I and additional Tier I and Tier II capital instruments held by third parties	766,906	756,381	-	-
Others	133,121	133,121	-	-
Total Tier II capital	<u>9,482,475</u>	<u>9,291,254</u>	<u>7,760,569</u>	<u>7,664,628</u>
Total capital	<u>54,347,769</u>	<u>54,372,958</u>	<u>39,486,733</u>	<u>40,279,673</u>

Excludes expected credit loss allowances restricted from Tier II capital of the Group and of the Bank of RM469,127,000 (2021: RM423,592,000) and RM172,059,000 (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 September 2022 RM'000	31 December 2021 RM'000	30 September 2022 RM'000	31 December 2021 RM'000
Credit risk	286,672,375	272,140,328	220,922,081	213,170,425
Market risk	4,897,071	5,194,182	5,098,626	5,119,006
Operational risk	21,955,361	20,990,969	14,624,271	14,177,493
Large exposure risk	603,787	564,253	581,605	543,334
	<u>314,128,594</u>	<u>298,889,732</u>	<u>241,226,583</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 September 2022							
<u>Before deducting interim dividends: *</u>							
CET I capital ratio	11.917%	37.566%	24.885%	22.019%	28.679%	N/A	N/A
Tier I capital ratio	11.917%	37.566%	24.885%	22.019%	28.679%	N/A	N/A
Total capital ratio	15.088%	38.384%	24.970%	22.805%	29.722%	22.818%	21.402%
<u>After deducting interim dividends: *</u>							
CET I capital ratio	11.917%	37.566%	24.885%	22.019%	28.679%	N/A	N/A
Tier I capital ratio	11.917%	37.566%	24.885%	22.019%	28.679%	N/A	N/A
Total capital ratio	15.088%	38.384%	24.970%	22.805%	29.722%	22.818%	21.402%
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%.

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A31. Operations of Islamic Banking

a) Statement of Financial Position As At 30 September 2022

	Note	Group	
		30 September 2022 RM'000	31 December 2021 RM'000
ASSETS			
Cash and balances with banks		711,748	659,606
Derivative financial assets		53,625	14,587
Financial investments at fair value through other comprehensive income		12,139,190	10,241,995
Financial investments at amortised cost		5,678,521	5,493,069
Financing and advances	A31(d)	64,296,945	59,315,652
Other assets		217,882	201,811
Statutory deposits with Bank Negara Malaysia		796,400	181,500
Deferred tax assets		177,782	145,034
Collective investment		586,198	577,254
Investment in an associated company		67,500	67,500
Right-of-use assets		20,266	14,992
Property and equipment		3,614	3,415
Total Assets		84,749,671	76,916,415
LIABILITIES AND ISLAMIC BANKING FUNDS			
Deposits from customers	A31(e)	73,477,417	66,307,110
Deposits from banks and other financial institutions		1,884,616	2,105,771
Bills and acceptances payable		980	284
Recourse obligations on financing sold to Cagamas		1,100,000	1,100,000
Derivative financial liabilities		13,933	103,576
Subordinated Sukuk Murabahah		1,000,000	1,000,000
Lease liabilities		20,435	15,483
Other liabilities		612,709	433,146
Provision for zakat and taxation		138,539	81,736
Total Liabilities		78,248,629	71,147,106
Islamic Banking Funds		6,501,042	5,769,309
Total Liabilities and Islamic Banking Funds		84,749,671	76,916,415
COMMITMENTS AND CONTINGENCIES		13,970,798	14,261,352

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A31. Operations of Islamic Banking (continued)

b) Statement of Profit or Loss for the 3rd Quarter and Nine Months Ended 30 September 2022

	3rd Quarter Ended		Nine Months Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Income derived from investment of depositors' funds and others	729,957	587,437	2,006,048	1,826,757
Income derived from investment of Islamic Banking Funds	61,921	49,383	168,305	153,406
Allowance for impairment on financing and advances	(25,819)	(78,186)	(51,681)	(202,400)
Allowance for impairment on other assets	(167)	(32)	(655)	(296)
Total distributable income	765,892	558,602	2,122,017	1,777,467
Income attributable to depositors and others	(373,514)	(282,905)	(994,885)	(848,066)
Total net income	392,378	275,697	1,127,132	929,401
Other operating expenses	(154,126)	(125,422)	(433,969)	(376,442)
Profit before zakat and taxation	238,252	150,275	693,163	552,959
Zakat	(705)	337	(2,115)	(713)
Taxation	(78,280)	(36,458)	(226,550)	(131,778)
Profit for the period	159,267	114,154	464,498	420,468

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

	3rd Quarter Ended		Nine Months Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	729,957	587,437	2,006,048	1,826,757
Income derived from investment of Islamic Banking Funds	61,921	49,383	168,305	153,406
Income attributable to depositors and others	(373,514)	(282,905)	(994,885)	(848,066)
	418,364	353,915	1,179,468	1,132,097
Elimination of inter-company income and expenses	30,192	32,485	86,155	92,179
Net income from Islamic banking business	448,556	386,400	1,265,623	1,224,276
Of which:				
Financing income earned on impaired financing	1,248	1,065	3,120	3,687

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A31. Operations of Islamic Banking (continued)

c) Statement of Comprehensive Income for the 3rd Quarter and Nine Months Ended 30 September 2022

	3rd Quarter Ended		Nine Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<u>Group</u>				
Profit for the period	159,267	114,154	464,498	420,468
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	(10,766)	(102,755)	(172,419)	(307,668)
Net change in cash flow hedges	16,183	21,825	129,308	79,517
	5,417	(80,930)	(43,111)	(228,151)
Income tax effect	(1,301)	19,423	10,346	54,756
Other comprehensive income / (loss) for the period, net of tax	4,116	(61,507)	(32,765)	(173,395)
Total comprehensive income for the period	163,383	52,647	431,733	247,073

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A31. 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 September 2022							
At amortised cost							
Cash line	1,586,860	-	1,852	-	-	-	1,588,712
Term financing							
- House financing	5,233,472	-	-	25,376,961	-	-	30,610,433
- Syndicated financing	1,370,773	-	-	-	-	-	1,370,773
- Hire purchase receivables	-	10,420,879	-	-	-	-	10,420,879
- Other term financing	4,591,075	-	1,586,168	13,975,168	-	152,864	20,305,275
Credit card receivables	-	-	-	-	-	63,914	63,914
Bills receivables	-	-	-	-	1,560	-	1,560
Trust receipts	-	-	-	-	3,313	-	3,313
Claims on customers under acceptance credits	-	-	-	-	217,929	-	217,929
Revolving credits	368,125	-	-	-	-	-	368,125
Staff financing	-	13,741	-	109,939	-	-	123,680
Gross financing and advances	13,150,305	10,434,620	1,588,020	39,462,068	222,802	216,778	65,074,593
Allowance for impairment on financing and advances:							
- Expected credit losses							(777,648)
- Stage 1: 12-Month ECL							(398,259)
- Stage 2: Lifetime ECL not credit-impaired							(340,684)
- Stage 3: Lifetime ECL credit-impaired							(38,705)
Net financing and advances							64,296,945

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A31. 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							59,315,652

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A31. Operations of Islamic Banking (continued)

d) Financing and Advances (continued)

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

	Group	
	30 September 2022 RM'000	31 December 2021 RM'000
At 1 January	132,260	169,421
Impaired during the period / year	95,737	189,972
Reclassified as non-impaired	(54,052)	(156,605)
Recoveries	(26,836)	(34,891)
Amount written off	(24,124)	(31,288)
Financing converted to foreclosed properties	(4,968)	(4,349)
Closing balance	<u>118,017</u>	<u>132,260</u>
Gross impaired financing and advances as a percentage of gross financing and advances	<u>0.18%</u>	<u>0.22%</u>

e) Deposits from Customers

	Group	
	30 September 2022 RM'000	31 December 2021 RM'000
By type of deposit and contract		
At amortised cost		
Savings deposit		
- Qard	10,009,570	10,170,977
Demand deposit		
- Qard	7,564,037	6,900,483
Term deposit		
- Commodity Murabahah	45,665,714	40,081,520
- Special term deposit account		
- Commodity Murabahah	10,238,096	9,154,130
	<u>73,477,417</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

Key Profit or Loss Items:	Group		Variance	
	Nine Months Ended			
	30 September 2022	30 September 2021	RM'000	%
Profit before tax expense and zakat	6,310,108	5,560,414	749,694	13.5
Net profit attributable to equity holders of the Bank	4,405,822	4,275,700	130,122	3.0
Other comprehensive loss (net)	(190,918)	(507,436)	316,518	62.4

Key Balance Sheet Items:	Group		Variance	
	As At			
	30 September 2022	30 September 2021	RM'000	%
Gross loans, advances and financing	373,577,346	353,511,916	20,065,430	5.7
Gross impaired loan and financing (%)	0.33%	0.33%	n/a	-
Deposits from customers	393,308,243	378,908,914	14,399,329	3.8

The Group's pre-tax profit for the nine months ended 30 September 2022 increased by RM749.7 million or 13.5% to RM6,310.1 million as compared to previous year corresponding period of RM5,560.4 million. During the current period, loan impairment allowance decreased by RM643.4 million (+70.0%) as adequate pre-emptive allowance has been made in the prior years. Net interest income increased by RM480.1 million (+7.7%) which is attributable to the positive effect of Overnight Policy Rate ("OPR") hike of 75 basis points ("bps") and loans growth achieved in the current period. These were mitigated by higher other operating expenses of RM190.7 million (-6.3%), lower net fee and commission income of RM180.0 million (-11.1%) and lower investment income of RM65.5 million (-48.9%). 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 income were mainly arising from the spike in market yields on bonds.

Despite high growth achieved in pre-tax profit, net profit attributable to equity holders registered lower increase of RM130.1 million or 3.0% over the same period which was due to additional tax charge arising from the one-off prosperity tax in the current period.

Other comprehensive loss (net) of the Group for the current period decreased by RM316.5 million to RM190.9 million, mainly arising from higher gain on cash flow hedges and higher gain on foreign currency translation in respect of foreign operations, due to the weakening of Ringgit Malaysia against US Dollars and Hong Kong Dollars. Losses on revaluation of financial investments has continued but at a moderated pace.

The Group's profit continued to be supported by positive loans and customer deposits growth. Gross loans grew by RM20.1 billion or 5.7% to RM373.6 billion as at 30 September 2022 as compared to RM353.5 billion a year ago, mainly driven by growth in mortgage financing and hire purchase financing. Total deposits from customers increased by 3.8% or RM14.4 billion to RM393.3 billion as at 30 September 2022. The Group's gross impaired loan ratio continued to remain stable at 0.3% as at 30 September 2022.

The Group's Common Equity Tier I capital ratio, Tier I capital ratio and total capital ratio stood at a healthy level of 14.0%, 14.0% and 17.1% respectively. The Group's liquidity position also remained stable and healthy with liquidity coverage ratio stood at 123.2% as at 30 September 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 nine months ended 30 September 2022 as compared to the previous year corresponding period is analysed as follows:-

	Group		Nine Months Ended	
	30 September	30 September	Variance	
Profit Before Tax by Segments:	2022	2021	RM'000	%
	RM'000	RM'000		
Retail operations	3,149,680	2,994,381	155,299	5.2
Hire purchase	544,508	94,487	450,021	476.3
Corporate lending	289,950	317,365	(27,415)	(8.6)
Treasury and capital market operations	260,317	358,042	(97,725)	(27.3)
Investment banking	43,189	75,821	(32,632)	(43.0)
Fund management	580,367	643,617	(63,250)	(9.8)
Head office, funding center and others	962,821	581,638	381,183	65.5
Total domestic operations	5,830,832	5,065,351	765,481	15.1
Overseas operations	479,276	495,063	(15,787)	(3.2)
	6,310,108	5,560,414	749,694	13.5

- 1) Retail operations – Pre-tax profit increased by RM155.3 million (+5.2%) to RM3,149.7 million which was attributable to lower loan impairment allowance and higher net interest income on higher average loan balances. These were partially offset by higher other operating expenses and lower fee income.
- 2) Hire purchase – Pre-tax profit increased by RM450.0 million (+476.3%) to RM544.5 million. The higher profit was attributed to the net writeback of loan impairment allowance in the current period as compared to allowance made in the previous corresponding period, and higher net interest income on higher average loan balances.
- 3) Corporate lending – Pre-tax profit decreased by RM27.4 million (-8.6%) to RM290.0 million mainly due to lower net interest income and fee income; partially offset by lower loan impairment allowance.
- 4) Treasury and capital market operations – Pre-tax profit decreased by RM97.7 million (-27.3%) to RM260.3 million, which was due to lower investment income arising from unfavourable market condition and lower net interest income from interest gapping activities.
- 5) Investment banking – Pre-tax profit decreased by RM32.6 million (-43.0%) to RM43.2 million, due to lower stock-broking income arising from weaker market condition.
- 6) Fund management – Pre-tax profit decreased by RM63.3 million (-9.8%) to RM580.4 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 RM381.2 million (+65.5%) to RM962.8 million, mainly due to higher net interest income arising from the positive effect of OPR hike of 75 bps in the current period.
- 8) Overseas operations – Pre-tax profit decreased by RM15.8 million (-3.2%) to RM479.3 million which was due to higher other operating expenses and higher loan impairment allowance. These were mitigated 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			
	3rd Quarter Ended			
	30 September 2022	30 September 2021	Variance RM'000	%
	RM'000	RM'000	RM'000	%
Profit before tax expense and zakat	2,287,205	1,766,066	521,139	29.5
Net profit attributable to equity holders of the Bank	1,590,311	1,361,352	228,959	16.8
Other comprehensive income / (loss) (net)	136,841	(194,374)	331,215	170.4

For the 3rd quarter ended 30 September 2022, the Group registered a pre-tax profit of RM2,287.2 million, an increase of RM521.1 million or 29.5% as compared to the pre-tax profit of RM1,766.1 million in the previous year corresponding quarter. Net profit attributable to equity holders registered a lower increase of RM229.0 million or 16.8% to RM1,590.3 million over the same period due to additional tax charge arising from prosperity tax. The improved performance was mainly due to higher net interest income of RM338.1 million (+16.5%) and lower loan impairment allowance of RM228.5 million (+70.4%), partially offset by higher other operating expenses of RM101.5 million (-10.4%). Higher net interest income was partly attributable to loans growth achieved and the positive effect of OPR hikes. Whereas lower loan impairment allowance was mainly attributed to adequate pre-emptive allowance made in the prior years.

Other comprehensive income (net) of the Group for the current quarter was RM136.8 million as compared to other comprehensive loss of RM194.4 million in the previous year corresponding quarter, an improvement of RM331.2 million. This was mainly due to higher gain on forrency currency translation in respect of foreign operations arising from weakening of Ringgit Malaysia against US Dollars and Hong Kong Dollars. Losses on revaluation of financial investments in the current quarter has continued but at a moderated pace, resulting in lower loss on revaluation.

Performance of the respective operating segments for the 3rd quarter ended 30 September 2022 as compared to the previous year corresponding quarter is analysed as follows:-

Profit / (Loss) Before Tax by Segments:	3rd Quarter Ended			
	30 September			
	2022	2021	Variance RM'000	%
	RM'000	RM'000	RM'000	%
Retail operations	1,131,347	1,026,125	105,222	10.3
Hire purchase	217,587	31,552	186,035	589.6
Corporate lending	(2,517)	75,083	(77,600)	(103.4)
Treasury and capital market operations	82,969	73,627	9,342	12.7
Investment banking	8,840	19,735	(10,895)	(55.2)
Fund management	188,207	218,595	(30,388)	(13.9)
Head office, funding center and others	443,617	148,011	295,606	199.7
Total domestic operations	<u>2,070,050</u>	<u>1,592,728</u>	<u>477,322</u>	30.0
Overseas operations	217,155	173,338	43,817	25.3
	<u>2,287,205</u>	<u>1,766,066</u>	<u>521,139</u>	29.5

- 1) Retail operations – Pre-tax profit increased by RM105.2 million (+10.3%) to RM1,131.3 million mainly due to lower loan impairment allowance and higher net interest income on higher average loan balances, partially offset by higher other operating expenses.
- 2) Hire purchase – Pre-tax profit increased significantly by RM186.0 million (+ >100.0%) to RM217.6 million arising from net writeback of loan impairment allowance in the current quarter, as adequate pre-emptive allowance has been made in the prior years.

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B1. Performance Review (continued)

Current Quarter vs. Previous Year Corresponding Quarter (continued)

- 3) Corporate lending – Pre-tax loss of RM2.5 million in the current quarter as compared to pre-tax profit of RM75.1 million in the previous corresponding quarter, which was due to higher loan impairment allowance in the current quarter.
- 4) Treasury and capital market operations – Pre-tax profit improved by RM9.3 million (+12.7%) to RM83.0 million, mainly attributed to higher investment income.
- 5) Investment banking – Pre-tax profit continued to decrease by RM10.9 million (-55.2%) to RM8.8 million. Stock-broking income continued to drop amidst the weaker equity market sentiment.
- 6) Fund management – Pre-tax profit decreased by RM30.4 million (-13.9%) to RM188.2 million mainly due to lower management fee from lower average net asset value of funds and lower fee income on sale of trust units. This was mitigated by lower other operating expenses.
- 7) Head office, funding center and others – Pre-tax profit increased by RM295.6 million (>100.0%) to RM443.6 million, due to higher net interest income arising from the positive effect of OPR hikes.
- 8) Overseas Operations – Pre-tax profit increased by RM43.8 million (+25.3%) to RM217.2 million mainly due to higher fee and other income as well as higher net interest income. This was partially offset by higher loan impairment allowance and higher other operating expenses.

B2. Variation of Results Against Preceding Quarter

	Group			
	Quarter Ended			
	30 September 2022	30 June 2022	Variance RM'000	%
Key Profit or Loss Items:	RM'000	RM'000		
Profit before tax expense and zakat	2,287,205	2,022,629	264,576	13.1
Net profit attributable to equity holders of the Bank	1,590,311	1,416,956	173,355	12.2
Other comprehensive income / (loss) (net)	136,841	(258,859)	395,700	152.9

For the 3rd quarter ended 30 September 2022, the Group registered a pre-tax profit of RM2,287.2 million, an increase of RM264.6 million or 13.1% as compared to the pre-tax profit of RM2,022.6 million for the preceding quarter ended 30 June 2022. Net profit attributable to equity holders increased by RM173.4 million or 12.2% to RM1,590.3 million over the same period. The improved performance was mainly due to higher net interest income of RM169.7 million (+7.7%) arising from the positive effect of OPR hikes and healthy loans growth, as well as higher other income. This was partially offset by lower net fee income and higher loan impairment allowance.

Other comprehensive income (net) of the Group for the current quarter was RM136.8 million as compared to other comprehensive loss of RM258.9 million in the immediate preceding quarter, an improvement of RM395.7 million. During the current quarter, losses on revaluation of financial investments has continued but at a much moderated pace, resulting in lower loss on revaluation. Gain on foreign currency translation in respect of foreign operations has also continued in the current quarter.

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B3. Prospects for 2022

Global growth continues to be supported by the reopening of most economies and international borders. These help cushion the impact weighed down by heightened financial market volatility owing to monetary policy tightening in the US, slowdown in China, inflationary pressure, geopolitical tension(s) and potential energy crisis especially in Europe.

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

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 Group is still proactively providing further assistance to customers as it continues to reach out to customers who may continue to face financial constraints, including the necessary financial support for SMEs.

The Public Bank Group remains proactive in and committed to embrace sustainability in its business operations, of which its pursuits of sustainability encompass 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. In 2022, Public Bank and several property developers have signed Memorandum of Understandings to collaborate on property financing for green and sustainable development projects in Malaysia.

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 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 is expected to perform 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 in Indochina, while leveraging on its strong branding and prudent management practices.

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

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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 3rd quarter and nine months ended 30 September 2022 are as follows:

<u>Group</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	710,258	305,257	1,830,027	1,281,015
Overseas income tax	34,821	35,843	98,860	98,836
	745,079	341,100	1,928,887	1,379,851
(Over) / Under provision in prior years				
- Malaysian income tax	(16,444)	843,759	(12,556)	843,759
- Overseas income tax	(67)	3,653	(922)	3,601
	728,568	1,188,512	1,915,409	2,227,211
Deferred tax (income) / expense				
- Relating to origination and reversal of temporary differences	(49,638)	40,912	(55,336)	(155,284)
- Under / (Over) provision	3,321	(843,519)	(696)	(843,519)
Tax expense	682,251	385,905	1,859,377	1,228,408
Zakat	705	(337)	2,115	713
	682,956	385,568	1,861,492	1,229,121

The Group's effective tax rate for the 3rd quarter and nine months ended 30 September 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 3rd quarter and nine months ended 30 September 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)

<u>Bank</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	532,874	234,023	1,336,108	951,812
Overseas income tax	3,929	680	5,504	3,300
	<u>536,803</u>	<u>234,703</u>	<u>1,341,612</u>	<u>955,112</u>
(Over) / Under provision in prior years				
- Malaysian income tax	(8,834)	703,126	(4,852)	703,126
- Overseas income tax	-	3,653	3,024	4,271
	<u>527,969</u>	<u>941,482</u>	<u>1,339,784</u>	<u>1,662,509</u>
Deferred tax (income) / expense				
- Relating to origination and reversal of temporary differences	(40,210)	45,047	(34,602)	(103,763)
- Under / (Over) provision	3,294	(703,126)	(688)	(703,126)
	<u>491,053</u>	<u>283,403</u>	<u>1,304,494</u>	<u>855,620</u>

The Bank's effective tax rate for the 3rd quarter and nine months ended 30 September 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 3rd quarter and nine months ended 30 September 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 September 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 September 2022							
Hong Kong Dollar ("HKD") term loan	648,632	-	-	-	648,632	-	648,632
United States Dollar ("USD") term loan	923,397	-	-	-	923,397	-	923,397
USD syndicated term loan	1,709,187	-	-	-	1,709,187	-	1,709,187
RM Senior Medium Term notes / sukuk murabahah	-	889,840	-	909,953	-	1,799,793	1,799,793
RM Subordinated notes / sukuk murabahah	-	5,999,043	-	-	-	5,999,043	5,999,043
RM Additional Tier I capital securities	-	-	-	99,912	-	99,912	99,912
	3,281,216	6,888,883	-	1,009,865	3,281,216	7,898,748	11,179,964
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 September 2021							
HKD term loan	-	-	590,642	-	590,642	-	590,642
USD term loan	-	-	836,844	-	836,844	-	836,844
USD syndicated term loan	-	-	1,547,207	-	1,547,207	-	1,547,207
RM Senior Medium Term notes / sukuk murabahah	-	1,799,638	-	-	-	1,799,638	1,799,638
RM Subordinated notes / sukuk murabahah	-	3,500,000	-	2,499,997	-	5,999,997	5,999,997
RM Additional Tier I capital securities	-	99,792	-	-	-	99,792	99,792
	-	5,399,430	2,974,693	2,499,997	2,974,693	7,899,427	10,874,120

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

Bank Unsecured	More Than 1 Year		Less Than 1 Year		Sub-total		Total RM'000
	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	
As At 30 September 2022							
USD term loan	923,397	-	-	-	923,397	-	923,397
USD syndicated term loan	1,709,187	-	-	-	1,709,187	-	1,709,187
RM Senior Medium Term notes	-	889,840	-	909,953	-	1,799,793	1,799,793
RM Subordinated notes	-	4,999,043	-	-	-	4,999,043	4,999,043
RM Additional Tier I capital securities	-	-	-	99,912	-	99,912	99,912
	2,632,584	5,888,883	-	1,009,865	2,632,584	6,898,748	9,531,332
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 September 2021							
USD term loan	-	-	836,844	-	836,844	-	836,844
USD syndicated term loan	-	-	1,547,207	-	1,547,207	-	1,547,207
RM Senior Medium Term notes	-	1,799,638	-	-	-	1,799,638	1,799,638
RM Subordinated notes	-	3,000,000	-	1,999,997	-	4,999,997	4,999,997
RM Additional Tier I capital securities	-	99,792	-	-	-	99,792	99,792
	-	4,899,430	2,384,051	1,999,997	2,384,051	6,899,427	9,283,478
Exchange rates used:	HKD	USD					
As at 30 September 2022	0.59035	4.63275					
As at 31 December 2021	0.53490	4.17050					
As at 30 September 2021	0.53760	4.18625					

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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) The Directors had declared a first interim dividend of 8.0 sen in respect of financial year ending 31 December 2022, which was paid on 23 September 2022.
- (b) (i) A second interim dividend of 4.0 sen per share for the financial year ending 31 December 2022, amounting to RM776,427,669 computed based on 19,410,691,735 ordinary shares as at 30 September 2022, has been declared by the directors.
(ii) Amount per share: 4.0 sen
(iii) Entitlement date: 15 December 2022
(iv) Payment date: 23 December 2022
- (c) Total dividend declared for the previous financial year ended 31 December 2021:
- First interim dividend of 7.5 sen based on 19,410,691,735 ordinary shares.
- Second interim dividend of 7.7 sen based on 19,410,691,735 ordinary shares.

B12. Earnings Per Share

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2022	2021	2022	2021
Net profit attributable to equity holders (RM'000)	<u><u>1,590,311</u></u>	<u><u>1,361,352</u></u>	<u><u>4,405,822</u></u>	<u><u>4,275,700</u></u>
Weighted average number of ordinary shares in issue ('000)	<u><u>19,410,692</u></u>	<u><u>19,410,692</u></u>	<u><u>19,410,692</u></u>	<u><u>19,410,692</u></u>
Basic earnings per share (sen)	<u><u>8.19</u></u>	<u><u>7.01</u></u>	<u><u>22.70</u></u>	<u><u>22.03</u></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.