

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	Group		Bank	
		31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
ASSETS					
Cash and balances with banks		21,766,900	17,530,611	16,045,318	13,861,672
Reverse repurchase agreements		4,193	-	53,618	-
Financial assets at fair value through profit or loss	A8	949,325	1,016,004	926,938	995,086
Derivative financial assets	A28	446,564	140,434	439,742	240,330
Financial investments at fair value through other comprehensive income	A9	54,867,289	53,269,292	37,154,286	37,100,411
Financial investments at amortised cost	A10	25,570,231	26,146,102	15,561,016	15,990,961
Loans, advances and financing	A11	372,583,116	354,052,463	282,577,665	272,015,541
Other assets	A12	3,749,865	3,085,331	3,500,877	3,009,115
Statutory deposits with Central Banks		6,882,404	1,222,165	4,395,985	361,536
Deferred tax assets		630,201	519,009	392,775	273,782
Collective investments		-	-	6,245,825	6,086,854
Investment in subsidiary companies		-	-	6,794,166	6,494,716
Investment in associated companies		120,164	115,443	67,500	67,500
Investment properties		669,570	606,074	-	-
Right-of-use assets		1,287,639	1,252,386	1,051,072	1,076,066
Property and equipment		1,196,283	1,324,707	562,076	663,801
Intangible assets		2,539,021	2,459,434	695,393	695,393
TOTAL ASSETS		493,262,765	462,739,455	376,464,252	358,932,764
LIABILITIES					
Deposits from customers	A13	394,718,757	380,394,214	293,505,435	288,511,592
Deposits from banks and other financial institutions	A14	13,774,842	8,123,769	14,511,266	9,804,951
Obligations on securities sold under repurchase agreements		6,776,410	1,001,831	6,630,718	1,001,831
Bills and acceptances payable		314,168	222,054	311,068	221,770
Recourse obligations on loans and financing sold to Cagamas		5,100,015	5,600,004	4,000,015	4,500,004
Derivative financial liabilities	A28	496,045	254,458	535,790	241,575
Debt securities issued and other borrowed funds	B9	12,023,484	10,863,742	9,403,356	9,275,548
Lease liabilities		912,967	916,653	1,090,367	1,096,781
Other liabilities	A15	6,608,224	5,221,425	5,019,205	3,788,642
Provision for tax expense and zakat		928,858	644,903	729,118	451,806
Deferred tax liabilities		83,187	70,995	-	-
TOTAL LIABILITIES		441,736,957	413,314,048	335,736,338	318,894,500

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the year ended 31 December 2021.

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(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
EQUITY				
Share capital	9,417,653	9,417,653	9,417,653	9,417,653
Regulatory reserves	314,153	248,231	257,054	211,063
Other reserves	1,188,430	1,435,886	269,926	605,282
Retained profits	39,258,985	37,060,892	30,783,281	29,804,266
Equity attributable to equity holders of the Bank	50,179,221	48,162,662	40,727,914	40,038,264
Non-controlling interests	1,346,587	1,262,745	-	-
TOTAL EQUITY	51,525,808	49,425,407	40,727,914	40,038,264
TOTAL LIABILITIES AND EQUITY	493,262,765	462,739,455	376,464,252	358,932,764
COMMITMENTS AND CONTINGENCIES	A27	104,721,984	102,643,461	93,564,059
CAPITAL ADEQUACY	A30			
<u>Before deducting interim dividends</u> *				
Common Equity Tier I Capital Ratio	14.862%	15.030%	13.472%	13.954%
Tier I Capital Ratio	14.912%	15.083%	13.513%	13.997%
Total Capital Ratio	17.925%	18.192%	16.722%	17.287%
<u>After deducting interim dividends</u> *				
Common Equity Tier I Capital Ratio	14.552%	14.530%	13.072%	13.313%
Tier I Capital Ratio	14.603%	14.583%	13.113%	13.356%
Total Capital Ratio	17.616%	17.692%	16.322%	16.645%
Net assets per share attributable to ordinary equity holders of the Bank (RM)	2.59	2.48	2.10	2.06

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

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PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022

<u>Group</u>	Note	4th Quarter Ended		Financial Year Ended	
		31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Operating revenue		6,062,910	4,858,627	21,426,926	19,622,502
Interest income	A16	4,211,398	3,371,963	14,931,856	13,474,557
Interest expense	A17	(1,753,880)	(1,286,207)	(5,764,972)	(5,159,516)
Net interest income		2,457,518	2,085,756	9,166,884	8,315,041
Net income from Islamic banking business	A32 (b)	591,566	389,395	1,857,189	1,613,671
		3,049,084	2,475,151	11,024,073	9,928,712
Fee and commission income	A18 (a)	717,225	755,891	2,867,894	3,028,937
Fee and commission expense	A18 (b)	(244,964)	(231,334)	(953,393)	(882,138)
Net fee and commission income	A18	472,261	524,557	1,914,501	2,146,799
Net gains and losses on financial instruments	A19	2,311	(73,919)	70,876	60,173
Other operating income	A20	126,558	126,872	428,792	408,793
Net income		3,650,214	3,052,661	13,438,242	12,544,477
Other operating expenses	A21	(1,040,290)	(960,863)	(4,235,384)	(3,965,307)
Operating profit before impairment losses		2,609,924	2,091,798	9,202,858	8,579,170
Allowance for impairment on loans, advances and financing	A22	(90,012)	(282,277)	(365,556)	(1,201,203)
Allowance for impairment on other assets	A23	(6,068)	(3,639)	(13,199)	(5,935)
		2,513,844	1,805,882	8,824,103	7,372,032
Share of profit / (loss) after tax of equity accounted associated companies		7,098	279	6,947	(5,457)
Profit before tax expense and zakat		2,520,942	1,806,161	8,831,050	7,366,575
Tax expense and zakat	B5	(799,931)	(407,577)	(2,661,423)	(1,636,698)
Profit for the period / year		1,721,011	1,398,584	6,169,627	5,729,877
Profit for the period / year attributable to:					
- Equity holders of the Bank		1,713,677	1,380,831	6,119,499	5,656,531
- Non-controlling interests		7,334	17,753	50,128	73,346
		1,721,011	1,398,584	6,169,627	5,729,877
Earnings per share:					
- basic / diluted (sen)	B12	8.83	7.11	31.53	29.14

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PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022

Group	4th Quarter Ended		Financial Year Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Profit for the period / year	1,721,011	1,398,584	6,169,627	5,729,877
Other comprehensive income / (loss):				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Gain on remeasurements of defined benefit plans	75,501	87,320	75,501	87,320
Net change in revaluation of				
- Equity instruments	155	32	18,408	13,206
- Property and equipment	15,046	-	15,046	-
Gain on disposal of equity instruments	-	-	-	319
	90,702	87,352	108,955	100,845
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Currency translation differences in respect of:				
- Foreign operations	(522,781)	(56,126)	287,741	298,337
- Net investment hedge	208,379	18,607	(235,887)	(139,926)
Net change in revaluation of financial investments at fair value through other comprehensive income	323,543	(342,918)	(664,372)	(1,355,309)
Net change in cash flow hedges	(41,819)	37,583	222,872	129,334
	(32,678)	(342,854)	(389,646)	(1,067,564)
Income tax effect	(84,998)	43,732	64,178	248,773
Share of changes in associated companies' reserves	(848)	(1,261)	(2,227)	(2,521)
Other comprehensive loss for the period / year, net of tax	(27,822)	(213,031)	(218,740)	(720,467)
Total comprehensive income for the period / year	1,693,189	1,185,553	5,950,887	5,009,410
Total comprehensive income for the period / year attributable to:				
- Equity holders of the Bank	1,742,048	1,172,135	5,840,465	4,893,583
- Non-controlling interests	(48,859)	13,418	110,422	115,827
	1,693,189	1,185,553	5,950,887	5,009,410

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PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
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CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022

Bank	Note	4th Quarter Ended		Financial Year Ended	
		31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Operating revenue		4,436,192	3,409,660	14,650,574	13,468,801
Interest income	A16	3,694,215	2,988,559	13,153,830	11,965,429
Interest expense	A17	(1,606,817)	(1,225,854)	(5,375,012)	(4,927,243)
Net interest income		2,087,398	1,762,705	7,778,818	7,038,186
Fee and commission income	A18 (a)	316,172	277,058	1,174,362	1,060,746
Fee and commission expense	A18 (b)	(137,613)	(87,046)	(476,884)	(284,927)
Net fee and commission income	A18	178,559	190,012	697,478	775,819
Net gains and losses on financial instruments	A19	3,421	(70,383)	70,470	60,431
Other operating income	A20	809,806	683,446	1,065,024	1,283,772
Net income		3,079,184	2,565,780	9,611,790	9,158,208
Other operating expenses	A21	(641,123)	(594,359)	(2,638,912)	(2,485,182)
Operating profit before impairment losses		2,438,061	1,971,421	6,972,878	6,673,026
Allowance for impairment on loans, advances and financing	A22	(44,759)	(223,949)	(136,653)	(869,742)
Allowance for impairment on other assets	A23	(5,426)	(4,669)	(10,951)	(5,169)
Profit before tax expense and zakat		2,387,876	1,742,803	6,825,274	5,798,115
Tax expense and zakat	B5	(671,711)	(307,590)	(1,976,205)	(1,163,210)
Profit for the period / year		1,716,165	1,435,213	4,849,069	4,634,905

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CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 4TH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022

<u>Bank</u>	4th Quarter Ended		Financial Year Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Profit for the period / year	1,716,165	1,435,213	4,849,069	4,634,905
Other comprehensive income / (loss):				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Gain on remeasurements of defined benefit plans	73,580	85,896	73,580	85,896
Net change in revaluation of equity instruments	66	26	18,388	12,911
Gain on disposal of equity instruments	-	-	-	319
	73,646	85,922	91,968	99,126
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Currency translation differences in respect of foreign operations	(40,588)	(23,868)	(165,828)	(21,886)
Net change in revaluation of financial investments at fair value through other comprehensive income	252,041	(219,074)	(435,437)	(830,504)
Net change in cash flow hedges	(20,991)	10,557	114,392	22,791
	190,462	(232,385)	(486,873)	(829,599)
Income tax effect	(73,111)	29,429	59,392	173,236
Other comprehensive income / (loss) for the period / year, net of tax	190,997	(117,034)	(335,513)	(557,237)
Total comprehensive income for the period / year	1,907,162	1,318,179	4,513,556	4,077,668

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PUBLIC BANK BERHAD
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CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 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 year	-	-	-	6,119,499	6,119,499	50,128	6,169,627	
Other comprehensive (loss) / income for the year	-	-	(279,034)	-	(279,034)	60,294 *	(218,740)	
Total comprehensive (loss) / income for the year	-	-	(279,034)	6,119,499	5,840,465	110,422	5,950,887	
Transactions with owners / other equity movements:								
Transfer to statutory reserves	-	-	13,345	(13,345)	-	-	-	
Transfer to regulatory reserves	-	65,922	-	(65,922)	-	-	-	
Transfer to general reserves	-	-	18,405	(18,405)	-	-	-	
Transfer from Profit Equalisation Reserve of the Islamic banking institution	-	-	(172)	172	-	-	-	
Dividends paid	-	-	-	(3,823,906)	(3,823,906)	(26,580)	(3,850,486)	
	-	65,922	31,578	(3,921,406)	(3,823,906)	(26,580)	(3,850,486)	
At 31 December 2022	9,417,653	314,153	1,188,430	39,258,985	50,179,221	1,346,587	51,525,808	

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

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CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

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

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CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

<u>Bank</u>	<u>Share Capital RM'000</u>	<u>Non-distributable Regulatory Reserves RM'000</u>	<u>Other Reserves RM'000</u>	<u>Distributable Retained Profits RM'000</u>	<u>Total Equity RM'000</u>
At 1 January 2022	9,417,653	211,063	605,282	29,804,266	40,038,264
Profit for the year	-	-	-	4,849,069	4,849,069
Other comprehensive loss for the year	-	-	(335,513)	-	(335,513)
Total comprehensive (loss) / income for the year	-	-	(335,513)	4,849,069	4,513,556
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	157	(157)	-
Transfer to regulatory reserves	-	45,991	-	(45,991)	-
Dividends paid	-	-	-	(3,823,906)	(3,823,906)
	-	45,991	157	(3,870,054)	(3,823,906)
At 31 December 2022	9,417,653	257,054	269,926	30,783,281	40,727,914

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CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 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 year	-	-	-	4,634,905	4,634,905
Other comprehensive (loss) / income for the year	-	-	(557,556)	319	(557,237)
Total comprehensive (loss) / income for the year	-	-	(557,556)	4,635,224	4,077,668
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	195	(195)	-
Transfer from regulatory reserves	-	(820,326)	-	820,326	-
Dividends paid	-	-	-	(3,979,192)	(3,979,192)
	-	(820,326)	195	(3,159,061)	(3,979,192)
At 31 December 2021	<u>9,417,653</u>	<u>211,063</u>	<u>605,282</u>	<u>29,804,266</u>	<u>40,038,264</u>

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PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Cash Flows from Operating Activities				
Profit before tax expense and zakat	8,831,050	7,366,575	6,825,274	5,798,115
Adjustments for non-cash items:				
Share of (gain) / loss after tax of equity accounted associated companies	(6,947)	5,457	-	-
Allowance for impairment on loans, advances and financing	596,812	1,394,537	272,206	967,597
Depreciation of right-of-use assets and property and equipment	371,583	363,314	271,458	275,601
Net gain on financial instruments	(74,728)	(57,810)	(74,888)	(58,815)
Dividend income	(1,635)	(1,602)	(936,989)	(1,103,934)
Allowance for impairment on other assets	13,199	5,935	10,951	5,169
Other non-cash items	(1,993)	(31,405)	309	(50,580)
Operating profit before working capital changes	<u>9,727,341</u>	<u>9,045,001</u>	<u>6,368,321</u>	<u>5,833,153</u>
Changes in working capital:				
Increase in operating assets	(24,814,193)	(12,840,303)	(13,807,222)	(6,741,872)
Increase in operating liabilities	<u>26,664,115</u>	<u>12,518,622</u>	<u>16,332,539</u>	<u>7,355,819</u>
Cash generated from operations	<u>11,577,263</u>	<u>8,723,320</u>	<u>8,893,638</u>	<u>6,447,100</u>
Tax expense and zakat paid	(2,413,921)	(2,061,768)	(1,758,494)	(1,532,178)
Net cash generated from operating activities	<u>9,163,342</u>	<u>6,661,552</u>	<u>7,135,144</u>	<u>4,914,922</u>
Cash Flows from Investing Activities				
Purchase of property and equipment	(146,182)	(142,951)	(92,533)	(89,857)
Purchase of leasehold land	(40,032)	-	-	-
Addition to investment properties	(43,361)	(14)	-	-
Proceeds from disposal of properties	33,213	23,401	26,465	21,762
Net (purchase) / sale of financial investments	(1,679,294)	(4,459,421)	5,913	(1,847,922)
Investment in collective investments	-	-	(158,971)	(163,453)
Additional investment in a subsidiary company	-	-	(300,000)	(423)
Additional investment in an associated company	-	(45,000)	-	(22,500)
Dividends received	1,635	1,602	978,740	1,284,249
Net cash (used in) / generated from investing activities	<u>(1,874,021)</u>	<u>(4,622,383)</u>	<u>459,614</u>	<u>(818,144)</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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Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Cash Flows from Financing Activities				
Dividends paid	(3,850,486)	(4,010,633)	(3,823,906)	(3,979,192)
Net proceeds from issuance of debt securities	3,498,940	-	1,998,940	-
Net proceeds from term loan facilities	3,078,333	-	2,459,237	-
Repayment of term loan facilities	(3,089,670)	-	(2,467,895)	-
Repayment of lease liabilities	(88,156)	(86,032)	(63,627)	(59,703)
Redemption of debt securities	(2,500,000)	(1,520,000)	(2,000,000)	(1,000,000)
Net cash used in financing activities	<u>(2,951,039)</u>	<u>(5,616,665)</u>	<u>(3,897,251)</u>	<u>(5,038,895)</u>
Net change in cash and cash equivalents	4,338,282	(3,577,496)	3,697,507	(942,117)
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	408,684	297,420	-	-
Cash and cash equivalents at end of the year	<u>18,795,171</u>	<u>14,048,205</u>	<u>15,075,723</u>	<u>11,378,216</u>
Note:				
Cash and balances with banks	21,766,900	17,530,611	16,045,318	13,861,672
Less: Balances with banks with original maturity more than three months	(2,971,729)	(3,482,406)	(969,595)	(2,483,456)
Cash and cash equivalents at end of the year	<u>18,795,171</u>	<u>14,048,205</u>	<u>15,075,723</u>	<u>11,378,216</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.

PUBLIC BANK BERHAD
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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 audited condensed interim financial statements for the 4th quarter and financial year ended 31 December 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 audited condensed interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The audited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and of the Bank for the financial year ended 31 December 2021. The explanatory notes attached to the audited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and of the Bank since the financial year ended 31 December 2021.

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

The significant accounting policies and methods of computation applied in the audited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2021, except for the adoption or early adoption of the following during the current financial year:

Effective for annual periods commencing on or after 1 January 2022

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

Effective for annual periods commencing on or after 1 January 2023

- Classification of Liabilities as Current or Non-current (Amendments to MFRS 101 Presentation of Financial Statements)
- Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)

Effective for annual periods commencing on or after 1 January 2024

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

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.

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

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A1. Basis of Preparation (continued)

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

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

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

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.

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

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

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. As the Group and the Bank do not have any sale and leaseback arrangements, the adoption of these 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)
- Disclosure of Accounting Policies (Amendments to MFRS 101 Presentation of Financial Statements)
- 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)

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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):

Effective for annual periods commencing on or after 1 January 2024

- Non-current Liabilities with Covenants (Amendments to MFRS 101 Presentation of Financial Statements)

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.

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.

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.

Non-current Liabilities with Covenants (Amendments to MFRS 101 Presentation of Financial Statements) - The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require an entity to disclose information about these covenants in the notes to the financial statements.

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.

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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):

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 other than the general insurance subsidiary company with its business and operations immaterial to the Group at this juncture.

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 year.

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 year.

A5. Changes in Estimates

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

A6. Debt and Equity Securities

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

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 3.93% per annum.

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.

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A6. Debt and Equity Securities (continued)

iv) **RM5.0 Billion Sukuk Murabahah Programme**

Subordinated Sukuk Murabahah:

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 bears profit at 4.40% per annum.

On 3 August 2022, PIBB had early redeemed the second (2nd) tranche of Subordinated Sukuk Murabahah of RM500 million in nominal value together with accrued profit.

Senior Sukuk Murabahah:

On 19 December 2022, PIBB issued RM1,000 million in nominal value of Senior Sukuk Murabahah due on 17 December 2027 and bears profit at 4.50% per annum.

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 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 ended 31 December 2022, amounting to RM1,552,855,339 was paid on 23 September 2022.
- c) A second interim dividend of 4.0 sen per share in respect of the financial year ended 31 December 2022, amounting to RM776,427,669 was paid on 23 December 2022.

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	214,801	99,208	214,801	99,208
Malaysian Government Securities	302,620	246,265	302,620	246,265
Malaysian Government Investment Issues	40,662	304,963	40,662	304,963
	<u>558,083</u>	<u>650,436</u>	<u>558,083</u>	<u>650,436</u>
Non-money market instruments:				
Equity securities:				
- Unquoted shares in Malaysia	391,242	365,568	368,855	344,650
Total financial assets at FVTPL	<u>949,325</u>	<u>1,016,004</u>	<u>926,938</u>	<u>995,086</u>

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	618,797	15,967	349,765	15,967
Malaysian Government Securities	20,562,422	19,456,980	19,815,634	18,883,691
Malaysian Government Investment Issues	26,923,746	24,918,120	14,121,212	13,770,466
Other foreign government securities	167,201	156,579	-	-
	<u>48,272,166</u>	<u>44,547,646</u>	<u>34,286,611</u>	<u>32,670,124</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>842,032</u>	<u>2,952,186</u>	<u>1,722,871</u>	<u>2,952,186</u>
Non-money market instruments:				
Equity securities:				
- Quoted shares and convertible loan stocks outside Malaysia	1,675	1,614	-	-
- Unquoted shares	413,287	392,801	406,384	386,070
Debt securities:				
- Cagamas bonds	443,938	421,730	301,389	300,177
- Unquoted corporate bonds / sukuk	4,894,191	4,953,315	437,031	791,854
	<u>5,753,091</u>	<u>5,769,460</u>	<u>1,144,804</u>	<u>1,478,101</u>
Total financial investments at FVOCI	<u>54,867,289</u>	<u>53,269,292</u>	<u>37,154,286</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	4,174	-	-	4,174
Net allowance made	987	-	-	987
Amount derecognised	(3,568)	-	-	(3,568)
Change in models / risk parameters	1,169	-	-	1,169
Exchange differences	22	-	-	22
At 31 December 2022	<u>16,369</u>	<u>-</u>	<u>-</u>	<u>16,369</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	3,599	-	-	3,599
Net allowance written back	(6)	-	-	(6)
Amount derecognised	(3,497)	-	-	(3,497)
At 31 December 2022	<u>6,400</u>	<u>-</u>	<u>-</u>	<u>6,400</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	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
At amortised cost				
Government securities and treasury bills:				
Malaysian Government Securities	1,099,289	1,094,953	1,059,635	1,094,953
Malaysian Government Investment Issues	8,075,557	6,691,261	3,654,151	2,599,010
Foreign Government Treasury Bills	1,485,035	1,004,495	32,313	95,098
Other foreign government securities	608,130	1,120,547	2,636	4,411
	<u>11,268,011</u>	<u>9,911,256</u>	<u>4,748,735</u>	<u>3,793,472</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>1,827,367</u>	<u>1,810,225</u>	<u>708,670</u>	<u>-</u>
Non-money market instruments:				
Debt securities:				
- Cagamas bonds	5,146,601	5,884,194	4,043,212	4,780,804
- Unquoted corporate bonds / sukuk	7,332,574	8,544,782	6,063,380	7,419,712
	<u>12,479,175</u>	<u>14,428,976</u>	<u>10,106,592</u>	<u>12,200,516</u>
Allowance for impairment	(4,322)	(4,355)	(2,981)	(3,027)
Total financial investments at amortised cost	<u>25,570,231</u>	<u>26,146,102</u>	<u>15,561,016</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	1,912	-	-	1,912
Net allowance written back	(6)	-	-	(6)
Amount derecognised	(1,887)	-	-	(1,887)
Exchange differences	(52)	-	-	(52)
At 31 December 2022	<u>4,303</u>	<u>-</u>	<u>19</u>	<u>4,322</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	1,370	-	-	1,370
Net allowance made	117	-	-	117
Amount derecognised	(1,460)	-	-	(1,460)
Exchange differences	(73)	-	-	(73)
At 31 December 2022	<u>2,962</u>	<u>-</u>	<u>19</u>	<u>2,981</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	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
At amortised cost				
Overdrafts	9,116,969	9,225,460	6,025,328	6,385,509
Term loans / financing				
- Housing loans / financing	152,915,174	142,034,597	114,661,406	108,261,391
- Syndicated term loans / financing	4,238,211	3,869,514	1,153,793	991,217
- Hire purchase receivables	60,933,018	55,974,697	47,420,073	43,626,036
- Other term loans / financing	129,578,837	129,367,856	100,395,985	101,103,727
Credit card receivables	2,528,424	2,182,299	2,438,998	2,121,023
Bills receivables	141,162	54,070	134,422	43,933
Trust receipts	174,668	206,751	101,184	112,737
Claims on customers under acceptance credits	3,093,295	2,680,262	2,882,387	2,498,779
Revolving credits	11,976,772	10,246,755	8,560,112	7,905,034
Staff loans *	2,195,407	2,184,491	1,876,822	1,877,076
Gross loans, advances and financing	<u>376,891,937</u>	<u>358,026,752</u>	<u>285,650,510</u>	<u>274,926,462</u>
Allowance for impairment on loans, advances and financing:				
- Expected credit losses	(4,308,821)	(3,974,289)	(3,072,845)	(2,910,921)
- Stage 1: 12-Month ECL	(2,074,558)	(2,110,401)	(1,392,936)	(1,472,405)
- Stage 2: Lifetime ECL not credit-impaired	(1,858,411)	(1,621,549)	(1,443,023)	(1,302,102)
- Stage 3: Lifetime ECL credit-impaired	(375,852)	(242,339)	(236,886)	(136,414)
Net loans, advances and financing	<u><u>372,583,116</u></u>	<u><u>354,052,463</u></u>	<u><u>282,577,665</u></u>	<u><u>272,015,541</u></u>

* Included in staff loans of the Group and of the Bank are loans to Directors of subsidiary companies amounting to RM8,480,000 (2021: RM6,550,000) and RM7,791,000 (2021 - RM6,550,000) respectively.

a) By class

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Retail loans / financing *				
- Housing loans / financing	152,915,181	142,034,607	114,661,406	108,261,391
- Hire purchase	60,672,636	55,715,898	47,420,073	43,626,036
- Credit cards	2,528,424	2,182,299	2,438,998	2,121,023
- Other loans / financing ^	114,931,108	112,791,860	84,173,303	84,173,836
	<u>331,047,349</u>	<u>312,724,664</u>	<u>248,693,780</u>	<u>238,182,286</u>
Corporate loans / financing	45,844,588	45,302,088	36,956,730	36,744,176
	<u><u>376,891,937</u></u>	<u><u>358,026,752</u></u>	<u><u>285,650,510</u></u>	<u><u>274,926,462</u></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	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Non-bank financial institutions				
- Stock-broking companies	5,115	5,441	5,115	5,441
- Others	15,584,596	14,223,581	14,393,888	12,935,958
Business enterprises				
- Small and medium enterprises	71,764,392	72,254,303	57,053,743	57,996,258
- Others	26,598,868	25,895,727	19,583,288	19,614,335
Government and statutory bodies	1,017,220	1,015,030	15,604	13,123
Individuals	258,144,587	241,140,263	192,439,610	182,404,189
Other entities	20,272	24,227	15,343	19,087
Foreign entities	3,756,887	3,468,180	2,143,919	1,938,071
	<u>376,891,937</u>	<u>358,026,752</u>	<u>285,650,510</u>	<u>274,926,462</u>

c) By interest/profit rate sensitivity

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Fixed rate				
- Housing loans / financing	1,145,645	1,152,729	35,408	20,695
- Hire purchase receivables	58,111,038	53,286,598	47,292,216	43,479,967
- Other fixed rate loans / financing	23,221,035	22,308,184	12,406,183	12,193,511
Variable rate				
- Base rate / base lending rate plus	242,732,800	231,103,480	194,321,075	187,819,085
- Cost plus	37,822,072	36,552,011	31,428,956	31,154,587
- Other variable rates	13,859,347	13,623,750	166,672	258,617
	<u>376,891,937</u>	<u>358,026,752</u>	<u>285,650,510</u>	<u>274,926,462</u>

d) By residual contractual maturity

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Maturity within one year	32,003,265	29,747,301	21,747,532	20,434,390
More than one year to three years	28,799,158	25,422,156	21,667,013	20,136,300
More than three years to five years	32,868,993	34,016,248	27,409,810	27,450,211
More than five years	283,220,521	268,841,047	214,826,155	206,905,561
	<u>376,891,937</u>	<u>358,026,752</u>	<u>285,650,510</u>	<u>274,926,462</u>

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A11. Loans, Advances and Financing (continued)

e) By geographical distribution

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Malaysia	352,065,239	334,646,103	285,141,923	274,278,617
Hong Kong SAR and the People's Republic of China	14,064,723	14,041,917	-	-
Cambodia	5,605,533	4,919,034	-	-
Other countries	5,156,442	4,419,698	508,587	647,845
	<u>376,891,937</u>	<u>358,026,752</u>	<u>285,650,510</u>	<u>274,926,462</u>

f) Gross loans, advances and financing by economic purpose

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Purchase of securities	4,151,491	3,806,514	3,690,597	3,327,555
Purchase of transport vehicles	61,165,783	56,213,822	47,657,702	43,869,123
Purchase of landed properties	241,152,228	229,411,687	187,135,065	180,363,257
(of which: - residential	158,506,338	147,679,774	119,386,908	113,056,177
- non-residential)	82,645,890	81,731,913	67,748,157	67,307,080
Purchase of fixed assets (excluding landed properties)	434,072	456,272	74,061	85,372
Personal use	13,793,372	13,217,789	6,884,049	6,860,947
Credit card	2,528,424	2,182,299	2,438,998	2,121,023
Purchase of consumer durables	785	704	308	224
Construction	7,396,488	7,662,697	5,151,885	5,646,964
Working capital	42,173,138	40,836,823	29,383,925	29,065,321
Other purpose	4,096,156	4,238,145	3,233,920	3,586,676
	<u>376,891,937</u>	<u>358,026,752</u>	<u>285,650,510</u>	<u>274,926,462</u>

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A11. Loans, Advances and Financing (continued)

g) Gross loans, advances and financing by sector

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Agriculture, hunting, forestry and fishing	3,036,518	3,133,239	2,468,206	2,554,332
Mining and quarrying	236,131	287,562	128,535	160,816
Manufacturing	11,664,437	11,537,292	8,179,013	8,357,965
Electricity, gas and water	83,294	110,646	39,268	43,919
Construction	17,835,469	17,824,705	13,738,521	13,982,146
Wholesale & retail trade and restaurants & hotels	33,251,044	30,844,960	26,851,993	25,290,319
Transport, storage and communication	4,655,463	4,591,415	2,515,932	2,760,483
Finance, insurance and business services	19,736,990	18,641,707	17,567,542	16,425,969
Real estate	24,075,734	25,459,704	18,393,218	19,518,194
Community, social and personal services	3,308,015	3,344,574	1,925,417	1,973,317
Households	257,708,575	240,947,103	193,835,806	183,796,836
Others	1,300,267	1,303,845	7,059	62,166
	<u>376,891,937</u>	<u>358,026,752</u>	<u>285,650,510</u>	<u>274,926,462</u>

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
At 1 January	1,101,923	1,251,218	741,668	885,514
Impaired during the year	1,563,157	1,078,629	992,022	664,046
Reclassified as non-impaired	(453,297)	(705,966)	(308,069)	(498,447)
Recoveries	(316,789)	(222,202)	(211,222)	(150,719)
Amount written off	(270,376)	(267,038)	(105,953)	(123,633)
Loans / financing converted to foreclosed properties	(46,886)	(36,091)	(39,485)	(31,742)
Exchange differences	6,364	3,373	(5,187)	(3,351)
Closing balance	<u>1,584,096</u>	<u>1,101,923</u>	<u>1,063,774</u>	<u>741,668</u>
Gross impaired loans and financing as a percentage of gross loans, advances and financing	<u>0.42%</u>	<u>0.31%</u>	<u>0.37%</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	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Malaysia	1,186,647	827,687	1,028,531	691,988
Hong Kong SAR and the People's Republic of China	181,644	132,655	-	-
Cambodia	95,034	28,751	-	-
Other countries	120,771	112,830	35,243	49,680
	<u>1,584,096</u>	<u>1,101,923</u>	<u>1,063,774</u>	<u>741,668</u>

j) Impaired loans, advances and financing by economic purpose

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Purchase of securities	36,545	33,996	36,545	33,996
Purchase of transport vehicles	172,580	151,752	112,553	102,397
Purchase of landed properties	878,840	514,620	684,006	373,283
(of which: - residential	398,837	336,453	259,800	232,257
- non-residential)	480,003	178,167	424,206	141,026
Purchase of fixed assets (excluding landed properties)	8,702	10,655	285	642
Personal use	114,555	87,462	22,209	23,128
Credit card	17,364	8,048	16,414	7,669
Purchase of consumer durables	9	1	9	1
Construction	13,810	14,835	7,747	10,235
Working capital	339,279	275,638	181,622	185,428
Other purpose	2,412	4,916	2,384	4,889
	<u>1,584,096</u>	<u>1,101,923</u>	<u>1,063,774</u>	<u>741,668</u>

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A11. Loans, Advances and Financing (continued)

k) Impaired loans, advances and financing by sector

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Agriculture, hunting, forestry and fishing	13,084	19,744	13,026	18,867
Mining and quarrying	11,044	11,641	11,044	11,399
Manufacturing	88,494	75,764	41,573	47,273
Electricity, gas and water	5,362	5,306	5	-
Construction	96,278	94,853	86,948	86,408
Wholesale & retail trade and restaurants & hotels	142,330	159,428	113,292	129,580
Transport, storage and communication	14,679	14,081	8,770	9,299
Finance, insurance and business services	106,364	65,828	25,253	28,036
Real estate	355,283	8,805	331,503	7,051
Community, social and personal services	1,446	5,696	1,368	4,467
Households	731,229	620,479	430,991	397,911
Others	18,503	20,298	1	1,377
	<u>1,584,096</u>	<u>1,101,923</u>	<u>1,063,774</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:	238,319	(294,845)	56,526	-
- Transfer to Stage 1: 12-Month ECL	280,882	(268,975)	(11,907)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(36,450)	50,887	(14,437)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(6,113)	(76,757)	82,870	-
New loans, advances and financing originated	108,654	51,567	43,349	203,570
Net remeasurement due to changes in credit risk	(282,834)	397,888	293,645	408,699
Loans, advances and financing derecognised (other than write-off)	(58,904)	(56,393)	(25,490)	(140,787)
Modifications to contractual cash flows of loans, advances and financing	(6,369)	301,157	35,251	330,039
Changes in models / risk parameters	(38,599)	(164,548)	(2,512)	(205,659)
Amount written off	(418)	-	(270,376)	(270,794)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(1,120)	(1,120)
Exchange differences	4,308	2,036	4,240	10,584
At 31 December 2022	<u>2,074,558</u>	<u>1,858,411</u>	<u>375,852</u>	<u>4,308,821</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	2,110,401	1,621,549	242,339	3,974,289

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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:	193,128	(230,404)	37,276	-
- Transfer to Stage 1: 12-Month ECL	215,539	(207,137)	(8,402)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(21,971)	33,064	(11,093)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(440)	(56,331)	56,771	-
New loans and advances originated	63,156	26,359	1,998	91,513
Net remeasurement due to changes in credit risk	(270,569)	307,387	156,800	193,618
Loans and advances derecognised (other than write-off)	(27,338)	(44,603)	(18,511)	(90,452)
Modifications to contractual cash flows of loans and advances	(6,296)	209,739	29,982	233,425
Changes in models / risk parameters	(30,731)	(127,557)	-	(158,288)
Amount written off	(366)	-	(105,953)	(106,319)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(1,120)	(1,120)
Exchange differences	(453)	-	-	(453)
At 31 December 2022	<u>1,392,936</u>	<u>1,443,023</u>	<u>236,886</u>	<u>3,072,845</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	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Deferred handling fees	258,491	228,164	203,529	182,031
Interest / Income receivable	82,242	28,406	30,448	4,613
Other receivables, deposits and prepayments	2,399,026	2,046,697	2,059,811	1,723,897
Collateral pledged for derivative transactions	198,436	125,591	198,436	125,591
Employee benefits	158,128	79,906	155,393	78,604
Amount due from trust funds	176,012	231,513	-	-
Foreclosed properties	209,247	200,494	180,978	176,268
Outstanding contracts on clients' accounts	268,283	144,560	-	-
Amount due from subsidiary companies	-	-	42,695	46,773
Distribution receivable from collective investments	-	-	32,295	26,528
Dividend receivable from subsidiary companies	-	-	597,292	644,810
	<u>3,749,865</u>	<u>3,085,331</u>	<u>3,500,877</u>	<u>3,009,115</u>

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A13. Deposits from Customers

a) By type of deposit

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
At amortised cost				
Core deposits:				
- Demand deposits	68,676,154	65,805,801	55,820,713	53,001,566
- Savings deposits	49,356,557	52,195,611	34,258,061	35,497,179
- Fixed deposits	217,537,372	207,768,245	160,124,646	153,458,102
	<u>335,570,083</u>	<u>325,769,657</u>	<u>250,203,420</u>	<u>241,956,847</u>
Money market deposits	59,081,617	54,562,580	43,251,118	46,506,733
Other deposits	67,057	61,977	50,897	48,012
	<u>394,718,757</u>	<u>380,394,214</u>	<u>293,505,435</u>	<u>288,511,592</u>

b) By type of customer

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Federal and state governments	7,995,307	5,505,408	953,927	404,036
Local government and statutory authorities	3,417,572	3,198,155	2,288,005	2,297,651
Business enterprises	113,813,691	108,214,823	91,223,265	85,962,563
Individuals	209,056,024	201,344,083	161,180,717	161,053,152
Foreign customers	12,957,849	9,605,422	8,126,545	4,690,187
Others	47,478,314	52,526,323	29,732,976	34,104,003
	<u>394,718,757</u>	<u>380,394,214</u>	<u>293,505,435</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	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Due within six months	233,910,652	216,999,324	173,842,926	168,238,293
More than six months to one year	38,342,917	45,097,647	29,418,128	31,624,429
More than one year to three years	4,360,349	227,620	109,984	96,816
More than three years to five years	5,071	5,974	4,726	5,037
More than five years	-	260	-	260
	<u>276,618,989</u>	<u>262,330,825</u>	<u>203,375,764</u>	<u>199,964,835</u>

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A14. Deposits from Banks and Other Financial Institutions

	Group		Bank	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
At amortised cost				
Licensed banks	4,456,035	2,296,935	2,864,790	1,224,437
Licensed Islamic banks	400,000	-	-	-
Licensed investment banks	705,894	951,630	357,416	804,489
Bank Negara Malaysia	2,269,606	2,265,215	2,204,920	2,197,509
Other financial institutions	5,943,307	2,609,989	9,084,140	5,578,516
	<u>13,774,842</u>	<u>8,123,769</u>	<u>14,511,266</u>	<u>9,804,951</u>

A15. Other Liabilities

	Group		Bank	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Interest / Income payable	1,896,870	1,462,522	1,354,424	1,089,111
Other payables and accruals	3,814,228	3,158,943	3,208,513	2,527,612
Collateral received for derivative transactions	295,771	24,727	295,771	24,727
Amount due to trust funds	75,703	123,272	-	-
Unprocessed sales and / or redemptions	92,660	142,150	-	-
Accrued restoration costs	72,711	71,311	70,957	71,241
Allowance for impairment on loan / financing commitments and financial guarantees	75,953	74,864	62,451	60,061
Outstanding contracts on clients' accounts	251,610	135,158	-	-
Dividend payable to shareholders	32,718	28,478	14,444	4,897
Amount due to subsidiary companies	-	-	12,645	10,993
	<u>6,608,224</u>	<u>5,221,425</u>	<u>5,019,205</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	3,747	(3,850)	103	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	4,759	(4,737)	(22)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(1,004)	1,061	(57)	-
	(8)	(174)	182	-
New loan / financing commitments and financial guarantees originated	4,491	4,611	50	9,152
Net remeasurement due to changes in credit risk	(3,079)	3,796	460	1,177
Loan / financing commitments and financial guarantees derecognised	(2,721)	(2,194)	(91)	(5,006)
Modifications to contractual cash flows of loan / financing commitments and financial guarantees	(30)	2,211	447	2,628
Changes in models / risk parameters	(4,050)	(2,951)	-	(7,001)
Exchange differences	138	1	-	139
At 31 December 2022	49,857	24,799	1,297	75,953
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:	2,859	(2,937)	78	-
- Transfer to Stage 1: 12-Month ECL	3,671	(3,649)	(22)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(806)	853	(47)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(6)	(141)	147	-
New loan commitments and financial guarantees originated	3,299	3,150	11	6,460
Net remeasurement due to changes in credit risk	(2,014)	3,671	403	2,060
Loan commitments and financial guarantees derecognised	(1,857)	(1,825)	(89)	(3,771)
Modifications to contractual cash flows of loan commitments and financial guarantees	(28)	1,616	412	2,000
Changes in models / risk parameters	(1,970)	(2,389)	-	(4,359)
At 31 December 2022	41,804	19,522	1,125	62,451
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

	4th Quarter Ended		Financial Year Ended	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<u>Group</u>				
Loans and advances	3,562,496	2,843,521	12,628,151	11,428,048
Balances with banks	101,363	57,822	258,508	188,190
Financial investments at fair value through other comprehensive income	344,526	279,839	1,275,245	1,043,844
Financial investments at amortised cost	184,879	176,039	698,637	752,380
Others	14,150	10,519	48,208	39,263
	<u>4,207,414</u>	<u>3,367,740</u>	<u>14,908,749</u>	<u>13,451,725</u>
Financial assets at fair value through profit or loss	3,984	4,223	23,107	22,832
	<u>4,211,398</u>	<u>3,371,963</u>	<u>14,931,856</u>	<u>13,474,557</u>
Of which:				
Interest income earned on impaired loans and advances	<u>24,843</u>	<u>10,945</u>	<u>70,043</u>	<u>50,301</u>
	4th Quarter Ended		Financial Year Ended	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<u>Bank</u>				
Loans and advances	3,142,773	2,503,594	11,141,768	10,094,076
Balances with banks	80,876	50,382	215,867	159,073
Financial investments at fair value through other comprehensive income	285,699	228,012	1,045,229	840,386
Financial investments at amortised cost	162,662	177,349	637,208	754,912
Others	18,221	24,999	90,651	94,230
	<u>3,690,231</u>	<u>2,984,336</u>	<u>13,130,723</u>	<u>11,942,677</u>
Financial assets at fair value through profit or loss	3,984	4,223	23,107	22,752
	<u>3,694,215</u>	<u>2,988,559</u>	<u>13,153,830</u>	<u>11,965,429</u>
Of which:				
Interest income earned on impaired loans and advances	<u>12,820</u>	<u>5,418</u>	<u>32,086</u>	<u>25,337</u>

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A17. Interest Expense

	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Deposits from banks and other financial institutions	103,385	56,069	329,042	213,252
Deposits from customers	1,497,344	1,082,285	4,862,763	4,319,937
Loans sold to Cagamas	40,592	48,924	137,749	194,100
Debt securities issued and other borrowed funds	101,070	96,719	386,637	390,215
Others	11,489	2,210	48,781	42,012
	<u>1,753,880</u>	<u>1,286,207</u>	<u>5,764,972</u>	<u>5,159,516</u>
	4th Quarter Ended	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Deposits from banks and other financial institutions	105,099	53,951	321,172	208,095
Deposits from customers	1,350,668	1,024,535	4,488,781	4,095,488
Loans sold to Cagamas	40,592	48,924	137,749	194,100
Debt securities issued and other borrowed funds	94,585	94,427	371,256	381,041
Others	15,873	4,017	56,054	48,519
	<u>1,606,817</u>	<u>1,225,854</u>	<u>5,375,012</u>	<u>4,927,243</u>

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A18. Net Fee and Commission Income

	4th Quarter Ended		Financial Year Ended	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<u>Group</u>				
(a) Fee and commission income:				
Commissions	212,712	166,681	761,133	560,300
Service charges and fees	79,879	81,484	310,171	301,743
Guarantee fees	8,809	7,425	33,570	30,624
Commitment fees	16,527	18,572	67,589	72,064
Unit trust management fees	298,249	345,781	1,243,925	1,345,729
Fee on sale of trust units	53,614	94,770	278,220	469,007
Brokerage and commissions from stockbroking activities	28,625	29,606	109,943	190,174
Other fee and commission income	18,810	11,572	63,343	59,296
	<u>717,225</u>	<u>755,891</u>	<u>2,867,894</u>	<u>3,028,937</u>
(b) Fee and commission expense:				
Unit trust agency fee	(103,021)	(140,088)	(460,348)	(573,044)
Debit / credit card related fee	(131,575)	(81,348)	(454,591)	(260,497)
Loan related fee	(5,305)	(3,156)	(16,118)	(15,892)
Other fee and commission expense	(5,063)	(6,742)	(22,336)	(32,705)
	<u>(244,964)</u>	<u>(231,334)</u>	<u>(953,393)</u>	<u>(882,138)</u>
Net fee and commission income	<u>472,261</u>	<u>524,557</u>	<u>1,914,501</u>	<u>2,146,799</u>
	4th Quarter Ended	31 December	Financial Year Ended	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
(a) Fee and commission income:				
Commissions	220,117	182,586	811,053	670,444
Service charges and fees	59,507	64,118	231,941	258,101
Guarantee fees	8,103	6,752	31,427	28,462
Commitment fees	15,392	16,714	62,106	64,225
Other fee and commission income	13,053	6,888	37,835	39,514
	<u>316,172</u>	<u>277,058</u>	<u>1,174,362</u>	<u>1,060,746</u>
(b) Fee and commission expense:				
Debit / credit card related fee	(131,508)	(81,314)	(454,481)	(260,384)
Loan related fee	(3,837)	(2,547)	(11,977)	(13,528)
Other fee and commission expense	(2,268)	(3,185)	(10,426)	(11,015)
	<u>(137,613)</u>	<u>(87,046)</u>	<u>(476,884)</u>	<u>(284,927)</u>
Net fee and commission income	<u>178,559</u>	<u>190,012</u>	<u>697,478</u>	<u>775,819</u>

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A19. Net Gains and Losses on Financial Instruments

	4th Quarter Ended		Financial Year Ended	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Group				
Net gain / (loss) arising on financial assets at fair value through profit or loss:				
- net gain / (loss) on disposal	170	(77)	(7,584)	(1,336)
- gross dividend income	-	2	2,097	2,097
- unrealised revaluation gain / (loss)	3,554	(80,341)	26,953	(113,620)
	<u>3,724</u>	<u>(80,416)</u>	<u>21,466</u>	<u>(112,859)</u>
Net (loss) / gain arising on trading derivatives				
- unrealised revaluation (loss) / gain	<u>(95)</u>	<u>7</u>	<u>(3)</u>	<u>1</u>
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	126	5,687	49,032	168,961
- gross dividend income	51	175	1,635	1,602
	<u>177</u>	<u>5,862</u>	<u>50,667</u>	<u>170,563</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	(1,492)	833	(3,274)	744
- cash flow hedge	(3)	(205)	564	(31)
	<u>(1,495)</u>	<u>628</u>	<u>(2,710)</u>	<u>713</u>
Net gains and losses on financial instruments	<u>2,311</u>	<u>(73,919)</u>	<u>70,876</u>	<u>60,173</u>

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

	4th Quarter Ended		Financial Year Ended	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Bank				
Net gain / (loss) arising on financial assets at fair value through profit or loss:				
- net gain / (loss) on disposal	169	(80)	(7,602)	(1,444)
- gross dividend income	-	-	1,977	1,977
- unrealised revaluation gain / (loss)	3,349	(75,782)	25,484	(107,142)
	<u>3,518</u>	<u>(75,862)</u>	<u>19,859</u>	<u>(106,609)</u>
Net (loss) / gain arising on trading derivatives				
- unrealised revaluation (loss) / gain	<u>(95)</u>	<u>7</u>	<u>(3)</u>	<u>1</u>
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	1	5,687	47,409	164,232
- gross dividend income	-	-	1,207	1,083
	<u>1</u>	<u>5,687</u>	<u>48,616</u>	<u>165,315</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	-	(10)	(22)	-
- cash flow hedge	(3)	(205)	564	(31)
	<u>(3)</u>	<u>(215)</u>	<u>542</u>	<u>(31)</u>
Net gains and losses on financial instruments	<u>3,421</u>	<u>(70,383)</u>	<u>70,470</u>	<u>60,431</u>

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A20. Other Operating Income

	4th Quarter Ended		Financial Year Ended	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<u>Group</u>				
Other income:				
Foreign exchange profit	91,981	59,900	308,943	255,337
Rental income from:				
- investment properties	5,204	4,299	19,198	15,510
- other properties	2,953	2,639	11,435	10,629
Net gain on disposal of property and equipment	105	690	3,027	1,036
Net gain on disposal of foreclosed properties	250	392	1,205	480
Net gain on revaluation of investment properties	6,317	2,873	5,110	4,772
Others	19,748	56,079	79,874	121,029
Total other operating income	<u>126,558</u>	<u>126,872</u>	<u>428,792</u>	<u>408,793</u>
	4th Quarter Ended	31 December	31 December	Financial Year Ended
	2022	2021	2022	31 December
	RM'000	RM'000	RM'000	2021
				RM'000
<u>Bank</u>				
Distribution income from collective investments	48,671	39,492	164,738	161,805
Dividend income from subsidiary companies				
- quoted outside Malaysia	49,992	64,511	72,577	86,016
- unquoted in Malaysia	330,467	435,030	698,467	855,030
	<u>429,130</u>	<u>539,033</u>	<u>935,782</u>	<u>1,102,851</u>
Other income:				
Foreign exchange profit	358,998	74,505	47,627	41,970
Rental income from other properties	3,306	2,955	12,916	12,173
Net gain on disposal of property and equipment	80	66	235	387
Net gain on disposal of foreclosed properties	250	392	1,205	480
Others	18,042	66,495	67,259	125,911
	<u>380,676</u>	<u>144,413</u>	<u>129,242</u>	<u>180,921</u>
Total other operating income	<u>809,806</u>	<u>683,446</u>	<u>1,065,024</u>	<u>1,283,772</u>

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A21. Other Operating Expenses

Group	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	623,123	579,137	2,519,265	2,390,461
- Pension costs	91,274	87,538	358,761	358,464
- Others	34,386	31,908	165,760	147,286
	748,783	698,583	3,043,786	2,896,211
Establishment costs				
- Depreciation	95,269	83,601	371,583	363,314
- Insurance	6,270	6,085	25,456	24,520
- Water and electricity	12,523	10,984	48,355	43,374
- General repairs and maintenance	16,263	14,961	61,954	52,841
- Information technology expenses	37,263	45,909	160,368	160,914
- Others	23,644	25,014	98,221	93,818
	191,232	186,554	765,937	738,781
Marketing expenses				
- Advertisement and publicity	9,260	9,950	45,339	56,569
- Others	13,142	11,510	65,859	61,046
	22,402	21,460	111,198	117,615
Administration and general expenses				
- Communication expenses	19,944	10,444	105,220	65,387
- Legal and professional fees	13,004	13,186	45,838	41,998
- Others	44,925	30,636	163,405	105,315
	77,873	54,266	314,463	212,700
Total other operating expenses	1,040,290	960,863	4,235,384	3,965,307

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A21. Other Operating Expenses (continued)

Bank	4th Quarter Ended		Financial Year Ended	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Personnel costs				
- Salaries, allowances and bonuses	484,924	436,634	1,923,851	1,795,668
- Pension costs	76,472	76,473	307,739	313,445
- Others	23,147	23,794	126,888	114,534
	<u>584,543</u>	<u>536,901</u>	<u>2,358,478</u>	<u>2,223,647</u>
Establishment costs				
- Depreciation	67,532	59,282	271,458	275,601
- Insurance	5,170	5,059	20,684	20,173
- Water and electricity	8,010	7,291	31,910	28,997
- General repairs and maintenance	10,892	10,783	43,974	37,162
- Information technology expenses	24,519	37,054	118,770	124,584
- Others	12,064	12,909	48,404	46,599
	<u>128,187</u>	<u>132,378</u>	<u>535,200</u>	<u>533,116</u>
Marketing expenses				
- Advertisement and publicity	2,580	2,137	15,906	27,426
- Others	10,982	7,115	38,279	30,231
	<u>13,562</u>	<u>9,252</u>	<u>54,185</u>	<u>57,657</u>
Administration and general expenses				
- Communication expenses	15,843	9,277	64,923	55,251
- Legal and professional fees	6,925	6,322	27,814	24,445
- Others	17,250	13,185	75,951	41,506
	<u>40,018</u>	<u>28,784</u>	<u>168,688</u>	<u>121,202</u>
Cost of resource sharing charged to Public Islamic Bank Berhad *	(125,187)	(112,956)	(477,639)	(450,440)
Total other operating expenses	<u>641,123</u>	<u>594,359</u>	<u>2,638,912</u>	<u>2,485,182</u>

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

	4th Quarter Ended		Financial Year Ended	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Credit related	(53,322)	(48,468)	(204,874)	(194,953)
Non-credit branch support	(46,631)	(42,465)	(177,537)	(167,541)
Other administration function	(25,234)	(22,023)	(95,228)	(87,946)
	<u>(125,187)</u>	<u>(112,956)</u>	<u>(477,639)</u>	<u>(450,440)</u>

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A22. Allowance for Impairment on Loans, Advances and Financing

	4th Quarter Ended		Financial Year Ended	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<u>Group</u>				
Expected credit losses	153,503	334,348	596,812	1,394,537
Impaired loans and financing written off	7	12	132	35
Impaired loans and financing recovered	<u>(63,498)</u>	<u>(52,083)</u>	<u>(231,388)</u>	<u>(193,369)</u>
	<u><u>90,012</u></u>	<u><u>282,277</u></u>	<u><u>365,556</u></u>	<u><u>1,201,203</u></u>
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<u>Bank</u>				
Expected credit losses	78,141	251,135	272,206	967,597
Impaired loans written off	6	12	131	35
Impaired loans recovered	<u>(33,388)</u>	<u>(27,198)</u>	<u>(135,684)</u>	<u>(97,890)</u>
	<u><u>44,759</u></u>	<u><u>223,949</u></u>	<u><u>136,653</u></u>	<u><u>869,742</u></u>
			Forward Looking ECL Due to Emerging Risks / COVID-19 Pandemic	
	Base ECL RM'000	Macro- economic Variables RM'000	Management Overlay RM'000	Total ECL Charged RM'000
Financial Year Ended 31 December 2022				
Group	<u><u>499,150</u></u>	<u><u>(343,639)</u></u>	<u><u>441,301</u></u>	<u><u>596,812</u></u>
Bank	<u><u>258,268</u></u>	<u><u>(285,953)</u></u>	<u><u>299,891</u></u>	<u><u>272,206</u></u>
Financial Year Ended 31 December 2021				
Group	<u><u>346,058</u></u>	<u><u>270,692</u></u>	<u><u>777,787</u></u>	<u><u>1,394,537</u></u>
Bank	<u><u>191,894</u></u>	<u><u>223,953</u></u>	<u><u>551,750</u></u>	<u><u>967,597</u></u>

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A23. Allowance for Impairment on Other Assets

	4th Quarter Ended		Financial Year Ended	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<u>Group</u>				
Expected credit losses on:				
- Financial investments at fair value through other comprehensive income	1,145	(1,110)	2,762	490
- Financial investments at amortised cost	273	(128)	19	(256)
- Deposits and placements with banks and other financial institutions	(174)	(219)	(94)	(204)
Allowance made on:				
- Foreclosed properties	4,824	5,089	10,512	5,878
- Other receivables	-	7	-	27
	<u>6,068</u>	<u>3,639</u>	<u>13,199</u>	<u>5,935</u>
	4th Quarter Ended	31 December	Financial Year Ended	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Expected credit losses on:				
- Financial investments at fair value through other comprehensive income	(328)	798	96	820
- Financial investments at amortised cost	343	(463)	27	(572)
Allowance made on:				
- Foreclosed properties	4,861	4,334	10,278	4,921
- Investment in a subsidiary company	550	-	550	-
	<u>5,426</u>	<u>4,669</u>	<u>10,951</u>	<u>5,169</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					
4th Quarter Ended 31 December 2022												
External revenue	683,983	3,102,258	467,708	354,905	42,526	352,421	15,141	476,256	5,495,198	567,712	-	6,062,910
Revenue from other segments	4,976	182,031	10,464	407,818	341	12,790	12,798	77,382	708,600	23,419	(732,019)	-
	688,959	3,284,289	478,172	762,723	42,867	365,211	27,939	553,638	6,203,798	591,131	(732,019)	6,062,910
Net interest income / (expense) and Islamic banking income	215,083	1,700,141	147,765	(13,924)	7,002	3,121	(4,581)	664,647	2,719,254	330,755	(925)	3,049,084
Other income / (expense)	330	189,242	9,808	115,026	14,214	241,666	15,311	(36,309)	549,288	60,628	(8,786)	601,130
Net income	215,413	1,889,383	157,573	101,102	21,216	244,787	10,730	628,338	3,268,542	391,383	(9,711)	3,650,214
Other operating expenses	(64,089)	(562,308)	(4,349)	(15,162)	(12,116)	(44,768)	(7,534)	(142,462)	(852,788)	(197,213)	9,711	(1,040,290)
Writeback of allowance / (Allowance) for impairment on loans, advances and financing	210,892	(274,422)	(17,673)	-	(131)	(21)	-	-	(81,355)	(8,657)	-	(90,012)
(Allowance) / Writeback of allowance for impairment on other assets	-	(4,824)	-	553	(43)	-	-	(1,875)	(6,189)	121	-	(6,068)
Profit by segments	362,216	1,047,829	135,551	86,493	8,926	199,998	3,196	484,001	2,328,210	185,634	-	2,513,844
Reconciliation of segment profits to consolidated profits: Share of profit after tax of equity accounted associated companies									7,098	-		7,098
Profit before tax expense and zakat									2,335,308	185,634		2,520,942

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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						
4th Quarter Ended 31 December 2021													
External revenue	626,736	2,302,535	369,934	229,099	39,473	440,859	2,402	455,997	4,467,035	391,592	-	4,858,627	
Revenue from other segments	303	443,278	6,375	313,629	256	11,419	12,392	128,744	916,396	3,022	(919,418)	-	
	<u>627,039</u>	<u>2,745,813</u>	<u>376,309</u>	<u>542,728</u>	<u>39,729</u>	<u>452,278</u>	<u>14,794</u>	<u>584,741</u>	<u>5,383,431</u>	<u>394,614</u>	<u>(919,418)</u>	<u>4,858,627</u>	
Net interest income / (expense) and Islamic banking income	204,014	1,479,151	157,165	16,525	9,772	7,168	(3,353)	309,685	2,180,127	298,090	(3,066)	2,475,151	
Other (expense) / income	(129)	213,726	4,810	70,979	10,968	285,122	2,449	(26,933)	560,992	23,171	(6,653)	577,510	
Net income / (expense)	<u>203,885</u>	<u>1,692,877</u>	<u>161,975</u>	<u>87,504</u>	<u>20,740</u>	<u>292,290</u>	<u>(904)</u>	<u>282,752</u>	<u>2,741,119</u>	<u>321,261</u>	<u>(9,719)</u>	<u>3,052,661</u>	
Other operating expenses	(57,038)	(507,778)	(4,996)	(12,338)	(10,875)	(57,810)	(6,268)	(143,769)	(800,872)	(169,710)	9,719	(960,863)	
(Allowance) / Writeback of allowance for impairment on loans, advances and financing	(358,384)	136,988	(29,524)	-	(4,962)	(11)	-	-	(255,893)	(26,384)	-	(282,277)	
(Allowance) / Writeback of allowance for impairment on other assets	-	(5,088)	-	(595)	(21)	-	-	(248)	(5,952)	2,313	-	(3,639)	
(Loss) / Profit by segments	<u>(211,537)</u>	<u>1,316,999</u>	<u>127,455</u>	<u>74,571</u>	<u>4,882</u>	<u>234,469</u>	<u>(7,172)</u>	<u>138,735</u>	<u>1,678,402</u>	<u>127,480</u>	<u>-</u>	<u>1,805,882</u>	
Reconciliation of segment profits to consolidated profits: Share of profit after tax of equity accounted associated companies									279	-		279	
Profit before tax expense and zakat									<u>1,678,681</u>	<u>127,480</u>		<u>1,806,161</u>	

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A24. Segment Information

Financial Year Ended	←----- Operating Segments -----→							Head Office and Funding Center	Total Domestic Operations	Total Overseas Operations	Inter-segment Elimination	Group Total
	Hire Purchase	Retail Operations	Corporate Lending	Treasury and Capital Market Operations	Investment Banking	Fund Management	Others					
31 December 2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	2,636,799	10,453,619	1,615,238	1,090,262	171,016	1,524,324	22,725	1,977,573	19,491,556	1,935,370	-	21,426,926
Revenue from other segments	8,664	1,229,959	30,032	1,324,032	820	48,728	50,459	331,854	3,024,548	45,129	(3,069,677)	-
	2,645,463	11,683,578	1,645,270	2,414,294	171,836	1,573,052	73,184	2,309,427	22,516,104	1,980,499	(3,069,677)	21,426,926
Net interest income / (expense) and												
Islamic banking income	861,210	6,147,357	589,528	76,173	33,294	10,364	(15,301)	2,063,727	9,766,352	1,261,632	(3,911)	11,024,073
Other income	1,763	750,114	25,890	328,167	67,095	1,009,397	25,933	20,869	2,229,228	220,857	(35,916)	2,414,169
Net income	862,973	6,897,471	615,418	404,340	100,389	1,019,761	10,632	2,084,596	11,995,580	1,482,489	(39,827)	13,438,242
Other operating expenses	(254,739)	(2,272,243)	(18,698)	(57,726)	(47,860)	(239,395)	(29,443)	(612,765)	(3,532,869)	(742,342)	39,827	(4,235,384)
Writeback of allowance /												
(A Allowance) for impairment on loans, advances and financing	298,490	(417,207)	(171,219)	-	(342)	(1)	-	-	(290,279)	(75,277)	-	(365,556)
(Allowance) / Writeback of allowance for impairment on other assets	-	(10,512)	-	196	(72)	-	-	(2,851)	(13,239)	40	-	(13,199)
Profit / (Loss) by segments	906,724	4,197,509	425,501	346,810	52,115	780,365	(18,811)	1,468,980	8,159,193	664,910	-	8,824,103
Reconciliation of segment profits to consolidated profits:												
Share of profit after tax of equity accounted associated companies									6,947	-		6,947
Profit before tax expense and zakat									8,166,140	664,910		8,831,050
Cost income ratio	29.5%	32.9%	3.0%	14.3%	47.7%	23.5%	>100.0%	29.4%	29.5%	50.1%		31.5%

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A24. Segment Information (continued)

Financial Year Ended	←----- Operating Segments -----→								Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter-segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000						
31 December 2022													
Gross loans, advances and financing	58,250,460	251,031,796	42,230,854	-	431,091	119,556	1,482	-	352,065,239	24,826,698			376,891,937
Loans growth	9.0%	4.9%	1.9%	-	10.4%	-1.1%	2.1%	-	5.2%	6.2%			5.3%
Impaired loans, advances and financing	143,692	623,398	418,144	-	-	1,413	-	-	1,186,647	397,449			1,584,096
Impaired loan and financing ratio	0.2%	0.2%	1.0%	-	-	1.2%	-	-	0.3%	1.6%			0.4%
Deposits from customers	-	294,068,107	261,475	71,761,759	1,052,712	-	-	-	367,144,053	27,574,704			394,718,757
Deposits growth	-	2.0%	41.9%	13.5%	8.9%	-	-	-	4.1%	-0.7%			3.8%
Segment assets	<u>57,559,378</u>	<u>303,926,698</u>	<u>41,186,077</u>	<u>89,450,801</u>	<u>3,101,664</u>	<u>444,378</u>	<u>825,731</u>	<u>52,743,714</u>	<u>549,238,441</u>	<u>41,002,481</u>	<u>(102,280,212)</u>		<u>487,960,710</u>
Reconciliation of segment assets to consolidated assets:													
Investment in associated companies									120,147	17			120,164
Unallocated assets									2,642,870	-			2,642,870
Intangible assets									775,493	1,763,528			2,539,021
Total assets									<u>552,776,951</u>	<u>42,766,026</u>			<u>493,262,765</u>

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A24. Segment Information (continued)

Financial Year Ended	←----- Operating Segments -----→							Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000					
31 December 2021												
External revenue	2,515,651	9,038,806	1,497,616	871,576	228,674	1,816,560	7,943	1,989,119	17,965,945	1,656,557	-	19,622,502
Revenue from other segments	1,292	1,754,829	23,148	1,327,839	770	46,433	49,989	450,566	3,654,866	16,731	(3,671,597)	-
	<u>2,516,943</u>	<u>10,793,635</u>	<u>1,520,764</u>	<u>2,199,415</u>	<u>229,444</u>	<u>1,862,993</u>	<u>57,932</u>	<u>2,439,685</u>	<u>21,620,811</u>	<u>1,673,288</u>	<u>(3,671,597)</u>	<u>19,622,502</u>
Net interest income / (expense) and												
Islamic banking income	799,555	5,830,702	634,084	149,954	37,515	12,097	(13,449)	1,300,506	8,750,964	1,180,839	(3,091)	9,928,712
Other income	1,546	824,775	31,241	336,891	97,479	1,132,790	8,461	34,231	2,467,414	185,546	(37,195)	2,615,765
Net income / (expense)	<u>801,101</u>	<u>6,655,477</u>	<u>665,325</u>	<u>486,845</u>	<u>134,994</u>	<u>1,144,887</u>	<u>(4,988)</u>	<u>1,334,737</u>	<u>11,218,378</u>	<u>1,366,385</u>	<u>(40,286)</u>	<u>12,544,477</u>
Other operating expenses	(247,399)	(2,076,016)	(20,557)	(53,445)	(49,642)	(266,788)	(25,402)	(584,030)	(3,323,279)	(682,314)	40,286	(3,965,307)
Allowance for impairment on												
loans, advances and financing	(670,752)	(262,203)	(199,948)	-	(4,575)	(13)	-	-	(1,137,491)	(63,712)	-	(1,201,203)
(Allowance) / Writeback of allowance												
for impairment on other assets	-	(5,878)	-	(787)	(74)	-	-	(1,380)	(8,119)	2,184	-	(5,935)
(Loss) / Profit by segments	<u>(117,050)</u>	<u>4,311,380</u>	<u>444,820</u>	<u>432,613</u>	<u>80,703</u>	<u>878,086</u>	<u>(30,390)</u>	<u>749,327</u>	<u>6,749,489</u>	<u>622,543</u>	<u>-</u>	<u>7,372,032</u>
Reconciliation of segment profits												
to consolidated profits:												
Share of loss after tax												
of equity accounted associated												
companies									(5,457)	-		(5,457)
Profit before tax expense and zakat									<u>6,744,032</u>	<u>622,543</u>		<u>7,366,575</u>
Cost income ratio	30.9%	31.2%	3.1%	11.0%	36.8%	23.3%	n/a	43.8%	29.6%	49.9%		31.6%

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A24. Segment Information (continued)

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

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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 audited interim financial statements.

A26. Changes in the Composition of the Group

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

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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	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Contingent liabilities				
Direct credit substitutes	904,534	891,923	853,422	848,101
Transaction-related contingent items	1,736,851	1,664,588	1,395,517	1,377,248
Short term self-liquidating trade-related contingencies	593,742	590,441	157,871	122,482
	3,235,127	3,146,952	2,406,810	2,347,831
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	33,021,059	30,666,767	25,634,872	22,987,311
- not exceeding one year	24,727,099	24,830,576	19,887,896	20,108,246
Unutilised credit card lines	9,152,427	8,641,625	8,766,415	8,334,502
Forward asset purchases	114,875	153,293	114,875	7,333
	67,015,460	64,292,261	54,404,058	51,437,392
Derivative financial instruments				
Foreign exchange related contracts:				
- up to one year	28,235,903	25,806,073	27,842,160	24,699,330
- more than one year to five years	1,255,118	3,095,975	1,255,118	3,095,975
Interest / Profit rate related contracts:				
- up to one year	25,000	3,047,185	25,000	3,547,185
- more than one year to five years	4,652,413	2,479,447	7,430,683	4,775,000
- more than five years	302,733	775,115	200,000	1,250,000
Commodity related contracts:				
- up to one year	230	453	230	453
	34,471,397	35,204,248	36,753,191	37,367,943
	104,721,984	102,643,461	93,564,059	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 31 December 2022												
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,752,724	-	-	1,752,724	9,504	-	-	9,504	12,612	-	-	12,612
- Swaps	24,451,793	-	-	24,451,793	158,437	-	-	158,437	357,249	-	-	357,249
- Options	103,007	-	-	103,007	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	230	-	-	230	-	-	-	-	-	-	-	-
	<u>26,307,754</u>	<u>-</u>	<u>-</u>	<u>26,307,754</u>	<u>167,941</u>	<u>-</u>	<u>-</u>	<u>167,941</u>	<u>369,861</u>	<u>-</u>	<u>-</u>	<u>369,861</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	-	255,621	268,842	524,463	-	13,032	17,510	30,542	-	-	-	-
Cash Flow Hedge												
Interest / Profit rate related contracts												
- Swaps	25,000	1,500,000	2,930,683	4,455,683	-	50,080	177,331	227,411	25	-	-	25
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	1,928,379	220,696	1,034,422	3,183,497	-	2,463	18,207	20,670	126,159	-	-	126,159
	<u>1,953,379</u>	<u>1,976,317</u>	<u>4,233,947</u>	<u>8,163,643</u>	<u>-</u>	<u>65,575</u>	<u>213,048</u>	<u>278,623</u>	<u>126,184</u>	<u>-</u>	<u>-</u>	<u>126,184</u>
Total	<u>28,261,133</u>	<u>1,976,317</u>	<u>4,233,947</u>	<u>34,471,397</u>	<u>167,941</u>	<u>65,575</u>	<u>213,048</u>	<u>446,564</u>	<u>496,045</u>	<u>-</u>	<u>-</u>	<u>496,045</u>

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A28. Derivative Financial Instruments (continued)

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

Group	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	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
As at 31 December 2022												
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,731,904	-	-	1,731,904	9,494	-	-	9,494	12,598	-	-	12,598
- Swaps	24,078,870	-	-	24,078,870	158,253	-	-	158,253	354,086	-	-	354,086
- Options	103,007	-	-	103,007	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	230	-	-	230	-	-	-	-	-	-	-	-
	<u>25,914,011</u>	<u>-</u>	<u>-</u>	<u>25,914,011</u>	<u>167,747</u>	<u>-</u>	<u>-</u>	<u>167,747</u>	<u>366,684</u>	<u>-</u>	<u>-</u>	<u>366,684</u>
Hedging Derivatives:												
Cash Flow Hedge												
Interest rate related contracts												
- Swaps	25,000	2,700,000	4,930,683	7,655,683	-	65,001	186,324	251,325	25	8,259	34,663	42,947
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	1,928,379	220,696	1,034,422	3,183,497	-	2,463	18,207	20,670	126,159	-	-	126,159
	<u>1,953,379</u>	<u>2,920,696</u>	<u>5,965,105</u>	<u>10,839,180</u>	<u>-</u>	<u>67,464</u>	<u>204,531</u>	<u>271,995</u>	<u>126,184</u>	<u>8,259</u>	<u>34,663</u>	<u>169,106</u>
Total	<u>27,867,390</u>	<u>2,920,696</u>	<u>5,965,105</u>	<u>36,753,191</u>	<u>167,747</u>	<u>67,464</u>	<u>204,531</u>	<u>439,742</u>	<u>492,868</u>	<u>8,259</u>	<u>34,663</u>	<u>535,790</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 RM446,564,000 (2021: RM140,434,000) and RM439,742,000 (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 RM198,436,000 (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
31 December 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	-	558,083	-	558,083
- Non-money market instruments	-	-	391,242	391,242
	-	558,083	391,242	949,325
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	48,272,166	-	48,272,166
- Money market instruments	-	842,032	-	842,032
- Non-money market instruments	1,675	5,338,129	413,287	5,753,091
	1,675	54,452,327	413,287	54,867,289
Derivative financial assets	-	446,564	-	446,564
Total financial assets measured at fair value	1,675	55,456,974	804,529	56,263,178
Non-financial assets				
Investment properties	-	-	669,570	669,570
Financial liabilities				
Derivative financial liabilities	-	496,045	-	496,045
Total financial liabilities measured at fair value	-	496,045	-	496,045

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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
31 December 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	-	558,083	-	558,083
- Non-money market instruments	-	-	368,855	368,855
	-	558,083	368,855	926,938
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	34,286,611	-	34,286,611
- Money market instruments	-	1,722,871	-	1,722,871
- Non-money market instruments	-	738,420	406,384	1,144,804
	-	36,747,902	406,384	37,154,286
Derivative financial assets	-	439,742	-	439,742
Total financial assets measured at fair value	-	37,745,727	775,239	38,520,966
Financial liabilities				
Derivative financial liabilities	-	535,790	-	535,790
Total financial liabilities measured at fair value	-	535,790	-	535,790

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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 year (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	25,674	-	5,110	30,784
Recognised in other comprehensive income				
- unrealised revaluation gain	-	18,347	15,046	33,393
Addition	-	-	43,361	43,361
Transfer from owner occupied property	-	-	2,054	2,054
Reversal of over-provision	-	-	(13,149)	(13,149)
Exchange differences	-	2,139	11,074	13,213
At 31 December 2022	<u>391,242</u>	<u>413,287</u>	<u>669,570</u>	<u>1,474,099</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	24,205	-	24,205
Recognised in other comprehensive income			
- unrealised revaluation gain	-	18,388	18,388
Exchange differences	-	1,926	1,926
At 31 December 2022	<u>368,855</u>	<u>406,384</u>	<u>775,239</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	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
<u>Before deducting interim dividends *</u>				
Common Equity Tier I ("CET I") capital ratio	14.862%	15.030%	13.472%	13.954%
Tier I capital ratio	14.912%	15.083%	13.513%	13.997%
Total capital ratio	17.925%	18.192%	16.722%	17.287%
<u>After deducting interim dividends *</u>				
CET I capital ratio	14.552%	14.530%	13.072%	13.313%
Tier I capital ratio	14.603%	14.583%	13.113%	13.356%
Total capital ratio	17.616%	17.692%	16.322%	16.645%

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 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	998,895	1,241,935	235,063	575,320
Retained profits	38,962,590	36,766,601	30,762,417	29,775,928
Qualifying non-controlling interests	721,467	702,435	-	-
Less: Goodwill and other intangible assets	(2,539,021)	(2,459,434)	(695,393)	(695,393)
Less: Deferred tax assets, net	(630,201)	(519,009)	(392,775)	(273,782)
Less: Defined benefit pension fund assets	(158,128)	(79,906)	(155,613)	(78,762)
Less: Investment in banking / insurance subsidiary companies and associated companies deducted from CET I capital	(154,918)	(147,349)	(6,505,741)	(6,205,741)
Total CET I capital	46,618,337	44,922,926	32,665,611	32,515,223
Additional Tier I capital securities	99,942	99,822	99,942	99,822
Qualifying CET I and additional Tier I capital instruments held by third parties	58,268	58,956	-	-
Total Tier I capital	46,776,547	45,081,704	32,765,553	32,615,045

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A30. Capital Adequacy (continued)

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<u>Tier II capital</u>				
Stage 1 and Stage 2 expected credit loss allowances #	3,575,757	3,401,754	2,782,854	2,664,630
Subordinated notes	4,999,096	4,999,998	4,999,096	4,999,998
Qualifying CET I and additional Tier I and Tier II capital instruments held by third parties	734,353	756,381	-	-
Others	140,839	133,121	-	-
Total Tier II capital	<u>9,450,045</u>	<u>9,291,254</u>	<u>7,781,950</u>	<u>7,664,628</u>
Total capital	<u>56,226,592</u>	<u>54,372,958</u>	<u>40,547,503</u>	<u>40,279,673</u>

Excludes expected credit loss allowances restricted from Tier II capital of the Group and of the Bank of RM453,732,000 (2021: RM423,592,000) and RM125,217,000 (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 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.

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Credit risk	286,060,596	272,140,328	222,628,352	213,170,425
Market risk	4,552,498	5,194,182	4,218,024	5,119,006
Operational risk	22,457,709	20,990,969	15,042,201	14,177,493
Large exposure risk	607,456	564,253	585,069	543,334
	<u>313,678,259</u>	<u>298,889,732</u>	<u>242,473,646</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
31 December 2022							
<u>Before deducting interim dividends: *</u>							
CET I capital ratio	12.863%	38.729%	24.821%	22.470%	28.855%	N/A	N/A
Tier I capital ratio	12.863%	38.729%	24.821%	22.470%	28.855%	N/A	N/A
Total capital ratio	16.025%	39.489%	24.888%	23.251%	29.902%	23.110%	23.140%
<u>After deducting interim dividends: *</u>							
CET I capital ratio	12.863%	35.078%	24.821%	22.348%	27.805%	N/A	N/A
Tier I capital ratio	12.863%	35.078%	24.821%	22.348%	27.805%	N/A	N/A
Total capital ratio	16.025%	35.837%	24.888%	23.129%	28.852%	23.110%	23.140%
31 December 2021							
<u>Before deducting interim dividends: *</u>							
CET I capital ratio	12.397%	52.512%	21.875%	20.664%	27.884%	N/A	N/A
Tier I capital ratio	12.397%	52.512%	21.875%	20.664%	27.884%	N/A	N/A
Total capital ratio	15.761%	53.404%	21.905%	21.435%	28.923%	19.940%	30.645%
<u>After deducting interim dividends: *</u>							
CET I capital ratio	12.397%	45.566%	21.875%	20.498%	25.883%	N/A	N/A
Tier I capital ratio	12.397%	45.566%	21.875%	20.498%	25.883%	N/A	N/A
Total capital ratio	15.761%	46.459%	21.905%	21.268%	26.923%	19.940%	30.645%

* Refer to interim dividends declared subsequent to the financial 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 16.0% (2021: 15.0%).
- ⁶ The amount presented here is the capital adequacy ratio of Public Bank Vietnam Limited ("PBVN"), which is the nearest equivalent regulatory compliance ratio. This ratio is computed in accordance with the State Bank of Vietnam ("SBV") Circular No.41/2016/TT-NHNN and is derived as PBVN's capital divided by its risk-weighted assets for credit risk, market risk and operational risk. The minimum regulatory capital adequacy ratio requirement is 8.0%.

A31. Credit Exposures Arising From Credit Transactions With Connected Parties

	Group		Bank	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Outstanding credit exposures with connected parties (RM'000)	2,442,111	2,277,731	3,112,875	3,084,464
Percentage of outstanding credit exposures with connected parties as proportion of total credit exposures	0.59%	0.57%	0.99%	1.02%
Percentage of outstanding credit exposures with connected parties which is impaired or in default	0.00%	0.00%	0.00%	0.00%

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A32. Operations of Islamic Banking

a) Statement of Financial Position As At 31 December 2022

	Note	Group	
		31 December 2022 RM'000	31 December 2021 RM'000
ASSETS			
Cash and balances with banks		3,065,329	659,606
Derivative financial assets		42,922	14,587
Financial investments at fair value through other comprehensive income		12,076,612	10,241,995
Financial investments at amortised cost		5,635,686	5,493,069
Financing and advances	A32(d)	65,637,072	59,315,652
Other assets		217,946	201,811
Statutory deposits with Bank Negara Malaysia		1,746,100	181,500
Deferred tax assets		148,606	145,034
Collective investment		589,838	577,254
Investment in an associated company		67,500	67,500
Right-of-use assets		19,846	14,992
Property and equipment		3,492	3,415
Total Assets		89,250,949	76,916,415
LIABILITIES AND ISLAMIC BANKING FUNDS			
Deposits from customers	A32(e)	76,088,570	66,307,110
Deposits from banks and other financial institutions		2,715,451	2,105,771
Bills and acceptances payable		3,100	284
Recourse obligations on financing sold to Cagamas		1,100,000	1,100,000
Derivative financial liabilities		23,914	103,576
Senior Sukuk Murabahah		1,000,000	-
Subordinated Sukuk Murabahah		1,000,000	1,000,000
Lease liabilities		20,101	15,483
Other liabilities		463,445	433,146
Provision for zakat and taxation		92,947	81,736
Total Liabilities		82,507,528	71,147,106
Islamic Banking Funds		6,743,421	5,769,309
Total Liabilities and Islamic Banking Funds		89,250,949	76,916,415
COMMITMENTS AND CONTINGENCIES		13,328,439	14,261,352

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A32. Operations of Islamic Banking (continued)

b) Statement of Profit or Loss for the 4th Quarter and Financial Year Ended 31 December 2022

	4th Quarter Ended		Financial Year Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Income derived from investment of depositors' funds and others	931,268	605,579	2,937,316	2,432,336
Income derived from investment of Islamic Banking Funds	79,301	49,982	247,606	203,388
Allowance for impairment on financing and advances	(103,209)	(59,109)	(154,890)	(261,509)
Writeback of allowance / (Allowance) for impairment on other assets	66	(981)	(589)	(1,277)
Total distributable income	907,426	595,471	3,029,443	2,372,938
Income attributable to depositors and others	(445,511)	(293,617)	(1,440,396)	(1,141,683)
Total net income	461,915	301,854	1,589,047	1,231,255
Other operating expenses	(149,299)	(126,094)	(583,268)	(502,536)
Profit before zakat and taxation	312,616	175,760	1,005,779	728,719
Zakat	248	-	(1,867)	(713)
Taxation	(101,901)	(39,470)	(328,451)	(171,248)
Profit for the period / year	210,963	136,290	675,461	556,758

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

	4th Quarter Ended		Financial Year Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	931,268	605,579	2,937,316	2,432,336
Income derived from investment of Islamic Banking Funds	79,301	49,982	247,606	203,388
Income attributable to depositors and others	(445,511)	(293,617)	(1,440,396)	(1,141,683)
	565,058	361,944	1,744,526	1,494,041
Elimination of inter-company income and expenses	26,508	27,451	112,663	119,630
Net income from Islamic banking business	591,566	389,395	1,857,189	1,613,671
Of which:				
Financing income earned on impaired financing	1,945	933	5,065	4,620

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A32. Operations of Islamic Banking (continued)

c) Statement of Comprehensive Income for the 4th Quarter and Financial Year Ended 31 December 2022

	4th Quarter Ended		Financial Year Ended	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<u>Group</u>				
Profit for the period / year	210,963	136,290	675,461	556,758
Other comprehensive income / (loss):				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Gain on remeasurements of defined benefit plan	1,783	1,021	1,783	1,021
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Net change in revaluation of financial investments at fair value through other comprehensive income	60,381	(77,316)	(112,038)	(384,984)
Net change in cash flow hedges	(20,828)	27,026	108,480	106,543
	39,553	(50,290)	(3,558)	(278,441)
Income tax effect	(9,920)	11,825	426	66,581
Other comprehensive income / (loss) for the period / year, net of tax	31,416	(37,444)	(1,349)	(210,839)
Total comprehensive income for the period / year	242,379	98,846	674,112	345,919

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A32. Operations of Islamic Banking (continued)

d) Financing and Advances

By type and contract

Group	Bai' Bithaman Ajil RM'000	Ijarah Thumma Al-Bai' RM'000	Bai' Inah RM'000	Musharakah Mutanaqisah RM'000	Murabahah RM'000	Others RM'000	Total Financing and Advances RM'000
31 December 2022							
At amortised cost							
Cash line	1,582,097	-	27,635	-	-	-	1,609,732
Term financing							
- House financing	5,159,217	-	-	26,408,385	-	-	31,567,602
- Syndicated financing	1,360,085	-	-	-	-	-	1,360,085
- Hire purchase receivables	-	10,507,358	-	-	-	-	10,507,358
- Other term financing	4,504,667	-	1,538,824	14,214,875	-	149,016	20,407,382
Credit card receivables	-	-	-	-	-	74,392	74,392
Bills receivables	-	-	-	-	2,636	-	2,636
Trust receipts	-	-	-	-	3,709	-	3,709
Claims on customers under acceptance credits	-	-	-	-	205,354	-	205,354
Revolving credits	656,246	-	-	-	-	-	656,246
Staff financing	-	14,154	-	110,870	-	-	125,024
Gross financing and advances	13,262,312	10,521,512	1,566,459	40,734,130	211,699	223,408	66,519,520
Allowance for impairment on financing and advances:							
- Expected credit losses							(882,448)
- Stage 1: 12-Month ECL							(455,527)
- Stage 2: Lifetime ECL not credit-impaired							(376,749)
- Stage 3: Lifetime ECL credit-impaired							(50,172)
Net financing and advances							65,637,072

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A32. Operations of Islamic Banking (continued)

d) Financing and Advances (continued)

By type and contract (continued)

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

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A32. Operations of Islamic Banking (continued)

d) Financing and Advances (continued)

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

	Group	
	31 December 2022 RM'000	31 December 2021 RM'000
At 1 January	132,260	169,421
Impaired during the year	183,719	189,972
Reclassified as non-impaired	(89,625)	(156,605)
Recoveries	(35,025)	(34,891)
Amount written off	(29,561)	(31,288)
Financing converted to foreclosed properties	(7,401)	(4,349)
Closing balance	<u>154,367</u>	<u>132,260</u>
Gross impaired financing and advances as a percentage of gross financing and advances	<u>0.23%</u>	<u>0.22%</u>

e) Deposits from Customers

	Group	
	31 December 2022 RM'000	31 December 2021 RM'000
By type of deposit and contract		
At amortised cost		
Savings deposit		
- Qard	9,797,611	10,170,977
Demand deposit		
- Qard	7,653,155	6,900,483
Term deposit		
- Commodity Murabahah	42,025,215	40,081,520
- Special term deposit account		
- Commodity Murabahah	16,612,589	9,154,130
	<u>76,088,570</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		Financial Year Ended	
	31 December	31 December	Variance	
	2022	2021	RM'000	%
	RM'000	RM'000		
Profit before tax expense and zakat	8,831,050	7,366,575	1,464,475	19.9
Net profit attributable to equity holders of the Bank	6,119,499	5,656,531	462,968	8.2
Other comprehensive loss (net)	(218,740)	(720,467)	501,727	69.6

Key Balance Sheet Items:	Group		As At	
	31 December	31 December	Variance	
	2022	2021	RM'000	%
	RM'000	RM'000		
Gross loans, advances and financing	376,891,937	358,026,752	18,865,185	5.3
Gross impaired loan and financing (%)	0.42%	0.31%	n/a	0.11
Deposits from customers	394,718,757	380,394,214	14,324,543	3.8

The Group's pre-tax profit for the financial year ended 31 December 2022 increased by RM1,464.5 million or 19.9% to RM8,831.1 million as compared to RM7,366.6 million in the previous year. In the current year, loan impairment allowance decreased by RM835.6 million (+69.6%) as adequate pre-emptive allowance has been made in prior years coupled with stable asset quality observed in the current year. Net interest income and income from Islamic banking business increased by RM1,095.4 million (+11.0%) which were attributable to the positive effect of Overnight Policy Rate ("OPR") hike of 100 basis points ("bps") and loans growth achieved in the current year. These were mitigated by higher other operating expenses (RM270.1 million or -6.8%) and lower net fee and commission income (RM232.3 million or -10.8%). 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.

Despite high growth achieved in pre-tax profit, net profit attributable to equity holders registered lower increase of RM463.0 million or 8.2% over the same period which was due to additional tax charge arising from the one-off prosperity tax in the current year.

Other comprehensive loss (net) of the Group for the current year decreased by RM501.7 million to RM218.7 million, mainly arising from lower loss on revaluation of financial investments and higher gain on cash flow hedges. These were partially mitigated by lower gain on foreign currency translation in respect of foreign operations.

The Group's profit continued to be supported by healthy loans and customer deposits growth. Gross loans grew by RM18.9 billion or 5.3% to RM376.9 billion as at 31 December 2022 as compared to RM358.0 billion a year ago, mainly driven by growth in mortgage financing and hire purchase financing. Total deposits from customers increased by 3.8% or RM14.3 billion to RM394.7 billion as at 31 December 2022. The Group's gross impaired loan ratio increased slightly but remained healthy at 0.4% as at 31 December 2022, in tandem with the industry trend.

The Group's Common Equity Tier I capital ratio, Tier I capital ratio and total capital ratio stood at a healthy level of 14.6%, 14.6% and 17.6% respectively. The Group's liquidity position also remained stable and healthy with liquidity coverage ratio standing at 127.7% as at 31 December 2022.

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B1. Performance Review (continued)

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

The performance of the respective operating segments for the financial year ended 31 December 2022 as compared to the previous year is analysed as follows:-

Profit / (Loss) Before Tax by Segments:	Group		Variance	
	Financial Year Ended			
	31 December 2022	31 December 2021	RM'000	%
Retail operations	4,197,509	4,311,380	(113,871)	(2.6)
Hire purchase	906,724	(117,050)	1,023,774	874.6
Corporate lending	425,501	444,820	(19,319)	(4.3)
Treasury and capital market operations	346,810	432,613	(85,803)	(19.8)
Investment banking	52,115	80,703	(28,588)	(35.4)
Fund management	780,365	878,086	(97,721)	(11.1)
Head office, funding center and others	1,457,116	713,480	743,636	104.2
Total domestic operations	8,166,140	6,744,032	1,422,108	21.1
Overseas operations	664,910	622,543	42,367	6.8
	8,831,050	7,366,575	1,464,475	19.9

- 1) Retail operations – Pre-tax profit decreased by RM113.9 million (-2.6%) to RM4,197.5 million which was due to higher other operating expenses, higher loan impairment allowance and lower fee income. These were partially offset by higher net interest income on higher average loan balances.
- 2) Hire purchase – Pre-tax profit increased by RM1,023.8 million (+874.6%) to RM906.7 million. The higher profit was attributed to the net writeback of loan impairment allowance in the current year as compared to allowance made in the previous year, and higher net interest income on higher average loan balances.
- 3) Corporate lending – Pre-tax profit decreased by RM19.3 million (-4.3%) to RM425.5 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 RM85.8 million (-19.8%) to RM346.8 million, which was mainly due to lower net interest income from interest gapping activities.
- 5) Investment banking – Pre-tax profit decreased by RM28.6 million (-35.4%) to RM52.1 million, due to lower stock-broking income arising from weaker market conditions.
- 6) Fund management – Pre-tax profit decreased by RM97.7 million (-11.1%) to RM780.4 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 conditions. These were partially offset by lower other operating expenses.
- 7) Head office, funding center and others – Pre-tax profit increased by RM743.6 million (+104.2%) to RM1,457.1 million, mainly due to higher net interest income arising from the positive effect of OPR hike of 100 bps in the current year.
- 8) Overseas operations – Pre-tax profit increased by RM42.4 million (+6.8%) to RM664.9 million which was due to higher net interest income and other income. These were mitigated by higher other operating expenses and higher loan impairment allowance.

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B1. Performance Review (continued)

Current Quarter vs. Previous Year Corresponding Quarter

Key Profit or Loss Items:	Group			
	4th Quarter Ended			
	31 December 2022	31 December 2021	Variance RM'000	%
	RM'000	RM'000		
Profit before tax expense and zakat	2,520,942	1,806,161	714,781	39.6
Net profit attributable to equity holders of the Bank	1,713,677	1,380,831	332,846	24.1
Other comprehensive loss (net)	(27,822)	(213,031)	185,209	86.9

For the 4th quarter ended 31 December 2022, the Group registered a pre-tax profit of RM2,520.9 million, an increase of RM714.8 million or 39.6% as compared to the pre-tax profit of RM1,806.2 million in the previous year corresponding quarter. Net profit attributable to equity holders registered a lower increase of RM332.8 million or 24.1% to RM1,713.7 million over the same period due to additional tax charge arising from prosperity tax. For the quarter under review, net interest income and income from Islamic banking business increased by RM573.9 million (+23.2%), whereas loan impairment allowance decreased by RM192.3 million (+68.1%). These were partially offset by higher other operating expenses (RM79.4 million or -8.3%). Higher net interest income and income from Islamic banking business were partly attributable to loans growth and the positive effect of OPR hikes. The lower loan impairment allowance was mainly attributed to adequate pre-emptive allowance made in the prior years.

Other comprehensive loss (net) of the Group for the current quarter decreased by RM185.2 million to RM27.8 million, mainly due to gain on revaluation of financial investments in the current quarter. This was partially offset by higher loss on foreign currency translation in respect of foreign operations arising from strengthening of Ringgit Malaysia against US Dollars and Hong Kong Dollars as well as loss on cash flow hedges in the current quarter.

Performance of the respective operating segments for the 4th quarter ended 31 December 2022 as compared to the previous year corresponding quarter is analysed as follows:-

Profit / (Loss) Before Tax by Segments:	4th Quarter Ended			
	31 December			
	2022	2021	Variance RM'000	%
	RM'000	RM'000		
Retail operations	1,047,829	1,316,999	(269,170)	(20.4)
Hire purchase	362,216	(211,537)	573,753	271.2
Corporate lending	135,551	127,455	8,096	6.4
Treasury and capital market operations	86,493	74,571	11,922	16.0
Investment banking	8,926	4,882	4,044	82.8
Fund management	199,998	234,469	(34,471)	(14.7)
Head office, funding center and others	494,295	131,842	362,453	274.9
Total domestic operations	<u>2,335,308</u>	<u>1,678,681</u>	<u>656,627</u>	39.1
Overseas operations	185,634	127,480	58,154	45.6
	<u>2,520,942</u>	<u>1,806,161</u>	<u>714,781</u>	39.6

- 1) Retail operations – Pre-tax profit decreased by RM269.2 million (-20.4%) to RM1,047.8 million mainly due to higher loan impairment allowance, higher other operating expenses and lower fee income. These were partially offset by higher net interest income.
- 2) Hire purchase – Pre-tax profit increased significantly by RM573.8 million (+271.2%) to RM362.2 million arising from net writeback of loan impairment allowance in the current quarter, as adequate pre-emptive allowance has been made in prior years.

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B1. Performance Review (continued)

Current Quarter vs. Previous Year Corresponding Quarter (continued)

- 3) Corporate lending – Pre-tax profit increased by RM8.1 million (+6.4%) mainly due to lower loan impairment allowance and higher fee income in the current quarter, partially offset by lower net interest income.
- 4) Treasury and capital market operations – Pre-tax profit improved by RM11.9 million (+16.0%) to RM86.5 million, mainly attributed to higher investment income but partially offset by lower net interest income.
- 5) Investment banking – Pre-tax profit increased by RM4.0 million (+82.8%) to RM8.9 million mainly due to lower loan impairment allowance and higher investment income, partially offset by lower net interest income.
- 6) Fund management – Pre-tax profit decreased by RM34.5 million (-14.7%) to RM200.0 million mainly due to lower management fee from lower average net asset value of funds and lower fee income on sale of trust units. These were partially offset by lower other operating expenses.
- 7) Head office, funding center and others – Pre-tax profit increased by RM362.5 million (+274.9%) to RM494.3 million, due to higher net interest income arising from the positive effect of OPR hikes.
- 8) Overseas Operations – Pre-tax profit increased by RM58.2 million (+45.6%) to RM185.6 million mainly due to higher fee and other income, higher net interest income and lower loan impairment allowance. These were partially offset by higher other operating expenses.

B2. Variation of Results Against Preceding Quarter

	Group		Variance	
	Quarter Ended			
	31 December 2022 RM'000	30 September 2022 RM'000	RM'000	%
Key Profit or Loss Items:				
Profit before tax expense and zakat	2,520,942	2,287,205	233,737	10.2
Net profit attributable to equity holders of the Bank	1,713,677	1,590,311	123,366	7.8
Other comprehensive (loss) / income (net)	(27,822)	136,841	(164,663)	(120.3)

For the 4th quarter ended 31 December 2022, the Group registered a pre-tax profit of RM2,520.9 million, an increase of RM233.7 million or 10.2% as compared to the pre-tax profit of RM2,287.2 million for the preceding quarter ended 30 September 2022. Net profit attributable to equity holders increased by RM123.4 million or 7.8% to RM1,713.7 million over the same period. For the quarter under review, net interest income and income from Islamic banking business increased by RM213.2 million (+7.5%) whereas other operating expenses decreased by RM37.2 million (+3.5%). These were partially offset by lower investment and other income.

Other comprehensive loss (net) of the Group for the current quarter was RM27.8 million as compared to other comprehensive income of RM136.8 million in the immediate preceding quarter, a decrease of RM164.7 million. This was mainly due to losses on foreign currency translation and cash flow hedges in the current quarter, partially mitigated by gains on revaluation of financial investments and remeasurements of defined benefit plans.

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B3. Prospects for 2023

The world is experiencing a volatile period amid economic and geopolitical challenges which have a pronounced impact on the overall global outlook. The global economy is projected to grow albeit moderately. Advanced economies are expected to moderate further due to weak private consumption and high inflation. For many emerging economies, the strength of the US dollar is causing acute challenges, including tighter financial conditions and higher cost of imported goods.

The Malaysian economy is expected to grow moderately backed by stable fundamentals and its diversified economic structure. Ongoing policy support will help cushion the impact of rising inflation and mitigate the downside risks stemming from prolonged global geopolitical uncertainties and tighter global financial conditions. 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 as well as contributing to the country's 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 continues to proactively provide further assistance to customers who may continue to face financial constraints, including the necessary financial support for small and medium enterprises ("SMEs").

The Public Bank Group is committed in embracing sustainability in its business operations. Its efforts encompass a wide array of initiatives covering the areas of environmental, social and governance. 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 Memorandums of Understanding 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. Similarly, the Group will remain supportive of its corporate and SMEs lending businesses 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 at all times 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 generate sustainable growth through challenging times and business cycles.

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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 4th quarter and financial year ended 31 December 2022 are as follows:

<u>Group</u>	4th Quarter Ended		Financial Year Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	752,795	473,709	2,582,822	1,754,724
Overseas income tax	28,016	26,401	126,876	125,237
	780,811	500,110	2,709,698	1,879,961
(Over) / Under provision in prior years				
- Malaysian income tax	(172)	(190,789)	(12,728)	652,970
- Overseas income tax	(39)	571	(961)	4,172
	780,600	309,892	2,696,009	2,537,103
Deferred tax expense / (income)				
- Relating to origination and reversal of temporary differences	13,685	(87,720)	(41,651)	(243,004)
- Under / (Over) provision	5,894	185,405	5,198	(658,114)
Tax expense	800,179	407,577	2,659,556	1,635,985
Zakat	(248)	-	1,867	713
	799,931	407,577	2,661,423	1,636,698

The Group's effective tax rate for the 4th quarter and financial year ended 31 December 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 4th quarter and financial year ended 31 December 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>	4th Quarter Ended		Financial Year Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	695,535	375,752	2,031,643	1,327,564
Overseas income tax	487	(1,481)	5,991	1,819
	696,022	374,271	2,037,634	1,329,383
(Over) / Under provision in prior years				
- Malaysian income tax	-	(162,323)	(4,852)	540,803
- Overseas income tax	-	-	3,024	4,271
	696,022	211,948	2,035,806	1,874,457
Deferred tax (income) / expense				
- Relating to origination and reversal of temporary differences	(24,592)	(62,330)	(59,194)	(166,093)
- Under / (Over) provision	281	157,972	(407)	(545,154)
	671,711	307,590	1,976,205	1,163,210

The Bank's effective tax rate for the 4th quarter and financial year ended 31 December 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 4th quarter and financial year ended 31 December 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 end of the year.

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 31 December 2022							
Hong Kong Dollar ("HKD") term loan	620,128	-	-	-	620,128	-	620,128
United States Dollar ("USD") term loan	878,457	-	-	-	878,457	-	878,457
USD syndicated term loan	1,626,029	-	-	-	1,626,029	-	1,626,029
RM Senior Medium Term notes / sukuk murabahah	-	1,889,856	-	909,976	-	2,799,832	2,799,832
RM Subordinated notes / sukuk murabahah	-	4,999,096	-	1,000,000	-	5,999,096	5,999,096
RM Additional Tier I capital securities	-	-	-	99,942	-	99,942	99,942
	3,124,614	6,888,952	-	2,009,918	3,124,614	8,898,870	12,023,484
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

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

Bank	More Than 1 Year		Less Than 1 Year		Sub-total		Total
	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	
Unsecured							
As At 31 December 2022							
USD term loan	878,457	-	-	-	878,457	-	878,457
USD syndicated term loan	1,626,029	-	-	-	1,626,029	-	1,626,029
RM Senior Medium Term notes	-	889,856	-	909,976	-	1,799,832	1,799,832
RM Subordinated notes	-	3,999,096	-	1,000,000	-	4,999,096	4,999,096
RM Additional Tier I capital securities	-	-	-	99,942	-	99,942	99,942
	2,504,486	4,888,952	-	2,009,918	2,504,486	6,898,870	9,403,356
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
Exchange rates used:	HKD	USD					
As at 31 December 2022	0.56525	4.40725					
As at 31 December 2021	0.53490	4.17050					

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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 the following dividends for the financial year ended 31 December 2022:
- First interim dividend of 8.0 sen which was paid on 23 September 2022.
 - Second interim dividend of 4.0 sen which was paid on 23 December 2022.
- (b) (i) A third interim dividend of 5.0 sen per share for the financial year ended 31 December 2022, amounting to RM970,534,587 computed based on 19,410,691,735 ordinary shares as at 31 December 2022, has been declared by the directors.
- (ii) Amount per share: 5.0 sen
 - (iii) Entitlement date: 14 March 2023
 - (iv) Payment date: 22 March 2023
- (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

	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
Net profit attributable to equity holders (RM'000)	<u>1,713,677</u>	<u>1,380,831</u>	<u>6,119,499</u>	<u>5,656,531</u>
Weighted average number of ordinary shares in issue ('000)	<u>19,410,692</u>	<u>19,410,692</u>	<u>19,410,692</u>	<u>19,410,692</u>
Basic earnings per share (sen)	<u>8.83</u>	<u>7.11</u>	<u>31.53</u>	<u>29.14</u>

Diluted

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