

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 2023

	Note	Group		Bank	
		31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
ASSETS					
Cash and balances with banks		11,127,417	21,766,900	8,045,976	16,045,318
Reverse repurchase agreements		851	4,193	851	53,618
Financial assets at fair value through profit or loss	A8	2,637,648	949,325	723,630	926,938
Derivative financial assets	A28	414,811	446,564	409,372	439,742
Financial investments at fair value through other comprehensive income	A9	54,138,308	54,867,289	34,333,301	37,154,286
Financial investments at amortised cost	A10	29,955,413	25,570,231	21,342,381	15,561,016
Loans, advances and financing	A11	394,749,979	372,583,116	296,192,586	282,577,665
Other assets	A12	3,501,689	3,749,865	3,088,328	3,500,877
Statutory deposits with Central Banks		7,526,753	6,882,404	5,169,488	4,395,985
Deferred tax assets		567,305	630,201	356,565	392,775
Collective investments		-	-	6,457,102	6,245,825
Investment in subsidiary companies		-	-	6,794,603	6,794,166
Investment in associated companies		141,743	120,164	67,500	67,500
Investment properties		744,960	669,570	-	-
Right-of-use assets		1,243,436	1,287,639	1,011,091	1,051,072
Property and equipment		1,258,084	1,196,283	591,335	562,076
Intangible assets		2,589,600	2,539,021	695,393	695,393
TOTAL ASSETS		510,597,997	493,262,765	385,279,502	376,464,252
LIABILITIES					
Deposits from customers	A13	412,896,967	394,718,757	305,059,591	293,505,435
Deposits from banks and other financial institutions	A14	12,602,429	13,774,842	13,814,884	14,511,266
Obligations on securities sold under repurchase agreements		3,017,789	6,776,410	2,920,263	6,630,718
Bills and acceptances payable		192,169	314,168	189,783	311,068
Recourse obligations on loans and financing sold to Cagamas		5,100,015	5,100,015	4,000,015	4,000,015
Derivative financial liabilities	A28	354,450	496,045	375,941	535,790
Debt securities issued and other borrowed funds	B9	11,144,016	12,023,484	8,498,499	9,403,356
Lease liabilities		904,324	912,967	1,065,478	1,090,367
Other liabilities	A15	7,426,548	6,608,224	5,365,686	5,019,205
Provision for tax expense and zakat		484,975	928,858	408,522	729,118
Deferred tax liabilities		94,197	83,187	-	-
TOTAL LIABILITIES		454,217,879	441,736,957	341,698,662	335,736,338

The Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the year ended 31 December 2022.

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 2023

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
EQUITY				
Share capital	9,417,653	9,417,653	9,417,653	9,417,653
Regulatory reserves	723,829	314,153	682,723	257,054
Other reserves	2,085,743	1,188,430	401,415	269,926
Retained profits	42,447,124	39,258,985	33,079,049	30,783,281
Equity attributable to equity holders of the Bank	54,674,349	50,179,221	43,580,840	40,727,914
Non-controlling interests	1,705,769	1,346,587	-	-
TOTAL EQUITY	56,380,118	51,525,808	43,580,840	40,727,914
TOTAL LIABILITIES AND EQUITY	510,597,997	493,262,765	385,279,502	376,464,252
COMMITMENTS AND CONTINGENCIES	A27	104,721,984	109,110,256	93,564,059
CAPITAL ADEQUACY	A30			
<u>Before deducting interim dividends</u> *				
Common Equity Tier I Capital Ratio	15.235%	14.862%	13.875%	13.472%
Tier I Capital Ratio	15.253%	14.912%	13.875%	13.513%
Total Capital Ratio	18.146%	17.925%	16.990%	16.722%
<u>After deducting interim dividends</u> *				
Common Equity Tier I Capital Ratio	14.654%	14.552%	13.112%	13.072%
Tier I Capital Ratio	14.672%	14.603%	13.112%	13.113%
Total Capital Ratio	17.564%	17.616%	16.227%	16.322%
Net assets per share attributable to ordinary equity holders of the Bank (RM)	2.82	2.59	2.25	2.10

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

The Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the year ended 31 December 2022.

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 2023

<u>Group</u>	Note	4th Quarter Ended		Financial Year Ended	
		31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Operating revenue		6,547,961	6,062,910	25,415,010	21,426,926
Interest income	A16	4,671,208	4,211,398	18,040,197	14,931,856
Interest expense	A17	(2,371,330)	(1,753,880)	(8,984,905)	(5,764,972)
Net interest income		2,299,878	2,457,518	9,055,292	9,166,884
Net income from Islamic banking business	A32 (b)	358,318	591,566	1,561,548	1,857,189
		2,658,196	3,049,084	10,616,840	11,024,073
Fee and commission income	A18 (a)	761,709	717,225	2,969,784	2,867,894
Fee and commission expense	A18 (b)	(274,249)	(244,964)	(1,019,937)	(953,393)
Net fee and commission income	A18	487,460	472,261	1,949,847	1,914,501
Net gains and losses on financial instruments	A19	12,116	2,311	48,967	70,876
Other operating income	A20	102,340	126,558	476,933	428,792
Net income		3,260,112	3,650,214	13,092,587	13,438,242
Other operating expenses	A21	(1,101,635)	(1,040,290)	(4,414,788)	(4,235,384)
Operating profit before impairment losses		2,158,477	2,609,924	8,677,799	9,202,858
Allowance for impairment on loans, advances and financing	A22	(96,992)	(90,012)	(156,689)	(365,556)
Allowance for impairment on other assets	A23	(6,803)	(6,068)	(1,278)	(13,199)
		2,054,682	2,513,844	8,519,832	8,824,103
Share of profit after tax of equity accounted associated companies		12,943	7,098	18,956	6,947
Profit before tax expense and zakat		2,067,625	2,520,942	8,538,788	8,831,050
Tax expense and zakat	B5	(470,544)	(799,931)	(1,883,775)	(2,661,423)
Profit for the period / year		1,597,081	1,721,011	6,655,013	6,169,627
Profit for the period / year attributable to:					
- Equity holders of the Bank		1,615,457	1,713,677	6,649,314	6,119,499
- Non-controlling interests		(18,376)	7,334	5,699	50,128
		1,597,081	1,721,011	6,655,013	6,169,627
Earnings per share:					
- basic / diluted (sen)	B12	8.32	8.83	34.26	31.53

The Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the year ended 31 December 2022.

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 2023

Group	4th Quarter Ended		Financial Year Ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Profit for the period / year	1,597,081	1,721,011	6,655,013	6,169,627
Other comprehensive (loss) / income:				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
(Loss) / Gain on remeasurement of defined benefit plan	(158,298)	75,501	(158,298)	75,501
Net change in revaluation of				
- Equity instruments	(6,974)	155	5,731	18,408
- Property and equipment	(824)	15,046	43,816	15,046
	(166,096)	90,702	(108,751)	108,955
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Currency translation differences in respect of:				
- Foreign operations	(200,265)	(522,781)	367,085	287,741
- Net investment hedge	60,624	208,379	(153,009)	(235,887)
Net change in revaluation of financial investments at fair value through other comprehensive income	214,968	323,543	681,486	(664,372)
Net change in cash flow hedges	(82,035)	(41,819)	(73,356)	222,872
	(6,708)	(32,678)	822,206	(389,646)
Income tax effect	(3,055)	(84,998)	(90,837)	64,178
Share of changes in associated companies' reserves	(294)	(848)	2,623	(2,227)
Other comprehensive (loss) / income for the period / year, net of tax	(176,153)	(27,822)	625,241	(218,740)
Total comprehensive income for the period / year	1,420,928	1,693,189	7,280,254	5,950,887
Total comprehensive income for the period / year attributable to:				
- Equity holders of the Bank	1,463,439	1,742,048	7,212,625	5,840,465
- Non-controlling interests	(42,511)	(48,859)	67,629	110,422
	1,420,928	1,693,189	7,280,254	5,950,887

The Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the year ended 31 December 2022.

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 2023

Bank	Note	4th Quarter Ended		Financial Year Ended	
		31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Operating revenue		4,666,416	4,436,192	17,571,810	14,650,574
Interest income	A16	4,084,359	3,694,215	15,788,565	13,153,830
Interest expense	A17	(2,175,881)	(1,606,817)	(8,254,322)	(5,375,012)
Net interest income		1,908,478	2,087,398	7,534,243	7,778,818
Fee and commission income	A18 (a)	334,811	316,172	1,281,550	1,174,362
Fee and commission expense	A18 (b)	(158,022)	(137,613)	(567,991)	(476,884)
Net fee and commission income	A18	176,789	178,559	713,559	697,478
Net gains and losses on financial instruments	A19	11,235	3,421	44,558	70,470
Other operating income	A20	588,564	809,806	1,150,492	1,065,024
Net income		2,685,066	3,079,184	9,442,852	9,611,790
Other operating expenses	A21	(664,429)	(641,123)	(2,701,527)	(2,638,912)
Operating profit before impairment losses (Allowance) / Writeback of allowance for impairment on loans, advances and financing	A22	(36,168)	(44,759)	119,639	(136,653)
(Allowance) / Writeback of allowance for impairment on other assets	A23	(4,678)	(5,426)	2,317	(10,951)
Profit before tax expense and zakat		1,979,791	2,387,876	6,863,281	6,825,274
Tax expense and zakat	B5	(387,879)	(671,711)	(1,424,107)	(1,976,205)
Profit for the period / year		1,591,912	1,716,165	5,439,174	4,849,069

The Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the year ended 31 December 2022.

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 2023

<u>Bank</u>	4th Quarter Ended		Financial Year Ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Profit for the period / year	1,591,912	1,716,165	5,439,174	4,849,069
Other comprehensive (loss) / income:				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
(Loss) / Gain on remeasurements of defined benefit plan	(154,388)	73,580	(154,388)	73,580
Net change in revaluation of equity instruments	(6,850)	66	5,918	18,388
	(161,238)	73,646	(148,470)	91,968
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Currency translation differences in respect of foreign operations	(10,432)	(40,588)	(15,044)	(165,828)
Net change in revaluation of financial investments at fair value through other comprehensive income	154,361	252,041	403,181	(435,437)
Net change in cash flow hedges	(60,517)	(20,991)	(54,030)	114,392
	83,412	190,462	334,107	(486,873)
Income tax effect	6,886	(73,111)	(54,388)	59,392
Other comprehensive (loss) / income for the period / year, net of tax	(70,940)	190,997	131,249	(335,513)
Total comprehensive income for the period / year	1,520,972	1,907,162	5,570,423	4,513,556

The Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the year ended 31 December 2022.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

<----- 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 2023	9,417,653	314,153	1,188,430	39,258,985	50,179,221	1,346,587	51,525,808
Profit for the year	-	-	-	6,649,314	6,649,314	5,699	6,655,013
Other comprehensive income for the year	-	-	563,311	-	563,311	61,930	625,241
Total comprehensive income for the year	-	-	563,311	6,649,314	7,212,625	67,629	7,280,254
Transactions with owners / other equity movements:							
Net increase during the year	-	-	-	-	-	298,425	298,425
Transfer to statutory reserves	-	-	12,702	(12,702)	-	-	-
Transfer to regulatory reserves	-	409,676	-	(409,676)	-	-	-
Transfer to general reserves	-	-	321,300	(321,300)	-	-	-
Dividends paid	-	-	-	(2,717,497)	(2,717,497)	(6,872)	(2,724,369)
	-	409,676	334,002	(3,461,175)	(2,717,497)	291,553	(2,425,944)
At 31 December 2023	9,417,653	723,829	2,085,743	42,447,124	54,674,349	1,705,769	56,380,118

The Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the year ended 31 December 2022.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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

Group	Non-distributable			Distributable	Total Shareholders' Equity RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Regulatory Reserves RM'000	Other Reserves RM'000	Retained Profits 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

The Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the year ended 31 December 2022.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

<----- 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 2023	9,417,653	257,054	269,926	30,783,281	40,727,914
Profit for the year	-	-	-	5,439,174	5,439,174
Other comprehensive income for the year	-	-	131,249	-	131,249
Total comprehensive income for the year	-	-	131,249	5,439,174	5,570,423
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	240	(240)	-
Transfer to regulatory reserves	-	425,669	-	(425,669)	-
Dividends paid	-	-	-	(2,717,497)	(2,717,497)
	-	425,669	240	(3,143,406)	(2,717,497)
At 31 December 2023	9,417,653	682,723	401,415	33,079,049	43,580,840

The Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the year ended 31 December 2022.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
AUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

<----- 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 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	<u>-</u>	<u>-</u>	<u>(335,513)</u>	<u>4,849,069</u>	<u>4,513,556</u>
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)
	<u>-</u>	<u>45,991</u>	<u>157</u>	<u>(3,870,054)</u>	<u>(3,823,906)</u>
At 31 December 2022	<u>9,417,653</u>	<u>257,054</u>	<u>269,926</u>	<u>30,783,281</u>	<u>40,727,914</u>

The Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the year ended 31 December 2022.

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 2023

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Cash Flows from Operating Activities				
Profit before tax expense and zakat	8,538,788	8,831,050	6,863,281	6,825,274
Adjustments for non-cash items:				
Share of profit after tax of equity accounted associated companies	(18,956)	(6,947)	-	-
Allowance / (Writeback of allowance) for impairment on loans, advances and financing	355,677	596,812	(6,144)	272,206
Depreciation of right-of-use assets and property and equipment	363,416	371,583	260,577	271,458
Net gain on financial instruments	(39,537)	(74,728)	(36,063)	(74,888)
Dividend income	(3,138)	(1,635)	(915,528)	(936,989)
Allowance / (Writeback of allowance) for impairment on other assets	1,278	13,199	(2,317)	10,951
Other non-cash items	8,783	(1,993)	(5,875)	309
Operating profit before working capital changes	<u>9,206,311</u>	<u>9,727,341</u>	<u>6,157,931</u>	<u>6,368,321</u>
Changes in working capital:				
Increase in operating assets	(23,434,195)	(24,814,193)	(13,233,881)	(13,807,222)
Increase in operating liabilities	13,737,184	26,664,115	7,276,646	16,332,539
Cash (used in) / generated from operations	<u>(490,700)</u>	<u>11,577,263</u>	<u>200,696</u>	<u>8,893,638</u>
Tax expense and zakat paid	(2,345,300)	(2,413,921)	(1,762,881)	(1,758,494)
Net cash (used in) / generated from operating activities	<u>(2,836,000)</u>	<u>9,163,342</u>	<u>(1,562,185)</u>	<u>7,135,144</u>
Cash Flows from Investing Activities				
Purchase of property and equipment	(308,490)	(146,182)	(210,095)	(92,533)
Purchase of leasehold land	-	(40,032)	-	-
Addition to investment properties	(350)	(43,361)	-	-
Proceeds from disposal of properties	54,200	33,213	50,272	26,465
Net (purchase) / sale of financial investments	(2,889,644)	(1,679,294)	(2,488,445)	5,913
Investment in collective investments by the Bank	-	-	(211,277)	(158,971)
Investment in collective investments by the non-controlling interests	298,425	-	-	-
Additional investment in a subsidiary company	-	-	(437)	(300,000)
Dividends received	3,138	1,635	954,347	978,740
Net cash (used in) / generated from investing activities	<u>(2,842,721)</u>	<u>(1,874,021)</u>	<u>(1,905,635)</u>	<u>459,614</u>

The Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the year ended 31 December 2022.

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 2023

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Cash Flows from Financing Activities				
Dividends paid	(2,724,369)	(3,850,486)	(2,717,497)	(3,823,906)
Net proceeds from issuance of debt securities	998,845	3,498,940	998,845	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	(87,443)	(88,156)	(62,775)	(63,627)
Redemption of debt securities	(2,010,000)	(2,500,000)	(2,010,000)	(2,000,000)
Net cash used in financing activities	<u>(3,822,967)</u>	<u>(2,951,039)</u>	<u>(3,791,427)</u>	<u>(3,897,251)</u>
Net change in cash and cash equivalents	(9,501,688)	4,338,282	(7,259,247)	3,697,507
Cash and cash equivalents at beginning of the year	18,795,171	14,048,205	15,075,723	11,378,216
Exchange differences on translation of opening balances	264,665	408,684	-	-
Cash and cash equivalents at end of the year	<u>9,558,148</u>	<u>18,795,171</u>	<u>7,816,476</u>	<u>15,075,723</u>
Note:				
Cash and balances with banks	11,127,417	21,766,900	8,045,976	16,045,318
Less: Balances with banks with original maturity more than three months	(1,569,269)	(2,971,729)	(229,500)	(969,595)
Cash and cash equivalents at end of the year	<u>9,558,148</u>	<u>18,795,171</u>	<u>7,816,476</u>	<u>15,075,723</u>

The Condensed Interim Financial Statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the year ended 31 December 2022.

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

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

A1. Basis of Preparation

The audited condensed interim financial statements for the 4th quarter and financial year ended 31 December 2023 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 annual audited financial statements of the Group and of the Bank for the financial year ended 31 December 2022. 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 2022.

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 material 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 2022, except for the adoption of the following during the current financial year:

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)
- International Tax Reform - Pillar Two Model Rules (Amendments to MFRS 112 Income Taxes)

Effective for annual periods commencing on or after 1 January 2024

- Non-current Liabilities with Covenants (Amendments to MFRS 101 Presentation of Financial Statements)
- Supplier Finance Arrangements (Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures)

Other than as disclosed below, the adoption of the Malaysian Financial Reporting Standards ("MFRS") and amendments to MFRSs did not have any impact on the financial statements of the Group and the Bank.

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. The adoption of MFRS 17 did not have any material financial impact on the financial statements of the Group as the general insurance subsidiary company's business and operations are not material to the Group.

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. The adoption of these amendments did not have any material financial impact on the financial statements of the Group as the general insurance subsidiary company's business and operations are not material to the Group.

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

A1. Basis of Preparation (continued)

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. The adoption of these amendments did not have any material financial impact on the financial statements of the Group as the general insurance subsidiary company's business and operations are not material to the Group.

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

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. The adoption of these amendments affected the Group's and the Bank's classification of deferred tax in relation to right-of-use assets and the corresponding lease liabilities which were previously recognised on a net basis, but did not have any financial impact on the Group and the Bank.

International Tax Reform - Pillar Two Model Rules (Amendments to MFRS 112 Income Taxes) - The amendments give entities temporary relief from recognising and disclosing accounting for deferred taxes arising from the Organisation for Economic Co-operation and Development's (OECD) international tax reform; and introduces targeted disclosure requirements to help investors better understand an entity's exposure to income taxes arising from the reform, particularly before legislation implementing the rules is in effect. The adoption of these amendments only affected disclosures and did not have any financial impact to the Group and the Bank.

The following 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 2025

- Lack of Exchangeability (Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates)

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

Lack of Exchangeability (Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates) - The amendments provide guidance on the spot exchange rate to use when a currency is not exchangeable into another currency and the disclosures entities need to provide to enable users of financial statements to understand the impact of a currency not being exchangeable.

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

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

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

A2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the annual audited financial statements for the financial year ended 31 December 2022 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.

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

On 7 April 2023, the Bank had redeemed the sixth (6th) tranche of Senior MTNs amounting to RM910 million in nominal value together with accrued interest.

RM10.0 Billion Basel III Compliant Additional Tier I Capital Securities ("ATICS") Programme

On 26 June 2023, the Bank had early redeemed the first (1st) tranche of ATICS amounting to RM100 million in nominal value together with accrued distribution.

RM20.0 Billion Subordinated Medium Term Notes ("Sub-Notes") Programme

The Bank, as the Issuer, has on 12 September 2023 through Public Investment Bank Berhad, lodged with the Securities Commission Malaysia the required information and relevant documents for the establishment of the RM20.0 billion Sub-Notes Programme.

The RM20.0 billion Sub-Notes Programme have a tenure of thirty (30) years from the date of first issuance of the Sub-Notes. The Sub-Notes to be issued under the Sub-Notes Programme will qualify as Tier II capital for the computation of the regulatory capital of the Group and of the Bank in accordance with the Capital Adequacy Framework (Capital Components) issued by Bank Negara Malaysia ("BNM").

On 25 October 2023, the Bank issued the first (1st) tranche of RM1,000 million in aggregate nominal amount of Subordinated Notes which is due in 2033 and callable in 2028. The Notes bear interest at 4.27% per annum.

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

On 30 October 2023, the Bank had early redeemed the fifth (5th) tranche of Subordinated Notes amounting to a total of RM1,000 million together with accrued interest.

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

A7. Dividends Paid and Distributed

A third interim dividend of 5.0 sen per share for the financial year ended 31 December 2022 amounting to RM970,534,587 was paid on 22 March 2023.

A first interim dividend of 9.0 sen per share for the financial year ended 31 December 2023 amounting to RM1,746,962,256 was paid on 22 September 2023.

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

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

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	197,548	214,801	197,548	214,801
Malaysian Government Securities	71,191	302,620	71,191	302,620
Malaysian Government Investment Issues	<u>113,413</u>	<u>40,662</u>	<u>113,413</u>	<u>40,662</u>
	<u>382,152</u>	<u>558,083</u>	<u>382,152</u>	<u>558,083</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>1,893,292</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-money market instruments:				
Equity securities:				
- Unquoted shares in Malaysia	362,204	391,242	341,478	368,855
Total financial assets at FVTPL	<u><u>2,637,648</u></u>	<u><u>949,325</u></u>	<u><u>723,630</u></u>	<u><u>926,938</u></u>

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

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

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	98,774	618,797	98,774	349,765
Malaysian Government Securities	18,367,367	20,562,422	17,475,888	19,815,634
Malaysian Government Investment Issues	29,247,716	26,923,746	15,556,797	14,121,212
Other foreign government securities	289,431	167,201	-	-
	<u>48,003,288</u>	<u>48,272,166</u>	<u>33,131,459</u>	<u>34,286,611</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>298,997</u>	<u>842,032</u>	<u>497,707</u>	<u>1,722,871</u>
Non-money market instruments:				
Equity securities:				
- Quoted shares and convertible loan stocks outside Malaysia	1,478	1,675	-	-
- Unquoted shares	420,990	413,287	413,921	406,384
Debt securities:				
- Cagamas bonds / sukuk	242,771	443,938	-	301,389
- Unquoted corporate bonds / sukuk	5,170,784	4,894,191	290,214	437,031
	<u>5,836,023</u>	<u>5,753,091</u>	<u>704,135</u>	<u>1,144,804</u>
Total financial investments at FVOCI	<u>54,138,308</u>	<u>54,867,289</u>	<u>34,333,301</u>	<u>37,154,286</u>

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

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

The following expected credit losses ("ECL") for debt instruments are recognised in other comprehensive income. Such ECL do not reduce the carrying amount 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 2023	16,369	-	-	16,369
New financial investments purchased	3,844	-	-	3,844
Net allowance written back	(1,507)	-	-	(1,507)
Amount derecognised	(4,288)	-	-	(4,288)
Change in models / risk parameters	(2,763)	-	-	(2,763)
Exchange differences	14	-	-	14
At 31 December 2023	<u>11,669</u>	<u>-</u>	<u>-</u>	<u>11,669</u>
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>
Bank				
At 1 January 2023	6,400	-	-	6,400
New financial investments purchased	3,017	-	-	3,017
Net allowance written back	(29)	-	-	(29)
Amount derecognised	(3,578)	-	-	(3,578)
At 31 December 2023	<u>5,810</u>	<u>-</u>	<u>-</u>	<u>5,810</u>
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>

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

A10. Financial Investments at Amortised Cost

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
At amortised cost				
Government securities and treasury bills:				
Malaysian Government Securities	4,131,453	1,099,289	4,091,808	1,059,635
Malaysian Government Investment Issues	9,486,103	8,075,557	5,021,516	3,654,151
Foreign Government Treasury Bills	1,519,357	1,485,035	51,539	32,313
Other foreign government securities	211,647	608,130	3,543	2,636
	<u>15,348,560</u>	<u>11,268,011</u>	<u>9,168,406</u>	<u>4,748,735</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>2,196,800</u>	<u>1,827,367</u>	<u>1,769,094</u>	<u>708,670</u>
Non-money market instruments:				
Debt securities:				
- Cagamas bonds / sukuk	6,798,445	5,146,601	5,695,055	4,043,212
- Unquoted corporate bonds / sukuk	5,616,481	7,332,574	4,713,560	6,063,380
	<u>12,414,926</u>	<u>12,479,175</u>	<u>10,408,615</u>	<u>10,106,592</u>
Allowance for impairment	(4,873)	(4,322)	(3,734)	(2,981)
Total financial investments at amortised cost	<u>29,955,413</u>	<u>25,570,231</u>	<u>21,342,381</u>	<u>15,561,016</u>

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

A10. Financial Investments at Amortised Cost (continued)

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

	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
Group				
At 1 January 2023	4,303	-	19	4,322
New financial investments purchased	2,031	-	-	2,031
Net allowance written back	(402)	-	-	(402)
Amount derecognised	(987)	-	-	(987)
Change in models / risk parameters	(107)	-	-	(107)
Exchange differences	16	-	-	16
At 31 December 2023	<u>4,854</u>	<u>-</u>	<u>19</u>	<u>4,873</u>
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>
Bank				
At 1 January 2023	2,962	-	19	2,981
New financial investments purchased	1,388	-	-	1,388
Net allowance written back	(238)	-	-	(238)
Amount derecognised	(309)	-	-	(309)
Change in models / risk parameters	(88)	-	-	(88)
At 31 December 2023	<u>3,715</u>	<u>-</u>	<u>19</u>	<u>3,734</u>
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>

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

A11. Loans, Advances and Financing

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
At amortised cost				
Overdrafts	8,953,714	9,116,969	5,851,097	6,025,328
Term loans / financing				
- Housing loans / financing	162,958,538	152,915,174	121,036,720	114,661,406
- Syndicated term loans / financing	4,059,702	4,238,211	866,918	1,153,793
- Hire purchase receivables	67,262,849	60,933,018	52,400,276	47,420,073
- Other term loans / financing	135,672,879	129,578,837	103,291,130	100,395,985
Credit card receivables	2,835,060	2,528,424	2,695,945	2,438,998
Bills receivables	138,610	141,162	136,807	134,422
Trust receipts	124,469	174,668	90,480	101,184
Claims on customers under acceptance credits	2,943,729	3,093,295	2,714,706	2,882,387
Revolving credits	11,836,012	11,976,772	8,141,121	8,560,112
Staff loans *	2,211,035	2,195,407	1,872,749	1,876,822
Gross loans, advances and financing	<u>398,996,597</u>	<u>376,891,937</u>	<u>299,097,949</u>	<u>285,650,510</u>
Allowance for impairment on loans, advances and financing:				
- Expected credit losses	(4,246,618)	(4,308,821)	(2,905,363)	(3,072,845)
- Stage 1: 12-Month ECL	(1,183,547)	(2,074,558)	(788,636)	(1,392,936)
- Stage 2: Lifetime ECL not credit-impaired	(2,497,151)	(1,858,411)	(1,802,130)	(1,443,023)
- Stage 3: Lifetime ECL credit-impaired	(565,920)	(375,852)	(314,597)	(236,886)
Net loans, advances and financing	<u>394,749,979</u>	<u>372,583,116</u>	<u>296,192,586</u>	<u>282,577,665</u>

* Included in staff loans of the Group and of the Bank are loans to Directors of subsidiary companies amounting to RM13,854,000 (2022: RM8,480,000) and RM7,151,000 (2022 - RM7,791,000) respectively.

a) Gross loans, advances and financing analysed by class of financial instruments

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Retail loans / financing *				
- Housing loans / financing	162,958,542	152,915,181	121,036,720	114,661,406
- Hire purchase	66,978,606	60,672,636	52,400,276	47,420,073
- Credit cards	2,835,060	2,528,424	2,695,945	2,438,998
- Other loans / financing ^	116,976,985	114,931,108	84,919,064	84,173,303
	<u>349,749,193</u>	<u>331,047,349</u>	<u>261,052,005</u>	<u>248,693,780</u>
Corporate loans / financing	49,247,404	45,844,588	38,045,944	36,956,730
	<u>398,996,597</u>	<u>376,891,937</u>	<u>299,097,949</u>	<u>285,650,510</u>

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

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

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

A11. Loans, Advances and Financing (continued)

b) Gross loans, advances and financing analysed by type of customer

	Group		Bank	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Non-bank financial institutions				
- Stock-broking companies	4,806	5,115	4,806	5,115
- Others	16,917,296	15,584,596	14,465,447	14,393,888
Business enterprises				
- Small and medium enterprises	72,722,041	71,764,392	57,869,765	57,053,743
- Others	25,875,225	26,598,868	18,641,547	19,583,288
Government and statutory bodies	2,036,511	1,017,220	18,678	15,604
Individuals	275,575,634	258,144,587	203,847,263	192,439,610
Other entities	29,645	20,272	17,931	15,343
Foreign entities	5,835,439	3,756,887	4,232,512	2,143,919
	<u>398,996,597</u>	<u>376,891,937</u>	<u>299,097,949</u>	<u>285,650,510</u>

c) Gross loans, advances and financing analysed by interest/profit rate sensitivity

	Group		Bank	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Fixed rate				
- Housing loans / financing	1,153,712	1,145,645	48,049	35,408
- Hire purchase receivables	64,370,774	58,111,038	52,218,458	47,292,216
- Other fixed rate loans / financing	24,737,573	23,221,035	12,042,524	12,406,183
Variable rate				
- Base rate / base lending rate plus	254,562,527	242,732,800	202,358,027	194,321,075
- Cost plus	39,998,709	37,822,072	32,265,458	31,428,956
- Other variable rates	14,173,302	13,859,347	165,433	166,672
	<u>398,996,597</u>	<u>376,891,937</u>	<u>299,097,949</u>	<u>285,650,510</u>

d) Gross loans, advances and financing analysed by residual contractual maturity

	Group		Bank	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Maturity within one year	35,206,476	32,003,265	24,164,102	21,747,532
More than one year to three years	31,852,005	28,799,158	24,787,779	21,667,013
More than three years to five years	32,035,573	32,868,993	26,137,441	27,409,810
More than five years	299,902,543	283,220,521	224,008,627	214,826,155
	<u>398,996,597</u>	<u>376,891,937</u>	<u>299,097,949</u>	<u>285,650,510</u>

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

A11. Loans, Advances and Financing (continued)

e) Gross loans, advances and financing analysed by geographical distribution

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Malaysia	372,697,455	352,065,239	298,568,924	285,141,923
Hong Kong SAR and the People's Republic of China	14,269,038	14,064,723	-	-
Cambodia	6,442,464	5,605,533	-	-
Other countries	5,587,640	5,156,442	529,025	508,587
	<u>398,996,597</u>	<u>376,891,937</u>	<u>299,097,949</u>	<u>285,650,510</u>

f) Gross loans, advances and financing analysed by economic purpose

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Purchase of securities	3,766,169	4,151,491	3,171,160	3,690,597
Purchase of transport vehicles	67,510,435	61,165,783	52,651,399	47,657,702
Purchase of properties	253,120,816	241,152,228	194,470,363	187,135,065
(of which: - residential	<u>168,491,831</u>	<u>158,506,338</u>	<u>125,695,541</u>	<u>119,386,908</u>
- non-residential)	<u>84,628,985</u>	<u>82,645,890</u>	<u>68,774,822</u>	<u>67,748,157</u>
Purchase of fixed assets (excluding properties)	422,629	434,072	61,965	74,061
Personal use	16,082,685	13,793,372	8,805,561	6,884,049
Credit card	2,835,060	2,528,424	2,695,945	2,438,998
Purchase of consumer durables	678	785	206	308
Construction	7,436,894	7,396,488	4,946,684	5,151,885
Working capital	44,413,375	42,173,138	29,526,470	29,383,925
Other purpose	3,407,856	4,096,156	2,768,196	3,233,920
	<u>398,996,597</u>	<u>376,891,937</u>	<u>299,097,949</u>	<u>285,650,510</u>

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

A11. Loans, Advances and Financing (continued)

g) Gross loans, advances and financing analysed by sector

	Group		Bank	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Agriculture, hunting, forestry and fishing	3,014,419	3,036,518	2,424,390	2,468,206
Mining and quarrying	194,152	236,131	152,001	128,535
Manufacturing	12,056,303	11,664,437	8,911,634	8,179,013
Electricity, gas and water	66,952	83,294	38,938	39,268
Construction	17,675,022	17,835,469	13,522,086	13,738,521
Wholesale & retail trade and restaurants & hotels	33,954,367	33,251,044	27,127,990	26,851,993
Transport, storage and communication	4,783,692	4,655,463	2,385,338	2,515,932
Finance, insurance and business services	20,956,273	19,736,990	17,767,817	17,567,542
Real estate	23,524,481	24,075,734	17,644,900	18,393,218
Community, social and personal services	4,374,849	3,308,015	2,050,987	1,925,417
Households	276,747,324	257,708,575	207,065,338	193,835,806
Others	1,648,763	1,300,267	6,530	7,059
	<u>398,996,597</u>	<u>376,891,937</u>	<u>299,097,949</u>	<u>285,650,510</u>

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

	Group		Bank	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
At 1 January	1,584,096	1,101,923	1,063,774	741,668
Impaired during the year	2,791,971	1,563,157	1,342,043	992,022
Reclassified as non-impaired	(1,101,250)	(453,297)	(731,093)	(308,069)
Recoveries	(456,436)	(316,789)	(184,703)	(211,222)
Amount written off	(426,176)	(270,376)	(157,359)	(105,953)
Loans / financing converted to foreclosed properties	(71,178)	(46,886)	(62,492)	(39,485)
Exchange differences	14,345	6,364	559	(5,187)
Closing balance	<u>2,335,372</u>	<u>1,584,096</u>	<u>1,270,729</u>	<u>1,063,774</u>
Gross impaired loans and financing as a percentage of gross loans, advances and financing	<u>0.59%</u>	<u>0.42%</u>	<u>0.42%</u>	<u>0.37%</u>

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

A11. Loans, Advances and Financing (continued)

i) Impaired loans, advances and financing analysed by geographical distribution

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Malaysia	1,489,262	1,186,647	1,234,565	1,028,531
Hong Kong SAR and the People's Republic of China	547,102	181,644	-	-
Cambodia	97,900	95,034	-	-
Other countries	201,108	120,771	36,164	35,243
	<u>2,335,372</u>	<u>1,584,096</u>	<u>1,270,729</u>	<u>1,063,774</u>

j) Impaired loans, advances and financing analysed by economic purpose

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Purchase of securities	34,242	36,545	34,242	36,545
Purchase of transport vehicles	212,001	172,580	128,359	112,553
Purchase of properties	1,510,176	878,840	870,082	684,006
(of which: - residential	652,007	398,837	394,463	259,800
- non-residential)	858,169	480,003	475,619	424,206
Purchase of fixed assets (excluding properties)	10,882	8,702	208	285
Personal use	125,795	114,555	31,349	22,209
Credit card	19,507	17,364	18,134	16,414
Purchase of consumer durables	-	9	-	9
Construction	24,171	13,810	7,809	7,747
Working capital	397,359	339,279	179,343	181,622
Other purpose	1,239	2,412	1,203	2,384
	<u>2,335,372</u>	<u>1,584,096</u>	<u>1,270,729</u>	<u>1,063,774</u>

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

A11. Loans, Advances and Financing (continued)

k) Impaired loans, advances and financing analysed by sector

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Agriculture, hunting, forestry and fishing	3,150	13,084	3,056	13,026
Mining and quarrying	15,018	11,044	14,842	11,044
Manufacturing	88,367	88,494	40,977	41,573
Electricity, gas and water	5,590	5,362	60	5
Construction	102,423	96,278	82,128	86,948
Wholesale & retail trade and restaurants & hotels	236,243	142,330	100,411	113,292
Transport, storage and communication	13,372	14,679	11,102	8,770
Finance, insurance and business services	47,910	106,364	28,032	25,253
Real estate	717,578	355,283	368,068	331,503
Community, social and personal services	8,492	1,446	8,295	1,368
Households	1,058,763	731,229	613,758	430,991
Others	38,466	18,503	-	1
	<u>2,335,372</u>	<u>1,584,096</u>	<u>1,270,729</u>	<u>1,063,774</u>

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

A11. Loans, Advances and Financing (continued)

l) 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 2023	2,074,558	1,858,411	375,852	4,308,821
Changes due to loans, advances and financing recognised as at 1 January 2023:	311,368	(336,808)	25,440	-
- Transfer to Stage 1: 12-Month ECL	344,692	(332,681)	(12,011)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(29,839)	48,611	(18,772)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(3,485)	(52,738)	56,223	-
New loans, advances and financing originated	107,876	62,032	54,936	224,844
Net remeasurement due to changes in credit risk	(1,226,280)	1,083,049	465,220	321,989
Loans, advances and financing derecognised (other than write-off)	(55,627)	(52,037)	(22,992)	(130,656)
Modifications to contractual cash flows of loans, advances and financing	(2,915)	(60,567)	87,209	23,727
Changes in models / risk parameters	(25,232)	(58,636)	(1,892)	(85,760)
Amount written off	(749)	-	(426,176)	(426,925)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(535)	(535)
Exchange differences	548	1,707	8,858	11,113
At 31 December 2023	<u>1,183,547</u>	<u>2,497,151</u>	<u>565,920</u>	<u>4,246,618</u>

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

A11. Loans, Advances and Financing (continued)

- l) 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 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>

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

A11. Loans, Advances and Financing (continued)

l) 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 2023	1,392,936	1,443,023	236,886	3,072,845
Changes due to loans and advances recognised as at 1 January 2023:				
- Transfer to Stage 1: 12-Month ECL	240,866	(245,144)	4,278	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	263,593	(255,902)	(7,691)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(22,190)	36,242	(14,052)	-
	(537)	(25,484)	26,021	-
New loans and advances originated	64,082	27,667	3,089	94,838
Net remeasurement due to changes in credit risk	(855,719)	712,401	164,908	21,590
Loans and advances derecognised (other than write-off)	(26,383)	(35,768)	(15,046)	(77,197)
Modifications to contractual cash flows of loans and advances	(2,310)	(51,898)	77,212	23,004
Changes in models / risk parameters	(21,467)	(48,151)	(1,471)	(71,089)
Amount written off	(625)	-	(157,359)	(157,984)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(535)	(535)
Exchange differences	(2,744)	-	2,635	(109)
At 31 December 2023	<u>788,636</u>	<u>1,802,130</u>	<u>314,597</u>	<u>2,905,363</u>

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

A11. Loans, Advances and Financing (continued)

- l) 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>

A12. Other Assets

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Deferred handling fees	291,936	258,491	226,412	203,529
Interest / Income receivable	112,439	82,242	31,000	30,448
Other receivables, deposits and prepayments	2,308,440	2,399,026	1,929,572	2,059,811
Collateral pledged for derivative transactions	54,095	198,436	54,095	198,436
Employee benefits	17,079	158,128	16,821	155,393
Amount due from trust funds	229,020	176,012	-	-
Foreclosed properties	232,790	209,247	200,556	180,978
Outstanding contracts on clients' accounts	255,890	268,283	-	-
Amount due from subsidiary companies	-	-	39,104	42,695
Distribution receivable from collective investments	-	-	36,468	32,295
Dividend receivable from subsidiary companies	-	-	554,300	597,292
	<u>3,501,689</u>	<u>3,749,865</u>	<u>3,088,328</u>	<u>3,500,877</u>

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

A13. Deposits from Customers

a) By type of deposit

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
At amortised cost				
Core deposits:				
- Demand deposits	69,712,584	68,676,154	56,509,529	55,820,713
- Savings deposits	47,582,021	49,356,557	33,221,766	34,258,061
- Fixed deposits	224,738,760	217,537,372	157,026,731	160,124,646
	<u>342,033,365</u>	<u>335,570,083</u>	<u>246,758,026</u>	<u>250,203,420</u>
Money market deposits	70,792,207	59,081,617	58,245,313	43,251,118
Other deposits	71,395	67,057	56,252	50,897
	<u>412,896,967</u>	<u>394,718,757</u>	<u>305,059,591</u>	<u>293,505,435</u>

b) By type of customer

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Federal and state governments	7,860,662	7,995,307	861,490	953,927
Local government and statutory authorities	2,988,067	3,417,572	936,390	2,288,005
Business enterprises	108,652,444	113,813,691	87,517,302	91,223,265
Individuals	219,196,723	209,056,024	164,349,850	161,180,717
Foreign customers	21,355,424	12,957,849	16,327,540	8,126,545
Others	52,843,647	47,478,314	35,067,019	29,732,976
	<u>412,896,967</u>	<u>394,718,757</u>	<u>305,059,591</u>	<u>293,505,435</u>

c) The maturity structure of fixed deposits and money market deposits are as follows:

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Due within six months	231,254,885	233,910,652	166,985,698	173,842,926
More than six months to one year	62,476,979	38,342,917	48,217,341	29,418,128
More than one year to three years	1,794,339	4,360,349	64,857	109,984
More than three years to five years	4,285	5,071	3,669	4,726
More than five years	479	-	479	-
	<u>295,530,967</u>	<u>276,618,989</u>	<u>215,272,044</u>	<u>203,375,764</u>

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

A14. Deposits from Banks and Other Financial Institutions

	Group		Bank	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
At amortised cost				
Licensed banks	5,350,588	4,456,035	2,615,610	2,864,790
Licensed Islamic banks	83,900	400,000	-	-
Licensed investment banks	776,133	705,894	341,790	357,416
Bank Negara Malaysia	2,309,696	2,269,606	2,245,680	2,204,920
Other financial institutions	4,082,112	5,943,307	8,611,804	9,084,140
	<u>12,602,429</u>	<u>13,774,842</u>	<u>13,814,884</u>	<u>14,511,266</u>

A15. Other Liabilities

	Group		Bank	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Interest / Income payable	3,210,085	1,896,870	2,225,127	1,354,424
Other payables and accruals	3,328,324	3,814,228	2,696,855	3,208,513
Collateral received for derivative transactions	265,476	295,771	265,476	295,771
Amount due to trust funds	85,416	75,703	-	-
Unprocessed sales and / or redemptions	149,380	92,660	-	-
Accrued restoration costs	72,285	72,711	70,537	70,957
Allowance for impairment on loan / financing commitments and financial guarantees	77,521	75,953	65,161	62,451
Outstanding contracts on clients' accounts	232,581	251,610	-	-
Dividend payable to shareholders	5,480	32,718	4,637	14,444
Amount due to subsidiary companies	-	-	37,893	12,645
	<u>7,426,548</u>	<u>6,608,224</u>	<u>5,365,686</u>	<u>5,019,205</u>

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

A15. Other Liabilities (continued)

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

Group	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
At 1 January 2023	49,857	24,799	1,297	75,953
Changes due to loan / financing commitments and financial guarantees recognised as at 1 January 2023:	5,065	(5,201)	136	-
- Transfer to Stage 1: 12-Month ECL	6,985	(6,900)	(85)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(1,862)	2,037	(175)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(58)	(338)	396	-
New loan / financing commitments and financial guarantees originated	4,369	4,107	24	8,500
Net remeasurement due to changes in credit risk	(3,723)	1,951	109	(1,663)
Loan / financing commitments and financial guarantees derecognised	(2,075)	(958)	(38)	(3,071)
Modifications to contractual cash flows of loan / financing commitments and financial guarantees	(49)	817	43	811
Changes in models / risk parameters	(1,735)	(1,311)	2	(3,044)
Exchange differences	35	-	-	35
At 31 December 2023	51,744	24,204	1,573	77,521
At 1 January 2022	51,361	23,175	328	74,864
Changes due to loan / financing commitments and financial guarantees recognised as at 1 January 2022:	3,747	(3,850)	103	-
- Transfer to Stage 1: 12-Month ECL	4,759	(4,737)	(22)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(1,004)	1,061	(57)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(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

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

A15. Other Liabilities (continued)

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

Bank	Lifetime ECL			Total RM'000
	12-Month ECL (Stage 1) RM'000	Not Credit- Impaired (Stage 2) RM'000	Credit- Impaired (Stage 3) RM'000	
At 1 January 2023	41,804	19,522	1,125	62,451
Changes due to loan commitments and financial guarantees recognised as at 1 January 2023:	3,396	(3,485)	89	-
- Transfer to Stage 1: 12-Month ECL	4,962	(4,894)	(68)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(1,509)	1,636	(127)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(57)	(227)	284	-
New loan commitments and financial guarantees originated	3,275	3,086	14	6,375
Net remeasurement due to changes in credit risk	(954)	1,877	17	940
Loan commitments and financial guarantees derecognised	(1,747)	(825)	(35)	(2,607)
Modifications to contractual cash flows of loan commitments and financial guarantees	(19)	692	(42)	631
Changes in models / risk parameters	(1,497)	(1,133)	1	(2,629)
At 31 December 2023	44,258	19,734	1,169	65,161
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

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

A16. Interest Income

	4th Quarter Ended		Financial Year Ended	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
<u>Group</u>				
Loans and advances	3,961,889	3,562,496	15,335,618	12,628,151
Balances with banks	95,153	101,363	414,726	258,508
Financial investments at fair value through other comprehensive income	336,002	344,526	1,305,505	1,275,245
Financial investments at amortised cost	253,077	184,879	885,580	698,637
Others	18,604	14,150	67,828	48,208
	<u>4,664,725</u>	<u>4,207,414</u>	<u>18,009,257</u>	<u>14,908,749</u>
Financial assets at fair value through profit or loss	6,483	3,984	30,940	23,107
	<u>4,671,208</u>	<u>4,211,398</u>	<u>18,040,197</u>	<u>14,931,856</u>
Of which:				
Interest income earned on impaired loans and advances	17,291	24,843	99,287	70,043
	<u>17,291</u>	<u>24,843</u>	<u>99,287</u>	<u>70,043</u>
	4th Quarter Ended		Financial Year Ended	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
<u>Bank</u>				
Loans and advances	3,506,422	3,142,773	13,539,239	11,141,768
Balances with banks	72,568	80,876	334,734	215,867
Financial investments at fair value through other comprehensive income	269,155	285,699	1,063,942	1,045,229
Financial investments at amortised cost	216,673	162,662	769,830	637,208
Others	13,486	18,221	50,958	90,651
	<u>4,078,304</u>	<u>3,690,231</u>	<u>15,758,703</u>	<u>13,130,723</u>
Financial assets at fair value through profit or loss	6,055	3,984	29,862	23,107
	<u>4,084,359</u>	<u>3,694,215</u>	<u>15,788,565</u>	<u>13,153,830</u>
Of which:				
Interest income earned on impaired loans and advances	13,608	12,820	50,439	32,086
	<u>13,608</u>	<u>12,820</u>	<u>50,439</u>	<u>32,086</u>

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

A17. Interest Expense

	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Deposits from banks and other financial institutions	61,715	103,385	299,119	329,042
Deposits from customers	2,148,502	1,497,344	8,053,136	4,862,763
Loans sold to Cagamas	46,378	40,592	184,000	137,749
Debt securities issued and other borrowed funds	98,575	101,070	391,766	386,637
Others	16,160	11,489	56,884	48,781
	<u>2,371,330</u>	<u>1,753,880</u>	<u>8,984,905</u>	<u>5,764,972</u>
	4th Quarter Ended	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Deposits from banks and other financial institutions	96,551	105,099	379,179	321,172
Deposits from customers	1,927,880	1,350,668	7,270,559	4,488,781
Loans sold to Cagamas	46,378	40,592	184,000	137,749
Debt securities issued and other borrowed funds	88,059	94,585	357,184	371,256
Others	17,013	15,873	63,400	56,054
	<u>2,175,881</u>	<u>1,606,817</u>	<u>8,254,322</u>	<u>5,375,012</u>

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

A18. Net Fee and Commission Income

	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
(a) Fee and commission income:				
Commissions	230,513	212,712	861,355	761,133
Service charges and fees	81,720	79,879	313,689	310,171
Guarantee fees	9,135	8,809	34,604	33,570
Commitment fees	15,680	16,527	61,239	67,589
Unit trust management fees	319,921	298,249	1,261,973	1,243,925
Fee on sale of trust units	65,450	53,614	253,583	278,220
Brokerage and commissions from stockbroking activities	27,224	28,625	126,859	109,943
Other fee and commission income	12,066	18,810	56,482	63,343
	<u>761,709</u>	<u>717,225</u>	<u>2,969,784</u>	<u>2,867,894</u>
(b) Fee and commission expense:				
Unit trust agency fee	(111,435)	(103,021)	(431,180)	(460,348)
Debit / credit card related fee	(151,800)	(131,575)	(544,038)	(454,591)
Loan related fee	(4,363)	(5,305)	(15,992)	(16,118)
Other fee and commission expense	(6,651)	(5,063)	(28,727)	(22,336)
	<u>(274,249)</u>	<u>(244,964)</u>	<u>(1,019,937)</u>	<u>(953,393)</u>
Net fee and commission income	<u>487,460</u>	<u>472,261</u>	<u>1,949,847</u>	<u>1,914,501</u>
	4th Quarter Ended	31 December	Financial Year Ended	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
(a) Fee and commission income:				
Commissions	243,939	220,117	921,496	811,053
Service charges and fees	63,584	59,507	241,778	231,941
Guarantee fees	8,342	8,103	32,073	31,427
Commitment fees	14,729	15,392	57,348	62,106
Other fee and commission income	4,217	13,053	28,855	37,835
	<u>334,811</u>	<u>316,172</u>	<u>1,281,550</u>	<u>1,174,362</u>
(b) Fee and commission expense:				
Debit / credit card related fee	(151,749)	(131,508)	(543,829)	(454,481)
Loan related fee	(4,228)	(3,837)	(15,671)	(11,977)
Other fee and commission expense	(2,045)	(2,268)	(8,491)	(10,426)
	<u>(158,022)</u>	<u>(137,613)</u>	<u>(567,991)</u>	<u>(476,884)</u>
Net fee and commission income	<u>176,789</u>	<u>178,559</u>	<u>713,559</u>	<u>697,478</u>

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

A19. Net Gains and Losses on Financial Instruments

	4th Quarter Ended		Financial Year Ended	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Group				
Net (loss) / gain arising on financial assets at fair value through profit or loss:				
- net (loss) / gain on disposal	(356)	170	4,195	(7,584)
- gross dividend income	-	-	2,097	2,097
- unrealised revaluation gain / (loss)	3,982	3,554	(28,571)	26,953
	<u>3,626</u>	<u>3,724</u>	<u>(22,279)</u>	<u>21,466</u>
Net gain / (loss) arising on trading derivatives				
- unrealised revaluation gain / (loss)	<u>1</u>	<u>(95)</u>	<u>2</u>	<u>(3)</u>
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	8,052	126	66,227	49,032
- gross dividend income	50	51	3,138	1,635
	<u>8,102</u>	<u>177</u>	<u>69,365</u>	<u>50,667</u>
Net (loss) / gain arising on financial investments at amortised cost				
- net (loss) / gain on disposal	<u>(54)</u>	<u>-</u>	<u>(54)</u>	<u>1,456</u>
Net gain / (loss) representing ineffective portions of hedging derivatives:				
- fair value hedge	400	(1,492)	1,962	(3,274)
- cash flow hedge	41	(3)	(29)	564
	<u>441</u>	<u>(1,495)</u>	<u>1,933</u>	<u>(2,710)</u>
Net gains and losses on financial instruments	<u>12,116</u>	<u>2,311</u>	<u>48,967</u>	<u>70,876</u>

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

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

	4th Quarter Ended		Financial Year Ended	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
<u>Bank</u>				
Net (loss) / gain arising on financial assets at fair value through profit or loss:				
- net (loss) / gain on disposal	(295)	169	4,021	(7,602)
- gross dividend income	-	-	1,977	1,977
- unrealised revaluation gain / (loss)	3,807	3,349	(26,909)	25,484
	<u>3,512</u>	<u>3,518</u>	<u>(20,911)</u>	<u>19,859</u>
Net gain / (loss) arising on trading derivatives				
- unrealised revaluation gain / (loss)	<u>1</u>	<u>(95)</u>	<u>2</u>	<u>(3)</u>
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	7,735	1	63,053	47,409
- gross dividend income	-	-	2,497	1,207
	<u>7,735</u>	<u>1</u>	<u>65,550</u>	<u>48,616</u>
Net (loss) / gain arising on financial investments at amortised cost				
- net (loss) / gain on disposal	<u>(54)</u>	<u>-</u>	<u>(54)</u>	<u>1,456</u>
Net gain / (loss) representing ineffective portions of hedging derivatives:				
- fair value hedge	-	-	-	(22)
- cash flow hedge	41	(3)	(29)	564
	<u>41</u>	<u>(3)</u>	<u>(29)</u>	<u>542</u>
Net gains and losses on financial instruments	<u>11,235</u>	<u>3,421</u>	<u>44,558</u>	<u>70,470</u>

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

A20. Other Operating Income

	4th Quarter Ended		Financial Year Ended	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
<u>Group</u>				
Other income:				
Foreign exchange profit	79,764	91,981	360,755	308,943
Rental income from:				
- investment properties	5,907	5,204	22,333	19,198
- other properties	2,537	2,953	10,919	11,435
Net gain on disposal of property and equipment	153	105	1,520	3,027
Net gain on disposal of foreclosed properties	150	250	3,322	1,205
Net (loss) / gain on revaluation of investment properties	(12,434)	6,317	(8,646)	5,110
Others	26,263	19,748	86,730	79,874
Total other operating income	<u>102,340</u>	<u>126,558</u>	<u>476,933</u>	<u>428,792</u>
	4th Quarter Ended	31 December	31 December	Financial Year Ended
	2023	2022	2023	31 December
	RM'000	RM'000	RM'000	2022
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Distribution income from collective investments	58,291	48,671	215,450	164,738
Dividend income from subsidiary companies				
- quoted outside Malaysia	-	49,992	14,385	72,577
- unquoted in Malaysia	345,196	330,467	683,196	698,467
	<u>403,487</u>	<u>429,130</u>	<u>913,031</u>	<u>935,782</u>
Other income:				
Foreign exchange income	160,169	358,998	144,723	47,627
Rental income from other properties	2,907	3,306	12,468	12,916
Net gain on disposal of property and equipment	71	80	1,353	235
Net gain on disposal of foreclosed properties	150	250	3,322	1,205
Others	21,780	18,042	75,595	67,259
	<u>185,077</u>	<u>380,676</u>	<u>237,461</u>	<u>129,242</u>
Total other operating income	<u>588,564</u>	<u>809,806</u>	<u>1,150,492</u>	<u>1,065,024</u>

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

A21. Other Operating Expenses

Group	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	679,576	623,123	2,691,630	2,519,265
- Pension costs	91,251	91,274	356,944	358,761
- Others	32,398	34,386	147,577	165,760
	803,225	748,783	3,196,151	3,043,786
Establishment costs				
- Depreciation	84,346	95,269	363,416	371,583
- Insurance	6,777	6,270	25,888	25,456
- Water and electricity	14,190	12,523	55,086	48,355
- General repairs and maintenance	18,157	16,263	66,226	61,954
- Information technology expenses	50,497	37,263	199,756	160,368
- Others	29,558	23,644	107,784	98,221
	203,525	191,232	818,156	765,937
Marketing expenses				
- Advertisement and publicity	8,965	9,260	38,706	45,339
- Others	14,470	13,142	71,099	65,859
	23,435	22,402	109,805	111,198
Administration and general expenses				
- Communication expenses	15,912	19,944	70,169	105,220
- Legal and professional fees	12,443	13,004	50,385	45,838
- Others	43,095	44,925	170,122	163,405
	71,450	77,873	290,676	314,463
Total other operating expenses	1,101,635	1,040,290	4,414,788	4,235,384

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

A21. Other Operating Expenses (continued)

Bank	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	516,190	484,924	2,039,540	1,923,851
- Pension costs	78,293	76,472	304,050	307,739
- Others	20,685	23,147	105,563	126,888
	<u>615,168</u>	<u>584,543</u>	<u>2,449,153</u>	<u>2,358,478</u>
Establishment costs				
- Depreciation	57,150	67,532	260,577	271,458
- Insurance	5,255	5,170	20,906	20,684
- Water and electricity	9,119	8,010	35,408	31,910
- General repairs and maintenance	11,637	10,892	43,108	43,974
- Information technology expenses	38,716	24,519	151,980	118,770
- Others	14,794	12,064	53,465	48,404
	<u>136,671</u>	<u>128,187</u>	<u>565,444</u>	<u>535,200</u>
Marketing expenses				
- Advertisement and publicity	3,859	2,580	17,174	15,906
- Others	10,389	10,982	43,421	38,279
	<u>14,248</u>	<u>13,562</u>	<u>60,595</u>	<u>54,185</u>
Administration and general expenses				
- Communication expenses	10,154	15,843	51,754	64,923
- Legal and professional fees	8,281	6,925	31,479	27,814
- Others	20,613	17,250	79,198	75,951
	<u>39,048</u>	<u>40,018</u>	<u>162,431</u>	<u>168,688</u>
Cost of resource sharing charged to Public Islamic Bank Berhad *	(140,706)	(125,187)	(536,096)	(477,639)
Total other operating expenses	<u>664,429</u>	<u>641,123</u>	<u>2,701,527</u>	<u>2,638,912</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	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Credit related	(58,123)	(53,322)	(230,652)	(204,874)
Non-credit branch support	(51,250)	(46,631)	(200,878)	(177,537)
Other administration function	(31,333)	(25,234)	(104,566)	(95,228)
	<u>(140,706)</u>	<u>(125,187)</u>	<u>(536,096)</u>	<u>(477,639)</u>

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

A22. Allowance / (Writeback of Allowance) for Impairment on Loans, Advances and Financing

	4th Quarter Ended		Financial Year Ended	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
<u>Group</u>				
Expected credit losses made	146,238	153,503	355,677	596,812
Impaired loans and financing written off	11	7	67	132
Impaired loans and financing recovered	<u>(49,257)</u>	<u>(63,498)</u>	<u>(199,055)</u>	<u>(231,388)</u>
	<u>96,992</u>	<u>90,012</u>	<u>156,689</u>	<u>365,556</u>
	4th Quarter Ended		Financial Year Ended	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
<u>Bank</u>				
Expected credit losses made / (written back)	65,659	78,141	(6,144)	272,206
Impaired loans written off	11	6	65	131
Impaired loans recovered	<u>(29,502)</u>	<u>(33,388)</u>	<u>(113,560)</u>	<u>(135,684)</u>
	<u>36,168</u>	<u>44,759</u>	<u>(119,639)</u>	<u>136,653</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 2023				
Group	<u>475,952</u>	<u>(90,640)</u>	<u>(29,635)</u>	<u>355,677</u>
Bank	<u>135,544</u>	<u>(74,131)</u>	<u>(67,557)</u>	<u>(6,144)</u>
Financial Year Ended 31 December 2022				
Group	<u>499,150</u>	<u>(343,639)</u>	<u>441,301</u>	<u>596,812</u>
Bank	<u>258,268</u>	<u>(285,953)</u>	<u>299,891</u>	<u>272,206</u>

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

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

	4th Quarter Ended		Financial Year Ended	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Group				
Expected credit losses (written back) / made on:				
- Financial investments at fair value through other comprehensive income	(5,013)	1,145	(4,714)	2,762
- Financial investments at amortised cost	(433)	273	535	19
- Deposits and placements with banks and other financial institutions	(945)	(174)	(22)	(94)
Allowance made / (written back) on:				
- Foreclosed properties	6,550	4,824	(1,215)	10,512
- Intangible assets	6,525	-	6,525	-
- Other receivables	119	-	169	-
	<u>6,803</u>	<u>6,068</u>	<u>1,278</u>	<u>13,199</u>

	4th Quarter Ended		Financial Year Ended	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Bank				
Expected credit losses (written back) / made on:				
- Financial investments at fair value through other comprehensive income	(302)	(328)	(590)	96
- Financial investments at amortised cost	(231)	343	753	27
Allowance made / (written back) on:				
- Foreclosed properties	5,211	4,861	(2,480)	10,278
- Investment in a subsidiary company	-	550	-	550
	<u>4,678</u>	<u>5,426</u>	<u>(2,317)</u>	<u>10,951</u>

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

A24. Segment Information

4th Quarter Ended 31 December 2023	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000	Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
External revenue	787,133	3,258,002	555,899	364,306	49,151	385,884	11,698	526,511	5,938,584	609,377	-	6,547,961
Revenue from other segments	6,155	317,395	14,488	599,286	286	13,764	12,777	81,099	1,045,250	50,280	(1,095,530)	-
	<u>793,288</u>	<u>3,575,397</u>	<u>570,387</u>	<u>963,592</u>	<u>49,437</u>	<u>399,648</u>	<u>24,475</u>	<u>607,610</u>	<u>6,983,834</u>	<u>659,657</u>	<u>(1,095,530)</u>	<u>6,547,961</u>
Net interest income / (expense) and Islamic banking income	240,086	1,421,647	159,204	(29,898)	6,219	3,628	(5,381)	519,473	2,314,978	344,073	(855)	2,658,196
Other income / (expense)	289	197,887	4,121	109,356	19,560	262,185	11,846	(29,219)	576,025	25,467	424	601,916
Net income	<u>240,375</u>	<u>1,619,534</u>	<u>163,325</u>	<u>79,458</u>	<u>25,779</u>	<u>265,813</u>	<u>6,465</u>	<u>490,254</u>	<u>2,891,003</u>	<u>369,540</u>	<u>(431)</u>	<u>3,260,112</u>
Other operating expenses (Allowance) / Writeback of allowance for impairment on loans, advances and financing	(63,588)	(586,483)	(5,182)	(13,771)	(13,163)	(60,452)	(7,777)	(147,298)	(897,714)	(204,352)	431	(1,101,635)
(Allowance) / Writeback of allowance for impairment on other assets	(17,539)	99,392	(31,623)	-	1,369	(135)	-	-	51,464	(148,456)	-	(96,992)
Profit / (Loss) by segments	<u>-</u>	<u>(6,550)</u>	<u>-</u>	<u>456</u>	<u>18</u>	<u>-</u>	<u>(14)</u>	<u>(1,263)</u>	<u>(7,353)</u>	<u>550</u>	<u>-</u>	<u>(6,803)</u>
	<u>159,248</u>	<u>1,125,893</u>	<u>126,520</u>	<u>66,143</u>	<u>14,003</u>	<u>205,226</u>	<u>(1,326)</u>	<u>341,693</u>	<u>2,037,400</u>	<u>17,282</u>	<u>-</u>	<u>2,054,682</u>
Reconciliation of segment profits to consolidated profits: Share of profit after tax of equity accounted associated companies									12,943	-		12,943
Profit before tax expense and zakat									<u>2,050,343</u>	<u>17,282</u>		<u>2,067,625</u>

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

A24. Segment Information (continued)

4th Quarter Ended 31 December 2022	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000	Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
External revenue	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)	-
	<u>688,959</u>	<u>3,284,289</u>	<u>478,172</u>	<u>762,723</u>	<u>42,867</u>	<u>365,211</u>	<u>27,939</u>	<u>553,638</u>	<u>6,203,798</u>	<u>591,131</u>	<u>(732,019)</u>	<u>6,062,910</u>
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	<u>362,216</u>	<u>1,047,829</u>	<u>135,551</u>	<u>86,493</u>	<u>8,926</u>	<u>199,998</u>	<u>3,196</u>	<u>484,001</u>	<u>2,328,210</u>	<u>185,634</u>	<u>-</u>	<u>2,513,844</u>
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									<u>2,335,308</u>	<u>185,634</u>		<u>2,520,942</u>

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

A24. Segment Information (continued)

Financial Year Ended	Hire	Retail	Corporate	Treasury and	Investment	Fund		Head	Total	Total	Inter-	Group
31 December 2023	Purchase	Operations	Lending	Capital Market	Banking	Management	Others	Office and	Domestic	Overseas	segment	Total
	RM'000	RM'000	RM'000	Operations	RM'000	RM'000	RM'000	Funding	Operations	Operations	Elimination	Total
				RM'000	RM'000	RM'000	RM'000	Center	RM'000	RM'000	RM'000	RM'000
External revenue	2,993,165	12,577,496	2,082,306	1,401,873	186,637	1,517,632	19,713	2,216,625	22,995,447	2,419,563	-	25,415,010
Revenue from other segments	13,019	1,422,080	46,934	2,113,741	1,002	55,812	50,950	526,188	4,229,726	160,005	(4,389,731)	-
	<u>3,006,184</u>	<u>13,999,576</u>	<u>2,129,240</u>	<u>3,515,614</u>	<u>187,639</u>	<u>1,573,444</u>	<u>70,663</u>	<u>2,742,813</u>	<u>27,225,173</u>	<u>2,579,568</u>	<u>(4,389,731)</u>	<u>25,415,010</u>
Net interest income / (expense) and												
Islamic banking income	932,541	5,654,009	608,840	(149,794)	24,602	16,378	(20,382)	2,168,953	9,235,147	1,385,098	(3,405)	10,616,840
Other income / (expense)	1,852	776,172	23,699	374,672	68,610	1,027,402	20,216	(9,541)	2,283,082	193,401	(736)	2,475,747
Net income / (expense)	<u>934,393</u>	<u>6,430,181</u>	<u>632,539</u>	<u>224,878</u>	<u>93,212</u>	<u>1,043,780</u>	<u>(166)</u>	<u>2,159,412</u>	<u>11,518,229</u>	<u>1,578,499</u>	<u>(4,141)</u>	<u>13,092,587</u>
Other operating expenses	(269,671)	(2,379,729)	(20,982)	(57,978)	(51,800)	(245,678)	(32,132)	(558,134)	(3,616,104)	(802,825)	4,141	(4,414,788)
Writeback of allowance /												
(Allowance) for impairment on												
loans, advances and financing	88,375	68,043	(43,424)	-	1,410	(64)	-	-	114,340	(271,029)	-	(156,689)
Writeback of allowance / (Allowance)												
for impairment on other assets	-	1,215	-	325	24	-	(64)	(2,398)	(898)	(380)	-	(1,278)
Profit / (Loss) by segments	<u>753,097</u>	<u>4,119,710</u>	<u>568,133</u>	<u>167,225</u>	<u>42,846</u>	<u>798,038</u>	<u>(32,362)</u>	<u>1,598,880</u>	<u>8,015,567</u>	<u>504,265</u>	<u>-</u>	<u>8,519,832</u>
Reconciliation of segment profits												
to consolidated profits:												
Share of profit after tax												
of equity accounted associated												
companies									18,956	-		18,956
Profit before tax expense and zakat									<u>8,034,523</u>	<u>504,265</u>		<u>8,538,788</u>
Cost income ratio	28.9%	37.0%	3.3%	25.8%	55.6%	23.5%	n/a	25.8%	31.4%	50.9%		33.7%

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

A24. Segment Information (continued)

Financial Year Ended 31 December 2023	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000	Head Office and Funding Center RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
Gross loans, advances and financing	64,572,332	261,999,315	45,566,697	-	438,974	118,626	1,511	-	372,697,455	26,299,142		398,996,597
Loans growth	10.9%	4.4%	7.9%	-	1.8%	-0.8%	2.0%	-	5.9%	5.9%		5.9%
Impaired loans, advances and financing	167,884	877,039	443,477	-	-	862	-	-	1,489,262	846,110		2,335,372
Impaired loan and financing ratio	0.26%	0.33%	0.97%	-	-	0.73%	-	-	0.40%	3.22%		0.59%
Deposits from customers	-	297,787,351	185,137	85,979,167	966,049	-	-	-	384,917,704	27,979,263		412,896,967
Deposits growth	-	1.3%	-29.2%	19.8%	-8.2%	-	-	-	4.8%	1.5%		4.6%
Segment assets	64,018,955	307,846,728	44,484,820	100,417,774	2,683,242	497,303	839,244	55,040,333	575,828,399	42,936,173	(113,409,670)	505,354,902
Reconciliation of segment assets to consolidated assets:												
Investment in associated companies									141,725	18		141,743
Unallocated assets									2,511,752	-		2,511,752
Intangible assets									769,251	1,820,349		2,589,600
Total assets									<u>579,251,127</u>	<u>44,756,540</u>		<u>510,597,997</u>

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

A24. Segment Information (continued)

Financial Year Ended	Hire	Retail	Corporate	Treasury and	Investment	Fund	Others	Head	Total	Total	Inter-	Group
31 December 2022	Purchase	Operations	Lending	Capital Market	Banking	Management	RM'000	Office and	Domestic	Overseas	segment	Total
	RM'000	RM'000	RM'000	Operations	RM'000	RM'000	RM'000	Funding	Operations	Operations	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	Center	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)	-
	<u>2,645,463</u>	<u>11,683,578</u>	<u>1,645,270</u>	<u>2,414,294</u>	<u>171,836</u>	<u>1,573,052</u>	<u>73,184</u>	<u>2,309,427</u>	<u>22,516,104</u>	<u>1,980,499</u>	<u>(3,069,677)</u>	<u>21,426,926</u>
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 /												
(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	<u>906,724</u>	<u>4,197,509</u>	<u>425,501</u>	<u>346,810</u>	<u>52,115</u>	<u>780,365</u>	<u>(18,811)</u>	<u>1,468,980</u>	<u>8,159,193</u>	<u>664,910</u>	<u>-</u>	<u>8,824,103</u>
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									<u>8,166,140</u>	<u>664,910</u>	<u>-</u>	<u>8,831,050</u>
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%

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

A24. Segment Information (continued)

Financial Year Ended	Hire	Retail	Corporate	Treasury and	Investment	Fund	Others	Head	Total	Total	Inter-	Group
31 December 2022	Purchase	Operations	Lending	Capital Market	Banking	Management	RM'000	Office and	Domestic	Overseas	segment	Total
	RM'000	RM'000	RM'000	Operations	RM'000	RM'000	RM'000	Funding	Operations	Operations	Elimination	Total
				RM'000	RM'000	RM'000	RM'000	Center	RM'000	RM'000	RM'000	RM'000
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	0.25%	0.25%	0.99%	-	-	1.18%	-	-	0.34%	1.60%		0.42%
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>

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

A24. Segment Information (continued)

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

A25. Subsequent Events

Other than as disclosed below, there were no material events subsequent to the reporting date that have not been reflected in the audited interim financial statements.

a) Commencement of Business Operations of Public Bank Lao Limited ("PB Lao")

On 1 January 2024, PB Lao commenced its operations as the Bank's wholly-owned banking subsidiary company in Lao People's Democratic Republic ("PDR"), by taking over the existing foreign bank branches of the Bank in Lao PDR following the issuance of a banking license by the Bank of Lao PDR on 21 November 2023.

b) Proposed Acquisition of 100% Equity Interest in RHB Securities Vietnam Company Limited ("RHBSVN") by Public Bank Vietnam Limited ("PBVN")

On 19 February 2024, PBVN, a wholly-owned subsidiary company of the Bank entered into a sale and purchase agreement ("SPA") with RHB Investment Bank Berhad, a wholly-owned subsidiary of RHB Bank Berhad for the proposed acquisition of 100% equity interest in RHBSVN. The proposed acquisition is for a cash consideration of VND374.00 billion (RM72.55 million equivalent), subject to adjustments based on the terms and conditions of the SPA.

RHBSVN is incorporated and domiciled in Vietnam and its principal activities include the provision of securities brokerage service, securities investment consultancy service, securities custodian service and proprietary securities trading.

The proposed acquisition is not expected to have any material effect on the earnings and net assets of the Group. Barring any unforeseen circumstances, the proposed acquisition is expected to contribute positively to the future earnings of the Group.

Subject to obtaining all the required approvals from the relevant authorities, the proposed acquisition is expected to be completed in the 2nd quarter of 2024.

A26. Changes in the Composition of the Group

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

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

A27. Commitments and Contingencies

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

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

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Contingent liabilities				
Direct credit substitutes	911,428	904,534	861,080	853,422
Transaction-related contingent items	1,862,368	1,736,851	1,513,282	1,395,517
Short term self-liquidating trade-related contingencies	578,520	593,742	278,834	157,871
	3,352,316	3,235,127	2,653,196	2,406,810
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	45,139,436	33,021,059	37,709,254	25,634,872
- not exceeding one year	25,481,237	24,727,099	20,559,687	19,887,896
Unutilised credit card lines	9,870,851	9,152,427	9,305,428	8,766,415
Forward asset purchases	35,149	114,875	35,149	114,875
	80,526,673	67,015,460	67,609,518	54,404,058
Derivative financial instruments				
Foreign exchange related contracts:				
- up to one year	30,576,582	28,235,903	29,123,646	27,842,160
- more than one year to five years	1,075,140	1,255,118	1,075,140	1,255,118
Interest / Profit rate related contracts:				
- up to one year	50,000	25,000	50,000	25,000
- more than one year to five years	5,471,070	4,652,413	8,198,300	7,430,683
- more than five years	273,440	302,733	400,000	200,000
Commodity related contracts:				
- up to one year	456	230	456	230
	37,446,688	34,471,397	38,847,542	36,753,191
	121,325,677	104,721,984	109,110,256	93,564,059

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

A28. Derivative Financial Instruments

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

Group	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
As at 31 December 2023												
Trading derivatives:												
Foreign exchange contracts												
- Forwards	2,133,910	-	-	2,133,910	8,412	-	-	8,412	5,209	-	-	5,209
- Swaps	28,095,612	-	-	28,095,612	228,801	-	-	228,801	312,852	-	-	312,852
- Options	117,677	-	-	117,677	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	456	-	-	456	1	-	-	1	-	-	-	-
	<u>30,347,655</u>	<u>-</u>	<u>-</u>	<u>30,347,655</u>	<u>237,214</u>	<u>-</u>	<u>-</u>	<u>237,214</u>	<u>318,061</u>	<u>-</u>	<u>-</u>	<u>318,061</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	-	335,070	211,140	546,210	-	12,425	10,993	23,418	-	-	-	-
Cash Flow Hedge												
Interest / Profit rate related contracts												
- Swaps	50,000	2,400,000	2,798,300	5,248,300	381	38,772	115,026	154,179	-	81	-	81
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	229,383	1,075,140	-	1,304,523	-	-	-	-	7,561	28,747	-	36,308
	<u>279,383</u>	<u>3,810,210</u>	<u>3,009,440</u>	<u>7,099,033</u>	<u>381</u>	<u>51,197</u>	<u>126,019</u>	<u>177,597</u>	<u>7,561</u>	<u>28,828</u>	<u>-</u>	<u>36,389</u>
Total	<u>30,627,038</u>	<u>3,810,210</u>	<u>3,009,440</u>	<u>37,446,688</u>	<u>237,595</u>	<u>51,197</u>	<u>126,019</u>	<u>414,811</u>	<u>325,622</u>	<u>28,828</u>	<u>-</u>	<u>354,450</u>

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

A28. Derivative Financial Instruments (continued)

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

Group As at 31 December 2022	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,752,724	-	-	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>

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

A28. Derivative Financial Instruments (continued)

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

Bank	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 2023												
Trading derivatives:												
Foreign exchange contracts												
- Forwards	2,108,609	-	-	2,108,609	8,388	-	-	8,388	5,188	-	-	5,188
- Swaps	26,667,977	-	-	26,667,977	221,987	-	-	221,987	309,768	-	-	309,768
- Options	117,677	-	-	117,677	-	-	-	-	-	-	-	-
Precious metal contracts												
- Forwards	456	-	-	456	1	-	-	1	-	-	-	-
	<u>28,894,719</u>	<u>-</u>	<u>-</u>	<u>28,894,719</u>	<u>230,376</u>	<u>-</u>	<u>-</u>	<u>230,376</u>	<u>314,956</u>	<u>-</u>	<u>-</u>	<u>314,956</u>
Hedging Derivatives:												
Cash Flow Hedge												
Interest rate related contracts												
- Swaps	50,000	5,000,000	3,598,300	8,648,300	381	55,366	123,249	178,996	-	22,899	1,778	24,677
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	229,383	1,075,140	-	1,304,523	-	-	-	-	7,561	28,747	-	36,308
	<u>279,383</u>	<u>6,075,140</u>	<u>3,598,300</u>	<u>9,952,823</u>	<u>381</u>	<u>55,366</u>	<u>123,249</u>	<u>178,996</u>	<u>7,561</u>	<u>51,646</u>	<u>1,778</u>	<u>60,985</u>
Total	<u>29,174,102</u>	<u>6,075,140</u>	<u>3,598,300</u>	<u>38,847,542</u>	<u>230,757</u>	<u>55,366</u>	<u>123,249</u>	<u>409,372</u>	<u>322,517</u>	<u>51,646</u>	<u>1,778</u>	<u>375,941</u>

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

A28. Derivative Financial Instruments (continued)

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

Bank As at 31 December 2022	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,731,904	-	-	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>

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

A28. Derivative Financial Instruments (continued)

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

Market Risk

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

Credit Risk

Credit risk arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Group and the Bank have a gain in a contract. As at the reporting date, the amounts of credit risk in the Group and the Bank, measured in terms of the cost to replace the profitable contracts, were RM414,811,000 (2022: RM446,564,000) and RM409,372,000 (2022: RM439,742,000) 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 RM54,095,000 (2022: RM198,436,000) 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 annual audited financial statements for the financial year ended 31 December 2022 and Pillar 3 Disclosures section of the 2022 Annual Report.

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

A29. a) Fair Value Measurements

Determination of Fair Value and Fair Value Hierarchy

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

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

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

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

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

Group	Level 1	Level 2	Level 3	Total
31 December 2023	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	382,152	-	382,152
- Money market instruments	-	1,893,292	-	1,893,292
- Non-money market instruments	-	-	362,204	362,204
	-	2,275,444	362,204	2,637,648
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	48,003,288	-	48,003,288
- Money market instruments	-	298,997	-	298,997
- Non-money market instruments	1,478	5,413,555	420,990	5,836,023
	1,478	53,715,840	420,990	54,138,308
Derivative financial assets	-	414,811	-	414,811
Total financial assets measured at fair value	1,478	56,406,095	783,194	57,190,767
Non-financial assets				
Investment properties	-	-	744,960	744,960
Financial liabilities				
Derivative financial liabilities	-	354,450	-	354,450
Total financial liabilities measured at fair value	-	354,450	-	354,450

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

A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

Group	Level 1	Level 2	Level 3	Total
31 December 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

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

A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

Bank	Level 1	Level 2	Level 3	Total
31 December 2023	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	382,152	-	382,152
- Non-money market instruments	-	-	341,478	341,478
	-	382,152	341,478	723,630
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	33,131,459	-	33,131,459
- Money market instruments	-	497,707	-	497,707
- Non-money market instruments	-	290,214	413,921	704,135
	-	33,919,380	413,921	34,333,301
Derivative financial assets	-	409,372	-	409,372
Total financial assets measured at fair value	-	34,710,904	755,399	35,466,303
Financial liabilities				
Derivative financial liabilities	-	375,941	-	375,941
Total financial liabilities measured at fair value	-	375,941	-	375,941

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

A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

Bank	Level 1	Level 2	Level 3	Total
31 December 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

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the current financial year (2022: None).

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

A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

Group	<- Unquoted Equity Securities ->			Total RM'000
	Financial Assets at Fair Value Through Profit or Loss RM'000	Financial Investments at Fair Value Through Other Comprehensive Income RM'000	Investment Properties RM'000	
At 1 January 2023	391,242	413,287	669,570	1,474,099
Recognised in profit or loss				
- unrealised revaluation loss	(29,038)	-	(8,646)	(37,684)
Recognised in other comprehensive income				
- unrealised revaluation gain	-	5,928	43,816	49,744
Addition	-	-	350	350
Transfer from owner occupied property				
- Right-of-use assets	-	-	30,350	30,350
- Property and equipment	-	-	153	153
Exchange differences	-	1,775	9,367	11,142
At 31 December 2023	362,204	420,990	744,960	1,528,154
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				
- Property and equipment	-	-	2,054	2,054
Reversal of over-provision	-	-	(13,149)	(13,149)
Exchange differences	-	2,139	11,074	13,213
At 31 December 2022	391,242	413,287	669,570	1,474,099

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

A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

Bank	<- Unquoted Equity Securities ->		
	Financial Assets at Fair Value Through Profit or Loss RM'000	Financial Investments at Fair Value Through Other Comprehensive Income RM'000	Total RM'000
At 1 January 2023	368,855	406,384	775,239
Recognised in profit or loss			
- unrealised revaluation loss	(27,377)	-	(27,377)
Recognised in other comprehensive income			
- unrealised revaluation gain	-	5,918	5,918
Exchange differences	-	1,619	1,619
At 31 December 2023	<u>341,478</u>	<u>413,921</u>	<u>755,399</u>
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>

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

A29. a) Fair Value Measurements (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

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

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

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

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

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

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

A30. Capital Adequacy

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

	Group		Bank	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
<u>Before deducting interim dividends *</u>				
Common Equity Tier I ("CET I") capital ratio	15.235%	14.862%	13.875%	13.472%
Tier I capital ratio	15.253%	14.912%	13.875%	13.513%
Total capital ratio	<u>18.146%</u>	<u>17.925%</u>	<u>16.990%</u>	<u>16.722%</u>
<u>After deducting interim dividends *</u>				
CET I capital ratio	14.654%	14.552%	13.112%	13.072%
Tier I capital ratio	14.672%	14.603%	13.112%	13.113%
Total capital ratio	<u>17.564%</u>	<u>17.616%</u>	<u>16.227%</u>	<u>16.322%</u>

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

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Components of CET I, Tier I and Tier II capital:				
<u>CET I / Tier I capital:</u>				
Share capital	9,417,653	9,417,653	9,417,653	9,417,653
Other reserves	1,872,244	998,895	366,098	235,063
Retained profits	42,160,770	38,962,590	33,087,269	30,762,417
Qualifying non-controlling interests	755,337	721,467	-	-
Less: Goodwill and other intangible assets	(2,589,600)	(2,539,021)	(695,393)	(695,393)
Less: Deferred tax assets, net	(567,305)	(630,201)	(356,565)	(392,775)
Less: Defined benefit pension fund assets	(17,079)	(158,128)	(16,838)	(155,613)
Less: Investment in banking / insurance subsidiary companies and associated companies deducted from CET I capital	<u>(180,183)</u>	<u>(154,918)</u>	<u>(6,505,741)</u>	<u>(6,505,741)</u>
Total CET I capital	50,851,837	46,618,337	35,296,483	32,665,611
Additional Tier I capital securities	-	99,942	-	99,942
Qualifying CET I and additional Tier I capital instruments held by third parties	<u>60,247</u>	<u>58,268</u>	<u>-</u>	<u>-</u>
Total Tier I capital	<u>50,912,084</u>	<u>46,776,547</u>	<u>35,296,483</u>	<u>32,765,553</u>

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

A30. Capital Adequacy (continued)

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

	Group		Bank	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
<u>Tier II capital:</u>				
Stage 1 and Stage 2 expected credit loss allowances #	3,774,347	3,575,757	2,666,187	2,782,854
Qualifying regulatory reserves	4,155	-	258,421	-
Subordinated notes	4,998,196	4,999,096	4,998,196	4,999,096
Qualifying CET I and additional Tier I and Tier II capital instruments held by third parties	725,806	734,353	-	-
Others	150,759	140,839	-	-
Total Tier II capital	<u>9,653,263</u>	<u>9,450,045</u>	<u>7,922,804</u>	<u>7,781,950</u>
Total capital	<u>60,565,347</u>	<u>56,226,592</u>	<u>43,219,287</u>	<u>40,547,503</u>

No expected credit loss allowances restricted from Tier II capital of the Group (2022: RM453,732,000) and of the Bank (2022: RM125,217,000).

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

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

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

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

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

A30. Capital Adequacy (continued)

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

Regulatory capital requirements

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

Banking institutions are also required to maintain a CCB of 2.5% and a CCyB above the minimum regulatory capital adequacy ratios. 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 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Credit risk	302,280,158	286,060,596	233,968,650	222,628,352
Market risk	7,069,633	4,552,498	3,900,674	4,218,024
Operational risk	23,833,549	22,457,709	15,942,048	15,042,201
Large exposure risk	590,812	607,456	570,086	585,069
	<u>333,774,152</u>	<u>313,678,259</u>	<u>254,381,458</u>	<u>242,473,646</u>

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

A30. Capital Adequacy (continued)

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

	Public Islamic Bank Berhad¹	Public Investment Bank Berhad²	Public Bank (L) Ltd.³	Public Bank (Hong Kong) Limited⁴	Public Finance Limited⁴	Cambodian Public Bank Plc⁵	Public Bank Vietnam Limited⁶
31 December 2023							
<u>Before deducting interim dividends: *</u>							
CET I capital ratio	13.232%	39.135%	23.220%	23.008%	29.340%	N/A	N/A
Tier I capital ratio	13.232%	39.135%	23.220%	23.008%	29.340%	N/A	N/A
Total capital ratio	16.245%	39.748%	23.308%	23.760%	30.369%	28.063%	21.201%
<u>After deducting interim dividends: *</u>							
CET I capital ratio	13.232%	36.393%	23.220%	22.612%	28.958%	N/A	N/A
Tier I capital ratio	13.232%	36.393%	23.220%	22.612%	28.958%	N/A	N/A
Total capital ratio	16.245%	37.005%	23.308%	23.364%	29.988%	28.063%	21.201%
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%

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

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

A30. Capital Adequacy (continued)

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

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

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

A30. Capital Adequacy (continued)

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

- ⁵ The amount presented here is the solvency ratio of Cambodian Public Bank Plc ("Campu Bank"), which is the nearest equivalent regulatory compliance ratio. This ratio is computed in accordance with National Bank of Cambodia Prakas B7-010-182 and B7-00-46 (amended by Prakas No. B7-04-206 and Prakas No. B7-07-135). This ratio is derived as Campu Bank's net worth divided by its risk-weighted assets and off-balance sheet items. The minimum regulatory solvency ratio requirement is 16.0%.
- 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 2023	31 December 2022	31 December 2023	31 December 2022
Outstanding credit exposures with connected parties (RM'000)	3,973,474	2,442,111	3,993,566	3,112,875
Percentage of outstanding credit exposures with connected parties as proportion of total credit exposures	0.90%	0.59%	1.20%	0.99%
Percentage of outstanding credit exposures with connected parties which is impaired or in default	0.00%	0.00%	0.00%	0.00%

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

A32. Operations of Islamic Banking

a) Statement of Financial Position As At 31 December 2023

	Note	Group	
		31 December 2023 RM'000	31 December 2022 RM'000
ASSETS			
Cash and balances with banks		247,627	3,065,329
Financial assets at fair value through profit or loss		1,893,292	-
Derivative financial assets		24,596	42,922
Financial investments at fair value through other comprehensive income		12,949,519	12,076,612
Financial investments at amortised cost		5,374,376	5,635,686
Financing and advances	A32(d)	72,760,746	65,637,072
Other assets		231,231	217,946
Statutory deposits with Bank Negara Malaysia		1,710,590	1,746,100
Deferred tax assets		112,223	148,606
Collective investment		609,709	589,838
Investment in an associated company		67,500	67,500
Right-of-use assets		21,708	19,846
Property and equipment		3,186	3,492
Total Assets		96,006,303	89,250,949
LIABILITIES AND ISLAMIC			
BANKING FUNDS			
Deposits from customers	A32(e)	82,325,264	76,088,570
Deposits from banks and other financial institutions		2,287,243	2,715,451
Bills and acceptances payable		2,386	3,100
Recourse obligations on financing sold to Cagamas		1,100,000	1,100,000
Derivative financial liabilities		24,817	23,914
Senior Sukuk Murabahah		1,000,000	1,000,000
Subordinated Sukuk Murabahah		1,000,000	1,000,000
Lease liabilities		22,295	20,101
Other liabilities		831,024	463,445
Provision for zakat and taxation		-	92,947
Total Liabilities		88,593,029	82,507,528
Islamic Banking Funds		7,413,274	6,743,421
Total Liabilities and Islamic Banking Funds		96,006,303	89,250,949
COMMITMENTS AND CONTINGENCIES		13,649,791	13,328,439

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

A32. Operations of Islamic Banking (continued)

b) Statement of Profit or Loss for the 4th Quarter and Financial Year Ended 31 December 2023

	4th Quarter Ended		Financial Year Ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Income derived from investment of depositors' funds and others	913,077	931,268	3,571,303	2,937,316
Income derived from investment of Islamic Banking Funds	79,801	79,301	309,537	247,606
Allowance for impairment on financing and advances	(8,411)	(103,209)	(17,972)	(154,890)
(Allowance) / Writeback of allowance for impairment on other assets	(934)	66	(1,342)	(589)
Total distributable income	983,533	907,426	3,861,526	3,029,443
Income attributable to depositors and others	(665,618)	(445,511)	(2,481,647)	(1,440,396)
Total net income	317,915	461,915	1,379,879	1,589,047
Other operating expenses	(163,528)	(149,299)	(628,817)	(583,268)
Profit before zakat and taxation	154,387	312,616	751,062	1,005,779
Zakat	-	248	(2,359)	(1,867)
Taxation	(42,694)	(101,901)	(182,824)	(328,451)
Profit for the period / year	111,693	210,963	565,879	675,461

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 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	913,077	931,268	3,571,303	2,937,316
Income derived from investment of Islamic Banking Funds	79,801	79,301	309,537	247,606
Income attributable to depositors and others	(665,618)	(445,511)	(2,481,647)	(1,440,396)
	327,260	565,058	1,399,193	1,744,526
Elimination of inter-company income and expenses	31,058	26,508	162,355	112,663
Net income from Islamic banking business	358,318	591,566	1,561,548	1,857,189
Of which:				
Financing income earned on impaired financing	2,225	1,945	8,581	5,065

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

A32. Operations of Islamic Banking (continued)

c) Statement of Comprehensive Income for the 4th Quarter and Financial Year Ended 31 December 2023

	4th Quarter Ended		Financial Year Ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Profit for the period / year	111,693	210,963	565,879	675,461
Other comprehensive (loss) / income:				
<u>Items that will not be reclassified</u> <u>subsequently to profit or loss:</u>				
(Loss) / Gain on remeasurements of defined benefit plan	(2,644)	1,783	(2,644)	1,783
<u>Items that may be reclassified</u> <u>subsequently to profit or loss:</u>				
Net change in revaluation of financial investments at fair value through other comprehensive income	59,838	60,381	158,779	(112,038)
Net change in cash flow hedges	(21,518)	(20,828)	(19,326)	108,480
	38,320	39,553	139,453	(3,558)
Income tax effect	(8,563)	(9,920)	(32,835)	426
Other comprehensive income / (loss) for the period / year, net of tax	27,113	31,416	103,974	(1,349)
Total comprehensive income for the period / year	138,806	242,379	669,853	674,112

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

A32. Operations of Islamic Banking (continued)

d) Financing and Advances

By type and contract

Group	Bai' Bithaman Ajil RM'000	Ijarah ^ Thumma Al-Bai' RM'000	Bai' Inah RM'000	Musharakah Mutanaqisah RM'000	Murabahah RM'000	Others RM'000	Total Financing and Advances RM'000
31 December 2023							
At amortised cost							
Cash line	1,376,638	-	245,083	-	-	-	1,621,721
Term financing							
- House financing	4,786,610	-	-	30,194,425	-	-	34,981,035
- Syndicated financing	-	-	-	-	1,000,857	359,663	1,360,520
- Hire purchase receivables	-	11,796,649	-	-	-	-	11,796,649
- Other term financing	1,157,910	-	2,937,700	14,840,037	2,869,350	1,025,448	22,830,445
Credit card receivables	-	-	-	-	-	113,250	113,250
Bills receivables	-	-	-	-	826	-	826
Trust receipts	-	-	-	-	902	-	902
Claims on customers under acceptance credits	-	-	-	-	222,629	-	222,629
Revolving credits	-	-	250,735	-	333,659	-	584,394
Staff financing	-	16,735	-	117,832	-	-	134,567
Gross financing and advances	7,321,158	11,813,384	3,433,518	45,152,294	4,428,223	1,498,361	73,646,938
Allowance for impairment on financing and advances:							
- Expected credit losses							(886,192)
- Stage 1: 12-Month ECL							(178,079)
- Stage 2: Lifetime ECL not credit-impaired							(635,085)
- Stage 3: Lifetime ECL credit-impaired							(73,028)
Net financing and advances							<u>72,760,746</u>

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

A32. Operations of Islamic Banking (continued)

d) Financing and Advances (continued)

By type and contract (continued)

Group	Bai' Bithaman Ajil RM'000	Ijarah ^ Thumma Al-Bai' RM'000	Bai' Inah RM'000	Musharakah Mutanaqisah RM'000	Murabahah RM'000	Others RM'000	Total Financing and Advances RM'000
31 December 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	-	-	-	-	1,000,852	359,233	1,360,085
- Hire purchase receivables	-	10,507,358	-	-	-	-	10,507,358
- Other term financing	1,334,524	-	2,115,983	14,410,896	1,798,459	747,520	20,407,382
Credit card receivables	-	-	-	-	-	74,392	74,392
Bill receivables	-	-	-	-	2,636	-	2,636
Trust receipts	-	-	-	-	3,709	-	3,709
Claims on customers under acceptance credits	-	-	-	-	205,354	-	205,354
Revolving credits	-	-	250,475	-	405,771	-	656,246
Staff financing	-	14,154	-	110,870	-	-	125,024
Gross financing and advances	8,075,838	10,521,512	2,394,093	40,930,151	3,416,781	1,181,145	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							<u>65,637,072</u>

^ PIBB is the owner of the asset throughout the tenure of the Ijarah financing. The ownership of the asset will be transferred to the customer via sale at the end of the Ijarah financing.

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

A32. Operations of Islamic Banking (continued)

d) Financing and Advances (continued)

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

	Group	
	31 December 2023 RM'000	31 December 2022 RM'000
At 1 January	154,367	132,260
Impaired during the year	607,682	183,719
Reclassified as non-impaired	(319,597)	(89,625)
Recoveries	(146,513)	(35,025)
Amount written off	(35,851)	(29,561)
Financing converted to foreclosed properties	(8,686)	(7,401)
Closing balance	<u>251,402</u>	<u>154,367</u>
Gross impaired financing and advances as a percentage of gross financing and advances	<u>0.34%</u>	<u>0.23%</u>

e) Deposits from Customers

	Group	
	31 December 2023 RM'000	31 December 2022 RM'000
By type of deposit and contract		
At amortised cost		
Savings deposit		
- Qard	9,556,033	9,797,611
Demand deposit		
- Qard	8,538,785	7,653,155
Term deposit		
- Commodity Murabahah	50,412,429	42,025,215
- Special term deposit account		
- Commodity Murabahah	13,818,017	16,612,589
	<u>82,325,264</u>	<u>76,088,570</u>

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

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

B1. Performance Review

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

Key Profit or Loss Items:	Group			
	Financial Year Ended			
	31 December 2023	31 December 2022	Variance	
	RM'000	RM'000	RM'000	%
Profit before tax expense and zakat	8,538,788	8,831,050	(292,262)	(3.3)
Net profit attributable to equity holders of the Bank	6,649,314	6,119,499	529,815	8.7
Other comprehensive income / (loss) (net)	625,241	(218,740)	843,981	> 100.0

Key Balance Sheet Items:	Group			
	As At			
	31 December 2023	31 December 2022	Variance	
	RM'000	RM'000	RM'000	%
Gross loans, advances and financing	398,996,597	376,891,937	22,104,660	5.9
Gross impaired loan and financing (%)	0.59%	0.42%	n/a	0.17
Deposits from customers	412,896,967	394,718,757	18,178,210	4.6

During the year, the Group's net profit attributable to equity holders increased by RM529.8 million or +8.7% over the same period mainly due to the effect from the absence of prosperity tax as compared to the previous year. For the period under review, net interest and Islamic banking income decreased by RM407.2 million (-3.7%) which was mainly due to interest/financing margin compression despite healthy loans growth achieved during the year. Other operating expenses increased by RM179.4 million (-4.2%) which was mainly due to incremental personnel costs. Loan impairment allowance decreased by RM208.9 million (+57.1%) as adequate pre-emptive allowance has been made in prior years. Non-interest/financing income improved by RM61.6 million (+2.6%) which was mainly due to higher foreign exchange income and income from unit trust business but was partially offset by lower investment income.

Other comprehensive income (net) of the Group for the current year was RM625.2 million as compared to other comprehensive loss (net) of RM218.7 million in the previous year, which was an increase of RM844.0 million. This was mainly attributable to the reversal of losses on revaluation of financial investments recognised previously and higher gain on foreign currency translation, partially offset by losses on remeasurement of defined benefit plan and cash flow hedges in the current year.

The Group's profit continued to be supported by healthy loans and customer deposits growth. Gross loans grew by RM22.1 billion or 5.9% to RM399.0 billion as at 31 December 2023 as compared to RM376.9 billion a year ago, mainly contributed by growth in mortgage financing, hire purchase financing, commercial property financing and other consumer financing. Total deposits from customers increased by 4.6% or RM18.2 billion to RM412.9 billion as at 31 December 2023. The Group's gross impaired loan ratio remained relatively low at 0.59% as at 31 December 2023 as compared to the average industry's gross impaired loan ratio of 1.65%.

The Group's Common Equity Tier I capital ratio, Tier I capital ratio and total capital ratio stood at a healthy level of 14.7%, 14.7% and 17.6% respectively. The Group's liquidity position also remained stable and healthy with liquidity coverage ratio standing at 136.8% as at 31 December 2023.

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

B1. Performance Review (continued)

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

The performance of the respective operating segments for the financial year ended 31 December 2023 as compared to the previous year is analysed as follows:-

Profit Before Tax by Segments:	Group		Variance	
	Financial Year Ended			
	31 December 2023	31 December 2022	RM'000	%
	RM'000	RM'000		
Retail operations	4,119,710	4,197,509	(77,799)	(1.9)
Hire purchase	753,097	906,724	(153,627)	(16.9)
Corporate lending	568,133	425,501	142,632	33.5
Treasury and capital market operations	167,225	346,810	(179,585)	(51.8)
Investment banking	42,846	52,115	(9,269)	(17.8)
Fund management	798,038	780,365	17,673	2.3
Head office, funding center and others	1,585,474	1,457,116	128,358	8.8
Total domestic operations	<u>8,034,523</u>	<u>8,166,140</u>	<u>(131,617)</u>	<u>(1.6)</u>
Overseas operations	504,265	664,910	(160,645)	(24.2)
	<u>8,538,788</u>	<u>8,831,050</u>	<u>(292,262)</u>	<u>(3.3)</u>

- 1) Retail operations – Pre-tax profit decreased by RM77.8 million (-1.9%) to RM4,119.7 million which was due to lower net interest and financing income arising from margin compression and higher other operating expenses. These were partially mitigated by lower impairment allowance on loans and other assets and higher fee income.
- 2) Hire purchase – Pre-tax profit decreased by RM153.6 million (-16.9%) to RM753.1 million, mainly due to lower net writeback of loan impairment allowance and higher other operating expenses. These were partially mitigated by higher net interest and financing income on higher average gross loans/financing achieved.
- 3) Corporate lending – Pre-tax profit improved by RM142.6 million (+33.5%) to RM568.1 million, mainly due to lower loan impairment allowance and higher net interest and financing income on higher average gross loans/financing achieved.
- 4) Treasury and capital market operations – Pre-tax profit decreased by RM179.6 million (-51.8%) to RM167.2 million which was mainly due to lower interest and financing income arising from unfavourable interest gapping activities, partially mitigated by higher investment income.
- 5) Investment banking – Pre-tax profit decreased by RM9.3 million (-17.8%) to RM42.8 million, due to lower net interest income and higher other operating expenses, partially mitigated by net writeback of loan impairment allowance and higher fee and other income in the current year.
- 6) Fund management – Pre-tax profit increased by RM17.7 million (+2.3%) to RM798.0 million. The improved performance was mainly due to higher net interest and management fee income, partially offset by higher other operating expenses.
- 7) Head office, funding center and others – Pre-tax profit increased by RM128.4 million (+8.8%) to RM1,585.5 million, mainly due to higher net interest and financing income and lower other operating expenses but partially offset by lower investment income.
- 8) Overseas operations – Pre-tax profit decreased by RM160.6 million (-24.2%) to RM504.3 million which was mainly due to higher loan impairment allowance in relation to the Group's Hong Kong operations.

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

B1. Performance Review (continued)

Current Quarter vs. Previous Year Corresponding Quarter

Key Profit or Loss Items:	Group		4th Quarter Ended	
	31 December	31 December	Variance	
	2023	2022	RM'000	%
	RM'000	RM'000	RM'000	%
Profit before tax expense and zakat	2,067,625	2,520,942	(453,317)	(18.0)
Net profit attributable to equity holders of the Bank	1,615,457	1,713,677	(98,220)	(5.7)
Other comprehensive loss (net)	(176,153)	(27,822)	(148,331)	> (100.0)

The Group's pre-tax profit for the 4th quarter ended 31 December 2023 decreased by RM453.3 million or -18.0% to RM2,067.6 million as compared to the previous year corresponding quarter of RM2,520.9 million. For the quarter under review, net interest income and Islamic banking income decreased by RM390.9 million (-12.8%) which was due to the positive effect of Overnight Policy Rate ("OPR") hikes in the previous year corresponding quarter. Other operating expenses increased by RM61.3 million (-5.9%) whereas loan impairment allowance increased by RM7.0 million (-7.8%).

Net profit attributable to equity holders has however reported a lower decrease (RM98.2 million or -5.7%) to RM1,615.5 million over the same period due to the effect of prosperity tax in the previous year.

Other comprehensive loss (net) of the Group for the current quarter increased by RM148.3 million to RM176.2 million, which was mainly due to loss on remeasurement of defined benefit plan in the current quarter as compared to a gain in the previous year corresponding quarter, lower gain on revaluation of financial investments and higher loss on cash flow hedges. These were partially offset by lower loss on foreign currency translation.

Performance of the respective operating segments for the 4th quarter ended 31 December 2023 as compared to the previous year corresponding quarter is analysed as follows:-

Profit Before Tax by Segments:	4th Quarter Ended		Variance	
	31 December	31 December	RM'000	
	2023	2022	RM'000	%
	RM'000	RM'000	RM'000	%
Retail operations	1,125,893	1,047,829	78,064	7.5
Hire purchase	159,248	362,216	(202,968)	(56.0)
Corporate lending	126,520	135,551	(9,031)	(6.7)
Treasury and capital market operations	66,143	86,493	(20,350)	(23.5)
Investment banking	14,003	8,926	5,077	56.9
Fund management	205,226	199,998	5,228	2.6
Head office, funding center and others	353,310	494,295	(140,985)	(28.5)
Total domestic operations	2,050,343	2,335,308	(284,965)	(12.2)
Overseas operations	17,282	185,634	(168,352)	(90.7)
	<u>2,067,625</u>	<u>2,520,942</u>	<u>(453,317)</u>	<u>(18.0)</u>

- 1) Retail operations – Pre-tax profit increased by RM78.1 million (+7.5%) to RM1,125.9 million. The improved performance was mainly due to lower loan impairment allowance and higher fee and other income, partially offset by lower net interest and financing income and higher other operating expenses.
- 2) Hire purchase – Pre-tax profit decreased by RM203.0 million (-56.0%) to RM159.2 million, mainly due to loan impairment allowance made in the current quarter as compared to a net writeback in the previous year corresponding quarter, partially mitigated by higher net interest and financing income.

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

B1. Performance Review (continued)

Current Quarter vs. Previous Year Corresponding Quarter (continued)

- 3) Corporate lending – Pre-tax profit decreased by RM9.0 million (-6.7%) which was attributed to higher loan impairment allowance and lower fee income, partially mitigated by higher net interest and financing income.
- 4) Treasury and capital market operations – Pre-tax profit decreased by RM20.4 million (-23.5%) to RM66.1 million, mainly due to lower net interest and financing income arising from unfavourable interest gapping activities, and lower investment income.
- 5) Investment banking – Pre-tax profit increased by RM5.1 million (+56.9%) to RM14.0 million, mainly due to higher stock-broking income and net writeback of loan impairment allowance in the current quarter. These were partially offset by higher other operating expenses and lower net interest income.
- 6) Fund management – Pre-tax profit increased by RM5.2 million (+2.6%) to RM205.2 million. The improved performance was due to higher management fee from higher average net asset value of funds and higher fee on sale of trust units, partially offset by higher other operating expenses.
- 7) Head office, funding center and others – Pre-tax profit decreased by RM141.0 million (-28.5%) to RM353.3 million, due to lower net interest and financing income resulting from the tapering effect of OPR hikes.
- 8) Overseas Operations – Pre-tax profit decreased by RM168.4 million (-90.7%) to RM17.3 million. The lower profit was mainly due to higher loan impairment allowance in relation to the Group's Hong Kong operations.

B2. Variation of Results Against Preceding Quarter

	Group		Variance	
	Quarter Ended			
	31 December 2023	30 September 2023	RM'000	%
Key Profit or Loss Items:	RM'000	RM'000	RM'000	
Profit before tax expense and zakat	2,067,625	2,166,712	(99,087)	(4.6)
Net profit attributable to equity holders of the Bank	1,615,457	1,701,319	(85,862)	(5.0)
Other comprehensive loss (net)	(176,153)	(40,306)	(135,847)	> (100.0)

For the 4th quarter ended 31 December 2023, the Group registered a pre-tax profit of RM2,067.6 million, a decrease of RM99.1 million or -4.6% as compared to the pre-tax profit of RM2,166.7 million for the immediate preceding quarter ended 30 September 2023. Net profit attributable to equity holders decreased by RM85.9 million or -5.0% to RM1,615.5 million over the same period. For the quarter under review, loan impairment allowance increased by RM63.0 million (>-100.0%), net interest and Islamic banking income decreased by RM38.0 million (-1.4%) whereas non-interest and financing income decreased by RM20.0 million (-3.2%). These were partially mitigated by lower other operating expenses (RM19.1 million or +1.7%).

Other comprehensive loss (net) of the Group for the current quarter increased by RM135.8 million to RM176.2 million, mainly due to losses on remeasurement of defined benefit plan and cash flow hedges in the current quarter as well as higher loss on foreign currency translation. These were partially mitigated by revaluation gain on financial investments in the current quarter.

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

B3. Prospects for 2024

The global economy is expected to grow in 2024, with downside risks weighed by the anticipated downtrend in external trades, slower momentum in major economies, protracted geopolitical tension(s) and tight financial market conditions. China's economic activities are expected to grow albeit at a slower than expected pace, supported by both domestic and global demand. In the US, consumer demand is expected to be adversely impacted as consumers have largely depleted excess savings accumulated during the pandemic. The euro area economy is also expected to face challenges amid global uncertainties.

The Malaysian economic growth is expected to be backed by firm fundamentals, stable labour market conditions and its diversified economic structure. Steady domestic demand, services sector growth including tourism activities as well as further progress of investment and infrastructure projects will remain supportive of growth. Meanwhile, downside risks mainly stem from weaker-than-expected global growth and more volatile global financial market conditions. Domestic financial conditions also remain conducive to financial intermediation with the resilience in Malaysian banking system underpinned by ample liquidity and healthy capital buffers.

The Public Bank Group is fully committed on its role as a financial intermediary as well as contributing towards national development and economic growth. The Group continues to maintain prudence in its management of credit risk as well as preserve its sound corporate governance and risk management practices.

The Public Bank Group is committed in embracing sustainability in its business strategy and operations. The Group's efforts encompass a wide array of initiatives in the areas of environmental, social and governance. In addressing climate change risk, the Group continues to promote the national transition to a low carbon economy by supporting green financing and embedding environmental considerations into its business strategies. The Group and several property developers are collaborating on property financing of green and sustainable development projects in Malaysia. The Group's offerings of attractive financing packages for the purchase of energy efficient vehicles and solar panel, among others, continue to support a green and lower carbon emission environment.

On digitalisation and technological innovation, the Public Bank Group continues to apply relevant roadmap and strategies for the development of digital initiatives. 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. The Group continues to enhance features of its digital channels, such as a revamped version of its online banking website and introduction of the MyPB app, with easy navigation and faster response for retail customers.

For long term sustainability, the Public Bank Group continues to enhance its service delivery standards and infrastructure by leveraging on the advancement of technology. The Group will continue to provide seamless banking services across its multi-delivery channels. The Group will also strive 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 of residential properties, in tandem with the Government's initiatives 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 SME lending businesses by leveraging on its strong franchise and relationship with customers.

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

The private retail unit trust industry will continue to perform in tandem with financial market condition, which is expected to remain volatile. The Public Bank Group is committed to offer 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. In particular, the Group continues to expand its business in Vietnam, capitalising on Vietnam's domestic growth.

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

B3. Prospects for 2024 (continued)

The Public Bank Group continues to ensure that it remains well-capitalised and well-funded at all times to support its business growth, 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 profit through challenging times and business cycles.

B4. Profit Forecast or Profit Guarantee

There was 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 2023 are as follows:

<u>Group</u>	4th Quarter Ended		Financial Year Ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	472,109	752,795	1,804,978	2,582,822
Overseas income tax	16,036	28,016	121,716	126,876
	<u>488,145</u>	<u>780,811</u>	<u>1,926,694</u>	<u>2,709,698</u>
Over provision in prior years				
- Malaysian income tax	(1,288)	(172)	(25,126)	(12,728)
- Overseas income tax	(5)	(39)	(2,923)	(961)
	<u>486,852</u>	<u>780,600</u>	<u>1,898,645</u>	<u>2,696,009</u>
Deferred tax (income) / expense				
- Relating to origination and reversal of temporary differences	(16,308)	13,685	(21,195)	(41,651)
- Under provision	-	5,894	3,966	5,198
Tax expense	<u>470,544</u>	<u>800,179</u>	<u>1,881,416</u>	<u>2,659,556</u>
Zakat	-	(248)	2,359	1,867
	<u><u>470,544</u></u>	<u><u>799,931</u></u>	<u><u>1,883,775</u></u>	<u><u>2,661,423</u></u>

The Group's effective tax rate for the 4th quarter and financial year ended 31 December 2023 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.

The Group's effective tax rate for the 4th quarter and financial year ended 31 December 2022 was higher mainly due to one-off prosperity tax of 33% for Malaysian companies with chargeable income exceeding RM100 million in Year of Assessment 2022.

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

B5. Tax Expense and Zakat (continued)

<u>Bank</u>	4th Quarter Ended		Financial Year Ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	400,728	695,535	1,457,425	2,031,643
Overseas income tax	1,751	487	9,435	5,991
	<u>402,479</u>	<u>696,022</u>	<u>1,466,860</u>	<u>2,037,634</u>
Under / (Over) provision in prior years				
- Malaysian income tax	284	-	(22,521)	(4,852)
- Overseas income tax	1	-	(2,054)	3,024
	<u>402,764</u>	<u>696,022</u>	<u>1,442,285</u>	<u>2,035,806</u>
Deferred tax (income) / expense				
- Relating to origination and reversal of temporary differences	(14,885)	(24,592)	(22,167)	(59,194)
- Under / (Over) provision	-	281	3,989	(407)
	<u>387,879</u>	<u>671,711</u>	<u>1,424,107</u>	<u>1,976,205</u>

The Bank's effective tax rate for the 4th quarter and financial year ended 31 December 2023 was lower than the statutory tax rate mainly due to certain income not subject to tax.

The Bank's effective tax rate for the 4th quarter and financial year ended 31 December 2022 was higher mainly due to one-off prosperity tax of 33% with chargeable income exceeding RM100 million in Year of Assessment 2022.

B6. Status of Corporate Proposals Announced but Not Completed

There were no corporate proposals announced but not completed as at end of the current 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 annual audited financial statements for the financial year ended 31 December 2022 and Pillar 3 Disclosures section of the 2022 Annual Report.

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

B9. Debt Securities Issued and Other Borrowed Funds

Group	More Than 1 Year		Less Than 1 Year		Sub-total		Total RM'000
	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	Foreign Currency RM'000	Local Currency RM'000	
Unsecured							
As At 31 December 2023							
Hong Kong Dollar ("HKD") term loan	645,517	-	-	-	645,517	-	645,517
United States Dollar ("USD") term loan	915,641	-	-	-	915,641	-	915,641
USD syndicated term loan	1,694,743	-	-	-	1,694,743	-	1,694,743
RM Senior Medium Term notes / sukuk murabahah	-	1,889,919	-	-	-	1,889,919	1,889,919
RM Subordinated notes / sukuk murabahah	-	3,498,196	-	2,500,000	-	5,998,196	5,998,196
	3,255,901	5,388,115	-	2,500,000	3,255,901	7,888,115	11,144,016
As At 31 December 2022							
HKD term loan	620,128	-	-	-	620,128	-	620,128
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

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

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

Bank	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 2023							
USD term loan	915,641	-	-	-	915,641	-	915,641
USD syndicated term loan	1,694,743	-	-	-	1,694,743	-	1,694,743
RM Senior Medium Term notes	-	889,919	-	-	-	889,919	889,919
RM Subordinated notes	-	2,998,196	-	2,000,000	-	4,998,196	4,998,196
	<u>2,610,384</u>	<u>3,888,115</u>	<u>-</u>	<u>2,000,000</u>	<u>2,610,384</u>	<u>5,888,115</u>	<u>8,498,499</u>
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
	<u>2,504,486</u>	<u>4,888,952</u>	<u>-</u>	<u>2,009,918</u>	<u>2,504,486</u>	<u>6,898,870</u>	<u>9,403,356</u>
Exchange rates used:	HKD	USD					
As at 31 December 2023	0.58750	4.59000					
As at 31 December 2022	0.56525	4.40725					

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

B10. Changes in Material Litigation

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

B11. Dividends

- (a) The Directors had declared the first interim dividend of 9.0 sen per share for the financial year ended 31 December 2023, which was paid on 22 September 2023.
- (b) (i) A second interim dividend of 10.0 sen per share for the financial year ended 31 December 2023, amounting to RM1,941,069,174 computed based on 19,410,691,735 ordinary shares as at 31 December 2023, has been declared by the directors.
(ii) Amount per share: 10.0 sen
(iii) Entitlement date: 14 March 2024
(iv) Payment date: 22 March 2024
- (c) Total dividend declared for the previous financial year ended 31 December 2022:
- First interim dividend of 8.0 sen per share based on 19,410,691,735 ordinary shares.
- Second interim dividend of 4.0 sen per share based on 19,410,691,735 ordinary shares.
- Third interim dividend of 5.0 sen per share based on 19,410,691,735 ordinary shares.

B12. Earnings Per Share

	4th Quarter Ended		Financial Year Ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Net profit attributable to equity holders (RM'000)	<u><u>1,615,457</u></u>	<u><u>1,713,677</u></u>	<u><u>6,649,314</u></u>	<u><u>6,119,499</u></u>
Weighted average number of ordinary shares in issue ('000)	<u><u>19,410,692</u></u>	<u><u>19,410,692</u></u>	<u><u>19,410,692</u></u>	<u><u>19,410,692</u></u>
Basic earnings per share (sen)	<u><u>8.32</u></u>	<u><u>8.83</u></u>	<u><u>34.26</u></u>	<u><u>31.53</u></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.