

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Note	Group		Bank	
		31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
ASSETS					
Cash and balances with banks		9,404,164	11,127,417	5,708,151	8,045,976
Reverse repurchase agreements		3,777	851	3,777	851
Financial assets at fair value through profit or loss	A8	3,778,493	2,637,648	2,020,650	723,630
Derivative financial assets	A28	397,162	414,811	386,710	409,372
Financial investments at fair value through other comprehensive income	A9	57,624,014	54,138,308	36,169,866	34,333,301
Financial investments at amortised cost	A10	28,934,767	29,955,413	20,611,100	21,342,381
Loans, advances and financing	A11	401,034,513	394,749,979	299,928,106	296,192,586
Other assets	A12	4,647,742	3,501,689	3,272,996	3,088,328
Statutory deposits with Central Banks		7,451,204	7,526,753	5,045,396	5,169,488
Deferred tax assets		501,542	567,305	294,897	356,565
Collective investments		-	-	6,515,318	6,457,102
Investment in subsidiary companies		-	-	7,083,311	6,794,603
Investment in associated companies		156,533	141,743	67,500	67,500
Investment properties		753,685	744,960	-	-
Right-of-use assets		1,266,965	1,243,436	996,898	1,011,091
Property and equipment		1,241,809	1,258,084	568,179	591,335
Intangible assets		2,634,101	2,589,600	695,393	695,393
TOTAL ASSETS		519,830,471	510,597,997	389,368,248	385,279,502
LIABILITIES					
Deposits from customers	A13	420,180,163	412,896,967	310,656,150	305,059,591
Deposits from banks and other financial institutions	A14	14,583,884	12,602,429	13,594,269	13,814,884
Obligations on securities sold under repurchase agreements		2,351,490	3,017,789	2,351,490	2,920,263
Bills and acceptances payable		214,942	192,169	214,295	189,783
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	145,428	354,450	158,343	375,941
Debt securities issued and other borrowed funds	B9	11,240,705	11,144,016	8,576,861	8,498,499
Lease liabilities		923,114	904,324	1,053,675	1,065,478
Other liabilities	A15	8,138,045	7,426,548	5,463,742	5,365,686
Provision for tax expense and zakat		525,480	484,975	465,896	408,522
Deferred tax liabilities		95,058	94,197	-	-
TOTAL LIABILITIES		463,498,324	454,217,879	346,534,736	341,698,662

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	Group		Bank	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
Note	RM'000	RM'000	RM'000	RM'000
EQUITY				
Share capital	9,417,653	9,417,653	9,417,653	9,417,653
Regulatory reserves	785,884	723,829	757,193	682,723
Other reserves	2,286,447	2,085,743	595,982	401,415
Retained profits	42,096,932	42,447,124	32,062,684	33,079,049
Equity attributable to equity holders of the Bank	54,586,916	54,674,349	42,833,512	43,580,840
Non-controlling interests	1,745,231	1,705,769	-	-
TOTAL EQUITY	56,332,147	56,380,118	42,833,512	43,580,840
TOTAL LIABILITIES AND EQUITY				
	519,830,471	510,597,997	389,368,248	385,279,502
COMMITMENTS AND CONTINGENCIES				
A27	120,357,779	121,325,677	107,551,252	109,110,256
CAPITAL ADEQUACY				
A30	Before deducting interim dividends *			
Common Equity Tier I Capital Ratio	14.483%	15.235%	13.032%	13.875%
Tier I Capital Ratio	14.501%	15.253%	13.032%	13.875%
Total Capital Ratio	17.369%	18.146%	16.135%	16.990%
After deducting interim dividends *				
Common Equity Tier I Capital Ratio	14.483%	14.654%	13.032%	13.112%
Tier I Capital Ratio	14.501%	14.672%	13.032%	13.112%
Total Capital Ratio	17.369%	17.564%	16.135%	16.227%
Net assets per share attributable to ordinary equity holders of the Bank (RM)				
	2.81	2.82	2.21	2.25

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

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE 1ST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

<u>Group</u>	Note	1st Quarter Ended		Three Months Ended	
		31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Operating revenue		<u>6,794,723</u>	<u>6,123,237</u>	<u>6,794,723</u>	<u>6,123,237</u>
Interest income	A16	<u>4,667,292</u>	<u>4,329,222</u>	<u>4,667,292</u>	<u>4,329,222</u>
Interest expense	A17	<u>(2,349,761)</u>	<u>(2,069,801)</u>	<u>(2,349,761)</u>	<u>(2,069,801)</u>
Net interest income		<u>2,317,531</u>	<u>2,259,421</u>	<u>2,317,531</u>	<u>2,259,421</u>
Net income from Islamic banking business	A31 (b)	<u>413,255</u>	<u>397,115</u>	<u>413,255</u>	<u>397,115</u>
		<u>2,730,786</u>	<u>2,656,536</u>	<u>2,730,786</u>	<u>2,656,536</u>
Fee and commission income	A18 (a)	<u>830,328</u>	<u>724,565</u>	<u>830,328</u>	<u>724,565</u>
Fee and commission expense	A18 (b)	<u>(295,860)</u>	<u>(242,234)</u>	<u>(295,860)</u>	<u>(242,234)</u>
Net fee and commission income	A18	<u>534,468</u>	<u>482,331</u>	<u>534,468</u>	<u>482,331</u>
Net gains and losses on financial instruments	A19	<u>15,089</u>	<u>44,894</u>	<u>15,089</u>	<u>44,894</u>
Other operating income	A20	<u>100,078</u>	<u>119,361</u>	<u>100,078</u>	<u>119,361</u>
Net income		<u>3,380,421</u>	<u>3,303,122</u>	<u>3,380,421</u>	<u>3,303,122</u>
Other operating expenses	A21	<u>(1,198,123)</u>	<u>(1,094,154)</u>	<u>(1,198,123)</u>	<u>(1,094,154)</u>
Operating profit before impairment losses		<u>2,182,298</u>	<u>2,208,968</u>	<u>2,182,298</u>	<u>2,208,968</u>
Allowance for impairment on loans, advances and financing	A22	<u>(63,395)</u>	<u>(1,544)</u>	<u>(63,395)</u>	<u>(1,544)</u>
(Allowance) / Writeback of allowance for impairment on other assets	A23	<u>(1,417)</u>	<u>1,719</u>	<u>(1,417)</u>	<u>1,719</u>
		<u>2,117,486</u>	<u>2,209,143</u>	<u>2,117,486</u>	<u>2,209,143</u>
Share of profit / (loss) after tax of equity accounted associated companies		<u>14,221</u>	<u>(160)</u>	<u>14,221</u>	<u>(160)</u>
Profit before tax expense and zakat		<u>2,131,707</u>	<u>2,208,983</u>	<u>2,131,707</u>	<u>2,208,983</u>
Tax expense and zakat	B5	<u>(474,579)</u>	<u>(485,978)</u>	<u>(474,579)</u>	<u>(485,978)</u>
Profit for the period		<u>1,657,128</u>	<u>1,723,005</u>	<u>1,657,128</u>	<u>1,723,005</u>
Profit for the period attributable to:					
- Equity holders of the Bank		<u>1,653,349</u>	<u>1,713,963</u>	<u>1,653,349</u>	<u>1,713,963</u>
- Non-controlling interests		<u>3,779</u>	<u>9,042</u>	<u>3,779</u>	<u>9,042</u>
		<u>1,657,128</u>	<u>1,723,005</u>	<u>1,657,128</u>	<u>1,723,005</u>
Earnings per share:					
- basic / diluted (sen)	B12	<u>8.52</u>	<u>8.83</u>	<u>8.52</u>	<u>8.83</u>

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 1ST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

Group	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Profit for the period	<u>1,657,128</u>	<u>1,723,005</u>	<u>1,657,128</u>	<u>1,723,005</u>
Other comprehensive income / (loss):				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Net change in revaluation of equity instruments	<u>48</u>	<u>27</u>	<u>48</u>	<u>27</u>
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Currency translation differences in respect of:				
- Foreign operations	246,234	8,865	246,234	8,865
- Net investment hedge	(88,873)	8,516	(88,873)	8,516
Net change in revaluation of financial investments at fair value through other comprehensive income	78,974	503,966	78,974	503,966
Net change in cash flow hedges	<u>17,232</u>	<u>(41,901)</u>	<u>17,232</u>	<u>(41,901)</u>
	<u>253,567</u>	<u>479,446</u>	<u>253,567</u>	<u>479,446</u>
Income tax effect	(17,829)	(98,658)	(17,829)	(98,658)
Share of changes in associated companies' reserves	568	1,888	568	1,888
Other comprehensive income for the period, net of tax	<u>236,354</u>	<u>382,703</u>	<u>236,354</u>	<u>382,703</u>
Total comprehensive income for the period	<u>1,893,482</u>	<u>2,105,708</u>	<u>1,893,482</u>	<u>2,105,708</u>
Total comprehensive income for the period attributable to:				
- Equity holders of the Bank	1,853,636	2,100,107	1,853,636	2,100,107
- Non-controlling interests	39,846	5,601	39,846	5,601
	<u>1,893,482</u>	<u>2,105,708</u>	<u>1,893,482</u>	<u>2,105,708</u>

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UNAUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE 1ST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

<u>Bank</u>	Note	1st Quarter Ended		Three Months Ended	
		31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Operating revenue		4,490,847	4,293,618	4,490,847	4,293,618
Interest income	A16	4,072,000	3,804,124	4,072,000	3,804,124
Interest expense	A17	(2,157,386)	(1,887,623)	(2,157,386)	(1,887,623)
Net interest income		1,914,614	1,916,501	1,914,614	1,916,501
Fee and commission income	A18 (a)	366,573	303,782	366,573	303,782
Fee and commission expense	A18 (b)	(165,953)	(132,162)	(165,953)	(132,162)
Net fee and commission income	A18	200,620	171,620	200,620	171,620
Net gains and losses on financial instruments	A19	12,818	42,379	12,818	42,379
Other operating (loss) / income	A20	(80,192)	189,250	(80,192)	189,250
Net income		2,047,860	2,319,750	2,047,860	2,319,750
Other operating expenses	A21	(741,321)	(687,984)	(741,321)	(687,984)
Operating profit before impairment losses		1,306,539	1,631,766	1,306,539	1,631,766
Writeback of allowance for impairment on loans, advances and financing	A22	26,300	69,153	26,300	69,153
(Allowance) / Writeback of allowance for impairment on other assets	A23	(370)	3,337	(370)	3,337
Profit before tax expense and zakat		1,332,469	1,704,256	1,332,469	1,704,256
Tax expense and zakat	B5	(332,878)	(387,382)	(332,878)	(387,382)
Profit for the period		999,591	1,316,874	999,591	1,316,874

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UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE 1ST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2024

Bank	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Profit for the period	<u>999,591</u>	<u>1,316,874</u>	<u>999,591</u>	<u>1,316,874</u>
Other comprehensive income / (loss):				
<u>Items that will not be reclassified subsequently to profit or loss:</u>				
Net change in revaluation of equity instruments	<u>165</u>	<u>7</u>	<u>165</u>	<u>7</u>
<u>Items that may be reclassified subsequently to profit or loss:</u>				
Currency translation differences in respect of foreign operations	159,912	11,414	159,912	11,414
Net change in revaluation of financial investments at fair value through other comprehensive income	35,091	329,412	35,091	329,412
Net change in cash flow hedges	<u>9,741</u>	<u>(30,917)</u>	<u>9,741</u>	<u>(30,917)</u>
	<u>204,744</u>	<u>309,909</u>	<u>204,744</u>	<u>309,909</u>
Income tax effect	(10,759)	(71,639)	(10,759)	(71,639)
Other comprehensive income for the period, net of tax	<u>194,150</u>	<u>238,277</u>	<u>194,150</u>	<u>238,277</u>
Total comprehensive income for the period	<u>1,193,741</u>	<u>1,555,151</u>	<u>1,193,741</u>	<u>1,555,151</u>

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PUBLIC BANK BERHAD
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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

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

<u>Group</u>	<u>Non-distributable</u>			<u>Distributable</u>		<u>Total Shareholders' Equity</u> RM'000	<u>Non-controlling Interests</u> RM'000	<u>Total Equity</u> RM'000
	<u>Share Capital</u> RM'000	<u>Regulatory Reserves</u> RM'000	<u>Other Reserves</u> RM'000	<u>Retained Profits</u> RM'000	<u>Shareholders' Equity</u> RM'000			
At 1 January 2024	9,417,653	723,829	2,085,743	42,447,124	54,674,349	1,705,769	56,380,118	
Profit for the period	-	-	-	1,653,349	1,653,349	3,779	1,657,128	
Other comprehensive income for the period	-	-	200,287	-	200,287	36,067	236,354	
Total comprehensive income for the period	-	-	200,287	1,653,349	1,853,636	39,846	1,893,482	
Transactions with owners / other equity movements:								
Net increase during the period	-	-	-	-	-	2,146	2,146	
Transfer to statutory reserves	-	-	417	(417)	-	-	-	
Transfer to regulatory reserves	-	62,055	-	(62,055)	-	-	-	
Dividends paid	-	-	-	(1,941,069)	(1,941,069)	(2,530)	(1,943,599)	
	-	62,055	417	(2,003,541)	(1,941,069)	(384)	(1,941,453)	
At 31 March 2024	9,417,653	785,884	2,286,447	42,096,932	54,586,916	1,745,231	56,332,147	

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UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

<----- 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 2023	9,417,653	314,153	1,188,430	39,258,985	50,179,221	1,346,587	51,525,808
Profit for the period	-	-	-	1,713,963	1,713,963	9,042	1,723,005
Other comprehensive income / (loss) for the period	-	-	386,144	-	386,144	(3,441)	382,703
Total comprehensive income for the period	-	-	386,144	1,713,963	2,100,107	5,601	2,105,708
Transactions with owners / other equity movements:							
Transfer to statutory reserves	-	-	241	(241)	-	-	-
Transfer to regulatory reserves	-	114,781	-	(114,781)	-	-	-
Dividends paid	-	-	-	(970,535)	(970,535)	-	(970,535)
	-	114,781	241	(1,085,557)	(970,535)	-	(970,535)
At 31 March 2023	9,417,653	428,934	1,574,815	39,887,391	51,308,793	1,352,188	52,660,981

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UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

<----- 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 2024	9,417,653	682,723	401,415	33,079,049	43,580,840
Profit for the period	-	-	-	999,591	999,591
Other comprehensive income for the period	-	-	194,150	-	194,150
Total comprehensive income for the period	<u>-</u>	<u>-</u>	<u>194,150</u>	<u>999,591</u>	<u>1,193,741</u>
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	417	(417)	-
Transfer to regulatory reserves	-	74,470	-	(74,470)	-
Dividends paid	-	-	-	(1,941,069)	(1,941,069)
	<u>-</u>	<u>74,470</u>	<u>417</u>	<u>(2,015,956)</u>	<u>(1,941,069)</u>
At 31 March 2024	<u>9,417,653</u>	<u>757,193</u>	<u>595,982</u>	<u>32,062,684</u>	<u>42,833,512</u>

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UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

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

<u>Bank</u>	<u>Non-distributable</u>			<u>Distributable</u>	<u>Total</u> <u>Equity</u> <u>RM'000</u>
	<u>Share</u> <u>Capital</u> <u>RM'000</u>	<u>Regulatory</u> <u>Reserves</u> <u>RM'000</u>	<u>Other</u> <u>Reserves</u> <u>RM'000</u>	<u>Retained</u> <u>Profits</u> <u>RM'000</u>	
At 1 January 2023	9,417,653	257,054	269,926	30,783,281	40,727,914
Profit for the period	-	-	-	1,316,874	1,316,874
Other comprehensive income for the period	-	-	238,277	-	238,277
Total comprehensive income for the period	<u>-</u>	<u>-</u>	<u>238,277</u>	<u>1,316,874</u>	<u>1,555,151</u>
Transactions with owners / other equity movements:					
Transfer to statutory reserves	-	-	241	(241)	-
Transfer to regulatory reserves	-	107,419	-	(107,419)	-
Dividends paid	-	-	-	(970,535)	(970,535)
	<u>-</u>	<u>107,419</u>	<u>241</u>	<u>(1,078,195)</u>	<u>(970,535)</u>
At 31 March 2023	<u>9,417,653</u>	<u>364,473</u>	<u>508,444</u>	<u>31,021,960</u>	<u>41,312,530</u>

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	Group		Bank	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	RM'000	RM'000	RM'000	RM'000
Cash Flows from Operating Activities				
Profit before tax expense and zakat	2,131,707	2,208,983	1,332,469	1,704,256
Adjustments for non-cash items:				
Share of (profit) / loss after tax of equity accounted associated companies	(14,221)	160	-	-
Allowance / (Writeback of allowance) for impairment on loans, advances and financing	109,777	52,648	(1,557)	(37,498)
Depreciation of right-of-use assets and property and equipment	83,163	91,387	56,788	67,700
Net gain on financial instruments	(12,960)	(39,046)	(11,078)	(37,041)
Dividend income	(42)	(2,270)	(94,147)	(93,087)
Allowance / (Writeback of allowance) for impairment on other assets	1,417	(1,719)	370	(3,337)
Other non-cash items	1,332	(600)	148,546	(2,371)
Operating profit before working capital changes	<u>2,300,173</u>	<u>2,309,543</u>	<u>1,431,391</u>	<u>1,598,622</u>
Changes in working capital:				
Increase in operating assets	(8,488,263)	(6,705,117)	(5,700,903)	(3,361,627)
Increase in operating liabilities	9,246,231	4,603,372	5,260,466	1,963,209
Cash generated from operations	<u>3,058,141</u>	<u>207,798</u>	<u>990,954</u>	<u>200,204</u>
Tax expense and zakat paid	(384,577)	(609,570)	(220,495)	(452,918)
Net cash generated from / (used in) operating activities	<u>2,673,564</u>	<u>(401,772)</u>	<u>770,459</u>	<u>(252,714)</u>
Cash Flows from Investing Activities				
Purchase of property and equipment	(33,788)	(28,158)	(16,349)	(17,927)
Addition to investment properties	(80)	(325)	-	-
Proceeds from disposal of properties	4,473	13,421	4,078	12,261
Net purchase of financial investments	(2,374,213)	(1,065,959)	(1,058,718)	(304,795)
Investment in collective investments by the Bank	-	-	(58,216)	(52,314)
Investment in collective investments by the non-controlling interests	2,146	-	-	-
Additional investment in a subsidiary company	-	-	(469)	(437)
Dividends received	42	2,270	87,216	142,404
Net cash vested over to Public Bank Lao Limited	-	-	(177,347)	-
Net cash used in investing activities	<u>(2,401,420)</u>	<u>(1,078,751)</u>	<u>(1,219,805)</u>	<u>(220,808)</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 2023.

PUBLIC BANK BERHAD
Company Registration No.: 196501000672 (6463-H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	Group		Bank	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Cash Flows from Financing Activities				
Dividends paid	(1,943,599)	(970,535)	(1,941,069)	(970,535)
Repayment of lease liabilities	(22,470)	(21,506)	(16,189)	(15,356)
Net cash used in financing activities	<u>(1,966,069)</u>	<u>(992,041)</u>	<u>(1,957,258)</u>	<u>(985,891)</u>
Net change in cash and cash equivalents	(1,693,925)	(2,472,564)	(2,406,604)	(1,459,413)
Cash and cash equivalents at beginning of the year	9,558,148	18,795,171	7,816,476	15,075,723
Exchange differences on translation of opening balances	<u>99,587</u>	<u>(1,177)</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of the period	<u>7,963,810</u>	<u>16,321,430</u>	<u>5,409,872</u>	<u>13,616,310</u>
Note:				
Cash and balances with banks	9,404,164	19,327,488	5,708,151	14,587,610
Less: Balances with banks with original maturity more than three months	<u>(1,440,354)</u>	<u>(3,006,058)</u>	<u>(298,279)</u>	<u>(971,300)</u>
Cash and cash equivalents at end of the period	<u>7,963,810</u>	<u>16,321,430</u>	<u>5,409,872</u>	<u>13,616,310</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 2023.

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 unaudited condensed interim financial statements for the 1st quarter ended 31 March 2024 have been prepared under the historical cost convention except for the following assets and liabilities which are stated at fair values: financial assets at fair value through profit or loss ("FVTPL"), financial investments at fair value through other comprehensive income ("FVOCI"), derivative financial instruments and investment properties.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The unaudited condensed interim financial statements should be read in conjunction with the annual audited financial statements of the Group and of the Bank for the financial year ended 31 December 2023. The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and of the Bank since the financial year ended 31 December 2023.

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

The material accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2023.

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.

A2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the annual audited financial statements for the financial year ended 31 December 2023 was not qualified.

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

A3. Comments about Seasonal or Cyclical Factors

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

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

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and of the Bank in the current financial period.

A5. Changes in Estimates

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

A6. Debt and Equity Securities

There were no issuances of shares, share buy-backs and repayment of debt and equity securities by the Group and the Bank in the current financial period.

A7. Dividends Paid and Distributed

A second interim dividend of 10.0 sen per share for the financial year ended 31 December 2023 amounting to RM1,941,069,174 was paid on 22 March 2024.

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 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	114,210	197,548	114,210	197,548
Malaysian Government Securities	691,413	71,191	691,413	71,191
Malaysian Government Investment Issues	<u>873,549</u>	<u>113,413</u>	<u>873,549</u>	<u>113,413</u>
	<u>1,679,172</u>	<u>382,152</u>	<u>1,679,172</u>	<u>382,152</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>1,737,117</u>	<u>1,893,292</u>	<u>-</u>	<u>-</u>
Non-money market instruments:				
Equity securities:				
- Unquoted shares in Malaysia	362,204	362,204	341,478	341,478
Total financial assets at FVTPL	<u>3,778,493</u>	<u>2,637,648</u>	<u>2,020,650</u>	<u>723,630</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 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	99,550	98,774	99,550	98,774
Malaysian Government Securities	18,959,673	18,367,367	18,114,450	17,475,888
Malaysian Government Investment Issues	31,536,577	29,247,716	16,247,596	15,556,797
Other foreign government securities	504,276	289,431	-	-
	<u>51,100,076</u>	<u>48,003,288</u>	<u>34,461,596</u>	<u>33,131,459</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>700,432</u>	<u>298,997</u>	<u>1,000,229</u>	<u>497,707</u>
Non-money market instruments:				
Equity securities:				
- Quoted shares and convertible loan stocks outside Malaysia	1,361	1,478	-	-
- Unquoted shares	422,202	420,990	415,018	413,921
Debt securities:				
- Cagamas bonds / sukuk	173,553	242,771	-	-
- Unquoted corporate bonds / sukuk	5,226,390	5,170,784	293,023	290,214
	<u>5,823,506</u>	<u>5,836,023</u>	<u>708,041</u>	<u>704,135</u>
Total financial investments at FVOCI	<u>57,624,014</u>	<u>54,138,308</u>	<u>36,169,866</u>	<u>34,333,301</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 2024	11,669	-	-	11,669
New financial investments purchased	1,136	-	-	1,136
Net allowance written back	(100)	-	-	(100)
Amount derecognised	(541)	-	-	(541)
Exchange differences	10	-	-	10
At 31 March 2024	<u>12,174</u>	<u>-</u>	<u>-</u>	<u>12,174</u>
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>
Bank				
At 1 January 2024	5,810	-	-	5,810
New financial investments purchased	710	-	-	710
Net allowance written back	(21)	-	-	(21)
Amount derecognised	(382)	-	-	(382)
At 31 March 2024	<u>6,117</u>	<u>-</u>	<u>-</u>	<u>6,117</u>
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>

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

A10. Financial Investments at Amortised Cost

	Group		Bank	
	31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
At amortised cost				
Government securities and treasury bills:				
Malaysian Government Securities	4,541,748	4,131,453	4,502,095	4,091,808
Malaysian Government Investment Issues	8,451,804	9,486,103	3,984,287	5,021,516
Foreign Government Treasury Bills	1,339,374	1,519,357	68,583	51,539
Other foreign government securities	168,756	211,647	-	3,543
	<u>14,501,682</u>	<u>15,348,560</u>	<u>8,554,965</u>	<u>9,168,406</u>
Money market instruments:				
Negotiable instruments of deposit and negotiable Islamic debt certificates	<u>2,024,245</u>	<u>2,196,800</u>	<u>1,787,668</u>	<u>1,769,094</u>
Non-money market instruments:				
Debt securities:				
- Cagamas bonds / sukuk	7,085,698	6,798,445	5,923,994	5,695,055
- Unquoted corporate bonds / sukuk	5,327,864	5,616,481	4,348,082	4,713,560
	<u>12,413,562</u>	<u>12,414,926</u>	<u>10,272,076</u>	<u>10,408,615</u>
Allowance for impairment	(4,722)	(4,873)	(3,609)	(3,734)
Total financial investments at amortised cost	<u>28,934,767</u>	<u>29,955,413</u>	<u>20,611,100</u>	<u>21,342,381</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 2024	4,854	-	19	4,873
New financial investments purchased	338	-	-	338
Net allowance made	11	-	-	11
Amount derecognised	(512)	-	-	(512)
Exchange differences	12	-	-	12
At 31 March 2024	<u>4,703</u>	<u>-</u>	<u>19</u>	<u>4,722</u>
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>
Bank				
At 1 January 2024	3,715	-	19	3,734
New financial investments purchased	141	-	-	141
Net allowance made	17	-	-	17
Amount derecognised	(283)	-	-	(283)
At 31 March 2024	<u>3,590</u>	<u>-</u>	<u>19</u>	<u>3,609</u>
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>

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

A11. Loans, Advances and Financing

	Group		Bank	
	31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
	At amortised cost			
Overdrafts	9,145,757	8,953,714	5,925,486	5,851,097
Term loans / financing				
- Housing loans / financing	165,476,856	162,958,538	122,595,503	121,036,720
- Syndicated term loans / financing	4,057,112	4,059,702	848,233	866,918
- Hire purchase receivables	70,115,161	67,262,849	54,505,069	52,400,276
- Other term loans / financing	136,886,032	135,672,879	103,636,795	103,291,130
Credit card receivables	2,778,378	2,835,060	2,632,630	2,695,945
Bills receivables	124,264	138,610	121,184	136,807
Trust receipts	113,935	124,469	87,503	90,480
Claims on customers under acceptance credits	2,961,587	2,943,729	2,722,075	2,714,706
Revolving credits	11,391,380	11,836,012	7,812,785	8,141,121
Staff loans *	2,222,198	2,211,035	1,877,626	1,872,749
Gross loans, advances and financing	<u>405,272,660</u>	<u>398,996,597</u>	<u>302,764,889</u>	<u>299,097,949</u>
Allowance for impairment on loans, advances and financing:				
- Expected credit losses	(4,238,147)	(4,246,618)	(2,836,783)	(2,905,363)
- Stage 1: 12-Month ECL	(1,183,487)	(1,183,547)	(762,125)	(788,636)
- Stage 2: Lifetime ECL not credit-impaired	(2,489,081)	(2,497,151)	(1,775,576)	(1,802,130)
- Stage 3: Lifetime ECL credit-impaired	(565,579)	(565,920)	(299,082)	(314,597)
Net loans, advances and financing	<u>401,034,513</u>	<u>394,749,979</u>	<u>299,928,106</u>	<u>296,192,586</u>

* Included in staff loans of the Group and of the Bank are loans to Directors of subsidiary companies amounting to RM8,404,000 (2023: RM13,854,000) and RM7,782,000 (2023 - RM7,151,000) respectively.

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

	Group		Bank	
	31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
	Retail loans / financing *			
- Housing loans / financing	165,476,859	162,958,542	122,595,503	121,036,720
- Hire purchase	69,823,749	66,978,606	54,505,069	52,400,276
- Credit cards	2,778,378	2,835,060	2,632,630	2,695,945
- Other loans / financing ^	118,237,648	116,976,985	85,426,553	84,919,064
	<u>356,316,634</u>	<u>349,749,193</u>	<u>265,159,755</u>	<u>261,052,005</u>
Corporate loans / financing	48,956,026	49,247,404	37,605,134	38,045,944
	<u>405,272,660</u>	<u>398,996,597</u>	<u>302,764,889</u>	<u>299,097,949</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 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Non-bank financial institutions				
- Stock-broking companies	4,002	4,806	4,002	4,806
- Others	16,962,758	16,917,296	14,549,600	14,465,447
Business enterprises				
- Small and medium enterprises	73,480,508	72,722,041	58,275,273	57,869,765
- Others	25,744,575	25,875,225	18,454,823	18,641,547
Government and statutory bodies	2,043,381	2,036,511	24,739	18,678
Individuals	281,226,904	275,575,634	207,236,837	203,847,263
Other entities	39,099	29,645	17,726	17,931
Foreign entities	5,771,433	5,835,439	4,201,889	4,232,512
	<u>405,272,660</u>	<u>398,996,597</u>	<u>302,764,889</u>	<u>299,097,949</u>

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

	Group		Bank	
	31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Fixed rate				
- Housing loans / financing	1,370,484	1,153,712	45,854	48,049
- Hire purchase receivables	67,143,353	64,370,774	54,285,014	52,218,458
- Other fixed rate loans / financing	24,830,139	24,737,573	11,477,112	12,042,524
Variable rate				
- Base rate / base lending rate plus	257,818,610	254,562,527	204,804,308	202,358,027
- Cost plus	39,673,520	39,998,709	32,083,234	32,265,458
- Other variable rates	14,436,554	14,173,302	69,367	165,433
	<u>405,272,660</u>	<u>398,996,597</u>	<u>302,764,889</u>	<u>299,097,949</u>

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

	Group		Bank	
	31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Maturity within one year	35,704,075	35,206,476	24,026,245	24,164,102
More than one year to three years	31,683,477	31,852,005	24,881,096	24,787,779
More than three years to five years	32,427,439	32,035,573	26,395,661	26,137,441
More than five years	305,457,669	299,902,543	227,461,887	224,008,627
	<u>405,272,660</u>	<u>398,996,597</u>	<u>302,764,889</u>	<u>299,097,949</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 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Malaysia	378,192,160	372,697,455	302,683,591	298,568,924
Hong Kong SAR and the People's Republic of China	14,756,505	14,269,038	-	-
Cambodia	6,798,602	6,442,464	-	-
Other countries	5,525,393	5,587,640	81,298	529,025
	<u>405,272,660</u>	<u>398,996,597</u>	<u>302,764,889</u>	<u>299,097,949</u>

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

	Group		Bank	
	31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Purchase of securities	3,847,575	3,766,169	3,173,935	3,171,160
Purchase of transport vehicles	70,339,944	67,510,435	54,716,175	52,651,399
Purchase of properties	256,513,826	253,120,816	196,608,369	194,470,363
(of which: - residential	<u>170,998,232</u>	<u>168,491,831</u>	<u>127,130,198</u>	<u>125,695,541</u>
- non-residential)	<u>85,515,594</u>	<u>84,628,985</u>	<u>69,478,171</u>	<u>68,774,822</u>
Purchase of fixed assets (excluding properties)	429,971	422,629	67,757	61,965
Personal use	16,305,576	16,082,685	8,930,294	8,805,561
Credit card	2,778,378	2,835,060	2,632,630	2,695,945
Purchase of consumer durables	652	678	182	206
Construction	7,225,967	7,436,894	4,785,439	4,946,684
Working capital	44,580,051	44,413,375	29,237,848	29,526,470
Other purpose	3,250,720	3,407,856	2,612,260	2,768,196
	<u>405,272,660</u>	<u>398,996,597</u>	<u>302,764,889</u>	<u>299,097,949</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 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Agriculture, hunting, forestry and fishing	3,026,868	3,014,419	2,436,522	2,424,390
Mining and quarrying	198,957	194,152	153,634	152,001
Manufacturing	12,285,336	12,056,303	9,099,777	8,911,634
Electricity, gas and water	135,886	66,952	36,830	38,938
Construction	17,385,920	17,675,022	13,283,833	13,522,086
Wholesale & retail trade and restaurants & hotels	34,328,149	33,954,367	27,409,565	27,127,990
Transport, storage and communication	4,919,675	4,783,692	2,406,006	2,385,338
Finance, insurance and business services	20,960,129	20,956,273	17,744,093	17,767,817
Real estate	23,521,580	23,524,481	17,593,864	17,644,900
Community, social and personal services	4,410,358	4,374,849	2,075,668	2,050,987
Households	282,260,623	276,747,324	210,520,697	207,065,338
Others	1,839,179	1,648,763	4,400	6,530
	<u>405,272,660</u>	<u>398,996,597</u>	<u>302,764,889</u>	<u>299,097,949</u>

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

	Group		Bank	
	31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
At 1 January	2,335,372	1,584,096	1,270,729	1,063,774
Amount transferred to Public Bank Lao Ltd	-	-	(30,667)	-
Impaired during the period / year	773,443	2,791,971	438,071	1,342,043
Reclassified as non-impaired	(398,956)	(1,101,250)	(274,836)	(731,093)
Recoveries	(69,735)	(456,436)	(53,242)	(184,703)
Amount written off	(127,822)	(426,176)	(65,061)	(157,359)
Loans / financing converted to foreclosed properties	(17,709)	(71,178)	(13,384)	(62,492)
Exchange differences	17,637	14,345	559	559
Closing balance	<u>2,512,230</u>	<u>2,335,372</u>	<u>1,272,169</u>	<u>1,270,729</u>
Gross impaired loans and financing as a percentage of gross loans, advances and financing	<u>0.62%</u>	<u>0.59%</u>	<u>0.42%</u>	<u>0.42%</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 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Malaysia	1,559,418	1,489,262	1,269,822	1,234,565
Hong Kong SAR and the People's Republic of China	614,324	547,102	-	-
Cambodia	118,697	97,900	-	-
Other countries	219,791	201,108	2,347	36,164
	<u>2,512,230</u>	<u>2,335,372</u>	<u>1,272,169</u>	<u>1,270,729</u>

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

	Group		Bank	
	31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Purchase of securities	2,539	34,242	251	34,242
Purchase of transport vehicles	195,565	212,001	111,649	128,359
Purchase of properties	1,682,143	1,510,176	943,286	870,082
(of which: - residential	776,829	652,007	437,245	394,463
- non-residential)	905,314	858,169	506,041	475,619
Purchase of fixed assets (excluding properties)	13,695	10,882	207	208
Personal use	131,644	125,795	33,407	31,349
Credit card	16,145	19,507	14,835	18,134
Construction	26,718	24,171	8,004	7,809
Working capital	441,879	397,359	158,664	179,343
Other purpose	1,902	1,239	1,866	1,203
	<u>2,512,230</u>	<u>2,335,372</u>	<u>1,272,169</u>	<u>1,270,729</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 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Agriculture, hunting, forestry and fishing	4,021	3,150	3,996	3,056
Mining and quarrying	15,562	15,018	15,383	14,842
Manufacturing	116,035	88,367	53,620	40,977
Electricity, gas and water	5,667	5,590	35	60
Construction	106,103	102,423	83,386	82,128
Wholesale & retail trade and restaurants & hotels	214,315	236,243	58,088	100,411
Transport, storage and communication	13,824	13,372	10,908	11,102
Finance, insurance and business services	60,277	47,910	12,034	28,032
Real estate	742,045	717,578	386,277	368,068
Community, social and personal services	7,221	8,492	7,055	8,295
Households	1,180,278	1,058,763	641,387	613,758
Others	46,882	38,466	-	-
	<u>2,512,230</u>	<u>2,335,372</u>	<u>1,272,169</u>	<u>1,270,729</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 2024	1,183,547	2,497,151	565,920	4,246,618
Changes due to loans, advances and financing recognised as at 1 January 2024:	121,964	(106,325)	(15,639)	-
- Transfer to Stage 1: 12-Month ECL	131,666	(121,781)	(9,885)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(8,974)	48,509	(39,535)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(728)	(33,053)	33,781	-
New loans, advances and financing originated	29,461	10,372	461	40,294
Net remeasurement due to changes in credit risk	(129,460)	112,686	118,648	101,874
Loans, advances and financing derecognised (other than write-off)	(14,708)	(12,809)	(4,908)	(32,425)
Modifications to contractual cash flows of loans, advances and financing	(8,857)	(13,786)	24,720	2,077
Amount written off	-	-	(127,822)	(127,822)
Amount transferred to allowance for impairment loss on foreclosed properties	-	-	(8)	(8)
Exchange differences	1,540	1,792	4,207	7,539
At 31 March 2024	<u>1,183,487</u>	<u>2,489,081</u>	<u>565,579</u>	<u>4,238,147</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 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	1,183,547	2,497,151	565,920	4,246,618

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 2024	788,636	1,802,130	314,597	2,905,363
Changes due to loans and advances recognised as at 1 January 2024:	93,655	(70,354)	(23,301)	-
- Transfer to Stage 1: 12-Month ECL	99,756	(93,368)	(6,388)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(6,025)	36,523	(30,498)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(76)	(13,509)	13,585	-
Amount transferred to Public Bank Lao Ltd	(1,738)	(1,118)	(1,087)	(3,943)
New loans and advances originated	13,052	6,984	-	20,036
Net remeasurement due to changes in credit risk	(117,287)	60,414	58,229	1,356
Loans and advances derecognised (other than write-off)	(6,461)	(9,530)	(3,398)	(19,389)
Modifications to contractual cash flows of loans and advances	(7,865)	(12,950)	19,103	(1,712)
Amount written off	-	-	(65,061)	(65,061)
Exchange differences	133	-	-	133
At 31 March 2024	762,125	1,775,576	299,082	2,836,783

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:	240,866	(245,144)	4,278	-
- Transfer to Stage 1: 12-Month ECL	263,593	(255,902)	(7,691)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(22,190)	36,242	(14,052)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	(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>

A12. Other Assets

	Group		Bank	
	31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Deferred handling fees	306,914	291,936	236,024	226,412
Interest / Income receivable	87,676	112,439	22,538	31,000
Other receivables, deposits and prepayments	2,520,060	2,308,440	2,111,082	1,929,572
Collateral pledged for derivative transactions	54,366	54,095	54,366	54,095
Employee benefits	-	17,079	-	16,821
Amount due from trust funds	1,235,872	229,020	-	-
Foreclosed properties	245,602	232,790	209,845	200,556
Outstanding contracts on clients' accounts	197,252	255,890	-	-
Amount due from subsidiary companies	-	-	41,442	39,104
Distribution receivable from collective investments	-	-	43,399	36,468
Dividend receivable from subsidiary companies	-	-	554,300	554,300
	<u>4,647,742</u>	<u>3,501,689</u>	<u>3,272,996</u>	<u>3,088,328</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 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
At amortised cost				
Core deposits:				
- Demand deposits	69,829,869	69,712,584	56,588,575	56,509,529
- Savings deposits	48,039,845	47,582,021	33,721,375	33,221,766
- Fixed deposits	238,301,187	224,738,760	166,738,335	157,026,731
	<u>356,170,901</u>	<u>342,033,365</u>	<u>257,048,285</u>	<u>246,758,026</u>
Money market deposits	63,965,146	70,792,207	53,580,644	58,245,313
Other deposits	44,116	71,395	27,221	56,252
	<u>420,180,163</u>	<u>412,896,967</u>	<u>310,656,150</u>	<u>305,059,591</u>

b) By type of customer

	Group		Bank	
	31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Federal and state governments	7,160,968	7,860,662	712,592	861,490
Local government and statutory authorities	3,193,772	2,988,067	1,202,650	936,390
Business enterprises	107,949,440	108,652,444	84,984,047	87,517,302
Individuals	222,677,136	219,196,723	168,145,193	164,349,850
Foreign customers	22,293,151	21,355,424	17,513,099	16,327,540
Others	56,905,696	52,843,647	38,098,569	35,067,019
	<u>420,180,163</u>	<u>412,896,967</u>	<u>310,656,150</u>	<u>305,059,591</u>

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

	Group		Bank	
	31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Due within six months	219,280,761	231,254,885	158,038,013	166,985,698
More than six months to one year	81,948,179	62,476,979	62,231,424	48,217,341
More than one year to three years	1,033,070	1,794,339	46,050	64,857
More than three years to five years	4,323	4,285	3,492	3,669
More than five years	-	479	-	479
	<u>302,266,333</u>	<u>295,530,967</u>	<u>220,318,979</u>	<u>215,272,044</u>

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

A14. Deposits from Banks and Other Financial Institutions

	Group		Bank	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
At amortised cost				
Licensed banks	6,266,067	5,350,588	3,891,340	2,615,610
Licensed Islamic banks	710,000	83,900	-	-
Licensed investment banks	907,475	776,133	464,191	341,790
Bank Negara Malaysia	2,523,912	2,309,696	2,458,663	2,245,680
Other financial institutions	4,176,430	4,082,112	6,780,075	8,611,804
	<u>14,583,884</u>	<u>12,602,429</u>	<u>13,594,269</u>	<u>13,814,884</u>

A15. Other Liabilities

	Group		Bank	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest / Income payable	3,095,864	3,210,085	2,208,010	2,225,127
Other payables and accruals	3,373,580	3,328,324	2,777,362	2,696,855
Collateral received for derivative transactions	277,787	265,476	277,787	265,476
Amount due to trust funds	160,603	85,416	-	-
Unprocessed sales and / or redemptions	840,699	149,380	-	-
Employee benefits	3,915	-	3,855	-
Accrued restoration costs	72,457	72,285	70,359	70,537
Allowance for impairment on loan / financing commitments and financial guarantees	75,507	77,521	63,313	65,161
Outstanding contracts on clients' accounts	211,952	232,581	-	-
Dividend payable to shareholders	25,681	5,480	24,817	4,637
Amount due to subsidiary companies	-	-	38,239	37,893
	<u>8,138,045</u>	<u>7,426,548</u>	<u>5,463,742</u>	<u>5,365,686</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 2024	51,744	24,204	1,573	77,521
Changes due to loan / financing commitments and financial guarantees recognised as at 1 January 2024:	3,943	(3,694)	(249)	-
- Transfer to Stage 1: 12-Month ECL	4,487	(4,409)	(78)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(544)	907	(363)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	-	(192)	192	-
New loan / financing commitments and financial guarantees originated	1,108	964	-	2,072
Net remeasurement due to changes in credit risk	(6,300)	2,839	313	(3,148)
Loan / financing commitments and financial guarantees derecognised	(657)	(259)	(8)	(924)
Modifications to contractual cash flows of loan / financing commitments and financial guarantees	(129)	(88)	174	(43)
Exchange differences	28	1	-	29
At 31 March 2024	<u>49,737</u>	<u>23,967</u>	<u>1,803</u>	<u>75,507</u>
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	<u>51,744</u>	<u>24,204</u>	<u>1,573</u>	<u>77,521</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 (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 2024	44,258	19,734	1,169	65,161
Changes due to loan commitments and financial guarantees recognised as at 1 January 2024:	3,071	(2,926)	(145)	-
- Transfer to Stage 1: 12-Month ECL	3,476	(3,425)	(51)	-
- Transfer to Stage 2: Lifetime ECL not credit-impaired	(405)	647	(242)	-
- Transfer to Stage 3: Lifetime ECL credit-impaired	-	(148)	148	-
New loan commitments and financial guarantees originated	878	782	-	1,660
Net remeasurement due to changes in credit risk	(5,101)	2,128	255	(2,718)
Loan commitments and financial guarantees derecognised	(546)	(201)	(7)	(754)
Modifications to contractual cash flows of loan commitments and financial guarantees	(116)	(44)	124	(36)
At 31 March 2024	42,444	19,473	1,396	63,313
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

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

A16. Interest Income

	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Loans and advances	3,974,657	3,672,319	3,974,657	3,672,319
Balances with banks	80,021	114,538	80,021	114,538
Financial investments at fair value through other comprehensive income	339,569	326,902	339,569	326,902
Financial investments at amortised cost	248,011	193,287	248,011	193,287
Others	17,705	15,503	17,705	15,503
	<u>4,659,963</u>	<u>4,322,549</u>	<u>4,659,963</u>	<u>4,322,549</u>
Financial assets at fair value through profit or loss	7,329	6,673	7,329	6,673
	<u>4,667,292</u>	<u>4,329,222</u>	<u>4,667,292</u>	<u>4,329,222</u>
Of which:				
Interest income earned on impaired loans and advances	<u>23,110</u>	<u>22,578</u>	<u>23,110</u>	<u>22,578</u>
	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Loans and advances	3,512,398	3,251,680	3,512,398	3,251,680
Balances with banks	53,098	89,934	53,098	89,934
Financial investments at fair value through other comprehensive income	274,919	273,743	274,919	273,743
Financial investments at amortised cost	212,597	170,558	212,597	170,558
Others	11,845	11,798	11,845	11,798
	<u>4,064,857</u>	<u>3,797,713</u>	<u>4,064,857</u>	<u>3,797,713</u>
Financial assets at fair value through profit or loss	7,143	6,411	7,143	6,411
	<u>4,072,000</u>	<u>3,804,124</u>	<u>4,072,000</u>	<u>3,804,124</u>
Of which:				
Interest income earned on impaired loans and advances	<u>13,830</u>	<u>11,310</u>	<u>13,830</u>	<u>11,310</u>

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

A17. Interest Expense

	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Deposits from banks and other financial institutions	40,197	103,472	40,197	103,472
Deposits from customers	2,155,441	1,805,425	2,155,441	1,805,425
Loans sold to Cagamas	45,633	45,370	45,633	45,370
Debt securities issued and other borrowed funds	96,013	101,062	96,013	101,062
Others	12,477	14,472	12,477	14,472
	<u>2,349,761</u>	<u>2,069,801</u>	<u>2,349,761</u>	<u>2,069,801</u>
	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Deposits from banks and other financial institutions	77,073	111,878	77,073	111,878
Deposits from customers	1,934,667	1,620,621	1,934,667	1,620,621
Loans sold to Cagamas	45,633	45,370	45,633	45,370
Debt securities issued and other borrowed funds	86,338	93,816	86,338	93,816
Others	13,675	15,938	13,675	15,938
	<u>2,157,386</u>	<u>1,887,623</u>	<u>2,157,386</u>	<u>1,887,623</u>

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

A18. Net Fee and Commission Income

	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
<u>Group</u>				
(a) Fee and commission income:				
Commissions	235,454	203,945	235,454	203,945
Service charges and fees	80,961	76,779	80,961	76,779
Guarantee fees	9,003	8,510	9,003	8,510
Commitment fees	15,570	14,208	15,570	14,208
Unit trust management fees	329,291	305,767	329,291	305,767
Fee on sale of trust units	105,482	58,131	105,482	58,131
Brokerage and commissions from stockbroking activities	41,696	44,220	41,696	44,220
Other fee and commission income	12,871	13,005	12,871	13,005
	<u>830,328</u>	<u>724,565</u>	<u>830,328</u>	<u>724,565</u>
(b) Fee and commission expense:				
Unit trust agency fee	(124,013)	(103,338)	(124,013)	(103,338)
Debit / credit card related fee	(160,602)	(126,345)	(160,602)	(126,345)
Loan related fee	(3,758)	(6,521)	(3,758)	(6,521)
Other fee and commission expense	(7,487)	(6,030)	(7,487)	(6,030)
	<u>(295,860)</u>	<u>(242,234)</u>	<u>(295,860)</u>	<u>(242,234)</u>
Net fee and commission income	<u>534,468</u>	<u>482,331</u>	<u>534,468</u>	<u>482,331</u>
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
<u>Bank</u>				
(a) Fee and commission income:				
Commissions	271,993	217,245	271,993	217,245
Service charges and fees	65,388	59,426	65,388	59,426
Guarantee fees	8,436	8,044	8,436	8,044
Commitment fees	14,333	13,225	14,333	13,225
Other fee and commission income	6,423	5,842	6,423	5,842
	<u>366,573</u>	<u>303,782</u>	<u>366,573</u>	<u>303,782</u>
(b) Fee and commission expense:				
Debit / credit card related fee	(160,112)	(126,310)	(160,112)	(126,310)
Loan related fee	(3,657)	(3,480)	(3,657)	(3,480)
Other fee and commission expense	(2,184)	(2,372)	(2,184)	(2,372)
	<u>(165,953)</u>	<u>(132,162)</u>	<u>(165,953)</u>	<u>(132,162)</u>
Net fee and commission income	<u>200,620</u>	<u>171,620</u>	<u>200,620</u>	<u>171,620</u>

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

A19. Net Gains and Losses on Financial Instruments

	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
<u>Group</u>				
Net gain arising on financial assets at fair value through profit or loss:				
- net gain on disposal	1,852	3,578	1,852	3,578
- unrealised revaluation (loss) / gain	(772)	60	(772)	60
	<u>1,080</u>	<u>3,638</u>	<u>1,080</u>	<u>3,638</u>
Net (loss) / gain arising on trading derivatives:				
- unrealised revaluation (loss) / gain	(1)	1	(1)	1
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	16,220	38,079	16,220	38,079
- gross dividend income	42	2,270	42	2,270
	<u>16,262</u>	<u>40,349</u>	<u>16,262</u>	<u>40,349</u>
Net gain arising on financial investments at amortised cost:				
- net gain on disposal	235	-	235	-
Net gain / (loss) representing ineffective portions of hedging derivatives:				
- fair value hedge	695	896	695	896
- cash flow hedge	(3,182)	10	(3,182)	10
	<u>(2,487)</u>	<u>906</u>	<u>(2,487)</u>	<u>906</u>
Net gains and losses on financial instruments	<u>15,089</u>	<u>44,894</u>	<u>15,089</u>	<u>44,894</u>

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

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

	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
<u>Bank</u>				
Net gain / (loss) arising on financial assets at fair value through profit or loss:				
- net gain on disposal	1,740	3,240	1,740	3,240
- unrealised revaluation (loss) / gain	(772)	71	(772)	71
	<u>968</u>	<u>3,311</u>	<u>968</u>	<u>3,311</u>
Net (loss) / gain arising on trading derivatives:				
- unrealised revaluation (loss) / gain	(1)	1	(1)	1
Net gain arising on financial investments at fair value through other comprehensive income:				
- net gain on disposal	15,033	36,959	15,033	36,959
- gross dividend income	-	2,098	-	2,098
	<u>15,033</u>	<u>39,057</u>	<u>15,033</u>	<u>39,057</u>
Net (loss) / gain representing ineffective portions of hedging derivatives:				
- cash flow hedge	(3,182)	10	(3,182)	10
Net gains and losses on financial instruments	<u>12,818</u>	<u>42,379</u>	<u>12,818</u>	<u>42,379</u>

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

A20. Other Operating Income / (Loss)

	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Group				
Other income:				
Foreign exchange profit	72,232	89,674	72,232	89,674
Rental income from:				
- investment properties	6,094	5,371	6,094	5,371
- other properties	2,761	2,737	2,761	2,737
Net gain on disposal of property and equipment	136	61	136	61
Net gain on disposal of foreclosed properties	56	1,634	56	1,634
Others	18,799	19,884	18,799	19,884
Total other operating income	<u>100,078</u>	<u>119,361</u>	<u>100,078</u>	<u>119,361</u>
	1st Quarter Ended	31 March	Three Months Ended	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Bank				
Distribution income from collective investments	65,147	52,989	65,147	52,989
Dividend income from subsidiary companies - unquoted in Malaysia	29,000	38,000	29,000	38,000
	<u>94,147</u>	<u>90,989</u>	<u>94,147</u>	<u>90,989</u>
Other (loss) / income:				
Foreign exchange (loss) / profit	(47,395)	74,880	(47,395)	74,880
Rental income from other properties	3,159	3,130	3,159	3,130
Net gain on disposal of property and equipment	113	61	113	61
Net gain on disposal of foreclosed properties	56	1,634	56	1,634
Loss on deemed disposal of branches	(148,381)	-	(148,381)	-
Others	18,109	18,556	18,109	18,556
	<u>(174,339)</u>	<u>98,261</u>	<u>(174,339)</u>	<u>98,261</u>
Total other operating (loss) / income	<u>(80,192)</u>	<u>189,250</u>	<u>(80,192)</u>	<u>189,250</u>

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

A21. Other Operating Expenses

Group	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	733,956	653,928	733,956	653,928
- Pension costs	105,109	89,546	105,109	89,546
- Others	46,702	44,109	46,702	44,109
	<u>885,767</u>	<u>787,583</u>	<u>885,767</u>	<u>787,583</u>
Establishment costs				
- Depreciation	83,163	91,387	83,163	91,387
- Insurance	7,246	6,551	7,246	6,551
- Water and electricity	13,717	12,506	13,717	12,506
- General repairs and maintenance	15,715	16,725	15,715	16,725
- Information technology expenses	64,185	47,865	64,185	47,865
- Others	25,160	26,500	25,160	26,500
	<u>209,186</u>	<u>201,534</u>	<u>209,186</u>	<u>201,534</u>
Marketing expenses				
- Advertisement and publicity	8,329	10,479	8,329	10,479
- Others	20,591	17,397	20,591	17,397
	<u>28,920</u>	<u>27,876</u>	<u>28,920</u>	<u>27,876</u>
Administration and general expenses				
- Communication expenses	14,397	20,831	14,397	20,831
- Legal and professional fees	11,820	10,932	11,820	10,932
- Others	48,033	45,398	48,033	45,398
	<u>74,250</u>	<u>77,161</u>	<u>74,250</u>	<u>77,161</u>
Total other operating expenses	<u>1,198,123</u>	<u>1,094,154</u>	<u>1,198,123</u>	<u>1,094,154</u>

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

A21. Other Operating Expenses (continued)

Bank	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	555,664	496,697	555,664	496,697
- Pension costs	90,173	76,494	90,173	76,494
- Others	35,551	33,451	35,551	33,451
	<u>681,388</u>	<u>606,642</u>	<u>681,388</u>	<u>606,642</u>
Establishment costs				
- Depreciation	56,788	67,700	56,788	67,700
- Insurance	5,454	5,307	5,454	5,307
- Water and electricity	8,936	8,166	8,936	8,166
- General repairs and maintenance	10,161	11,673	10,161	11,673
- Information technology expenses	50,958	36,761	50,958	36,761
- Others	10,591	13,801	10,591	13,801
	<u>142,888</u>	<u>143,408</u>	<u>142,888</u>	<u>143,408</u>
Marketing expenses				
- Advertisement and publicity	4,133	4,283	4,133	4,283
- Others	12,252	10,192	12,252	10,192
	<u>16,385</u>	<u>14,475</u>	<u>16,385</u>	<u>14,475</u>
Administration and general expenses				
- Communication expenses	9,401	16,454	9,401	16,454
- Legal and professional fees	7,704	6,691	7,704	6,691
- Others	21,875	23,885	21,875	23,885
	<u>38,980</u>	<u>47,030</u>	<u>38,980</u>	<u>47,030</u>
Cost of resource sharing charged to Public Islamic Bank Berhad *	(138,320)	(123,571)	(138,320)	(123,571)
Total other operating expenses	<u>741,321</u>	<u>687,984</u>	<u>741,321</u>	<u>687,984</u>

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

	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Credit related	(57,956)	(54,281)	(57,956)	(54,281)
Non-credit branch support	(52,185)	(46,692)	(52,185)	(46,692)
Other administration function	(28,179)	(22,598)	(28,179)	(22,598)
	<u>(138,320)</u>	<u>(123,571)</u>	<u>(138,320)</u>	<u>(123,571)</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

	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
<u>Group</u>				
Expected credit losses made	109,777	52,648	109,777	52,648
Impaired loans and financing written off	14	20	14	20
Impaired loans and financing recovered	<u>(46,396)</u>	<u>(51,124)</u>	<u>(46,396)</u>	<u>(51,124)</u>
	<u><u>63,395</u></u>	<u><u>1,544</u></u>	<u><u>63,395</u></u>	<u><u>1,544</u></u>
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
<u>Bank</u>				
Expected credit losses written back	(1,557)	(37,498)	(1,557)	(37,498)
Impaired loans written off	12	20	12	20
Impaired loans recovered	<u>(24,755)</u>	<u>(31,675)</u>	<u>(24,755)</u>	<u>(31,675)</u>
	<u><u>(26,300)</u></u>	<u><u>(69,153)</u></u>	<u><u>(26,300)</u></u>	<u><u>(69,153)</u></u>

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

	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
<u>Group</u>				
Expected credit losses made / (written back) on:				
- Financial investments at fair value through other comprehensive income	495	114	495	114
- Financial investments at amortised cost	(163)	131	(163)	131
- Deposits and placements with banks and other financial institutions	403	1,340	403	1,340
Allowance made / (written back) on:				
- Foreclosed properties	668	(3,304)	668	(3,304)
- Other receivables	14	-	14	-
	<u>1,417</u>	<u>(1,719)</u>	<u>1,417</u>	<u>(1,719)</u>
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
<u>Bank</u>				
Expected credit losses made / (written back) on:				
- Financial investments at fair value through other comprehensive income	307	(134)	307	(134)
- Financial investments at amortised cost	(125)	189	(125)	189
Allowance made / (written back) on:				
- Foreclosed properties	188	(3,392)	188	(3,392)
	<u>370</u>	<u>(3,337)</u>	<u>370</u>	<u>(3,337)</u>

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

A24. Segment Information

1st Quarter Ended 31 March 2024	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	849,757	3,288,938	555,653	306,378	57,028	435,281	2,910	693,461	6,189,406	605,317	-	6,794,723
Revenue from other segments	1,188	376,322	10,366	622,313	225	15,319	12,733	131,662	1,170,128	54,722	(1,224,850)	-
	<u>850,945</u>	<u>3,665,260</u>	<u>566,019</u>	<u>928,691</u>	<u>57,253</u>	<u>450,600</u>	<u>15,643</u>	<u>825,123</u>	<u>7,359,534</u>	<u>660,039</u>	<u>(1,224,850)</u>	<u>6,794,723</u>
Net interest income / (expense) and												
Islamic banking income	279,815	1,530,873	148,737	(34,962)	6,543	5,009	(5,332)	454,146	2,384,829	346,808	(851)	2,730,786
Other income	172	215,622	6,869	50,185	25,771	274,861	3,032	25,252	601,764	49,279	(1,408)	649,635
Net income / (expense)	<u>279,987</u>	<u>1,746,495</u>	<u>155,606</u>	<u>15,223</u>	<u>32,314</u>	<u>279,870</u>	<u>(2,300)</u>	<u>479,398</u>	<u>2,986,593</u>	<u>396,087</u>	<u>(2,259)</u>	<u>3,380,421</u>
Other operating expenses	(75,133)	(647,777)	(5,789)	(20,544)	(14,301)	(65,238)	(8,331)	(149,496)	(986,609)	(213,773)	2,259	(1,198,123)
(Allowance) / Writeback of allowance for impairment on loans, advances and financing	(13,358)	(33,766)	31,907	-	254	1	-	-	(14,962)	(48,433)	-	(63,395)
(Allowance) / Writeback of allowance for impairment on other assets	-	(668)	-	(449)	42	-	(14)	58	(1,031)	(386)	-	(1,417)
Profit / (Loss) by segments	<u>191,496</u>	<u>1,064,284</u>	<u>181,724</u>	<u>(5,770)</u>	<u>18,309</u>	<u>214,633</u>	<u>(10,645)</u>	<u>329,960</u>	<u>1,983,991</u>	<u>133,495</u>	<u>-</u>	<u>2,117,486</u>
Reconciliation of segment profits to consolidated profits:												
Share of profit after tax of equity accounted associated companies									14,221	-		14,221
Profit before tax expense and zakat									<u>1,998,212</u>	<u>133,495</u>		<u>2,131,707</u>
Cost income ratio	26.8%	37.1%	3.7%	135.0%	44.3%	23.3%	n/a	31.2%	33.0%	54.0%		35.4%

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

A24. Segment Information (continued)

1st Quarter Ended 31 March 2024	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	67,389,920	265,179,341	45,049,689	-	455,051	116,653	1,506	-	378,192,160	27,080,500		405,272,660
Loans growth	4.4%	1.2%	-1.1%	-	3.7%	-1.7%	-0.3%	-	1.5%	3.0%		1.6%
Impaired loans, advances and financing	144,555	992,168	422,387	-	-	308	-	-	1,559,418	952,812		2,512,230
Impaired loan and financing ratio	0.21%	0.37%	0.94%	-	-	0.26%	-	-	0.41%	3.52%		0.62%
Deposits from customers	-	312,012,331	177,264	78,740,150	1,018,230	-	-	-	391,947,975	28,232,188		420,180,163
Deposits growth	-	4.8%	-4.3%	-8.4%	5.4%	-	-	-	1.8%	0.9%		1.8%
Segment assets	<u>66,871,123</u>	<u>318,580,399</u>	<u>43,998,563</u>	<u>93,636,017</u>	<u>2,479,765</u>	<u>1,478,144</u>	<u>839,284</u>	<u>58,527,989</u>	<u>586,411,284</u>	<u>42,439,281</u>	<u>(114,440,588)</u>	<u>514,409,977</u>
Reconciliation of segment assets to consolidated assets:												
Investment in associated companies									156,514	19		156,533
Unallocated assets									2,629,860	-		2,629,860
Intangible assets									769,251	1,864,850		2,634,101
Total assets									<u>589,966,909</u>	<u>44,304,150</u>		<u>519,830,471</u>

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

A24. Segment Information (continued)

1st Quarter Ended 31 March 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	708,870	2,964,002	481,845	350,145	50,830	364,424	2,671	603,558	5,526,345	596,892	-	6,123,237
Revenue from other segments	666	324,938	8,608	489,656	197	14,616	12,696	155,174	1,006,551	32,522	(1,039,073)	-
	<u>709,536</u>	<u>3,288,940</u>	<u>490,453</u>	<u>839,801</u>	<u>51,027</u>	<u>379,040</u>	<u>15,367</u>	<u>758,732</u>	<u>6,532,896</u>	<u>629,414</u>	<u>(1,039,073)</u>	<u>6,123,237</u>
Net interest income / (expense) and												
Islamic banking income	227,474	1,427,496	144,366	(49,662)	6,250	4,998	(4,751)	587,705	2,343,876	313,532	(872)	2,656,536
Other income	250	191,004	1,877	91,723	20,447	247,670	2,790	14,341	570,102	77,746	(1,262)	646,586
Net income / (expense)	<u>227,724</u>	<u>1,618,500</u>	<u>146,243</u>	<u>42,061</u>	<u>26,697</u>	<u>252,668</u>	<u>(1,961)</u>	<u>602,046</u>	<u>2,913,978</u>	<u>391,278</u>	<u>(2,134)</u>	<u>3,303,122</u>
Other operating expenses	(69,169)	(585,354)	(5,278)	(14,762)	(13,462)	(60,041)	(7,972)	(149,701)	(905,739)	(190,549)	2,134	(1,094,154)
Writeback of allowance /												
(Allowance) for impairment on loans, advances and financing	8,245	5,540	4,209	-	119	(10)	-	-	18,103	(19,647)	-	(1,544)
Writeback of allowance / (Allowance)												
for impairment on other assets	-	3,304	-	(113)	42	-	-	(139)	3,094	(1,375)	-	1,719
Profit / (Loss) by segments	<u>166,800</u>	<u>1,041,990</u>	<u>145,174</u>	<u>27,186</u>	<u>13,396</u>	<u>192,617</u>	<u>(9,933)</u>	<u>452,206</u>	<u>2,029,436</u>	<u>179,707</u>	<u>-</u>	<u>2,209,143</u>
Reconciliation of segment profits to consolidated profits:												
Share of loss after tax of equity accounted associated companies									(160)	-		(160)
Profit before tax expense and zakat									<u>2,029,276</u>	<u>179,707</u>		<u>2,208,983</u>
Cost income ratio	30.4%	36.2%	3.6%	35.1%	50.4%	23.8%	n/a	24.9%	31.1%	48.7%		33.1%

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

A24. Segment Information (continued)

1st Quarter Ended 31 March 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	59,927,515	253,907,871	42,446,297	-	428,840	120,303	1,550	-	356,832,376	24,759,085		381,591,461
Loans growth	2.9%	1.1%	0.5%	-	-0.5%	0.6%	4.6%	-	1.4%	-0.3%		1.2%
Impaired loans, advances and financing	141,387	670,204	422,465	-	-	1,286	-	-	1,235,342	733,072		1,968,414
Impaired loan and financing ratio	0.24%	0.26%	1.00%	-	-	1.07%	-	-	0.35%	2.96%		0.52%
Deposits from customers	-	305,721,970	240,565	69,546,343	1,024,667	-	-	-	376,533,545	27,126,894		403,660,439
Deposits growth	-	4.0%	-8.0%	-3.1%	-2.7%	-	-	-	2.6%	-1.6%		2.3%
Segment assets	<u>59,259,350</u>	<u>312,081,557</u>	<u>41,406,771</u>	<u>82,400,174</u>	<u>2,839,692</u>	<u>433,902</u>	<u>827,753</u>	<u>59,060,496</u>	<u>558,309,695</u>	<u>40,999,777</u>	<u>(105,545,080)</u>	<u>493,764,392</u>
Reconciliation of segment assets to consolidated assets:												
Investment in associated companies									121,875	17		121,892
Unallocated assets									2,414,119	-		2,414,119
Intangible assets									775,493	1,754,597		2,530,090
Total assets									<u>561,621,182</u>	<u>42,754,391</u>		<u>498,830,493</u>

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

A24. Segment Information (continued)

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

A25. Subsequent Events

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

A26. Changes in the Composition of the Group

Save as disclosed below, there were no changes in the composition of the Group in the current financial period.

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 ("Lao 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.

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 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Contingent liabilities				
Direct credit substitutes	896,542	911,428	846,211	861,080
Transaction-related contingent items	1,847,349	1,862,368	1,532,369	1,513,282
Short term self-liquidating trade-related contingencies	790,151	578,520	241,611	278,834
	3,534,042	3,352,316	2,620,191	2,653,196
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	44,741,512	45,139,436	37,560,650	37,709,254
- not exceeding one year	25,386,962	25,481,237	20,458,156	20,559,687
Unutilised credit card lines	10,168,597	9,870,851	9,543,223	9,305,428
Forward asset purchases	592,685	35,149	592,685	35,149
	80,889,756	80,526,673	68,154,714	67,609,518
Derivative financial instruments				
Foreign exchange related contracts:				
- up to one year	28,967,235	30,576,582	26,972,055	29,123,646
- more than one year to five years	1,105,255	1,075,140	1,105,255	1,075,140
Interest / Profit rate related contracts:				
- up to one year	381,599	50,000	150,000	50,000
- more than one year to five years	5,204,036	5,471,070	8,148,805	8,198,300
- more than five years	275,624	273,440	400,000	400,000
Commodity related contracts:				
- up to one year	232	456	232	456
	35,933,981	37,446,688	36,776,347	38,847,542
	120,357,779	121,325,677	107,551,252	109,110,256

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 March 2024												
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,514,588	-	-	1,514,588	3,137	-	-	3,137	2,137	-	-	2,137
- Swaps	26,980,083	-	-	26,980,083	197,618	-	-	197,618	81,112	-	-	81,112
- Options	236,756	-	-	236,756	80	-	-	80	80	-	-	80
Precious metal contracts												
- Forwards	232	-	-	232	-	-	-	-	-	-	-	-
	<u>28,731,659</u>	<u>-</u>	<u>-</u>	<u>28,731,659</u>	<u>200,835</u>	<u>-</u>	<u>-</u>	<u>200,835</u>	<u>83,329</u>	<u>-</u>	<u>-</u>	<u>83,329</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	231,599	113,436	217,419	562,454	6,952	5,639	15,593	28,184	-	-	-	-
Cash Flow Hedge												
Interest / Profit rate related contracts												
- Swaps	150,000	4,398,805	750,000	5,298,805	894	157,138	10,111	168,143	-	-	-	-
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	235,808	1,105,255	-	1,341,063	-	-	-	-	-	-	62,099	62,099
	<u>617,407</u>	<u>5,617,496</u>	<u>967,419</u>	<u>7,202,322</u>	<u>7,846</u>	<u>162,777</u>	<u>25,704</u>	<u>196,327</u>	<u>-</u>	<u>-</u>	<u>62,099</u>	<u>62,099</u>
Total	<u>29,349,066</u>	<u>5,617,496</u>	<u>967,419</u>	<u>35,933,981</u>	<u>208,681</u>	<u>162,777</u>	<u>25,704</u>	<u>397,162</u>	<u>83,329</u>	<u>-</u>	<u>62,099</u>	<u>145,428</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 2023	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
Trading derivatives:												
Foreign exchange contracts												
- Forwards	2,133,910	-	-	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):

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 March 2024												
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,459,833	-	-	1,459,833	3,082	-	-	3,082	2,075	-	-	2,075
- Swaps	25,039,658	-	-	25,039,658	197,223	-	-	197,223	68,644	-	-	68,644
- Options	236,756	-	-	236,756	80	-	-	80	80	-	-	80
Precious metal contracts												
- Forwards	232	-	-	232	-	-	-	-	-	-	-	-
	<u>26,736,479</u>	<u>-</u>	<u>-</u>	<u>26,736,479</u>	<u>200,385</u>	<u>-</u>	<u>-</u>	<u>200,385</u>	<u>70,799</u>	<u>-</u>	<u>-</u>	<u>70,799</u>
Hedging Derivatives:												
Cash Flow Hedge												
Interest rate related contracts												
- Swaps	150,000	6,998,805	1,550,000	8,698,805	894	169,115	16,316	186,325	-	22,703	2,744	25,447
Net Investment Hedge												
Foreign exchange contracts												
- Forwards	235,808	1,105,255	-	1,341,063	-	-	-	-	-	-	62,097	62,097
	<u>385,808</u>	<u>8,104,060</u>	<u>1,550,000</u>	<u>10,039,868</u>	<u>894</u>	<u>169,115</u>	<u>16,316</u>	<u>186,325</u>	<u>-</u>	<u>22,703</u>	<u>64,841</u>	<u>87,544</u>
Total	<u>27,122,287</u>	<u>8,104,060</u>	<u>1,550,000</u>	<u>36,776,347</u>	<u>201,279</u>	<u>169,115</u>	<u>16,316</u>	<u>386,710</u>	<u>70,799</u>	<u>22,703</u>	<u>64,841</u>	<u>158,343</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)

- 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 RM397,162,000 (2023: RM414,811,000) and RM386,710,000 (2023: RM409,372,000) 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 RM54,366,000 (2023: RM54,095,000) 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 2023 and Pillar 3 Disclosures section of the 2023 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 March 2024	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	1,679,172	-	1,679,172
- Money market instruments	-	1,737,117	-	1,737,117
- Non-money market instruments	-	-	362,204	362,204
	-	3,416,289	362,204	3,778,493
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	51,100,076	-	51,100,076
- Money market instruments	-	700,432	-	700,432
- Non-money market instruments	1,361	5,399,943	422,202	5,823,506
	1,361	57,200,451	422,202	57,624,014
Derivative financial assets	-	397,162	-	397,162
Total financial assets measured at fair value	1,361	61,013,902	784,406	61,799,669
Non-financial assets				
Investment properties	-	-	753,685	753,685
Financial liabilities				
Derivative financial liabilities	-	145,428	-	145,428
Total financial liabilities measured at fair value	-	145,428	-	145,428

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 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):

Bank	Level 1	Level 2	Level 3	Total
31 March 2024	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets at fair value through profit or loss				
- Government securities and treasury bills	-	1,679,172	-	1,679,172
- Non-money market instruments	-	-	341,478	341,478
	-	1,679,172	341,478	2,020,650
Financial investments at fair value through other comprehensive income				
- Government securities and treasury bills	-	34,461,596	-	34,461,596
- Money market instruments	-	1,000,229	-	1,000,229
- Non-money market instruments	-	293,023	415,018	708,041
	-	35,754,848	415,018	36,169,866
Derivative financial assets	-	386,710	-	386,710
Total financial assets measured at fair value	-	37,820,730	756,496	38,577,226
Financial liabilities				
Derivative financial liabilities	-	158,343	-	158,343
Total financial liabilities measured at fair value	-	158,343	-	158,343

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

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the current financial period (2023: 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 2024	362,204	420,990	744,960	1,528,154
Recognised in other comprehensive income				
- unrealised revaluation gain	-	165	-	165
Addition	-	-	80	80
Exchange differences	-	1,047	8,645	9,692
At 31 March 2024	<u>362,204</u>	<u>422,202</u>	<u>753,685</u>	<u>1,538,091</u>
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	<u>362,204</u>	<u>420,990</u>	<u>744,960</u>	<u>1,528,154</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)

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 2024	341,478	413,921	755,399
Recognised in other comprehensive income			
- unrealised revaluation gain	-	165	165
Exchange differences	-	932	932
At 31 March 2024	<u>341,478</u>	<u>415,018</u>	<u>756,496</u>
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>

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 March 2024	31 December 2023	31 March 2024	31 December 2023
<u>Before deducting interim dividends *</u>				
Common Equity Tier I ("CET I") capital ratio	14.483%	15.235%	13.032%	13.875%
Tier I capital ratio	14.501%	15.253%	13.032%	13.875%
Total capital ratio	<u>17.369%</u>	<u>18.146%</u>	<u>16.135%</u>	<u>16.990%</u>
<u>After deducting interim dividends *</u>				
CET I capital ratio	14.483%	14.654%	13.032%	13.112%
Tier I capital ratio	14.501%	14.672%	13.032%	13.112%
Total capital ratio	<u>17.369%</u>	<u>17.564%</u>	<u>16.135%</u>	<u>16.227%</u>

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

	Group		Bank	
	31 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 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	2,023,825	1,872,244	553,068	366,098
Retained profits	40,219,455	42,160,770	31,146,200	33,087,269
Qualifying non-controlling interests	772,583	755,337	-	-
Less: Goodwill and other intangible assets	(2,634,101)	(2,589,600)	(695,393)	(695,393)
Less: Deferred tax assets, net	(501,542)	(567,305)	(294,897)	(356,565)
Less: Defined benefit pension fund assets	-	(17,079)	-	(16,838)
Less: Investment in banking / insurance subsidiary companies and associated companies deducted from CET I capital	<u>(196,346)</u>	<u>(180,183)</u>	<u>(6,793,980)</u>	<u>(6,505,741)</u>
Total CET I capital	49,101,527	50,851,837	33,332,651	35,296,483
Qualifying CET I and additional Tier I capital instruments held by third parties	<u>61,096</u>	<u>60,247</u>	<u>-</u>	<u>-</u>
Total Tier I capital	<u>49,162,623</u>	<u>50,912,084</u>	<u>33,332,651</u>	<u>35,296,483</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 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
<u>Tier II capital:</u>				
Stage 1 and Stage 2 expected credit loss allowances	3,764,785	3,774,347	2,614,685	2,666,187
Qualifying regulatory reserves	75,021	4,155	324,764	258,421
Subordinated notes	4,998,306	4,998,196	4,998,306	4,998,196
Qualifying CET I and additional Tier I and Tier II capital instruments held by third parties	734,214	725,806	-	-
Others	150,759	150,759	-	-
Total Tier II capital	<u>9,723,085</u>	<u>9,653,263</u>	<u>7,937,755</u>	<u>7,922,804</u>
Total capital	<u>58,885,708</u>	<u>60,565,347</u>	<u>41,270,406</u>	<u>43,219,287</u>

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

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

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

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

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 March 2024 RM'000	31 December 2023 RM'000	31 March 2024 RM'000	31 December 2023 RM'000
Credit risk	307,184,460	302,280,158	235,155,884	233,968,650
Market risk	7,249,410	7,069,633	3,946,677	3,900,674
Operational risk	24,008,874	23,833,549	16,105,938	15,942,048
Large exposure risk	590,953	590,812	570,227	570,086
	<u>339,033,697</u>	<u>333,774,152</u>	<u>255,778,726</u>	<u>254,381,458</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 March 2024							
<u>Before deducting interim dividends: *</u>							
CET I capital ratio	13.067%	36.129%	26.150%	22.984%	29.485%	N/A	N/A
Tier I capital ratio	13.067%	36.129%	26.150%	22.984%	29.485%	N/A	N/A
Total capital ratio	16.051%	36.705%	26.441%	23.750%	30.517%	27.588%	22.697%
<u>After deducting interim dividends: *</u>							
CET I capital ratio	13.067%	36.129%	26.150%	22.984%	29.485%	N/A	N/A
Tier I capital ratio	13.067%	36.129%	26.150%	22.984%	29.485%	N/A	N/A
Total capital ratio	16.051%	36.705%	26.441%	23.750%	30.517%	27.588%	22.697%
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%

* Refer to dividends declared subsequent to the financial period / 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%.

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

A31. Operations of Islamic Banking

a) Statement of Financial Position As At 31 March 2024

	Note	Group	
		31 March 2024 RM'000	31 December 2023 RM'000
ASSETS			
Cash and balances with banks		364,957	247,627
Financial assets at fair value through profit or loss		1,737,117	1,893,292
Derivative financial assets		25,449	24,596
Financial investments at fair value through other comprehensive income		14,615,838	12,949,519
Financial investments at amortised cost		5,435,709	5,374,376
Financing and advances	A31(d)	74,150,695	72,760,746
Other assets		249,513	231,231
Statutory deposits with Bank Negara Malaysia		1,704,130	1,710,590
Deferred tax assets		104,480	112,223
Collective investment		614,782	609,709
Investment in an associated company		67,500	67,500
Right-of-use assets		21,305	21,708
Property and equipment		3,261	3,186
Total Assets		99,094,736	96,006,303
LIABILITIES AND ISLAMIC			
BANKING FUNDS			
Deposits from customers	A31(e)	83,593,976	82,325,264
Deposits from banks and other financial institutions		3,998,407	2,287,243
Bills and acceptances payable		647	2,386
Recourse obligations on financing sold to Cagamas		1,100,000	1,100,000
Derivative financial liabilities		18,186	24,817
Senior Sukuk Murabahah		1,000,000	1,000,000
Subordinated Sukuk Murabahah		1,000,000	1,000,000
Lease liabilities		21,982	22,295
Other liabilities		765,643	831,024
Provision for zakat and taxation		10,255	-
Total Liabilities		91,509,096	88,593,029
Islamic Banking Funds		7,585,640	7,413,274
Total Liabilities and Islamic Banking Funds		99,094,736	96,006,303
COMMITMENTS AND CONTINGENCIES		13,355,691	13,649,791

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

A31. Operations of Islamic Banking (continued)

b) Statement of Profit or Loss for the 1st Quarter Ended 31 March 2024

	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
<u>Group</u>				
Income derived from investment of depositors' funds and others	956,207	845,125	956,207	845,125
Income derived from investment of Islamic Banking Funds	82,989	73,452	82,989	73,452
(Allowance) / Writeback of allowance for impairment on financing and advances	(20,380)	12,551	(20,380)	12,551
Allowance for impairment on other assets	(771)	(406)	(771)	(406)
Total distributable income	1,018,045	930,722	1,018,045	930,722
Income attributable to depositors and others	(656,372)	(564,144)	(656,372)	(564,144)
Total net income	361,673	366,578	361,673	366,578
Other operating expenses	(164,754)	(146,693)	(164,754)	(146,693)
Profit before zakat and taxation	196,919	219,885	196,919	219,885
Zakat	(630)	(518)	(630)	(518)
Taxation	(45,011)	(51,950)	(45,011)	(51,950)
Profit for the period	151,278	167,417	151,278	167,417

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

	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Income derived from investment of depositors' funds and others	956,207	845,125	956,207	845,125
Income derived from investment of Islamic Banking Funds	82,989	73,452	82,989	73,452
Income attributable to depositors and others	(656,372)	(564,144)	(656,372)	(564,144)
	382,824	354,433	382,824	354,433
Elimination of inter-company income and expenses	30,431	42,682	30,431	42,682
Net income from Islamic banking business	413,255	397,115	413,255	397,115
Of which:				
Financing income earned on impaired financing	2,859	1,645	2,859	1,645

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

A31. Operations of Islamic Banking (continued)

c) Statement of Comprehensive Income for the 1st Quarter Ended 31 March 2024

	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
<u>Group</u>				
Profit for the period	<u>151,278</u>	<u>167,417</u>	<u>151,278</u>	<u>167,417</u>
Other comprehensive income / (loss):				
<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	20,257	111,326	20,257	111,326
Net change in cash flow hedges	7,491	(10,984)	7,491	(10,984)
	<u>27,748</u>	<u>100,342</u>	<u>27,748</u>	<u>100,342</u>
Income tax effect	(6,660)	(24,082)	(6,660)	(24,082)
Other comprehensive income for the period, net of tax	<u>21,088</u>	<u>76,260</u>	<u>21,088</u>	<u>76,260</u>
Total comprehensive income for the period	<u><u>172,366</u></u>	<u><u>243,677</u></u>	<u><u>172,366</u></u>	<u><u>243,677</u></u>

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

A31. Operations of Islamic Banking (continued)

d) Financing and Advances

By type and contract

Group	Bai' Bithaman Ajil RM'000	Ijarah ^ Thumma Al-Bai' RM'000	Bai' Inah RM'000	Musharakah Mutanaqisah RM'000	Murabahah RM'000	Others RM'000	Total Financing and Advances RM'000
31 March 2024							
At amortised cost							
Cash line	1,317,041	-	304,479	-	-	-	1,621,520
Term financing							
- House financing	4,666,845	-	-	31,026,972	-	-	35,693,817
- Syndicated financing	-	-	-	-	1,011,748	358,983	1,370,731
- Hire purchase receivables	-	12,475,352	-	-	-	-	12,475,352
- Other term financing	1,121,313	-	3,023,862	14,926,670	2,714,007	1,015,681	22,801,533
Credit card receivables	-	-	-	-	-	121,157	121,157
Bills receivables	-	-	-	-	753	-	753
Trust receipts	-	-	-	-	616	-	616
Claims on customers under acceptance credits	-	-	-	-	230,832	-	230,832
Revolving credits	-	-	250,723	-	331,521	-	582,244
Staff financing	-	18,032	-	120,487	-	-	138,519
Gross financing and advances	7,105,199	12,493,384	3,579,064	46,074,129	4,289,477	1,495,821	75,037,074
Allowance for impairment on financing and advances:							
- Expected credit losses							(886,379)
- Stage 1: 12-Month ECL							(174,542)
- Stage 2: Lifetime ECL not credit-impaired							(641,593)
- Stage 3: Lifetime ECL credit-impaired							(70,244)
Net financing and advances							<u>74,150,695</u>

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

A31. Operations of Islamic Banking (continued)

d) Financing and Advances (continued)

By type and contract (continued)

Group	Bai' Bithaman Ajil RM'000	Ijarah ^ Thumma Al-Bai' RM'000	Bai' Inah RM'000	Musharakah Mutanaqisah RM'000	Murabahah RM'000	Others RM'000	Total Financing and Advances RM'000
31 December 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
Bill 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>

^ 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)

A31. Operations of Islamic Banking (continued)

d) Financing and Advances (continued)

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

	Group	
	31 March 2024 RM'000	31 December 2023 RM'000
At 1 January	251,402	154,367
Impaired during the period / year	185,816	607,682
Reclassified as non-impaired	(115,137)	(319,597)
Recoveries	(6,765)	(146,513)
Amount written off	(24,208)	(35,851)
Financing converted to foreclosed properties	(4,325)	(8,686)
Closing balance	<u>286,783</u>	<u>251,402</u>
Gross impaired financing and advances as a percentage of gross financing and advances	<u>0.38%</u>	<u>0.34%</u>

e) Deposits from Customers

	Group	
	31 March 2024 RM'000	31 December 2023 RM'000
By type of deposit and contract		
At amortised cost		
Savings deposit		
- Qard	9,743,058	9,556,033
Demand deposit		
- Qard	8,513,405	8,538,785
Term deposit		
- Commodity Murabahah	53,503,451	50,412,429
- Special term deposit account		
- Commodity Murabahah	11,834,062	13,818,017
	<u>83,593,976</u>	<u>82,325,264</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			
	Three Months Ended		Variance	
	31 March	31 March		
	2024	2023	RM'000	%
	RM'000	RM'000	RM'000	%
Profit before tax expense and zakat	2,131,707	2,208,983	(77,276)	(3.5)
Net profit attributable to equity holders of the Bank	1,653,349	1,713,963	(60,614)	(3.5)
Other comprehensive income (net)	236,354	382,703	(146,349)	(38.2)

Key Balance Sheet Items:	Group			
	As At		Variance	
	31 March	31 March		
	2024	2023	RM'000	%
	RM'000	RM'000	RM'000	%
Gross loans, advances and financing	405,272,660	381,591,461	23,681,199	6.2
Gross impaired loan and financing (%)	0.62%	0.52%	n/a	0.10
Deposits from customers	420,180,163	403,660,439	16,519,724	4.1

The Group's pre-tax profit for the 1st quarter ended 31 March 2024 decreased by RM77.3 million or -3.5% to RM2,131.7 million as compared to the pre-tax profit in the previous year corresponding period of RM2,209.0 million. Net profit attributable to equity holders decreased by RM60.6 million or -3.5% to RM1,653.3 million over the same period. For the quarter under review, other operating expenses increased by RM104.0 million (-9.5%) which was mainly due to higher personnel costs whereas loan impairment allowance increased by RM61.9 million (> -100.0%) from a low base of RM1.5 million in the previous corresponding quarter. However, net interest and Islamic banking income increased by RM74.3 million (+2.8%) due to healthy loans growth achieved during the period. Non-interest/financing income improved marginally by RM3.0 million (+0.5%) which was mainly due to higher income from unit trust business but was partially offset by lower investment income and lower foreign exchange income.

Other comprehensive income (net) of the Group for the current period decreased by RM146.3 million to RM236.4 million, which was mainly attributable to lower gain on revaluation of financial investments. This was partially mitigated by higher gain on foreign currency translation in respect of foreign operations and gain on cash flow hedges in the current period.

The Group's profit continued to be supported by healthy loans and customer deposits growth. Gross loans grew by RM23.7 billion or 6.2% to RM405.3 billion as at 31 March 2024 as compared to RM381.6 billion a year ago, mainly contributed by growth in mortgage financing, hire purchase financing and commercial property financing. Total deposits from customers increased by 4.1% or RM16.5 billion to RM420.2 billion as at 31 March 2024. The Group's gross impaired loan ratio remained relatively low at 0.62% as at 31 March 2024 as compared to the average industry's gross impaired loan ratio of 1.62%.

The Group's Common Equity Tier I capital ratio, Tier I capital ratio and total capital ratio stood at a healthy level of 14.5%, 14.5% and 17.4% respectively. The Group's liquidity position also remained stable and healthy with liquidity coverage ratio standing at 136.5% as at 31 March 2024.

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 period ended 31 March 2024 as compared to the previous year corresponding period is analysed as follows:-

Profit / (Loss) Before Tax by Segments:	Group		Variance	
	Three Months Ended			
	31 March 2024	31 March 2023	RM'000	%
Retail operations	1,064,284	1,041,990	22,294	2.1
Hire purchase	191,496	166,800	24,696	14.8
Corporate lending	181,724	145,174	36,550	25.2
Treasury and capital market operations	(5,770)	27,186	(32,956)	(121.2)
Investment banking	18,309	13,396	4,913	36.7
Fund management	214,633	192,617	22,016	11.4
Head office, funding center and others	333,536	442,113	(108,577)	(24.6)
Total domestic operations	1,998,212	2,029,276	(31,064)	(1.5)
Overseas operations	133,495	179,707	(46,212)	(25.7)
	2,131,707	2,208,983	(77,276)	(3.5)

- 1) Retail operations – Pre-tax profit increased by RM22.3 million (+2.1%) to RM1,064.3 million which was due to higher net interest and financing income on higher average loans/financing achieved and higher fee income. These were partially offset by higher other operating expenses and higher impairment allowance on loans and other assets.
- 2) Hire purchase – Pre-tax profit increased by RM24.7 million (+14.8%) to RM191.5 million, mainly due to higher net interest and financing income on higher average gross loans/financing achieved, partially offset by higher loan impairment allowance and higher other operating expenses.
- 3) Corporate lending – Pre-tax profit increased by RM36.6 million (+25.2%) to RM181.7 million, mainly due to higher writeback of loan impairment allowance, higher fee income and higher net interest and financing income on higher average gross loans/financing achieved.
- 4) Treasury and capital market operations – Pre-tax loss of RM5.8 million in the current period as compared to the pre-tax profit of RM27.2 million in the previous year corresponding period, representing a decrease of RM33.0 million mainly due to lower investment income and higher other operating expenses but was partially mitigated by lower negative impact from unfavourable interest gapping activities.
- 5) Investment banking – Pre-tax profit increased by RM4.9 million (+36.7%) to RM18.3 million, due to higher stock-broking income arising from more favourable market conditions as compared to the previous corresponding period.
- 6) Fund management – Pre-tax profit increased by RM22.0 million (+11.4%) to RM214.6 million. The improved performance was mainly due to higher management fee from higher average net asset value of funds and higher fee income on sale of trust units, partially offset by higher other operating expenses.
- 7) Head office, funding center and others – Pre-tax profit decreased by RM108.6 million (-24.6%) to RM333.5 million, mainly due to lower net interest and financing income resulting from the tapering effect of overnight policy rate hikes.
- 8) Overseas operations – Pre-tax profit decreased by RM46.2 million (-25.7%) to RM133.5 million which was mainly due to higher loan impairment allowance, lower fee and other income and higher other operating expenses, partially mitigated by higher net interest income.

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

B2. Variation of Results Against Preceding Quarter

Key Profit or Loss Items:	Group Quarter Ended		Variance	
	31 March 2024	31 December 2023		
	RM'000	RM'000	RM'000	%
Profit before tax expense and zakat	2,131,707	2,067,625	64,082	3.1
Net profit attributable to equity holders of the Bank	1,653,349	1,615,457	37,892	2.3
Other comprehensive income / (loss) (net)	236,354	(176,153)	412,507	> 100.0

For the 1st quarter ended 31 March 2024, the Group registered a pre-tax profit of RM2,131.7 million, an increase of RM64.1 million or +3.1% as compared to the pre-tax profit of RM2,067.6 million for the immediate preceding quarter ended 31 December 2023. Net profit attributable to equity holders increased by RM37.9 million or +2.3% to RM1,653.3 million over the same period. For the quarter under review, net interest and Islamic banking income improved by RM72.6 million (+2.7%), non-interest/financing income increased by RM47.7 million (+7.9%) whereas loan impairment allowance decreased by RM33.6 million (+34.6%). These were partially offset by higher other operating expenses (RM96.5 million or -8.8%).

Other comprehensive income (net) of the Group for the current quarter was RM236.4 million as compared to other comprehensive loss (net) of RM176.2 million in the immediate preceding quarter, which was an increase of RM412.5 million. This was mainly attributable to gains on foreign currency translation and cash flow hedges in the current quarter as compared to losses recorded (including loss on remeasurement of defined benefit plan) in the immediate preceding quarter. These were partially offset by lower revaluation gain on financial investments in the current quarter.

B3. Prospects for 2024

The global economy is expected to grow in 2024, with downside risks weighed by protracted geopolitical tension(s) and volatility in global financial markets. In the US, inflation has been easing and the Federal Reserve seeks to achieve maximum employment. Regional economies are expected to improve, while China's growth would likely remain modest amid ongoing weakness in the property market. 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 external demand and 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 in 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.

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

B3. Prospects for 2024 (continued)

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 SME lending businesses by leveraging on its strong franchise and relationship with customers.

Amid financial market uncertainty, 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 challenging. 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 economic prospects.

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.

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

B5. Tax Expense and Zakat

The analysis of the tax expense for 1st quarter ended 31 March 2024 are as follows:

Group	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Malaysian income tax	394,452	409,547	394,452	409,547
Overseas income tax	33,164	39,634	33,164	39,634
	<u>427,616</u>	<u>449,181</u>	<u>427,616</u>	<u>449,181</u>
Over provision in prior years				
- Malaysian income tax	-	(59)	-	(59)
- Overseas income tax	(2,751)	(2,894)	(2,751)	(2,894)
	<u>424,865</u>	<u>446,228</u>	<u>424,865</u>	<u>446,228</u>
Deferred tax expense / (income)				
- Relating to origination and reversal of temporary differences	49,409	39,232	49,409	39,232
- Over provision	(325)	-	(325)	-
Tax expense	<u>473,949</u>	<u>485,460</u>	<u>473,949</u>	<u>485,460</u>
Zakat	630	518	630	518
	<u>474,579</u>	<u>485,978</u>	<u>474,579</u>	<u>485,978</u>

The Group's effective tax rates for the current period and the previous year corresponding period were lower than the statutory tax rate mainly due to the effects of lower tax rates in other tax jurisdictions and certain income not subject to tax.

Bank	1st Quarter Ended		Three Months Ended	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
Malaysian income tax	282,596	344,116	282,596	344,116
Overseas income tax	1,204	3,194	1,204	3,194
	<u>283,800</u>	<u>347,310</u>	<u>283,800</u>	<u>347,310</u>
Over provision in prior years				
- Overseas income tax	(1,830)	(2,055)	(1,830)	(2,055)
	<u>281,970</u>	<u>345,255</u>	<u>281,970</u>	<u>345,255</u>
Deferred tax expense				
- Relating to origination and reversal of temporary differences	50,908	42,127	50,908	42,127
	<u>332,878</u>	<u>387,382</u>	<u>332,878</u>	<u>387,382</u>

The Bank's effective tax rate for the current period was higher than the statutory tax rate mainly due to certain expenses not deductible for tax purpose.

The Bank's effective tax rate for the previous year corresponding period was lower than the statutory tax rate mainly due to certain income not subject to tax.

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

B6. Status of Corporate Proposals Announced but Not Completed

There were no corporate proposals announced but not completed as at end of the current period other than as disclosed in Note A26(b).

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 2023 and Pillar 3 Disclosures section of the 2023 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 March 2024							
Hong Kong Dollar ("HKD") term loan	663,844	-	-	-	663,844	-	663,844
United States Dollar ("USD") term loan	943,099	-	-	-	943,099	-	943,099
USD syndicated term loan	1,745,521	-	-	-	1,745,521	-	1,745,521
RM Senior Medium Term notes / sukuk murabahah	-	1,889,935	-	-	-	1,889,935	1,889,935
RM Subordinated notes / sukuk murabahah	-	3,498,306	-	2,500,000	-	5,998,306	5,998,306
	3,352,464	5,388,241	-	2,500,000	3,352,464	7,888,241	11,240,705
As At 31 December 2023							
HKD term loan	645,517	-	-	-	645,517	-	645,517
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 March 2023							
HKD term loan	617,250	-	-	-	617,250	-	617,250
USD term loan	880,163	-	-	-	880,163	-	880,163
USD syndicated term loan	1,629,167	-	-	-	1,629,167	-	1,629,167
RM Senior Medium Term notes / sukuk murabahah	-	1,889,871	-	909,999	-	2,799,870	2,799,870
RM Subordinated notes / sukuk murabahah	-	4,999,148	-	1,000,000	-	5,999,148	5,999,148
RM Additional Tier I capital securities	-	-	-	99,972	-	99,972	99,972
	3,126,580	6,889,019	-	2,009,971	3,126,580	8,898,990	12,025,570

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 March 2024							
USD term loan	943,099	-	-	-	943,099	-	943,099
USD syndicated term loan	1,745,521	-	-	-	1,745,521	-	1,745,521
RM Senior Medium Term notes	-	889,935	-	-	-	889,935	889,935
RM Subordinated notes	-	2,998,306	-	2,000,000	-	4,998,306	4,998,306
	<u>2,688,620</u>	<u>3,888,241</u>	<u>-</u>	<u>2,000,000</u>	<u>2,688,620</u>	<u>5,888,241</u>	<u>8,576,861</u>
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 March 2023							
USD term loan	880,163	-	-	-	880,163	-	880,163
USD syndicated term loan	1,629,167	-	-	-	1,629,167	-	1,629,167
RM Senior Medium Term notes	-	889,871	-	909,999	-	1,799,870	1,799,870
RM Subordinated notes	-	3,999,148	-	1,000,000	-	4,999,148	4,999,148
RM Additional Tier I capital securities	-	-	-	99,972	-	99,972	99,972
	<u>2,509,330</u>	<u>4,889,019</u>	<u>-</u>	<u>2,009,971</u>	<u>2,509,330</u>	<u>6,898,990</u>	<u>9,408,320</u>
Exchange rates used:	HKD	USD					
As at 31 March 2024	0.60396	4.72650					
As at 31 December 2023	0.58750	4.59000					
As at 31 March 2023	0.56245	4.41500					

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

No dividend has been proposed for the 1st quarter ended 31 March 2024.

B12. Earnings Per Share

	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
Net profit attributable to equity holders (RM'000)	<u><u>1,653,349</u></u>	<u><u>1,713,963</u></u>	<u><u>1,653,349</u></u>	<u><u>1,713,963</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>8.52</u></u>	<u><u>8.83</u></u>	<u><u>8.52</u></u>	<u><u>8.83</u></u>

Diluted

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